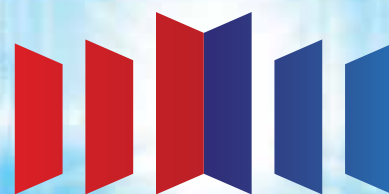


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MMAG

ANNUAL REPORT **2024**

Building Tomorrow's
Supply Chain *Today*

Vision and Mission

MMAG is driven by a vision to lead the supply chain management business.

Our mission is to use entrepreneurship, creativity, technology, strategic partnerships and teamwork to Mobilise Business in Malaysia and beyond.

- **We** will provide high value-added courier, logistics, transportation and related services that customers want to use and come back to.
- **We** will empower our team with technology to deliver gratification to our customers with immediacy and security.
- **We** will mobilise people, get things going and keep things moving in these challenging times and into the future.
- **We** will be the first choice not only for supply chain management solutions, but also for career, partnership and investment opportunities.

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CHAIRMAN'S STATEMENT



**TAN SRI DATO' SERI
MOHD KHAIRUL ADIB
BIN ABD RAHMAN**

CONNECTIVITY IS THE KEY TO PROGRESS

Connectivity opens possibilities and creates opportunities, empowers enterprise and grows business, brings people and ideas together. Connectivity is the lifeline to our future.

MMAG connects people and businesses in Malaysia and abroad. We Mobilise Malaysia on land, by sea and in the air with 119 strategically placed hubs, depots and stations across the country, serviced by 530 vehicles, including aircraft and environmentally sustainable EVs.

Our omnichannel supply chain inclusive of aviation arm spans Malaysia, China, India, Indonesia, Myanmar, Vietnam, Hong Kong and Macau, and is expanding by the day.

We are building a dynamic Spider Connectivity Web within the organisation to increase efficiency and productivity. This is expandable and contractable to accommodate changing conditions and user requirements. Its multi-layered structure captures comprehensive information to provide navigation and routing capabilities. This bridges land and air connectivity to enhance accessibility and navigation, offer layered information on transportation networks and points of interest. It captures vast amounts of data for actionable insights.

We mobilise ideas and dreams, we mobilise ambition and expansion, we mobilise people and business, we Mobilise Malaysia.

BOARD OF DIRECTORS



**TAN SRI DATO' SERI
MOHD KHAIRUL ADIB
BIN ABD RAHMAN**
CHAIRMAN

Independent Non-Executive
Director



CHIN BOON LONG
Executive Director



CHAN SWEE YING
Alternate Director To
Chin Boon Long



CHONG KOON MENG (JEFF)
Executive Director



YEAP SAY WOI
Independent Non-Executive
Director



DATO' SOK ONE A/L ESEN
Independent Non-Executive
Director



**HAJI NOORZAINY BIN
HAJI MOHD NOOR**
Independent Non-Executive
Director



AZMAN BIN MAT ALI
Independent Non-Executive
Director



**DATO' CHE NAZLI BINTI
JAAPAR**
Independent Non-Executive
Director



CHAIRMAN'S PROFILE

TAN SRI DATO' SERI MOHD KHAIRUL ADIB BIN ABD RAHMAN

Chairman
Independent Non-Executive Director

Nationality: Malaysian
Age: 63
Gender: Male

Date of Appointment as Director of MMAG Holdings Berhad:
7 February 2022

Length of Service as Independent Non-Executive Director:
2 years and 11 months

Attendance at Board Meeting during the year:
Attended 7 of 7 meetings

Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman served as Director-General of the Public Service Department ("PSD") from 1 October 2019 to 16 January 2022. Prior to that, Tan Sri Dato' Seri Mohd Khairul was the Deputy Secretary-General of the Ministry of Transport ("MOT") from August 2017 before he was promoted to Secretary-General of the MOT in January 2019.

He served the Ministry of Entrepreneur Development, Ministry of Science, Technology and the Environment ("MOSTE"), Embassy of Malaysia in Japan and the High Commission of Malaysia in London. Upon his return, he served at the Ministry of Science, Technology and Innovation ("MOSTI") followed by the Ministry of Education ("MOE").

Tan Sri Dato' Seri Mohd Khairul Adib also served in various Boards including the Employee Provident Fund, Inland Revenue Board, Kumpulan Wang Persaraan (Diperbadankan), Malaysian Aviation Commission, Malaysia Airports Holding Berhad, Keretapi Tanah Melayu Berhad, Konsortium Pelabuhan Kemaman Sdn. Bhd., Malaysian Maritime Academy Sdn. Bhd., Malaysia Rail Link Sdn. Bhd., MyHSR Corporation Sdn. Bhd., Prasarana Malaysia Berhad, Bintulu Port Authority, Port Klang Authority, Johor Port Authority, Pelabuhan Tanjung Pelepas Sdn. Bhd., Railway Assets Corporation, Northern Gateway Sdn. Bhd., Razak School of Government, Bukit Kayu Hitam Development Sdn. Bhd., Civil Aviation Authority of Malaysia and Malaysian Qualifications Agency.

Tan Sri Dato' Seri Mohd Khairul Adib graduated with a Bachelor Science with Honours degree from UKM and has a Postgraduate Diploma in Public Management from Institut Tadbiran Awam Negara ("INTAN"). He also holds a Master's in Public Policy from Saitama University, Japan under Japanese Government Scholarship.

He also sits on the Board of Directors of Westports Holdings Berhad as an Independent Non-Executive Director, Ingenieur Gudang Berhad as an Independent Non-Executive Chairman and Datasonic Group Berhad as an Independent Non-Executive Director.

Notes:

Other Information

- None of the Directors have any directorship with any public or listed companies, except for Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman, Mr. Chin Boon Long, Dato' Sok One A/L Esen, Encik Azman Bin Mat Ali, Dato' Che Nazli Binti Jaapar and Madam Chan Swee Ying (as disclosed in this Annual Report).
- Except for Mr. Chin Boon Long is the spouse of his alternate director, Madam Chan Swee Ying, none of the Directors have any family relationship with any other Directors/or major shareholders of the Company.

Conflict of Interest

- None of the Directors have any conflict of interest with the Company.

Conviction for Offences

- None of the Directors have been convicted of any offences within the past 5 years other than traffic offences, if any.
- None of the Directors have any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

BOARD OF DIRECTORS' PROFILE

CHIN BOON LONG

Executive Director

Nationality: Malaysian

Age: 56

Gender: Male

Date of Appointment as Director of MMAG Holdings Berhad:
2 January 2024

Length of Service as Executive Director:
1 year and 0 month

Attendance at Board Meeting during the year:
Attended 3 of 3 meetings (Appointed on 2 January 2024)



Chin Boon Long joined MMAG in January 2024 as an Executive Director of the Company. He had more than 20 years of vast experience in the ICT industry. He began his career in 1995 with an ICT company in Taiwan. He had held various positions in the company before he was promoted to the position of Sales Director in 2003. He acquired PC3 Technology Sdn. Bhd. together with a business partner in 2004. Since then, he assumed the role as Managing Director of PC3 Technology Sdn. Bhd. and has led the company to become one of the leading authorised dealers of various international brands in Malaysia.

Since year 2015 until present, he focuses entirely on expanding his personal investments portfolios through private companies which has spread out to various industries including ICT, constructions, manufacturing and property development, finance and others.

Mr. Chin holds a Masters in Business Administration from Universiti Kebangsaan Malaysia ("UKM") and a Bachelor in Engineering (Electronic Computers) from Universiti Pertanian Malaysia.

He also sits on the Board of Directors of Ingenieur Gudang Berhad as an Executive Director.

Mr. Chin holds deemed interests in the Company through the shareholdings of his spouse, Madam Chan Swee Ying in the Company as at the date of this report.

Notes:

Other Information

- None of the Directors have any directorship with any public or listed companies, except for Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman, Mr. Chin Boon Long, Dato' Sok One A/L Esen, Encik Azman Bin Mat Ali, Dato' Che Nazli Binti Jaapar and Madam Chan Swee Ying (as disclosed in this Annual Report).
- Except for Mr. Chin Boon Long is the spouse of his alternate director, Madam Chan Swee Ying, none of the Directors have any family relationship with any other Directors/or major shareholders of the Company.

Conflict of Interest

- None of the Directors have any conflict of interest with the Company.

Conviction for Offences

- None of the Directors have been convicted of any offences within the past 5 years other than traffic offences, if any.
- None of the Directors have any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

BOARD OF DIRECTORS' PROFILE (cont'd)



CHAN SWEE YING

Alternate Director to Chin Boon Long

Nationality: Malaysian

Age: 52

Gender: Female

Re-designated from Non-Independent Non-Executive Director to Alternate Director to Chin Boon Long:
2 January 2024

Length of Service as Alternate Director to Chin Boon Long:
1 year and a month

Attendance at Board Meeting during the year:
Attended 3 of 4 meetings

Chan Swee Ying has more than 20 years of working experience and a strong background in the Information Technology ("IT") industry. She started her career with Oracle Malaysia in 1996 before moving on to DHL Asia Pacific IT department in year 2015 managing both local and regional projects.

She is also well experienced in the Human Resources field, having assumed the role of General Manager from 2010 to 2015 at an ICT group of companies. She also assisted in developing business plans to secure financial support from the banking institutions for the company's growth.

Madam Chan holds a Degree in Computer Science from University Putra Malaysia ("UPM").

She also sits on the Board of Directors of Ingenieur Gudang Berhad as an Alternate Director to Chin Boon Long.

Madam Chan holds 432,362,400 ordinary shares and 13,000,000 warrants indirect interests in the Company as at the date of this report.

Notes:

Other Information

- None of the Directors have any directorship with any public or listed companies, except for Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman, Mr. Chin Boon Long, Dato' Sok One A/L Esen, Encik Azman Bin Mat Ali, Dato' Che Nazli Binti Jaapar and Madam Chan Swee Ying (as disclosed in this Annual Report).
- Except for Mr. Chin Boon Long is the spouse of his alternate director, Madam Chan Swee Ying, none of the Directors have any family relationship with any other Directors/or major shareholders of the Company.

Conflict of Interest

- None of the Directors have any conflict of interest with the Company.

Conviction for Offences

- None of the Directors have been convicted of any offences within the past 5 years other than traffic offences, if any.
- None of the Directors have any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

BOARD OF DIRECTORS' PROFILE (cont'd)

CHONG KOON MENG (JEFF)

Executive Director

Nationality: Malaysian

Age: 58

Gender: Male

Date of Appointment as Director of MMAG Holdings Berhad:
15 July 2016

Length of Service as Executive Director:
8 years and 6 months

Attendance at Board Meeting during the year:
Attended 7 of 7 meetings



Jeff Chong joined MMAG in March 2015 and was appointed Executive Director on 15 July 2016. He also serves as the Chief Executive Officer of MMAG Digital Sdn. Bhd., a wholly-owned sub-subsidiary of MMAG.

With more than 25 years of diverse leadership experience, Mr. Chong has worked with renowned organizations such as Digi, Maxis, and Ooredoo. At MMAG, his forward-thinking leadership has been pivotal in transforming the company from an IT-focused business into a dynamic supply chain management company. His commitment to sustainability has driven the adoption of electric commercial vehicles, aligning the company with global ESG goals and reducing its carbon footprint.

Mr. Chong's dedication to continuous learning has led him to pursue Executive Education programs at Stanford University, USA, and the Stockholm School of Economics, Sweden. He also holds a Master of Business Administration (MBA) from Charles Sturt University, Australia, and a Bachelor's degree in Economics with a specialization in Statistical Economics from the National University of Malaysia (UKM).

He holds 440,000 ordinary shares and 165,000 warrants in the Company as at the date of this report.

Notes:

Other Information

- None of the Directors have any directorship with any public or listed companies, except for Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman, Mr. Chin Boon Long, Dato' Sok One A/L Esen, Encik Azman Bin Mat Ali, Dato' Che Nazli Binti Jaapar and Madam Chan Swee Ying (as disclosed in this Annual Report).
- Except for Mr. Chin Boon Long is the spouse of his alternate director, Madam Chan Swee Ying, none of the Directors have any family relationship with any other Directors/or major shareholders of the Company.

Conflict of Interest

- None of the Directors have any conflict of interest with the Company.

Conviction for Offences

- None of the Directors have been convicted of any offences within the past 5 years other than traffic offences, if any.
- None of the Directors have any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.



BOARD OF DIRECTORS' PROFILE (cont'd)

YEAP SAY WOI

Independent Non-Executive Director
 Audit Committee (Chairman)
 Nomination Committee (Member)
 Remuneration Committee (Member)

Nationality: Malaysian

Age: 70

Gender: Male

Date of Appointment as Director of MMAG Holdings Berhad:
 1 November 2018

Length of Service as Independent Non-Executive Director:
 6 years and 2 months

Attendance at Board Meeting during the year:
 Attended 7 of 7 meetings

Yeap Say Woi worked at the Renong Berhad's group of companies for 12 years. His last position was Head of Finance at Time Dotcom Berhad before retiring to take up the position as a lecturer in a local university. Prior to that, he was a Finance Manager at a public listed company specialising in the manufacturing of cement and building materials. He also has 5 years' working experience in an audit firm.

Mr. Yeap holds a Bachelor of Science Degree majoring in Mathematics. He is a Fellow Member of the Chartered Institute of Management Accountants and a member of the Malaysian Institute of Accountants.

He does not hold any directorships in other public companies or listed companies.

Notes:

Other Information

- None of the Directors have any directorship with any public or listed companies, except for Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman, Mr. Chin Boon Long, Dato' Sok One A/L Esen, Encik Azman Bin Mat Ali, Dato' Che Nazli Binti Jaapar and Madam Chan Swee Ying (as disclosed in this Annual Report).
- Except for Mr. Chin Boon Long is the spouse of his alternate director, Madam Chan Swee Ying, none of the Directors have any family relationship with any other Directors/or major shareholders of the Company.

Conflict of Interest

- None of the Directors have any conflict of interest with the Company.

Conviction for Offences

- None of the Directors have been convicted of any offences within the past 5 years other than traffic offences, if any.
- None of the Directors have any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

BOARD OF DIRECTORS' PROFILE (cont'd)

DATO' SOK ONE A/L ESEN

Independent Non-Executive Director
Nomination Committee (Chairman)
Remuneration Committee (Chairman)
Audit Committee (Member)

Nationality: Malaysian

Age: 66

Gender: Male

Date of Appointment as Director of MMAG Holdings Berhad:
12 April 2021

Length of Service as Independent Non-Executive Director:
3 years and 9 months

Attendance at Board Meeting during the year:
Attended 7 of 7 meetings



Dato' Sok One A/L Esen started his career as an investigation officer in the Anti-Corruption Agency which is now known as the Malaysian Anti-Corruption Commission ("MACC") in 1981, serving in various capacities and states including Perak, Kelantan and Sarawak.

In his 37-year career with the MACC, Dato' Sok One has worked closely with Independent Commission Against Corruption of Hong Kong ("ICAC"), National Anti-Corruption Commission Thailand ("NACC"), Corrupt Practice Investigation Bureau of Singapore ("CPIB") and KAPIKA Indonesia in financial and money laundering investigation. He was also the pioneer of Anti-Money Laundering Act investigation in MACC and was assigned to Thailand, Sri Lanka, Czech Republic and the United States of America for training.

In recognition of his service to the nation, he was conferred with the honour of Darjah Indera Mahkota Pahang ("DIMP") from the Sultan of Pahang which carries the title of Dato' in 2015. He is now one of the directors of a security company known as Special Skills Security Services Sdn. Bhd. which provides various professional and protective security services. As the director, he is responsible for overseeing the operations and business development of the company.

Dato' Sok One holds a Degree in Social Science from the University Science of Malaysia ("USM") and Degree in Jurisprudence from the University of Malaya ("UM").

He also sits on the Board of Directors of Fitters Diversified Berhad as an Independent Non-Executive Chairman.

Notes:

Other Information

- None of the Directors have any directorship with any public or listed companies, except for Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman, Mr. Chin Boon Long, Dato' Sok One A/L Esen, Encik Azman Bin Mat Ali, Dato' Che Nazli Binti Jaapar and Madam Chan Swee Ying (as disclosed in this Annual Report).
- Except for Mr. Chin Boon Long is the spouse of his alternate director, Madam Chan Swee Ying, none of the Directors have any family relationship with any other Directors/or major shareholders of the Company.

Conflict of Interest

- None of the Directors have any conflict of interest with the Company.

Conviction for Offences

- None of the Directors have been convicted of any offences within the past 5 years other than traffic offences, if any.
- None of the Directors have any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.



BOARD OF DIRECTORS' PROFILE (cont'd)

AZMAN BIN MAT ALI

Independent Non-Executive Director
Remuneration Committee (Member)
Nomination Committee (Member)

Nationality: Malaysian

Age: 61

Gender: Male

Date of Appointment as Director of MMAG Holdings Berhad:
3 January 2024

Length of Service as Independent Non-Executive Director:
1 year and 0 month

Attendance at Board Meeting during the year:
Attended 3 of 3 meetings (Appointed on 3 January 2024)

Azman Bin Mat Ali is an accomplished professional whose illustrious career unfolded within the esteemed Bank Negara Malaysia (the Central Bank of Malaysia), spanning from 1988 to 2023, during which he held various senior positions and made substantial contributions to the financial sector.

He recently retired as the Director of Currency Management and Operations Department, a position where he had held since 2018. During his tenure Currency Management and Operations Department, he was tasked with overseeing critical initiatives such as the issuance of new series banknotes and coins in 2012, the development and operationalisation of the Automated Cash Centre in 2016, and the development and implementation of the Currency Act 2020.

Encik Azman holds a Masters in Business Administration from Drake University, Des Moines, Iowa, U.S.A and a Bachelor in Business Administration from Iowa University, Ames, Iowa, U.S.A.

He also sits on the Board of Directors of Velocity Capital Partner Berhad as a Non-executive Chairman.

Notes:

Other Information

- None of the Directors have any directorship with any public or listed companies, except for Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman, Mr. Chin Boon Long, Dato' Sok One A/L Esen, Encik Azman Bin Mat Ali, Dato' Che Nazli Binti Jaapar and Madam Chan Swee Ying (as disclosed in this Annual Report).
- Except for Mr. Chin Boon Long is the spouse of his alternate director, Madam Chan Swee Ying, none of the Directors have any family relationship with any other Directors/or major shareholders of the Company.

Conflict of Interest

- None of the Directors have any conflict of interest with the Company.

Conviction for Offences

- None of the Directors have been convicted of any offences within the past 5 years other than traffic offences, if any.
- None of the Directors have any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

BOARD OF DIRECTORS' PROFILE (cont'd)

HAJI NOORZAINY BIN HAJI MOHD NOOR

Independent Non-Executive Director

Nationality: Malaysian

Age: 61

Gender: Male

Date of Appointment as Director of MMAG Holdings Berhad:
30 June 2023

Length of Service as Independent Non-Executive Director:
1 year and 6 months

Attendance at Board Meeting during the year:
Attended 5 of 6 meetings (Appointed on 30 June 2023)



Haji Noorzainy Bin Haji Mohd Noor started his police career with the rank of Inspector on 27 December 1982 and served as a Criminal Investigating Officer at IPD Klang, Selangor after his training. In 1992, he was transferred to serve as Lecturer and Sports Training Officer at Kuala Lumpur Police Training Centre ("PULAPOL") with the rank of Chief Inspector of Police.

In 1995, he was transferred to IPD Klang, Selangor as a Traffic Investigating Officer for 3 years. For his excellent performance and commitment, he was promoted to the rank of Assistant Superintendent of Police on 1 January 1998 and served as Traffic Enforcement ASP at Traffic Branch, Selangor Contingent Police Headquarters. With his extensive experience, on 15 March 2004, he was transferred to IPD Shah Alam and served as Head of Public Security Division for 17 months.

He also served as Deputy Head of Crime Prevention and Community Security Department (Operations), Terengganu Contingent Police Headquarters and Officer in Charge of Jempol Police District, Negeri Sembilan with the rank of Superintendent of Police and subsequently promoted to the rank of Assistant Commissioner of Police as Officer in Charge of Seberang Perai Utara Police District, Pulau Pinang.

On 20 April 2023, he had officially retired from the Royal Malaysian Police Force as a Senior Assistant Commissioner and Head of Crime Prevention and Community Security Department in Perak Contingent Police Headquarters, a position he has held since August 2021.

Haji Noorzainy holds a Diploma In Law from Universiti Teknologi Mara ("UiTM"), Shah Alam in 1986.

He does not hold any directorships in other public companies or listed companies.

Notes:

Other Information

- None of the Directors have any directorship with any public or listed companies, except for Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman, Mr. Chin Boon Long, Dato' Sok One A/L Esen, Encik Azman Bin Mat Ali, Dato' Che Nazli Binti Jaapar and Madam Chan Swee Ying (as disclosed in this Annual Report).
- Except for Mr. Chin Boon Long is the spouse of his alternate director, Madam Chan Swee Ying, none of the Directors have any family relationship with any other Directors/or major shareholders of the Company.

Conflict of Interest

- None of the Directors have any conflict of interest with the Company.

Conviction for Offences

- None of the Directors have been convicted of any offences within the past 5 years other than traffic offences, if any.
- None of the Directors have any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

BOARD OF DIRECTORS' PROFILE (cont'd)



DATO' CHE NAZLI BINTI JAAPAR

Independent Non-Executive Director
Audit Committee (Member)

Nationality: Malaysian
Age: 61
Gender: Female

Date of Appointment as Director of MMAG Holdings Berhad:
3 January 2024

Length of Service as Independent Non-Executive Director:
1 year and 0 month

Attendance at Board Meeting during the year:
Attended 2 of 3 meetings (Appointed on 3 January 2024)

Dato' Che Nazli had recently retired as the Under Secretary, Tax Division, Ministry of Finance (MOF), holding the position since February 2021. Prior to that, she was the Chief Operating Officer in SME Corporation Malaysia, Director of Human Resource Management Division, Ministry of International Trade and Industry and Chief Administration Officer, the National Palace.

Dato' Che Nazli has wide international exposure on Implementation of e-Invoicing: Mexico Experience (Mexico Tax Office), Tax Modelling (Australian Tax Office), Economic Policy Design (MOF Japan), Leadership and Strategic Change (University of Cambridge, UK), Innovation & Productivity in Public Administration (Switzerland), Leadership Development Program (London). She also actively involved in the Tax Conferences and Seminars organised by Inland Revenue Board, Chartered Tax Institute of Malaysia (CTIM), EY, KPMG and PWC as a speaker, panelist and moderator.

Dato' Che Nazli is also a lead negotiator for Double Taxation Avoidance Agreement (DTAA) between Malaysia and Georgia, Russia and Maldives. Besides, she is also involved in negotiation for Mutual Agreement Procedure (MAP), Advance Pricing Arrangement (APA) and Bilateral Advance Pricing Arrangement (BAPA) with Canada, Japan, Korea, Denmark and Netherlands.

She holds a Bachelor's degree in Business Administration (Finance) from University of Tulsa, U.S.A and a Diploma in Public Management from Natural Institute of Public Administration, Malaysia.

Dato' Che Nazli is an Independent Non-Executive Director of Jati Tinggi Group Berhad and Datasonic Group Berhad. She also serves on the board of Infinity Logistics and Transport Ventures Limited, a public listed company in Hong Kong.

Notes:

Other Information

- None of the Directors have any directorship with any public or listed companies, except for Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman, Mr. Chin Boon Long, Dato' Sok One A/L Esen, Encik Azman Bin Mat Ali, Dato' Che Nazli Binti Jaapar and Madam Chan Swee Ying (as disclosed in this Annual Report).
- Except for Mr. Chin Boon Long is the spouse of his alternate director, Madam Chan Swee Ying, none of the Directors have any family relationship with any other Directors/or major shareholders of the Company.

Conflict of Interest

- None of the Directors have any conflict of interest with the Company.

Conviction for Offences

- None of the Directors have been convicted of any offences within the past 5 years other than traffic offences, if any.
- None of the Directors have any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

KEY SENIOR MANAGEMENT PERSONNEL'S PROFILE

The Key Senior Management Personnel are as follows:

1. **Chin Boon Long**
Executive Director
2. **Chong Koon Meng (Jeff)**
Executive Director
3. **Lim Poh Leng (Pauline)**
Chief Finance Officer ("CFO")

The profile of the Executive Directors are outlined in their respective profile on pages 6 and 8.

The profile of CFO is outlined on page 15.

KEY SENIOR MANAGEMENT PERSONNEL'S PROFILE (cont'd)

LIM POH LENG (PAULINE)

Nationality: Malaysian

Age: 51

Gender: Female

Date of Appointment as Chief Financial Officer of MMAG Holdings Berhad:

2 September 2024

Length of Service as CFO:

0 year and 4 months

Ms. Pauline Lim began her career in external audit with PricewaterhouseCoopers in 1997, auditing various public listed and private limited companies.

In 2005, she started her internal audit career with Proton as Senior Manager and resumed the position as Head of Internal Audit for Proton in 2012. With her extensive internal audit experience in manufacturing industry, she was asked to join DRB-HICOM Berhad internal audit in 2016 to oversee the internal audit team for manufacturing division.

In 2018, she joined Delcol Industries (M) Sdn Bhd as Chief Operating Officer to oversee financial and operations of the company. After 5 years being involved in the operations at Delcol, she was appointed as the Head of Internal Audit in a new company to prepare the company in getting listed in Nasdaq in USA.

With her extensive audit knowledge and skills for more than 25 years in financial, compliance and operational areas within the manufacturing and service industries, Ms. Pauline Lim has a record of achievement in streamlining audit process, identifying significant control weakness to increase the effectiveness and efficiency of the operations.

She also sits on the Board of Directors of Hong Seng Consolidated Berhad as an Independent Non-Executive Director.

CORPORATE INFORMATION

BOARD OF DIRECTORS

**TAN SRI DATO' SERI MOHD
KHAIRUL ADIB BIN ABD
RAHMAN**

Chairman
Independent Non-Executive
Director

YEAP SAY WOI

Independent Non-Executive
Director

**HAJI NOORZAINY BIN HAJI
MOHD NOOR**

Independent Non-Executive
Director

CHONG KOON MENG (JEFF)

Executive Director

**DATO' CHE NAZLI BINTI
JAAPAR**

Independent Non-Executive
Director

AZMAN BIN MAT ALI

Independent Non-Executive
Director

CHIN BOON LONG

Executive Director

DATO' SOK ONE A/L ESEN

Independent Non-Executive
Director

CHAN SWEE YING

Alternate Director to Chin Boon
Long

AUDIT COMMITTEE
Chairman

Yeap Say Woi

Member

Dato' Sok One A/L Esen
Dato' Che Nazli Binti Jaapar

REMUNERATION COMMITTEE
Chairman

Dato' Sok One A/L Esen

Member

Yeap Say Woi
Azman Bin Mat Ali

NOMINATION COMMITTEE
Chairman

Dato' Sok One A/L Esen

Member

Yeap Say Woi
Azman Bin Mat Ali

COMPANY SECRETARY

Lim Seck Wah
(MAICSA 0799845)
(SSM PC No. 202008000054)

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BUSINESS**

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E-mail : info@mmag.com.my
Website : www.mmag.com.my

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my

BANKER

Ambank (M) Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
HSBC Amanah Malaysia Berhad
Malayan Banking Berhad
Public Bank Berhad
RHB Bank Berhad
United Overseas Bank (Malaysia)
Berhad

**REGISTERED OFFICE AND
SHARE REGISTRAR**

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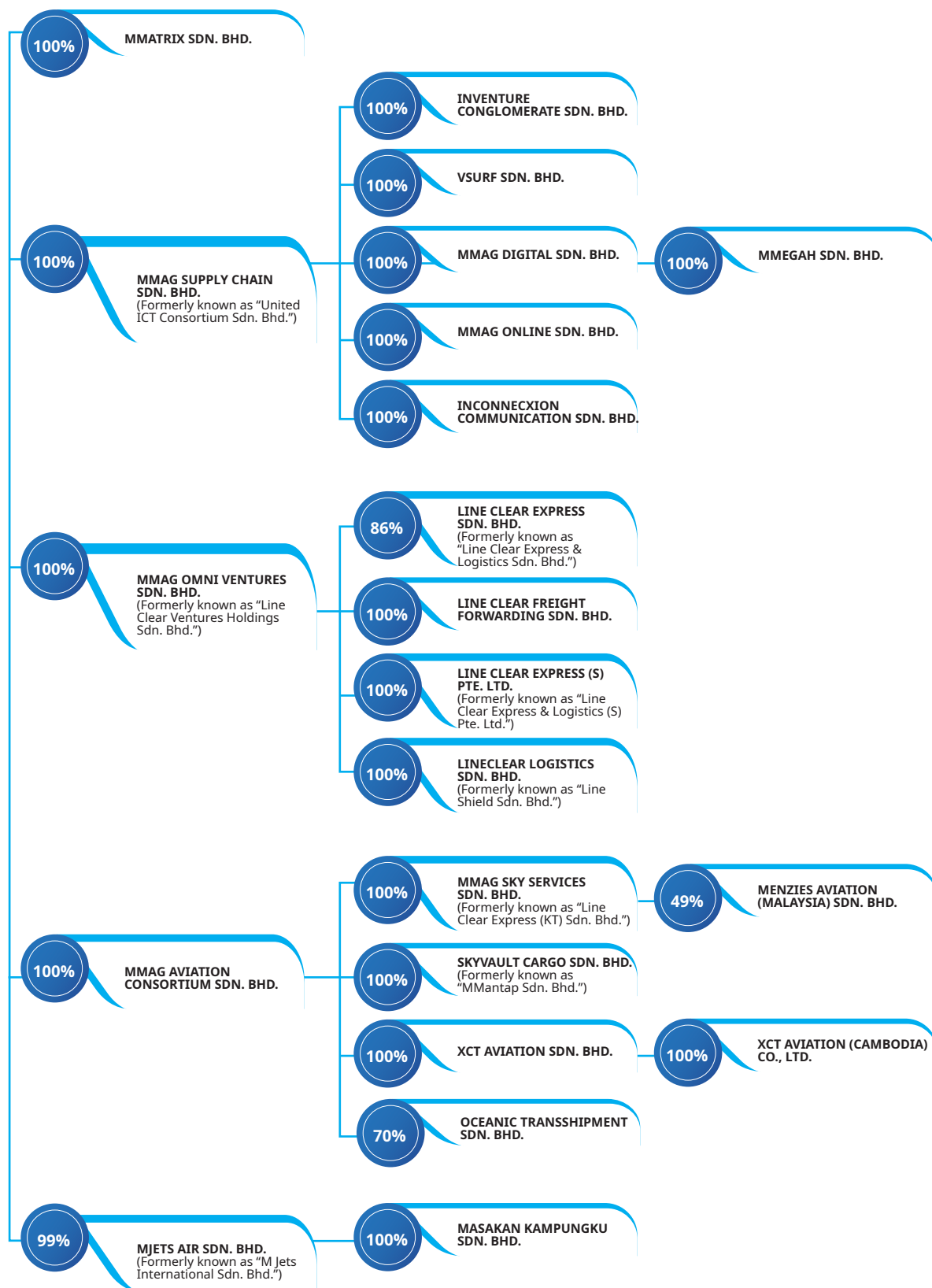
STOCK EXCHANGE LISTING

**ACE Market of Bursa Malaysia
Securities Berhad**
Stock name : **MMAG**
Stock code : **0034**

CORPORATE STRUCTURE

AS AT 30 SEPTEMBER 2024

MMAG HOLDINGS BERHAD





MMAG HOLDINGS BERHAD - ALL CLEAR AND READY TO MOBILISE MALAYSIA

MMAG Holdings Berhad ("MMAG") express courier service, Line Clear Express Sdn. Bhd. (formerly known as Line Clear Express & Logistics Sdn. Bhd.) ("Line Clear Express") has expanded its network and reach significantly over the years. We are mobilising businesses daily with 119 strategically placed hubs, depots and stations across the country, serviced by a modern fleet of 530 vehicles, 6% of which are environmentally sustainable Electric Vehicles. Our growing adoption of EVs and green technology reflects our commitment to reduce our carbon footprint and increase our support for sustainability.



PARTNERSHIP WITH MENZIES AVIATION - INTERNATIONAL GROUND OPERATOR



Investment and Expansion

MMAG Aviation Consortium Sdn. Bhd. ("MAC") is set to bolster Malaysia's role as a regional air cargo hub. The new cargo terminal at KLIA's Alibaba eWTP Hub will boost both efficiency and capacity.

Partnership with Menzies Aviation

MAC has set up a joint-venture company with Menzies Aviation for ground handling and aviation services. Menzies Aviation will assist in securing airport slots and traffic rights. This collaboration will facilitate operational efficiency, business expansion and generate new revenue streams.

Strategic Goals

Our strategic partnership with Menzies Aviation will simplify air cargo handling processes, capitalise on e-commerce growth, expand regional supply chain diversification and position Malaysia as a leading player in efficient logistics solutions.



OCEANIC TRANSSHIPMENT HUB

We have set up Malaysia's first Oceanic Transshipment Hub at Cainiao Aeropolis eWTP Hub, KLIA. This 26,000 square-foot facility will serve as the Regional Seafood Transshipment Hub, featuring custom-built fish tank working areas and cold storage to ensure seafood remains fresh.

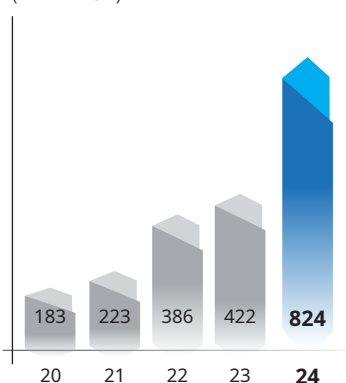
Strategically located, our hub is well-positioned to efficiently supply Malaysian and regional seafood to lucrative Asian markets, particularly China. In 2022, China's seafood market surpassed USD 80 billion and is expected to reach USD 130 billion by 2028, presenting a significant growth opportunity for oceanic transshipment.



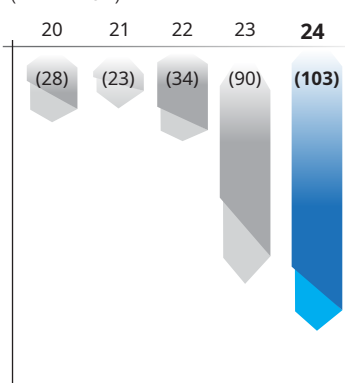
5-YEAR FINANCIAL HIGHLIGHTS

		2020	2021	2022	2023	2024
Results Of Operation						
Revenue	RM'000	182,541	222,795	385,878	422,096	824,371
LBITDA/PBITDA ((Loss)/Profit Before Interest, Taxes, Depreciation and Amortisation)	RM'000	(16,512)	(6,876)	5,592	(11,075)	26,483
Loss Before Taxation	RM'000	(28,072)	(22,904)	(33,654)	(89,864)	(103,328)
Loss After Taxation	RM'000	(28,075)	(23,048)	(32,258)	(89,392)	(105,094)
Net Loss Attributable To Equity Holders	RM'000	(27,880)	(23,096)	(22,654)	(73,826)	(95,582)
Financial Position						
Total Assets	RM'000	163,398	306,040	803,242	598,493	720,390
Total Borrowings	RM'000	36,222	48,731	316,701	352,365	349,597
Shareholders' Equity	RM'000	100,765	219,076	376,252	170,624	288,132
Financial Indicators						
Return On Equity	%	(27.7)	(10.5)	(6.0)	(43.3)	(33.2)
Return On Total Assets	%	(17.1)	(7.5)	(2.8)	(12.3)	(13.3)
Gearing Ratio	times	0.4	0.2	0.8	2.1	1.2
Interest Cover	times	(10.9)	(8.1)	(3.8)	(4.2)	(3.1)
Basic Loss Per Share	sen	(3.96)	(2.31)	(1.82)	(38.38)	(9.73)
Net Assets Per Share	sen	14.30	21.92	30.26	8.87	29.33
Share Price As At The Financial Year/Period End	sen	19.50	28.00	7.00	2.00	3.05

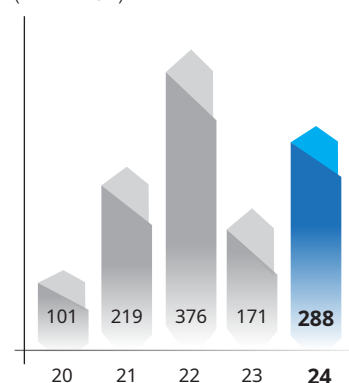
Revenue
(RM'million)



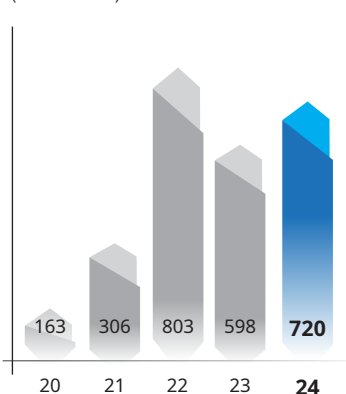
Loss Before Taxation
(RM'million)



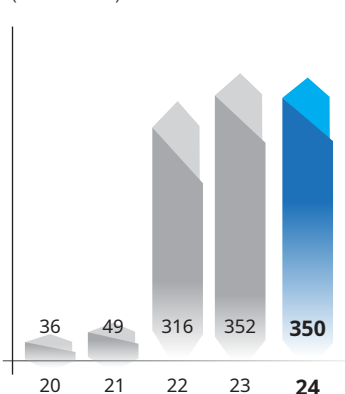
Shareholders' Equity
(RM'million)



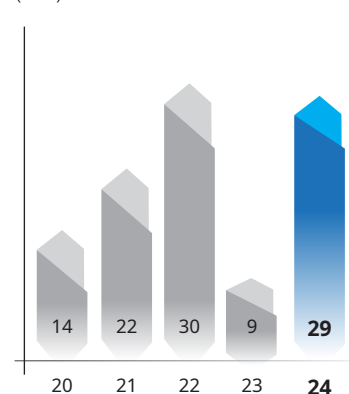
Total Assets
(RM'million)



Total Borrowings
(RM'million)



Net Assets Per Share
(sen)



MANAGEMENT DISCUSSION AND ANALYSIS

> OVERVIEW OF BUSINESS OPERATIONS

MMAG Holdings Berhad (“MMAG” or the “Group”), a publicly listed entity on Bursa Malaysia (Stock code: 0034) since 2009, was initially established as an investment holding company focused on the distribution of information technology products. Over the years, MMAG has evolved into a diverse corporation, venturing into supply chain management in 2016 and achieving significant milestones in the industry.

Driven by a vision to lead the supply chain management business in Malaysia, we continuously adopt cutting-edge technology solutions and foster entrepreneurial participation, believing that collaborative efforts yield greater breakthroughs than working alone. Our approach ensures that innovation and partnership drive our success across all business segments.

MMAG orchestrates comprehensive logistics services, providing first, mid, and last-mile delivery across Malaysia and Asia with full connectivity by air, sea, and land. We handle the flow of goods and services from manufacturing to consumer consumption, covering all phases of the logistics ecosystem.

In 2024, the Group embarked on a strategic internal restructuring to streamline our operations into three key business pillars: Supply Chain Management, Courier and Logistics, and Aviation. This ongoing restructuring is aimed at improving operational efficiency, enhancing service delivery, and better aligning our services with market demands. As part of this effort, we are continually assessing and optimizing our processes to ensure they meet the highest standards.

Line Clear Express Sdn. Bhd. (Formerly known as Line Clear Express & Logistics Sdn. Bhd.), (“Line Clear Express”) our courier and logistics specialist, has made significant strides in enhancing its operational capabilities. Through substantial investments in infrastructure, facilities, and automation—including the transition from manual labor to automated weighing and sorting machines—Line Clear has substantially increased its capacity to handle air waybills (AWBs). Initially capable of processing 20,000 AWBs per day, these enhancements have now enabled us to process up to 30,000 AWBs daily. This remarkable increase in throughput allows us to better serve our customers and meet the growing demand for our services.

Meanwhile our aviation arm, MMAG Aviation Sdn. Bhd. (“MAC”), which operates from Kuala Lumpur International Airport (KLIA) offers a wide range of cargo airline solutions, including commercial cargo services, ground handling, and oceanic transshipment hub operations. We also provide on-demand cargo depot services, all aimed at enhancing logistical efficiencies and customer satisfaction.

MAC is gaining significant momentum and recognition in the region, reinforced by securing contracts with major players like MasKargo, Teleport by AirAsia, China Southern Airways, All Nippon Airways, and other key cargo sales agents. These strategic partnerships firmly establish our role as a key feeder operator through MJets Air Sdn Bhd (formerly M Jets International Sdn Bhd). Leveraging these alliances, we provide reliable and efficient cargo services across Malaysia and the broader ASEAN region, underscoring our commitment to excellence in air freight logistics.

At the heart of our aviation operations is the Xpress Cargo Terminal (“XCT”), a state-of-the-art Cargo Terminal Operator (“CTO”) at KLIA. XCT is more than just a facility; it is a hub of innovation and efficiency. Equipped with the latest automated cargo handling technology, XCT includes advanced systems for cargo screening, sorting, and tracking, significantly enhancing processing speeds and accuracy. With a proven track record in handling sensitive and high-value cargo with precision, XCT sets the industry standard for excellence in cargo operations.

In addition, through Oceanic Transshipment Sdn Bhd, MMAG has pioneered the development of a specialized Oceanic Transshipment Hub, operational within the KLIA Cargo Terminal. This hub is dedicated to enhancing air cargo logistics and plays a critical role in the regional supply chain for live seafood, catering primarily to the high demand in China. Our efforts in developing this hub underscore our commitment to advancing Malaysia's position as a key player in the global logistics and supply chain industry.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

> ANALYSIS OF FINANCIAL RESULTS

The Group recorded revenue of RM824.37 million for the 18-month financial period from 1 April 2023 to 30 September 2024 ("FPE 2024"), compared to RM422.10 million for the previous financial year ended 31 March 2023 ("FYE 2023"), reflecting a substantial increase of RM402.27 million or 95.30%. On an annualised basis, the revenue for FPE 2024 was RM549.58 million, marking an increase of RM127.48 million or 30.20%. This robust growth was primarily driven by significant contributions from the Mobile & Fulfilments and Air Freight segments, which recorded annualised revenues of RM238.61 million and RM220.09 million, respectively. These figures represent increases of RM42.92 million or 21.93% and RM71.04 million or 47.66%, respectively, compared to RM195.69 million and RM149.05 million in FYE 2023.

The Mobile & Fulfilments segment benefitted from increased promotional activities by telecommunications companies, particularly the launch of new mobile phone models, which stimulated demand. Meanwhile, the Air Freight segment experienced strong growth due to new contracts secured from both existing and new customers, reflecting the Group's growing reputation as a reliable air cargo service provider.

However, the Group recorded a loss before tax ("LBT") of RM103.33 million for the FPE 2024, an increase of RM13.47 million or 14.99% compared to an LBT of RM89.86 million in the FYE 2023. On an annualised basis, however, the LBT for FPE 2024 was RM68.89 million, representing a notable reduction of RM20.97 million or 23.34% compared to FYE 2023. The improvement on an annualised basis was primarily attributable to the following factors:

- | | |
|---|---|
| <p>a) Higher Other Income
The Group reported other income of RM42.76 million in FPE 2024 (annualised: RM28.51 million), compared to RM12.78 million in FYE 2023. This significant increase was driven by an unrealised foreign exchange gain of RM18.68 million (annualised: RM12.45 million), resulting from the strengthening of the Ringgit Malaysia ("RM") against the United States Dollar ("USD").</p> | <p>c) Higher Finance Income
Finance income increased to RM1.63 million (annualised: RM1.09 million) in FPE 2024, compared to RM0.21 million in FYE 2023. This improvement was attributed to interest income earned from proceeds raised through the rights issue completed on 23 January 2024, as well as proceeds from the exercise of Warrants.</p> |
| <p>b) Reversal of Impairment Loss on Receivables
A reversal of impairment loss on receivables amounting to RM3.33 million (annualised: RM2.22 million) in FPE 2024 contributed positively, primarily due to the collection of long-outstanding receivables. This compares to a higher impairment loss of RM7.78 million in FYE 2023.</p> | <p>d) Lower Other Expenses
Other expenses decreased to RM4.08 million (annualised: RM2.72 million) in FPE 2024, down from RM9.23 million in FYE 2023. The decline was largely due to the absence of an unrealised foreign exchange loss of RM4.39 million recorded in FYE 2023, thanks to the strengthening of the RM against the USD, as noted above.</p> |

MMAG will continue to improve its financial performance and operational efficiency by implementing targeted strategies across its core business segments. Moreover, the Group remains focused on prudent financial management. The recent share capital reduction will enhance MMAG's balance sheet and strengthen investor confidence, while ongoing efforts to optimize working capital and manage risks will ensure sustainable long-term growth. By prioritizing operational efficiency, customer satisfaction, and technological innovation, MMAG is well-positioned to navigate market challenges and deliver value to its stakeholders.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

> RESULTS OF OPERATIONS

Revenues are generated through the respective divisions as follows:-

	FPE 2024 Revenue RM'000	FYE 2023 Revenue RM'000	FYE 2022 Revenue RM'000
Mobile & Fulfilment	357,914	195,688	269,053
Courier & Logistics Services	136,155	77,134	63,448
Air Freight	330,138	149,048	53,142

Mobile & Fulfilment Division

The Mobile & Fulfilment division remains the largest revenue contributor, representing 43.42% of the Group's revenue in 2024 (2023: 46.36%). This division is primarily driven by the distribution of mobile devices and services rendered as a value-adding partner to telecommunication operators. For the FPE 2024, the Mobile & Fulfilment division recorded a profit before taxation ("PBT") of RM3.47 million (2023: RM2.62 million). The increase in PBT was due to higher demand for smart devices and IT-related products, reflecting a recovery in consumer spending and corporate investments in technology.

Air Freight Division

The Air Freight division is the second largest revenue contributor, accounting for 40.05% of the Group's revenue in 2024 (2023: 35.31%). This division provides cargo freighter services by supplying air cargo space to transport goods for businesses, utilizing its own scheduled wide-body and containerized air cargo aircraft. The significant growth in this division was driven by the substantial rise in demand for air cargo services, particularly for high-value and time-sensitive goods. Despite the increase in revenue, the division recorded a loss before taxation ("LBT") of RM67.66 million in 2024 (2023: RM41.20 million). The higher LBT was mainly due to increased operating costs, including aircraft jet fuel, ground handling costs, and air navigation facility charges, as well as higher depreciation and leasing interest expenses. The division's performance was supported by strategic partnerships and increased cargo volumes, which mitigated some of the losses.

Courier & Logistics Services Division

The Courier & Logistics Services division contributed 16.52% to the Group's revenue (2023: 18.27%). This division's revenue is mainly derived from services such as pick-up and delivery of documents, parcels, and freight, warehousing and fulfilment, e-commerce customized services, and special/security handling deliveries via air, sea, and land freight. The booming growth of the e-commerce industry continues to boost the courier business. Despite facing higher operational and transportation costs, the Courier & Logistics Services division managed to reduce its LBT to RM42.74 million for FPE 2024, compared to RM44.71 million in 2023. This improvement is attributed to ongoing rationalization initiatives that have mitigated further losses and enhanced operational efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

> ASSETS AND LIABILITIES

The Group's total assets rose significantly from RM598.49 million in FYE 2023 to RM720.39 million in the FPE 2024. This increase was primarily driven by short-term fixed deposits, fueled by proceeds from the rights issue and warrant conversion. Additionally, the rise in total assets was supported by a notable increase in inventory and trade receivables, which was partly attributable to higher credit sales recorded toward the end of the period, along with an overall growth in sales. These factors reflect the Group's enhanced liquidity and strengthened financial position, supporting its ongoing operational and strategic initiatives.

The Group's total liabilities for FPE 2024 decreased to RM449.76 million as compared with RM450.20 million in FYE 2023. The slight decrease was mainly due to full repayment of term loan during the financial period.

> CASH FLOW

For the FPE 2024, the Group recorded a net cash inflow of RM60.23 million compared to a net cash outflow of RM9.19 million for the FYE 2023. This significant improvement in cash flow was primarily due to the proceeds from the rights issue completed on 23 January 2024 and warrant conversion, which provided a substantial boost to the Group's liquidity. The positive cash flow has strengthened the Group's financial position, enabling further investments in growth initiatives and enhancing operational capabilities.

> PROSPECTS AND OUTLOOK

Government Initiatives and Digital Economy

The Malaysian government continues to drive the nation's transition to a digitally-powered economy through various significant initiatives. These include the National Policy on Industry 4.0 (Industry4WRD), the National eCommerce Strategic Roadmap 2.0, MyDIGITAL, and Jalanan Digital Negara. These initiatives are designed to accelerate digital adoption, enhance productivity, and position Malaysia as a leading digital economy. The National Fourth Industrial Revolution (4IR) Policy, for instance, aims to increase productivity across all sectors by 30% by 2030 and position Malaysia among the top 20 countries in the Global Innovation Index by the same year. This ambitious goal is supported by substantial investments in digital infrastructure, such as the RM200 billion allocated in Malaysia Budget 2024 to incentivize industries to adopt digital technologies.

Mobile & Fulfilment Division

The Malaysian smartphone market is projected to grow by 9.5% year-on-year, reaching 9.8 million units in 2024, according to Canalys. This growth is driven by the proliferation of affordable 5G devices and the strategic positioning of telco channels and large organized retailers. As retailer profitability diminishes, further consolidation within the market channels is anticipated. Telco channels and large organized retailers are expected to gain market share due to their superior infrastructure and financial resources. These entities are better positioned to monitor customer refresh cycles through installment plans, data packages, and other sales initiatives.

The expansion of 5G data access bundled into most prepaid data plans at no additional charge is a significant growth catalyst. The availability of 5G in the prepaid market is expected to drive demand for affordable 5G devices beyond telcos to the broader open channel. Smartphone vendors are likely to partner with telcos such as Maxis, CelcomDigi, and Hotlink to bring their affordable 5G portfolios to a wider audience.

The Mobile & Fulfilment division is set to benefit significantly from these market trends coupled with the various government initiatives. As the largest revenue contributor, this division will experience increased demand for ICT products driven by digital transformation and 5G adoption. The need for upgraded smart devices and IT services will drive revenue growth, reflecting a recovery in consumer spending and corporate investments in technology.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

> PROSPECTS AND OUTLOOK (Cont'd)

Courier & Logistics Services Division

Our Courier & Logistics Services division is poised for substantial growth, driven by the booming e-commerce industry. The Malaysia Courier, Express, and Parcel ("CEP") market is expected to reach USD 1.58 billion in 2024 and grow at a CAGR of 14.03% to reach USD 2.91 billion by 2029. The Group has successfully raised funds to expand its network of hubs, depots, and stations. This expansion aims to connect primary and secondary towns, develop comprehensive networks to handle the anticipated influx of e-commerce shipments into Malaysia and the Southeast Asia region, and improve connectivity between West and East Malaysia. Given the positive outlook for the transportation, logistics, and courier industries in Malaysia, the Board believes that the demand for logistics services will continue to improve, strengthening the Group's market position and financial performance.

In addition, the Group is actively working to automate and digitalize its operations to become an IT-powered courier service provider. By integrating advanced technologies and automated processes, the division aims to improve operational efficiency, reduce delivery times, and enhance customer satisfaction. This digital transformation will enable us to better manage logistics and fulfilment services, positioning the Group as a leading player in the competitive courier and logistics market.

Air Freight Division

The Air Freight division is poised to sustain its robust growth trajectory, driven by the rising demand for efficient and reliable air cargo services. Our strategic fleet expansion and new partnerships with major players like Maskargo and Teleport by AirAsia highlight our dedication to becoming a leading feeder operator in the region. To further enhance operational control, cost efficiency, and service reliability, we have initiated plans to own and operate our own aircraft, with the seventh aircraft soon joining our fleet. Owning aircraft enables us to optimize flight schedules, reduce long-term operational costs, ensure strict adherence to service-level agreements, and strengthen our market position as a trusted logistics partner. This strategic move positions us to capitalize on the increasing global need for air freight, especially for time-sensitive and high-value goods, while setting the stage for sustainable growth in this competitive sector.

In addition, the Group has commenced its Cargo Terminal Operator ("CTO") operations through the Xpress Cargo Terminal ("XCT") at Kuala Lumpur International Airport ("KLIA"). This state-of-the-art facility enhances our capability to manage and streamline cargo handling processes, significantly improving efficiency and accuracy. XCT's advanced systems for cargo screening, sorting, and tracking enable us to meet the high standards required by our clients.

The Group has successfully completed the setup of the Oceanic Transshipment Hub through its subsidiary, Oceanic Transshipment Sdn Bhd, and is set to commence operations. Strategically located within the Cainiao Aeropolis eWTP Hub at KLIA Cargo Terminal, this state-of-the-art facility is dedicated to optimizing air cargo logistics for live seafood, targeting the high-demand market in China. This milestone reflects the Group's unwavering commitment to positioning Malaysia as a pivotal player in the global logistics and supply chain industry, driving innovation and efficiency in international trade.

The Air Freight division's continued growth is supported by strategic investments in fleet expansion, the commencement of advanced CTO operations through XCT, and the ongoing development of the Oceanic Transshipment Hub. These efforts ensure that the Company remains at the forefront of the air freight industry, providing comprehensive and efficient cargo solutions that meet the evolving needs of our clients. Our focus on innovation, reliability, and strategic partnerships positions us well to capitalize on the growing demand for air freight services, driving sustainable growth and long-term value creation for our stakeholders.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

> ANTICIPATED OR KNOWN RISKS

MMAG is aware of the various risks that may impact its business operations. These risks include credit risk, foreign exchange risk, market price risk, competition risk, and political, economic, and regulatory risk. The Group has implemented strategies to mitigate these risks where possible but recognizes that there is no absolute assurance against potential adverse impacts.

Credit Risk

The uncertain global and modest domestic economies present challenges to the Group's credit risk, particularly with longer collection periods and potential losses arising from irrecoverable trade receivables. To mitigate this risk, the Group employs prudent management policies, continuously reviews and evaluates the credit status of trade receivables, and works closely with its partners. This proactive approach helps to minimize the impact of credit risk on the Group's financial performance.

Foreign Exchange Risk

The Group's Mobile & Fulfilment and Air Freight divisions source supplies from overseas suppliers, denominated in USD, exposing the Group to foreign exchange risk. To mitigate this risk, the Group employs hedging strategies to minimize exposure to fluctuations in foreign exchange rates. Additionally, the Group is exposed to currency translation risk from its net investment in a foreign subsidiary in Singapore. This investment is not hedged, as the currency position in SGD is considered long-term in nature.

Market Price Risk

The Group is exposed to market price risk from its investment in quoted equity securities. This risk arises from fluctuations in the fair value or future cash flows of financial instruments due to changes in market prices. The Group monitors these investments on a portfolio basis, while managing material investments on an individual basis to mitigate this risk.

Competition Risk

The Mobile & Fulfilment, Courier & Logistics Services and Air Freight industries are highly competitive. The Group competes with well-established market players for business and market share. Success in these industries depends on factors both within and outside the Group's control, including product and service differentiation, distribution channels, customer service, sales, pricing, and marketing efforts. Although the Group adopts various measures to maintain competitiveness, there is no assurance that it can fully respond to changing market conditions or maintain its market position against current and future competition.

Political, Economic, and Regulatory Risk

Like all business entities, the Group is exposed to external risks from changes in economic, political, and regulatory environments. Factors such as changes in interest rates, inflation rates, employment regulations, fiscal and monetary policies, and regulations relating to taxation, licensing, or business permits may affect the Group's financial condition and results of operations.

The COVID-19 pandemic had previously impacted the Group's operations and financial performance. While the Group has taken measures to ensure efficient operating procedures and careful financial planning, there is no assurance that adverse political and economic conditions will not materially affect the business. However, the Group's efforts to diversify its customer base aim to reduce susceptibility to political, economic, and regulatory changes.

> DIVIDEND

No dividends have been paid by the Company for the current financial period. Payment of any future dividends is subject to the Company's level of cash, indebtedness, retained earnings, capital expenditure and such other matters as the Board may deem relevant from time to time.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Corporate Governance Overview Statement in essence highlights the Group's and the Company's commitment towards adopting, upholding and complying with the best practices as set out in the Malaysian Code on Corporate Governance ("MCCG" or "the Code") and with its disclosures pursuant to the Bursa Malaysia Securities Berhad's ACE Market Listing Requirements ("AMLR").

The Board of Directors ("the Board") of the Company affirms its commitment in adopting and maintaining a high standard of accountability, responsibility and transparency in the Group's daily business operations and affairs. The Board Committees ensure that the best practices and principles set out in MCCG are adhered to, where possible, towards building and enhancing long term shareholders' relationships and values.

➤ PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1.0 Boards Leadership

- 1.1 The Group is led by an experienced and effective Board. All Board members uphold independent judgement to review and deliberate issues of strategy, performance, resources and standards of conduct.

The Board is responsible for the stewardship of the business and affairs of the Group and collectively responsible for delivery of sustainable value to its shareholders. In discharging its fiduciary duties and leadership functions, the Board has governed and set the strategic direction of the Group while exercising oversight on management. The Board ensured that it had set the appropriate tone from the top, providing clear leadership and championing good governance and ethical practices throughout the Group.

Sustainability

The Board regularly reviews the strategic direction of the Group and the progress of the Group's operations, taking into changes in the business and political environment and risk factors such as level of competition.

The Group has expanded and diversified its business activities to logistics and delivery business to tap on the blooming business in online trading.

Directors' Time Commitment

The Directors observe the recommendation of the Code that they are required to notify the Chairman before accepting any new directorship and to indicate the time expected to be spent on the new appointment.

To ensure that the Directors have the time to focus and fulfill their roles and responsibilities effectively, they must not hold directorships for more than five public listed companies and must be able to commit sufficient time to the Company.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at Board meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

1.0 Boards Leadership (Cont'd)

Board Meetings

The Board met seven (7) times during the financial period from 1 April 2023 to 30 September 2024. The attendance of the Board members at the meetings are as follows:-

Board of Directors	No. of meetings attended
Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman	7/7
Mr. Chin Boon Long <i>(Appointed on 2 January 2024)</i>	3/3
Madam Chan Swee Ying <i>(Redesignated from Non-Independent Non-Executive Director to Alternate Director to Mr. Chin Boon Long on 2 January 2024)</i>	3/4
Mr. Chong Koon Meng	7/7
Mr. Yeap Say Woi	7/7
Dato' Sok One A/L Esen	7/7
Haji Noorzainy Bin Haji Mohd Noor <i>(Appointed on 30 June 2023)</i>	5/6
Dato' Che Nazli Binti Jaapar <i>(Appointed on 3 January 2024)</i>	2/3
Encik Azman Bin Mat Ali <i>(Appointed on 3 January 2024)</i>	3/3
Madam Hwang Siew Chien <i>(Resigned on 3 January 2024)</i>	4/4
Mr. Kenny Khaw Chuan Wah <i>(Resigned on 7 May 2024)</i>	5/5

Directors' Training

In addition to the mandatory programmes as required by Bursa Malaysia Securities Berhad ("Bursa Securities") for newly appointed Director and in line with the constant changes in rules and regulations, information technology and business environment, all Directors are encouraged to attend continuous training conducted by highly competent professionals and which are relevant to the Group's operations and businesses.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

1.0 Boards Leadership (Cont'd)

Directors' Training (Cont'd)

During the financial period, members of the Board have attended training programmes as follows:-

Name of Directors	Training programmes
Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Chin Boon Long	Budget 2025 – Tax Highlights
Chan Swee Ying	Budget 2024 – Tax Highlights
Chong Koon Meng	Fraud Prevention & Detection
Yeap Say Woi	- Being Sued as an INED - A Personal Journey - Management of Cyber Risk
Dato' Sok One A/L Esen	Budget 2024 – Tax Highlights
Azman Bin Mat Ali	Mandatory Accreditation Programme Part I
Haji Noorzainy Bin Haji Mohd Noor	Mandatory Accreditation Programme Part I
Dato' Che Nazli Binti Jaapar	Mandatory Accreditation Programme Part I

To enable the Board to discharge their responsibilities in meeting the goals and objectives of the Company, the Board has, among others,

- reviewed, challenged and deliberated on management's proposal for the Group and monitor its implementation by Key Senior Management;
- monitored and regularly reviewed the strategic direction of the Group and the progress of the Group's operations, taking into changes in the business and political environment, risk factors such as level of competition and to determine the business being properly managed and supports long term value creation;
- ensured there is a sound framework for internal controls and risk management;
- ensured that Key Senior Management has the necessary skills and experience and measures in place to ensure orderly succession planning within the Group;
- ensured the integrity of the financial and non-financial reporting of the Group;
- ensured that the Company's financial statements are true and fair and conform to the relevant standards, rules and regulations; and
- reviewed and evaluated every business plan and proposal, CAPEX and budget for the financial period.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

1.0 Boards Leadership (Cont'd)

1.2 Chairman of the Board

The Chairman is responsibilities include but not limited to:-

- (a) provide overall leadership to the Board, without limiting the principle of collective responsibility for Board decisions;
- (b) chair meetings of the Board in such a manner that will stimulate debate on the issues before the Board and encourage the most effective contribution from each Director. The Chairman should ensure that the agenda and all necessary board paper are given in advance for Directors to study to equip themselves for deliberating at the meeting;
- (c) review the minutes of meetings of the Board before meeting, to ensure they accurately record the Board's deliberations, and matters arising from the minutes and on which further action is required have been addressed;
- (d) monitor Board performance as a whole;
- (e) ensure membership of the Board is appropriately skilled to meet the needs of the Company;
- (f) assist in Board discussions to address the key issues of concern;
- (g) initiated the establishment of Board Committees and ensuring that they achieve their objectives;
- (h) guide and promote the ongoing efficacy and development of the Board and its individual Directors; and
- (i) reinforce good corporate governance.

- 1.3 The positions of the Chairman and Chief Executive Officer ("CEO") will be held by two different individuals. The Chairman is responsible for the achievement of the Group's strategic vision and also for leading the Board in its collective oversight of management while the CEO focuses on the business and day-to-day management of the Group and the implementation of the Board's decisions. The distinct and separate roles of the Chairman and CEO; with a clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making.

1.4 Company Secretary

The Board is supported by an experienced Company Secretary with over 30 years of corporate secretarial practice. She is a fellow member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA").

The Company Secretary is responsible for ensuring the Board procedures are followed and the applicable rules and regulations for the conduct of the affairs at the Board are complied with. The Company Secretary advises the Board on issues relating to the Company's Constitution, corporate governance best practices, and compliance with laws, rules and regulatory requirements.

The Company Secretary is to organise, attend and ensure that all Board meetings are properly convened, and that important issues of deliberation are accurately recorded in the minutes. Records of the Minutes and resolutions passed are kept at the registered office under the custody of the Company Secretary.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

1.0 Boards Leadership (Cont'd)

- 1.5 The Board meeting materials are circulated to Directors at least one week prior to each Board meeting to facilitate Board members to evaluate and make informed and timely decision making. All Board members reviewed and confirmed the minutes of the meetings to ensure they accurately reflect the deliberations and decisions of the Board, including whether any Director abstained from voting or deliberate on a particular matter.

Board members have full access to the Management and Company Secretary at all times. Management personnel are invited to attend Board meetings and the Board may consult with other employees of the Group and seek additional information, where necessary. Likewise, the Directors also have access to independent professional advice whenever such services are required to assist them in carrying out their duties at the Company's expense.

2.0 Demarcation of Responsibilities of the Board, Board Committees and Management

- 2.1 The Board is guided by the Board Charter, which set out amongst the responsibilities, authorities, procedures, evaluation and structures of the Board and Board Committees as well as the relationship between the Board with its management and shareholders.

The Board Charter was last reviewed on 16 January 2025 and updated on the Company's website at www.mmag.com.my. Notwithstanding that the Board Charter is subject to periodic review to ensure their relevance and compliance.

The Board has delegated specific responsibilities to the following Board Committees and adopted Terms of References ("TORs") setting out the matters relevant to the composition, responsibilities and administration of these Committees:-

- (a) Audit Committee
- (b) Nomination Committee
- (c) Remuneration Committee

The Board receives reports of the proceedings and deliberations of the Board Committees where the Chairmans of the respective Board Committees report to the Board on the key issues deliberated and the outcome of the Board Committee meetings. Minutes of the Board Committees meetings are presented to the Board for notation and endorsement. The TORs of the Board Committees are reviewed as and when the need arises. The TORs are published on the Company's website at www.mmag.com.my together with the Board Charter.

Nomination Committee ("NC")

The NC is responsible for ensuring that the Board has the appropriate balance composition and size, the required skills mix, experience, and other core competencies; and is also responsible for considering and recommending new member to the Board. The final decision on the appointment of a candidate recommended by NC rests with the whole Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

2.0 Demarcation of Responsibilities of the Board, Board Committees and Management (Cont'd)

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

The existing NC comprises three (3) members, all of them are Independent Non-Executive Directors:-

Chairman:	Dato' Sok One A/L Esen	(Independent Non-Executive Director)
Members:	Yeap Say Woi	(Independent Non-Executive Director)
	Azman Bin Mat Ali	(Independent Non-Executive Director)
	(Appointed on 3 January 2024)	

Whenever there may be vacancy in the Board, be it for replacement or new creation, the NC will source it through their peers, networking or recommendation from the management. NC will also utilise independent sources to identify suitably qualified candidates.

The NC assesses the shortlisted candidate for his/her suitability before formally considering and recommending them to the Board and where applicable, to the Committee.

The Company has adopted the Directors' Fit and Proper Policy. In reviewing and recommending to the Board any new Director appointment, the NC considers the following and not be limit to the content and criteria in Directors' Fit and Proper Policy:-

- (i) Candidate independence for Independent Non-Executive Director;
- (ii) Candidate's age, knowledge and skills, experiences, integrity, professionalism and other relevant factors as may be determined by the NC which would contribute to the Board's collective skills;
- (iii) Ability to fulfil time commitment in particular for Independent Non-Executive Director; and
- (iv) The composition requirements for the Board and Committee.

The NC met two (2) times during the financial period and all Committee members attended the meeting. During the year, NC conducted assessment on the effectiveness of the Board, its committees and the contribution of each Director.

The NC ensures that all appointments of new Directors to the Board are proper and in compliance with the rules of the relevant authorities. Any appointment of additional Director will be made as and when it is deemed necessary by the existing Board with due consideration given to the mix skills, expertise and experience in the respective industry required regardless of gender diversity for an effective Board.

3.0 Good Business Conduct and Healthy Corporate Culture

- 3.1 The Directors are expected to conduct themselves with the highest ethical standards by setting the appropriate tone at the top, providing thought leadership and championing good governance and ethical practices throughout the Group. All Directors and employees are expected to conduct themselves ethically and professionally at all times and thereby protect and uphold the reputation and performance of the Group. The Company has adopted the Code of Conduct and Ethics, which is available on the Company's website www.mmag.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

3.0 Good Business Conduct and Healthy Corporate Culture (Cont'd)

- 3.2 The Company's Whistleblowing Policy encourages its employees to raise genuine concerns about possible impropriety of practice and proceeding, suspected violations of the Code of Conduct and Ethics and to disclose any improper conduct or other malpractices within the Group.

The Policy is to provide the communication channel for employees of the Group and agents, suppliers, consumers and related third party to raise concerns about the improper conduct within the Group and to offer protection for such persons (including the employees of the Group) who can report such allegations in person to its Human Resource Manager ("HRM") and Executive Directors ("ED") or in writing to ED and the Chairman.

The Whistleblowing Policy is published on the Company's website www.mmag.com.my.

The Board Charter, Code of Conduct and Ethics and Whistleblowing Policy were reviewed and updated on 16 January 2025.

3.3 Anti-Bribery and Anti-Corruption Policy

The Board has adopted the Anti-Bribery and Anti-Corruption Policy across the Group in line with the guidelines provided under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 on 1 June 2020.

The Board believes that the policy would be key in ensuring a systematic approach to prevent corruption, and complying with applicable legal and regulatory requirements in the various jurisdictions in which the Group operates. Every director, employee and person acting on the Group's behalf is responsible for maintaining the Group's reputation and for conducting company business honestly and professionally.

4.0 Board's Objectivity

- 4.1 The Board currently comprises two (2) Executive Directors and six (6) Independent Non-Executive Directors and one (1) Alternate Director. There is more than two-thirds of the Board of Directors are Independent Directors. In the event of any vacancy in the Board of Directors resulting in non-compliance with Rule 15.02(1) of AMLR, the Company will fill the vacancy within three (3) months.

The Board is of the view that having majority of Non-Executive Directors who by virtue of their non-executive status do not involve in the day-to-day management of the Group's businesses, will assure an effective check and balance in the functioning of the Board.

- 4.2 None of the independent directors is currently serving beyond nine (9) years. However, if the Board intends to retain an independent director who has served beyond nine (9) years, the Board will justify and seek annual shareholders' approval.
- 4.3 The Board has not adopted a policy that limits the tenure of its independent directors to nine (9) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

4.0 Board's Objectivity (Cont'd)

- 4.4 The Board is judicious of the gender diversity recommendation by MCCG in order to bring a variety of diverse opinions, perspectives, skills, experiences, backgrounds and orientations to its discussions and its decision-making processes and constructive debates at Key Senior Management level.

The Group gives equal opportunity to all employees. The appointment of Board members and employees are based on objective criteria, merit, experience and credibility on a continuing basis and, may not limit to gender, age, ethnicity and cultural background.

The Board views that the workplace and Board diversity are important to facilitate the decision-making process by harnessing different insights and perspectives.

- 4.5 During the financial period from 1 April 2023 to 30 September 2024, the following were noted:-

- (a) Haji Noorzainy Bin Haji Mohd Noor was appointed as Independent Non-Executive Director on 30 June 2023;
- (b) Chin Boon Long was appointed as Executive Director on 2 January 2024;
- (c) Chan Swee Ying was redesignated as Alternative Director to Chin Boon Long on 2 January 2024;
- (d) Dato' Che Nazli Binti Jaapar was appointed as Independent Non-Executive Director on 3 January 2024;
- (e) Azman Bin Mat Ali was appointed as Independent Non-Executive Director on 3 January 2024;
- (f) Hwang Siew Chien was resigned as Independent Non-Executive Director on 3 January 2024;
- (g) Kenny Khaw Chuan Wah was resigned as Executive Director on 7 May 2024.

- 4.6 The NC is currently chaired by the Independent Non-Executive Director, Dato' Sok One A/L Esen. The profile of Dato' Sok One A/L Esen is presented in the Board of Directors' Profile in this Annual Report.

- 4.7 Pursuant to the Company's Constitution, one-third (1/3) of the Directors shall retire from office, and provided that all Directors shall retire at least once every three (3) years, but shall be eligible for re-election. Directors who were appointed during the financial period are subject to re-election by shareholders at the next Annual General Meeting held following their appointment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

5.0 Overall Effectiveness of the Board and Individual Director

Activities carried out by NC during the financial period:-

The members of NC reviewed the mix of skills, experience and competency of the Board composition.

The NC has assessed each individual director, the Board and Board Committee as a whole and the Audit Committee for their performance and effectiveness. The assessment of individual Director was through the Director Evaluation Form under the criteria of integrity and ethics, governance, strategic perspective, adding value, judgment and decision-making, teamwork, communication and commitment. The assessment of the Board is based on specific criteria, covering areas such as the Board structure, Board operations, roles and responsibilities of the Board, the Board Committee and the Chairman's role and responsibilities. The respective Director has abstained from evaluating their own performance. The NC appraises the Board performance evaluation and the rating is based on the consensus amongst the NC.

6.0 Level and Composition of Remuneration

- 6.1 The Remuneration Committee ("RC") has been entrusted by the Board to determine that the level of remuneration is sufficient to attract and retain Directors of quality required to manage the business of the Group. The RC is entrusted under its terms of reference to assist the Board, amongst others, to recommend to the Board the remuneration of Executive Directors. In the case of Non-Executive Directors, the level of remuneration shall reflect the experience and level of responsibilities undertaken by the Non-Executive Directors concerned. In all instances, the deliberations are conducted, with the Directors concerned abstaining from discussions on their individual remuneration.
- 6.2 The RC carried out an annual review of the Directors' remuneration packages with regards to each Director's role, responsibilities, and expertise, taking into consideration of the Company's business performance of the Group whereupon recommendations are submitted to the Board for approval. Such annual reviews shall ensure that the remuneration package of the Directors remains sufficiently attractive to attract and retain Directors of such caliber to provide the necessary skills and expertise to drive the Group's long-term objectives.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

7.0 Remuneration of Directors

The Directors' remuneration for the financial period from 1 April 2023 to 30 September 2024 is as follows:-

Company

Category	Salary, bonus and benefit in-kind (RM)	Directors' fees (RM)	Allowances (RM)	Total (RM)
Executive Directors:-				
Chong Koon Meng	970,660	4,500	9,000	984,160
Chin Boon Long (appointed on 2 January 2024)	–	–	–	–
Chan Swee Ying (redesignated as alternate director to Chin Boon Long on 2 January 2024)	509,304	4,500	12,000	525,804
Kenny Khow Chuan Wah (resigned on 7 May 2024)	416,595	4,500	9,000	430,095
Non-Executive Directors:-				
Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman	–	180,000	–	180,000
Yeap Say Woi	–	45,000	14,500	59,500
Dato' Sok One A/L Esen	–	45,000	14,500	59,500
Haji Noorzainy Bin Haji Mohd Noor (appointed on 30 June 2023)	–	43,500	10,500	54,000
Dato' Che Nazli Binti Jaapar (appointed on 3 January 2024)	–	40,500	1,000	41,500
Azman Bin Mat Ali (appointed on 3 January 2024)	–	40,500	1,000	41,500
YM Tengku Farith Rithauddeen (resigned on 30 June 2023)	–	9,000	–	9,000
Hwang Siew Chien (resigned on 3 January 2024)	–	4,500	13,500	18,000

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

➤ PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1.0 Effective and Independent Audit Committee ("AC")

- 1.1 The AC was established to fulfill the principles of accountability, integrity and good corporate governance in assisting the Board independently in discharging its responsibilities of reviewing and monitoring the Group's financial process, audit process, statutory and regulatory compliance, code of business conduct, and other matters that the Board or the relevant authorities may specially delegate to the AC.

The Chairman of the AC is Mr. Yeap Say Woi, an Independent Non-Executive Director.

- 1.2 The AC conducts an annual assessment to review the suitability, objectivity, capability and independence of the audit firm based on the followings:-
- (i) Independence, objectivity and professional skepticism;
 - (ii) Communication and interaction; and
 - (iii) Quality of skills, capabilities of the audit team and sufficiency of resources.

Based on the results of the evaluation, the AC is satisfied with the performance of the External Auditors and thus, recommended to the Board the re-appointment of the External Auditors at the forthcoming Annual General Meeting.

Grant Thornton Malaysia PLT has in their report on audit planning memorandum provided written assurance that they are independent throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements.

- 1.3 The AC comprises all Independent Non-Executive Directors and is in compliance with the AMLR.
- 1.4 The members of AC collectively are financially literate and have the necessary skills and experience and able to understand Company's business and matter under the purview of the AC including the financial reporting process. They have continuously applied a critical and probing view on the Company's financial reporting process, transactions and other financial information, and effectively challenged management's assertions on the Company's financials to ensure the Quarterly Report and the Annual Audited Financial Statements give a true and fair view of the Company's financial position.

As stated in the Directors' training of boards leadership on objectives and goals of the Company, all the AC members have undertaken continuous professional development to keep themselves abreast with the latest development and changes to the regulatory requirements and practices to discharge their duties effectively.

- 1.5 None of the AC members is former key audit partner.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

1.0 Effective and Independent Audit Committee ("AC") (Cont'd)

1.6 Statement of Directors' Responsibility for Preparing Financial Statements

The AC, having better understanding of financial regulations and requirements, is empowered by the Board to review the Group's financial statements to ensure conformance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act 2016 in Malaysia.

The Board is collectively responsible to ensure that the financial statements, the results and cash flows will give a comprehensive and fair view of the Group's financial position at the end of the relevant financial period.

The Directors are responsible for ensuring that proper accounting records are kept with reasonable accuracy, the disclosure of financial position of the Group, and the financial statements are prepared in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors also have overall responsibilities for taking such reasonable steps to safeguard the assets of the Group and to take measures to prevent and detect frauds and other irregularities.

The Board believes they have applied all appropriate accounting policies on a consistent and prudent basis, and made reasonable and necessary judgments and estimates to ensure that the financial statements for the financial period from 1 April 2023 to 30 September 2024 provide a true and fair view of the Company's financial position and affairs.

2.0 Risk Management and Internal Control

- 2.1 The Risk Management Committee at the Management level ("RMC") is established to assist the Board in identifying the risk registers, assessing the risk profile and risk appetite and managing the risks in areas that are applicable to the Company's business and ensure that the risk management process is in place and functioning effectively to mitigate the risk management.

The RMC comprises two (3) members:-

Chairman:	Azman Bin Mat Ali	(Independent Non-Executive Director)
Member:	Kenny Khaw Chuan Wah	(Risk Manager)
	Pauline Lim Poh Leng	(Chief Finance Officer)

The AC may provide an objective view on the effectiveness of the enterprise risk management and internal control framework as a whole to the Board.

- 2.2 An Enterprise Risk Management Framework has been established to provide the overall guidelines and approach to the Group's risk management. The RMC is working closely with all Heads of Department to ensure the identification of emerging risks resulting from changing business environment and/or initiatives being implemented as well as evaluation of the effectiveness of controls and risk management plans.

Further details on the features of the risk management and internal control framework are disclosed in the Statement on Risk Management and Internal Control of the Annual Report 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

2.0 Risk Management and Internal Control (Cont'd)

- 2.3 The Risk Manager will meet all the Heads of Department to collate their feedback and risk concern with the appropriate risk management actions to address the issue.
- 2.4 The Risk Manager will compile the records, after getting feedback from the respective Heads of Department and the appropriate recommended measures and report to the RMC.
- 2.5 The RMC will report to the Board their findings and appropriate measures to address in mitigating the risks registered.
- 2.6 The Internal Auditors will refer to the RMC reports as part of their duties before drafting the proper internal audit plan for the year.

3.0 Effective Governance, Risk Management and Internal Control Framework

- 3.1 The establishment of the Internal Audit Function provides the Directors and the AC with an independent assessment and appraisal/review of the effectiveness and reliability of the Group's internal controls and information system.

The Internal Audit Function includes the review, assessment and provision of reasonable assurance that the Group's internal controls are functioning as planned and able to highlight all material deviations or findings to the AC immediately. To maintain impartiality and independence, the Internal Auditors report directly to the AC on the overall assessment of the Group's internal control mechanism.

Internal Audit Reports were issued to the AC to be tabled at the AC meetings. The reports are also issued to the respective operations management, incorporating audit recommendations and Management responses with regard to any audit findings on the weaknesses in the systems and controls of the operations. The Internal Auditors will also follow up with Management on the implementation of the agreed audit recommendations.

- 3.2 The Group outsourced its Internal Audit Function to an independent professional internal audit service provider. The role of the Internal Audit Function, which reports directly to the AC, is to support the AC by providing it with independent and objective reports on the adequacy and effectiveness of the system of internal control and the extent of compliance with the procedures and by recommending ways to rectify shortfall and improve the existing control environment in relation to the Group's operations. It submits its findings and recommendations to the AC and Key Senior Management of the Group.

The Internal Audit adopts a Framework of Committee of Sponsoring Organizations of the Treadway Commission (COSO Framework) and risk-based approach with focus on effective risk management practices and is guided under the International Professional Practice Framework.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

1.0 Effective Communication with Stakeholders

- 1.1 The Board recognises the importance of effective communication with its investors and shareholders as a key component to uphold the principles and best practices of corporate governance for the Group. As such, the need to establish corporate disclosure policies and procedures between the Company and the regulators, shareholders and stakeholders is important to build the trust and understanding between the Company and the stakeholders.

On this basis, the Board exercises close monitoring of all price-sensitive information potentially required to be released to Bursa Securities and makes material announcements to Bursa Securities in a timely manner as requested. In line with best practices, the Board strives to disclose price-sensitive information to the public as soon as practicable through Bursa Securities, the media and the Company's website.

The Board has authorised the Executive Directors to coordinate with the Company Secretary to verify and approve all announcements before releasing to the public.

The following communication channels are mainly used by the Company to disseminate information on a timely basis to the shareholders and the investing public:-

- (a) Group's corporate proposals, quarterly and annual financial results and other required announcements are available on website at www.mmag.com.my and www.bursamalaysia.com;
 - (b) Press release provide up-to-date information on the Group's key corporate initiatives and investments if any; and
 - (c) Annual General Meeting ("AGM") provides a forum to engage with Directors and Key Senior Management to share viewpoints and acquire information on issues relevant to the Group.
- 1.2 The Company is not categorised as a large company under the MCGG and has not adopted the integrated reporting based on a globally recognised framework.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

2.0 Conduct of General Meetings

- 2.1 The Notice of AGM is circulated at least 21 days before the date of the meeting to enable shareholders to go through the Annual Report and papers supporting the resolutions proposed. All Board members will ensure their attendance in the general meetings and the respective chairmen of the Board Committees, Senior Management and the Group's External Auditors as well as the Company's advisers shall attend to respond to shareholders' questions during the general meetings of the Company as the case may be.
- 2.2 Explanation for proposed resolutions is set out in the notice of general meetings to assist shareholders in making their decisions and exercising their voting rights. In line with Rule 8.31A of the AMLR, all resolutions set out in the notice of general meetings will be put to vote by poll. The Company will also appoint an independent scrutineer to validate the vote cast in the general meetings. The outcome of the general meetings will then be announced to Bursa Securities on the same meeting day while the summary of key matters, if any, discussed during the general meetings will be posted on the Company's website.
- 2.3 The Company held its general meetings at the time and venue which were convenient and easily accessible to all shareholders. General meetings of the Company remain important avenues for the Board and Management to have better engagement with the shareholders present.
- 2.4 Only shareholders whose names appear in the Record of Depositors as at the date determined are entitled to attend and vote at the General Meetings. Shareholders are encouraged to attend general meetings of the Company. Shareholders who are unable to attend the general meetings are advised that they can appoint proxy(ies) to attend and vote on their behalf.

This Statement was approved by the Board of Directors on 16 January 2025.

SUSTAINABILITY STATEMENT

The Board and Management of MMAG Holdings Berhad (“MMAG” or “the Company”) are steadfast in their commitment to updating the sustainability progress and engaging transparently with the Company and its subsidiaries’ (“the Group”) stakeholders through comprehensive sustainability reporting.

Amidst a challenging business and operating environment, we have strategically identified and managed long-term risks and opportunities with both near-term and long-term approaches. Our focus remains on building a sustainable and responsible business that creates value for all our stakeholders. We are dedicated to enhancing stakeholder experiences and strategically responding to their evolving needs and expectations.

This Sustainability Statement for the financial period from 1 April 2023 to 30 September 2024 is prepared in accordance with Guidance Note 11 of the ACE Market Listing Requirements (“AMLR”) of Bursa Securities Malaysia Berhad (“Bursa Malaysia”). Specifically, MMAG discloses the management of material sustainability matters in compliance with Guidance Note 11 of AMLR and the Sustainability Reporting Guide issued by Bursa Malaysia (“the Guide”).

Our Sustainability Policy is aligned with the 17 Sustainable Development Goals (“SDGs”) established by the United Nations. These goals address a broad spectrum of social and economic development issues including poverty, hunger, health, education, climate change, gender equality, water, sanitation, energy, environment, and social justice.



SUSTAINABILITY STATEMENT (cont'd)

> STAKEHOLDERS ENGAGEMENT

The Group believes that continuous engagement with our stakeholders is vital to making our sustainability initiatives effective and well-known. Recognizing the importance of identifying and addressing sustainability issues with our stakeholders enables us to make well-informed decisions to achieve our sustainability goals. Meeting the needs and expectations of our stakeholders through open, two-way communication not only enhances trust but also promotes the Group's accountability.

The following table outlines the key stakeholders that influence our business operations, their respective areas of interest, and the engagement methods undertaken by the Group to address these interests.

Stakeholder groups	Areas of interest	Engagement methods
Investors	• Business outlook and corporate strategy • Transparent reporting with credible data • Innovative supply chain solutions	• Quarterly financial results/reports • Annual report • Company website • Full virtual General meeting/(s) • Announcements and press releases, if any
Customers	• Reliable service and on-time delivery • Customer convenience • Competitive pricing • Operational efficiency	• Customer feedback and surveys conducted annually • Market research • E-fulfilment of transportation and storage transactions • Sales and customer visits/virtual meeting/conference calls
Employees	• Competitive pay and benefits • Clear communication • Work-life balance • Career growth and opportunities • Efficient health and safety management to conceive safe and conducive working condition • Awareness on COVID-19 measures	• Full virtual training programs and workshops • Town hall meetings conducted by virtual/physical (department-wise) • Company intranet (disseminating department meeting updates and memos)
Suppliers	• Timely pay-outs • Procurement practices • Supplier Code of Conduct • Licensing and certification • Business opportunities • Mitigation of business risks • Sustainability of the Company's operations • Shared growth through partnerships • Impact of COVID-19 pandemic	• Supplier assessment conducted annually • Supplier registration • Virtual meetings • Email correspondences

SUSTAINABILITY STATEMENT (cont'd)

➤ STAKEHOLDERS ENGAGEMENT (Cont'd)

Stakeholder groups	Areas of interest	Engagement methods
Communities	• Impact of operations on surrounding environment • Economic opportunities • Corporate social responsibility activities and involvement	• Community engagement programs • Public safety and security • Safety and security of operations • Employment and business opportunities • Infrastructure development • Social and welfare contributions
Business Partners	• Financial stability • Service coverage and capability • Reputation	• Written communication • Business exchange • Meeting visits
Regulatory Authorities and Statutory Bodies	• Regulatory compliance • Corporate governance • Standards and certifications • Risk management	• Collaborative partnerships • Regular audits and inspections • Updates on regulations and meetings • Compliance and certification exercises

➤ MATERIAL SUSTAINABILITY MATTERS

In our commitment to sustainable business operations, the Group strives to balance profitability with environmental protection and stakeholder engagement, creating positive impacts and mitigating negative impacts arising from our activities in the economic, environmental, and social domains. Sustainable business practices are integral to our day-to-day operations and are key to achieving the Group's long-term goals and continuity. Our governance structure for sustainability is guided by the Guide and Toolkit: Governance issued by Bursa Securities, adapted as necessary to fit the nature and scale of our businesses.

Identification and Management of Sustainability Matters

Throughout the financial period under review and up to the date of this Statement, the Group has undertaken comprehensive activities to identify, manage, and report on sustainability matters and performance. The significance of these sustainability matters was assessed through informal stakeholder engagement, facilitated by direct communication between relevant internal and external stakeholders, and conducted by Heads of Departments/Divisions and Executive Directors.

SUSTAINABILITY STATEMENT (cont'd)

➤ MATERIAL SUSTAINABILITY MATTERS (Cont'd)

ECONOMIC IMPACT



At MMAG, we understand that sustainable economic growth is the cornerstone of our long-term success and the well-being of our stakeholders. Our commitment to economic impact is reflected in our robust financial management practices, which ensure sustainable profitability through rigorous budgeting, cost optimization, and strategic investments. These practices not only drive growth and enhance shareholder value but also help us navigate economic uncertainties with resilience.

Transparency and ethical business practices are at the heart of our operations. We are dedicated to maintaining high standards of corporate governance and regulatory compliance, ensuring that all our business activities align with legal requirements and ethical standards. Our commitment to transparency is evident in our regular financial disclosures, which provide stakeholders with a clear and honest view of our economic performance, fostering trust and accountability.

Innovation plays a crucial role in our strategy for sustainable economic growth. We continuously invest in research and development to explore new technologies and innovative solutions that enhance our product offerings and improve operational efficiency. Embracing digital transformation has also significantly boosted our productivity, positioning us at the forefront of industry advancements and driving long-term economic benefits.

Our procurement practices are guided by sustainability and ethical considerations. We prioritize responsible sourcing and work closely with our suppliers to ensure adherence to fair trade practices. By investing in the development of strong, long-term partnerships with our suppliers, we enhance the resilience and sustainability of our supply chain.

We also recognize the importance of our economic contributions to local communities. As a responsible employer, we create job opportunities and support workforce development through training programs, internships, and partnerships with educational institutions. Additionally, by sourcing materials and services locally whenever possible, we support local businesses and contribute to the economic development of the communities in which we operate.

In terms of achievements, we have witnessed revenue growth through strategic market expansion and diversification. The Group has also made substantial investments in innovation, resulting in the launch of new, innovative products that meet market demands and drive competitive advantage. Furthermore, our enhanced relationships with key suppliers ensure a stable and ethical supply chain.

By integrating these strategies into our daily operations, MMAG is committed to ensuring sustainable economic growth that benefits not only our shareholders but also our employees, suppliers, and the broader community. We will continue to improve our economic impact, foster innovation, and uphold the highest standards of ethical business practices, all of which are essential for our long-term success and the prosperity of our stakeholders.

SUSTAINABILITY STATEMENT (cont'd)

➤ MATERIAL SUSTAINABILITY MATTERS (Cont'd)

ENVIRONMENT STEWARDSHIP



Preserving the environment is a core value and an essential part of our commitment to sustainability. We are dedicated to addressing our direct operational impacts on the environment and have implemented a range of initiatives to foster a culture of environmental responsibility among our employees.

In 2023, we emphasized the importance of the “Reduce, Reuse, and Recycle” (3R) policy within our offices. We raised awareness and encouraged all employees to adopt these practices, placing recycling bins in our cafeteria, warehouses, and office premises to make it easy and habitual. This initiative has not only helped reduce waste but also instilled a sense of environmental stewardship among our team.

To further reduce our environmental footprint, we have implemented a policy to minimize electricity and water usage across all our hubs, depots, and stations. By doing so, we not only lower our operational costs but also make a positive impact on the environment. Additionally, we closely monitor vehicle use to optimize fuel consumption and have begun replacing older vehicles to reduce carbon dioxide emissions.

Our commitment to environmental stewardship extends to paper usage as well. We actively monitor and manage the consumption of paper products, encouraging practices such as double-sided printing and the reuse and recycling of A4 paper. These efforts help reduce greenhouse gas emissions, minimize waste, and maintain a tidy and safe work environment for our employees.



Building on these efforts, in 2024, we took a significant step forward by investing in more than 30 fully commercial electric vehicles. This move is part of our long-term strategy to transition away from petrol and diesel, aiming to further reduce our carbon footprint. The introduction of electric vehicles represents a major milestone in our sustainability journey, demonstrating our dedication to innovative solutions that contribute to a cleaner and greener future.

In the aviation segment, MJets Air Sdn. Bhd. (“MJets Air”) has partnered with Unilode Aviation Solutions for Unit Load Device (“ULD”) management. This collaboration enables more

efficient handling of ULDs, significantly reducing unnecessary ferrying and optimizing fuel usage. By streamlining ULD operations, we minimize wastage, lower carbon emissions, and contribute to more sustainable air freight practices. This initiative is a testament to how innovative logistics management can align with and enhance our environmental goals.

By integrating these environmentally conscious practices into our daily operations, MMAG is making a meaningful difference. Our initiatives have led to measurable reductions in energy consumption, water usage, and waste production, reflecting the effectiveness of our sustainability efforts.

We believe that transparency and accountability are key to our success in environmental stewardship. Therefore, we regularly report on our environmental performance, sharing our progress and addressing challenges with our stakeholders. This open communication fosters trust and allows us to continually refine and enhance our sustainability practices.

Looking ahead, we remain committed to advancing our environmental initiatives. We will continue to explore innovative technologies, engage with our stakeholders, and take proactive steps to protect and enhance the environment. Our unwavering commitment to sustainability ensures that we are contributing to a healthier, more sustainable future for everyone.

SUSTAINABILITY STATEMENT (cont'd)

> MATERIAL SUSTAINABILITY MATTERS (Cont'd)

SAFETY & HEALTH



The safety and health of everyone within our premises are of utmost importance for MMAG. As health and safety become increasingly critical in our economic landscape, we are committed to continually strengthening our management practices to safeguard the well-being of our employees, partners, and visitors. We maintain key Standard Operating Procedures ("SOPs") introduced during the pandemic, which remain crucial in ensuring the health and safety of everyone involved in our operations.

Our approach to controlling health and safety risks goes beyond regulatory compliance. We have implemented robust measures that reflect our proactive stance on safety and health management. Regular sanitization services are conducted across all our warehouses, hubs, depots, and stations to ensure that our workspaces remain clean and safe. Automated thermal scanner systems at our building entry points help monitor the health of individuals entering our facilities, providing an early detection mechanism to mitigate potential health risks.

Flexible work arrangements have been a key adaptation to the evolving work environment. We maintain work-from-home ("WFH") policies, encourage virtual meetings, and use online documentation systems to support health protocols while enhancing productivity and work-life balance for our employees. To ensure smooth business continuity, we have established SOPs and alternative business arrangements with customers, contractors, and suppliers, minimizing disruptions and maintaining operational efficiency.

Providing personal protective equipment ("PPE"), such as face masks, to all employees is a fundamental part of our health and safety strategy. Regular health monitoring through weekly antigen testing further ensures the well-being of our team by enabling early detection and prompt response to potential health issues.

Our health and safety training programs include first aid, emergency response training, and ergonomics, equipping our employees with the knowledge and skills to handle health and safety situations effectively. We also focus on promoting a healthy lifestyle among our employees through health and wellness initiatives, such as fitness programs, healthy eating seminars, and regular health screenings.

At MMAG, creating a safe and healthy working environment is an ongoing journey. We remain committed to adhering to all health and safety procedures while constantly seeking ways to improve and adapt to new challenges. Our unwavering focus on safety and health not only protects our employees and stakeholders but also reinforces our reputation as a responsible and caring organization.

SUSTAINABILITY STATEMENT (cont'd)

> MATERIAL SUSTAINABILITY MATTERS (Cont'd)

SOCIAL



Social Sustainability

We understand that the COVID-19 pandemic amplified and accelerated the need for social sustainability, demanding a rethinking of the workplace and adaptation to new norms in our business operations. We implemented comprehensive SOPs to support the welfare of our employees, recognizing the importance of upholding social values across our value chain to meet the needs of our stakeholders.

Our employees are our most valuable resource, crucial to the continued growth and expansion of the Group. We believe that the proactive participation of our employees is vital to our success. Therefore, we are committed to providing a safe and sustainable working environment and assisting employees in developing their skills, knowledge, and competencies. Our Human Resources Department leads initiatives to ensure a fair and inclusive workplace, reflecting our dedication to social sustainability.

Employee Training and Development

At MMAG, we recognize that our employees are our most valuable asset. Investing in their development is essential for fostering a knowledgeable, skilled, and motivated workforce capable of driving our company forward. We are committed to providing comprehensive training programs that enhance our employees' skills, knowledge, and competencies, ensuring they are well-prepared to meet the demands of our dynamic industry.

Line Clear Express Training Initiatives

Line Clear Express has conducted a wide range of training programs throughout the year, focusing on both in-house and external training sessions. Key training initiatives include:

- **Chemical Spillage and Environmental Awareness:** Emphasizing safety and environmental responsibility, these in-house training sessions have equipped employees with critical skills to manage chemical spills and foster environmental consciousness.
- **Basic Fire Fighting & Emergency Response Team:** Conducted regularly to ensure our employees are prepared for emergencies, enhancing their readiness and response capabilities.
- **Consultative & Insightful Selling in Changing World:** This in-house training has provided our sales team with advanced skills in consultative selling, adapting to the dynamic market landscape.
- **Microsoft Excel Training and Certified Digital Marketing Specialist in Social Media:** External training sessions aimed at enhancing digital literacy and marketing skills among our staff, ensuring they are adept at using modern tools and platforms.
- **Team Building and Communication & Presentations:** These programs have focused on building cohesive teams and improving communication skills, critical for operational efficiency and customer engagement.

In total, Line Clear Express provided training to over 221 employees across various programs, reflecting our commitment to continuous learning and professional development.

SUSTAINABILITY STATEMENT (cont'd)

> MATERIAL SUSTAINABILITY MATTERS (Cont'd)

SOCIAL (Cont'd)

MJets Air Training Initiatives

MJets Air has also placed significant emphasis on specialized training programs to ensure compliance with aviation standards and enhance technical proficiency. Key training initiatives include:

- **Occupational Safety and Health Coordinator:** External training to ensure our safety coordinators are well-versed in the latest safety protocols and regulations.
- **Aviation Lead Internal Auditor and Part 145:** These training programs have equipped our employees with the necessary skills to conduct internal audits and maintain compliance with aviation regulations.
- **Electrical Wiring Interconnect System and Competency-Based Training for Dangerous Goods Instructor:** Focused on technical skills, these external training sessions ensure our staff are proficient in handling complex electrical systems and dangerous goods.

Overall, MJets Air provided training to 57 employees across various specialized programs, underscoring our commitment to maintaining high standards in the aviation industry.

MMAG Training Initiatives

The Group also ensures that all employees across different departments receive relevant training to enhance their skills and knowledge. For instance:

- **Domestic Inquiry:** This external training was conducted to ensure our staff are well-equipped to handle internal investigations and maintain compliance with legal and regulatory requirements.

Our commitment to continuous learning and development is reflected in our diverse training programs. These initiatives are designed to address the evolving needs of our industry and our employees. By providing opportunities for professional growth and development, we aim to create a motivated, skilled, and resilient workforce capable of driving the company towards greater success.

MMAG will continue to invest in training and development programs, ensuring that our employees have the tools and knowledge they need to excel in their roles and contribute to the Company's long-term sustainability and growth.

SUSTAINABILITY STATEMENT (cont'd)

➤ MATERIAL SUSTAINABILITY MATTERS (Cont'd)

SOCIAL (Cont'd)

Commitment to Local Talent and Community

We prioritize recruiting local talent wherever possible, benefiting the local community and reducing employee turnover. This approach not only supports community development but also ensures a stable and dedicated workforce. To foster a sense of belonging and camaraderie among our employees, we have established an employee social club. This club organizes events such as birthday celebrations and offers privileges like preferred rates at local F&B outlets, enhancing employee engagement and bonding.

The Group, through its courier and logistics arm, Line Clear Express Sdn Bhd, organized a Community Carnival Day at its new hub in Puchong Intan. The purpose of this community carnival was to establish stronger ties with the local community, promote social cohesion, and demonstrate the Group's commitment to corporate social responsibility.



Through events like the Community Carnival Day, the Group aims to create a positive impact on the community, enhance the quality of life for residents, and build lasting relationships based on mutual respect and cooperation. This commitment to community engagement is a core component of our sustainability strategy, reflecting our dedication to making a meaningful difference in the lives of those around us.

By continuously investing in community-based initiatives, Line Clear Express Sdn Bhd not only supports social development but also strengthens its brand presence and reputation as a responsible and caring corporate citizen. This approach helps to build trust and loyalty among stakeholders, ultimately contributing to the long-term success and sustainability of the Group.

SUSTAINABILITY STATEMENT (cont'd)

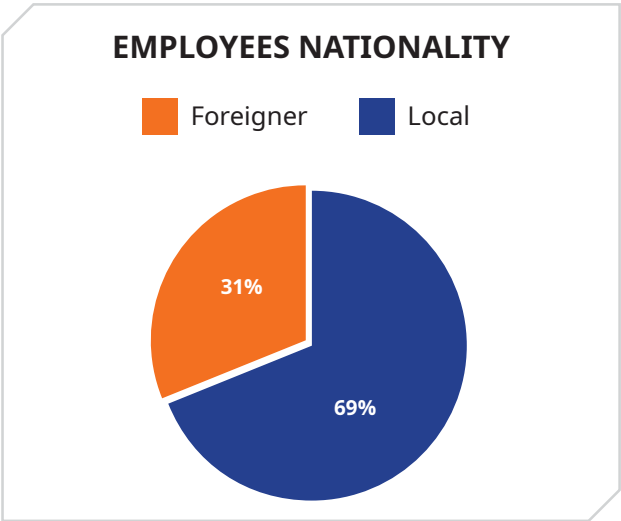
MATERIAL SUSTAINABILITY MATTERS (Cont'd)

SOCIAL (Cont'd)

Employee Engagement and Development

We believe in the power of continuous learning and development. Our competitive remuneration packages and wide range of benefits are designed to attract and retain the best talent. Beyond standard benefits like annual leave and medical coverage, we offer extensive career development opportunities for both technical and non-technical staff. This includes employee recognition programs and mentoring initiatives that nurture talent and promote growth.

To motivate and retain top talent, we provide a variety of training programs. These include in-house training sessions, external courses, and team-building excursions. Whether conducted virtually or physically, these programs comply with the necessary SOPs and are aimed at upgrading the knowledge and skills of our employees. We also believe in fostering good relationships through sports and other recreational activities, which help build a cohesive and motivated workforce.

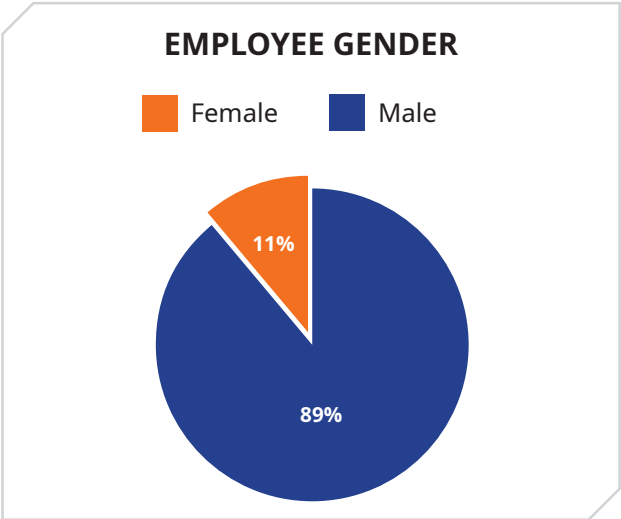


Equality and Diversity

At MMAG Holdings Berhad, we are committed to fostering an inclusive and diverse workplace that values and respects the unique contributions of each employee. Our workforce reflects our dedication to equality and diversity, which we believe are crucial for driving innovation, enhancing employee engagement, and achieving long-term business success.

Nationality

Our workforce is predominantly composed of local employees, who make up 69% of the total workforce. This includes 99% of our executives and 63% of our non-executives. Foreign employees constitute 31% of our workforce, with a significant presence in non-executive roles (37%).



Gender

We recognize the importance of gender diversity and are continuously working towards improving the representation of female employees within our organization. Currently, male employees represent 89% of our workforce, with a substantial presence in both executive (67%) and non-executive (93%) roles. Female employees make up 11% of our workforce, with 33% in executive positions and 7% in non-executive roles.

SUSTAINABILITY STATEMENT (cont'd)

➤ MATERIAL SUSTAINABILITY MATTERS (Cont'd)

SOCIAL (Cont'd)

Gender (Cont'd)

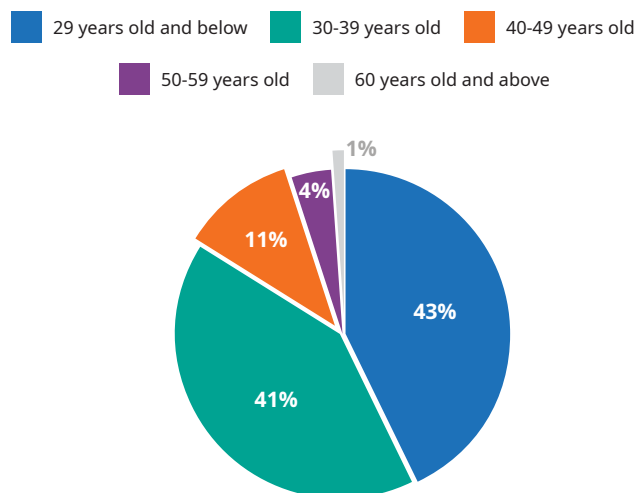
Due to the nature of our business in the logistics, warehousing, and airfreight industry, which often requires significant physical labor, the percentage of male workers is higher. These roles often involve tasks such as heavy lifting, loading and unloading cargo, and operating machinery, which traditionally attract a higher number of male employees. This trend is more pronounced in non-executive levels, where the physical demands of the job are greater. However, we are committed to creating an environment that encourages and supports the participation of female employees in all areas of our business. We actively seek to provide opportunities for women in our workforce through targeted recruitment, training, and development programs.

Age Group

Our workforce spans various age groups, reflecting our commitment to nurturing talent across different stages of career development:

- **29 years old and below:** Employees in this age group account for 43% of our workforce, with 10% in executive roles and 49% in non-executive roles.
- **30-39 years:** This age group forms the largest segment of our workforce, representing 41% of the total. This includes 49% of our executives and 40% of our non-executives.
- **40-49 years:** Comprising 11% of our workforce, this age group includes 27% of our executives and 8% of our non-executives.
- **50-59 years:** Representing 4% of our workforce, this group includes 10% of our executives and 3% of our non-executives.
- **60 years and above:** This age group makes up 1% of our workforce, with 4% in executive roles.

EMPLOYEE AGE GROUP



SUSTAINABILITY STATEMENT (cont'd)

➤ MATERIAL SUSTAINABILITY MATTERS (Cont'd)

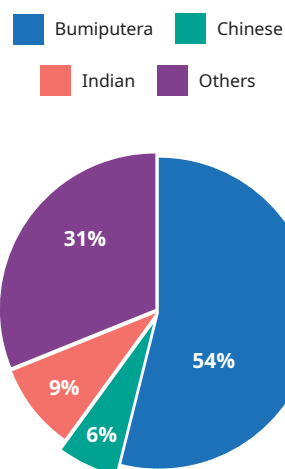
SOCIAL (Cont'd)

Race

We are proud of our racially diverse workforce, which includes:

- **Bumiputera:** The largest racial group within our workforce, making up 54% of the total. This includes 55% of our executives and 54% of our non-executives.
- **Chinese:** Representing 6% of our workforce, with 28% in executive roles and 1% in non-executive roles.
- **Indian:** Comprising 9% of our workforce, with 17% in executive positions and 7% in non-executive roles.
- **Others:** This group constitutes 31% of our workforce, with 37% in non-executive roles.

EMPLOYEE RACE



We believe that a diverse and inclusive workplace fosters creativity, innovation, and mutual respect. Our policies and practices are designed to promote equality and prevent discrimination based on race, gender, age, nationality, or any other characteristic. This commitment is embodied in our Employee Handbook and human resource policies, which ensure fair treatment and equal opportunities for all employees.

We have implemented specific grievance procedures to enable employees to voice their concerns and ensure that any issues related to discrimination or inequality are addressed promptly and effectively. Our open-door policy empowers every employee to provide suggestions or feedback, fostering a culture of openness and inclusion.

We also observe strict enforcement of no illegal employment in the workplace, including among contractors and subcontractors. By adhering to these ethical employment practices, we ensure a fair and just working environment for all.

Community Engagement

We actively engage with our employees and the broader community to foster a strong sense of purpose and belonging. The company periodically holds local events for current and potential customers to gather feedback and find ways to improve our service. These engagements are crucial for building trust and ensuring that our operations align with the needs and expectations of our stakeholders.

At MMAG, we are committed to creating a supportive, inclusive, and dynamic workplace where every employee feels valued and empowered. By investing in our people and maintaining high standards of social responsibility, we ensure that our workforce is motivated, skilled, and ready to contribute to the sustainable success of our Group.

SUSTAINABILITY STATEMENT (cont'd)

➤ MATERIAL SUSTAINABILITY MATTERS (Cont'd)

CORPORATE GOVERNANCE PRACTICES



The Group is guided by an effective the Board that assumes full responsibility for the leadership and control of the Group. The Board is collectively committed to promoting the success of the Group by directing and supervising its affairs with the highest standards of integrity and transparency. Our Directors make decisions objectively and always in the best interests of the Group, supported by robust corporate governance practices.

To strengthen our corporate governance framework, we have implemented comprehensive Policies and Procedures that serve as effective tools to guide our Management and all stakeholders. These include:

- **Anti-Bribery and Anti-Corruption Policy ("ABAC Policy"):** Our ABAC Policy underscores our commitment to fighting corruption and enhancing integrity within our organization. We take a zero-tolerance approach to bribery and corruption, ensuring all business activities are conducted ethically and transparently.
- **Code of Conduct and Ethics:** This code sets out the fundamental principles of behavior expected from all employees, directors, and stakeholders. It promotes honesty, integrity, and accountability, forming the cornerstone of our corporate culture.
- **Board Charter:** The Board Charter outlines the roles, responsibilities, and operations of the Board. It ensures that the Board functions effectively and in alignment with the Group's strategic objectives.
- **Whistleblowing Procedures:** We have established clear whistleblowing procedures to enable employees and stakeholders to report any unethical behavior or misconduct confidentially. This mechanism is crucial for maintaining a transparent and accountable organization.
- **Risk Management:** Our risk management framework identifies, assesses, and mitigates potential risks to the Group. It ensures that we proactively manage risks to safeguard our assets and reputation.

The Board and Senior Management have taken proactive measures to ensure compliance with the Malaysian Anti-Corruption Commission's ("MACC") corporate liability law, which came into force on 1 June 2020. We are steadfast in our commitment to preventing corruption, enhancing integrity, and implementing good governance across the organization. We have taken consistent and appropriate steps to ensure that the Company does not engage in corrupt activities.

Employee Grievance Procedures

To foster a fair and impartial workplace, we have established specific grievance procedures. These procedures provide employees with multiple communication channels to voice their concerns and grievances to the appropriate level of authority. This initiative reflects our commitment to maintaining a supportive and just working environment, where every employee feels heard and valued.

SUSTAINABILITY STATEMENT (cont'd)

> MATERIAL SUSTAINABILITY MATTERS (Cont'd)

CORPORATE GOVERNANCE PRACTICES (Cont'd)

Data Privacy and Protection

In compliance with the Personal Data Protection Act, we have implemented a Privacy Policy to responsibly collect and manage confidential personal data from our employees. This policy ensures that personal information is handled with the utmost care and security, reflecting our commitment to data privacy and protection.

Commitment to Continuous Improvement

Corporate governance is a continuous journey of improvement for MMAG. We regularly review and update our policies and procedures to ensure they remain relevant and effective in addressing new challenges and regulatory requirements. Our commitment to good governance practices not only enhances our operational efficiency but also strengthens the trust and confidence of our stakeholders.

Transparent Communication

We believe in maintaining transparent communication with our stakeholders. Regular updates on our governance practices and performance are provided through our annual reports, corporate website, and stakeholder meetings. This openness ensures that all stakeholders are well-informed about our governance framework and initiatives.

The Group is dedicated to upholding the highest standards of corporate governance. Our robust governance framework ensures that we operate with integrity, transparency, and accountability, driving the sustainable success of the Group and fostering a culture of trust and ethical conduct.

SUSTAINABILITY STATEMENT (cont'd)

> MOVING FORWARD

As we look to the future, MMAG remains unwavering in our commitment to sustainability across all business segments. We recognize that sustainable development is not just a goal but a continuous journey requiring dedication, innovation, and collaboration. Our sustainability efforts are deeply embedded in our operations, shaping our strategies and decisions to ensure long-term value creation for our stakeholders while delivering broader benefits to the environment and communities in which we operate.

Embracing innovation and technology is crucial to achieving our sustainability goals. We will invest in research and development to explore new technologies that enhance operational efficiency and sustainability. Digital transformation will play a key role in optimizing our processes, reducing resource consumption, and minimizing environmental impact.

Effective stakeholder engagement is at the heart of our sustainability strategy. We will continue to engage proactively with our stakeholders, including employees, customers, suppliers, communities, and regulatory bodies, to understand their needs and expectations. This engagement will guide our sustainability initiatives, ensuring they are relevant, impactful, and aligned with our stakeholders' interests.

Transparency is essential for building trust and accountability. We will maintain open communication with our stakeholders, providing regular updates on our sustainability performance and progress. Our sustainability reporting will be more comprehensive, covering aspects of our environmental, social, and governance ("ESG") performance and demonstrating our commitment to continuous improvement.

Our long-term vision is to create a sustainable business model that not only drives economic success but also contributes positively to society and the environment. We believe that sustainable business practices are fundamental to our growth and resilience, enabling us to thrive in a rapidly changing world.

In conclusion, MMAG is dedicated to advancing our sustainability journey, guided by our core values and commitment to excellence. By integrating sustainability into every aspect of our operations, we aim to create lasting value for our stakeholders, foster a positive impact on the environment, and contribute to the well-being of the communities we serve.

FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial period from 1 April 2023 to 30 September 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are disclosed in Note 8 to the Financial Statements.

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

CHANGE OF FINANCIAL YEAR END

The Company changed its financial year end from 31 March 2024 to 30 September 2024.

FINANCIAL RESULTS

	Group RM	Company RM
Net loss for the financial period	105,094,267	91,272,148
Attributable to:-		
Owners of the Company	95,581,999	
Non-controlling interests	9,512,268	
	105,094,267	

RESERVES AND PROVISIONS

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

DIVIDENDS

There were no dividends proposed, declared or paid by the Company during the financial period.

DIRECTORS' REPORT (cont'd)

DIRECTORS

The Directors who held office during the financial period and up to the date of this report are:-

Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman*
Chong Koon Meng*
Dato' Sok One A/L Esen
Haji Noorzainy Bin Haji Mohd Noor
Yeap Say Woi
Chin Boon Long* (appointed on 2.1.2024)
Chan Swee Ying (resigned on 2.1.2024, appointed as alternate Director to Chin Boon Long on 2.1.2024)
Dato' Che Nazli Binti Jaapar (appointed on 3.1.2024)
Azman Bin Mat Ali (appointed on 3.1.2024)
Hwang Siew Chien (resigned on 3.1.2024)
Kenny Khaw Chuan Wah (resigned on 7.5.2024)

* Director of the Company and its subsidiaries

The list of Directors of the subsidiaries are as follows:-

Huang Kangwei, Kenneth
Kenny Khaw Chuan Wah
Lim Sook Hui
Saysu A/L Michael (alternate for Shanmugananthan A/L Ratnam)
Shanmugananthan A/L Ratnam
Woo Kam Weng
Yap Yee Siew Audrey
Chen Guo Wei #
Kevin Jit Singh A/L Ragbir Singh #
Lin Pei Wen #
Phong Mun Wah #
Rajini Kanth A/L Muthusamy #
Anton Alex Schubert (alternate for Shanmugananthan A/L Ratnam) ^
Azman Bin Kassim #^
Chin Boon Kim ^
Sin Chin Chai ^

Appointed during the financial period and up to date of this report

^ Resigned during the financial period and up to date of this report

DIRECTORS' REPORT (cont'd)**DIRECTORS' BENEFITS**

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

	Group RM	Company RM
Current Directors		
Salaries, allowances and bonus	1,794,995	1,794,995
Defined contribution plan	186,564	186,564
Directors' fees (included RM45,000 paid by a subsidiary to a former Director)	466,500	421,500
	2,448,059	2,403,059

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

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than as shown in Notes 30 and 31 to the Financial Statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company or a related corporation of which the Director has a substantial financial interest.

DIRECTORS' INTERESTS

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

	At 1.4.2023	Number of ordinary shares Bought	Shares Consolidation	At 30.9.2024
<u>Direct interests</u>				
Chong Koon Meng	1,100,000	330,000	(990,000)	440,000
Chan Swee Ying	271,624,800	451,999,920	(291,262,320)	432,362,400
<u>Indirect interests</u>				
Chin Boon Long*	271,624,800	451,999,920	(291,262,320)	432,362,400

DIRECTORS' REPORT (cont'd)**DIRECTORS' INTERESTS (CONT'D)**

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

	At 1.4.2023	Number of warrants		At 30.9.2024
		Bought	Sold	
<u>Direct interests</u>				
Chong Koon Meng	-	165,000	-	165,000
Chan Swee Ying	-	216,099,960	(199,999,960)	16,100,000
<u>Indirect interests</u>				
Chin Boon Long*	-	216,099,960	(199,999,960)	16,100,000

* By virtue of shares held in the name of the spouse

Other than those disclosed above, none of the other Directors in office at the end of the financial period had any interests in the shares of the Company or its related corporations during the financial period.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

There was no indemnity coverage and insurance premium paid for Directors and Officers of the Company during the financial period.

ISSUE OF SHARES AND DEBENTURES

During the financial period, the Company:

- Completed the shares consolidation of every 10 existing ordinary in the Company into 1 ordinary share with fractional shares disregarded and resulting in the reduction in the number of ordinary shares from 2,422,391,577 ordinary shares to 242,239,061 ordinary shares;
- Issued 1,453,434,366 new ordinary shares at issue price of RM0.10 together with 726,717,178 free detachable warrants for a total cash consideration of RM145,343,436 for working capital purposes; and
- Issued 613,959,724 new ordinary shares of cash arising from the exercise of warrants at exercise price of RM0.15 for a total consideration of RM 92,093,959.

There were no debentures issued by the Company during the financial period.

DIRECTORS' REPORT (cont'd)**WARRANTS 2024/2029**

The Company had on 16 January 2024 allotted and issued 1,453,434,366 ordinary shares pursuant to Rights Issue ("Rights Shares") together with 726,717,178 free detachable warrants at an issue price of RM0.10 each on the basis of 1 warrant for every 2 right shares subscribed each warrant. Each warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 16 January 2024 to 15 January 2029, at an exercise price of RM0.15 in accordance with a deed poll dated 7 December 2023. Any warrant not exercised by the date of maturity will lapse thereafter and cease to be valid for all purposes.

The ordinary shares issued from the exercise of warrants shall rank pari passu in all respects with the existing ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions declared, the entitlement date of which is prior to the date of allotment of the new shares arising from the exercise of warrants.

During the financial period, 613,959,724 warrants had been exercised. As at 30 September 2024, there are 112,757,454 warrants remained not exercised.

OTHER STATUTORY INFORMATION

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

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

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

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

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

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial period which secures the liability 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 period.

DIRECTORS' REPORT (cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

In the opinion of the Directors:-

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

SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD AND AFTER THE REPORTING DATE

The significant events during the financial period and after the reporting date are disclosed in Note 37 to the Financial Statements.

AUDITORS

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

The amount of audit and other fees paid to or payable to the Auditors by the Group and the Company for the financial period from 1 April 2023 to 30 September 2024 amounted to RM608,000 and RM246,500 respectively. Further details are disclosed in Note 27 to the Financial Statements.

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

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

.....)
CHONG KOON MENG)
)
)
)
)
)
)
.....)
CHIN BOON LONG

DIRECTORS

28 November 2024

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 74 to 155 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2024 and of their financial performance and cash flows for the financial period from 1 April 2023 to 30 September 2024.

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

.....
CHONG KOON MENG

.....
CHIN BOON LONG

28 November 2024

STATUTORY DECLARATION

I, **Lim Poh Leng**, being the Officer primarily responsible for the financial management of **MMAG Holdings Berhad**, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 74 to 155 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this day of)
28 November 2024)

.....
LIM POH LENG
(MIA NO. 16302)
CHARTERED ACCOUNTANT

Before me:

Commissioner for Oaths
RAMATHILAGAM A/P RAMASAMY (W671)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MMAG HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA) REGISTRATION NO: 200301007003 (609423-V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of MMAG Holdings Berhad, which comprise the statements of financial position as at 30 September 2024, 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 period from 1 April 2023 to 30 September 2024, and notes to the financial statements, including material accounting policy information, as set out on pages 74 to 155.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 September 2024, and of their financial performance and cash flows for the financial period from 1 April 2023 to 30 September 2024 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 period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT (cont'd)

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

Key Audit Matters (cont'd)

Group

Goodwill on consolidation

The risk – The Group is required to test annually the amount of goodwill for impairment. The impairment testing relies on estimates of value-in-use based on estimated future cash flows.

The annual impairment test of goodwill is significant to our audit because the assessment process used in preparing the estimated future cash flows is complex and highly judgmental and is based on assumptions that are affected by expected future market or economic conditions.

Our response – Our audit procedures to assess the impairment of goodwill included the following:-

- evaluated the assumptions and methodologies used by the Group, in particular those relating to the forecasted revenue growth, expenses and profit margins.
- checked for additional impairment triggers by reading Board's minutes' holdings regular discussions with management and examining the performance of each cash generating unit.
- challenged the key assumptions used by management in conducting the impairment review, we using our valuation specialists to independently develop expectations for the key macro-economic assumptions used in the impairment analysis, in particular the discount rate and long-term growth rate, and comparing the independent expectations to those used by management; challenging the cash flow forecasts used; with comparison to recent performance, trend analysis and market expectations; and by reference to prior years' forecasts, where relevant, assessing whether the Group has achieved them.
- considered the adequacy of the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, that is, those that have the most significant effect on the determination of the recoverable amount of goodwill.

The Group's disclosures about goodwill are included in Note 13 to the Financial Statements.

Assessing impairment of property, plant and equipment and right-of-use assets

The risk – The management performs impairment assessment for the property, plant and equipment and right-of-use assets and compares the net carrying amount against the respective recoverable amount to determine the amount of impairment loss which should be recognised, if any.

We identified the aforesaid carrying amount of the property, plant and equipment and right-of-use assets as a key audit matter because of the significance of the carrying amount of such assets to the consolidated financial statements and because the impairment assessment provided by the management are complex and contain assumptions, particularly profit margin, growth rates, discount rates and revenue growth that are inherently uncertain.

INDEPENDENT AUDITORS' REPORT (cont'd)

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

Key Audit Matters (cont'd)

Group (cont'd)

Assessing impairment of property, plant and equipment and right-of-use assets (cont'd)

Our response – Our audit procedures to assess the impairment of property, plant and equipment and right-of-use assets included the following:-

- discussed indicators of impairment of property, plant and equipment and right-of-use assets with management, and for Cash Generating Units ("CGUs") where such indicators were identified and CGUs with goodwill, assessed whether management had performed impairment testing in accordance with the requirements of the prevailing accounting standards.
- involved our internal valuation specialists to assess the methodology and significant assumptions including discount rates adopted by management in its impairment assessments.
- evaluated the competency, independence and qualification of external valuer used in determining fair value of the property, plant and equipment.
- evaluated the assumptions adopted in the preparation of the discounted cash flow forecasts, including projected future growth rates for income and expenses and discount rates with reference to our understanding of the business, historical trends and available industry information and market data.
- performed sensitivity analyses on the key assumptions, including projected profitability, expected growth rates and discount rates adopted in the discounted cash flow forecasts and assessed whether there were any indicators of management bias in the selection of these assumptions.
- considered the adequacy of the disclosures of the assumptions applied, which are particularly sensitive, uncertain or require significant judgment, in the assessment of impairment of property, plant and equipment and right-of-use assets.

The Group's disclosures about property, plant and equipment and right-of-use assets are included in Notes 5 and 6 to the Financial Statements.

Impairment of trade and other receivables

The risk – In accordance with the impairment requirements under MFRS 9, the management is required to apply forward-looking approach in assessing the impairment of trade and other receivables. Broader range of information is considered including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cashflows of trade and other receivables are applied to calculate the expected credit losses using a provision matrix.

We identified impairment of trade and other receivables as a significant risk requiring special audit consideration. This is because the Group's trade and other receivables are material to the financial statements.

INDEPENDENT AUDITORS' REPORT (cont'd)

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

Key Audit Matters (cont'd)

Group (cont'd)

Impairment of trade and other receivables (cont'd)

Our response – The assessment of the appropriateness of the provision for trade receivables comprised a variety of audit procedures across the Group including: -

- assessed the validity of material receivables by obtaining third-party confirmations of amounts owing. We also considered payments received subsequent to year-end, past payment history and unusual patterns to identify potentially impaired balances. To address the risk of management bias, we evaluated the results of our procedures against audit procedures on other key balances to assess whether or not there was an indication of bias.
- challenged the appropriateness and reasonableness of the assumptions applied in the assessment of the receivables allowance.
- verified of receipts from trade receivables subsequent to year-end.
- considered the completeness and accuracy of the disclosures.

The Group's disclosures regarding impairment of trade and other receivables are included in Notes 16, 17 and 34 to the Financial Statements.

Right-of-use assets and lease liabilities

The risk – Due to the nature in courier and logistics, and air freight businesses, the Group has numerous of lease contracts, right-of-use assets and lease liabilities have been identified and recognised in the financial statements. MFRS 16 Leases is regarded as key audit matter because it involved large volume of data in preparing the leases schedule by the management and also required significant estimations and judgements made by the management which includes determination of lease term, discount rate, lease options and others measurement principles.

Our response – Our audit procedures to assess the accuracy of the right-of-use assets and lease liabilities included the following:-

- obtained an understanding and reviewed the process of preparation of the leases schedule with recalculation performed to ensure mechanical accuracy of leases schedule provided.
- tested the accuracy of the information stated in leases schedule by sighting to lease contracts and assessed the accounting treatment to ensure the compliance with the requirements of MFRS 16 including the appropriateness of the estimations and judgements made by the management.
- considered the completeness and accuracy of the disclosures.

The Group's disclosures about right-of-use assets and lease liabilities are included in Note 6 to the Financial Statements.

INDEPENDENT AUDITORS' REPORT (cont'd)

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

Key Audit Matters (cont'd)

Company

Investment in subsidiaries and amount due from subsidiaries

The risk – The management performs impairment assessment for the investment in subsidiaries and amount due from subsidiaries, and compares the net carrying amount against the respective recoverable amount to determine the amount of impairment loss which should be recognised, if any. The impairment assessment provided by the management are complex and contain assumptions, particularly profit margin, growth rates, discount rates and revenue growth that are inherently uncertain.

Our response – Our audit procedures to assess the impairment of investment in subsidiaries and amount due from subsidiaries included the following:-

- tested the design and implementation of the key controls around the impairment review process.
- performed substantive procedures and challenged the key assumptions include future growth rates and the profit margins applied.
- tested the reasonably possible changes in the key assumptions on which management has based its determination of the CGUs recoverable amount that may cause the CGUs carrying amount exceed its recoverable amount.
- considered the completeness and accuracy of the disclosures.

The Company's disclosures about investment in subsidiaries and amount due from subsidiaries are included in Notes 8.1 and 8.2 to the Financial Statements.

Information other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' report (but does not include the financial statements of the Group and the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the annual report, which is expected to be made available to us after that date.

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.

When we read the Group's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate action.

INDEPENDENT AUDITORS' REPORT (cont'd)

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

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.

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

INDEPENDENT AUDITORS' REPORT (cont'd)

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

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

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 (cont'd):-

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our 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 identified 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 year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that a subsidiary of which we have not acted as auditors is disclosed in Note 8 to the Financial Statements.

INDEPENDENT AUDITORS' REPORT (cont'd)**OTHER MATTER**

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

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

LEE SHEAU WEI
(NO: 03539/12/2024 J)
CHARTERED ACCOUNTANT

Kuala Lumpur
28 November 2024

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

	Note	Group		Company	
		30.9.2024 RM	31.3.2023 RM	30.9.2024 RM	31.3.2023 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	93,332,523	59,020,519	2,999	3
Right-of-use assets	6	353,825,414	325,825,983	-	-
Investment properties	7	1,385,219	3,978,083	-	-
Investment in subsidiaries	8	-	-	61,340,139	35,544,573
Investment in an associate	9	-	-	-	-
Other investments	10	-	59,370,869	-	59,370,869
Intangible assets	11	120,000	120,000	-	-
Deferred tax assets	12	1,600,000	1,600,000	-	-
Goodwill on consolidation	13	37,225,864	37,225,864	-	-
Amount due from subsidiaries	8	-	-	66,638,287	66,638,287
Fixed deposits with licensed banks		14,386,500	6,022,584	-	-
Total non-current assets		501,875,520	493,163,902	127,981,425	161,553,732
Current assets					
Inventories	14	12,823,067	8,275,146	-	-
Contract assets	15	5,978,279	3,418,413	-	-
Trade receivables	16	60,328,362	42,369,345	-	-
Other receivables	17	63,510,083	38,194,572	2,165,603	10,164,691
Amount due from subsidiaries	8	-	-	144,256,166	37,916,544
Tax recoverable		23,321	40,588	-	-
Short-term deposits with licensed banks		67,200,508	1,705,000	60,207,143	-
Cash and bank balances		6,198,455	11,325,644	323,233	1,633,455
Total current assets		216,062,075	105,328,708	206,952,145	49,714,690
Non-current asset held for sale	18	2,451,908	-	-	-
Total assets		720,389,503	598,492,610	334,933,570	211,268,422

STATEMENTS OF FINANCIAL POSITION (cont'd)

	Note	Group 30.9.2024 RM	31.3.2023 RM	Company 30.9.2024 RM	31.3.2023 RM
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to the owners of the Company:-					
Share capital	19	565,221,720	340,920,568	565,221,720	340,920,568
Irredeemable convertible preference shares	20	–	–	–	–
Other reserves	21	13,109,389	(30,461,191)	13,136,243	(30,315,225)
Accumulated losses		(290,199,106)	(139,835,237)	(245,259,333)	(121,658,361)
Non-controlling interests	8	288,132,003 (17,506,841)	170,624,140 (22,327,619)	333,098,630 –	188,946,982 –
Total equity		270,625,162	148,296,521	333,098,630	188,946,982
LIABILITIES					
Non-current liabilities					
Borrowings	22	7,577,288	10,423,996	–	–
Lease liabilities	6	283,172,852	277,580,100	–	–
Total non-current liabilities		290,750,140	288,004,096	–	–
Current liabilities					
Trade payables	23	41,874,974	33,070,295	–	–
Other payables	24	53,434,722	64,432,227	312,303	5,364,502
Contract liabilities	15	3,711,744	325,000	–	–
Amount due to subsidiaries	8	–	–	1,522,637	1,532,431
Borrowings	22	6,228,093	22,626,576	–	15,424,507
Lease liabilities	6	52,618,907	41,734,558	–	–
Tax payable		1,145,761	3,337	–	–
Total current liabilities		159,014,201	162,191,993	1,834,940	22,321,440
Total liabilities		449,764,341	450,196,089	1,834,940	22,321,440
Total equity and liabilities		720,389,503	598,492,610	334,933,570	211,268,422

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 1 APRIL 2023 TO 30 SEPTEMBER 2024

		Group		Company	
		1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Note					
Revenue	25	824,370,947	422,095,703	–	–
Cost of sales		(849,737,615)	(427,684,908)	–	–
Gross loss		(25,366,668)	(5,589,205)	–	–
Other income	26	42,762,344	12,776,058	10,645,910	2,756,447
Finance income		1,627,344	207,719	1,469,690	–
Reversal of impairment loss/(impairment loss) on financial assets		3,334,000	(7,775,476)	(80,133,410)	(93,879,274)
Impairment loss on non-financial assets		–	(5,687,280)	(10,000,000)	(85,472,002)
Selling and distribution expenses		(4,411,279)	(1,959,053)	(24,278)	–
Administration expenses		(91,784,489)	(55,248,412)	(5,573,022)	(2,957,640)
Other expenses		(4,081,326)	(9,229,701)	(7,427,633)	(4,954,712)
Finance costs		(25,407,039)	(17,358,784)	(229,405)	(8,654,406)
Share of loss of an associate		(1,000)	–	–	–
Loss before tax	27	(103,328,113)	(89,864,134)	(91,272,148)	(193,161,587)
Tax (expense)/income	28	(1,766,154)	471,930	–	–
Net loss for the financial period/year		(105,094,267)	(89,392,204)	(91,272,148)	(193,161,587)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (cont'd)

		Group		Company	
		1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Note					
Other comprehensive income/(loss):-					
Item that will be reclassified subsequently to profit or loss					
	Foreign currency translation difference arising from a foreign subsidiary	119,112	(168,579)	-	-
Item that will not be reclassified subsequently to profit or loss					
	Fair value loss on other investment	(2,013,599)	(179,233,049)	(2,013,599)	(179,233,049)
Total comprehensive loss for the financial period/year		(106,988,754)	(268,793,832)	(93,285,747)	(372,394,636)
Loss for the financial period/ year attributable to:-					
	Owners of the Company	(95,581,999)	(73,825,560)	(91,272,148)	(193,161,587)
	Non-controlling interests	(9,512,268)	(15,566,644)	-	-
		(105,094,267)	(89,392,204)	(91,272,148)	(193,161,587)
Total comprehensive loss attributable to:-					
	Owners of the Company	(97,476,486)	(253,227,188)	(93,285,747)	(372,394,636)
	Non-controlling interests	(9,512,268)	(15,566,644)	-	-
		(106,988,754)	(268,793,832)	(93,285,747)	(372,394,636)
Loss per share					
Basic/diluted loss per share attributable to owners of the Company (sen)					
29		(9.73)	(38.38)		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 APRIL 2023 TO 30 SEPTEMBER 2024

	Attributable to equity holders of the Company										
	Irredeemable convertible preference shares					Non-distributable					
	Share capital RM	Revaluation reserve RM	Fair value reserve RM	Warrant reserve RM	Merger deficit RM	Exchange translation reserve RM	Accumulated losses RM	Total RM	Non-controlling interests RM	Total equity RM	
Group											
At 1 April 2022	270,547,467	754,261	9,875,405	165,346,251	25,143,955	(7,900,000)	22,613	(87,537,810)	376,252,142	1,550,615	377,802,757
Transactions with owners:-											
Disposal of subsidiaries	-	-	(1,319,225)	-	-	7,900,000	-	(6,580,775)	-	(6,187,289)	(6,187,289)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	3,124,301	3,124,301	(2,124,301)	1,000,000
Issuance of shares for settlement of debts	23,753,457	-	-	-	-	-	-	-	23,753,457	-	23,753,457
Issuance of shares from private placements	13,625,384	-	-	-	-	-	-	-	13,625,384	-	13,625,384
Issuance of shares from conversion of warrants	11,299,896	-	-	-	(4,399,196)	-	-	-	6,900,700	-	6,900,700
Issuance of shares from conversion of irredeemable convertible preference shares	949,605	(754,261)	-	-	-	-	-	-	195,344	-	195,344
Warrant expired	20,744,759	-	-	-	(20,744,759)	-	-	-	-	-	-
Total transactions with owners	70,373,101	(754,261)	(1,319,225)	-	(25,143,955)	7,900,000	-	(3,456,474)	47,599,186	(8,311,590)	39,287,596
Realisation of fair value reserve upon disposal of shares	-	-	-	(16,428,427)	-	-	-	16,428,427	-	-	-
Reversal of revaluation reserve upon disposal of properties	-	-	(8,556,180)	-	-	-	-	8,556,180	-	-	-
Net loss for the financial year	-	-	-	-	-	-	-	(73,825,560)	(73,825,560)	(15,566,644)	(89,392,204)
Other comprehensive loss for the financial year	-	-	-	(179,233,049)	-	-	(168,579)	-	(179,401,628)	-	(179,401,628)
Total comprehensive loss for the financial year	-	-	-	(179,233,049)	-	-	(168,579)	(73,825,560)	(253,227,188)	(15,566,644)	(268,793,832)

STATEMENTS OF CHANGES IN EQUITY (cont'd)

	Share capital RM	Irredeemable convertible preference shares RM	Non-distributable			Retained earnings/ (accumulated losses) RM	Total RM
			Fair value reserve RM	Warrant reserve RM			
Company							
At 1 April 2022	270,547,467	754,261	165,346,251	25,143,955		55,074,799	516,866,733
Transactions with owners:-							
Issuance of shares for settlement of debts	23,753,457	-	-	-		-	23,753,457
Issuance of shares from private placements	13,625,384	-	-	-		-	13,625,384
Issuance of shares from conversion of warrants	11,299,896	-	-	(4,399,196)		-	6,900,700
Issuance of shares from conversion of irredeemable convertible preference shares	949,605	(754,261)	-	-		-	195,344
Warrant expired	20,744,759	-	-	(20,744,759)		-	-
Total transactions with owners	70,373,101	(754,261)	-	(25,143,955)		-	44,474,885
Realisation of fair value reserve upon disposal of shares	-	-	(16,428,427)	-		16,428,427	-
Net loss for the financial year	-	-	-	-		(193,161,587)	(193,161,587)
Other comprehensive loss for the financial year	-	-	(179,233,049)	-		-	(179,233,049)
Total comprehensive loss for the financial year	-	-	(179,233,049)	-		(193,161,587)	(372,394,636)

STATEMENTS OF CHANGES IN EQUITY (cont'd)

	Share capital RM	Irredeemable preference shares RM	Non-distributable			Retained earnings/ (accumulated losses) RM	Total RM
			Fair value reserve RM	Warrant reserve RM			
Company (cont'd)							
At 31 March 2023	340,920,568	-	(30,315,225)	-		(121,658,361)	188,946,982
Transactions with owners:-							
Issuance of shares arising from rights issue with warrants	60,680,885	-	-	84,662,551		-	145,343,436
Issuance of shares from conversion of warrants	163,620,267	-	-	(71,526,308)		-	92,093,959
Total transactions with owners	224,301,152	-	-	13,136,243		-	237,437,395
Realisation of fair value reserve upon disposal of shares	-	-	32,328,824	-		(32,328,824)	-
Net loss for the financial period	-	-	-	-		(91,272,148)	(91,272,148)
Other comprehensive loss for the financial period	-	-	(2,013,599)	-		-	(2,013,599)
Total comprehensive loss for the financial period	-	-	(2,013,599)	-		(91,272,148)	(93,285,747)
At 30 September 2024	565,221,720	-	-	13,136,243		(245,259,333)	333,098,630

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 APRIL 2023 TO 30 SEPTEMBER 2024

	Group		Company	
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
OPERATING ACTIVITIES				
Loss before tax	(103,328,113)	(89,864,134)	(91,272,148)	(193,161,587)
Adjustments for:-				
Bad debt and deposit written off	-	626,480	-	-
Depreciation of property, plant and equipment	28,283,369	16,888,298	319	-
Depreciation of investment properties	140,956	487,465	-	-
Depreciation of right-of-use assets	77,607,509	44,262,268	-	-
Fair value loss on other investment	1,945,000	4,003,300	1,945,000	4,003,300
Gain on disposal of investment property	-	(1,321,021)	-	-
Gain on disposal of other investments	(10,645,910)	(2,752,361)	(10,645,910)	(2,752,361)
Gain on lease modification/termination	(466,238)	(207,541)	-	-
Gain on disposal of property, plant and equipment	(1,280,139)	(12,952)	-	-
(Gain)/loss on disposal of subsidiaries	(757,041)	-	5,482,633	-
Impairment loss on investment in subsidiaries	-	-	10,000,000	85,472,002
Impairment loss on property, plant and equipment	-	5,501,409	-	-
(Reversal of impairment loss)/ impairment loss on receivables	(3,334,000)	7,775,476	80,133,410	93,879,274
Impairment loss on right-of-use assets	-	185,871	-	-
Interest expenses	25,407,039	17,358,784	229,405	8,654,406
Interest income	(1,627,344)	(207,719)	(1,469,690)	-
Inventories written off	158,190	3,364	-	-
Investment in subsidiaries written off	-	-	-	771,255
Loss on disposal of assets held for sale	-	91,324	-	180,157
Property, plant and equipment written off	108,314	38,475	-	-
Rental rebates	-	(3,000)	-	-
Share of loss in an associate	1,000	-	-	-
Unrealised (gain)/loss on foreign exchanges	(18,682,731)	4,390,558	-	-
Operating (loss)/profit before working capital changes	(6,470,139)	7,244,344	(5,596,981)	(2,953,554)

STATEMENTS OF CASH FLOWS (cont'd)

		Group		Company	
	Note	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
OPERATING ACTIVITIES (CONT'D)					
Changes in working capital:-					
Inventories		(4,706,111)	2,257,658	-	-
Contract customers		826,878	(9,632,985)	-	-
Receivables		(36,118,251)	(15,275,009)	7,999,088	(10,141,857)
Payables		7,080,715	22,621,190	(181,676)	(8,126)
Cash (used in)/generated from operations		(39,386,908)	7,215,198	2,220,431	(13,103,537)
Tax paid		(611,300)	(518,872)	-	-
Interest received		1,627,344	207,719	1,469,690	-
Net cash flows (used in)/from operating activities		(38,370,864)	6,904,045	3,690,121	(13,103,537)
INVESTING ACTIVITIES					
Net advances to subsidiaries		-	-	(227,851,132)	(30,443,589)
Net cash (outflows)/inflows from disposal of subsidiaries	8	(73,212)	485,431	100,001	534,900
Purchase of investment property		-	(38,493)	-	-
Purchase of property, plant and equipment	A	(68,024,736)	(23,536,439)	(3,315)	-
Purchase of right-of-use assets	A	-	(482,630)	-	-
Purchase of other investments		(9,005,221)	(6,020,570)	(9,005,221)	(6,020,570)
Proceeds from disposal of investment property		-	20,194,496	-	-
Proceeds from disposal of property, plant and equipment		1,978,632	912,544	-	-
Proceeds from disposal of other investments		75,063,401	39,217,381	75,063,401	39,217,381
Acquisition of shares in associate		(1,000)	-	-	-
Acquisition/subscription of shares in a subsidiary		-	-	(100)	-
Acquisition of non-controlling interests		(8,250,000)	-	-	-
Subscription of shares by non-controlling interests		130,000	1,000,000	-	-
Net cash flows (used in)/from investing activities		(8,182,136)	31,731,720	(161,696,366)	3,288,122

STATEMENTS OF CASH FLOWS (cont'd)

		Group		Company	
		1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Note					
FINANCING ACTIVITIES					
(Repayments to)/advances from other payables		(7,343,033)	4,209,060	(4,870,523)	3,973,125
Drawdown of borrowings		6,000,000	34,898,867	–	34,898,867
Repayment of borrowings		(15,424,507)	(42,829,051)	(15,424,507)	(39,615,045)
Placement of pledged fixed deposits with licensed banks		(8,363,916)	(2,982,584)	–	–
Repayments of hire purchase		(10,281,084)	(7,665,085)	–	–
Repayments of lease liabilities		(69,829,874)	(36,815,688)	–	–
Repayments to a subsidiary		–	–	(9,794)	(4,757)
Interest paid		(25,407,039)	(17,358,784)	(229,405)	(8,654,406)
Proceeds from issuance of shares		237,437,395	20,721,428	237,437,395	20,721,428
Net cash flows from/(used in) financing activities	B	106,787,942	(47,821,837)	216,903,166	11,319,212
CASH AND CASH EQUIVALENTS					
Net changes		60,234,942	(9,186,072)	58,896,921	1,503,797
Effect of foreign currency translation differences on cash and cash equivalents		133,377	(172,643)	–	–
At beginning of financial period/year		13,030,644	22,389,359	1,633,455	129,658
At end of financial period/year	C	73,398,963	13,030,644	60,530,376	1,633,455

A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

	Group		Company	
	30.9.2024 RM	31.3.2023 RM	30.9.2024 RM	31.3.2023 RM
Property, plant and equipment				
Total purchase of property, plant and equipment	68,485,136	25,249,439	3,315	–
Financed by hire purchase agreement	(460,400)	(1,713,000)	–	–
Cash purchases	68,024,736	23,536,439	3,315	–

STATEMENTS OF CASH FLOWS (cont'd)

A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (CONT'D)

	Group		Company	
	30.9.2024	31.3.2023	30.9.2024	31.3.2023
	RM	RM	RM	RM
Right-of-use assets				
Total purchase of right-of-use assets	107,047,409	77,678,396	-	-
Financed by lease arrangements	(107,047,409)	(77,195,766)	-	-
Cash purchases	-	482,630	-	-

B. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	At beginning of financial period/year RM	Others RM	Cash flows RM	At end of financial period/year RM
Group				
30.9.2024				
Other payables (Advances)	7,382,113	-	(7,343,033)	39,080
Borrowings (Net)	33,050,572	(9,820,684)	(9,424,507)	13,805,381
Lease liabilities (restated)	319,314,658	86,306,975 *	(69,829,874)	335,791,759
31.3.2023				
Other payables (Advances)	26,926,510	(23,753,457) #	4,209,060	7,382,113
Borrowings (Net)	46,932,841	1,713,000 @	(15,595,269)	33,050,572
Lease liabilities (restated)	269,138,178	86,992,168 *@	(36,815,688)	319,314,658
Company				
30.9.2024				
Other payables (Advances)	4,886,023	-	(4,870,523)	15,500
Borrowings (Net)	15,424,507	-	(15,424,507)	-
31.3.2023				
Other payables (Advances)	12,516,355	(11,603,457) #	3,973,125	4,886,023
Borrowings (Net)	20,140,685	-	(4,716,178)	15,424,507

* Being additions, acquisition of subsidiaries, lease modification, lease termination, rental rebates and translation differences of lease liabilities as disclosed in Note 6 to the Financial Statements.

Being debt settlement pursuant to issuance of share capital.

@ Being reclassification made on prior year balance as disclosed in Note 38.

STATEMENTS OF CASH FLOWS (cont'd)

C. CASH AND CASH EQUIVALENTS

	Group		Company	
	30.9.2024	31.3.2023	30.9.2024	31.3.2023
	RM	RM	RM	RM
Cash and bank balances	6,198,455	11,325,644	323,233	1,633,455
Fixed and/or short-term deposits with licensed banks	81,587,008	7,727,584	60,207,143	–
	87,785,463	19,053,228	60,530,376	1,633,455
Less: Fixed deposits pledged to licensed banks	(14,386,500)	(6,022,584)	–	–
	73,398,963	13,030,644	60,530,376	1,633,455

The fixed and/or short-term deposits with licensed banks of the Group and of the Company bear interest at rates ranging from 1.3% to 3.4% (31.3.2023: 2.30% to 2.85%) and 1.3% to 3.4% (2023: Nil) per annum and the maturity period ranged from 1 to 10 months (31.3.2023: 1 to 12 months) and 1 month (31.3.2023: Nil) respectively.

The fixed deposits of the Group amounting to RM14,386,500 (31.3.2023: RM6,022,584) are pledged to licensed banks for bank guarantee facilities granted to the subsidiaries.

Included in fixed deposits with licensed banks of the Group is RM895,000 (31.3.2023: RM2,255,000) which are held in trust by a Director of the subsidiary (31.3.2023: Director of the Company).

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

NOTES TO THE FINANCIAL STATEMENTS

– 30 SEPTEMBER 2024

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur. The principal place of business of the Company is located at No. 3, Jalan TP2, Taman Perindustrian UEP Subang Jaya, 47600 Subang Jaya, Selangor Darul Ehsan.

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are disclosed in Note 8 to the Financial Statements. There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial period.

The Company changed its financial year end from 31 March 2024 to 30 September 2024.

The financial statements were authorised for issue by the Directors in accordance with a resolution of the Directors on 28 November 2024.

2. GOING CONCERN

The Group had incurred a net loss of RM105.1 million and generated a negative operating cash flows of RM38.37 million during the financial period from 1 April 2023 to 30 September 2024. These events or conditions indicate material uncertainty that may cast doubt on the Group's ability to continue as a going concern.

The Directors are of the opinion that the ability of the Group to continue as a going concern will be dependent on the continued successful operation of the mobile and fulfilment, courier and logistics as well as air freight services in line with management expectation. If these are not forthcoming, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The validity of the Group's going concern assumption is dependent on the ability of the Group to rationalise the plans above. If these are not forthcoming, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

In view of the foregoing, the Directors consider that it is appropriate to prepare the financial statements of the Group on a going concern basis, and accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to amounts and classification of liabilities that may be necessary should the going concern basis for the preparation of the financial statements of the Company be not appropriate.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

3.1 Statement of compliance

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

3.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, unless otherwise indicated in the summary of material accounting policies.

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

3.2 Basis of measurement (cont'd)

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

The Group has established control framework in respect to the measurement of fair values of financial instruments. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and reports directly to the Board of Directors. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

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

3.3 Functional and presentation currency

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

3.4 Adoption of new standards/amendments/improvements to MFRSs

The Group and the Company have applied the accounting policies set out in Note 4 to all years presented in these financial statements.

At the beginning of the current financial period, the Group and the Company adopted new amendments/improvements to MFRSs which are mandatory for the current financial period.

Initial application for the above amendments to standards did not have any material impacts to the financial statements of the Group and of the Company other than the replacement of the term "significant" with "material". Management has applied the guidance in the Amendments to determine material accounting policies and updated the accounting policies in the respective notes to the financial statements but not on the measurement, recognition as presentation of any items in the Group's and the Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

3.5 Standards issued but not yet effective

The Group and the Company plan to apply the below amendments where applicable, in the respective financial period when they become effective:-

Effective for financial periods beginning on or after 1 January 2024:-

Amendments to MFRS 16*#	Leases – Lease liability in a Sale and Leaseback
Amendments to MFRS 101	Presentation of Financial Statements – Non-Current Liabilities with Covenants
Amendments to MFRS 101	Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current
Amendments to MFRS 107 and 7*#	Statement of Cash Flows and Financial Instruments: Disclosure – Supplier Finance Arrangements

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

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

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 1*, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	First-time Adoption of Malaysian Financial Reporting Standards, Financial Instruments: Disclosures, Financial Instruments, Consolidated Financial Statements and Statements of Cash Flows – Annual Improvements

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

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19*	Subsidiaries without Public Accountability: Disclosures

Deferred to a date to be determined by MASB:-

Amendments to MFRS 10 and 128*	Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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* Not applicable to the Company's operation

Not applicable to the Group's operations

The Group and the Company intend to adopt these standards and amended standards, if applicable, when they become effective. The initial application of the above standards and amendments are not expected to have any material financial impact to the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

3.6 Significant accounting estimates and judgements

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

3.6.1 Estimation uncertainty

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

Useful lives of depreciable assets

Management estimates the useful lives of the depreciable assets to be within 2 to 50 years and reviews the useful lives of the depreciable assets at each reporting date. As at 30 September 2024, management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. Actual results, however, may vary due to change in the expected level of usage and technological developments, which resulting the adjustment to the Group's and the Company's assets.

Management expects that the expected useful lives of the property, plant and equipment and investment properties would not have material difference from the management's estimates and hence it would not result in material variance in the Group's net loss for the financial period.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit ("CGU") being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

3.6 Significant accounting estimates and judgements (cont'd)

3.6.1 Estimation uncertainty (cont'd)

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below (cont'd):-

Provision for expected credit losses ("ECLs") of receivables and contract assets

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

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the relevant sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

Leases – estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs when available and is required to make certain entity-specific estimates.

Income taxes and deferred tax

Significant judgement is involved in determining the Group's and the Company's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

3.6 Significant accounting estimates and judgements (cont'd)

3.6.1 Estimation uncertainty (cont'd)

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below (cont'd):-

Income taxes and deferred tax (cont'd)

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which all the deductible temporary differences can be recognised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the time the estimates are made. The Group's core business is subject to economical and technology changes which may cause selling price to change rapidly and the Group's results to change.

The management reviews inventories to identify damaged, obsolete and slow-moving inventories which require judgement and changes in such estimates could result in revision to the valuation of inventories.

3.6.2 Significant management judgements

Determining the lease term of contracts with renewal options

The Group determines the lease term with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.

The Group has various lease contracts that include extension options. The Group applies judgement in evaluating whether to exercise the option to renew the lease. It considers all relevant factors that create an economic incentive for it to exercise the renewal option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew.

The Group includes the renewal period as part of the lease term for such leases. The Group generally exercises its option to renew for those leases with renewal option.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

4. MATERIAL ACCOUNTING POLICIES

The Group and the Company apply the material accounting policies, as summarised below, consistently throughout all years presented in the financial statements.

4.1 Consolidation

4.1.1 Subsidiaries

Investment in subsidiaries is stated at cost less any impairment losses in the Company's statement of financial position, unless the investment is held for sale or distribution.

4.1.2 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed.

4.1.3 Acquisition of subsidiary with non-controlling interests

The Group elects to measure the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

4.2 Property, plant and equipment

All property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful life. Freehold land with an infinite life is not depreciated. Other property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Leasehold building improvement/ renovation	10 to 33 years
Warehouse equipment	5 to 10 years
Cargo handling equipment	5 years
Motor vehicles	5 years
Computer and office equipment	3 to 10 years
Furniture and fittings	5 to 10 years

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

4. MATERIAL ACCOUNTING POLICIES (CONT'D)

4.3 Investment properties

Investment properties are initially measured at cost, including transaction cost. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and any impairment losses.

Investment properties are depreciated based on the estimated useful lives of the assets as follows:-

Freehold buildings	50 years
Renovation	10 years

4.4 Leases

4.4.1 As lessee

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

4.4.1.1 Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:-

Office and warehouse	5 to 22 years
Leasehold land	22 years
Premises	2 to 10 years
Aircraft	6 to 10 years

4.4.1.2 Short-term leases and leases of low-value assets

The Group applies the short-term leases recognition exemption to its short-term leases. It also applies the leases of low-value assets recognition exemption to leases of that are considered to be of low-value. Lease payments on short-term leases and leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

4.5 Intangible assets

Intangible assets with finite life are amortised on straight-line basis over the estimated economic useful life and assessed for impairment whenever there is indication that are intangible asset may be impaired.

Intangible assets with indefinite useful life are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired either individually or at cash-generating unit level.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

4. MATERIAL ACCOUNTING POLICIES (CONT'D)

4.5 Intangible assets (cont'd)

The useful lives of the intangible assets are as follow:-

E-commerce & mobile apps

5 years

Customer list and relationship

Indefinite

4.6 Financial instruments

4.6.1 Financial assets

At the reporting date, the Group and the Company carry financial assets measured at amortised costs, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income ("OCI") on and their statements of financial position.

Financial assets at amortised cost

The Group's and the Company's financial assets at amortised cost include trade and other receivables, amount due from subsidiaries, fixed deposits with licensed banks, cash and bank balances.

Financial assets designated at fair value through profit or loss (FVTPL)

This category includes listed warrants which the Group had not irrevocably elected to classify at fair value through OCI.

Financial assets designated at fair value through OCI (equity instruments)

The Group and the Company elected to classify irrevocably its non-listed equity investments and listed ordinary shares under this category.

4.6.2 Financial liabilities

At the reporting date, the Group and the Company carry only financial liabilities at amortised cost on their statements of financial position.

The Group's and the Company's financial liabilities include trade and other payables, amount due to subsidiaries and borrowings.

4.7 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on a weighted average basis.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

5. PROPERTY, PLANT AND EQUIPMENT

	Leasehold building improvement/ renovation RM	Warehouse equipment RM	Cargo handling equipment RM	Motor vehicles* RM	Computer and office equipment RM	Furniture and fittings RM	Capital work under construction RM	Total RM
Group								
At cost								
At 1 April 2022	11,194,392	6,728,205	1,376,740	56,898,024	14,026,808	5,536,033	793,036	96,553,238
Additions	671,647	5,968,944	1,927,149	5,072,604	3,092,416	5,581	8,511,098	25,249,439
Disposals	(517,675)	-	-	(1,273,073)	(6,514)	-	-	(1,797,262)
Written off	-	-	-	(46,960)	(105,075)	-	-	(152,035)
Transfer from/(to)	1,507,372	-	-	-	-	-	(1,507,372)	-
Translation reserve	-	-	-	22,429	5,898	14,333	-	42,660
At 31 March 2023	12,855,736	12,697,149	3,303,889	60,673,024	17,013,533	5,555,947	7,796,762	119,896,040
Additions	2,853,141	512,864	10,917,121	14,294,440	708,309	24,265	39,174,996	68,485,136
Disposals	(315,392)	-	-	(2,658,535)	(288,625)	(304,159)	-	(3,566,711)
Written off	-	-	-	(348,646)	(172,589)	(25,866)	-	(547,101)
Transfer from/(to)	31,758,026	-	2,236,753	-	-	-	(33,994,779)	-
Disposal of a subsidiary	-	-	-	(5,851,151)	(7,990)	-	-	(5,859,141)
Translation reserve	-	-	-	12,860	3,386	8,215	-	24,461
At 30 September 2024	47,151,511	13,210,013	16,457,763	66,121,992	17,256,024	5,258,402	12,976,979	178,432,684

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

Group (cont'd)	Leasehold building improvement/renovation RM	Warehouse equipment RM	Cargo handling equipment RM	Motor vehicles* RM	Computer and office equipment RM	Furniture and fittings RM	Capital work under construction RM	Total RM
Accumulated depreciation/impairment								
At 1 April 2022	2,744,638	-	149,513	26,467,601	7,933,633	2,175,233	-	39,470,618
- Accumulated depreciation Charge for financial year	1,742,770	-	637,132	10,888,189	3,087,169	533,038	-	16,888,298
Impairment loss recognised	2,739,779	-	-	805,246	491,097	1,465,287	-	5,501,409
Disposals	(225,308)	-	-	(667,366)	(4,996)	-	-	(897,670)
Written off	-	-	-	(12,523)	(101,037)	-	-	(113,560)
Translation reserve	-	-	-	13,226	5,200	8,000	-	26,426
At 31 March 2023								
- Accumulated depreciation	4,262,100	-	786,645	36,689,127	10,919,969	2,716,271	-	55,374,112
- Accumulated impairment	2,739,779	-	-	805,246	491,097	1,465,287	-	5,501,409
Charge for financial period	7,001,879	-	786,645	37,494,373	11,411,066	4,181,558	-	60,875,521
Disposals	4,021,248	1,961,355	2,246,589	14,730,409	4,553,323	770,445	-	28,283,369
Written off	(213,560)	-	-	(1,947,022)	(390,724)	(316,912)	-	(2,868,218)
Disposal of a subsidiary	-	-	-	(262,576)	(166,880)	(9,331)	-	(438,787)
Translation reserve	-	-	-	(761,681)	(7,987)	-	-	(769,668)
	-	-	-	12,861	2,739	2,344	-	17,944
At 30 September 2024								
- Accumulated depreciation	8,069,788	1,961,355	3,033,234	48,477,983	15,063,462	3,385,137	-	79,990,959
- Accumulated impairment#	2,739,779	-	-	788,381	338,075	1,242,967	-	5,109,202
	10,809,567	1,961,355	3,033,234	49,266,364	15,401,537	4,628,104	-	85,100,161
Net carrying amount								
At 30 September 2024	36,341,944	11,248,658	13,424,529	16,855,628	1,854,487	630,298	12,976,979	93,332,523
At 31 March 2023	5,853,857	12,697,149	2,517,244	23,178,651	5,602,467	1,374,389	7,796,762	59,020,519

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

	Company Office equipment RM
Cost	
At 1 April 2022/31 March 2023	3,019
Additions	3,315
At 30 September 2024	6,334
Accumulated depreciation	
At 1 April 2022/31 March 2023	3,016
Charge for the financial period	319
At 30 September 2024	3,335
Net carrying amount	
At 30 September 2024	2,999
At 31 March 2023	3

* The motor vehicles had been reclassified from right-of-use assets to property, plant and equipment in the current and previous financial year.

The decrease of accumulated impairment is due to disposal of the property, plant and equipment in the current financial period.

Hire purchase arrangements

Included in the net carrying amounts of property, plant and equipment are RM6,435,918 (31.3.2023: RM14,114,208) financed under hire purchase arrangements.

Impairment of property, plant and equipment

As at 30 September 2024, the property, plant and equipment of courier and logistics, and air freight segments are tested for impairment due to impairment indicators noted, where losses were recorded for the current financial period.

The recoverable amount as at 30 September 2024 and 31 March 2023 was based on value in use and was determined at the level of the CGU. The CGU consisted of the property, plant and equipment, right-of-use assets and/or the goodwill. In determining value in use for the CGU, the cash flows were prepared based on approved financial budgets which cover a period of 5 years (31.3.2023: 5 years) and discounted at rates range from 8.18% to 9.64% (31.3.2023: 7.40% to 8.56%) per annum on a pre-tax basis. The recoverable amounts of the property, plant and equipment were higher than their carrying amounts except for the Group's courier and logistics segment CGU of which impairment losses amounting to RM5,501,409 were recognised based on its recoverable amounts in the previous financial year ended 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

Group	Leasehold land RM	Office and warehouse RM	Premises RM	Aircraft RM	Equipment RM	Total RM
At cost						
At 1 April 2022	2,487,135	73,808,874	26,194,157	208,176,876	-	310,667,042
Additions	-	-	5,058,129	72,620,267	-	77,678,396
Lease modification	9,683,907	-	(777,776)	-	-	8,906,131
Lease termination	-	-	(6,841,618)	-	-	(6,841,618)
Translation reserve	-	-	19,899	-	-	19,899
At 31 March 2023	12,171,042	73,808,874	23,652,791	280,797,143	-	390,429,850
Additions	-	13,531,682	6,495,759	83,921,267	3,098,701	107,047,409
Lease modification	-	-	40,143	-	-	40,143
Lease termination	-	-	(8,807,951)	-	-	(8,807,951)
Translation reserve	-	-	11,408	-	-	11,408
At 30 September 2024	12,171,042	87,340,556	21,392,150	364,718,410	3,098,701	488,720,859

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Right-of-use assets (cont'd)

Group (cont'd)	Leasehold land RM	Office and warehouse RM	Premises RM	Aircraft RM	Equipment RM	Total RM
Accumulated depreciation/ impairment						
At 1 April 2022						
- Accumulated depreciation	1,989,708	3,466,700	6,448,681	11,543,799	-	23,448,888
Charge for financial year	612,712	10,184,213	5,942,942	27,522,401	-	44,262,268
Impairment loss recognised	-	-	185,871	-	-	185,871
Lease termination	-	-	(3,305,369)	-	-	(3,305,369)
Translation reserve	-	-	12,209	-	-	12,209
At 31 March 2023						
- Accumulated depreciation	2,602,420	13,650,913	9,098,463	39,066,200	-	64,417,996
- Accumulated impairment	-	-	185,871	-	-	185,871
Charge for financial period	2,602,420	13,650,913	9,284,334	39,066,200	-	64,603,867
Lease termination*	691,707	17,165,137	8,673,004	49,735,417	1,342,244	77,607,509
Translation reserve	-	-	(7,315,461)	-	-	(7,315,461)
	-	-	(470)	-	-	(470)
At 30 September 2024						
- Accumulated depreciation	3,294,127	30,816,050	10,641,407	88,801,617	1,342,244	134,895,445
Net carrying amount						
At 30 September 2024	8,876,915	56,524,506	10,750,743	275,916,793	1,756,457	353,825,414
At 31 March 2023						
	9,568,622	60,157,961	14,368,457	241,730,943	-	325,825,983

* Included in lease termination is RM185,871 (31.3.2023: Nil) related to reversal of accumulated impairment loss.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Right-of-use assets (cont'd)

The Group has lease contracts for leasehold land, office and warehouse, premises and aircraft used for its operations purposes. These leases are generally having lease terms of 2 to 22 years. There are several lease contracts that include extension options which are further discussed below.

The Group also has certain leases of premises and equipment with short lease term. The Group applies "short-term leases" recognition exemption for such leases.

Some lease contracts contain extension options exercisable only by the before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

As at the reporting date, the right-of-use assets of courier and logistics, and air freight segments are tested for impairment together with property, plant and equipment due to impairment indicators noted, where losses were recorded during the financial period/year. Refer to Note 5 for further details of impairment loss.

Lease liabilities

	Group	
	30.9.2024	31.3.2023
	RM	RM
<u>Current</u>		
- within 1 year	52,618,907	41,734,558
<u>Non-current</u>		
- more than 1 year but less than 5 years	274,837,978	133,326,895
- more than 5 years	8,334,874	144,253,205
	283,172,852	277,580,100
	335,791,759	319,314,658

The lease liabilities bear interest at rates ranging from 4.35% to 4.85% (31.3.2023: 4.35% to 4.85%) per annum. The lease liabilities of RM281,683,326 (31.3.2023: RM266,647,302) of the Group are secured by the corporate guarantee of the Company.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Lease liabilities (cont'd)

Set out below are the movements of the lease liabilities during the financial period/year:-

	Group	
	30.9.2024 RM	31.3.2023 RM
At beginning of financial period/year	319,314,658	269,138,178
Additions	107,047,409	77,195,766
Accretion of interest	22,342,766	14,070,136
Payments		
- Principal	(69,829,874)	(36,815,688)
- Interest	(22,342,766)	(14,070,136)
Rental rebates	-	(3,000)
Lease modification	40,143	8,906,131
Lease termination	(1,958,728)	(3,743,790)
Unrealised (gain)/loss on foreign exchange	(18,836,114)	4,612,182
Translation reserve	14,265	24,879
At end of financial period/year	335,791,759	319,314,658

The following are the amounts relating to right-of-use assets and lease liabilities recognised in profit or loss:-

	Group	
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Depreciation of right-of-use assets	77,607,509	44,262,268
Interest expense on lease liabilities	22,342,766	14,070,136
Expenses related to short-term leases: -		
- outlet premises	1,962,712	555,150
- accommodation	2,929,049	3,430
- equipment	231,172	560,499
Total recognised in profit or loss	105,073,208	59,451,483

The Group had total cash outflows for leases of RM97,295,573 during the financial period (31.3.2023: RM52,004,903). The future cash outflows relating to leases that have not yet commenced are disclosed in Note 32.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

7. INVESTMENT PROPERTIES

	Freehold land RM	Freehold buildings and renovation RM	Total RM
Group Cost			
At 1 April 2022	12,294,400	16,566,308	28,860,708
Additions	–	38,493	38,493
Disposal	(12,294,400)	(11,906,278)	(24,200,678)
At 31 March 2023	–	4,698,523	4,698,523
Transfer to non-current asset held for sale	–	(3,002,336)	(3,002,336)
At 30 September 2024	–	1,696,187	1,696,187
Accumulated depreciation			
At 1 April 2022	–	5,560,178	5,560,178
Charge for the financial year	–	487,465	487,465
Disposal	–	(5,327,203)	(5,327,203)
At 31 March 2023	–	720,440	720,440
Charge for the financial period	–	140,956	140,956
Transfer to non-current asset held for sale	–	(550,428)	(550,428)
At 30 September 2024	–	310,968	310,968
Net carrying amount			
30 September 2024	–	1,385,219	1,385,219
31 March 2023	–	3,978,083	3,978,083
		Freehold buildings and renovation RM	
Fair values of investment properties			
- 30.9.2024			1,500,000
- 31.3.2023			4,500,000

The market values at the reporting date were estimated based on valuations performed by independent and external professional valuers, using the sales comparison method. The fair values of investment properties fall within Level 3 of the fair value hierarchy. The most significant input in the valuation approach adopted by the Group is adjusted price per square foot.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

8. SUBSIDIARIES

8.1 Investment in subsidiaries

	Company	
	30.9.2024	31.3.2023
	RM	RM
At cost		
Unquoted shares	156,812,141	122,764,596
Less: Accumulated impairment loss		
At beginning of financial period/year	(87,220,023)	(1,748,021)
Recognised during the financial period/year	(10,000,000)	(85,472,002)
Reversal upon disposal	1,748,021	-
At end of financial period/year	(95,472,002)	(87,220,023)
	61,340,139	35,544,573

An impairment assessment on the carrying amounts of investments in subsidiaries at the reporting date was undertaken based on higher of the fair value less costs of disposal and the value in use for those subsidiaries with indicators of impairment.

The recoverable amount was determined based on the VIU calculation using cash flow projections based on the financial budget approved by the management covering a five-year period. In determining VIU, the cash flows were discounted at a range of rates between 8.18% to 9.64% (31.3.2023: 7.40% to 11.13%) on a pre-tax basis.

Details of the subsidiaries are as follows:-

Name of company	Effective interest		Principal activities	Principal place of business
	30.9.2024	31.3.2023		
	%	%		
MMAG Omni Ventures Sdn. Bhd. (formerly known as Line Clear Ventures Holdings Sdn. Bhd.) ("MOV")	100	100	Investment holding	Malaysia
MJets Air Sdn. Bhd. (formerly known as M Jets International Sdn. Bhd.) ("MJets")	98.57	80	Provision of airline charter flight and providing all kinds of aviation facilities, products and services	Malaysia
MMatrix Sdn. Bhd. ("MMatrix")	100	100	Provisions of courier and delivery services	Malaysia

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

8. SUBSIDIARIES (CONT'D)

8.1 Investment in subsidiaries (cont'd)

Details of the subsidiaries are as follows (cont'd):-

Name of company	Effective interest		Principal activities	Principal place of business
	30.9.2024 %	31.3.2023 %		
MMAG Supply Chain Sdn. Bhd. (formerly known as United ICT Consortium Sdn. Bhd.) ("MSC")	100	100	Investment holding	Malaysia
MMAG Aviation Consortium Sdn. Bhd. ("MAC")	100	–	Investment holding	Malaysia
VSurf Sdn. Bhd.#	–	100	Provision of electronic commerce services related	Malaysia
Inventure Conglomerate Sdn. Bhd.#	–	100	Distribution of telecommunication products, services, accessories and devices and other multimedia hardware and software	Malaysia
Skyvault Cargo Sdn. Bhd. (formerly known as MMantap Sdn. Bhd.)#	–	100	Dormant	Malaysia
Held under MOV				
Line Clear Express Sdn. Bhd. (formerly known as Line Clear Express & Logistics Sdn. Bhd.) ("LCE")	86.09	80.75	Provisions of courier and delivery services	Malaysia
Line Clear Express & Logistics (S) Pte. Ltd.*	100	100	Dormant	Singapore
Lineclear Logistics Sdn. Bhd. (formerly known as Line Shield Sdn. Bhd.)	100	100	Insurance agent	Malaysia

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

8. SUBSIDIARIES (CONT'D)

8.1 Investment in subsidiaries (cont'd)

Details of the subsidiaries are as follows (cont'd):-

Name of company	Effective interest		Principal activities	Principal place of business
	30.9.2024 %	31.3.2023 %		
Held under MOV (cont'd)				
Line Clear Freight Forwarding Sdn. Bhd.	100	100	Dormant	Malaysia
MMAG Sky Services Sdn. Bhd. (formerly known as Line Clear Express (KT) Sdn. Bhd.) #	–	100	Dormant	Malaysia
Line Clear Charter Sdn. Bhd. ("LCC") @	–	100	Provision of courier and delivery services	Malaysia
Held under MSC:				
Inconnexion Communication Sdn. Bhd.	100	100	Dormant	Malaysia
MMAG Digital Sdn. Bhd.	100	100	Investment holding and distributor of information technology products	Malaysia
MMAG Online Sdn. Bhd.	100	100	Dormant	Malaysia
VSurf Sdn. Bhd.#	100	–	Provision of electronic commerce services related	Malaysia
Inventure Conglomerate Sdn. Bhd.#	100	–	Distribution of telecommunication products, services, accessories and devices and other multimedia hardware and software	Malaysia
Held under MMAG Digital Sdn. Bhd.				
MMegah Sdn. Bhd.	100	100	Temporarily ceased business	Malaysia

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

8. SUBSIDIARIES (CONT'D)

8.1 Investment in subsidiaries (cont'd)

Details of the subsidiaries are as follows (cont'd):-

Name of company	Effective interest		Principal activities	Principal place of business
	30.9.2024 %	31.3.2023 %		
Held under MAC:				
Skyvault Cargo Sdn. Bhd. (formerly known as MMantap Sdn. Bhd.) [#]	100	–	Dormant	Malaysia
MMAG Sky Services Sdn. Bhd. (formerly known as Line Clear Express (KT) Sdn. Bhd.) [#]	100	–	Dormant	Malaysia
XCT Aviation Sdn. Bhd. ("XCT")	100	–	Cargo handling and check-in with automated weighing and sorting facilities	Malaysia
Oceanic Transshipment Sdn. Bhd. ("OT")	70	–	Seafood Transshipment warehouse, livestock freshness services	Malaysia
Held under MJets:				
Masakan Kampungku Sdn. Bhd. ("MK")	100	–	Retailing, retail management and food and beverages	Malaysia
Held under XCT:				
XCT Aviation (Cambodia) Co. Ltd.*	100	–	Dormant	Cambodia

* Audited by a firm other than Grant Thornton Malaysia PLT

Undergoing internal reorganisation plan, there is no financial impact on the Group

@ Disposed during the financial period

Incorporation, acquisition, subscription of shares of subsidiaries

30.9.2024

- On 16 October 2023, MJets incorporated a wholly-owned subsidiary, MK with an issued and paid-up share capital of RM1;
- On 20 November 2023 and 20 March 2024, the Company subscribed further 999,990 and 500,000 ordinary shares of MMatrix for total consideration of RM1,499,990 by way of capitalisation of amount owing by MMatrix;

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

8. SUBSIDIARIES (CONT'D)

8.1 Investment in subsidiaries (cont'd)

*Incorporation, acquisition, subscription of shares of subsidiaries (cont'd)***30.9.2024 (cont'd)**

- (c) On 14 December 2023, the Company incorporated wholly-owned subsidiary, OT with an issued and paid-up share capital of RM100. On 20 February 2024, the Company has fully transferred the 100% equity interest to MAC. Further, on 6 March 2024, OT entered into a Joint Venture and Shareholders Agreement with Asia Express Limited, Suniao Supply Chain Sdn. Bhd. (collectively known as "Joint Venture Partners") and MAC with a total issued and paid-up share capital of RM100,000. MAC subscribed 70% of the equity interest while the Joint Venture Partners subscribed for the remaining 30% equity interest for consideration of RM30,000;
- (d) On 23 January 2024, the Company incorporated wholly-owned subsidiary, XCT with an issued and paid-up share capital of RM1. Subsequently, the equity interest has fully transferred to MAC on 20 February 2024; and
- (e) On 29 January 2024, the Company incorporated and subscribed 100 ordinary shares of MAC for total cash consideration of RM100.

*Changes in equity interest in subsidiaries***30.9.2024**

- (a) On 4 October 2023, MOV entered into a Shares Sales Agreement with a third party for the purchase of 5,400,000 LCE ordinary shares for a cash subscription price of RM8,250,000. This transaction is completed during the financial period. The Group recognise an increase in non-controlling interest of RM4,797,446 and increase of accumulated losses of RM13,047,446.
- (b) On 25 May 2023, the Company entered into a Shares Sales Agreement with a third party for the disposal of 4,600,000 of MJets ordinary shares for a cash subscription price of RM100,000. During the financial period, the Company further subscribed 920,000,000 ordinary shares in MJets by way of capitalisation of amount owing by MJets amounting to RM40,000,000. These transactions are completed during the financial period and resulted the equity interest in MJets increased from 80% to 98.57%. During the financial period, The Group recognise an increase in non-controlling interest of RM9,505,600 and increase of accumulated losses of RM9,405,600.

31.3.2023

On 27 December 2022, LCE entered into a Subscription Agreement with a third party for the issuance and allotment of 5,052,632 new ordinary shares (representing 4.25% of the enlarged total number of issued shares) for a cash subscription price of RM1,000,000. This transaction is completed in the previous financial year. The Group recognise a decrease in non-controlling interest of RM2,124,301 and decrease of accumulated losses of RM3,124,301.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

8. SUBSIDIARIES (CONT'D)

8.1 Investment in subsidiaries (cont'd)

*Disposal of a subsidiary***30.9.2024**

On 21 June 2024, MOV entered into a Shares Sales Agreement with a third party to dispose 100% equity interest in LCC comprising 100,000 ordinary shares for a total cash consideration of RM100,000.

The effects of disposal of LCC on the financial position of the Group as at the date of disposal are as follows:-

	LCC RM
Property, plant and equipment	5,089,473
Trade and other receivables	1,400
Tax recoverable	4,837
Cash and bank balances	173,212
Other payables	(5,925,963)
Net assets	(657,041)
Gain on disposal of a subsidiary	757,041
Proceeds consideration	100,000
Less: Cash and bank balances disposed	(173,212)
Net cash outflow arising from disposal of a subsidiary	(73,212)

31.3.2023

On 4 April 2022, the Company disposed the entire 74.51% equity interest in MGudang Sdn. Bhd. ("MGSB"), comprising 19,000,000 ordinary shares to Ingenieur Group Berhad ("IGB") for a total consideration of RM17,649,843 by way of combination of cash of RM534,900 and issuance of 180,157,290 new ordinary shares in IGB at a fair value of RM0.095 per share.

The effects of disposal of MGSB and its subsidiaries ("MGSB Group") on the financial position of the Group as at the date of disposal are as follows:-

	MGSB Group RM
Assets of disposal group held for sale	41,504,257
Liabilities directly associated with disposal group classified as held for sale	(4,547,584)
Amount due from MGSB group	(13,028,217)
Total net assets upon disposal	23,928,456
Non-controlling interest	(6,187,289)
Loss on disposal of assets held for sale	(91,324)
Proceeds consideration	17,649,843
Less: Proceeds by way of ordinary shares	(17,114,943)
Less: Cash and bank balances disposed	(49,469)
Net cash inflow arising from disposal of subsidiaries	485,431

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

8. SUBSIDIARIES (CONT'D)

8.2 Amounts due from/(to) subsidiaries

Amounts due from/(to) subsidiaries are non-trade in nature, unsecured, bear no interest and receivable/repayable on demand except for amount due from subsidiaries of RM66,638,287 (31.3.2023: RM66,638,287) which not expect to be received within next 12 months (31.3.2023: 12 months).

	Company	
	30.9.2024	31.3.2023
	RM	RM
Amount due from subsidiaries	406,724,352	220,251,320
Less: Allowance for expected credit losses		
At beginning of financial period/year	(115,696,489)	(21,817,215)
Recognised	(80,133,410)	(93,879,274)
At end of financial period/year	(195,829,899)	(115,696,489)
	210,894,453	104,554,831
Amount due to subsidiaries	(1,522,637)	(1,532,431)
Presented as:-		
Non-current	66,638,287	66,638,287
Current	144,256,166	37,916,544
	210,894,453	104,554,831

The Company performed an expected credit losses assessment on individual basis during the financial period on the amount due from subsidiaries and an impairment loss of RM80,133,410 (31.3.2023: RM93,879,274) was recognised as a result of insufficient of future cash flows to repay the amount and hence included in impairment loss on financial assets in profit or loss.

8.3 Non-controlling interests ("NCI")

The Group's subsidiaries that have material NCI are as follows:-

	Mjets	LCE	OT	Total
30.9.2024				
Percentage of equity interest held by NCI (%)	1.43%	13.91%	30.00%	
Carrying amount of NCI (RM)	(941,533)	(16,362,456)	(202,852)	(17,506,841)
Net loss allocated to NCI (RM)	(2,626,253)	(6,653,163)	(232,852)	(9,512,268)
Total comprehensive loss allocated to NCI (RM)	(2,626,253)	(6,653,163)	(232,852)	(9,512,268)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

8. SUBSIDIARIES (CONT'D)

8.3 Non-controlling interests ("NCI") (cont'd)

The Group's subsidiaries that have material NCI are as follows (cont'd):-

	Mjets	LCE	OT	Total
31.3.2023				
Percentage of equity interest held by NCI (%)	20%	19.25%	-	
Carrying amount of NCI (RM)	(7,820,880)	(14,506,739)	-	(22,327,619)
Net loss allocated to NCI (RM)	(8,239,554)	(7,327,090)	-	(15,566,644)
Total comprehensive loss allocated to NCI (RM)	(8,239,554)	(7,327,090)	-	(15,566,644)

The summary of financial information before intra-group elimination of the Group's subsidiaries that have material NCI are as below:-

	Mjets RM	LCE RM
Financial position as at 30 September 2024		
Non-current assets	352,192,478	74,450,835
Current assets	61,897,742	27,475,153
Non-current liabilities	(268,160,919)	(8,370,492)
Current liabilities	(211,770,756)	(211,186,377)
Net liabilities	(65,841,455)	(117,630,881)

Summary of financial performance for the financial period ended from 1 April 2023 to 30 September 2024

Net loss/total comprehensive loss for the financial period	(66,737,058)	(42,271,198)
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Summary of cash flows for the financial period ended from 1 April 2023 to 30 September 2024

Net cash used in operating activities	(5,604,986)	(19,335,778)
Net cash used in investing activities	(20,859,714)	(38,143,975)
Net cash from financing activities	27,848,489	56,644,097
Net changes in cash and cash equivalents	1,383,789	(835,656)

Financial position as at 31 March 2023

Non-current assets	294,374,784	61,421,751
Current assets	38,001,024	22,856,876
Non-current liabilities	(258,170,794)	(20,003,099)
Current liabilities	(113,309,411)	(139,635,211)
Net liabilities	(39,104,397)	(75,359,683)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

8. SUBSIDIARIES (CONT'D)

8.3 Non-controlling interests ("NCI") (cont'd)

The summary of financial information before intra-group elimination of the Group's subsidiaries that have material NCI are as below (cont'd):-

	MJets RM	LCE RM
Summary of financial performance for the financial year ended 31 March 2023		
Net loss/total comprehensive loss for the financial year	(41,197,768)	(42,657,363)
Summary of cash flows for the financial year ended 31 March 2023		
Net cash from/(used in) operating activities	32,074,719	(20,704,515)
Net cash used in investing activities	(4,717,841)	(17,410,124)
Net cash (used in)/from financing activities	(29,114,843)	37,080,355
Net changes in cash and cash equivalents	(1,757,965)	(1,034,284)

9. INVESTMENT IN AN ASSOCIATE

	Group 30.9.2024 RM	31.3.2023 RM
Unquoted shares, at cost	1,000	-
Shares of post-acquisition results	(1,000)	-
	-	-

Details of the associate are as follows:-

Name of company	Principal place of business	Effective interest		Principal activities
		30.9.2024 %	31.3.2023 %	
Menzies Aviation (Malaysia) Sdn. Bhd.* ("MA")	Malaysia	49	-	Provision of ground handling equipment, and the provision of services for airline and related businesses.

* Not audited by Grant Thornton Malaysia PLT

During the financial period, MMAG Sky Services Sdn. Bhd. has acquired 980 shares in MA, representing 49% of the equity interest for a total cash consideration of RM1,000.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

10. OTHER INVESTMENTS

	Group		Company	
	30.9.2024	31.3.2023	30.9.2024	31.3.2023
	RM	RM	RM	RM
Non-current				
<i>Equity instruments designated at fair value through OCI:-</i>				
Quoted ordinary shares in Malaysia	-	42,838,369	-	42,838,369
Unquoted ordinary shares in Malaysia	-	1,300,000	-	-
Less: Allowance for impairment loss				
At beginning of financial period/year	(1,300,000)	(1,300,000)	-	-
Written off	1,300,000	-	-	-
At end of financial period/year	-	(1,300,000)	-	-
	-	42,838,369	-	42,838,369
<i>Equity instruments designated at fair value through profit or loss:-</i>				
Quoted warrants in Malaysia	-	16,532,500	-	16,532,500
	-	59,370,869	-	59,370,869

Equity instruments designated at fair value through OCI include investments in ordinary shares of listed and non-listed companies. The Group and Company have sold all the equity instruments during the financial period.

In prior year, the Group and the Company held non-controlling interests between 0.06% to 17.63% in these companies. These investments were irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature.

Financial assets at fair value through profit or loss include investments in listed warrants. Fair values of these warrants are determined by reference to published price quotations in an active market.

In prior year, the quoted ordinary shares and warrants amounted RM59,370,869 are pledged for a banking facility of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

11. INTANGIBLE ASSETS

	E-commerce & mobile apps RM	Customer list and relationship RM	Total RM
Group Cost			
At 1 April 2022/31 March 2023	11,427,070	120,000	11,547,070
Accumulated amortisation			
At 1 April 2022/31 March 2023/30 September 2024	10,825,000	–	10,825,000
Accumulated impairment			
At 1 April 2022/31 March 2023/30 September 2024	602,070	–	602,070
Net carrying amount			
At 31 March 2023/30 September 2024	–	120,000	120,000

12. DEFERRED TAX ASSETS

Deferred tax assets

	Group 30.9.2024 RM	31.3.2023 RM
At beginning/end of financial period/year	1,600,000	1,600,000

The deferred tax assets are made up of tax impact on temporary differences arising from:-

	Group 30.9.2024 RM	31.3.2023 RM
Carrying amount of qualifying property, plant and equipment in excess of their tax base	(166,000)	(174,000)
Unabsorbed business losses	–	361,000
Others (trade receivables, inventories and provisions)	1,766,000	1,413,000
	1,600,000	1,600,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

12. DEFERRED TAX ASSETS (CONT'D)

Deferred tax liabilities

	Group	
	30.9.2024 RM	31.3.2023 RM
At beginning of financial period/year	-	960,885
Disposal of revalued property	-	(426,806)
Recognised in profit or loss (Note 28)	-	(534,079)
At end of financial period/year	-	-

13. GOODWILL ON CONSOLIDATION

The aggregate carrying amounts of goodwill allocated to each unit are as follows:-

	Group	
	30.9.2024 RM	31.3.2023 RM
Mobile and fulfilments	9,387,490	9,387,490
Air freight	27,838,374	27,838,374
	37,225,864	37,225,864

The recoverable amount of the CGU is determined based on the VIU calculation using discounted cash flows projections based on financial budgets approved by the management covering a five-year period.

The following describes each key assumption on which management has based its discounted cash flows projections to undertake impairment testing of goodwill:-

- (i) cash flows are projected based on actual operating results and a 5 (31.3.2023: 5) years business plan;
- (ii) revenue is projected at anticipated annual revenue growth rates ranging from 6% to 12% (31.3.2023: 7.8% to 10%) per annum;
- (iii) expenses are projected increase at an annual rate ranging from 2% to 9% (31.3.2023: 2% to 5%) per annum; and
- (iv) a pre-tax discount rates ranging from 8.18% to 9.64% (31.3.2023: 7.40% to 11.13%) is applied in determining the recoverable amount of the units.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

13. GOODWILL ON CONSOLIDATION (CONT'D)

With regards to the assessments of VIU, management believes that no reasonably possible changes in any of the key assumptions would cause the carrying values of these units to differ materially from their recoverable amounts except for the changes in prevailing operating environment which is not ascertainable.

The calculation of recoverable amounts of the CGUs which have been measured based on their value in use as described above has been made based on conditions existing at 30 September 2024. There is a significant risk that the assumptions on revenue per cargo, discount rates and growth rate applied in the goodwill impairment assessment would need to be revised, depending on industry developments which may result in a material adjustment to the carrying amounts of the goodwill.

14. INVENTORIES

	Group	
	30.9.2024 RM	31.3.2023 RM
Spare parts	3,068,903	-
Trading goods	9,754,164	8,275,146
Less: Allowance for slow moving inventories		
At beginning of financial period/year	-	(1,295,081)
Written off	-	1,295,081
At end of financial period/year	-	-
	12,823,067	8,275,146
Recognised in profit or loss:-		
Inventories recognised as cost of sales	209,319,504	174,499,460
Inventories written off recognised as other expenses	158,190	3,364

15. CONTRACT ASSETS/LIABILITIES

	Group	
	30.9.2024 RM	31.3.2023 RM
Revenue recognised to-date	23,397,662	14,406,430
Invoices issued to-date	(17,419,383)	(10,988,017)
Contract assets	5,978,279	3,418,413
Contract liabilities – current	3,711,744	325,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

15. CONTRACT ASSETS/LIABILITIES (CONT'D)

Contract assets are initially recognised for revenue earned from electronic delivery tracking system which indicated of the completed delivery. Upon the completion of delivery and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The significant increase in contract assets resulting from significant increase in sales generated from one of its customers during the financial period.

Contract liabilities related to deposits made by customers for the goods or services which yet to be performed by the Group as at the reporting date. The Group applies the practical expedient in MFRS 15 on not disclosing the aggregate amount of the revenue expected to be recognised in the future as the performance obligation is part of a contract that has an original expected duration of less than one year.

16. TRADE RECEIVABLES

	Group	
	30.9.2024 RM	31.3.2023 RM
Trade receivables	72,571,016	58,161,552
Less: Allowance for expected credit losses		
At beginning of financial period/year	(15,792,207)	(9,178,106)
Recognised	-	(6,601,478)
Reversal	3,334,000	-
Foreign exchange movement	215,553	(12,623)
At end of financial period/year	(12,242,654)	(15,792,207)
	60,328,362	42,369,345

The normal trade credit terms granted by the Group to the trade receivables ranging from 1 to 90 days (31.3.2023: 1 to 90 days) and are non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

17. OTHER RECEIVABLES

	Group		Company	
	30.9.2024	31.3.2023	30.9.2024	31.3.2023
	RM	RM	RM	RM
Non-trade receivables	6,669,579	15,605,229	2,160,603	10,148,217
Deposits	46,551,052	15,548,324	5,000	3,000
Prepayments	11,593,106	8,299,801	-	13,474
GST receivable	77,814	201,686	-	-
	64,891,551	39,655,040	2,165,603	10,164,691
Less: Allowance for impairment losses				
At beginning of financial period/year	(1,460,468)	(2,280,000)	-	-
Recognised	-	(1,173,998)	-	-
Recovered	-	500,000	-	-
Written off	79,000	1,500,000	-	-
Foreign exchange movement	-	(6,470)	-	-
At end of financial period/year	(1,381,468)	(1,460,468)	-	-
	63,510,083	38,194,572	2,165,603	10,164,691

Included in the deposits were RM19,628,964 (31.3.2023: RM10,769,272) being payment made in relation to the aircraft leasing agreement entered.

Included in the deposits were RM14.5 million (31.3.2023: Nil) being payment made in relation to the proposed acquisition of a new subsidiary and an additional equity interest in LCE, as disclosed in Note 37 to the Financial Statements.

Included in other receivables of the Company is Nil (31.3.2023: RM10,148,217) due from MGSB Group which disposed by the Group in previous financial year.

18. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

The non-current asset held for sale is as follows:-

	Group	
	30.9.2024	31.3.2023
	RM	RM
Investment property (Note 7)	2,451,908	-

On 20 August 2024, the Group has entered into a sales and purchase agreement with a third party, to dispose a parcel of freehold land for a sale consideration of RM3,000,000. Hence, the carrying amount of the investment property has been presented as a non-current asset held for sale on the Group's statement of financial position as at 30 September 2024. This transaction is yet to be completed as at report signing date.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

19. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	30.9.2024 Units	31.3.2023 Units	30.9.2024 RM	31.3.2023 RM
Issued and fully paid up:-				
Ordinary shares with no par value				
At beginning of financial period/year	2,422,391,577	1,312,469,925	340,920,568	270,547,467
Shares Consolidation	(2,180,152,516)	-	-	-
Issuance of shares with free warrants	1,453,434,366	1,109,921,652	145,343,436	49,628,342
Conversion of warrants	613,959,724	-	92,093,959	-
Net transferred (to)/from warrant reserve	-	-	(13,136,243)	20,744,759
At end of financial period/year	2,309,633,151	2,422,391,577	565,221,720	340,920,568

The holders of ordinary shares are entitled to receive dividends as and when declare by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

On 30 October 2023, the Company completed the shares consolidation of every 10 existing ordinary in the Company into 1 ordinary share with fractional shares disregarded and resulting in the reduction in the number of ordinary shares from 2,422,391,577 ordinary shares to 242,239,061 ordinary shares.

On 23 January 2024, the Company issued 1,453,434,366 new ordinary shares at issue price of RM0.10 together with 726,717,178 warrants for a total cash consideration of RM145,343,436 for working capital purposes.

20. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

	Group and Company			
	Number of shares		Amount	
	30.9.2024 Units	31.3.2023 Units	30.9.2024 RM	31.3.2023 RM
Issued and fully paid up:-				
At beginning of financial period/year	-	15,085,218	-	754,261
Conversion of ICPS	-	(15,085,218)	-	(754,261)
At end of financial period/year	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

20. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS") (CONT'D)

The salient terms of the ICPS are as follows:-

- (a) The shares were issued at RM0.05 each and are convertible within 5 years commencing from the issuance of the ICPS with conversion ratio and the conversion price is determined as follows:-
 - (i) The conversion price for the ICPS to be converted into 1 new ordinary share of the Company at RM0.20 based on the conversion ratio; and
 - (ii) The conversion ratio of the ICPS for 1 new ordinary share of the Company is either by 4 ICPS to be converted into 1 ordinary share or a combination of 1 ICPS and RM0.15 in cash for 1 ordinary share.
- (b) Any remaining ICPS that are not converted within 5 years commencing from the issuance of the ICPS shall be automatically converted into ordinary shares of the Company at the conversion ratio of 4 ICPS to be converted into 1 ordinary share.
- (c) The Company has full discretion over the declaration of dividends, if any. Dividends declared and payable annually in arrears are non-cumulative and shall be in priority over the ordinary shares of the Company.
- (d) The ICPS holders are not entitled to any voting right until and unless such holders convert their ICPS into ordinary shares except for the following circumstances:-
 - (i) when the dividend or part of dividend on the ICPS is in arrears for more than 6 months; or
 - (ii) on a proposal to reduce the capital of the Company's shares; or
 - (iii) on a proposal for sanctioning the sale of the whole of the Company's property, business and undertaking; or
 - (iv) on a proposal that directly affects the rights and privileges attached to the ICPS; or
 - (v) on a proposal to wind-up the Company; or
 - (vi) during the winding-up of the Company.

21. OTHER RESERVES

	Group		Company	
	30.9.2024	31.3.2023	30.9.2024	31.3.2023
	RM	RM	RM	RM
Non-distributable:-				
<u>Revaluation reserve</u>				
At beginning of financial period/year	-	9,875,405	-	-
Disposal of subsidiaries	-	(1,319,225)	-	-
Realisation of revaluation reserve upon disposal	-	(8,556,180)	-	-
At end of financial period/year	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

21. OTHER RESERVES (CONT'D)

	Group		Company	
	30.9.2024	31.3.2023	30.9.2024	31.3.2023
	RM	RM	RM	RM
Non-distributable (cont'd):-				
<u>Warrant reserve</u>				
At beginning of financial period/year	-	25,143,955	-	25,143,955
Additions	84,662,551	-	84,662,551	-
Conversion	(71,526,308)	(4,399,196)	(71,526,308)	(4,399,196)
Warrant expired	-	(20,744,759)	-	(20,744,759)
At end of financial period/year	13,136,243	-	13,136,243	-
<u>Merger deficit</u>				
At beginning of financial period/year	-	(7,900,000)	-	-
Disposal of subsidiaries	-	7,900,000	-	-
At end of financial period/year	-	-	-	-
<u>Exchange translation reserve</u>				
At beginning of financial period/year	(145,966)	22,613	-	-
Recognised in other comprehensive income	119,112	(168,579)	-	-
At end of financial period/year	(26,854)	(145,966)	-	-
<u>Fair value reserve</u>				
At beginning of financial period/year	(30,315,225)	165,346,251	(30,315,225)	165,346,251
Fair value loss on remeasurement of financial assets	(2,013,599)	(179,233,049)	(2,013,599)	(179,233,049)
Realisation of fair value reserve upon disposal	32,328,824	(16,428,427)	32,328,824	(16,428,427)
At end of financial period/year	-	(30,315,225)	-	(30,315,225)
Total non-distributable reserves	13,109,389	(30,461,191)	13,136,243	(30,315,225)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

21. OTHER RESERVES (CONT'D)

Revaluation reserve

The revaluation reserve represents increases in the fair value of freehold land and buildings, net of tax, and decrease to the extent that such decreases relate to an increase on the same asset previously recognised in other comprehensive income. The amount was fully realised in prior financial year.

Warrant reserve

	Issued date	Maturity date RM	Exercise price RM	Fair value RM	Balance of fair value	
					30.9.2024 RM	31.3.2023 RM
Warrants 2017/2023	20.11.2017	27.11.2022	0.15	0.13	-	-
Warrants 2024/2029	16.1.2024	15.1.2029	0.20	0.12	13,136,243	-

Warrants are classified as equity investment and the fair value is derived using Black-Scholes Model and recognised in the warrant reserve. The issuance of ordinary shares upon exercise of the warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants. Warrant reserve represents cumulative fair value of the warrants yet to be exercised.

On 16 January 2024, the Company allotted and issued 1,453,434,366 ordinary shares pursuant to rights issue ("rights shares") together with 726,717,178 warrants at an issue price of RM0.10 each on the basis of 1 warrant for every 2 right shares subscribed each warrant. Each warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 16 January 2024 to 15 January 2029, at an exercise price of RM0.15 in accordance with a deed poll. Any warrant not exercised by the date of maturity will lapse thereafter and cease to be valid for all purposes.

The ordinary shares issued from the exercise of warrants shall rank pari passu in all respects with the existing ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions declared, the entitlement date of which is prior to the date of allotment of the new shares arising from the exercise of warrants.

During the financial period, 613,959,724 Warrants 2024/2029 had been exercised. As at 30 September 2024, there are 112,757,454 Warrants 2024/2029 remained not exercised.

In prior year, 34,503,500 Warrants 2017/2023 had been exercised and the remaining 162,703,991 Warrants 2017/2023 unexercised and lapsed.

Merger deficit

The merger deficit represents the excess of the consideration paid over the identifiable net assets of MGSB Group as at the acquisition date. The amount was reversed upon disposal of MGSB Group.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

21. OTHER RESERVES (CONT'D)

Exchange translation reserve

The exchange translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Fair value reserve

Fair value reserve represents the cumulative fair value changes of financial assets which measured at FVOCI, until they are disposed or impaired.

22. BORROWINGS

	Group		Company	
	30.9.2024	31.3.2023	30.9.2024	31.3.2023
	RM	RM	RM	RM
Secured				
Current:-				
Term loans	1,012,027	15,424,507	-	15,424,507
Hire purchase	5,216,066	7,202,069	-	-
	6,228,093	22,626,576	-	15,424,507
Non-current:-				
Term loans	4,987,973	-	-	-
Hire purchase	2,589,315	10,423,996	-	-
	7,577,288	10,423,996	-	-
	13,805,381	33,050,572	-	15,424,507

The particulars of term loans are as follows:-

	Group		Company	
	30.9.2024	31.3.2023	30.9.2024	31.3.2023
	RM	RM	RM	RM
Term loans				
a) A secured term loan of RM6,000,000 which is repayable within 60 months after the drawdown	6,000,000	-	-	-
b) A term loan of RM25,000,000 which is repayable within 3 months after the drawdown and roll forward option is available subsequently with no conversion fee	-	15,424,507	-	15,424,507
	6,000,000	15,424,507	-	15,424,507

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

22. BORROWINGS (CONT'D)

The term loan (a) is secured by:-

- (a) First party legal charge over the freehold land and building of the Company;
- (b) Corporate guarantee by the ultimate holding company;
- (c) Personal guarantee by a former Director of the ultimate holding company;
- (d) Pledge of fixed deposits with a licensed bank; and
- (e) Deed of assignment of benefits of contracts.

The term loan (b) is secured by:-

- (a) Signed Margin Financing Agreement;
- (b) Personal guarantee by a Director; and
- (c) Certain shares quoted on Bursa Malaysia Securities Berhad held by the Directors and other investments as disclosed in Note 10 to the Financial Statements.

The term loans bear interest rate at 4.00% (31.3.2024: 6.75% to 7.25%) per annum.

Set out below are the movements of the hire purchase during the financial period/year:-

	Group	
	30.9.2024	31.3.2023
	RM	RM
At beginning of financial period/year	17,626,065	23,578,150
Additions	460,400	1,713,000
Accretion of interest	1,298,141	1,456,306
Payments		
- Principal	(10,281,084)	(7,665,085)
- Interest	(1,298,141)	(1,456,306)
At end of financial period/year	7,805,381	17,626,065

The hire purchase bears interest rates range at 2.3% to 6.2% (31.3.2024: 2.3% to 4.0%) per annum.

23. TRADE PAYABLES

Group

The normal trade credit terms granted by the trade payables ranging from 30 to 45 days (31.3.2023: 30 to 45 days) and are non-interest bearing.

Included in trade payables is RM3,668,216 (31.3.2023: RM10,246,817) due to a company in which a Director of the subsidiary has interest. The amount owing is unsecured, interest free and subject to normal trade credit term.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

24. OTHER PAYABLES

	Group		Company	
	30.9.2024	31.3.2023	30.9.2024	31.3.2023
	RM	RM	RM	RM
Non-trade payables				
- Sundry	27,918,658	11,028,592	85,212	423,657
- Existing Directors	23,580	2,475,015	-	31,500
- Former Directors	15,500	907,090	15,500	854,515
- Non-controlling interests	2,210,091	647,691	-	-
- A company in which Directors of the Company has interest	1,141,614	927,500	-	-
- Advances from third parties	-	4,000,008	-	4,000,008
Accruals	19,386,555	8,819,725	209,968	53,200
Deposits received from customers	1,964,898	34,709,079	-	-
SST/GST payables	773,826	917,527	1,623	1,622
	53,434,722	64,432,227	312,303	5,364,502

The amount owing to related parties are unsecured, interest free and repayable on demand.

Included in the deposits received amounted RM1,210,456 (31.3.2023: Nil) from a Company in which Directors of the Company have interest.

25. REVENUE

	Group	
	1.4.2023 to 30.9.2024	1.4.2022 to 31.3.2023
	RM	RM
Revenue from contracts with customers		
Types of good or service		
- Sales of goods	335,611,483	182,457,195
- Courier and delivery charges	148,905,129	87,377,841
- Air freight service	304,675,071	149,048,433
- Commission income	29,471	225,404
- Warehouse storage	18,687,268	2,986,830
- Cargo handling service	16,462,525	-
	824,370,947	422,095,703
Timing of revenue recognition		
- Recognised at a point in time	805,683,679	419,108,873
- Recognised over time	18,687,268	2,986,830
	824,370,947	422,095,703

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

25. REVENUE (CONT'D)

Performance obligations

Types of good or service	Timing of recognition or method used to recognise revenue
Sales of smart devices	Revenue is recognised as and when the goods are delivered to customers.
Courier and delivery charges	Revenue is recognised as and when the services are rendered to customers.
Air freight service	Revenue is recognised as and when the services are rendered to customers.
Commission income from provision of insurance agency services	Revenue is recognised at a point in time when policyholders pay premium to the insurer.
Warehouse storage	Revenue is recognised over time when services are rendered to customers.
Cargo handling	Revenue is recognised as and when the services are rendered to customers.

None of the following is applicable for the revenue from contract with customers: -

- variable consideration;
- obligation for returns or refund; and
- warranty.

The payment term is generally ranged from 1 to 90 days (31.3.2023: 1 to 90 days).

The Group applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected duration of one year or less.
- Exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised service to a customer and when the customer pays for that service is one year or less.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

26. OTHER INCOME

	Group		Company	
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Bad debt recovered	79,000	-	-	-
Gain on disposal of investment property	-	1,321,021	-	-
Gain on disposal of other investments	10,645,910	2,752,361	10,645,910	2,752,361
Gain on disposal of property, plant and equipment	1,280,139	12,952	-	-
Gain on disposal of subsidiaries	757,041	-	-	-
Gain on lease modification/ termination	466,238	207,541	-	-
Rental income	7,618,988	601,955	-	-
Rental rebates	-	3,000	-	-
Unrealised gain on foreign exchange	18,682,731	-	-	-
Others	3,232,297	7,877,228	-	4,086
	42,762,344	12,776,058	10,645,910	2,756,447

27. LOSS BEFORE TAX

Loss before tax has been determined after charging/(crediting) amongst others, the following items:-

	Group		Company	
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Auditors' remuneration				
- statutory audit fee	388,000	226,000	85,000	50,000
- other services	158,000	6,000	158,000	6,000
GTM's member firm				
- other service	62,000	52,600	3,500	3,200
Realised loss/(gain) on foreign exchange	2,322,873	(729,685)	-	-
Unrealised (gain)/loss on foreign exchange	(18,682,731)	4,390,558	-	-
Fair value loss on other investment	1,945,000	4,003,300	1,945,000	4,003,300
Interest expenses:-				
- lease liabilities	22,342,766	14,070,136	-	-
- hire purchase	1,298,141	1,456,306	-	-
- bank borrowings	79,543	1,791,246	79,543	1,579,440
- unwinding discount	-	-	-	7,033,870
- others	1,686,589	41,096	149,862	41,096

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

28. TAX EXPENSE/(INCOME)

	Group		Company	
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Current tax:-				
- current period/year	1,731,478	51,617	-	-
- prior year	34,676	10,532	-	-
Deferred tax:-				
- current period/year	-	993,000	-	-
- prior year	-	(1,527,079)	-	-
	1,766,154	(471,930)	-	-

Malaysian income tax is calculated at the statutory tax rate of 24% (31.3.2023: 24%) of the estimated assessable profit for the financial period/year.

A reconciliation of income tax expense/(income) on loss before tax with the applicable statutory income tax rate is as follows:-

	Group		Company	
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Loss before tax	(103,328,113)	(89,864,134)	(91,272,148)	(193,161,587)
Income tax at rate of 24% (31.3.2023: 24%)	(24,798,747)	(21,567,392)	(21,905,316)	(46,358,781)
Tax effect in respect of:-				
Expenses not deductible for tax purposes	23,967,789	7,806,015	24,813,060	47,020,328
Income not subject to tax	(9,871,004)	(682,881)	(2,907,744)	(661,547)
Income subjected to RPGT	(24,000)	(334,085)	-	-
Movement of deferred tax assets not recognised	12,457,440	15,822,960	-	-
Over/(under)provision in prior year	34,676	(1,516,547)	-	-
	1,766,154	(471,930)	-	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

As at the reporting date, the temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows:-

	Group	
	30.9.2024	31.3.2023
	RM	RM
Carrying amounts of property, plant and equipment in excess of their tax bases	8,722,000	17,485,000
Right-of-use assets	(6,303,000)	(6,489,000)
Unutilised capital allowances	(65,878,000)	(49,493,000)
Unabsorbed tax losses	(151,223,000)	(124,183,000)
Others (trade receivables, inventories and etc)	(10,109,000)	(10,205,000)
	(224,791,000)	(172,885,000)

The potential deferred tax assets are not recognised in the financial statements as the Directors opined that such amounts will not be able to unutilised in the near future.

The unutilised capital allowances and unabsorbed tax losses of the Group can be carried forward to offset against future taxable profits of the Group.

The expiry terms of the unabsorbed tax losses are as follows:-

	Group	
	30.9.2024	31.3.2023
	RM	RM
Year of assessment 2028	18,114,000	18,114,000
Year of assessment 2029	9,734,000	9,734,000
Year of assessment 2030	15,477,000	16,895,000
Year of assessment 2031	24,936,000	24,936,000
Year of assessment 2032	31,927,000	35,385,000
Year of assessment 2033	19,119,000	19,119,000
Year of assessment 2034	31,916,000	-
	151,223,000	124,183,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

29. LOSS PER SHARE

Basic/diluted loss per share

The basic loss per share is calculated by dividing the Group's loss for the financial period/year attributable to ordinary equity holders of the Company over the weighted average number of ordinary shares in issue during the financial period/year. Diluted loss per share equals to basic loss per share as the effect of include the warrants are anti-dilutive for the financial period presented (31.3.2023: no dilutive potential ordinary shares outstanding).

	Group	
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Loss for the financial period/year attributable to ordinary equity holders of the Company (RM)	(95,581,999)	(73,825,560)
Weighted average number of ordinary shares in issue	982,231,580	1,923,361,111
Effect of share consolidation		– (1,731,025,000)
Adjusted weighted average number of ordinary shares for loss per share computation*	982,231,580	192,336,111
Basic/diluted loss per share (sen)	(9.73)	(38.38)

* The weighted average number of ordinary shares in issue as at 31 March 2023 had been adjusted retrospectively to reflect the share consolidation, which was completed on 30 October 2023 as disclosed in Notes 19 and 37 to the Financial Statements.

30. EMPLOYEES BENEFITS EXPENSES

	Group		Company	
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Salaries and allowances (included Directors' remuneration)	88,558,782	56,666,521	972,914	187,316
Defined contribution plan	9,080,011	5,203,610	115,872	35,655
Social security contributions	1,561,955	945,331	17,142	8,939
Other staff related expenses	14,061,585	7,449,752	42,137	149,814
	113,262,333	70,265,214	1,148,065	381,724

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

30. EMPLOYEES BENEFITS EXPENSES (CONT'D)

The details of the remuneration received/receivable by the Directors and other key management personnel of the Group and of the Company during the financial period/year are as follows:-

	Group		Company	
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Directors' remuneration				
Executive Directors:-				
<u>Directors of the Company</u>				
Salaries and other emoluments	1,727,995	866,762	1,727,995	866,762
Defined contribution plan	186,564	100,056	186,564	100,056
Fees	9,000	12,000	9,000	12,000
	1,923,559	978,818	1,923,559	978,818
<u>Current Directors of the subsidiaries</u>				
Salaries and other emoluments	1,206,072	85,220	-	-
Defined contribution plan	103,698	6,200	-	-
Fees*	90,000	-	-	-
	1,399,770	91,420	-	-
<u>Former Directors of the subsidiaries</u>				
Salaries and other emoluments	1,203,892	1,142,121	-	-
Defined contribution plan	44,292	136,800	-	-
	1,248,184	1,278,921	-	-
	4,571,513	2,349,159	1,923,559	978,818
Non-executive Directors:-				
<u>Directors of the Company</u>				
Salaries and other emoluments	67,000	84,750	67,000	84,750
Fees	412,500	185,375	412,500	185,375
	479,500	270,125	479,500	270,125
Total	5,051,013	2,619,284	2,403,059	1,248,943
Other key management personnel				
Salaries and other emoluments	1,135,473	-	140,000	-
Defined contribution plan	109,858	-	18,658	-
	1,245,331	-	158,658	-

* Included in the Director's fee is RM45,000 paid to a current Director of a subsidiary, who is also a former Director of the Company.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31. SIGNIFICANT RELATED PARTY DISCLOSURES

- (a) Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company other than those disclose elsewhere in the financial statements, are as follows:-

	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Group		
Courier services charged by a company in which a Director of the subsidiary have interests	21,207,371	13,662,796
Disposal of property, plant and equipment in which a Director of the subsidiary have interests	132,850	615,000
Rental income received/receivables from a company in which a Director of the subsidiary have interests	586,500	-
IT support system services rendered by a company in which certain Directors of the Company have interests	4,672,500	927,500
Disposal of other investment to a Director	12,496,000	-
Lease rental paid/payable to companies in which certain Directors of the Company have interests	2,884,000	-
Building improvement cost paid/payable to companies in which certain Directors of the Company have interests	23,018,939	-
Company		
Advances to subsidiaries	173,746,554	35,430,225
Payment on behalf to subsidiaries	29,729,017	53,650,409

- (b) Key management personnel include all Directors of the Group and certain member of key management personnel of the Group and of the Company. Key management personnel are defined as the person having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The remuneration of Directors and other key management personnel are disclosed in Note 30 to the Financial Statements.
- (c) The outstanding balances and the details of the terms and conditions arising from related party transactions as at the reporting date are disclosed in Notes 8, 17, 23 and 24 to the Financial Statements.

32. COMMITMENTS

	Group 30.9.2024 RM	31.3.2023 RM
Capital expenditure		
<u>Authorised and contracted for:-</u>		
- Construction of buildings	2,898,682	7,187,125
<u>Authorised but not contracted for:-</u>		
- Office and warehouse equipment	1,487,525	3,483,949

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

32. COMMITMENTS (CONT'D)

The Group had entered a lease contract that has not yet commenced as at 30 September 2024. The future lease payments for these non-cancellable lease contracts shown as follow:-

	Group	
	30.9.2024	31.3.2023
	RM	RM
Lease of aircraft		
- Within one year	9,497,000	-
- Within 2 to 5 years	37,988,000	-
- More than 5 years	47,485,000	-
	94,970,000	-

33. OPERATING SEGMENT

Business segments

Management identifies the mobile and fulfilments, couriers and logistics and air freight as operating segments. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results. The following summary describes the operations in each of the Group's reportable segments:-

Mobile and fulfilments	-	Mobile operators' 3PL and 4PL contracts, fulfilment business and physical and online sale of smart devices.
Courier and logistic	-	Express delivery or last mile delivery services business to business (B2B), business to customers (B2C) and customers to customers (C2C), warehousing, customised solutions, freight forwarding and customs clearance services.
Air freight	-	Provision of air freight, cargo handling and warehousing services.
Others	-	Investment holding and dormant.

The Group has aggregated certain operating segments to form a reportable segment due to the similar nature and operational characteristics of the products.

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

Transfer pricing between operating segments is on a negotiated basis.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

33. OPERATING SEGMENT (CONT'D)

Business segments (cont'd)

	Notes	Mobile and fulfilments RM	Courier and logistic RM	Air freight RM	Others RM	Adjustments and eliminations RM	Consolidated RM
30.9.2024							
Revenue:-							
External customers		357,914,307	136,154,856	330,137,596	164,188	-	824,370,947
Inter-segment sales		1,224,641	8,553,423	40,643,605	93,313	(50,514,982)	-
Total sales		359,138,948	144,708,279	370,781,201	257,501	(50,514,982)	824,370,947
Results:-							
Interest income		115,755	-	41,899	1,469,690	-	1,627,344
Interest expenses		(1,130,480)	(2,255,407)	(21,791,747)	(310,382)	80,977	(25,407,039)
Depreciation and amortisation		(4,821,625)	(31,007,730)	(70,194,072)	(8,407)	-	(106,031,834)
Tax expenses		(1,765,331)	-	(823)	-	-	(1,766,154)
Other non-cash expenses	i	(160,680)	3,309,414	19,067,731	(1,945,000)	-	20,271,465
Segment profit/(loss)		3,469,550	(42,739,759)	(67,661,234)	(10,595,375)	14,198,705	(103,328,113)
Assets:-							
Additions to non-current assets	ii	553,482	51,657,067	121,779,349	1,542,647	-	175,532,545
Segment assets		96,986,878	98,618,366	412,344,407	147,404,441	(34,964,589)	720,389,503
Liabilities:-							
Segment liabilities		30,020,522	38,012,124	381,581,763	5,898,679	(5,748,747)	449,764,341
31.3.2023							
Revenue:-							
External customers		195,688,289	77,133,577	149,048,433	225,404	-	422,095,703
Inter-segment sales		284,389	5,404,366	15,761,598	138,618	(21,588,971)	-
Total sales		195,972,678	82,537,943	164,810,031	364,022	(21,588,971)	422,095,703
Results:-							
Interest income		207,719	-	-	-	-	207,719
Interest expenses		(357,766)	(2,200,501)	(13,179,981)	(1,620,536)	-	(17,358,784)
Depreciation and amortisation		(3,800,693)	(20,175,796)	(37,656,738)	(4,804)	-	(61,638,031)
Tax income		469,089	2,553	-	288	-	471,930
Other non-cash expenses	i	(263,364)	(8,941,630)	(8,490,368)	(4,043,616)	(578,414)	(22,317,392)
Segment profit/(loss)		2,615,159	(44,708,226)	(41,197,768)	(286,402,053)	279,828,754	(89,864,134)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

33. OPERATING SEGMENT (CONT'D)

Business segments (cont'd)

	Notes	Mobile and fulfillments RM	Courier and logistic RM	Air freight RM	Others RM	Adjustments and eliminations RM	Consolidated RM
31.3.2023 (cont'd)							
Assets:-							
Additions to non-current assets	ii	1,126,557	24,869,898	76,969,873	-	-	102,966,328
Segment assets		80,025,042	83,809,319	360,214,182	80,955,127	(6,511,060)	598,492,610
Liabilities:-							
Segment liabilities		20,119,964	59,383,461	350,965,216	22,366,636	(2,639,188)	450,196,089

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:-

- i. Other material non-cash income/(expenses) consist of the following items:-

	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Reversal of impairment loss/(net impairment loss) on financial assets	3,334,000	(7,775,476)
Bad debt and deposits written off	-	(626,480)
Gain on lease modification/termination	466,238	207,541
Fair value loss on other investment	(1,945,000)	(4,003,300)
Impairment loss on property, plant and equipment	-	(5,331,580)
Impairment loss on right-of-use assets	-	(355,700)
Inventories written off	(158,190)	(3,364)
Property, plant and equipment written off	(108,314)	(38,475)
Unrealised loss on foreign exchange	18,682,731	(4,390,558)
	20,271,465	(22,317,392)

- ii. Additions to non-current assets (excluded financial instruments) consist of:-

	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM
Right-of-use assets	107,047,409	77,678,396
Property, plant and equipment	68,485,136	25,249,439
Investment properties	-	38,493
	175,532,545	102,966,328

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

33. OPERATING SEGMENT (CONT'D)

Business segments (cont'd)

Non-current assets (excluded financial instruments) information presentation above consists of the following items as presented in the consolidated statement of financial position:-

	30.9.2024 RM	Group 31.3.2023 RM
Property, plant and equipment	93,332,523	59,020,519
Right-of-use assets	353,825,414	325,825,983
Investment properties	1,385,219	3,978,083
Intangible assets	120,000	120,000
	448,663,156	388,944,585

Geographical information

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

	Revenue		Non-current assets	
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	30.9.2024 RM	31.3.2023 RM
Country				
- Malaysia	625,853,857	399,463,496	448,663,156	388,944,585
- Hong Kong	102,089,469	14,038,853	-	-
- Vietnam	70,253,647	7,067,016	-	-
- India	15,038,000	-	-	-
- Myanmar	8,817,460	-	-	-
- Singapore	1,139,259	849,060	-	-
- Others	1,179,255	677,278	-	-
	824,370,947	422,095,703	448,663,156	388,944,585

Major customers

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

	Revenue		
	1.4.2023 to 30.9.2024 RM	1.4.2022 to 31.3.2023 RM	Segment
Customer A	106,152,542	93,244,172	Mobile and fulfilments
Customer B	-	68,195,752	Mobile and fulfilments

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS

34.1 Categories of financial instruments

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

- (i) Fair value through other comprehensive income ("FVOCI");
- (ii) Amortised cost ("AC"); and
- (iii) Fair value through profit or loss ("FVTPL")

	Carrying amount RM	FVOCI RM	AC RM	FVTPL RM
Group				
30.9.2024				
Trade receivables	60,328,362	-	60,328,362	-
Other receivables	51,839,163	-	51,839,163	-
Fixed and/or short-term deposits with licensed banks	81,587,008	-	81,587,008	-
Cash and bank balances	6,198,455	-	6,198,455	-
	199,952,988	-	199,952,988	-
<u>Financial liabilities</u>				
Trade payables	41,874,974	-	41,874,974	-
Other payables	52,660,896	-	52,660,896	-
Borrowings	13,805,381	-	13,805,381	-
	108,341,251	-	108,341,251	-
31.3.2023				
<u>Financial assets</u>				
Other investments	59,370,869	42,838,369	-	16,532,500
Trade receivables	42,369,345	-	42,369,345	-
Other receivables	29,693,085	-	29,693,085	-
Fixed deposits with licensed banks	7,727,584	-	7,727,584	-
Cash and bank balances	11,325,644	-	11,325,644	-
	150,486,527	42,838,369	91,115,658	16,532,500
<u>Financial liabilities</u>				
Trade payables	33,070,295	-	33,070,295	-
Other payables	63,514,700	-	63,514,700	-
Borrowings	33,050,572	-	33,050,572	-
	129,635,567	-	129,635,567	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 Categories of financial instruments (cont'd)

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

	Carrying amount RM	FVOCI RM	AC RM	FVTPL RM
Company				
30.9.2024				
<u>Financial assets</u>				
Other receivables	2,165,603	-	2,165,603	-
Amount due from subsidiaries	210,894,453	-	210,894,453	-
Short-term deposits with licensed banks	60,207,143	-	60,207,143	-
Cash and bank balances	323,233	-	323,233	-
	273,590,432	-	273,590,432	-
<u>Financial liabilities</u>				
Other payables	310,680	-	310,680	-
Amount due to subsidiaries	1,522,637	-	1,522,637	-
	1,833,317	-	1,833,317	-
31.3.2023				
<u>Financial assets</u>				
Other investments	59,370,869	42,838,369	-	16,532,500
Other receivables	10,151,217	-	10,151,217	-
Amount due from subsidiaries	104,554,831	-	104,554,831	-
Cash and bank balances	1,633,455	-	1,633,455	-
	175,710,372	42,838,369	116,339,503	16,532,500
<u>Financial liabilities</u>				
Other payables	5,362,880	-	5,362,880	-
Amount due to subsidiaries	1,532,431	-	1,532,431	-
Borrowings	15,424,507	-	15,424,507	-
	22,319,818	-	22,319,818	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.2 Net losses arising from financial instruments

	Group and Company	
	1.4.2023	1.4.2022
	to	to
	30.9.2024	31.3.2023
	RM	RM
Fair value loss on:-		
Financial assets at fair value through profit or loss		
- Recognised in profit or loss	(1,945,000)	(4,003,300)
Equity instruments designated at fair value through other comprehensive income		
- Recognised in other comprehensive income	(2,013,599)	(179,233,049)
	(3,958,599)	(183,236,349)

34.3 Financial risk management

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

34.3.1 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises primarily from receivables. It is the Group's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group does not expect to incur material credit losses of its financial assets or other financial instruments.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's portfolio of financial instrument is broadly diversified along industry, products and geographical lines, transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

34.3.1 Credit risk (cont'd)

The following are areas where the Group and the Company exposed to credit risk:-

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sales limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management.

Most of the Group's customers have been transacting with the Group over the years and none of these customer's balances have been written off or are credit-impaired at the reporting date. In monitoring customer credit risk, customers are grouped according to their characteristics, including whether are an individual or a legal entity, whether they are wholesale, retail or end-user customers, their geographical location, industry, trading history with the Group and existence of previous financial difficulties.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar pattern. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about the past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk arising from trade receivable is limited to the carrying amounts as stated in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

34.3.1 Credit risk (cont'd)

The following are areas where the Group and the Company exposed to credit risk (cont'd):-

Trade receivables and contract assets (cont'd)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:-

	Expected credit loss rate %	Total gross carrying amount RM	Expected credit loss RM	Net RM
<u>30.9.2024</u>				
Not past due	0	56,115,830	-	56,115,830
Past due for 1 to 30 days	1	1,532,047	(8,086)	1,523,961
Past due for 31 to 60 days	76	311,204	(236,974)	74,230
Past due more than 60 days	82	14,611,935	(11,997,594)	2,614,341
		72,571,016	(12,242,654)	60,328,362
Contract assets		5,978,279	-	5,978,279
<u>31.3.2023</u>				
Not past due	4	35,127,361	(1,381,072)	33,746,289
Past due for 1 to 30 days	3	3,366,200	(97,826)	3,268,374
Past due for 31 to 60 days	15	1,269,916	(195,958)	1,073,958
Past due more than 60 days	77	18,398,075	(14,117,351)	4,280,724
		58,161,552	(15,792,207)	42,369,345
Contract assets		3,418,413	-	3,418,413

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

34.3.1 Credit risk (cont'd)

The following are areas where the Group and the Company exposed to credit risk (cont'd):-

Other receivables

Credit risks on other receivables are mainly arising from advanced payments and deposits in relation to the Group's normal course of business. Other than those provided for impairment, the Group considers the advanced payments and the deposits to have low credit risk.

As at the end of the reporting date, the maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

Intercompanies balances

The Company provides unsecured advances to subsidiaries and monitors the results of subsidiaries regularly. As at the end of the reporting period/year, there was no indication that advances to subsidiaries are not recoverable except for those disclosed in Note 8.2 to the Financial Statements. The maximum exposure to credit risk is represented by their net carrying amounts in the statement of financial position.

Cash and cash equivalents

The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable banks with high quality external credit ratings.

Financial guarantees

The maximum exposure to credit risk is RM281,683,326 (31.3.2023: RM266,647,302) in respect of financial guarantees given to financial institutions and aircraft lessors of subsidiaries as at the end of the reporting period/year. The Company monitors on an on-going basis the results of the subsidiaries and repayments made by the subsidiaries. As at the end of the reporting period/year, there was no indication that the subsidiaries would default on repayment.

34.3.2 Liquidity risk

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

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

34.3.2 Liquidity risk (cont'd)

The Group and the Company aim at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

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

	Carrying amount RM	Contractual cash flows RM	← Maturity → Less than 1 year RM	Between 1 to 5 years RM	Later than 5 years RM
Group					
<u>30.9.2024</u>					
Secured:-					
Borrowings	13,805,381	14,913,266	6,776,028	8,137,238	-
Lease liabilities	335,791,759	405,451,384	69,520,510	222,125,217	113,805,657
	349,597,140	420,364,650	76,296,538	230,262,455	113,805,657
Unsecured:-					
Trade payables	41,874,974	41,874,974	41,874,974	-	-
Other payables	52,660,896	52,660,896	52,660,896	-	-
	94,535,870	94,535,870	94,535,870	-	-
	444,133,010	514,900,520	170,832,408	230,262,455	113,805,657
<u>31.3.2023</u>					
Secured:-					
Borrowings	33,050,572	35,855,832	24,553,981	11,039,734	262,117
Lease liabilities	319,314,658	381,642,984	56,234,272	164,347,375	161,061,337
	352,365,230	417,498,816	80,788,253	175,387,109	161,323,454
Unsecured:-					
Trade payables	33,070,295	33,070,295	33,070,295	-	-
Other payables	63,514,700	63,514,700	63,514,700	-	-
	96,584,995	96,584,995	96,584,995	-	-
	448,950,225	514,083,811	177,373,248	175,387,109	161,323,454

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

34.3.2 Liquidity risk (cont'd)

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

	Carrying amount RM	Contractual cash flows RM	Maturity Less than 1 year RM
Company			
<u>30.9.2024</u>			
Unsecured:-			
Other payables	310,680	310,680	310,680
Amount due to subsidiaries	1,522,637	1,522,637	1,522,637
	1,833,317	1,833,317	1,833,317
Financial guarantees	-	281,683,326	281,683,326
<u>31.3.2023</u>			
Secured:-			
Borrowings	15,424,507	16,542,784	16,542,784
Unsecured:-			
Other payables	5,362,880	5,362,880	5,362,880
Amount due to subsidiaries	1,532,431	1,532,431	1,532,431
	6,895,311	6,895,311	6,895,311
	22,319,818	23,438,095	23,438,095
Financial guarantees	-	266,647,302	266,647,302

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

34.3.3 Interest rate risk

Interest rate risk is the risk that the fair values or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's fixed rate borrowings are exposed to a risk of change in their fair values due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group's interest rate management objective is to manage the interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group and the Company target a mix of fixed and floating debts based on assessment of their existing exposure and desired interest rate profile.

The interest rate profiles of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period/ year are as follows:-

	Group		Company	
	30.9.2024	31.3.2023	30.9.2024	31.3.2023
	RM	RM	RM	RM
Fixed rate instruments				
Fixed deposits with licensed banks	81,587,008	7,727,584	60,207,143	-
Lease liabilities	(335,791,759)	(319,314,658)	-	-
Borrowings	(13,805,381)	(17,626,065)	-	-
	(268,010,132)	(329,213,139)	60,207,143	-
Floating rate instrument				
Term loans	-	(15,424,507)	-	(15,424,507)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

34.3.3 Interest rate risk (cont'd)

Fair values sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss. Therefore, a change in interest rates as at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

The following table illustrates the sensitivity of profit/loss and equity to a reasonable possible change in interest rates of +/- 0.5%. These changes are considered to be reasonable possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each year and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Group		Company	
	Increase/(decrease)		Increase/(decrease)	
	Net loss for the period/year		Net loss for the period/year	
	RM	RM	RM	RM
	+0.5%	-0.5%	+0.5%	-0.5%
Floating rate instrument				
30.9.2024	-	-	-	-
31.3.2023	77,123	(77,123)	77,123	(77,123)

The changes of the above will have opposite effect to equity as compared to the net loss of the Group and of the Company.

34.3.4 Foreign currency risk

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

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Group. The currencies given rise to this risk are primarily United States Dollar ("USD"), Hong Kong Dollar ("HKD"), Thailand Baht ("THB") and Chinese Yuan ("CNY").

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

34.3.4 Foreign currency risk (cont'd)

Carrying amounts of the Group's exposure to foreign currency risk are as follows:-

	USD RM	Denominated in HKD RM	THB RM	CNY RM
Group				
30.9.2024				
Cash and bank balances	2,083,273	-	-	-
Trade receivables	7,844,065	-	-	396,412
Other receivables	22,721,893	-	-	961,053
Trade payables	(6,142,234)	(789,432)	(834,108)	(532,521)
Other payables	(6,036,506)	(356,026)	-	-
Lease liabilities	(268,394,290)	-	-	-
Total	(247,923,799)	(1,145,458)	(834,108)	824,944

	Denominated in USD RM
Group	
31.3.2023	
Cash and bank balances	596,109
Trade receivables	9,905,813
Other receivables	2,389,850
Trade payables	(4,100,414)
Other payables	(778,571)
Lease liabilities	(249,493,788)
Total	(241,481,001)

Exposures to foreign exchange rates vary during the financial period depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

34.3.4 Foreign currency risk (cont'd)

Foreign currency sensitivity analysis:-

The following table demonstrates the sensitivity of the Group's net loss/equity for the financial period to a reasonably possible change in the USD, HKD, THB and CNY against the functional currency of the Group, with all other variables held constant:-

	Increase/(decrease) Net loss for the financial period/year	
	30.9.2024	31.3.2023
	RM	RM
Group		
USD/RM		
Strengthened 3.3% (31.3.2023: 2.2%)	8,181,485	5,312,582
Weakened 3.3% (31.3.2023: 2.2%)	(8,181,485)	(5,312,582)
HKD/RM		
Strengthened 3.2% (31.3.2023: Nil)	36,655	-
Weakened 3.2% (31.3.2023: Nil)	(36,655)	-
THB/RM		
Strengthened 1.6% (31.3.2023: Nil)	13,346	-
Weakened 1.6% (31.3.2023: Nil)	(13,346)	-
CNY/RM		
Strengthened 2.0% (31.3.2023: Nil)	(16,499)	-
Weakened 2.0% (31.3.2023: Nil)	16,499	-

The changes of the above will have opposite effect to equity as compared to the net loss of the Group.

34.3.5 Market price risk

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

Management of the Group and of the Company monitors the investments on a portfolio basis. Material investments within the portfolio are managed on an individual basis.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 Financial risk management (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

34.3.5 Market price risk (cont'd)

The carrying amounts of the Group's and of the Company's financial assets that are subject to market risk are as follows:-

	Group and Company	
	30.9.2024	31.3.2023
	RM	RM
Quoted equity instruments	–	59,370,869

Market price risk sensitivity analysis:-

A change in 0.5% in the market price at the end of the reporting period would have increased/(decreased) the net (loss)/profit and equity for the financial period by the amount shown below. This analysis assumes that other variables, remain constant.

	Group and Company	
	Increase/(decrease)	
	Net loss for the	
	period/year	
	RM	RM
	+0.5%	-0.5%
Floating rate instruments		
30.9.2024	–	–
31.3.2023	(296,854)	296,854

The changes of the above will have opposite effect to equity as compared to the net loss of the Group and of the Company.

34.4 Fair values of financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.5 Fair values hierarchy

The table below analyses the level of financial instruments carried at fair values, together with their carrying amounts shown in the statements of financial position.

	Level 1 RM	Group and Company Level 2 RM	Level 3 RM	Total RM
<u>Other investments</u>				
30.9.2024	–	–	–	–
31.3.2023	59,370,869	–	–	59,370,869

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

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

There has been no transfer between Level 1 and Level 3 fair value during the financial period.

35. CAPITAL MANAGEMENT

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

The Group sets the amounts of capital in proportion to its overall financing structure, that is, equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may issue new share or sell assets to reduce debts.

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

36. MATERIAL LITIGATION

- (a) On 18 April 2022, MJets ("Defendant") had been served a Writ and Statement of Claim dated 13 April 2022 by Comone International Logistics Co Limited ("Comone") ("Plaintiff"). The claim against MJets alleged that the company has failed to make the full payment towards the monthly repayment instalments agreed by the Plaintiff as full and final settlement of a claim for the cancellation of proposed joint venture agreement as entered into by the previous management in the year 2020, this being before MJets became a subsidiary of the Company.

On 2 February 2024, MJets has made full payment of the judgement sum awarded by the Court to the Plaintiff.

There is no further financial impact in relation to the Suit since the judgment sum has been satisfied.

- (b) On 17 January 2023, MJets ("Defendant") had been served a Writ of Summons and Statement of Claim by AeroControl Group DWC-LLC ("Plaintiff"). The claim against MJets is due to failure to make the full payment towards the outstanding invoices issued by the Plaintiff for the fuel uplift services provided by the Plaintiff.

On 31 January 2024, MJets has completed the payment of the judgement sum awarded by the Court in relation to the Suit.

There is no further financial impact in relation to the Suit as the judgement sum was already provided earlier.

- (c) On 14 April 2023, MJets ("Plaintiff") had commenced a legal suit against Gunasekar A/L Mariappan and Philip Phang King Ming ("Defendants"), former directors of MJets for breach of fiduciary duties due and owing to the Plaintiff.

The estimated potential liability to the Group is minimal because MJets is the claimant against the Defendants for breach of fiduciary duties due and owing to the Plaintiff. The potential liability arising from the Suit is the Plaintiff's legal fees and any costs awarded by the court if the Suit is dismissed.

On 2 May 2023, the Board of Directors announced that this day was fixed for hearing of MJets application for an ex-parte interlocutory injunction restraining the Defendants from acting and/or holding themselves as directors of MJets for a period of 21 days.

The Court has granted the abovesaid ex-parte interlocutory injunction and has fixed for inter-partes hearing on 23 May 2023.

On 23 May 2023, a consent order was recorded before the Court for an ad-interim interlocutory injunction restraining the Defendants from acting and/or holding themselves as Directors of MJets pending the interpartes hearing fixed on 16 August 2023.

The Court has given directions for the filing of Defence and Reply to Defence and fixed the next case management on 20 July 2023. However, MJets has served their amended Writ and amended Statement of Claim (duly endorsed by the Court) on 17 July 2023. The Defendants are to file their Defence within 2 weeks from the date of service of the amended Writ and Statement of Claim.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

36. MATERIAL LITIGATION (CONT'D)

(c) (Cont'd)

The Defendants have filed their Defence on 7 August 2023 while MJets has filed their Reply to Defence on 28 August 2023. Following that, the Court has directed parties to file Pre-Trial Documents (Bundle of Pleadings, Bundle of Documents, Agreed Facts, Issues to be tried and List of Witnessess) during the case management on 29 September 2023.

On 17 November 2023, the Defendants has filed an application to stay the proceedings in this suit (including filing of any cause papers) pending the full and final disposal of Kuala Lumpur High Court Civil Suit No. WA-22NCC-474-07/2023 ("Suit 474"). The hearing for Suit 474 was fixed on 14 March 2024, and the High Court had granted Suit 474 with costs in the cause.

The next case management has been fixed on 4 May 2026.

- (d) On 12 July 2023, MJets, JT Aerotech, the Company and its current/former Directors namely Chin Boon Long ("Chin"), Kenny Khoo Chuan Wah ("Kenny") and Chong Koon Meng ("Jeff") (collectively "Defendants"), had been served a Writ of Summons and Statement of Claim under Kuala Lumpur High Court Suit No. WA-22NCC-474-07/2023 by Gunasekar A/L Mariappan and Philip Phang Kin Ming ("Plaintiffs").

The claim against the Company is connected to legal suits which have been mentioned in (c) for inter alia, breach of their fiduciary duties towards MJets as announced on 14 April 2023, and the Plaintiffs' earlier minority oppression claim against the Company as previously announced in Bursa Malaysia Securities Berhad on 19 August 2022.

The Company and its Directors filed and served their Memorandum of Appearance on 24 July 2023 and their respective Defence on 2 October 2023. The Plaintiffs filed their Reply to the respective Defence(s) of the Defendants on 5 January 2024.

On 5 February 2024, the Company, Kenny and Jeff had filed their respective applications for leave to file Rejoinder. On 15 May 2024, the Kuala Lumpur High Court allowed the respective Rejoinder applications, and the oral application for a surrejoinder by the Plaintiffs being refused by the High Court.

On 5 February 2024 and 19 February 2024, the Company and its Directors had filed their respective applications to strike out the Plaintiffs' claim. On 22 November 2024, the Kuala Lumpur High Court dismissed the respective Striking Out applications with costs of RM10,000 for each application.

During the case management fixed on 22 November 2024, the Court had directed as follows:

- (a) Parties to file pre-trial case management documents on 13 January 2025 and 10 March 2025 respectively ("PTCM Directions");
- (b) Case management is fixed on 11 March 2025 to update the Court as to the status of the PTCM Directions; and
- (c) Trial dates have been fixed on 18 July 2025, 28 November 2025, 13 April 2026 to 16 April 2026, 20 April 2026 to 23 April 2026 and 27 April 2026 to 30 April 2026.

The solicitors representing the Group are not in the position to determine the financial outcome at the present stage of the proceedings. However, the Directors do not expect the outcome of the action to have a material effect on the Group's financial position.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

37. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD AND AFTER THE REPORTING DATE

- (a) The details of incorporation, acquisition, subscription of shares, changes in equity interests and disposal of subsidiaries are disclosed in Note 8 to the Financial Statements.
- (b) During the financial period, the Company has completed the Share Consolidation and issued new ordinary shares pursuant to Rights Issue with Warrants and conversion of Warrants, details as disclosed in Note 19 to the Financial Statements.
- (c) On 27 June 2024, the Company had entered into a Shares Sale Agreement with Velocity Capital Partner Berhad (formerly known as CSH Alliance Berhad), for the acquisition of 850,000 ordinary shares in Cipta X Sdn. Bhd. ("Cipta X") (formerly known as CSH Solutions Sdn. Bhd.), representing 85% of the equity interest in Cipta X, for a total cash consideration of RM20,000,000. The Company had paid a deposit of RM2 million as disclosed in Note 17 to the Financial Statements. The transaction was completed on 24 October 2024.
- (d) On 13 September 2024, MMAG Omni Ventures Sdn. Bhd. (formerly known as Line Clear Ventures Holdings Sdn. Bhd.) ("MOV"), a wholly-owned subsidiary of the Company, had entered into a Shares Sale Agreement with Velocity Capital Partner Berhad (formerly known as CSH Alliance Berhad), for the acquisition of 9,000,000 ordinary shares in LCE, representing 8.91% of the equity interest in LCE, for a total cash consideration of RM13,750,000.

Line Clear Express is currently an 86.09% owned subsidiary of MOV and upon completion of the Proposed Acquisition, MOV's equity interest in LCE would be increased from 86.09% to 95.00%.

The Company had paid a deposit of RM12.5 million as disclosed in Note 17 to the Financial Statements. The transaction was completed on 11 October 2024.

- (e) On 2 October 2024, pursuant to Paragraph 2.1(g) of the Guidance Note 3 ("GN3") of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company has triggered Paragraph 2.1(g) of GN3 of the Listing Requirements. The latest audited financial statements for the financial year ended 31 March 2023 have expressed material uncertainty related to the going concern ("MUGC"), and the shareholders' equity of the Company on a consolidated basis is 50% or less of its issued share capital calculated based on the unaudited financial results of the Company as at 30 June 2024. The Company was submitted an application for a waiver from being classified as an affected listed issuer to Bursa Securities as the Company has already taken measures by undertaking and completing the Rights Issue on 23 January 2024 raising RM145.34 million. In addition, warrants converted subsequent to January 2024 till 30 September 2024 has raised an additional RM92.09 million. On 15 November 2024, Bursa Securities has approved the application via a letter of approval.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

38. COMPARATIVE INFORMATION

- (a) The comparative figures are for the financial period from 1 April 2022 to 31 March 2023 as the Group and the Company had changed their financial year end from 31 March 2024 to 30 September 2024. Consequently, the comparative figures for the statements of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows and related notes are not comparable.
- (b) The right-of-use assets and lease liabilities of motor vehicles have been reclassified as property, plant and equipment and borrowing respectively during the previous financial year. The effect of the reclassifications are disclosed as follows:

	As previously reported RM	Reclassification RM	As restated RM
Statements of financial position			
Group			
At 31 March 2023			
Non-current assets			
Property, plant and equipment	44,906,311	14,114,208	59,020,519
Right-of-use assets	339,940,191	(14,114,208)	325,825,983
Non-current liabilities			
Lease liabilities	288,004,096	(10,423,996)	277,580,100
Borrowings	–	10,423,996	10,423,996
Current liabilities			
Trade payables	27,982,898	5,087,397	33,070,295
Other payables	69,519,624	(5,087,397)	64,432,227
Lease liabilities	48,936,627	(7,202,069)	41,734,558
Borrowings	15,424,507	7,202,069	22,626,576

AUDIT COMMITTEE REPORT

The Audit Committee was established to fulfill the principles of accountability, integrity and good corporate governance in assisting the Board independently in discharging its responsibilities of reviewing and monitoring the Group's financial process, audit process, statutory and regulatory compliance, code of business conduct, and other matters that the Board or the relevant authorities may specially delegate to the Audit Committee.

The Audit Committee Report spells out the Audit Committee composition, terms of reference, summary of activities and/or any material findings that may have affected the Group's performance, controls and operations during the year in review.

MEMBERSHIP & COMPOSITION

The Audit Committee members are appointed by the Board amongst the Board members. The Chairman of the Audit Committee shall be elected among its members who shall be an Independent Director. Alternate Directors shall not be members of the Audit Committee.

In accordance with Rule 15.09 of the ACE Market Listing Requirements ("AMLR"), the Audit Committee shall consist of a minimum of three (3) members, all of whom must be Non-Executive Directors, with majority of them being Independent Directors and at least one (1) member of the Committee fulfilling the following conditions:-

- a) Must be a member of the Malaysian Institute of Accountants; or
- b) If he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years of working experience in the accounting field, and
 - i) He must have passed the examination specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - ii) He must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
- c) Fulfills such other requirements as prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities").

The current composition of the Audit Committee is as follows:-

Chairman:	Yeap Say Woi	(Independent Non-Executive Director)
Members:	Dato' Sok One A/L Esen	(Independent Non-Executive Director)
	Dato' Che Nazli Binti Jaapar	(Independent Non-Executive Director)
	<i>(Appointed on 3 January 2024)</i>	

If the event any vacancy in the Audit Committee resulting in non-compliance with Rules 15.09(1) and 15.10 of AMLR, the Company will fill the vacancy within three (3) months.

AUDIT COMMITTEE REPORT (cont'd)

MEETINGS AND ATTENDANCES

The Committee is scheduled to meet at least four (4) times in each financial period with a quorum of at least two (2) members who are Independent Non-Executive Directors present, and the Company Secretary as the secretary of the Committee. The Committee may invite designated Directors, Key Senior Management and the auditors (internal and external) to be present during the Audit Committee meetings. The minutes of each Audit Committee meeting will be circulated to all Board members at the subsequent Board meeting.

During the financial period, there were seven (7) Audit Committee meetings held and were duly attended by the members as shown below:-

Audit Committee members	Attendance
Yeap Say Woi	7/7
Dato' Sok One A/L Esen (<i>Appointed on 30 June 2023</i>)	6/6
Dato' Che Nazli Binti Jaapar (<i>Appointed on 3 January 2024</i>)	2/3
Hwang Siew Chien (<i>Resigned on 3 January 2024</i>)	4/4

SUMMARY OF ACTIVITIES

Activities carried out by the Audit Committee during the financial period from 1 April 2023 to 30 September 2024 include the followings:-

(i) Financial Reporting

- Review the six (6) quarters' financial statements and financial period end unaudited financial results of the Group before tabling to the Board for consideration and approval.
- Review the Audited Financial Statements of the Company and the Group together with External Auditors prior tabling to the Board for approval. The review was inter alia, to ensure compliance with:-
 - Compliance with existing and new accounting standards, policies and practices.
 - Highlight any significant adjustments or usual events.
 - Compliance with Listing Requirements of Bursa Securities, the requirements of the Companies Act 2016 in Malaysia and other regulatory requirements.

In the review of the financial period end audited financial statements, the Audit Committee discussed with Management and the External Auditors the accounting principles applied and accounting standards that were applied and their judgement of the items that may affect the financial statements as well as issues and reservations arising from the statutory audits.

AUDIT COMMITTEE REPORT (cont'd)

SUMMARY OF ACTIVITIES (CONT'D)

(ii) Internal Audit

- Review and approved the annual Internal Audit Plan proposed by the Internal Auditors to ensure the adequacy of the scope and coverage of work.
- Review internal audit reports which highlighted the audit issues, recommendations and the Management's responses and remedies actions to be taken by the Management to rectify and improve the system of internal control.
- Monitor the implementation programme recommended by the Internal Auditors arising from the audit in order to obtain assurance that all key risks and controls been fully dealt with.
- Undertook assessment of the performance of the Internal Audit function and reviewing its effectiveness of the audit process and assessed the performance of the overall Internal Audit.

(iii) External Audit

- Reviewed the External Auditors' scope of work and audit plan for the year and made recommendations to the Board on their appointment and remuneration.
- Discussed and deliberated on the External Auditors' report and recommendations regarding opportunities for improvement to the significant risk areas, internal control and financial matters based on the observations made in the course of interim and final audit.
- Discussed on the significant accounting and auditing issues, impact of new or proposed changes in accounting standards and regulatory requirements.
- Undertook an annual assessment on the suitability and independence of the External Auditors.
- Held one (1) private session with External Auditors without the presence of the Executive Directors and Management.
- Reviewed the evaluation on the performance and effectiveness of the External Auditors which was coordinated by the Company Secretary. The annual assessment was conducted with feedback obtained from the Audit Committee and Management. The areas under the assessment were:-

- (i) Independence, objectivity and professional skepticism.
- (ii) Communication and interaction.
- (iii) Quality of skills, capabilities of audit team and sufficiency of resources.

Based on the results of the evaluation, the Audit Committee is satisfied with the performance of the External Auditors and thus, recommended to the Board the re-appointment of the External Auditors at the forthcoming Annual General Meeting.

- Reviewed the written confirmation of independence from the External Auditors in accordance with the applicable Malaysian regulatory and professional requirements. In respect of the financial period from 1 April 2023 to 30 September 2024, Grant Thornton Malaysia PLT has re-affirmed its independence to act as the Company's External Auditors in accordance with the relevant professional and regulatory requirements.

(iv) Annual Reporting

Reviewed the Audit Committee Report, Statement on Risk Management and Internal Control and Corporate Governance Overview Statement to ensure adherence to legal and regulatory reporting requirements and accounting matters requiring significant judgement.

AUDIT COMMITTEE REPORT (cont'd)

SUMMARY OF ACTIVITIES (CONT'D)

(v) Related Party Transactions

Reviewed if there is any related party transaction that is required to be transacted at an arm's length basis and is not detrimental to the interest of minority interest.

(vi) Anti-Bribery and Anti-Corruption Policy

Reviewed the Anti-Bribery and Anti-Corruption Policy to ensure parameters are available to prevent the occurrence of bribery and corrupt practices in relation to the business of the Group. The review was inter alia, to ensure compliance with adherence to Malaysian Anti-Corruption Commission Act 2009 and its 2018 amendments ("MACC") and the Guidelines of Adequate Procedures by the Prime Minister's Office.

This Policy was adopted and applied to all companies within MMAG Group. This includes all individual workings at all levels and grades.

(vii) Others

Considered and discussed any other matters arising for Board's approval.

INTERNAL AUDIT FUNCTION

The establishment of the Internal Audit Function provides the Directors and the Audit Committee with an independent assessment and appraisal/review of the effectiveness and reliability of the Group's internal controls and information system.

The Internal Audit Function includes the review, assessment and provision of reasonable assurance that the Group's internal controls are functioning as planned and able to highlight all material deviation or findings to the Audit Committee immediately. To maintain impartiality and independence, the Internal Auditors report directly to the Audit Committee on the overall assessment of the Group's internal control mechanism.

To further discharge its duties and responsibilities effectively, the Internal Auditors can obtain the assistance of the Group's Key Senior Management and staff in providing all the necessary information as and when required.

During the financial period from 1 April 2023 to 30 September 2024, the area audited was credit management covering subsidiary from Courier & Logistics Service division within the Group. Internal Audit Reports were issued to the Audit Committee at least one (1) within a year to be tabled at the Audit Committee meetings. The reports are also issued to the respective operations management, incorporating audit recommendations and Management responses with regard to any audit findings on the weaknesses in the systems and controls of the operations. The Internal Auditors will also follow up with Management on the implementation of the agreed audit recommendations.

The Group's Internal Audit was carried out by an independent professional internal audit service provider appointed by the Board with the recommendation of the Audit Committee. The cost incurred for the Internal Audit Function for the financial period from 1 April 2023 to 30 September 2024 was RM10,000 (2023: RM10,000).

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board is pleased to provide the following Statement on Risk Management and Internal Control for the financial period from 1 April 2023 to 30 September 2024. This statement is made in compliance with Rule 15.26(b) of the Bursa Malaysia Securities Berhad's ACE Market Listing Requirements and the Malaysian Code on Corporate Governance ("MCCG").

BOARD'S RESPONSIBILITY

MCCG prescribes as a principle of Corporate Governance that the Board of Directors should establish a sound risk management framework and system of internal control to safeguard shareholders' investment and the Company's assets.

The Board recognises the importance of sound internal controls and risk management practices to ensure good corporate governance. The related principal responsibilities of the Board in relation to internal controls are set out below:-

- Identifying principal risks and ensuring the implementation of appropriate control systems to manage these risks; and
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board affirms that its overall responsibility is maintaining and implementing an adequate and effective internal control system on an ongoing basis to identify, evaluate, monitor and manage significant business risks or internal control failures. The Board wishes to highlight that in any internal control system (which covers not only financial but operational and compliance controls as well), it does have inherent limitations; and the internal control system can only provide reasonable and not absolute assurance against all business and financial risk, human error or deliberate circumvention of the controls that were put in place.

The Board is assisted by the Management in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced, and in the design, operation and monitoring suitable internal controls to mitigate and control these risks.

The Group has segregated the overview of the Internal Control assessment into following components:-

1. Risk Management

The members of the Risk Management Committee at the management level ("RMC") comprise:-

- (i) Azman Bin Mat Ali
- (ii) Kenny Khaw Chuan Wah
- (iii) Pauline Lim Poh Leng

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

BOARD'S RESPONSIBILITY (CONT'D)

The Group has segregated the overview of the Internal Control assessment into following components (cont'd):-

1. Risk Management (cont'd)

The Risk Management Framework which encompasses:-

- (a) Aligning risk appetite and strategy – Management considers the entity's risk appetite in evaluating strategic alternatives; setting related objectives; and developing mechanisms to manage related risks.
- (b) Enhancing risk response decisions – Enterprise risk management provides the rigor to identify and select among alternative risk responses i.e. risk avoidance, reduction, sharing and acceptance.
- (c) Reducing operational surprises and losses – Entities gain enhanced capability to identify potential events and establish responses, reducing surprises and associated costs or losses.
- (d) Identifying and managing multiple and cross-enterprise risks – Every enterprise faces a myriad of risks affecting different parts of the organisation, and enterprise risk management facilitates effective response to the interrelated impacts, and integrated responses to multiple risks.
- (e) Seizing opportunities – By considering a full range of potential events, Management is positioned to identify and proactively realise opportunities.
- (f) Improving deployment of capital – Obtaining robust risk information allows Management to effectively assess overall capital needs and enhance capital allocation.

All risks were individually ranked as either high, significant, moderate or low, having regard to the following:-

- The consequence of the identified risk;
- The likelihood of the risk occurring; and
- The effectiveness of the controls currently in place to mitigate and manage the risk.

Certain risks are inherently high and therefore may not be capable of being managed to relatively lower levels but nevertheless such risk will be monitored regularly.

The risk profile will enable the Group makes conscious decisions to manage those risks. Some of the options available to Management after the risk profile has been completed are as follows:-

- Terminate the activity;
- Reduce the potential consequences or likelihood by modifying/strengthening the control environment;
- Accept the level of risk as being acceptable considering the risk/control philosophy of the organisation i.e. the adequacy of the existing control environment and the cost of strengthening the control environment; and
- Pass on the risk associated to the activities (usually through outsourcing or insurance).

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

BOARD'S RESPONSIBILITY (CONT'D)

The Group has segregated the overview of the Internal Control assessment into following components (cont'd):-

1. Risk Management (Cont'd)

The Board has established a Risk Management Committee at Management level ("RMC") and the Board opined that Risk Management Committee at Board level will not be established for the time being. RMC will work closely with all departments to ensure effective implementation of the risk management. Heads of Business Unit/Division to review and update their risk profile as the need arises. The review and update of the risk profile includes identification of emerging risks resulting from changing business environment and/or initiatives being implemented as well as on evaluation of the effectiveness of controls and risk management plans.

Subsequently, the business units risk will be consolidated into the Group risk register which provides an overview of the Group risk profile (as detailed in the Risk Factors and Mitigation Strategies disclosed below). The Group risk profile along with any significant changes thereto and that the required actions to manage risks are timely addressed.

Risks Factors and Mitigation Strategies

Risks factors	Description	Mitigation strategies
Environmental and Business Continuity Risk	This risk relates to external forces that may impact on the business such as fire, flooding, other acts of God and changes in local Government and/or international legislation and the disruption of the supply chain due to international events.	- Established maintenance contracts to ensure the regular maintenance of the fire fighting equipment; - Enforced a strict "No Smoking" policy on the premises; - Established a partial business continuity plan; - Established a Human Resource Department and a conducive work environment; and - Established goodsupplier partnerships.
Deliveries Risk	This risk relates to the inability to meet the delivery of clients' orders in particular to the quantity and timeliness of deliveries as per customer's requirements.	- Established proper sales order processing and delivery scheduling processes; - Established customer service processes; - Conduct regular sales and management meetings for effective communication; - Ensure sufficient insurance coverage for delivery of products; - Preventive maintenance plans for vehicles are implemented; - Most delivery vehicles have been purchased new; and - In-house mechanic to provide on the spot repairs of vehicles.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

BOARD'S RESPONSIBILITY (CONT'D)

The Group has segregated the overview of the Internal Control assessment into following components (cont'd):-

1. Risk Management (Cont'd)

Risks Factors and Mitigation Strategies (Cont'd)

Risks factors	Description	Mitigation strategies
Loss of Good Reputation Risk	The Group has a current reputation of providing good customer service and technical support, purchasing products and treating suppliers fairly. The Group has also been very innovative in its processes and product range offered.	- Developed an efficient product delivery team; - Implemented a proper recruitment process; - Employed multi-skilled and good quality staff members; - Established an orientation and training programme; - Has in place an effective Management Information System ("MIS") i.e. Enterprise Resource Planning ("ERP"); and - Established and communicated the vision, mission and values of the Company.
Financial Risk	The Group is subject to the fluctuation in foreign currency exchange. This risk relates to changes in exchange rates affecting the costs of products or services that are denominated in foreign currency. The Group offers customers payment terms to assist their purchase of the Group's products. If the Group customers are unable to make payment on time or have defaulted in payment, the Group's financial position could be adversely affected.	Management has identified and implemented the key controls to manage the risk by putting in a policy of hedging the Company's foreign denominated purchases to mitigate the effects of the depreciating Malaysia Ringgit. - Constant review on bad payment master list; - Slow paymasters and dealers with over limit position will be put on credit hold until payment is received; - Credit limit for slow paymasters will be reduced in order to have more manageable Account Receivable ("AR") accounts; - More regular sales meetings with Sales Team with focus on managing AR accounts with slow payment track records; - Credit approval for new AR accounts will also be assessed more stringently before any approval; and - To impose interest on overdue accounts so that debtors will see more urgency to pay up on time.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

BOARD'S RESPONSIBILITY (CONT'D)

The Group has segregated the overview of the Internal Control assessment into following components (cont'd):-

1. Risk Management (Cont'd)

Risks Factors and Mitigation Strategies (Cont'd)

Risks factors	Description	Mitigation strategies
Inventory Management Risk	This risk relates to purchasing and the availability of inventory to efficiently meet the Group's customer requirements and maintain appropriate inventory levels.	• Ensure effective product planning through sales forecasts; • Established proper warehouse storage conditions; • Trained warehouse staff members in place; • Review of customer history for product planning; • Regular review of inventory levels; • Timely follow-up of deliveries from suppliers; and • Implemented approved suppliers list and regular supplier performance evaluation.
New Product Risk	This risk relates to the unsuccessful launch of new products in the market due to inappropriate marketing strategy, which is mostly developed by the Principals and executed by the Group, and lack of brand development and promotions. A new product, which could be a product-line extension or enhancement, or a different product previously not available in the market, may fail if it is not accepted by the consumers or a competitor reaches the market first. Notwithstanding, a new product may be introduced into the local market based on its success in another market, but may not be eventually successful in the Malaysian market.	• Entered into agreement with Principals for launching of new products including product launching strategy, marketing strategy, provision of promotional budgets, listing fees, consumer sampling, etc.; • Good support staff employed; • Point of Sales materials available prior to launch; and • Good relationship with vendors and customers.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

BOARD'S RESPONSIBILITY (CONT'D)

The Group has segregated the overview of the Internal Control assessment into following components (cont'd):-

2. Information and Communication

The Board continuously emphasises communication with all employees in carrying out the internal control responsibilities to support the achievement of the Group's business objectives. The Board has taken following steps to enable sharing of information throughout the organisation.

- **Documentation and Procedures**

To ensure subsidiaries, business units, divisions and employees are working coherently to achieve the Group's overall business objectives, corporate policies and procedures of the Group are clearly documented and disseminated through internal memorandums, staff briefings and operational meetings.

- **Whistleblowing**

The Group has established a Whistleblowing Policy whereby employees to raise concern, in confidence, about misconduct, malpractice or irregularity in any matters related to the Company. All reports and complaints received will be assessed and the whistleblower identities are protected in confidence to the extent reasonably practical and the Company will endeavor to advise the whistleblower in advance if his or her identity may become apparent or need to be disclosed. All disclosures received, investigation findings and recommendations are reported to Chief Executive Officer ("CEO") and/or Chairman of the Company. The Audit Committee ("AC") has been delegated overall responsibilities for implementation, monitoring and periodic review of the policy and any matter raised to put forward to the Board for approval.

3. Control Environment and Activities

- **Organisational Structure**

The organisational structure ensures that the roles and responsibilities of the Board and the Management are clearly defined in ensuring effective discharge of roles and responsibilities that will provide authority limits, terms of reference and functions with clear hierarchical reporting procedures within the Group. The CEO and Executive Directors ("EDs") lead all board papers presentation with the support from the respective heads of divisions and reports to the Board on all pertinent issues that may affect the Group's business and operations.

- **Management, Audit, Nomination and Remuneration Committees**

Management meetings are held and attended by key personnel to address operational issues, performance, budgets, business review/planning and control management. Key personnel will be invited from the respective subsidiaries and divisions to provide reports to the Management on their performance, compliance, strategic plans and highlight major issues that need attention.

The CEO and EDs will report material findings and/or variances at the Audit Committee meeting and thereafter tabled to their Board, and the Board will review its implication to the Group and provide recommended strategies to address them.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

BOARD'S RESPONSIBILITY (CONT'D)

The Group has segregated the overview of the Internal Control assessment into following components (cont'd):-

3. Control Environment and Activities (Cont'd)

- **Management, Audit, Nomination and Remuneration Committees (Cont'd)**

The Nomination Committee ("NC") and Remuneration Committee ("RC"), whose majority members consist of Independent Directors, were established to maintain a higher level of Corporate Governance and exercise independence judgment and decision in discharging the duties of nominating and remunerating Directors, and Key Senior Management based on performance, skills and experience.

- **Reporting**

Monthly financial and operations reports will be provided to the Key Senior Management to perform the assessment and review and unaudited financial results is public disclosed on a quarterly basis.

4. Monitoring Activities

In the year under review, the Board and Key Senior Management have performed the following activities to provide assurance on the effectiveness of risk management and internal control.

- (a) The Board and Key Senior Management continue to take measures to strengthen the risk and control environment and monitor the risk and internal control framework;
- (b) The AC and Key Senior Management report to the Board on a quarterly basis on the progress of action plans to manage the operational risks and its mitigation strategies;
- (c) The Internal Auditors report to the AC on a yearly basis on the process and compliance exceptions during the internal audit review. The control measures or action plans for exceptions noted and agreed with the status implementation action plans reported to AC on yearly basis; and
- (d) The Board also received assurance from the CEO and the ED that the Group's risk management and internal controls system are operating adequately and effectively.

INTERNAL AUDIT FUNCTION

The Group outsourced its Internal Audit Function to an independent professional internal audit service provider at a cost of RM10,000 for the financial period from 1 April 2023 to 30 September 2024. The role of the Internal Audit Function, which reports directly to the AC, is to support the AC by providing it with independent and objective reports on the adequacy and effectiveness of the system of internal control and the extent of compliance with the procedures and by recommending ways to rectify shortfall and improve the existing control environment in relation to the Group's operations. It submits its findings and recommendations to the AC and Key Senior Management of the Group.

The Internal Audit adopts a COSO Framework and risk-based approach with focus on effective risk management practices and is guided under International Professional Practice Framework.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

CONCLUSION

The Board has reviewed the risk management and internal controls system and of the view that the system of internal controls and risk management in place for the year under review are adequate and effective to safeguard the shareholders' interests and assets of the Group.

This statement was approved by the Board of Directors on 16 January 2025.

OTHER INFORMATION

LIST OF PROPERTIES

No.	Location	Tenure	Existing use	Date of acquisition/ *revaluation	Description	Approximate age of building (Years)	Net book value as at 30.9.2024 (RM'000)
1	No. 10, Persiaran Seputeh, 58000 Kuala Lumpur	Freehold	Vacant	*2.6.2022	7,987 sq ft	14.5	2,452
2.	A-5-02, Residence 8, Jalan Sri Jati Off Jalan Klang Lama 58200 Kuala Lumpur	Freehold	Vacant	*2.6.2022	1,206 sq ft	10.5	736
3.	B-23A-05, Residence 8, Jalan Sri Jati Off Jalan Klang Lama 58200 Kuala Lumpur	Freehold	Vacant	*2.6.2022	1,362 sq ft	10.5	649
4.	No. 3, Jalan TP2 Taman Perindustrian UEP 47600 Subang Jaya Selangor Darul Ehsan	Leasehold	Office cum warehouse	1.3.2019	203,694 sq ft	5.5	15,571
GRAND TOTAL							19,408

ANALYSIS OF SHAREHOLDINGS

AS PER RECORD OF DEPOSITORS AS AT 31 DECEMBER 2024

Total Number of Issued Shares : 2,309,633,151 ordinary shares
Voting Rights : One vote per ordinary share on a poll

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF HOLDERS	HOLDINGS	%
Less 100 Shares	1,089	34,513	0.00
100 to 1,000 Shares	2,393	1,299,938	0.06
1,001 to 10,000 Shares	2,729	11,727,086	0.51
10,001 to 100,000 Shares	1,091	34,929,631	1.51
100,001 to less than 5% of issued Shares	349	1,829,279,583	79.20
5% and above of issued Shares	1	432,362,400	18.72
Total	7,652	2,309,633,151	100.00

SUBSTANTIAL SHAREHOLDERS

Shareholder	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Chan Swee Ying	432,362,400	18.72	-	-
Chin Boon Long	-	-	432,362,400*	18.72

DIRECTORS' SHAREHOLDINGS

Directors	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman	-	-	-	-
Chong Koon Meng	440,000	0.02	-	-
Chin Boon Long	-	-	432,362,400*	18.72
Yeap Say Woi	-	-	-	-
Dato' Sok One A/L Esen	-	-	-	-
Haji Noorzainy Bin Haji Mohd Noor	-	-	-	-
Dato' Che Nazli Binti Jaapar	-	-	-	-
Azman Bin Mat Ali	-	-	-	-
Chan Swee Ying (Alternate Director to Chin Boon Long)	432,362,400	18.72	-	-

* Deemed interest by virtue of interest held by his spouse in the Company pursuant to Section 59(11) (c) of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS (cont'd)

THIRTY (30) LARGEST SHAREHOLDERS

No.	Shareholders	No. of Shares	%
1.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAN SWEE YING	432,362,400	18.72
2.	HS BIO HOLDINGS SDN. BHD.	79,657,074	3.45
3.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN LEH KEONG	78,000,700	3.38
4.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHUA BEAN HONG	73,915,000	3.20
5.	RANTRONICS SDN. BHD.	72,000,000	3.12
6.	REVENUE HARVEST SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ROBUST POTENTIAL SDN. BHD.	63,857,800	2.76
7.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR EMINENT MISSION SDN. BHD.	63,781,200	2.76
8.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN LEH SIANG	63,694,000	2.76
9.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KON TEK YOONG	59,032,074	2.56
10.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOH SOO WEE	53,000,000	2.29
11.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN CHONG SWEE	50,757,074	2.20
12.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MASTER KNOWLEDGE SDN. BHD.	50,438,000	2.18
13.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HONSIN APPAREL SDN. BHD. (M04)	49,336,000	2.14
14.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ONG YICK SING	49,071,300	2.12
15.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR RADIANCE DYNASTY SDN. BHD.	48,392,000	2.10
16.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHEOK KUANG YI	45,680,700	1.98
17.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR HONSIN APPAREL SDN. BHD. (SMART)	45,600,000	1.97
18.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR NEWFRONT VENTURES SDN. BHD.	44,915,474	1.94
19.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHANG CHOR CHOONG	43,371,300	1.88
20.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOH LEE YIN	37,372,000	1.62

ANALYSIS OF SHAREHOLDINGS (cont'd)**THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)**

No.	Shareholders	No. of Shares	%
21.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MASTER KNOWLEDGE SDN. BHD.	36,734,500	1.59
22.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR PANG KONG HONG	30,749,800	1.33
23.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN LEK ANN	30,740,650	1.33
24.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ROBUST POTENTIAL SDN. BHD.	29,847,600	1.29
25.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR NG THEM SEANG	24,520,000	1.06
26.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YOUTH STAR SDN. BHD.	23,861,600	1.03
27.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHUA BEAN HONG	21,500,000	0.93
28.	HONG SENG CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SHENG DAR HOLDING SDN. BHD.	21,494,700	0.93
29.	CHONG LOONG MEN	20,000,000	0.87
30.	TI LIAN SENG	18,010,100	0.78

OTHER INFORMATION

ANALYSIS OF WARRANTHOLDINGS

AS PER RECORD OF DEPOSITORS AS AT 31 DECEMBER 2024

Total Number of Outstanding Warrants : 112,757,454 Warrants 2024/2029

DISTRIBUTION OF WARRANTHOLDINGS

SIZE OF WARRANTHOLDINGS	NO. OF HOLDERS	HOLDINGS	%
Less 100 Warrants	25	1,285	0.00
100 to 1,000 Warrants	43	20,061	0.02
1,001 to 10,000 Warrants	107	535,001	0.47
10,001 to 100,000 Warrants	79	2,471,948	2.19
100,001 to less than 5% of issued Warrants	32	25,612,775	22.72
5% and above of issued Warrants	7	84,116,384	74.60
Total	293	112,757,454	100.00

WARRANTHOLDERS HOLDING 5% OR MORE OF THE TOTAL NUMBER OF OUTSTANDING WARRANTS

No.	Warrantholders	Direct Interest		Indirect Interest	
		No. of Warrants	%	No. of Warrants	%
1.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Chong Swee	19,499,960	17.29	-	-
2.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ng Keok Chai	14,800,000	13.13	-	-
3.	Epic Pavilion Sdn. Bhd.	13,000,000	11.53	-	-
4.	Chong Loong Men	10,000,050	8.87	-	-
5.	Ti Lian Seng	10,000,050	8.87	-	-
6.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Peng Tong	8,816,324	7.82	-	-
7.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Kon Tek Yoong	8,000,000	7.09	-	-

ANALYSIS OF WARRANTHOLDINGS (cont'd)

DIRECTORS' WARRANTHOLDINGS

Directors	Direct Interest		Indirect Interest	
	No. of Warrants	%	No. of Warrants	%
Tan Sri Dato' Seri Mohd Khairul Adib	-	-	-	-
Bin Abd Rahman	-	-	-	-
Chong Koon Meng	165,000	0.15	-	-
Chin Boon Long	-	-	13,000,000**	11.53
Yeap Say Woi	-	-	-	-
Dato' Sok One A/L Esen	-	-	-	-
Haji Noorzainy Bin Haji Mohd Noor	-	-	-	-
Dato' Che Nazli Binti Jaapar	-	-	-	-
Azman Bin Mat Ali	-	-	-	-
Chan Swee Ying (Alternate Director to Chin Boon Long)	-	-	13,000,000*	11.53

* Deemed interest by virtue of her interest in Epic Pavilion Sdn. Bhd.

** Deemed interest by virtue of interest held by his spouse in Epic Pavilion Sdn. Bhd.

THIRTY (30) LARGEST WARRANTHOLDERS

No.	Shareholders	No. of Shares	%
1.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN CHONG SWEE	19,499,960	17.29
2.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR NG KEOK CHAI	14,800,000	13.13
3.	EPIC PAVILION SDN. BHD.	13,000,000	11.53
4.	CHONG LOONG MEN	10,000,050	8.87
5.	TI LIAN SENG	10,000,050	8.87
6.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM PENG TONG	8,816,324	7.82
7.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KON TEK YOONG	8,000,000	7.09
8.	VELOCITY CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHONG YORK MING	3,815,000	3.38
9.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN BOON WOON	3,139,000	2.78
10.	KEK KHENG BOON	2,500,000	2.22

ANALYSIS OF WARRANTHOLDINGS (cont'd)**THIRTY (30) LARGEST WARRANTHOLDERS (CONT'D)**

No.	Shareholders	No. of Shares	%
11.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOH TECK WEI	2,000,000	1.77
12.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOH YONG HUAT	1,752,600	1.55
13.	M & A NOMINEE (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOH YONG HUAT (JB)	1,700,000	1.51
14.	S CHANDRA BOSE A/L SHANMUGANATHAN	1,695,000	1.50
15.	M & A NOMINEE (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MOO TEK (JB)	1,500,000	1.33
16.	TEOH HIN HENG	1,290,000	1.14
17.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LEE MIK SEN	947,600	0.84
18.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAN KOK SEONG	900,000	0.80
19.	KO KIM KWA	800,000	0.71
20.	LAM AH CHOI	300,000	0.27
21.	LAM YIH ZHEN	300,000	0.27
22.	TIONG YIIN KING	300,000	0.27
23.	ER KOK YEW	250,000	0.22
24.	SOON KHIAT VOON	234,975	0.21
25.	SHAHARUDDIN BIN WARNO @ RAHMAD	209,000	0.19
26.	NG KUAN PEOW	200,000	0.18
27.	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAN KOK SEONG	190,000	0.17
28.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LAI CHIE KING (6000752)	180,000	0.16
29.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. RAKUTEN TRADE SDN. BHD. FOR LIEW YIN YEE	175,000	0.16
30.	HIAU WAI FUN	159,000	0.14

ADDITIONAL COMPLIANCE INFORMATION

(i) Utilisation of proceeds from corporate exercises

Status of utilisation of proceeds raised from corporate proposals (Rights Issue):-

	Proposed utilisation RM'000	Actual utilisation as at 30 September 2024 RM'000	Intended time frame for utilisation
Capital expenditure for new warehouse/ hubs/depots and related purchases of system, equipment and new fleet of vehicles	70,000	46,433	Within 36 months
Purchase of ICT products for mobile and fulfilment segment	45,000	45,000	Fully utilised
Operating expenditures of courier and logistics segment	25,000	25,000	Fully utilised
Administrative and general expenses	4,433	4,433	Fully utilised
Estimated expenses for the Right Issue	910	910	Fully utilised
Total	145,343	121,776	

(ii) Audit fees and non-audit fees

The amount of audit and non-audit fees incurred for the services rendered by External Auditors of the Group for the financial period from 1 April 2023 to 30 September 2024 were as follows:-

	Group RM	Company RM
Audit fees	388,000	85,000
Non-audit fees	158,000	158,000

(iii) Material Contract

For the financial period from 1 April 2023 to 30 September 2024, there were no material contracts entered into by the Company and its subsidiaries, which involved Directors' or major shareholders' interests.

ADDITIONAL COMPLIANCE INFORMATION (cont'd)

(iv) Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT")

The aggregate value of RRPT conducted pursuant to the shareholders' mandate during the financial period ended ("FPE") 30 September 2024 is as follows:-

Related Parties*	Transacting Parties	Nature of Transaction	Actual Value for FPE 30 September 2024 (RM'000)
(a) Magnitude Resources Sdn. Bhd. (b) MGudang Sdn. Bhd. (c) MGudang Properties Sdn. Bhd. (d) H & H Ecwood Sdn. Bhd. (As Landlords)	MMAG Group (as tenant)	Rental of properties.	2,884,000
Ingenieur EPCM Sdn. Bhd. (As Provider)	MMAG Group (as recipient)	Provision of construction services which comprises civil, structural, building, mechanical.	23,018,939

* The subsidiaries of Ingenuier Gudang Berhad ("IGB")

Notes:

- (1) Chin Boon Long is Executive Director in both MMAG and IGB. He is also a Major Shareholder in both MMAG and IGB via his indirect shareholdings in both the companies through his spouse, Chan Swee Ying ("CSY"), who is major shareholder in MMAG and IGB. CSY is also the alternate Director to Mr. Chin Boon Long in MMAG and IGB. She is also a Major Shareholder of MMAG and a Substantial/Major Shareholder of IGB.
- (2) Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman ("Tan Sri") is Independent Non-Executive Director of MMAG and IGB. Tan Sri does not have any shareholdings or interests in both companies.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-first Annual General Meeting of the Company will be held at No. 3, Jalan TP 2, Taman Perindustrian UEP, 47600 Subang Jaya, Selangor Darul Ehsan on Thursday, 27th day of February 2025 at 10:00 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial period ended 30 September 2024 together with the Reports of the Directors and Auditors thereon.
2. To approve the payment of Non-Executive Directors' fees and benefits of RM13,500 for the period from 1 September 2024 to 30 September 2024. (Ordinary Resolution 1)
3. To approve the payment of Non-Executive Directors' fees and benefits up to RM790,000 from 1 October 2024 until the next Annual General Meeting of the Company. (Ordinary Resolution 2)
4. To re-elect the following Directors retiring in accordance with the Company's Constitution and being eligible, have offered themselves for re-election:-
 - i) Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman [Clause 78] (Ordinary Resolution 3)
 - ii) Yeap Say Woi [Clause 78] (Ordinary Resolution 4)
 - iii) Chin Boon Long [Clause 79] (Ordinary Resolution 5)
 - iv) Dato' Che Nazli Binti Jaapar [Clause 79] (Ordinary Resolution 6)
 - v) Azman Bin Mat Ali [Clause 79] (Ordinary Resolution 7)
5. To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Board of Directors to fix their remuneration. (Ordinary Resolution 8)

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

AS SPECIAL BUSINESS

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

6. **AUTHORITY TO ALLOT SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS** (Ordinary Resolution 9)

"THAT, subject always to the Companies Act 2016, the Constitution of the Company and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of submission to the authority and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company AND THAT the Directors be and are hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation of the additional shares so allotted.

AND THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 8 of the Company's Constitution, approval be and is hereby to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new Company shares ranking equally to the existing issued Company shares arising from any issuance of the new Company shares pursuant to Sections 75 and 76 of the Companies Act 2016."

7. **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RRPT MANDATE")** (Ordinary Resolution 10)

"THAT approval be hereby given to the Company and its subsidiaries ("Group") to enter into the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.5 of the Circular to Shareholders dated 21 January 2025 which are necessary for the Group's day-to-day operations provided such transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and not detrimental to minority shareholders and such approval shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by ordinary resolution passed at such AGM, the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) the authority is revoked or varied by ordinary resolution passed by the shareholders in general meeting; or whichever is earlier.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give full effect to the Proposed RRPT Mandate."

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

By Order of the Board

LIM SECK WAH
Membership No. MAICSA 0799845
SSM Practicing Certificate No. 202008000054
Company Secretary

Dated this 21st day of January 2025
Kuala Lumpur

Notes:

1. For the purpose of determining a member who shall be entitled to attend, speak and vote at the Annual General Meeting, the Company shall be requesting the Record of Depositors as at 21 February 2025. Only a depositor whose name appears on the Record of Depositors as at 21 February 2025 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her stead.
2. A member entitled to attend, speak and vote at the meeting is entitled to appoint up to two (2) proxies to attend, speak and vote in his/her stead. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. All voting will be conducted by way of poll.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. If the appointer is a corporation, the Proxy Form must be executed under its Common Seal or under the hand of its attorney duly authorised.
6. The Proxy Form must be deposited at the Company's Registered Office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur or via electronic means through email to mega-sharereg@megacorp.com.my or via facsimile at 03-2732 5388 not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

Notes (cont'd):

7. By submitting the duly executed Proxy Form, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the meeting and any adjournment thereof.

8. Explanatory Notes:

8.1 Ordinary Resolutions 3 – 7 - Re-election of Directors

The profiles of Directors seeking re-election are set out in the Board of Directors' Profiles section of the Company's Annual Report 2024.

The Board, on the recommendation of the Nomination Committee, supported the re-election of the retiring Directors. The Board and the Nomination Committee had reviewed the assessment results of the board evaluation exercise conducted for the financial period ended 30 September 2024 with reference to the Directors' Fit and Proper Policy and were satisfied with the performance and contributions of the retiring Directors that they had effectively discharged their duties and responsibilities well.

8.2 Ordinary Resolution 9 - Authority to allot shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights

The Company wishes to renew the mandate on the authority to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 at the Twenty-first Annual General Meeting of the Company. No shares have been allotted by the Company since obtaining the said authority from its shareholders at the last Annual General Meeting held on 28 August 2023.

The purpose to seek the general mandate is to enable the Directors of the Company to allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. This authority unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting. The proposed general mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment projects, business expansion, working capital and/or acquisitions.

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

8.3 Ordinary Resolution 10 - Proposed RRPT Mandate

The proposed Ordinary Resolution 10, if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with specified related parties as set out in Section 2.5 of the Circular to Shareholders dated 21 January 2025 in accordance with the applicable regulatory rules and requirements. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

Details of the Proposed RRPT Mandate are contained in Circular to Shareholders of the Company dated 21 January 2025.



MMAG

MMAG HOLDINGS BERHAD

Registration No. 200301007003 (609423-V)
(Incorporated in Malaysia)

CDS Account No. :

No. of shares held :

PROXY FORM

(Before completing this form, please refer to the notes)

I/We* _____ NRIC/Passport/Registration No.* _____
(Full name in Block Letters)

of _____
(Full Address)

with email address _____ mobile phone no. _____

being a member/members* of **MMAG HOLDINGS BERHAD** ("the Company") hereby appoint the following person(s):-

Full Name (in Block)	NRIC No./Passport No.	Proportion of Shareholdings (%)
Address		
Email Address	Mobile Phone No.	

and/or*

Full Name (in Block)	NRIC No./Passport No.	Proportion of Shareholdings (%)
Address		
Email Address	Mobile Phone No.	

or failing him/her, the Chairman of the Meeting as *my/our proxy/proxies to attend and vote for *me/us and on my/our behalf at the **Twenty-first Annual General Meeting** of the Company to be held at No. 3, Jalan TP 2, Taman Perindustrian UEP, 47600 Subang Jaya, Selangor Darul Ehsan on **Thursday, 27th day of February 2025 at 10:00 a.m.** or any adjournment thereof in the manner as indicated below:-

ORDINARY RESOLUTION		FIRST PROXY		SECOND PROXY	
		FOR	AGAINST	FOR	AGAINST
1.	To approve the payment of Non-Executive Directors' fees and benefits of RM13,500 for the period from 1 September 2024 to 30 September 2024				
2.	To approve the payment of Non-Executive Directors' fees and benefits up to RM790,000 from 1 October 2024 until the next Annual General Meeting of the Company				
3.	To re-elect the director, Tan Sri Dato' Seri Mohd Khairul Adib Bin Abd Rahman				
4.	To re-elect the director, Yeap Say Woi				
5.	To re-elect the director, Chin Boon Long				
6.	To re-elect the director, Dato' Che Nazli Binti Jaapar				
7.	To re-elect the director, Azman Bin Mat Ali				
8.	To re-appoint the retiring auditors, Messrs. Grant Thornton Malaysia PLT				
9.	Authority to allot shares and waiver of pre-emptive rights				
10.	Proposed RRPT Mandate				

Please indicate with an "x" in the appropriate space above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.

Dated this _____ 2025

Signature/Common Seal of Shareholder(s)

* **Strike out whichever is not desired.**



Notes:

1. For the purpose of determining a member who shall be entitled to attend, speak and vote at the Annual General Meeting, the Company shall be requesting the Record of Depositors as at 21 February 2025. Only a depositor whose name appears on the Record of Depositors as at 21 February 2025 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her stead.
2. A member entitled to attend, speak and vote at the meeting is entitled to appoint up to two (2) proxies to attend, speak and vote in his/her stead. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. All voting will be conducted by way of poll.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. If the appointer is a corporation, the Proxy Form must be executed under its Common Seal or under the hand of its attorney duly authorised.
6. The Proxy Form must be deposited at the Company's Registered Office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur or via electronic means through email to mega-sharereg@megacorp.com.my or via facsimile at 03-2732 5388 not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
7. By submitting the duly executed Proxy Form, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the meeting and any adjournment thereof.

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AFFIX
POSTAGE
STAMP

The Company Secretary
MMAG HOLDINGS BERHAD
Registration No. 200301007003 (609423-V)
Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

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MMAG Holdings Berhad

200301007003 (609423-V)

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Taman Perindustrian UEP Subang Jaya,
47600 Subang Jaya,
Selangor Darul Ehsan

Email: info@mmag.com.my