



**ANCOM NYLEX BERHAD**

*[Registration No. 196901000122 (8440-M)]  
Incorporated in Malaysia*

**Annual Report  
2025**

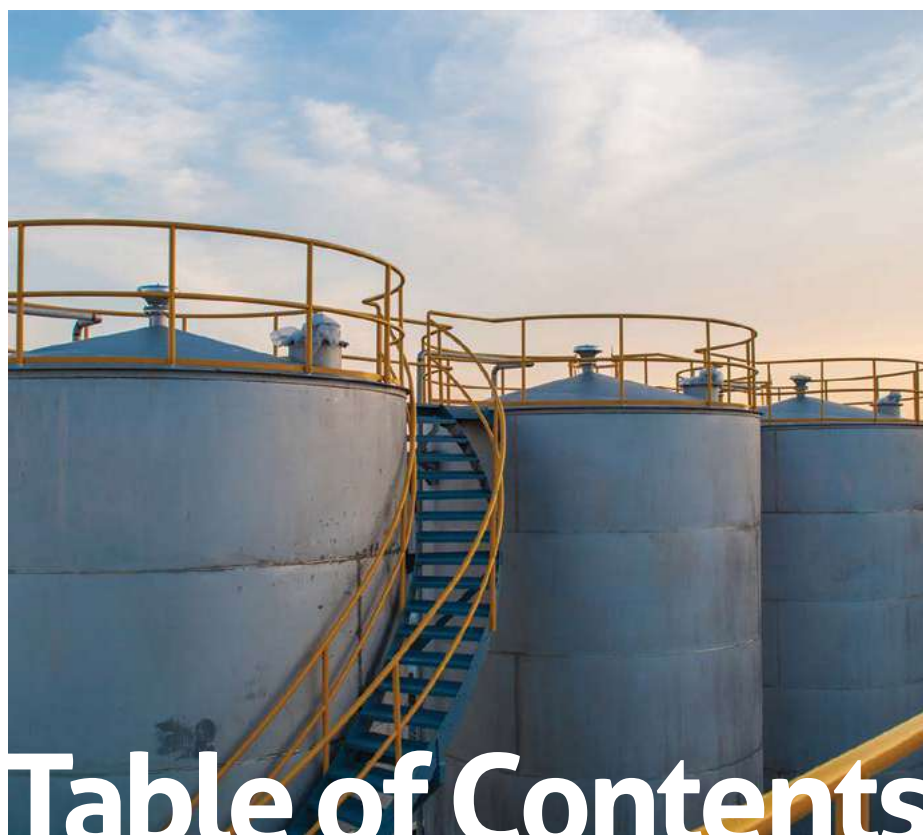
**TOGETHER**

**WE CAN MAKE A DIFFERENCE**





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Go online to our website at:  
[www.ancomnylex.com](http://www.ancomnylex.com)

# Corporate Information

## Board of Directors

- 1 **DATUK ANUAR BIN AHMAD**  
(Independent Non-Executive Chairman)
- 2 **DATO' SIEW KA WEI**  
(Executive Vice Chairman)
- 3 **DATUK LEE CHEUN WEI**  
(Managing Director/  
Group Chief Executive Officer)
- 4 **TAN SRI DATO' SRI ABDULL HAMID BIN EMBONG**  
(Independent Non-Executive Director)  
(Resigned on 17 February 2025)
- 5 **DATUK DR. ABD HAPIZ BIN ABDULLAH**  
(Independent Non-Executive Director)
- 6 **MALIKA KAMAL BIN MOHD YASIN**  
(Independent Non-Executive Director)
- 7 **TAN SRI DATO' SRI MOHAMAD FUZI BIN HARUN**  
(Independent Non-Executive Director)
- 8 **CHRISTINA FOO**  
(Independent Non-Executive Director)
- 9 **STEPHAN SCHNABEL**  
(Non-Independent Non-Executive Director)  
(Appointed on 1 November 2024)
- 10 **KEW HUI CHIN**  
(Non-Independent Non-Executive Director)  
(Appointed on 1 November 2024)
- 11 **DATO' SRI DR. AWANG ADEK BIN HUSSIN**  
(Independent Non-Executive Director)  
(Appointed on 17 February 2025)
- 12 **SIEW KA KHEONG**  
(Alternate Director to Dato' Siew Ka Wei)

## AUDIT COMMITTEE

**CHRISTINA FOO** (Chairman)  
**MALIKA KAMAL BIN MOHD YASIN** (Member)  
**TAN SRI DATO' SRI MOHAMAD FUZI BIN HARUN** (Member)

## REMUNERATION & NOMINATION COMMITTEE

**DATUK DR. ABD HAPIZ BIN ABDULLAH**  
(Chairman)

**KEW HUI CHIN** (Member)  
**MALIKA KAMAL BIN MOHD YASIN** (Member)

## RISK MANAGEMENT COMMITTEE

**DATUK DR. ABD HAPIZ BIN ABDULLAH**  
(Chairman)

**CHRISTINA FOO** (Member)  
**DATUK LEE CHEUN WEI** (Member)

## COMPANY SECRETARIES

**CHOO SE ENG** (MIA 5876)  
**TEO MEE HUI** (MAICSA 7050642)  
**NG SALLY** (MAICSA 7060343)

## REGISTERED OFFICE

Level 13, Menara 1 Sentrum  
 201, Jalan Tun Sambanthan  
 Brickfields  
 50470 Kuala Lumpur  
 Malaysia  
 Tel. : (603) 2382 4288  
 Fax : (603) 2382 4170  
 Email : tmfkl-cosec@tmf-group.com

## BUSINESS ADDRESS

No. 2A, Jalan 13/2, Seksyen 13  
 46200 Petaling Jaya  
 Selangor Darul Ehsan  
 Malaysia  
 Tel. : (603) 7495 5000  
 Fax : (603) 7495 5088

## SHARE REGISTRAR

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

Unit 32-01, Level 32, Tower A  
 Vertical Business Suite  
 Avenue 3, Bangsar South  
 No. 8, Jalan Kerinchi  
 59200 Kuala Lumpur  
 Malaysia  
 Tel. : (603) 2783 9299  
 Fax : (603) 2783 9222  
 Email : is.enquiry@my.tricorglobal.com

## AUDITORS

**BDO PLT, Chartered Accountants**

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad  
 - Industrial Products Sector  
 - Stock code : 4758  
 - Stock name : ancomny

## PRINCIPAL BANKERS

**OCBC Bank (Malaysia) Berhad**  
**Malayan Banking Berhad**  
**AmBank (M) Berhad**

## SOLICITORS

**Chong, Ng & Yap**

## DOMICILE

Malaysia

## WEBSITE

[www.ancomnylex.com](http://www.ancomnylex.com)

# Five-Year Highlights

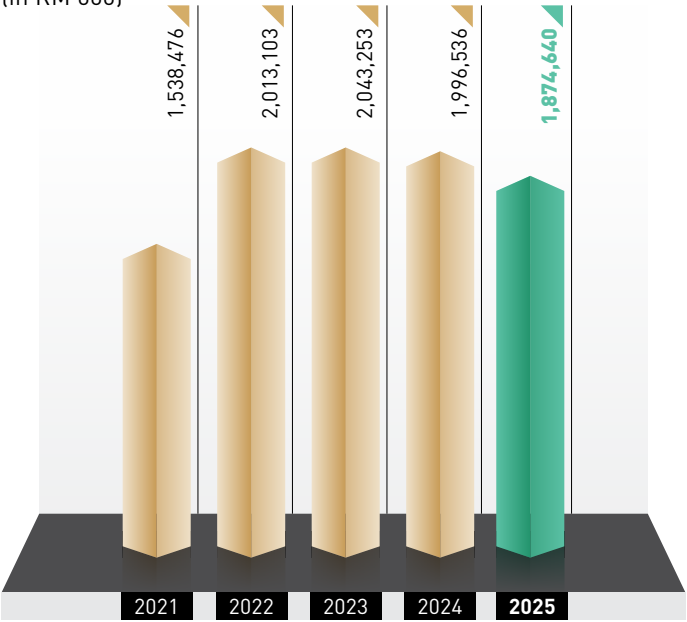
	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
Revenue	<b>1,874,640</b>	1,996,536	2,043,253	2,013,103	1,538,476
Profit before tax	<b>99,123</b>	110,479	95,810	78,193	50,977
Profit after tax	<b>65,156</b>	80,845	76,827	29,085	32,559
Effective percentage rate of tax	<b>34%</b>	27%	20%	63%	36%
Net earnings for ANB shareholders	<b>63,489</b>	81,474	75,127	68,178	23,753
<b>ASSETS EMPLOYED</b>					
Property, plant and equipment	<b>259,873</b>	246,513	221,289	216,656	189,690
Right-of-use assets	<b>134,490</b>	87,915	98,424	103,864	110,150
Investments	<b>21,724</b>	16,409	7,038	4,647	6,447
Other non-current assets	<b>103,615</b>	109,569	113,128	88,336	101,231
Current assets	<b>729,803</b>	767,561	764,843	710,274	660,791
<b>TOTAL ASSETS</b>	<b>1,249,505</b>	1,227,967	1,204,722	1,123,777	1,068,309
<b>FINANCED BY</b>					
Share capital	<b>523,386</b>	408,707	397,624	377,892	256,043
Reserves	<b>173,452</b>	182,577	119,007	40,406	112,404
Less: Treasury shares, at cost	<b>(96,381)</b>	(43,195)	(25,123)	(30,711)	(6,248)
ANB shareholders' interest	<b>600,457</b>	548,089	491,508	387,587	362,199
Minority shareholders' interest	<b>36,664</b>	34,061	32,423	40,674	120,197
Total shareholders' fund and minority interest	<b>637,121</b>	582,150	523,931	428,261	482,396
Non-current liabilities	<b>107,083</b>	79,304	102,425	113,854	91,097
Current liabilities	<b>505,301</b>	566,513	578,366	581,662	494,816
<b>TOTAL FUNDS EMPLOYED</b>	<b>1,249,505</b>	1,227,967	1,204,722	1,123,777	1,068,309
<b>SHAREHOLDERS' INTERESTS</b>					
Earnings per ordinary share - sen					
- Basic	<b>6.09</b>	8.58	8.43	8.98*	3.32*
- Diluted	<b>5.99</b>	8.02	7.64	7.56*	2.87*
Net assets per ordinary share attributable to ANB shareholders - RM	<b>0.56</b>	0.57	0.53	0.45	0.50
<b>OTHERS</b>					
Depreciation & amortisation	<b>32,309</b>	41,099	38,982	40,811	41,657
Interest expense	<b>19,517</b>	20,584	20,216	13,664	12,734
Number of ordinary shares of the Company	<b>1,170,744,618</b>	1,008,597,360	972,776,411	302,487,849	254,491,472
Treasury shares	<b>(98,286,039)</b>	(51,038,677)	(38,268,677)	(16,099,759)	(11,875,059)
	<b>1,072,458,579</b>	957,558,683	934,507,734	286,388,090	242,616,413

\* The basic and diluted earnings per ordinary share has been adjusted pursuant to the share split exercise completed on 7 June 2022.

Five-Year Highlights

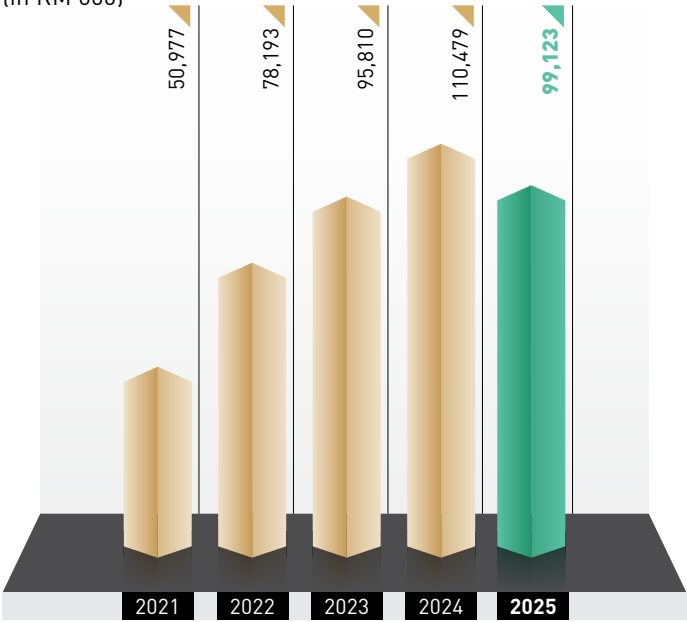
REVENUE

(in RM'000)



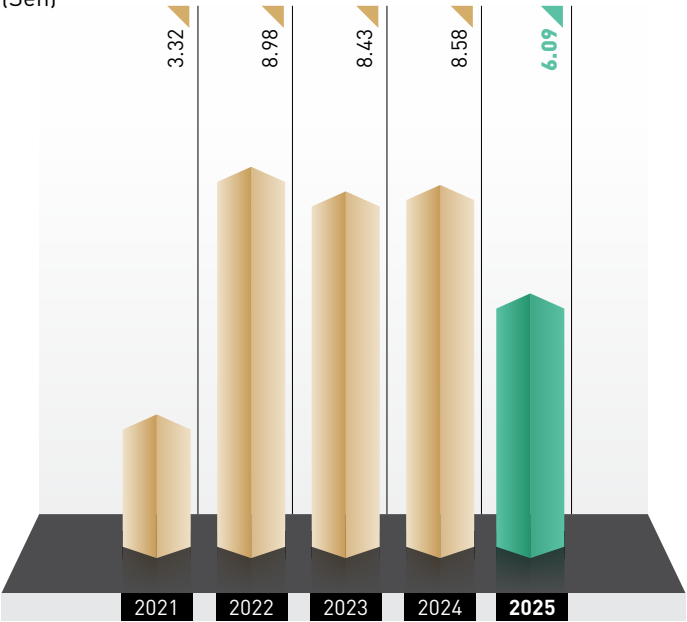
PROFIT BEFORE TAX

(in RM'000)



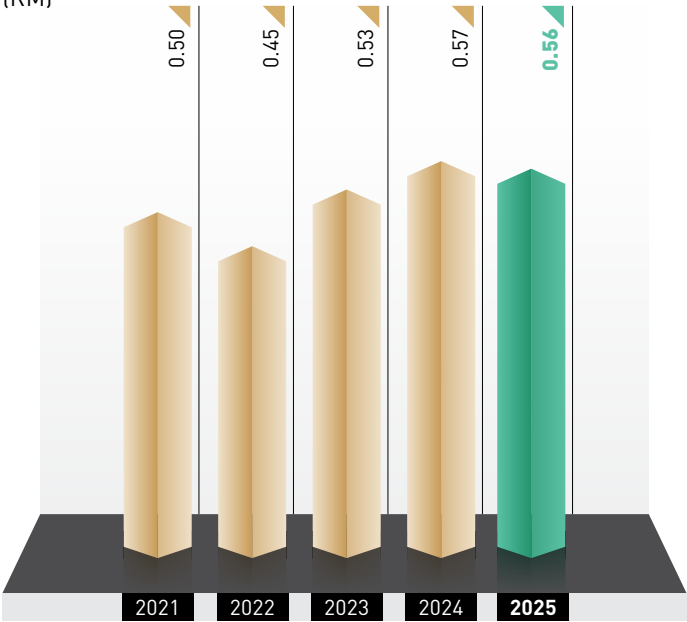
EARNINGS PER ORDINARY SHARE - BASIC

(Sen)



NET ASSETS PER ORDINARY SHARE

(RM)



# List of Principal Offices

## ANCOM NYLEX BERHAD – CORPORATE OFFICE / ANCOM MANAGEMENT SERVICES SDN. BHD.

No. 2A, Jalan 13/2, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 7495 5000  
Fax : (603) 7495 5088

## ANCOM NYLEX TERMINALS SDN. BHD.

Jeti Petrokimia, Pelabuhan Barat  
42920 Pulau Indah, Port Klang  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 3101 1372  
Fax : (603) 3101 1279

## ANCOM CROP CARE SDN. BHD. / TIMBER PRESERVATIVES INDUSTRIES SDN. BHD.

No. 31 Jalan Tukul P15/P, Section 15  
40200 Shah Alam  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 5519 4022  
Fax : (603) 5510 3888

## ANCOM KIMIA SDN. BHD. / PERUSAHAAN KIMIA GEMILANG SDN. BHD.

No. 2A, Jalan 13/2, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 7495 5633  
Fax : (603) 7495 5638/5639

## ANCOM LOGISTICS BERHAD / ANCOM ENERGY & SERVICES SDN. BHD. / ANCOM TRUELIFE SDN. BHD. / COMMON FEED SDN. BHD.

No. 2A, Jalan 13/2, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 7495 5000  
Fax : (603) 7495 5088

## ATG NEXUS SDN. BHD. / ATG AVIONIX SDN. BHD.

Unit 1003 & 1005, Blok B, Phileo Damansara II  
No. 15 Jalan 16/11, Off Jalan Damansara  
46350 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 7665 1988  
Fax : (603) 7665 1638

## CKG CHEMICALS PTE LTD

51 Goldhill Plaza #11-03  
Singapore 308900  
Tel : (65) 6319 4680  
Fax : (65) 6319 4699

## COLOREX SDN. BHD.

D11-9-1, Pusat Dagangan Dana 1  
Jalan PJU 1A/46  
47301 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 7842 8998  
Fax : (603) 7842 8999

## DYNAMIC CHEMICAL PTE LTD

3 International Business Park  
#03-04, Nordic European Centre  
Singapore 609927  
Tel : (65) 6224 4142  
Fax : (65) 6224 6460

## ENTOPEST ENVIRONMENTAL SERVICES SDN. BHD.

No. 2A, Jalan 13/2, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 7931 3232  
Fax : (603) 7931 3230

## FERMPRO SDN. BHD.

No. 2A, Jalan 13/2, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 7495 5633  
Fax : (603) 7495 5699

## FLEXIS SOLUTIONS SDN. BHD.

8, Jalan Anggerik Oncidium 31/80D  
Kota Kemuning  
40460 Shah Alam  
Selangor Darul Ehsan, Malaysia  
Tel : (6012)-322 8820

## H2H MEDICARE GROUP SDN. BHD.

3 Jalan Patani  
10150 Georgetown  
Pulau Pinang, Malaysia  
Tel : (604)-2189 854

## List of Principal Offices

### H.J. UNKEL CHEMICALS SDN. BHD.

28, Jalan Biola 33/1, Seksyen 33  
40400 Shah Alam  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 5525 9333

### KUMPULAN KESUMA SDN. BHD. / WEDON SDN. BHD.

No. 6, Lorong SS13/6A  
Subang Jaya Industrial Estate  
47500 Subang Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 5633 6229  
Fax : (603) 5634 9915

### NYLEX (MALAYSIA) BERHAD / NYLEX HOLDINGS SDN. BHD. / NYLEX POLYMER MARKETING SDN. BHD. / ALB MARINE SDN. BHD.

Lot 16, Persiaran Selangor, Section 15  
40200 Shah Alam  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 5519 1706  
Fax : (603) 5510 8291

### NYLEX SPECIALTY CHEMICALS SDN. BHD. / SPECIALITY PHOSPHATES (MALAYSIA) SDN. BHD.

Lot 593, Persiaran Raja Lumu  
Kawasan Perusahaan Pandamaran  
42000 Port Klang  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 3168 8282  
Fax : (603) 3167 9115

### ONE CHEM TERMINAL SDN. BHD.

Lot 1863, Mukim Sungai Karang  
Kawasan Perindustrian Lembaga Pelabuhan Kuantan  
Tanjung Gelang  
25720 Kuantan  
Pahang Darul Makmur, Malaysia  
Tel : (609) 583 3936  
Fax : (609) 583 3980

### PENGANGKUTAN COGENT SDN. BHD.

PTD 149227, Jalan Berjaya 7  
Taman Perindustrian Berjaya  
81200 Kempas Lama  
Johor Darul Takzim, Malaysia  
Tel : (607) 558 3131  
Fax : (607) 558 1313

### PT NYLEX INDONESIA

Desa Sumengko Km 31  
Wringinanom, Gresik  
61176 Indonesia  
Tel : (6231) 898 2626  
Fax : (6231) 898 2623

### PT PKG LAUTAN INDONESIA

Rukan Citta Graha No. 26 Blok 3F  
Jl. Panjang Kel. Kedoya Selatan  
Kec. Kebon Jeruk  
Jakarta 11520, Indonesia  
Tel : (6221) 5367 3269  
Fax : (6221) 5367 3278

### REDBERRY ADVERTISING SDN. BHD.

No. 2A, Jalan 13/2, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 7495 1188  
Fax : (603) 7495 1177

### SHENNONG ANIMAL HEALTH (MALAYSIA) SDN. BHD.

2,4,6,8,10 Jalan Industri USJ 1/19  
Taman Perindustrian USJ 1  
47610 Subang Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 8011 4646  
Fax : (603) 8011 4666

### TWINSTAR SYNERGY SDN. BHD.

No. 2A, Jalan 13/2, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 7495 5000  
Fax : (603) 7495 5088

### VEMEDIM SDN. BHD.

15, Jalan USJ 1/31  
47600 Subang Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : (603) 8024 7118  
Fax : (603) 8024 7168





# Corporate Structure

As at 31 May 2025



## ANCOM NYLEX BERHAD



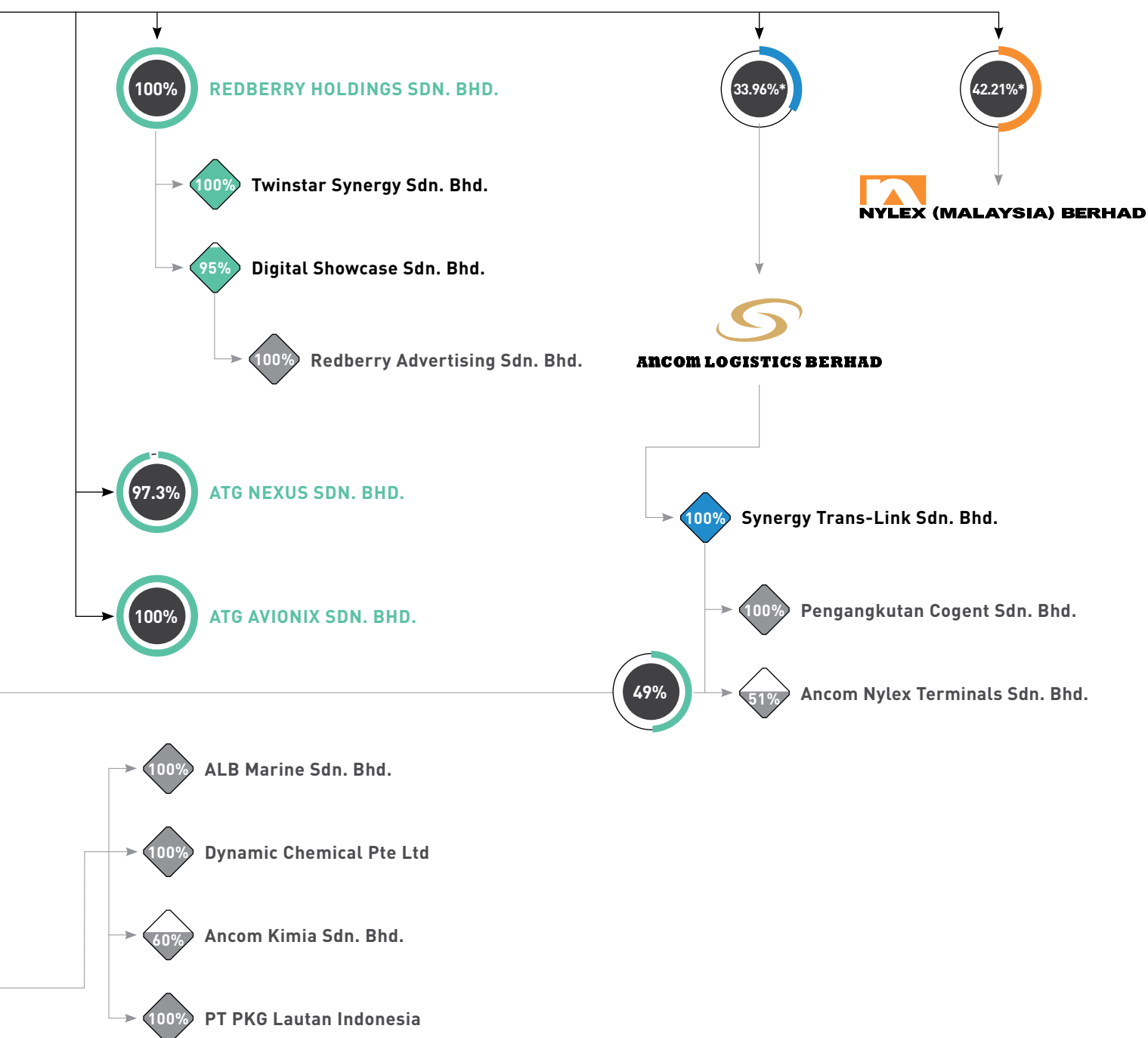
Note:  
Only major and active companies in the Group are shown in this Corporate Structure

\* Direct and Indirect Interest



## Corporate Structure

As at 31 May 2025



# Board of Directors

## DATUK ANUAR BIN AHMAD

Independent Non-Executive Chairman



**MALAYSIAN**

**MALE**

**AGE 71**

Datuk Anuar joined the Board as Independent Non-Executive Chairman on 30 November 2023.

Datuk Anuar graduated in 1977 with a Bachelor of Science (Econs) degree from the London School of Economics and Political Science, University of London, UK.

Datuk Anuar started his career in 1977 with Petroliaam Nasional Berhad ("PETRONAS"). During his 36 years of service with the PETRONAS Group, he held various senior managerial and leadership positions in marketing, trading, corporate planning, and human resource management until his retirement in April 2014 where his last position held was the Executive Vice President of Gas and Power Business. He was the Managing Director/Chief Executive Officer of PETRONAS Dagangan Berhad ("PDB") from 1998 to 2002; Chairman of PDB from 2005 to 2010; Chairman of PETRONAS Gas Berhad from 2010 to 2014; and a member of PETRONAS Management Committee and member of PETRONAS board from 2002 to 2014.

He was the Independent Non-Executive Director of ENRA Group Berhad from 2015 to 2022 and Independent Non-Executive Director of Chemical Company of Malaysia Berhad from 2019 to 2021.

In 1997, between his years of service with the PETRONAS Group, Datuk Anuar underwent a 3-month business management course under the Advanced Management Program at Harvard Business School.

Presently, Datuk Anuar is a Independent Non-Executive Chairman of Nylex (Malaysia) Berhad (a subsidiary of the Company), Non-Independent Non-Executive Chairman of PDB, and Independent Non-Executive Director of Kumpulan FIMA Berhad.

## DATO' SIEW KA WEI

Executive Vice Chairman



**MALAYSIAN**

**MALE**

**AGE 69**

Dato' Siew joined the Board on 23 October 1985. He was appointed Deputy Group Managing Director on 17 October 1995 and subsequently promoted to Group Managing Director on 30 July 2003. On 2 January 2018, he assumed the position of Executive Chairman, before being re-designated as Executive Vice Chairman on 30 November 2023.

Dato' Siew received his secondary and tertiary education in the United Kingdom. He studied at Marlborough College before completing his tertiary education at Imperial College, London, where he graduated with a Bachelor of Science (Hons) degree in Chemical Engineering in 1978 and a Master of Science ("MSc") degree in Operational Research in 1979.

Over the years, Dato' Siew has played a pivotal role in steering the Group's growth and transformation, providing strategic leadership and continuity through various phases of its corporate development. His extensive experience and deep knowledge of the industry continue to add significant value to the Board and the Group, and he remains actively involved in guiding the Group's long-term strategy and direction.

Beyond his corporate role, Dato' Siew has also contributed significantly to professional and alumni organisations. He was an active member of the Young Presidents' Organisation ("YPO") from 1993 to 2006, during which he served as the Chairman of the Malaysian Chapter of YPO and Co-Chairman of the first Regional Conference in Kuala Lumpur in 1998. From 2000 to 2003, he served on the International Board of YPO, including as Chairman of YPO's Global Leadership Congress in Beijing in 2003. He is also a past President of the Imperial College Alumni of Malaysia and past Governor on the Board of Governors of Marlborough College Malaysia.

Currently, Dato' Siew is the Group Managing Director of Nylex (Malaysia) Berhad and the Executive Vice Chairman of Ancom Logistics Berhad ("ALB"), both of which are subsidiaries of the Company. ALB is listed on the ACE Market of Bursa Malaysia Securities Berhad.

Dato' Siew is currently a substantial shareholder of the Company.

## Board of Directors

### DATUK LEE CHEUN WEI

Managing Director /  
Group Chief Executive Officer ("GCEO")



MALAYSIAN

MALE

AGE 51

Datuk Lee has been the GCEO of the Company since 2 January 2018 and was appointed to the Board as Managing Director on 29 March 2022. He is currently a member of the Risk Management Committee.

He graduated with a Bachelor of Arts (Hons) degree in Accounting and Finance from Lancaster University, UK, and holds a Master of Science in Finance (Distinction) degree from Cass Business School, London, both of which he pursued under full scholarships awarded by the Renong/UEM Group and British Chevening/HSBC respectively.

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

Datuk Lee started his career in 1997 as a Group Accountant at EPE Power Corporation Berhad ("EPE"), rising to the Chief Financial Officer of the EPE Group in 2003. He later served as the Director of Corporate Finance of Tamco Corporate Holding Berhad (now ALB, a subsidiary of the Company) from 2005 to 2009 before joining the Company in 2009 as the Group Chief Financial Officer. In July 2014, he was appointed Managing Director of Ancom Crop Care Sdn. Bhd. ("ACC"), a wholly-owned subsidiary of the Company, leading the Group's Agricultural Chemicals Division, until to-date.

He is currently a Non-Independent Non-Executive Director of ALB and a substantial shareholder of the Company.

### DATUK DR. ABD HAPIZ BIN ABDULLAH

Independent Non-Executive Director



MALAYSIAN

MALE

AGE 67

Datuk Dr. Abd Hapiz was appointed to the Board on 8 May 2020. He is currently Chairman of the Remuneration & Nomination Committee and Risk Management Committee.

He graduated with a Bachelor of Science degree in Chemistry from the University of Nevada, USA and a Doctor of Philosophy degree in Organic Chemistry from Utah State University, USA, in 1980 and 1984 respectively.

Datuk Dr. Abd Hapiz has more than thirty (30) years of experience in management, marketing, business development and technical in the chemical manufacturing industry. He began his career at Dow Chemical (Malaysia) Sdn. Bhd. in 1985, holding a regional role for several years. He was appointed as the Managing Director of DuPont Malaysia Sdn. Bhd. in 1995 and later, as the President/CEO of PETRONAS Chemicals Group Berhad from 2011 until he retired in 2014.

Datuk Dr. Abd Hapiz was appointed Chairman of ACC in March 2016. He is currently an Independent Non-Executive Director of Perdana Petroleum Berhad and MSM Malaysia Holdings Berhad as well as a board member of several private chemical companies in Malaysia and the United States.

He is currently the Chairman of the Chemical Industries Council of Malaysia ("CICM").

## Board of Directors

### MALIKI KAMAL BIN MOHD YASIN

Independent Non-Executive Director



**MALAYSIAN**

**MALE**

**AGE 62**

Maliki Kamal joined the Board on 28 October 2021. He is currently a member of the Remuneration & Nomination Committee and Audit Committee.

Maliki Kamal graduated with a Bachelor of Laws (Hons) degree from the international Islamic University Malaysia in 1987.

He began his career as an Advocate and Solicitor in 1987, specialising in criminal laws with significant experiences in civil litigations, banking and conveyancing matters.

In 1990, he joined PETRONAS as a legal officer and has continued to serve in various senior management roles. He served as a Legal Head/General Counsel/Senior General Counsel for PETRONAS Penapisan (Terengganu) Sdn. Bhd., Legal Corporate & Technology, PETRONAS Chemical Group Berhad, Refinery and Petrochemical Integrated Development ("RAPID") Project, Legal Finance and Corporate Secretarial and Legal Downstream, Finance and Technology prior to being appointed as the Vice President and Group General Counsel in 2017. In 2019, he was appointed Senior Vice President and Group General Counsel of PETRONAS until his retirement in 2021.

During his service, Maliki Kamal also sat as a board member and Company Secretary to various entities within the PETRONAS group of companies (local and overseas) and has twice served as Company Secretary of PETRONAS.

Maliki Kamal is currently the Independent Non-Executive Director of Gas Malaysia Berhad.

### TAN SRI DATO' SRI MOHAMAD FUZI BIN HARUN

Independent Non-Executive Director



**MALAYSIAN**

**MALE**

**AGE 66**

Tan Sri Dato' Sri Fuzi joined the Board on 19 September 2022. He is currently a member of the Audit Committee.

Tan Sri Dato' Sri Fuzi graduated with a Bachelor of Arts (Honours) degree from Universiti Malaya and a Master in Anthropology and Sociology degree from Universiti Kebangsaan Malaysia in 1983 and 1991 respectively. He completed the Advanced Management and Leadership Programmes from the SAID Business School at Oxford University, UK in 2014.

Tan Sri Dato' Sri Fuzi is a retired Inspector-General of Police ("IGP") in the Royal Malaysia Police, having served in the Police Force for 35 years.

He began his career with the Royal Malaysia Police in 1984 as a Cadet Assistant Superintendent of Police. Following his basic police training, he was assigned to the Special Branch Department from 1986 to 2009 where he served in various capacities, including Deputy Director of the Special Branch.

In 2009, he was promoted to Director of Special Task Force on Operation and Counter-Terrorism. He later served as the Director of the Management Department in Bukit Aman in 2014 before being promoted as the Director of Special Branch in 2015.

In September 2017, he was promoted as the IGP, the highest-ranking position in the Royal Malaysia Police, a role he held until his retirement in May 2019.

Currently, Tan Sri Dato' Sri Fuzi is the Independent Non-Executive Chairman of Jaya Tiasa Holdings Berhad, Tropicana Corporation Berhad, Hiap Teck Venture Berhad and SIAB Holdings Berhad.

## Board of Directors

### CHRISTINA FOO

Independent Non-Executive Director



**MALAYSIAN**

**FEMALE**

**AGE 64**

Christina joined the Board on 19 September 2022. She is currently the Chairman of the Audit Committee and a member of the Risk Management Committee.

Christina graduated with Bachelor of Business Studies (Accounting) degree from Deakin University, Australia in 1985. She is a Chartered Accountant and a member of Malaysian Institute of Accountants; Fellow of CPAAustralia; Fellow of Malaysian Institute of Management; Fellow of Institute of Corporate Directors Malaysia; Qualified Risk Director of the Institute of Enterprise Risk Practitioners; a member of ASEAN Chartered Professional Accountants and a member of Malaysian Institute of Corporate Governance.

Christina started her career in Ernst & Young ("EY") Malaysia in 1985 and over the next 16 years, she served in various capacities in EY LLP in Atlanta, USA; EY International in London and EY Asia Pacific Consulting. Her last position with EY Malaysia was Director, Business Development.

In 2001, Christina founded Priority One group and was a Director of Priority One Tax Services Sdn. Bhd. until August 2022. From 2018 to 2019, she was appointed as a Senior Practice Fellow of Sunway Business School, Sunway University, Malaysia and she currently chairs the Industry Advisory Board. She previously served as a Director of KPJ Healthcare Berhad from 2018 to 2021 and Star Media Group Berhad from October 2022 to May 2023.

She is currently the Senior Independent Non-Executive Director of UEM Sunrise Berhad and a Director of Tokio Marine Life Insurance Berhad.

### STEPHAN SCHNABEL

Non-Independent Non-Executive Director



**GERMAN**

**MALE**

**AGE 50**

Stephan joined the Board on 1 November 2024.

He began his career with HELM AG ("HELM") in 1996 through a dual training programme to qualify as a business economist in foreign trade. He subsequently served as a field representative at HELM's sales office in Düsseldorf, Germany, before moving to HELM's subsidiary in Istanbul, Türkiye in 2001, where he was appointed Department Manager and later promoted to General Manager in 2004.

In 2009, Stephan returned to HELM's headquarters in Hamburg as Senior Executive Manager, overseeing subsidiaries across Latin America and Southern Europe. He was appointed Executive Director in 2011 with responsibility for managing the crop protection division, including HELM's crop protection operations in South America. The following year, in 2012, he joined the Executive Board of HELM and has served as its Chairman since 2020. He is also the sole shareholder of HELM.

Stephan is currently a substantial shareholder of the Company through his direct interest in HELM, a substantial shareholder of the Company.

He does not hold any directorship in other listed issuers or public companies in Malaysia.

Board of Directors

KEW HUI CHIN

Non-Independent Non-Executive Director



SINGAPOREAN

FEMALE

AGE 52

Hui Chin joined the Board on 1 November 2024. She is currently a member of the Remuneration & Nomination Committee.

Hui Chin graduated with a Masters of Engineering in Petroleum Engineering degree from Imperial College, London, in 1997.

She started her career as Senior Officer Chemicals Industry, Singapore in Singapore Economic Development Board (“SEDB”) in 1997, involving in promoting and developing the petroleum and petrochemicals industry in Singapore. In 2000, she was promoted as SEDB’s Centre Director of Chicago and Dallas, USA.

She later joined SHELL as Supply Chain Operations Manager, Styrene Monomer, Asia in 2003. She was later promoted to hold various senior managerial positions through her 19-year in SHELL, the last being Commercial General Manager Chemicals Asia, a position she held from 2021 to 2023.

She joined HELM in 2023 where she is presently the Managing Director and President, Chemicals of HELM Asia Pte. Ltd.. She is responsible for over 50 team members in Singapore, China, India, Japan, Korea, Taiwan and Thailand, overseeing HELM’s Chemical business in Asia.

Currently, Hui Chin is a Board Director of SPCI HELM companies in Singapore and Malaysia, a 50:50 Joint Venture between HELM and SPCI in the inorganics business. She is also a Board member of the Singaporean German Chamber of Commerce since April 2024.

Hui Chin does not hold any directorships in other listed issuers or public companies in Malaysia.

DATO’ SERI DR. AWANG ADEK BIN HUSSIN

Independent Non-Executive Director



MALAYSIAN

MALE

AGE 70

Dato’ Seri Dr. Awang Adek joined the Board on 17 February 2025.

Dato’ Seri Dr. Awang Adek is an Economist. He graduated with a Bachelor of Arts degree from the Drew University, USA in 1997, a Master of Arts In Economics and a PhD in Economics from the University of Pennsylvania, USA in 1981 and 1984 respectively.

Dato’ Seri Dr. Awang Adek has extensive experience in economics and finance, having spent over 30 years in government and public service. He started his career in 1983 as a lecturer in Universiti Sains Malaysia. He joined Bank Negara Malaysia (“BNM”) in 1985 and held various positions until 1996. He was Director-General of Labuan Financial Services Authority from 1996 to 1998; Assistant Governor of BNM from 1998 to 2001; Chairman of Tenaga Nasional Berhad from 2002 to 2004; Deputy Minister of Rural Development from 2004 to 2006; Deputy Minister of Finance from 2006 to 2013; Malaysia’s Ambassador to USA from 2014 to 2016; Chairman of Majlis Amnah Rakyat (MARA) from 2017 to 2018; Chairman of PRG Berhad from 2017 to 2022; and Chairman of Securities Commission, Malaysia from 2022 to 2024.

Presently, Dato’ Seri Dr. Awang Adek is the Chairman of the Board of Governors of Universiti Sains Malaysia since 2022 and Chairman of Bank Simpanan Nasional since 2024.



## Board of Directors

### SIEW KA KHEONG

Alternate Director to Dato' Siew Ka Wei



MALAYSIAN

MALE

AGE 65

Ka Kheong was appointed as an Alternate Director to Dato' Siew Ka Wei on 26 April 2019.

He graduated with a Bachelor of Science degree in Chemical Engineering from University College London, UK, in 1982.

Ka Kheong is currently the Executive Director of ATG Nexus Sdn. Bhd., a subsidiary of the Company and heads the Group's IT Division. Prior to this, he was the Managing Director of an IT company he set up in 1982.

He has more than 30 years of experience in the IT industry, specialising in systems development and integration as well as applications implementation. His experience spans across the financial services, manufacturing, distribution and retail industries.

He is also the Chairman of a local company that provides professional IT certification from the Project Management Institute, USA, to IT professionals in Malaysia.

He has no directorship in other public companies or listed issuers.

Ka Kheong is currently a substantial shareholder of the Company.

#### Notes:

1. Other than Dato' Siew Ka Wei and Siew Ka Kheong who are brothers, there are no family relationships amongst the Directors and/or major shareholders of the Company.
2. Other than the Related Party Transactions ("RPTs") as disclosed in this Annual Report, the Directors do not have any financial interest in any business arrangement involving the Group. The Directors also do not have any competing business interest which conflict with their positions in the Company.
3. None of the Directors has been convicted of any offences other than traffic offences (if any) within the past five (5) years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.
4. Other than Dato' Siew Ka Wei, Siew Ka Kheong, Datuk Lee Cheun Wei and Stephan Schnabel, the other Directors do not hold any shares in the Company and its related companies. Please refer to the Directors' Report of this Annual Report for the Directors' securities holdings in the Company and its related companies.
5. Please refer to the Corporate Governance Overview Statement for the Directors' Board and Committees meeting attendances in financial year ended 31 May 2025.

# Key Senior Management

## DATO' SIEW KA WEI



MALAYSIAN

MALE

AGE 69

Executive Vice Chairman – Ancom Nylex Berhad (“Company” or ANB)

Executive Vice Chairman – Ancom Logistics Berhad (“ALB”)

Group Managing Director – Nylex (Malaysia) Berhad (“Nylex”)

*(Dato' Siew Ka Wei's profile is disclosed in the Board of Directors of this Annual Report)*

## DATUK LEE CHEUN WEI



MALAYSIAN

MALE

AGE 51

Managing Director/Group CEO – ANB

Managing Director – Ancom Crop Care Sdn. Bhd. (“ACC”)

*(Datuk Lee Cheun Wei's profile is disclosed in the Board of Directors of this Annual Report)*

## ROBIN LING SENG CHIONG



MALAYSIAN

MALE

AGE 55

Deputy CEO – Nylex

CEO – Nylex Holdings Sdn. Bhd. (“NHSB”)

Executive Director – Perusahaan Kimia Gemilang Sdn. Bhd. (“PKG”)

Robin joined the Nylex group in 2007 as Executive Director of PKG, a subsidiary of NHSB, in charge of its industrial chemical distribution and trading business. Prior to joining PKG, he worked as the Asia Pacific Regional Manager for a United States specialty chemicals company for 13 years.

In 2018, Robin was promoted as Deputy CEO of Nylex, assisting the Group Managing Director in overseeing Nylex group's business operations. In 2012, following the completion of ANB's acquisition of the entire business undertakings of Nylex, Robin was appointed the CEO of

NHSB, assisting the Executive Vice Chairman in overseeing NHSB's business operations.

Robin currently a member of Industry Expert Advisory Panel, Science Programme of Tunku Abdul Rahman University of Management and Technology. Robin is also the Executive Committee Member of Chemical Industries Council of Malaysia for the 2021-2023 and 2023-2025 terms.

Robin graduated with a Bachelor of Applied Science majoring in Analytical Chemistry from the University of Science Malaysia in 1994.

## DATUK ABDUL RASHID BIN HASHIM



MALAYSIAN

MALE

AGE 61

Executive Chairman – Ancom Kimia Sdn. Bhd. (“AKSB”)

Datuk Rashid joined AKSB, a subsidiary of NHSB, as Chief Operating Officer (“COO”) in 2011. He was re-designated as its Executive Chairman in 2020 and was also appointed as the Executive Chairman of MSTI Corporation Sdn. Bhd., an associate of the Company, which is involved in the provision of IT services, in 2023.

Datuk Rashid started his career as an assistant credit officer with a commercial bank in 1982. In 1990, he joined ESPI Industries Sdn. Bhd., a parts and accessories manufacturer for Proton, as General Manager. In 1994, he joined

Ayer Molek Plantation Berhad as the personal assistant to its Managing Director. Subsequently in 2000, he joined HBA Development Bhd, a property developer, as its CEO. In 2008, he joined Global Globe Sdn. Bhd., a property developer and engineering group as its Managing Director until 2011.

Datuk Rashid graduated with a Diploma in Credit Management from Institute Teknologi MARA in 1988.

## Key Senior Management

### DATUK HASNUL BIN HASSAN



MALAYSIAN

MALE

AGE 63

#### Executive Director (Business Development)

Datuk Hasnul joined the Company in 2014 as Executive Director (Business Development). He is currently the Head of the Group's media business.

Datuk Hasnul brings with him vast experience in the corporate sector including several reputable multi-national companies such as Unilever, Johnson & Johnson and British American Tobacco where he developed his marketing and management skills.

After spending 23 years with the multi-national companies, Datuk Hasnul joined BERNAMA as its Chief Executive Officer in 2009. He subsequently joined Malay Mail Sdn. Bhd. ("MMSB") as its CEO in 2013. He was also the Deputy CEO of ALB in 2019, until his resignation in 2025.

Datuk Hasnul obtained his Bachelor of Science Degree in Business Administration from Southeast Missouri State University, USA in 1984. He subsequently pursued and obtained his Masters of Business Administration in 1985.

### LIM CHANG MENG



MALAYSIAN

MALE

AGE 53

#### Chief Financial Officer ("CFO") – ANB and ALB

Chang Meng was appointed as the CFO of ANB in 2014.

Chang Meng began his career as an Audit Assistant with Cooper & Lybrand in 1992 and stayed until 2000 with his last position as an Audit Manager. He subsequently joined Setegap Berhad, a construction company as Group Accountant in 2000 and HLG Securities Berhad, stockbroking company, as Finance Manager in 2002, respectively.

He joined Tamco Corporate Holdings Berhad (now known as ALB) in 2005 as its Corporate Accounting Manager, and became its Head of Corporate Finance in 2010. He was later promoted as CFO of ALB in 2011. He also became the CFO of ANB in 2014.

Chang Meng is a member of the Malaysian Institute of Accountants.

### CHOO SE ENG



MALAYSIAN

MALE

AGE 64

#### Company Secretary – ANB, Nylex and ALB and their subsidiaries

Se Eng began his career in 1981 as an Auditor with Hanafiah Raslan Mohamad and qualified as a Chartered Accountant in 1988. During this period, he gained extensive experience in accounting, taxation, and corporate secretarial practices.

He subsequently served in the Corporate Finance division of a merchant bank for two years before joining a public listed company as Corporate

Finance Manager, a role he held for four years. In 1995, he joined ANB as Senior Manager of Corporate Planning and was appointed Company Secretary in 1996, a position he held until his resignation in 2016. He later rejoined the Company as Company Secretary in 2018.

Se Eng is a member of the Malaysian Institute of Accountants.

### MICHELLE CHEN



MALAYSIAN

FEMALE

AGE 58

#### CFO – Nylex & NHSB

Michelle joined Nylex in 1995 as an Associate Accounts Manager and held various positions within the Nylex group in the ensuing years. She was appointed to her current position as CFO of Nylex in 2010 and as CFO and Director of NHSB in 2021 and 2022 respectively.

Michelle was attached to an international professional service firm before joining Nylex.

Michelle is a Fellow member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants. She is also a Fellow member of the Institute of Corporate Directors Malaysia.

## Key Senior Management

### PHILLIP KARUPPIAH



MALAYSIAN

MALE

AGE 67

Group Human Resource Director & Group Chief Integrity Officer (‘CIO’) – ANB

Phillip has been the Group Human Resource Director and Group CIO of ANB since 2013 and 2020 respectively.

He started his career as a journalist with the New Straits Times and has experience in communication consulting with Burson Marsteller as well as banking operations with Malayan Banking Berhad.

He was the Chief Executive Officer of MMSB from 2011 until 2013. Before taking the helm at

MMSB, Phillip was General Manager of Group Human Resources at Phileo Allied Group, a financial services group, from 1995 to 2002. He was Managing Director of Sun Media Sdn. Bhd., publisher of the Sun newspaper, from 2002 to 2006 and was with Lexis Nexis, an American multinational company, as CEO of its South East Asia operations from 2006 to 2011.

Phillip has a Bachelor of Science (Agribusiness) degree from University Putra Malaysia and a Law degree from the University of Wolverhampton, UK.

### KONG HWAI MING



SINGAPOREAN

MALE

AGE 65

Executive Director – CKG Chemicals Pte Ltd (‘CKG’)

Hwai Ming joined CKG in 1992 as an Operation Manager and was subsequently promoted to the position of Executive Director in 1998. In 2006, Nylex acquired 100% shareholding of CKG, and Hwai Ming was retained in the same position until today.

Hwai Ming started his career as a technician in the tankfarm and shipping operations of ESSO Refinery Pte Ltd in 1981. He joined

Petrochemical Corporation of Singapore Pte Ltd as an Operation and Shipping Executive in 1989 until 1992.

Hwai Ming obtained a Diploma in Mechanical Engineering and a Post-Diploma in Industrial Management from Singapore Polytechnic.

### ANTHONY TAN



MALAYSIAN

MALE

AGE 63

Executive Director/COO – ACC

Anthony has served as the COO of ACC since 2014 and was appointed as Executive Director of ACC in 2018.

He began his career in 1982 as a Research Conductor at the Highlands Research Unit, Klang, which specialised in research and development of industrial crops in Malaysia. In 1983, he joined Ancom Sdn. Bhd. (as the Company was then known) as a Research Assistant, focusing on the development of new product formulations. The following year, he was transferred to the Marketing Department and was stationed in Yong Peng, Johor, where he was responsible for the Johor, Melaka and Pahang markets.

In recognition of his contributions and leadership, Anthony was promoted to Marketing Manager of ACC in 1997, and subsequently advanced to Chief Operating Officer in 2014. Four years later, in 2018, he was appointed as Executive Director of ACC.

Anthony has been a member of the Incorporated Society of Planters of Malaysia since 1988 and was conferred Life Membership in 2023. He holds a Certificate in Marketing from the Chartered Institute of Marketing, UK (1991), and earned his MBA from Nottingham Trent University, UK, in 2002.

### ASMARIAH BINTI ISMAIL



MALAYSIAN

FEMALE

AGE 53

CFO – ACC

Asmariah joined ACC in 2006 as Finance Manager, overseeing the Group's Agricultural Chemicals division. She was later promoted as ACC's CFO in 2019.

Asmariah started her career as an executive in CSR Building Materials (M) Sdn. Bhd. in 1996 until 2004. She subsequently joined a trading company as an Accountant for two years prior to joining ACC in 2006.

Asmariah graduated with a Bachelor in Accounting (Hons.) degree from University Utara Malaysia in 1996.

She is a member of the Malaysian Institute of Accountants.

## Key Senior Management

### KEITH FU



MALAYSIAN

MALE

AGE 49

Chief Marketing Officer – ACC & Timber Preservatives Industries Sdn. Bhd. (“TPI”)

Keith joined ACC in 2015 as Manager of ROW (Rest-of-the-World) Export Business covering both the sales operation of agricultural chemicals and timber preservatives. He is currently the Chief Marketing Officer of ACC and TPI since 2020.

Keith has over 25 years of experience in sales and marketing spanning across chemical, media, financial and property sectors.

Prior to ACC, he spent most of his career in media sales and later in key account management with the Group’s Media division before making the career switching move to ACC in 2015 to grow its chemical export business.

Keith holds a Diploma in Canadian Pre-University/Canadian International Matriculation Programme from Taylor’s College.

### ANDREW LEONG



MALAYSIAN

MALE

AGE 35

Head, Investor Relations – ANB

Andrew joined ACC in 2015, responsible for business development for the agrichemical business in the ASEAN region. Subsequently, he oversaw ACC’s subsidiaries involved in upstream planting and commodities trading.

Andrew also spearheaded the Group’s Investor Relations as Head, Investor Relation, enhancing the ANB Group’s corporate visibility and awareness while strategically managing

communications with the ANB Group’s key stakeholders since 2019.

Prior to joining ACC, Andrew has experience in hospitality operations, real estate market research and commodities trading.

He graduated with a Bachelor’s Degree in Economics from The University of British Columbia, Canada in 2013.

### KATHLEEN TEH



MALAYSIAN

FEMALE

AGE 40

Senior Manager, ESG – ANB

Kathleen joined ANB in 2023 as Senior Manager – ESG, where she is responsible for overseeing all ESG-related matters of the Group.

She began her professional career in 2008 as a Quality Support Executive at Energy Alloy, UK. In 2010, she joined Tesco Stores (M) Sdn. Bhd. as a Mechanical and Electrical Engineer and was subsequently promoted in 2018 to Energy and Engineering Manager (Lead Role), spearheading the company’s Environmental and Engineering division. She held this position until her appointment at ANB.

With over 14 years of experience, Kathleen has been actively involved in projects focusing on renewable energy, hypermarket construction, and sustainability-driven retrofit initiatives.

She holds a Bachelor of Science (BSc) degree from the University of Sheffield, UK (2006) and a Master’s degree in Engineering and Management from Sheffield Hallam University, UK (2008). In addition, she is a licensed Energy Manager with the Energy Commission of Malaysia.

### TERRY TOW



MALAYSIAN

MALE

AGE 35

Head, Corporate Finance – ANB

Terry joined the Company in 2024 as Head, Corporate Finance, responsible for overseeing all corporate finance related matters of the Group.

He started his career in 2014 as a Management Trainee with Malayan Banking Berhad and subsequently as an Analyst with Maybank Investment Bank Berhad. He has held various positions in Reneuco Berhad and Sime Darby Motors prior to joining ANB.

Terry’s experience lies in project finance advisory, debt capital markets, mergers & acquisitions and commercial advisory in various industries including energy, infrastructure, utilities and automotive.

Terry graduated with a Bachelor’s Degree in Business & Commerce (majoring in Accounting and Economics) from Monash University Malaysia in 2013. He is also currently a CFA Charterholder under CFA Institute.



## Key Senior Management

### REGINE LIM



MALAYSIAN

FEMALE

AGE 48

COO – Entopest Environmental Services Sdn. Bhd. (“Entopest”)

Regine began her career in 2001 as Operations Manager at Ridpest Sdn. Bhd., a local pest control company, where she served until 2003. From 2004 to 2008, she was with the Pest Elimination Division of Ecolab Sdn. Bhd. as Technical Manager and was subsequently promoted in 2008 to Southeast Asia Regional Sales Manager, overseeing the markets of Malaysia, Singapore, Thailand, and Indonesia until 2010.

In 2010, Regine founded Ecogreen Pest Management Sdn. Bhd. Following its acquisition by ACC in 2017, the company was renamed Entopest. She was appointed General Manager of Entopest, where she led nationwide operations and expanded the Group’s pest control business across South East Asia. Under her leadership, Entopest was awarded the Silver Medal at the National BASF Pest Management Awards in 2022 and again, won the BASF Pest Manager of the Year award for 2024. In 2023, she was promoted to COO of Entopest.

Beyond her corporate role, Regine has been actively involved in industry leadership and advocacy. She served as President of WomenBizSENSE, Penang’s Women Entrepreneur Group, from 2017 to 2019. She was the first female President of the Malaysia Pest Management Association for the 2021–2023 term and was re-elected for the 2023–2025 term. During the same period, she represented Malaysia as Country Representative in the Federation of Asian & Oceania Pest Managers Associations.

In 2023, she was featured in a BBC interview on women empowerment in male-dominated industries.

Regine holds a Bachelor of Science (Hons) degree in Biology (Zoology) from Universiti Sains Malaysia, which she obtained in 2001.

### GAN KIAN CHONG



MALAYSIAN

MALE

AGE 57

Managing Director – Shenngong Animal Health (M) Sdn. Bhd. (“Shenngong”)/Vemedim Sdn. Bhd. (“Vemedim”)

Kian Chong founded Vemedim and Shenngong and has been the Managing Director of Vemedim and Shenngong since 1997 and 2004 respectively. He has more than 30 years of expertise in the livestock industry.

Kian Chong started his career in Pahang Pharmacy as a sales executive focusing in poultry based veterinary medicine.

In 1997, Kian Chong and his partner, in recognising the tremendous potential of Vemedim’s veterinary medicine from Vietnam and to market them in Malaysia, started

Vemedim to import and market Vemedim’s veterinary medicine from Vietnam in Malaysia.

In 2004, in pursuing of greater market shares in the livestock industry, Kian Chong and his partner co-founded Shenngong, a company focused on local formulation and manufacturing of veterinary medicine.

Kian Chong graduated with a Bachelor of Science degree in Animal Husbandry from the National Pingtung University of Science and Technology, Taiwan in 1990.

### TAN YEOW HENG



MALAYSIAN

MALE

AGE 62

Managing Director – HJ Unkel Chemical Sdn. Bhd. (“HJ Unkel”)

Yeow Heng started his carrier as a sales representative in ICI Industrial Chemicals (Malaysia) Sdn. Bhd. (“ICI”) in 1984.

He was with ICI Group for close to 16 years in total, from a local sales representative looking after polyurethane industry, food industry, plastic industry, plastic moulding industry and many more, until he was appointed Regional Sales Manager for Tioxide (Malaysia) Sdn. Bhd., a subsidiary of ICI Group, looking after South East Asia and Indian Continent markets.

He was seconded to ICI Group’s marketing consultancy arm, Market Focus Consultant, UK for more than 2 years as a marketing consultant, providing consultancy services to the ICI and Zeneca Group of companies.

In 1999, he joined a Belgian company, UCB Chemicals (Malaysia) Sdn. Bhd. (“UCB”), as the Regional Sales Director looking after all the whole product portfolio for Asia Pacific, except North East Asia.

In 2009, he left UCB and founded HJ Unkel, a chemical trading company, servicing the coatings, rubber, ink, wood coatings and others and he has been the Managing Director of the company until today.

Yeow Heng obtained an MBA in Strategic Marketing degree from University of Hull, UK in 2000.

## Key Senior Management

### LOKE YEAK THONG



MALAYSIAN

MALE

AGE 61

#### Managing Director – Colorex Sdn. Bhd. (“Colorex”)

Yeak Thong has been the founder and Managing Director of Colorex since 2009 and has more than 40 years of expertise in the polyurethane industry.

He started his career in I.C.I Industrial Chemicals (M) Sdn. Bhd. as a sales executive in 1984 focusing on industrial chemicals and polyurethane systems. In 1991, he joined Cosmo Polyurethane (M) Sdn. Bhd. (“Cosmo”), a Japanese multinational company, as Product Manager

overseeing the introduction and expansion of the Japanese polyurethanes business in Malaysia.

In 2009, Yeak Thong left his employment with Cosmo after 18 years and, together with his partner, started Colorex, a polyurethane system house in Malaysia catering to both the domestic and export market. He has been the Managing Director of Colorex since.

Yeak Thong holds a Diploma in Marketing from the Chartered Institute of Marketing, UK.

### LOH CHIAN HONG



MALAYSIAN

MALE

AGE 59

#### Executive Director – ATG Nexus Sdn. Bhd. (“ATGN”) and ATG Avionix Sdn. Bhd. (“ATGA”)

Chian Hong joined ATGN, a subsidiary of ANB in 2017 as CEO, Analytics Division, to start the Analytics business unit for ATGN. He was promoted as CEO of ATGN in 2022. He is currently the Executive Director of ATGN and ATGA, both of which are subsidiaries of the Company.

Chian Hong has over 30 years of experience in the Information Technology industry, started his career as a programmer in a local bank in 1989 before switching his career to enterprise solutions sales 2 years later. He has since held

sales and general management positions of a few IT companies until 1999. He started his own IT business in 2000 providing consulting services to develop business analytics solutions for organizations in the ASEAN countries until 2015.

Chian Hong holds a Higher Diploma of Computer Science, British Computer Society.

### WONG JUN-PIN



MALAYSIAN

MALE

AGE 52

#### CEO – Ancom Energy & Services Sdn. Bhd. (“AES”)

Jun-Pin was appointed as the CEO of AES in 2020 to spearhead ANB's Energy Division towards new growth areas.

Jun-Pin brings over 25 years of diversified experience within the renewable energies, utilities, oil & gas sectors, international business development and engineering projects.

He started his career as an engineer at Tamco Corporate Holdings Berhad (now ALB) in 1996, with an extensive job focus in switchgear manufacturing and commercial industry. After 8 years, Jun-Pin joined Schneider Electric

Malaysia as a Division Manager for Equipment & Services until 2008.

From 2008 till 2016, Jun-Pin joined Infrakomas Sdn. Bhd. as a General Manager (Manufacturing & Trading). Prior to joining ANB, he was with Khind Holdings Berhad involving in activities and contracts in Solar and Biogas projects from 2017 to 2020.

Jun-Pin graduated with a Bachelor of Science in Mechanical Engineering degree in 1994 and attained a Masters in Industrial Engineering degree from University of Arkansas, Fayetteville, USA in 1996.

### WILLIAM TAN



MALAYSIAN

MALE

AGE 58

#### Divisional Head – Polymer Division

William started his career as a Sales Executive in PKG in 1994. He was transferred to Fermpro Sdn. Bhd., a subsidiary of NHSB, in 1997 where he held various positions before being promoted to Deputy Managing Director in 2006. He was given the additional responsibility of managing Nylex Specialty Chemicals Sdn. Bhd. (“NSC”), a subsidiary of NHSB, in 2005, and was promoted to the position of Managing Director of NSC in 2007.

William was re-designated as the Deputy Head of Nylex Polymer Division in 2020, and was later promoted as the Division's Head in the same year.

William is a graduate of the Institute of Chartered Secretaries and Administrators.

## Key Senior Management

### WONG SIUT YIN



MALAYSIAN

FEMALE

AGE 57

Director – Kumpulan Kesuma Sdn. Bhd. (“Kesuma”)

Siut Yin joined Kesuma, a subsidiary of the Company, as a Techno-Commercial Chemist in 1991. She was promoted to her current position as a Director of Kesuma in 1999, handling the technical, manufacturing and sales of sealants and adhesives for the automotive, construction, air conditioner and light engineering industries. Throughout the years, she has gone to Thailand, Japan, France, Germany, USA and Taiwan to attend international conferences and visit various car plants, and technical partners’ and

suppliers’ labs to enhance her technical skills in this industry.

She started her career as a Pharmaceutical Sales Executive in Ciba-Geigy (M) Sdn. Bhd. before joining Kesuma.

Siut Yin graduated with a Bachelor of Science in Chemistry (Hons) degree from the National University of Malaysia, Malaysia in 1991.

### SABLI BIN SIBIL



MALAYSIAN

MALE

AGE 71

Executive Director – Logistics – ALB

Sabli joined the Company as its Human Resource Director in 2009. He was later appointed Director of Chemical Integration in 2011 and later Managing Director/CEO of Genovasi Malaysia Sdn. Bhd., a subsidiary of the Company then, in 2021. He was appointed Executive Director - Logistics of ALB in 2023.

Sabli started his career with PETRONAS as a Marketing Senior Manager in 1992 and served in various capacities, the last being Training Senior Manager prior to his retirement in 2009.

Sabli graduated with Master of Business Administration from Henley/Brunnel University, UK in 1988. He has a Postgraduate Diploma from Brighton Polytechnic and a Diploma from South Devon Technical College, UK. He also attended a Senior Management Programme (PETRONAS/INSEAD) and obtained a Certificate in International Management in 1999.

### MOHD YUSOF BIN MUHAMAD DON



MALAYSIAN

MALE

AGE 59

General Manager – Pengangkutan Cogent Sdn. Bhd. (“Cogent”)

Mohd Yusof was appointed General Manager of Cogent, a wholly-owned subsidiary of ALB, in 2015.

Prior to joining Cogent, he was a Senior Manager/ Director of Penang-based Hayara Sdn. Bhd., a solid waste management contractor, and Hayana Sdn. Bhd., a construction materials company, from 2013 to 2015. Before that, he held various senior managerial positions at Soi Yong Berhad and Koperasi Usaha Bersatu (M) Berhad.

Mohd Yusof graduated with a Bachelor’s degree in Industrial Engineering from the University of Alabama, Tuscaloosa, Alabama, USA.

### SERENA KHOO SOOK LAI



MALAYSIAN

FEMALE

AGE 61

General Manager – Ancom Nylex Terminals Sdn. Bhd. (“ANT”)

Serena was appointed the General Manager of ANT, a subsidiary of the Company, in 2017. She retired in August 2025.

She has more than 25 years of experience in the bulk chemicals and logistics businesses. Prior to her current position, she held various positions in PKG, a subsidiary of the Company, her last position being Senior Operations Manager.

Serena graduated with a Post Graduate Diploma in Business Administration from the University of Central Lancashire, UK.



## Key Senior Management

### KIT THAM



MALAYSIAN

MALE

AGE 42

#### General Manager – ANT

Kit is currently the General Manager of ANT, a position he assumed in August 2025.

He began his career in 2004 as an Audit Assistant with Peter Chong & Co., Chartered Accountants. From 2006 to 2015, he held various finance managerial positions in companies such as Cal Comp (Malaysia) Sdn. Bhd. and Malay Mail Sdn. Bhd.. In 2015, Kit joined Cogent as Finance and Accounts Manager. Two years later, in 2017, he was promoted to Deputy General Manager, where he oversaw both finance and operations.

In August 2025, Kit was appointed General Manager of ANT.

He holds a Bachelor's Degree in Finance from the University of Hertfordshire, UK, obtained in 2004.

### DR. JOE PRAMESH GANESAGURU



MALAYSIAN

MALE

AGE 50

#### CEO – Ancom Truelife Sdn. Bhd. ("Ancom Truelife")

Dr. Joe joined Ancom Truelife as its CEO in 2022.

Dr. Joe has been involved in the nutraceutical industry for the past 12 years since 2012. He founded Truelife Sciences Holdings Sdn. Bhd. in 2017 and has since built a brand name for the numerous products to its name.

Fronting this health information and knowledge to the community, he has introduced 1Twenty80, a community health magazine with e-updates on the social media in bringing and creating awareness on healthy lifestyle and the latest news on the health scene.

Dr. Joe and ANB formed Ancom Truelife in 2022 as ANB's quest to diversify its business continues with him taking the helm as its CEO,

spearheading Ancom Truelife's foray in the healthcare market locally and in the South East Asian region under the brand of Healthy Nation.

Dr. Joe's contributions to the industry have been widely recognised, including his receipt of the Asia Pacific Entrepreneurship Award in 2018. Academically, he holds a Higher Education with Distinction certificate from Liverpool John Moores University, UK (1996), a Diploma in Human Resources from the University of Malaya (1999), and a Honorary Doctorate in Business and Healthcare Entrepreneurship by Wilmington Metropolitan University, USA (2025).

#### Notes:

1. Except for Siew Ka Kheong (who is the brother of Dato' Siew Ka Wei), there is no family relationship between the Key Senior Management with any Director and/or major shareholder of the Company.
2. Other than the RPTs disclosed in this Annual Report, the Key Senior Management does not have any financial interest in any business arrangement involving the Group.
3. None of the Key Senior Management has any competing business interest which conflict with their positions in the Group.
4. Other than traffic offences (if any), none of the Key Senior Management has been convicted of any offence within the past five (5) years, and no public sanction or penalty was imposed by the relevant regulatory bodies during the financial year.
5. Other than Dato' Siew Ka Wei, Siew Ka Kheong and Datuk Lee Cheun Wei, none of the Key Senior Management is a director in any public listed companies or listed issuers.

# Management Discussion and Analysis

## DEAR SHAREHOLDERS,

On behalf of the Board of Directors (the “Board”), we are pleased to present to you the Management Discussion and Analysis of Ancom Nylex Berhad (“ANB”, “Group”, or “Company”) for the financial year ended 31 May 2025 (“FY2025”).

– **Dato’ Siew Ka Wei** Executive Vice Chairman



## BUILDING THE FOUNDATION FOR GROWTH

FY2025 was marked by a complex macroeconomic environment, including geopolitical tensions, rising tariffs, and global supply chain disruptions. These factors led to higher freight costs and increased volatility in international trade flows.

Malaysian exporters are impacted by geopolitical tensions, tariff increases, and supply chain challenges, which contribute to greater trade volatility, operational uncertainty, and costs. Management is required to respond with adaptive measures that may enhance resilience but also demand additional investment and internal adjustments to maintain competitiveness and operational stability amid ongoing external dynamics.

On the domestic front, the Malaysian government’s subsidy rationalisation policy, intended to reduce fiscal burdens and promote market efficiency, has significant effects on local businesses.

The gradual withdrawal or restructuring of subsidies are bound to increase our operational costs, particularly in areas such as energy, raw materials, and transportation.

This change leads companies to reassess their cost structures, improve productivity, and identify alternative competitive advantages. While the policy supports increased market discipline and innovation, it also adds to price volatility and financial pressures. Local businesses may need to invest in efficiency improvements, consider strategic partnerships, and refine growth strategies to remain resilient under evolving economic conditions.

Despite these external challenges, ANB remained resilient and achieved consistent progress in advancing its strategic growth initiatives.



## Management Discussion and Analysis

**A SIGNIFICANT ACHIEVEMENT THIS YEAR WAS THE SUCCESSFUL LAUNCH OF COMMERCIAL PRODUCTION FOR OUR NEW ACTIVE INGREDIENT (“AI”) WITHIN THE AGRICHEMICALS DIVISION. AS ANB CONTINUES TO EXPAND ITS AI PORTFOLIO, THESE ADVANCEMENTS HIGHLIGHT THE GROUP’S INCREASING EXPERTISE AND CAPABILITY IN SYNTHESIZING SPECIALISED CHEMICAL COMPOUNDS. PRODUCTION YIELDS HAVE SHOWN STEADY GROWTH, AND DELIVERIES TO CLIENTS ARE ALREADY IN PROGRESS. THIS DEVELOPMENT FURTHER CONSOLIDATES OUR ROLE IN THE AGRICHEMICAL VALUE CHAIN AND AFFIRMS OUR POSITION AS SOUTHEAST ASIA’S SOLE LARGE-SCALE PRODUCER OF AI FOR HERBICIDES.**



In FY2025, we are also pleased to welcome HELM AG (“HELM”) as a strategic long-term investor and substantial shareholder of ANB. Founded in 1900 and headquartered in Germany, HELM is one of the world’s largest independent chemicals marketing and distribution companies, with operations spanning over 100 subsidiaries across more than 30 countries.

HELM’s strong presence in our key export markets and its extensive expertise in both agrichemicals and industrial chemicals is well aligned with our core competencies. Leveraging their comprehensive global network and established strengths, notably in AI and crop protection formulations, this strategic partnership presents significant opportunities for joint market development, product innovation, and the exchange of knowledge. HELM’s participation is anticipated to further support our goal of becoming a fully integrated chemicals provider.



In the Industrial Chemicals division, we finalised the acquisition of a 70% equity stake in Colorex Sdn. Bhd. (“Colorex”) in April 2025. Colorex specialises in the blending and distribution of chemicals, colourants, and related products. This addition broadens our existing product portfolio and strengthens our market presence, particularly within the automotive sector, where our adhesives division already maintains significant activity.





## Management Discussion and Analysis

We are pleased with the progress achieved in enhancing the Group's overall operational and financial positions. The Group reported sound financial results for the year, with revenue amounting to RM1.87 billion and net profit attributable to owners of the parent ("net profit") totalling RM63.5 million. In recognition of our shareholders' support, the Board of Directors ("Board") has approved two interim dividends by way of dividend-in-specie for FY2025.

### FY2025 REVENUE:

**RM1.87**  
BILLION



### FY2025 NET PROFIT:

**RM63.5**  
MILLION



### FY2025 DIVIDEND:

**TWO INTERIM  
DIVIDENDS BY  
WAY OF DIVIDEND-  
IN-SPECIE**



On balance, we remain steadfast in executing our growth strategy. We continue to unlock new growth opportunities while positioning our Group for sustainable and scalable expansion.

### ABOUT ANCOM NYLEX BERHAD

**FOUNDED IN 1969, ANB HAS DEVELOPED A ROBUST TRACK RECORD SPANNING MORE THAN FIVE DECADES AND IS RECOGNISED AS ONE OF SOUTHEAST ASIA'S LEADING INTEGRATED CHEMICAL GROUPS. THE GROUP IS PRIMARILY INVOLVED IN THE MANUFACTURING AND DISTRIBUTION OF A COMPREHENSIVE RANGE OF AGRICHEMICAL AND INDUSTRIAL CHEMICAL PRODUCTS.**

The Company was initially incorporated as Ansul (Malaysia) Sdn. Bhd. and was subsequently listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") under its previous name, Ancom Berhad. Following the acquisition of the entire business operations of Nylex (Malaysia) Berhad on 26 January 2022, the Company adopted its present name, Ancom Nylex Berhad, effective 5 April 2022.

ANB is also the holding company of Ancom Logistics Berhad, which is listed on the ACE Market of Bursa Securities.

1

#### AGRICHEMICALS DIVISION



2

#### INDUSTRIAL CHEMICALS DIVISION



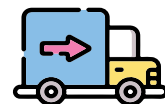
3

#### POLYMER DIVISION



4

#### LOGISTICS DIVISION



## Management Discussion and Analysis

### AGRICHEMICALS DIVISION



**THE AGRICHEMICALS DIVISION MANUFACTURES, FORMULATES, AND SELLS AGRICHEMICAL PRODUCTS, SPECIALISING IN CROP PROTECTION AND TIMBER PRESERVATIVES. ANB STANDS OUT AS THE ONLY MAJOR PRODUCER OF ACTIVE INGREDIENTS FOR HERBICIDES IN SOUTHEAST ASIA AND PLAYS A SIGNIFICANT ROLE IN THE ASIA PACIFIC MARKET. THIS DIVISION SERVES AS THE GROUP'S PRIMARY CONTRIBUTOR TO OVERALL PROFITABILITY.**



**We are the sole large-scale producer of AIs for herbicides in Southeast Asia**

AI is the chemical compounds present in pesticides, including herbicides, insecticides, and fungicides. We manufacture AIs such as monosodium methyl arsonate ("MSMA"), Diuron, Monex, timber preservatives, Bromacil, and Ester, which are subsequently utilised in our proprietary herbicide formulations. In FY2025, we initiated commercial production of a new AI, representing a significant advancement in our product development initiatives. This AI is designed primarily for use in sugarcane and non-crop sectors, targeting markets in Brazil, South Africa, Australia, and the United States.

Additionally, this division manufactures, formulates, and markets a variety of herbicides, including Glyphosate, 2,4-D, Glufosinate Ammonium, Bromifacoum, Monoammonium, Carbosulfan, Clethodim, Cadusafos, Sulfentrazone, and Tetraconazole. Our AI manufacturing and product formulation activities occur at two production plants located in Selangor, Malaysia.

Our products are sold and distributed to customers in over 40 countries spanning North America, South America, Asia, Africa, and Oceania. Our agrichemical solutions are predominantly utilised in the cultivation of sugar cane, corn, wheat, cotton, pineapple, and palm oil. Beyond our primary upstream operations, the division delivers an array of downstream services and agricultural business solutions, encompassing

pest control services, animal feed supply, and the manufacture of animal healthcare products. These offerings are designed to furnish clients with comprehensive support across all aspects of agriculture.

The Agrichemicals division is held via a wholly-owned intermediate holding company of ANB, Ancom Agrichemical Sdn. Bhd..

Key subsidiaries of the division are:

- Ancom Crop Care Sdn. Bhd.
- Timber Preservatives Industries Sdn. Bhd.
- Entopest Environmental Services Sdn. Bhd.
- Common Feed Sdn. Bhd.
- Vanguard Express Sdn. Bhd.
- Shennong Animal Health (Malaysia) Sdn. Bhd.
- Vemedim Sdn. Bhd.
- H.J. Unkel Chemicals Sdn. Bhd.

## Management Discussion and Analysis

### INDUSTRIAL CHEMICALS DIVISION



**THE INDUSTRIAL CHEMICALS DIVISION SERVES AS THE PRINCIPAL REVENUE GENERATOR FOR THE GROUP, COMPRISING TWO PRIMARY BUSINESS UNITS: MANUFACTURING AND DISTRIBUTION.**

The manufacturing unit specialises in producing ethanol, phosphoric acid, adhesives, and sealants. Significantly, ANB stands as one of only two major ethanol producers in Malaysia, underscoring our strategic role within the national chemicals sector. The companies that support our manufacturing operations are:

- Fermpro Sdn. Bhd.
- Nylex Specialty Chemicals Sdn. Bhd.
- Speciality Phosphates (Malaysia) Sdn. Bhd.
- Kumpulan Kesuma Sdn. Bhd.
- Wedon Sdn. Bhd.
- Colorex Sdn. Bhd.

The distribution division provides an extensive selection of petrochemicals and industrial chemicals throughout the Asia Pacific region. The following companies are engaged in the distribution sector:

- Perusahaan Kimia Gemilang Sdn. Bhd. and its subsidiaries, namely:
  - Dynamic Chemical Pte. Ltd.
  - Perusahaan Kimia Gemilang (Vietnam) Company Ltd.
  - PT PKG Lautan Indonesia
  - Ancom Kimia Sdn. Bhd.
- CKG Chemicals Pte. Ltd.

### POLYMER DIVISION



ANB's Polymer division is structured into four principal business units:

- **Films and Coated Fabrics:** This unit specialises in the manufacture of high-quality, value-added synthetic leather products such as polyvinyl chloride ("PVC") and polyurethane ("PU") leathercloths, films, and sheets using casting and calendaring technologies.
- **Geosynthetics:** Focused on producing geosynthetic drainage solutions, this unit serves the construction and civil engineering sectors with proven materials designed for durability and performance.
- **Rotomoulding:** This division manufactures custom moulded products tailored to the requirements of industries including industrial chemicals, road safety, and landscaping.
- **Trading:** Responsible for the marketing and distribution of polymer products, this business unit utilises both distributor networks and direct sales channels to reach industrial clients. Its diverse customer base spans across international markets, covering ASEAN, Australia, India, Sri Lanka, China, Korea, the Middle East, Indian Ocean Islands, and Africa.

The division operates with two manufacturing facilities, one in Shah Alam, Selangor, and another in Surabaya, East Java, Indonesia. The companies associated with the Polymer Division are:

- PT Nylex Indonesia
- Nylex Polymer Marketing Sdn. Bhd.

# Management Discussion and Analysis

## LOGISTICS DIVISION



**THE LOGISTICS DIVISION SUPPORTS ANB'S CHEMICAL OPERATIONS BY PROVIDING INTEGRATED LOGISTICS SERVICES. ITS PRIMARY RESPONSIBILITIES INCLUDE MANAGING AND CHARTERING VESSELS FOR CHEMICAL TRANSPORT, OPERATING TANK FARMS AND TERMINALS FOR BULK LIQUID CHEMICAL STORAGE AND SUPPLYING LAND-BASED BULK CHEMICAL TRANSPORTATION SERVICES.**

The companies involved in this division include:

- ALB Marine Sdn. Bhd.
- Ancom Nylex Terminals Sdn. Bhd.
- Pengangkutan Cogent Sdn. Bhd.
- One Chem Terminal Sdn. Bhd.

## REVIEW OF FINANCIAL RESULTS

RM million	FY2025	FY2024	Change	
			RM million	%
Revenue	<b>1,874.6</b>	1,996.5	(121.9)	(6.1%)
Gross Profit	<b>309.0</b>	312.8	(3.8)	(1.2%)
Profit Before Tax	<b>99.1</b>	110.5	(11.4)	(10.3%)
Net Profit	<b>63.5</b>	81.5	(18.0)	(22.1%)
Gross Profit Margin	<b>16.5%</b>	15.7%	-	0.8 ppt
Net Profit Margin	<b>3.4%</b>	4.1%	-	(0.7 ppt)

\* ppt = percentage point

### Revenue

In FY2025, ANB reported revenue of RM1.87 billion, compared to RM2.00 billion in FY2024. The decrease in revenue was primarily due to lower selling prices and volume in the Industrial Chemicals division. This was partially balanced by higher revenue in the Agrichemicals division, which recorded increased sales volume with continued customer demand.

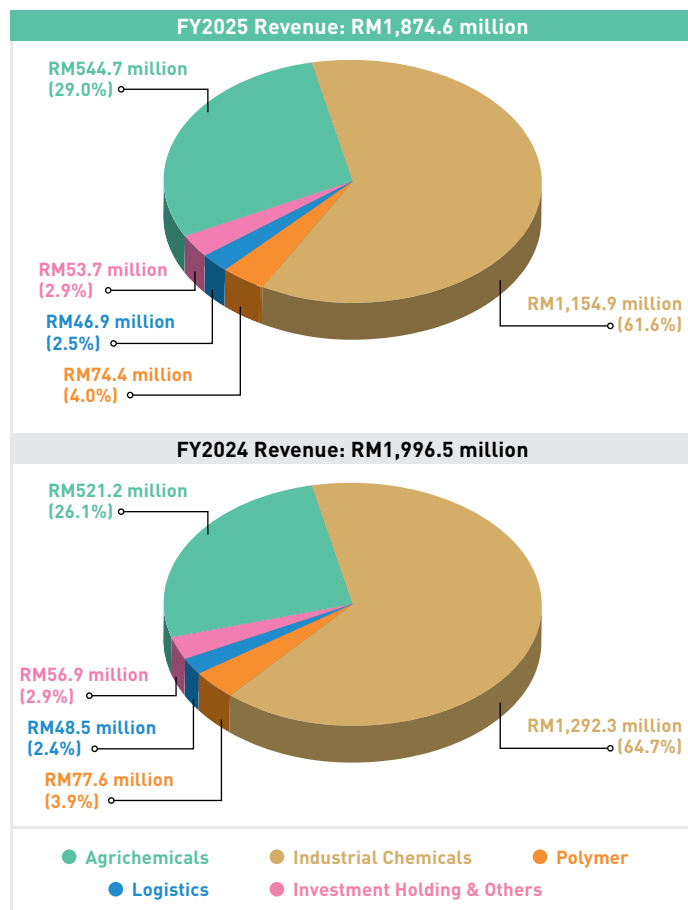
### Profitability

The Group reported a gross profit of RM309.0 million for FY2025, compared to RM312.8 million in FY2024. This decrease was primarily attributable to increased freight and production costs, along with adverse foreign exchange fluctuations. Despite these challenges, the Group sustained a robust gross profit margin of 16.5% in FY2025.

Profit before tax ("PBT") was RM99.1 million, versus RM110.5 million in FY2024. Net profit amounted to RM63.5 million, reflecting a reduction from RM81.5 million in FY2024, mainly due to a higher effective tax rate resulting from non-deductible losses in certain subsidiaries.

## Management Discussion and Analysis

### SEGMENTAL ANALYSIS



#### Agrichemicals Division

During FY2025, the Agrichemicals division reported revenue of RM544.7 million, representing a 4.5% increase compared to RM521.2 million in FY2024. This growth was primarily supported by robust demand, particularly from export markets. Export performance was maintained through consistent orders from major markets including the United States, Brazil, South Africa, and Australia.

Although revenue increased, segmental profit was affected by higher cost of sales and distribution costs, notably increased freight charges. Consequently, the division reported PBT of RM93.2 million for FY2025, compared to RM103.4 million in the prior year. Nevertheless, the Agrichemicals division continued to be ANB's principal profit contributor, representing 94.0% of the Group's total PBT. The segmental PBT margin remained robust at 17.1%, underscoring the strength of the division as a leading producer of herbicide AI in Southeast Asia.

#### Industrial Chemicals Division

The Industrial Chemicals division reported revenue of RM1.15 billion for FY2025, a decrease from RM1.29 billion in FY2024, primarily attributable to lower selling prices and volumes resulting from the general decline in crude oil prices throughout the year.

Despite this, segmental PBT increased by 47.6% reaching RM21.4 million compared to RM14.5 million in the previous year. This improvement was supported by enhanced profit margins and operational efficiencies, which were achieved through the Group's recent restructuring initiatives within the chemical business segment.

#### Polymer Division

In FY2025, the Group's Polymer division reported revenue of RM74.4 million, down from RM77.6 million in FY2024, mainly due to lower production volumes. Segmental PBT was RM3.7 million, compared to RM8.5 million in the previous financial year, largely reflecting reduced contributions from the Shah Alam plant.

#### Logistics Division

The Logistics division reported a revenue of RM46.9 million for FY2025, compared to RM48.5 million in FY2024. This reduction was primarily attributable to decreased time charter utilisation of the division's chemical vessel. Despite this, segmental PBT saw a slight increase, rising to RM8.5 million from RM7.9 million, supported by consistent cost management measures.

#### Investment Holding and Others Division

This division encompasses investment holding activities as well as non-core operations, which include information technology, media, and electrical businesses. For FY2025, the segment reported a revenue of RM53.7 million, compared to RM56.9 million in the previous financial year. Correspondingly, segmental loss before taxation increased to RM27.4 million from RM26.7 million previously, attributable primarily to elevated operating expenses.



# Management Discussion and Analysis

## REVIEW OF FINANCIAL POSITION

RM million	As at 31 May 2025	As at 31 May 2024
Total assets	<b>1,249.5</b>	1,228.0
Total liabilities	<b>612.4</b>	645.8
Shareholders' equity	<b>600.5</b>	548.1
Total borrowings	<b>323.1</b>	347.6
Short term borrowings	<b>291.2</b>	299.9
Cash and bank balances	<b>151.1</b>	137.3
Net operating cash flow	<b>107.0</b>	130.8
Net assets per share (RM)	<b>0.56</b>	0.57
Net gearing ratio (times)	<b>0.29</b>	0.38

As at 31 May 2025, ANB's total assets increased to RM1.25 billion from RM1.23 billion in the prior year. This growth was primarily driven by higher values in property, plant and equipment, right-of-use assets, and cash and bank balances. Cash and bank balances, including short-term deposits, remained robust at RM151.1 million as at 31 May 2025, up from RM137.3 million the previous financial year.

During the same period, total liabilities declined to RM612.4 million, compared to RM645.8 million as at end-FY2024. This decrease was mainly attributable to reduced borrowings and trade payables. Total borrowings stood at RM323.1 million, down from RM347.6 million, with 90%, or RM291.2 million, representing short-term borrowings utilised for working capital purposes. As at 31 May 2025, shareholders' equity rose to RM600.5 million, an increase from RM548.1 million recorded a year earlier.

### Net Gearing Ratio

At the close of the financial year, the Group's net gearing ratio decreased to 0.29 times, compared to 0.38 times in the previous year. This positive development demonstrates ANB's sustained commitment to reinforce its financial standing by reducing borrowings and increasing cash reserves.

### Net Operating Cash Flow

For FY2025, the Group maintained a robust net operating cash flow ("NOCF") of RM107.0 million, representing the eighth consecutive year of positive NOCF generation. This achievement highlights the ongoing commitment to sound liquidity management and disciplined cash flow practices in support of operational and strategic objectives.

## CORPORATE EXERCISES AND DEVELOPMENTS

### HELM Emerged as Long-Term Strategic Partner and Substantial Shareholder via Conditional Placement Agreement

In September 2024, the Group announced a proposed private placement of 96,220,000 new ordinary shares in ANB ("Placement Shares"), representing approximately 10.0% of the total issued ANB shares ("Private Placement"). Concurrently, ANB entered into a conditional placement agreement with HELM to allocate and issue the Placement Shares to HELM at an issue price of RM1.00 per share ("Placement Agreement").

The Private Placement was successfully completed in October 2024, following the listing and quotation of the Placement Shares on the Main Market of Bursa Securities. As a result, HELM became a substantial shareholder, holding 179,218,945 shares (including additional shares in ANB purchased in the open market and via share dividends received) or 16.46% of ANB as of 10 September 2025.

ANB secured approximately RM96.2 million through the Private Placement exercise. Of these proceeds, RM56.0 million were allocated for the repayment of borrowings, RM39.9 million designated for general working capital requirements, and the balance RM0.3 million was to cover expenses associated with the Private Placement.

The inclusion of HELM as a strategic investor has strengthened ANB's shareholding structure and created synergistic opportunities for collaboration within the chemical sector. This partnership is expected to facilitate expertise sharing, enhance distribution networks, and improve market access.

## Management Discussion and Analysis

### Proposed Acquisition of a Homegrown Environmental Solutions Company

In April 2024, ANB and its 34.0%-owned listed subsidiary, ALB, executed a Heads of Agreement ("HOA") with Greenheart Sdn. Bhd., Choong Wee Keong, and How Yoon For (collectively referred to as the "Vendors") regarding the proposed acquisition by ALB of the entire share capital of Green Lagoon Technology Sdn. Bhd. ("GLTSB") from the Vendors. The total consideration for this transaction is RM120.0 million, subject to an independent valuation, and will be satisfied through the issuance of 1.0 billion new ordinary shares in ALB at RM0.12 per share ("Proposed Acquisition").

Additionally, as part of the HOA, there is a proposal for an exemption under subparagraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions. This exemption pertains to the Vendors, other shareholders of GLTSB, and their persons acting in concert (collectively, "PAC(s)"), under Sections 216(2) and 216(3) of the Capital Markets and Services Act 2007, releasing them from the obligation to undertake a mandatory offer for the remaining ALB shares not already owned by them pursuant to the Proposed Acquisition ("Proposed Exemption").

In relation to the Proposed Acquisition, ANB is also undertaking a strategic realignment of its chemical businesses, including:

- A proposed private placement of up to 183.3 million new ALB Shares to ANB for the total sum of up to RM22.0 million at an issue price of RM0.12 per ALB Share, provided that ANB's shareholding in ALB post-acquisition shall not exceed 21% of ALB's total issued and paid-up share capital ("Proposed Private Placement").
- A proposed disposal by ALB of all its subsidiaries, including Synergy Trans-Link Sdn. Bhd. and its subsidiaries, Pengangkutan Cogent Sdn. Bhd., and Ancom Nylex Terminals Sdn. Bhd., to ANB, at an independent valuation to be conducted and conditions to be determined later ("Proposed Disposal").

(Proposed Acquisition, Proposed Exemption, Proposed Private Placement and Proposed Disposal shall be collectively referred to as "Proposals")

On 21 April 2025, ALB and ANB, together with the Vendors and GLTSB, executed a Supplemental Agreement to the HOA ("Supplemental Agreement"). Under the terms of this Supplemental Agreement, the parties have mutually consented to, among other matters, the following:

- Vary the terms of the Proposed Private Placement to up to 83.3 million new ordinary shares (or such other number of new ordinary shares as may be applicable) to be issued by ALB to ANB for the total sum of up to RM10.0 million (or such other amount corresponding to such number of new ordinary shares to be issued), and to be settled in cash at the issue price of RM0.12 per ALB Share, provided that the total percentage of shareholding held by ANB directly and indirectly in the share capital of ALB on completion of the Proposed Acquisition shall not exceed such number of ALB Shares representing 22% of the entire issued and paid-up share capital of ALB.
- To include a proposed subscription by ANB for 145,685 new ordinary shares in GLTSB (or such other number of new GLTSB Shares as may be applicable), to be issued and allotted by GLTSB to ANB for the total sum of RM12.0 million ("Subscription Shares") at the issue price of RM82.37 per GLTSB Share.
- To extend the HOA term to 31 December 2025.

The exercise is currently ongoing. Upon completion of the Proposals, ALB will no longer be a subsidiary of ANB; instead, it will become an associate company. These initiatives are designed to facilitate ANB's strategic restructuring, consolidating its chemical businesses under a single entity and positioning ANB as a more integrated player in chemical distribution.

GLTSB, a domestic environmental solutions provider, specializes in engineering, design, and technology for Palm Oil Mill Effluent ("POME") anaerobic lagoon Biogas-to-Power projects. The Proposed Acquisition underscores ANB's commitment to environmental stewardship by transforming biogas waste into valuable resources. Furthermore, this strategic initiative aligns with ANB's objective of achieving full decarbonization by 2027.

## Management Discussion and Analysis

### Completed Acquisition of 70% Equity Interest in Speciality Chemical Player, Colorex

In April 2025, ANB, through its wholly-owned subsidiary, Nylex Holdings Sdn. Bhd. ("NHSB"), completed the acquisition of a 70% equity interest in Colorex for a cash consideration of RM14.0 million.

Notably, the acquisition includes a profit guarantee from the vendor, stipulating that Colorex shall achieve a minimum profit after tax ("PAT") of RM2.5 million per year for two consecutive years. This arrangement results in an implied price-to-earnings multiple of 8.0 times, calculated based on the annual profit guarantee of RM2.5 million and a full valuation of Colorex at RM20.0 million.

### Proposed Selective Capital Reduction and Repayment for Nylex (Malaysia) Berhad ("Nylex")

In June 2025, ANB and its wholly-owned subsidiary, Rhodemark Development Sdn. Bhd. ("RDSB") (together referred to as the "Joint Offerors"), acting as controlling shareholders of Nylex, submitted a letter of offer requesting that Nylex undertake a selective capital reduction and repayment exercise pursuant to Section 116 of the Companies Act 2016 ("Act") ("Proposed SCR").

Following the acquisition of Nylex's business by ANB in January 2022, Nylex was classified as an affected listed issuer under Paragraph 8.03A(2) of the Listing Requirements, which denotes a listed issuer with insignificant business or operations. In March 2025, Bursa Securities declined Nylex's appeal for a further extension of time to submit its regularisation plan, leading to Nylex's delisting from Bursa Securities.

Under the Proposed SCR, entitled shareholders of Nylex would collectively receive a total capital repayment of RM5.30 million, equivalent to RM0.051 per Nylex Share. The Proposed SCR would result in the cancellation of shares held by the Entitled Shareholders, increasing the Joint Offerors' ownership to 100% of Nylex's share capital, if approved.

The implementation of the Proposed SCR was subjected to certain conditions, including:

- approval from Nylex's non-interested entitled shareholders via a special resolution at an extraordinary general meeting; and
- a court order from the High Court of Malaya confirming the reduction of Nylex's issued share capital in accordance with Section 116 of the Act.

The Proposed SCR offers eligible shareholders an opportunity to monetise their holdings in unlisted Nylex shares, while providing the Joint Offerors with increased flexibility in managing Nylex's future direction. Nevertheless, at the extraordinary general meeting held on 22 August 2025, the non-interested entitled shareholders of Nylex have voted against the Proposed SCR.

### Dividends

Given the Group's strong financial results and improved balance sheet, the Board approved two interim dividends by way of dividend-in-specie for FY2025 as follows:



**1st Interim Dividend** - Four (4) treasury shares for every one hundred (100) ANB shares held, distributed on 24 October 2024.

**2nd Interim Dividend** - One (1) treasury share for every one hundred (100) ANB shares held, distributed on 28 May 2025.

Additionally, on 23 July 2025, the Group announced the first interim dividend of 1.0 sen per share for the subsequent financial year ending 2026 ("FY2026") and paid on 21 August 2025.

## Management Discussion and Analysis

### ANTICIPATED OR KNOWN RISKS

#### Supply Chain Disruptions

The Group faces potential risks related to supply chain disruptions, which may affect operations and financial results. To address these risks, various measures are implemented, including monitoring and maintaining regular communication with suppliers to evaluate possible disruptions. The Group may also hold higher inventory levels to provide a buffer against uncertainties within the supply chain. Efforts are underway to diversify supply sources and reduce reliance on individual suppliers or regions. Currently, China remains the largest producer of many chemical intermediates, and achieving comprehensive diversification will require additional time and strategic planning.

#### Fluctuations in Input Costs

As an integrated provider of agrichemicals and industrial chemicals, our operations rely on a diverse range of inputs, including chemical intermediates, petroleum-based raw materials, and logistics services. Accordingly, fluctuations in the cost of these inputs may influence both our procurement strategies and overall profitability. Recent geopolitical developments in Eastern Europe and the Middle East, together with persistent trade tensions between the United States and China and the implementation of broad-based U.S. tariffs, have heightened uncertainty concerning the availability and pricing of select raw materials. In response to these challenges, we maintain proactive engagement with suppliers and partners to closely monitor market conditions, enabling timely adjustments to our sourcing strategies as required. Furthermore, the Group leverages longstanding supplier relationships to better mitigate cost pressures.

#### Natural Disasters

The Agrichemicals division faces climate-related risks such as floods, wildfires, and droughts in areas where customers operate. These events can damage crops and plantations, potentially reducing demand for crop protection products. Weather patterns like El Niño, which bring extended heat and dry conditions, may also result in higher temperatures and extreme weather. To address these risks, climatic conditions are monitored regularly, and communication is maintained with customers and suppliers to enable operational adjustments if required. The division's presence in multiple markets provides some protection against climate events affecting specific regions.

#### Changes in Regulations and Government Policies

Our operations adhere to regulations and policies established by local authorities in each jurisdiction where we conduct business. The agrichemicals sector is subject to stringent regulation, necessitating compliance with country-specific standards prior to product commercialisation. As an integral part of our risk management framework, we engage regularly with regulatory bodies to remain informed of evolving requirements. This proactive approach enables us to anticipate and respond effectively to changes in the regulatory environment, ensuring continued compliance across our entire portfolio.

## Management Discussion and Analysis

### TOWARDS A STRONGER FY2026

Building on the progress achieved in FY2025, ANB enters FY2026 with a stronger operational footing. Having laid the groundwork over the past few years, the Group is now beginning to reap the benefits of previously executed growth strategies, positioning us to scale more effectively and enhance our market presence.



#### Broadening Our Agrichemical Product Portfolio

In April 2025, we commenced commercial production of a new AI, representing the culmination of many years of dedicated effort and management commitment toward expanding our agrichemical portfolio. ANB is distinguished as one of only three producers of this AI globally, thereby reinforcing our position in the international agrichemical sector. To further enhance our operational capabilities, we are implementing an additional in-house process to manufacture the necessary intermediate for this AI. This strategic measure is anticipated to strengthen our supply chain resilience by decreasing dependence on external suppliers, reducing procurement lead times, and minimising risks associated with shipping delays. The product will be targeted toward key international markets such as Brazil, South Africa and Australia, with production capacity planned to incrementally increase to 1,000 metric tonnes annually.

Concurrently, we are developing another new AI designed for cereal, soybean and corn plantations, aligning with our ongoing strategy to reinforce our position across the value chain. Machinery installation is scheduled for completion by the end of 2025, followed by the commencement of commercial production. This AI will predominantly serve the American, Australian, Argentinian and Brazilian market, contributing to diversification of our product offerings and strengthening our presence in high-demand crop protection solutions.

#### Capturing Opportunities in Larger Hectarage Crop Applications

As part of our strategy to enhance market penetration and stimulate volume growth, we are expanding the application of our MSMA products beyond sugarcane to encompass larger-hectarage crops such as soybeans. In Brazil, the area under soybean cultivation is approximately five times greater than that of sugarcane, presenting a substantial opportunity for growth.

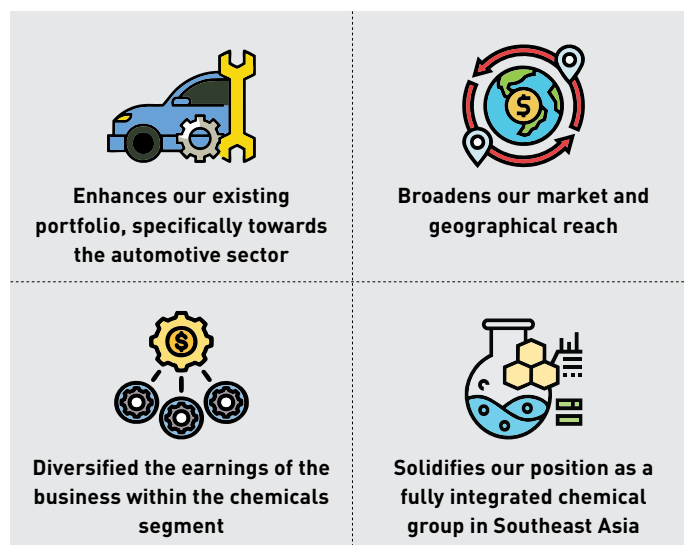
We have completed successful trials demonstrating the efficacy of MSMA in soybeans and have submitted the necessary documentation for label registration. Regulatory approval is currently pending, with clearance anticipated within FY2026. Upon receipt of approval, we intend to utilise both our established distribution channels and those of our strategic partner, HELM, to accelerate market entry and effectively address this significant demand potential.

## Management Discussion and Analysis

### Driving Growth in the Industrial Chemicals Division

The acquisition of a 70% equity interest in Colorex is anticipated to deliver significant synergistic benefits to our Industrial Chemicals division. As a leading specialty chemical supplier to Malaysia's automotive industry, with established operations in the furniture, appliance, and construction sectors, Colorex will further enhance our product portfolio and expand our customer reach. This transaction aligns with our strategic objective of fostering a growth-driven industrial chemicals business and consolidates our position as an integrated chemical group in Southeast Asia.

Furthermore, the acquisition includes a profit guarantee of at least RM2.5 million PAT annually in Colorex for two consecutive years, thereby strengthening our earnings foundation and improving income predictability within the Industrial Chemicals division.



### Staying the Course Amidst Global Uncertainties

We continue to monitor global economic developments, including increasing trade barriers, policy uncertainty, and ongoing geopolitical tensions. In this environment, our Group consistently demonstrates resilience, supported by our distinct role as one of the few international producers of selected active ingredients. This unique position enables us to respond effectively to potential trade disruptions. Furthermore, the impact of US tariffs on our operations remains limited, as our exported AI products, such as timber preservatives and MSMA, are presently exempt from these measures.

Freight costs, although still relatively high, have eased from the peaks observed in the first half of FY2025, thereby reducing certain operational pressures. On the foreign exchange fluctuations, we do not expect a material impact on our performance due to the natural hedge afforded by our foreign-currency input purchases and export-oriented revenue streams. Nevertheless, significant volatility in currency markets may still pose some exposure. Domestically, we are closely evaluating the effects of the revised Sales and Services Tax framework and actively pursuing exemptions where feasible to alleviate cost pressures. The

Malaysian government's phased withdrawal or restructuring of subsidies is anticipated to influence our operational expenses. Accordingly, we are continually reviewing our cost structures and implementing productivity enhancements to maintain our competitive edge. Concurrently, we remain vigilant, upholding operational discipline and rigorous cost management practices across all business segments.

According to the latest global climate models, neutral El Niño–Southern Oscillation ("ENSO") conditions are currently prevailing, with a low likelihood of El Niño emerging in the near future. We consider this outlook favourable for our agricultural markets; however, we continue to closely monitor global weather developments.

Overall, we maintain a positive outlook regarding the Group's prospects, anticipating improvements in FY2026 driven by established growth catalysts. As an integrated chemical industry player, our ongoing focus on market expansion and product development equips us to effectively manage uncertainties and capitalise on emerging opportunities. Barring unforeseen circumstances, we are confident in our ability to sustain growth momentum in the coming years.



## Management Discussion and Analysis

### ACKNOWLEDGEMENTS

**IN CONCLUSION, I WISH TO EXPRESS MY SINCERE GRATITUDE TO MY FELLOW BOARD MEMBERS FOR THEIR STEADFAST GUIDANCE AND SUPPORT DURING THIS CHALLENGING OPERATING ENVIRONMENT. I ALSO EXTEND MY APPRECIATION TO THE ENTIRE ANB TEAM; YOUR DEDICATION, RESILIENCE, AND COLLECTIVE EFFORTS HAVE ENABLED US TO SUSTAIN MOMENTUM AND ACHIEVE SIGNIFICANT PROGRESS IN THE FACE OF EXTERNAL CHALLENGES.**

We are pleased to announce several key appointments to the Board, which will further strengthen our leadership. We welcome Stephan Schnabel, who joined as a Non-Independent Non-Executive Director on 1 November 2024. As the sole shareholder and CEO of HELM, Stephan brings extensive expertise in chemical distribution. Additionally, on the same date, Kew Hui Chin was appointed as a Non-Independent Non-Executive Director. Serving currently as Managing Director and President, Chemicals of HELM Asia Pte. Ltd., Hui Chin's in-depth regional market knowledge will provide valuable insights to the Group.

On 17 February 2025, Dato' Seri Dr. Awang Adek Bin Hussin joined the Board as an Independent Non-Executive Director. His distinguished experience as an economist, including leadership roles with Bank Negara Malaysia, the Labuan Financial Services Authority, the Ministry of Finance and the Securities Commission Malaysia further enhances the Board's capabilities.

We would also like to recognise Tan Sri Dato' Seri Abdull Hamid Bin Embong, who retired from the Board on 17 February 2025 after nine years of exemplary service as an Independent Non-Executive Director.

Lastly, on behalf of the Board, I express our deep appreciation to all stakeholders—including customers, business partners, bankers, and suppliers—for their continued trust and collaboration. To our shareholders, thank you for your unwavering support and belief in ANB. Your confidence in the Group motivates us as we advance into the next stage of our growth journey.

**Dato' Siew Ka Wei**

Executive Vice Chairman

# Sustainability Statement

## ABOUT THIS STATEMENT

### A Shared Journey Towards a Sustainable Future

This year marks a meaningful milestone for Ancom Nylex Berhad ("ANB") and its subsidiaries ("Group") as we proudly present our fourth comprehensive Sustainability Report. This publication reflects our unwavering commitment to transparency, highlighting the collective efforts of our people across the Group who champion sustainability from within and shape a more responsible future.

A key highlight of this report is its demonstration of our proactive approach to align with the International Sustainability Standards Board ("ISSB")'s IFRS Sustainability Disclosure Standards ("IFRS S1 and IFRS S2"), ahead of the mandatory implementation in Malaysia next year. It represents an evolution in our sustainability disclosures by strengthening climate-related transparency, ESG governance, and materiality alignment across our operating companies in Malaysia, Singapore, Indonesia, and Vietnam.

Through these disclosures, we aim to address the diverse needs of our stakeholders:

- Investors - looking for insight into ESG integration, risk mitigation, and long-term value creation;
- Regulators - expecting disclosures that align with both local and international frameworks; and
- Employees - whose commitment helps to build a more sustainable and resilient ANB.

More than a compliance document, this report reflects our shared mission: to drive progress responsibly, foster inclusivity, and uphold integrity across all dimensions of our operations. It is also an opportunity to honour the people powering our ESG journey, from those behind our energy-saving initiatives, biodiversity efforts, employee wellness programmes, and many more.



**The people behind the progress: ANB's sustainability journey is made possible by passionate individuals across all subsidiaries.**



# Sustainability Statement

## FRAMEWORKS APPLIED

The Sustainability Statement ("SS2025") has been prepared in accordance with established sustainability reporting frameworks and guidelines. These standards provide a robust foundation for ensuring transparency, comparability, and accountability, while demonstrating the Group's continued commitment to responsible business practices and sustainable development.

- Bursa Malaysia's Sustainability Reporting Guide (Third Edition)
- Global Reporting Initiative ("GRI") Standards: Core Option
- FTSE4Good Bursa Malaysia Index ("F4GBM")
- Task Force on Climate-Related Financial Disclosures ("TCFD")
- Sustainability Accounting Standards Board ("SASB")
- United Nations Sustainable Development Goals ("UNSDGs")
- Greenhouse Gas ("GHG") Protocol
- International Financial Reporting Standards ("IFRS S1 and IFRS S2")

## REPORTING SCOPE AND BOUNDARY

This SS2025 document shall highlight key ESG activities of the Company and selected subsidiaries in Malaysia, Indonesia, Singapore, and Vietnam ("Operating Company(ies)") as listed below:

No.	Division	Operating Company
1.	Agricultural Chemicals ("AA")	Ancom Crop Care Sdn. Bhd. ("ACC")
2.		Common Feed Sdn. Bhd. ("CFSB")
3.		Entopest Environmental Services Sdn. Bhd.
4.		Shennong Animal Health (Malaysia) Sdn. Bhd. ("Shennong")
5.		Vemedim Sdn. Bhd. ("Vmd")
6.		Airefresh Marketing Sdn. Bhd.
7.		H.J. Unkel Chemicals Sdn. Bhd.
8.	Industrial Chemicals ("IA")	CKG Chemicals Pte Ltd
9.		Dynamic Chemical Pte Ltd
10.		Fermpro Sdn. Bhd. ("Fermpro")
11.		Kumpulan Kesuma Sdn. Bhd. ("Kesuma")
12.		Nylex Specialty Chemicals Sdn. Bhd. ("NSC")
13.		Perusahaan Kimia Gemilang Sdn. Bhd.
14.		PT PKG Lautan Indonesia
15.		Perusahaan Kimia Gemilang (Vietnam) Company Ltd. ("PKGVI")
16.	Polymers ("POLY")	Nylex Holdings Sdn. Bhd. ("NHSB")
17.		PT Nylex Indonesia ("PTNI")
18.	Logistics ("LOG")	ALB Marine Sdn. Bhd. ("ALB Marine")
19.		Ancom Nylex Terminals Sdn. Bhd. ("ANT")
20.		Pengangkutan Cogent Sdn. Bhd. ("Cogent")
21.		One Chem Terminal Sdn. Bhd.

# Sustainability Statement

No.	Division	Operating Company
22.	Investment Holdings & Others ("INV")	ANB
23.		Ancom Management Services Sdn. Bhd. ("AMS")
24.		Ancom Logistics Berhad ("ALB")
25.		ATG Avionix Sdn. Bhd.
26.		ATG Nexus Sdn. Bhd.
27.		Ancom Components Sdn. Bhd. ("Components")
28.		Redberry Sdn. Bhd. (and its subsidiaries)
29.		Twinstar Synergy Sdn. Bhd.
30.		Wheel Sport Management Sdn. Bhd.
31.		Ancom Energy & Services Sdn. Bhd. ("AES")

Unless otherwise stated, this SS2025 covers the financial period from 1 June 2024 to 31 May 2025 ("FY2025"). Where relevant, we present three-years performance data (FY2023-FY2025), allowing for the depiction of trendlines that reflect overall performance for key material topics.

## INFORMATION ON CHANGES IN REPORTING

Numbers reported for FY2023 and FY2024 in this SS2025 may differ from those in Sustainability Statement ("SS2024"), as we have reconducted our internal baseline study to comply with Bursa Malaysia's Sustainability Reporting requirements.

## LIMITATIONS AND DISCLAIMERS

All data and information disclosed in this SS2025 have been collected from existing management control and official information systems. The Group aims to provide meaningful and accurate disclosures, maintaining the same standards for relevant data from our supply chain.

While we aim for comprehensive data coverage, we acknowledge that gaps may exist in data availability for specific indicators. The Group remains committed to monitor our data tracking and collection mechanisms to address and resolve these issues in future reporting.

Content within the SS2025 may include forward-looking statements, such as targets, plans, operations, and forecasts. These are based on reasonable assumptions from our current business trajectory. However, as the Group is subject to unforeseen risks, readers must exercise their own due diligence when evaluating these statements.

## DATA QUALITY AND ASSURANCE

The data and disclosures presented in this SS2025 have been reviewed and verified internally by the respective data owners and the Group's Board of Directors.

As an additional verification measure, all SS2025 indicators underwent an independent review by Sterling Business Alignment Consulting Sdn. Bhd. as an independent assurance partner. For more details on this, please refer to the Group's Statement of Assurance on page 111.

This SS2025 is made following the Board's approval on 22 September 2025.

## DISTRIBUTION AND FEEDBACK

The SS2025 can be downloaded from the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).

At the same time, any feedback or queries can be sent to:  
No. 2A, Jalan 13/2, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

Office: 603-7495 5000  
Fax: 603-7495 5088  
Email: [kathleen@ancomnylex.com](mailto:kathleen@ancomnylex.com)  
Contact person: Kathleen Teh – Senior Manager, ESG (ANB)

## Sustainability Statement

### GROUP CEO STATEMENT

As we close FY2025, ANB and our subsidiaries stand at a defining moment, where sustainability has evolved from a standalone initiative into a core commitment shaping how we innovate, operate, and grow — driven by a shared purpose that has unified our people and delivered measurable change.

– **Datuk Lee Cheun Wei** Managing Director/Group CEO



This year marked several firsts in our ESG journey. We launched the Group's inaugural Weight Loss Challenge, bringing employees together to embrace healthier lifestyles and stronger workplace bonds. On the environmental front, our first beach clean-up at Pantai Kelanang removed 268 kilograms of waste, while a mangrove planting programme at Kampung Sijangkang reinforced our commitment to biodiversity and climate resilience. On the social front, we expanded our outreach to children's homes, supporting orphans and children with disabilities through donation drives, educational initiatives, and volunteer visits.

We are equally proud of our commitment to education and equity. In FY2025, our subsidiary ACC awarded scholarships to 27 students from B40 families in Penang, nearly doubling the 14 beneficiaries from the previous year, FY2024. Since its inception in 2024, the programme has supported 41 students, easing financial burdens and opening opportunities for brighter futures.

We remain mindful of our environmental footprint and are taking steps to mitigate it. In FY2025, we launched a conservation initiative, planting 333 trees. Specifically, 133 mangrove saplings were planted to restore coastal ecosystems, and 200 Pandanus Veitchii were planted to enrich biodiversity. We also advanced energy efficiency by adopting cleaner technologies and smarter infrastructure to cut consumption. Group GHG emissions totalled 35,992 tCO<sub>2</sub>e, with FY2025 serving as our baseline year to accelerate reductions through renewable energy, cleaner logistics, and greater efficiency.

In terms of governance, we strengthened accountability by aligning our materiality approach with global standards, such as the ISSB's IFRS S1 and IFRS S2, ensuring readiness for the upcoming National Sustainability Reporting Framework ("NSRF") in FY2026. ESG and climate risks are now embedded in Board and Committee oversight, with stronger risk registers across subsidiaries. We also advanced our ethical culture through anti-bribery training, maintaining zero cases of corruption, human rights violations, and data breaches, and enhancing whistle-blowing channels. In addition, we formalised our Supply Chain Policy and strengthened ESG data assurance to ensure trust in our disclosures.

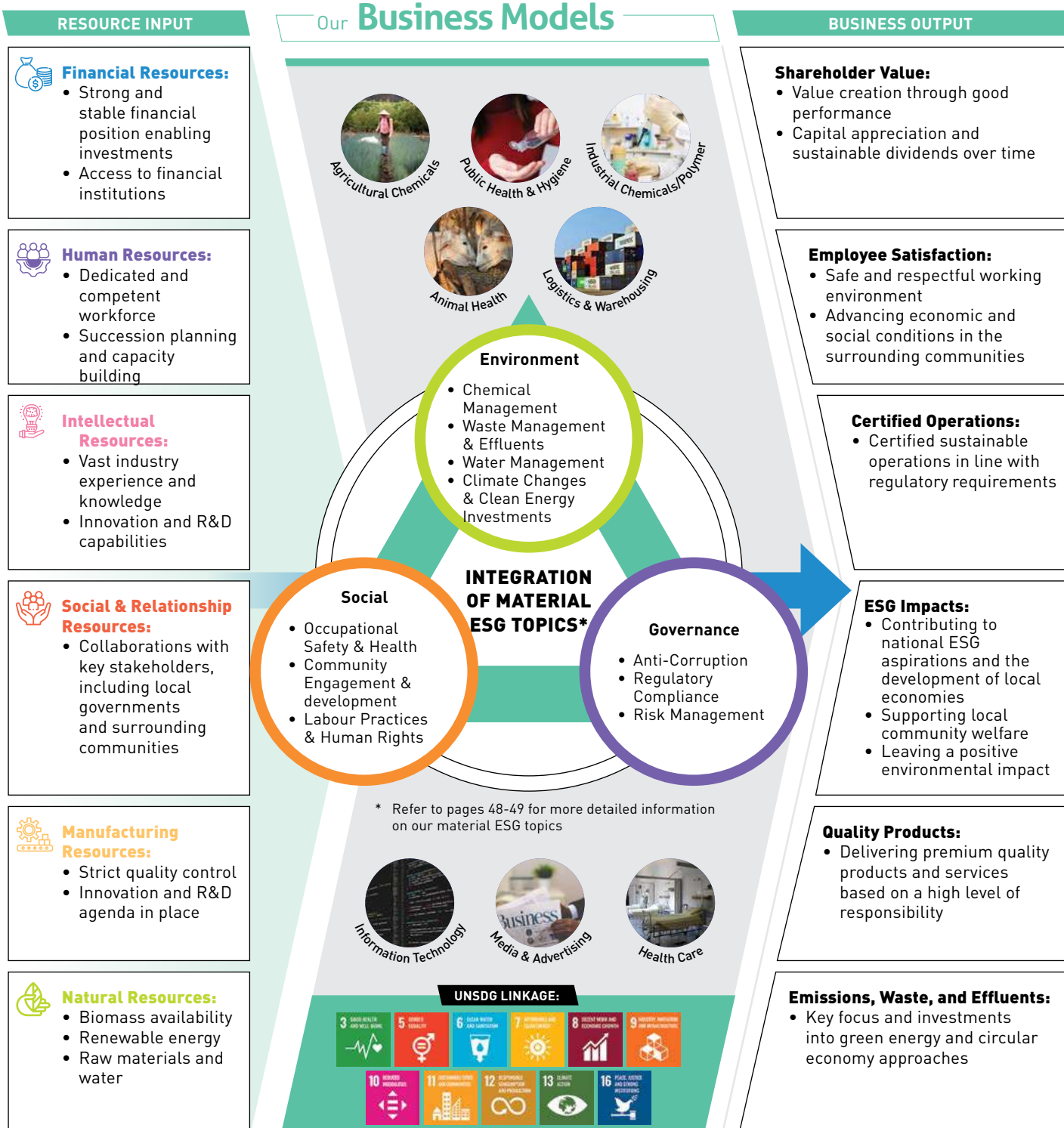
Looking ahead, we are advancing toward carbon neutrality by scaling clean energy and efficiency, building on our biogas acquisition and further developing renewable energy sources, as well as enhancing our responsible supply chain and logistics improvements. We will also sharpen our people agenda: deepening learning (10,176 training hours collectively delivered in FY2025), broadening access to education through our scholarship programme (41 students supported since inception), and advancing diversity, with women now holding 22.2% of senior leadership roles.

Our sustainability journey is one of continuous learning and shared purpose. Each initiative reflects the dedication of our employees, ESG Champions, and partners. Together, we are building not just compliance, but a culture of responsibility, innovation, and empathy. Guided by our tagline "*Embracing Chemicals for a Sustainable Tomorrow*," we remain committed in creating lasting value for our stakeholders, communities, and the environment.

# Sustainability Statement

## SUSTAINABILITY OVERVIEW

### OUR APPROACH TO SUSTAINABILITY



# Sustainability Statement

## SUSTAINABILITY HIGHLIGHTS

### Environmental Stewardship



#### CONSERVATION

**333** TREE PLANTING

133 Mangrove saplings and 200 Pandanus Veitchii Initiative started in 2025

**268** KGs

Waste Collected from Beach Cleaning Initiative started in 2025

#### EMISSIONS

**35,992** tCO<sub>2</sub>e

GHG Emissions  
2024: 35,361 tCO<sub>2</sub>e

#### ENERGY

**403** TJ

Energy consumed  
2024: 360 TJ

#### WATER

**406,109** m<sup>3</sup>

Water consumption  
2024: 463,160 m<sup>3</sup>

#### WASTE

**122,801** tonnes

Total waste generated  
2024: 113,701 tonnes

### Social Development



#### SOCIAL INITIATIVES

**27** STUDENTS

Scholarship Programme  
2024: 14 students  
Note: A total of 41 students

**RM824,433**

Spent on community investment  
2024: RM549,476

**1,140**

Volunteer Hours  
Initiative started in 2025

**10,176**

Total training Hours  
2024: 7,875

#### DIVERSITY

**22.2%**

Women in Senior Leadership  
2024: 21.4%

### Good Governance



#### GOVERNANCE

**ZERO**

Incidence of Corruption  
2025: Zero  
2024: Zero

**Incidence of Customer Data Breaches**

2025: Zero  
2024: Zero

**Human Rights Violation**

2025: Zero  
2024: Zero

**2**

Incidents Of Regulatory Non-Compliance  
2024: Zero

#### SAFETY PERFORMANCE

**ZERO**

Incidents of Fatality and Cases HSE Non-Compliance  
2024: Zero

**0.70**

Lost Time Injury (LTI)  
2024: 0.02

# Sustainability Statement

## ESG ROADMAP

ANB's Vision Heading Towards FY2027

## Embracing Chemicals for a Sustainable Tomorrow



### INNOVATING FOR A GREENER FUTURE

- Environment Stewardship
- Water Management
- Chemical Management
- Responsible Supply Chain Management



### FOSTERING COMMUNITY WITH CHEMISTRY

- Health & Safety
- Community Development & Access to Education
- Human Rights & Labour Practices
- Stakeholder Engagement



### CHEMICAL STEWARDS FOR GOOD GOVERNANCE

- Corporate Governance
- Anti-Bribery & Anti-Corruption
- Risk Management

## MEMBERSHIPS IN ASSOCIATION

The Operating Companies maintain active memberships in various professional bodies and industry associations. We value these affiliations as they keep us informed about the latest industry trends and developments, while also allowing us to connect with our peers and exchange valuable best practices. This involvement not only enhances our expertise but also supports our commitment to sustainable and responsible business practices.

ASSOCIATION	DIVISION
Toyota Supplier Club	IA
Chemical Industries Council of Malaysia ("CICM")	IA
Institut Kimia Malaysia ("IKM")	IA, POLY
Federation of Malaysian Manufacturers ("FMM") Selangor	IA, POLY
Malaysian Society for Occupational Safety and Health ("MSOSH")	IA
Malaysian Plastic Manufacturers Association ("MPMA")	POLY
Malaysia Shipowners' Association ("MASA")	LOG
Johor Freight Forwarders Association ("JOFFA")	LOG



## Sustainability Statement

### AWARDS & CERTIFICATIONS

#### AWARDS & ACCOLADES

#### ANB SUSTAINS FTSE ESG RATING IN 2025

In June 2025, ANB was once again recognised by FTSE Russell under the FTSE4Good Bursa Malaysia with a three-star ESG rating—affirming our continued progress and dedication to sustainability. This recognition is more than just a rating; it is a reflection of our ongoing journey to embed ESG values at the heart of our business.

This milestone strengthens our resolve to lead by example, evolve with purpose, and create long-term value for all stakeholders. It affirms our position as a forward-looking organisation that balances business success with the responsibility of shaping a more sustainable future.

#### CERTIFICATIONS

DIVISION	OPERATING COMPANY	CERTIFICATION
AA	ACC	<ul style="list-style-type: none"> <li>Environmental Management System ISO 14001: 2015</li> <li>Quality Management System ISO 9001: 2015</li> <li>Laboratory Accreditation MS ISO/IEC 17025</li> </ul>
IA	NSC	<ul style="list-style-type: none"> <li>Quality Management System ISO 9001: 2015</li> <li>HACCP MS 1480: 2019</li> <li>Makanan Selamat Tanggungjawab Industri ("MeSTI")</li> <li>Kosher Certification</li> <li>Certification of Authentication (HALAL)</li> </ul>
		<ul style="list-style-type: none"> <li>Environmental Management System ISO 14001: 2015</li> <li>Quality Management System ISO 9001: 2015</li> <li>IATF 16949: 2016</li> </ul>
		<ul style="list-style-type: none"> <li>Quality Management System ISO 9001: 2015</li> <li>Kosher Certification</li> <li>Certification of Authentication (HALAL)</li> </ul>
		<ul style="list-style-type: none"> <li>IATF 16949: 2016</li> <li>Quality Management System ISO 9001: 2015</li> <li>Quality Management System ISO 9001: 2015</li> </ul>
	POLY	<ul style="list-style-type: none"> <li>PTNI</li> </ul>
	LOG	<ul style="list-style-type: none"> <li>ALB Marine*</li> <li>ANT</li> <li>Cogent</li> </ul>
INV	Components	<ul style="list-style-type: none"> <li>IEC System For Mutual Recognition Of Test Certificates For Electrical Equipment ("IECEE") Cb Scheme -varies</li> <li>MS IEC 60898-1: 2003</li> <li>MS IEC 61008-2-1: 2003</li> <li>MS IEC 61008-1: 2003</li> </ul>

\* The Ship Manager, on behalf of ALB Marine.

# Sustainability Statement

## ASSESSING MATERIALITY

### MATERIALITY ASSESSMENT PROCESS

Our most recent Materiality Assessment in FY2024 provided a strong foundation for identifying ESG priorities across the Group. While we did not conduct a new assessment in FY2025, the insights from FY2024 continue to guide our focus, and we remain committed to refresh the process in line with evolving ISSB and NSRF requirements. These perspectives enable us to evaluate both the impact of our business operations on the environment and surrounding communities, as well as the significance of these impacts on our financial value creation.

A key improvement in the FY2024 Materiality Assessment was the inclusion of a broader range of participants, extending beyond our internal workforce to involve external stakeholders. This diverse engagement provided a more holistic understanding of material topics impacting our business and stakeholders, and the insights continue to guide our priorities in FY2025.

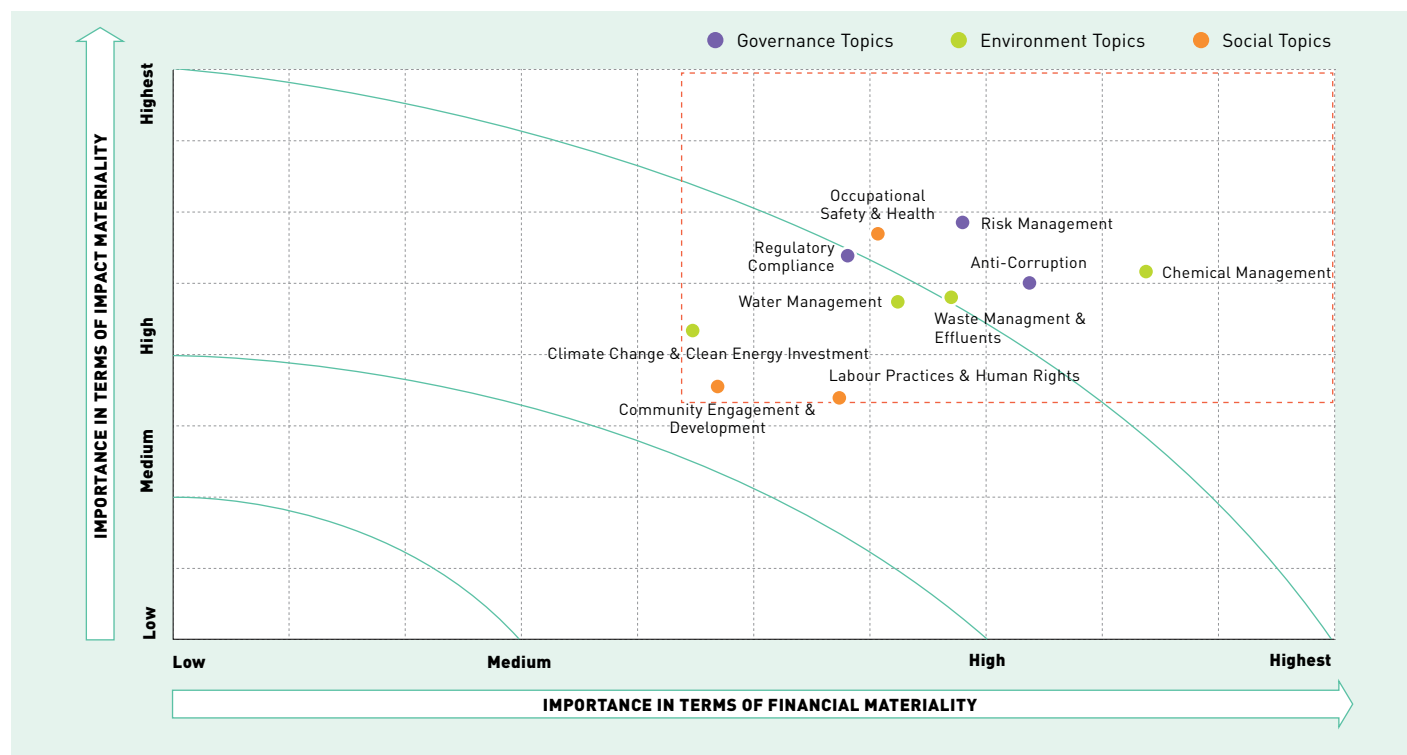
ANB's comprehensive materiality assessment was conducted as follows:



## Sustainability Statement

### PRIORITISATION OF MATERIAL TOPICS

The FY2024 MAE resulted in the following Materiality Matrix, which continues to serve as a reference point in guiding our ESG focus areas in FY2025:



All the material topics identified are important to ANB, as they collectively contribute to the Group's business performance and overall financial stability. However, the Materiality Matrix allows us to focus our efforts and resources on topics that have the most immediate impacts as identified by our stakeholders.

The MAE provided valuable insights into which material topics are most critical to the Group's operations. The top topics from this were then evaluated internally based on their potential to generate financial value by improving operational efficiencies or reducing costs. At the same time, we also looked at the value they can bring to other stakeholders, particularly in terms of our environmental impacts and our relationships with local communities and other stakeholders.

ANB's initiatives in managing and mitigating these material sustainability matters are presented in detail on pages 48 and 49 of this report. Additional contexts on the relevance of these matters to the Group, including the rationale for it, are provided in the table on the subsequent page.

# Sustainability Statement



## ENVIRONMENT



### Value Creation

Material Topics	<b>Chemical Management</b>	<p><b>Value to ANB:</b> Effective chemical management can lower costs associated with resource procurement and enhance operational efficiency. It also minimises the risks of non-compliance or the potential need for remediation in case of spills.</p> <p><b>Value to Others:</b> Proper management of chemicals can protect ecosystems and public health, leading to stronger community relations and a positive environmental impact.</p>
	<b>Waste Management &amp; Effluents</b>	<p><b>Value to ANB:</b> Efficient waste management can lead to cost savings through recirculation and reduction of waste. It also provides opportunities for the Group to improve operational efficiency.</p> <p><b>Value to Others:</b> Effective waste management practices directly reduce the risk of pollution resulting from ANB's operations, which protects the well-being of local communities and ecosystems.</p>
	<b>Water Management</b>	<p><b>Value to ANB:</b> Responsible water management can reduce costs associated with sourcing while ensuring a stable water supply for operations.</p> <p><b>Value to Others:</b> Sustainable water management protects local water resources from overuse. At the same time, management of our discharge ensures nearby water sources are kept clean from pollution.</p>
	<b>Climate Change &amp; Clean Energy Investment</b>	<p><b>Value to ANB:</b> Investing in clean energy and climate resilience can reduce long-term operational costs and mitigate potential climate-related risks.</p> <p><b>Value to Others:</b> Proactive climate management and clean energy investments can contribute to environmental protection and support the national agenda towards Net Zero Carbon by 2050.</p>



## SOCIAL



### Value Creation

Material Topics	<b>Occupational Safety &amp; Health ("OSH")</b>	<p><b>Value to ANB:</b> Prioritising OSH can reduce costs associated with accidents, such as insurance premiums and legal liabilities, while enhancing productivity through improved employee well-being and morale.</p> <p><b>Value to Others:</b> Strong OSH practices can foster trust within the workforce by demonstrating a commitment to employee safety, which can lead to better relationships and a positive public image.</p>
	<b>Community Engagement &amp; Development</b>	<p><b>Value to ANB:</b> Positive community engagements give ANB the license to operate and prevent conflicts with surrounding communities. This leads to smoother and more cost-effective operations.</p> <p><b>Value to Others:</b> Strong community relationships can lead to improved social cohesion and support for local development and welfare.</p>
	<b>Labour Practices &amp; Human Rights</b>	<p><b>Value to ANB:</b> Upholding strong labour practices can reduce employee turnover. This, in turn, allows the Group to retain talented employees and protect ourselves against legal penalties.</p> <p><b>Value to Others:</b> Respecting labour and human rights strengthens our workforce and supply chain. It also allows ANB to function as a benchmark within the industry, leading to better practices throughout the sector.</p>

# Sustainability Statement



## GOVERNANCE



### Value Creation

#### Material Topics

#### Risk Management

**Value to ANB:** Effective risk management can prevent financial losses by identifying and mitigating potential threats to the Group's operations. These include risks associated with sustainability and climate change.

**Value to Others:** Robust risk management practices allow ANB to proactively identify parts of our operations that carry environmental and social risks. By managing these risks, we indirectly prevent undue harm to the environment and surrounding communities.

#### Regulatory Compliance

**Value to ANB:** Ensuring regulatory compliance can help ANB avoid fines and legal expenses while also creating a more stable operating environment by reducing the risk of business interruptions.

**Value to Others:** Compliance with regulations can protect the environment and public health.

#### Anti-Corruption

**Value to ANB:** A strong anti-corruption approach reduces the risk of legal penalties and operational inefficiencies while also enhancing ANB's ability to maintain market access.

**Value to Others:** A firm stance against corruption strengthens governance systems, promotes fairness, and enhances the Group's reputation for integrity. This fosters trust among external stakeholders.

Through this identification of value-creation opportunities and analysis of the matrix, the Group has been able to prioritise the following topics as our top material topics:





# Sustainability Statement

## STAKEHOLDER ENGAGEMENT

### Board

ANB's Board provides crucial strategic direction and oversight of the Group's sustainability and operational goals.

#### Risks:

Governance, decision-making, and leadership effectiveness

#### Opportunities:

Can ensure long-term stability and strategic growth through strong leadership and sound governance

RELEVANT MATERIAL TOPICS	OUR APPROACH	ENGAGEMENT CHANNEL AND FREQUENCY	
<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Anti-Corruption</li> </ul>	<ul style="list-style-type: none"> <li>Provide comprehensive and timely information for decision-making</li> <li>Ensure effective corporate governance and risk management practices</li> </ul>	Direct Communication	As Needed
		Board Meetings	Quarterly
		Committee Meetings	
		Annual General Meeting ("AGM")	Annually

### Workforce (including Management)

Employees are key to executing our business strategies and driving operational performance.

#### Risks:

Talent retention, productivity, and labour disputes

#### Opportunities:

Offer chances for innovation, improved performance, and a strong organised culture

RELEVANT MATERIAL TOPICS	OUR APPROACH	ENGAGEMENT CHANNEL AND FREQUENCY	
<ul style="list-style-type: none"> <li>OSH</li> <li>Labour Practices &amp; Human Rights</li> </ul>	<ul style="list-style-type: none"> <li>Offer competitive benefits and remuneration</li> <li>Provide opportunities for professional development and training</li> <li>Foster a positive work environment</li> <li>Maintain feedback through grievance channels and employee engagement surveys</li> </ul>	Social Events	Regularly
		Internal Communication	
		Training Programmes	
		Employee Commuting Survey	

### Shareholders & Investors

Shareholders and investors are important for providing the capital we need for growth and business expansion.

#### Risks:

Financial performance and market volatility

#### Opportunities:

Funding, strategic guidance, and increased market credibility

RELEVANT MATERIAL TOPICS	OUR APPROACH	ENGAGEMENT CHANNEL AND FREQUENCY	
<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Anti-Corruption</li> </ul>	<ul style="list-style-type: none"> <li>Provide transparent and regular financial reporting</li> <li>Implement robust corporate governance practices to safeguard investments</li> </ul>	Extraordinary General Meeting	As Needed
		Bursa Announcements	
		Social Events	Regularly
		Meetings	
		Analyst Briefings	
		AGM	Annually
		Annual Report	

## Sustainability Statement

### Government & Regulatory Officials

These officials are crucial in ensuring the Group's compliance with laws and regulations.

**Risks:**

Regulatory changes and non-compliance penalties

**Opportunities:**

Influence policy development and provide favourable operating conditions

RELEVANT MATERIAL TOPICS	OUR APPROACH	ENGAGEMENT CHANNEL AND FREQUENCY	
<ul style="list-style-type: none"> <li>OSH</li> <li>Regulatory Compliance</li> <li>Anti-Corruption</li> <li>Climate Change &amp; Green Energy Investment</li> <li>Labour Practices &amp; Human Rights</li> </ul>	<ul style="list-style-type: none"> <li>Ensure compliance with all relevant laws and regulations</li> <li>Participate in government events and policy development discussions</li> <li>Adopting stringent corporate governance and ethical practices throughout operations</li> </ul>	In Writing	As Needed
		Social Events	Regularly
		Regulatory Meetings	
		Conferences and Seminars	
		Audits and Inspections	

### Customers

Customers are vital to the Group's business as they drive demand for our products and services.

**Risks:**

Changing preferences and expectations

**Opportunities:**

Present opportunities for growth and innovation through constructive feedback and loyalty

RELEVANT MATERIAL TOPICS	OUR APPROACH	ENGAGEMENT CHANNEL AND FREQUENCY	
<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Chemical Management</li> <li>Anti-Corruption</li> </ul>	<ul style="list-style-type: none"> <li>Timely product and service delivery within the expected quality</li> <li>Engage customers for feedback through customer satisfaction surveys</li> <li>Strengthen internal cybersecurity to protect confidential customer data</li> </ul>	In Writing	As Needed
		Social Events	Regularly
		Meetings	
		Conferences and Seminars	

### Bankers & Financial Institutions

Similar to investors, bankers and financial institutions provide an alternative source of financial capital needed for our operations and growth.

**Risks:**

Credit availability and financial terms

**Opportunities:**

Favourable financing, strategic advice, and financial stability

RELEVANT MATERIAL TOPICS	OUR APPROACH	ENGAGEMENT CHANNEL AND FREQUENCY	
<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Anti-Corruption</li> </ul>	<ul style="list-style-type: none"> <li>Maintain open and transparent financial communications</li> <li>Meet all financial obligations on time</li> <li>Regularly review and manage financial risks</li> </ul>	Meetings and Financial Briefings	As Needed
		Credit Assessments	Regularly
		Quarterly Financial Reports	
		Annual Report	Annually

# Sustainability Statement

## Media

The media plays a significant role in shaping public perception and awareness of the Group.

### Risks:

Negative publicity and misinformation

### Opportunities:

Positive exposure, brand building, and effective communication of our achievements and initiatives

RELEVANT MATERIAL TOPICS	OUR APPROACH	ENGAGEMENT CHANNEL AND FREQUENCY	
<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Anti-Corruption</li> <li>Community Engagement &amp; Development</li> </ul>	<ul style="list-style-type: none"> <li>Maintain open lines of communication with media representatives</li> <li>Provide accurate and timely information</li> <li>Engage in proactive media relations to build a positive public image</li> </ul>	Press Releases	As Needed
		Media Briefings	
		Company Website	

## Suppliers

These stakeholders are critical for maintaining our supply chain and ensuring the quality of our products and services.

### Risks:

Supply chain disruptions and quality issues

### Opportunities:

Cost optimisation, innovation, and strong partnerships

RELEVANT MATERIAL TOPICS	OUR APPROACH	ENGAGEMENT CHANNEL AND FREQUENCY	
<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Chemical Management</li> <li>Anti-Corruption</li> </ul>	<ul style="list-style-type: none"> <li>Develop long-term, mutually beneficial relationships</li> <li>Provide clear and consistent communication regarding quality expectations</li> <li>Procure from responsible and ethical suppliers</li> </ul>	In Writing	As Needed
		Social Events	Regularly
		Meetings	

## Local Community Members & General Public

They form the social environment in which we exist and provide the Group with the licence to operate without disruption.

### Risks:

Social unrest or negative public opinion

### Opportunities:

Provide opportunities for building positive reputation and achieving social license to operate through community engagement and support

RELEVANT MATERIAL TOPICS	OUR APPROACH	ENGAGEMENT CHANNEL AND FREQUENCY	
<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Waste Management &amp; Effluents</li> <li>Community Engagement &amp; Development</li> </ul>	<ul style="list-style-type: none"> <li>Support local community initiatives through Corporate Social Responsibility ("CSR") programmes</li> <li>Engage in regular dialogues to understand their needs and concerns</li> <li>Minimising potential impacts through responsible and sustainable business practices</li> </ul>	Social Events	Regularly
		CSR	

## Sustainability Statement

### Non-Governmental Organisation (“NGO”) Representatives

NGOs advocate for social, environmental, and economic issues that impact the Group’s operations and other stakeholders.

#### Risks:

Activism and campaigns that can affect ANB’s reputation and operations

#### Opportunities:

Collaboration on sustainability initiatives which can enhance our CSR efforts and build trust with other stakeholders

RELEVANT MATERIAL TOPICS	OUR APPROACH	ENGAGEMENT CHANNEL AND FREQUENCY						
<ul style="list-style-type: none"><li>Regulatory Compliance</li><li>Anti-Corruption</li><li>Waste Management &amp; Effluents</li><li>Climate Change &amp; Clean Energy Investment</li><li>Labour Practices &amp; Human Rights</li></ul>	<ul style="list-style-type: none"><li>Collaborate on CSR programmes</li><li>Participate in periodic meetings and discussions to understand their concerns</li><li>Share information and reports transparently to build trust</li></ul>	<table><tr><td>In Writing</td><td>As Needed</td></tr><tr><td>Social Events</td><td rowspan="2">Regularly</td></tr><tr><td>CSR</td></tr></table>	In Writing	As Needed	Social Events	Regularly	CSR	
In Writing	As Needed							
Social Events	Regularly							
CSR								

## SUSTAINABILITY GOVERNANCE



At ANB, sustainability is not merely a strategic objective but a core value that permeates every aspect of our operations and future planning. As a leading player in the chemical industry, we are deeply committed to ESG principles, ensuring our long-term success while safeguarding the environment and supporting the communities we serve.

We take pride in leading by example among our industry peers. Through our unwavering dedication to ESG excellence, we continuously strive to enhance our performance by setting ambitious targets, measuring our progress, and transparently reporting our achievements.

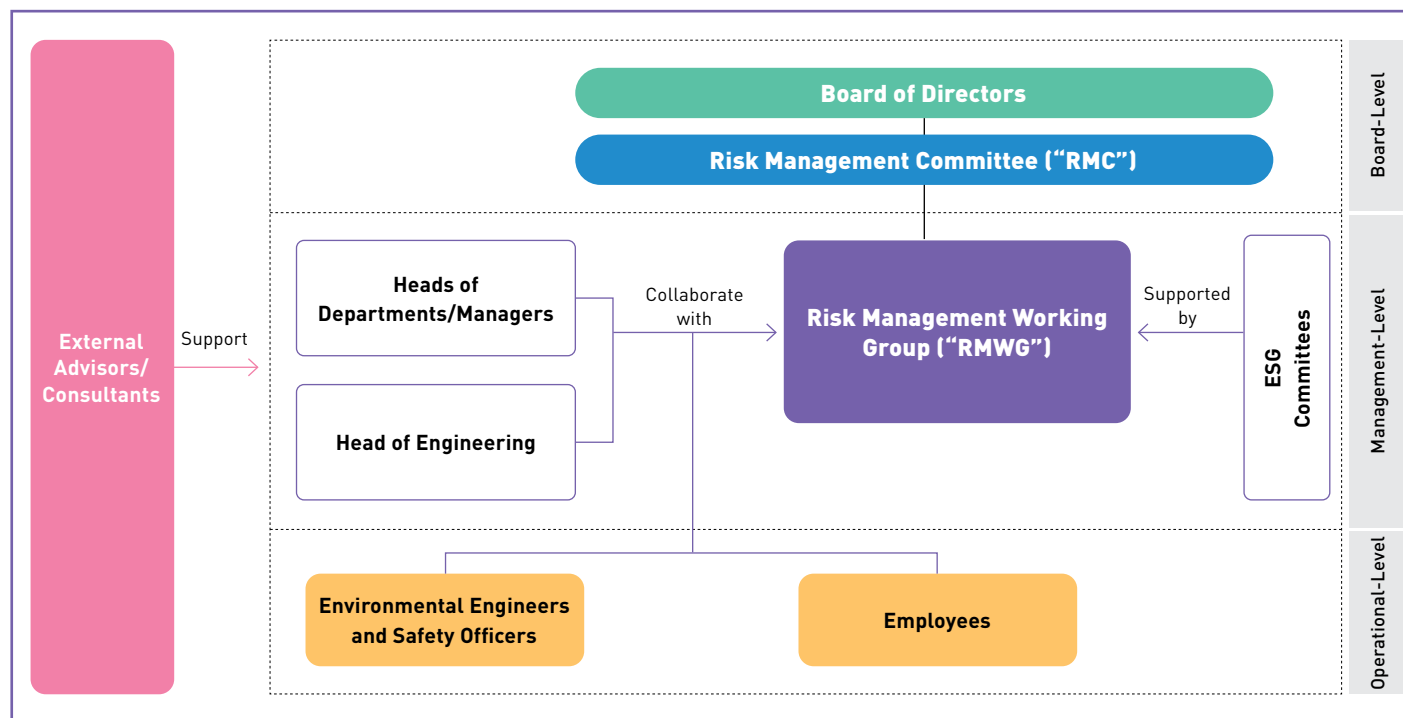
We believe that integrating ESG considerations into our business strategy is essential for creating value for our stakeholders and ensuring a sustainable future.

In this regard, the Group upholds the highest standards of corporate governance, ensuring transparency, accountability, and integrity in all our business dealings. Our governance framework is designed to promote ethical leadership and sound decision-making, reinforcing our commitment to responsible business practices.

A key priority in embedding ethical governance into our operations is building a responsible and sustainable supply chain. In FY2025, we launched our Supply Chain Policy to strengthen this commitment, setting clear expectations for our partners. By working closely with suppliers to uphold regulatory and environmental standards, we foster long-term partnerships built on trust and mutual respect, while creating a resilient supply chain that supports our sustainability goals.

# Sustainability Statement

## SUSTAINABILITY GOVERNANCE STRUCTURE



Sustainability at ANB is directly overseen by the Board through the RMC. This is a key Board-level committee that provides top-down guidance on all risk-related issues, including those involving sustainability and climate change. The RMC ensures all decisions related to sustainability are aligned with the Group's general goals and ambitions.

At the Management level, the RMC is supported by the RMWG, with sustainability matters under the purview of the ESG Committee. The Committee began in FY2023 with voluntary members, reflecting the early passion of employees who stepped forward to champion ESG. Building on this foundation, in FY2024 we appointed a dedicated ESG Senior Manager together with four committee members, giving the function stronger leadership and clearer direction. Today, the ESG Committee serves as ANB's central team for driving sustainability initiatives across the Group, acting as the focal point for coordination and leading the development and execution of the RMC's strategies.

The RMWG and ESG Committee work closely with various Heads of Departments ("HODs"), managers, and the Head of Engineering to play the critical role of translating the Board's

decisions into actionable strategies and goals that align with the Group's overall corporate objectives. Additionally, the ESG Committee is supported by various other management committees, each contributing uniquely to ANB's sustainability efforts.

At the operational level, ANB's broader sustainability ambitions are translated into specific goals and objectives, which are then implemented by dedicated teams within each Operating Company. These teams are responsible for integrating the Group's sustainability and climate change initiatives into their daily operations.

Progress is also consistently reported directly to the Board through the ESG Committee. This ensures seamless alignment between the Group's sustainability goals and the operational activities of each Operating Company. This structured approach also enables us to consolidate the diverse risk profiles of our various Operating Companies into a unified register that is monitored by a centralised RMC and RMWG. This facilitates holistic decision-making and effective management of ESG and climate change-related risks.



# Sustainability Statement

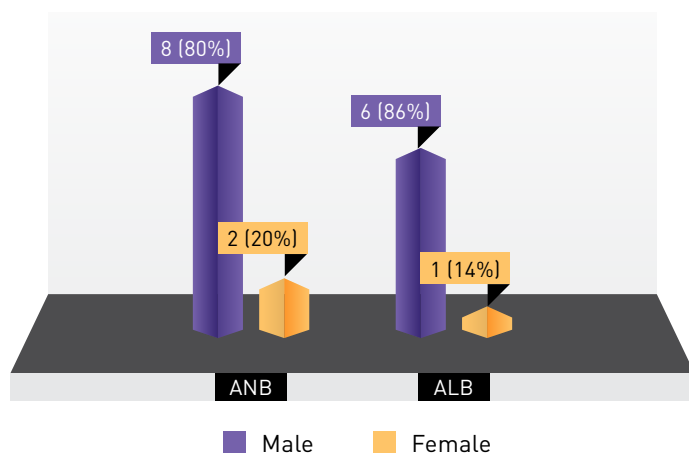
## BOARD COMPOSITION

ANB's Board comprises a capable and diverse team of individuals with extensive experience across multiple industries, reflecting our position as a Main Market-listed company on Bursa Malaysia. Our subsidiary, Ancom Logistics Berhad ("ALB"), which is listed on the ACE Market of Bursa Malaysia, maintains its own Board to provide focused oversight of its operations and publishes a separate Annual Report in compliance with Bursa Malaysia's Listing Requirements.

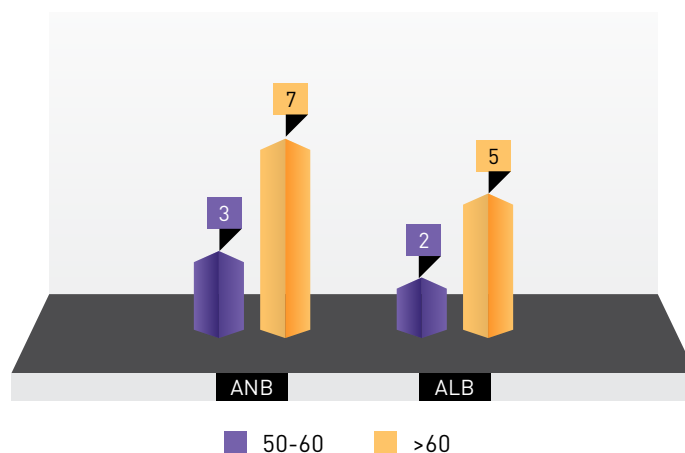
The Board diversity of ANB and ALB are as following:

During the FY2025, the ANB Board comprised of ten (10) Directors with one (1) Executive Vice Chairman, one (1) Managing Director/Group Chief Executive Officer, one (1) Independent Non-Executive Chairman, five (5) Independent Non-Executive Directors and two (2) Non-Independent Non-Executive Directors. There are two (2) female and eight (8) male directors. The racial composition of the Board is 50% Malay, 40% Chinese and 10% Others. 30% of Directors are between the ages of 46 and 60, with the remaining 70% being above 60 years.

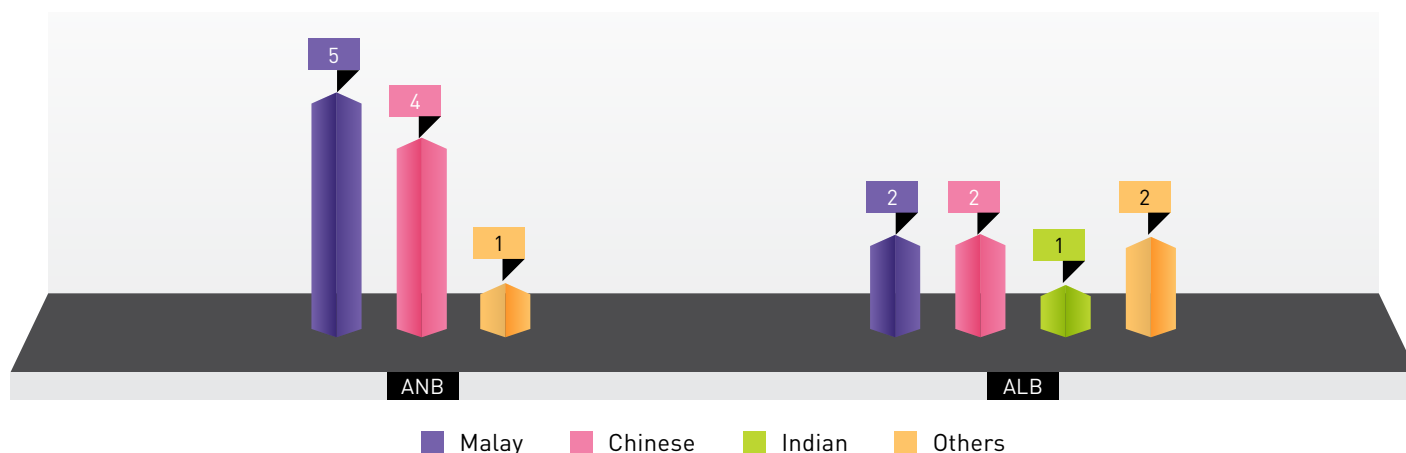
### Board Diversity By Gender



### Board Diversity By Age Group



### Board Diversity By Race



The full profile of ANB's Board are disclosed in Board of Directors of this Annual Report.

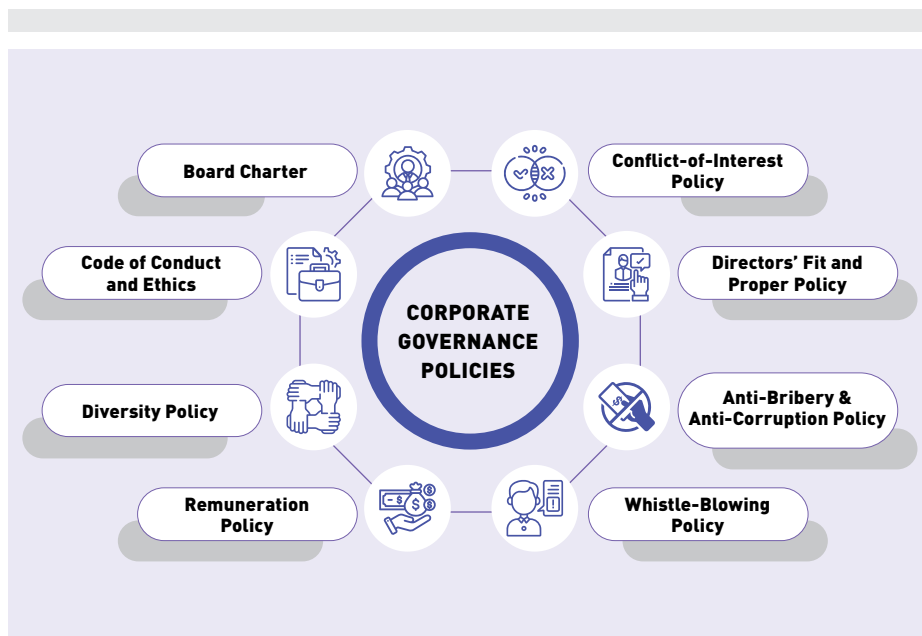
# Sustainability Statement

## CORPORATE GOVERNANCE POLICIES

Strong corporate values are essential for any organisation. At ANB, we ensure that our business practices remain ethical by implementing a range of robust policies. These policies are applied Group-wide, fostering a shared commitment among all our subsidiaries to the value ANB places on good corporate behaviour. At the same time, relevant policies are also extended to our suppliers and business partners, promoting integrity throughout the supply chain.

The following diagram highlights the main policies implemented by the Group:

More information on these and other Group policies can be found on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).



## ANTI-CORRUPTION

ANB is committed in conducting our business with fairness, honesty, and transparency. As such, we maintain a strict zero-tolerance policy against any form of bribery or corruption in all interactions involving the Group.

Our Anti-Bribery & Anti-Corruption ("ABAC") Policy clearly prohibits all employees, including management and the Board Directors, from accepting or giving any gifts or personal favors that could be misconstrued as bribery. Any suspected violations of this rule will be reported to the Chief Integrity Officer ("CIO") for further investigation. This could be followed by disciplinary actions or even termination.

The ABAC Policy is not limited to our immediate workforce but also extends to our supply chain and business partners. This ensures that the Group remains free from any corruption risks throughout our operations.

To ensure all levels of the Group are reminded of our ABAC Policy and the Group's stance on this issue, we conduct regular training for all employees, including the Board.

Anti-Corruption Training	FY2024	FY2025
Board	5	10
Management	65	175
Non-Management	240	449
<b>Total training attendees</b>	<b>310*</b>	<b>634</b>

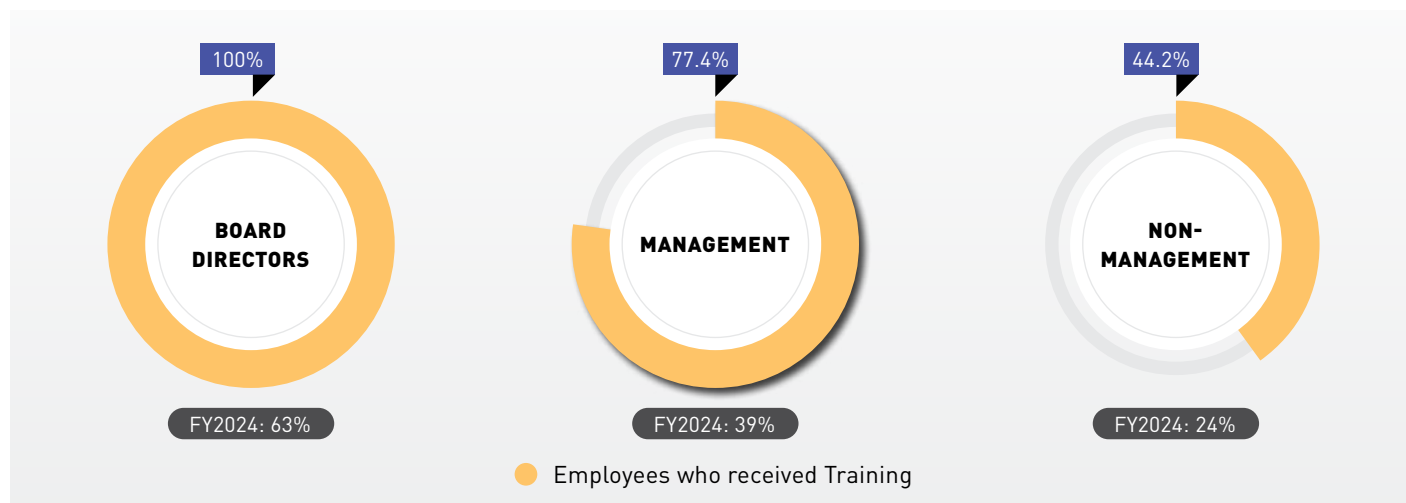
\* FY2024 data restated.

### STRENGTHENING ETHICAL CULTURE: ANTI-CORRUPTION TRAINING

ANB rolled out Group-wide anti-corruption training to reinforce integrity and ethical conduct. The training included interactive sessions and quizzes designed to engage employees and test their understanding of bribery risks and ethical decision-making. These efforts empower our people to act with integrity and support our ongoing commitment to a transparent and corruption-free workplace.

## Sustainability Statement

### Percentage of Employees Who Received Anti-Corruption Training in FY2025



#### ANTI-BRIBERY AND ANTI-CORRUPTION TRAINING: IN-HOUSE TRAINING

As part of our ongoing commitment to integrity, ANB places strong emphasis on ensuring every employee understands their role in upholding transparency and accountability. To complement the Group-wide ABAC quiz, a dedicated in-house training session was conducted by Mr. Phillip Karuppiah, Group CIO. This session served as a follow-up for employees who benefitted from additional guidance, offering them the chance to strengthen their knowledge and apply the principles of ethical conduct more confidently in their daily work.

In FY2025, we also broadened ABAC awareness across all Operating Companies, reinforcing understanding of Section 17A of the MACC Act and embedding the T.R.U.S.T principles into our work culture. All subsidiaries were assessed for corruption risk during the year, and no cases of corruption were reported across the Group.

#### CODE OF ETHICS AND WHISTLE-BLOWING

Aside from addressing corruption, ANB also emphasises the importance of ethical business conduct through the Group's comprehensive Code of Conduct and Ethics. This document, along with the Employee Handbook, is made available to all employees, including new hires, to ensure they understand the Group's expectations for professional behaviour in the workplace.

To further promote a culture of accountability, the Group has established a grievance channel and a Whistle-blowing Policy to facilitate anonymous reporting of any policy breaches. This includes instances of corruption, fraud, harassment, or other improper workplace conduct.

These whistle-blowing reports can be made via the Group's Whistle-Blowing Form on ANB's website at [www.ancomnylex.com](http://www.ancomnylex.com). Such reports are directly channelled to the CIO and copied to the Company Secretary and Chairman of the Audit Committee. Upon receiving a report, the CIO conducts an investigation to resolve the issue. Throughout the process, the Integrity Unit will keep the Chairman of the Audit Committee informed of the investigation's progress. Once an outcome is reached, it shall be reported to the Board for deliberation on further actions to be taken. If necessary, the relevant authorities may be involved during this stage. Depending on legal limitations, the whistle-blower will be kept informed of the outcomes as well.

In FY2025, no such reports were received by the Integrity Unit.

# Sustainability Statement

## SUPPLY CHAIN MANAGEMENT

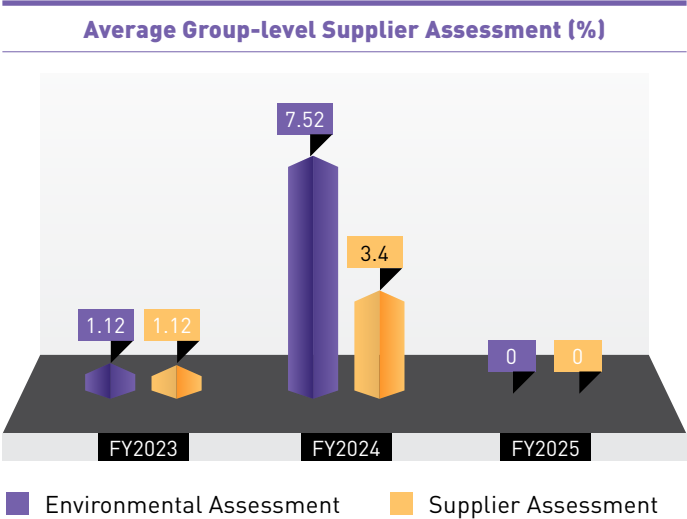
ANB’s commitment to sustainability extends beyond our internal operations to include our supply chain, as well as ensuring that all goods and services we procure adhere to the highest standards. To achieve this, the Group adopts a responsible supply chain approach by extending key policies, such as the ABAC policy, to our suppliers. At the same time, ANB incorporates our Code of Conduct and Ethics into all contracts and agreements with third-party suppliers, contractors, and business partners. This is a crucial step in establishing an Ethical and Environmental Code of Conduct for suppliers, ensuring that our good corporate governance practices are implemented throughout all aspects of our business, including the supply chain.

Apart from ethical governance, we have also begun examining the environmental and social impacts of our supply chain, particularly in terms of labour and human rights. All members of our supply chain are expected to fully comply with the Malaysian Employment Act 1955 and other relevant national and international labour laws. ANB’s expectations of our suppliers on this matter, in line with our supplier’s Ethical and Environmental Code of Conduct, including:



ANB has strengthened its commitment to ethical sourcing and sustainability by establishing a Group-wide Supply Chain Policy. This policy serves as a central framework that outlines clear environmental, social, and governance (“ESG”) expectations for all our suppliers and vendors, ensuring that our procurement practices are aligned with responsible business conduct.

In recent years, there has been a steady increase in the number of suppliers evaluated for ESG performance across our Group. These assessments help us manage upstream risks while supporting the resilience and long-term sustainability of our supply chain. We are committed in enhancing our supplier engagement efforts and expanding the coverage of ESG assessments as part of our continuous improvement strategy. In the current reporting period, the Group focused in strengthening the foundational elements of responsible sourcing, including formalising our Supply Chain Policy and enhancing internal procurement processes. Although comprehensive environmental and social supplier assessments were not conducted this year, these efforts represent a crucial step toward integrating ESG risk management into our supply chain. In the coming year, we are developing a centrally coordinated supplier assessment framework to evaluate suppliers on relevant ESG criteria and intend to implement a phased rollout beginning with high-risk categories.



## Sustainability Statement

Over the next phase, we aim to strengthen our responsible supply chain practices by enhancing supplier engagement through regular dialogues, targeted feedback sessions, and structured capacity-building programmes. We plan to support our suppliers in aligning with our ESG principles by providing clearer guidance, training, and tools to facilitate their sustainability journey. Moving forward, we will also consider implementing more robust follow-up assessments and targeted audits for selected high-risk vendors to ensure continuous improvement and accountability within our supply chain. ANB believes that building a responsible supply chain is not only essential for minimising reputational and operational risks, but also for creating positive social and environmental impacts beyond our own operations.

### DATA PRIVACY AND CYBERSECURITY

ANB is committed to ensure the privacy and security of confidential data, including the personal information of our customers, workforce, suppliers, and business partners. Our practices are guided by the requirements of the Personal Data Protection Act ("PDPA") 2010, ensuring that all data collection is carried out with the explicit consent of data owners and used solely for internal purposes.

We do not disclose personal data to any third party except when required by law enforcement authorities. In parallel, we continuously monitor and enhances its security measures to minimise phishing and data breaches.

During FY2025, no data breaches or leaks were reported across the Group.



*In FY2025, members of the Board, key senior management, and relevant personnel attended cybersecurity and data protection training sessions designed to strengthen awareness, prevent information security breaches, and maintain alignment with best practices.*



# Sustainability Statement

## ECONOMIC



As a commercial entity, economic performance is a key indicator of ANB's success and our ability to continue operating. However, we recognise that focusing only on generating financial value is not conducive in building a sustainable business. True value creation occurs when both financial and non-financial considerations are integrated into our business ventures and operations.

These two aspects are deeply interlinked. The various ESG and sustainability initiatives undertaken by the Group over the years would not have been possible without financial capital. Greater fiscal returns enable us to distribute more wealth to our stakeholders and support additional sustainability and community-based initiatives. In turn, these initiatives drive improvements and innovation within the Group, ultimately leading to enhanced economic value creation.

### VALUE CREATION

#### DIRECT ECONOMIC VALUES

As a commercial entity, strong financial performance, such as revenue and earnings, is crucial for the long-term sustainability of ANB. It not only ensures our business continuity but ultimately enables the Group to support our environmental and social goals. Solid financial returns are essential for the Group to invest in initiatives that enhance our ESG performance.

For example, transitioning to renewable energy sources, such as solar power, requires a significant upfront investment. This can only be achieved if the Group records stable finances. The same applies to social initiatives, such as offering better employee benefits or providing ongoing support for community activities.

With that, some of the key financial performance of the Group is highlighted below. For a more detailed breakdown, please refer to the Financial Statements section of this Annual Report.

DIRECT ECONOMIC VALUES	FY2023 (RM'000)	FY2024 (RM'000)	FY2025 (RM'000)
Revenue	2,043,253	1,996,536	<b>1,874,640</b>
Profit Before Tax	95,810	110,479	<b>99,123</b>

#### INDIRECT ECONOMIC VALUES

Our business model extends beyond measurable direct economic benefits. As a major player in the chemical industry, ANB's operations generate spillover effects that drive indirect economic growth. This is achieved through job creation, support for local supply chains, and investment in local communities, among other initiatives.

Some of these significant quantifiable indirect economic values generated by the Group are highlighted below. For more detailed information, please refer to the Financial Statements section of this Annual Report.

INDIRECT ECONOMIC VALUES	FY2023 (RM'000)	FY2024 (RM'000)	FY2025 (RM'000)
Total Payout to Employees in Salaries & Benefits	103,420	105,984	<b>113,560</b>
Corporate Tax Paid to Government	27,416	21,110	<b>27,887</b>
Dividend Returned to Shareholders	NIL	17,097	<b>58,371</b>

## Sustainability Statement

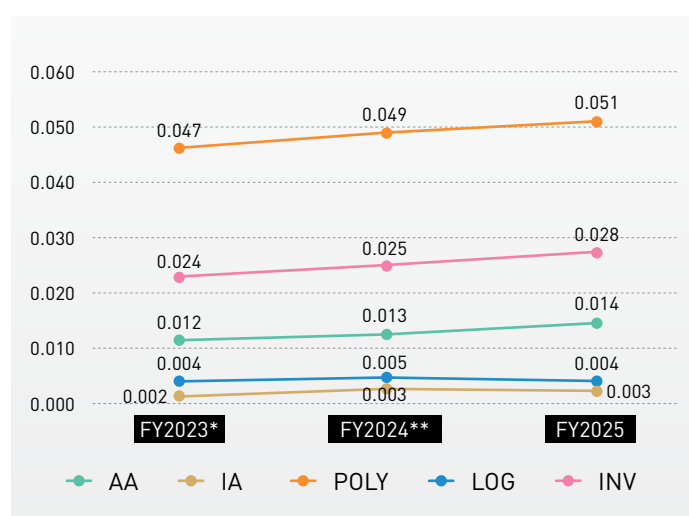
### ENVIRONMENTAL FOOTPRINT

To better quantify the environmental impacts of our operations, since last year ANB has begun evaluating the footprint of each business division in relation to operational performance. This involves measuring key metrics such as carbon emissions, electricity consumption, and water usage against the revenue generated by each division. By calculating environmental intensity in this way, we can gain deeper insights into the impact generated per RM of revenue and assess the efficiency of our resource use.

Building on this, in FY2025, we established a new baseline for electricity and water consumption, aligned with our Group-wide GHG baseline, to ensure greater accuracy and comparability. This baseline will guide us in tracking performance trends over a three-year horizon using both absolute and intensity metrics. Looking ahead, we are committed to achieve measurable reductions in resource intensity by FY2027, supported by the adoption of renewable energy, efficiency initiatives, and strengthened governance under the ESG Committee.

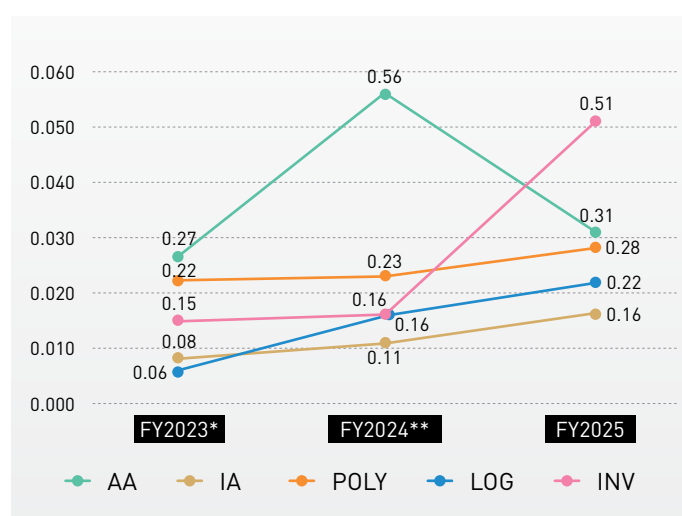
Using this new baseline, our analysis indicates that electricity intensity has remained relatively stable, whereas water intensity exhibits an upward trend. This is consistent with the overall industry, as operations began ramping up in FY2022 following the pandemic. The resulting increase in operational activity across the Group has naturally led to higher resource consumption, reinforcing the importance of ongoing efficiency measures and conservation efforts.

**Electricity Consumption over Revenue  
(kWh/RM' revenue)**



\* FY2023 only includes those of seven (7) Operating Companies.

**Water Consumption over Revenue  
(Litre/RM' revenue)**



\*\* FY2024 data restated following an updated baseline study.

Since FY2024, the reporting scope for carbon emissions was expanded to encompass a broader range of operations across the Group. To date, this enhancement has strengthened the robustness of our carbon intensity calculations, providing a more accurate basis for monitoring our decarbonization trajectory.

	CARBON EMISSION INTENSITY (tCO <sub>2</sub> e/RM million)				
	AA	IA	POLY	LOG	INV
FY2024*	20.38	4.51	61.32	87.34	16.38
FY2025	<b>21.39</b>	<b>9.04</b>	<b>68.3</b>	<b>75.31</b>	<b>17.90</b>

\* FY2024 data restated following an updated baseline study.

# Sustainability Statement

It is essential to note that the current year’s increase in emissions intensity does not necessarily indicate a decline in environmental performance. Rather, it is a combined factor driven by a reduction in Group revenue, which affects intensity calculations that are revenue-based. Acknowledging the sensitivity of such metrics to market fluctuations, ANB is exploring alternative or complementary indicators such as GHG emissions per tonne of product or a blended metric to provide a more consistent and meaningful reflection of emissions performance over time, particularly in the context of the chemical manufacturing sector.

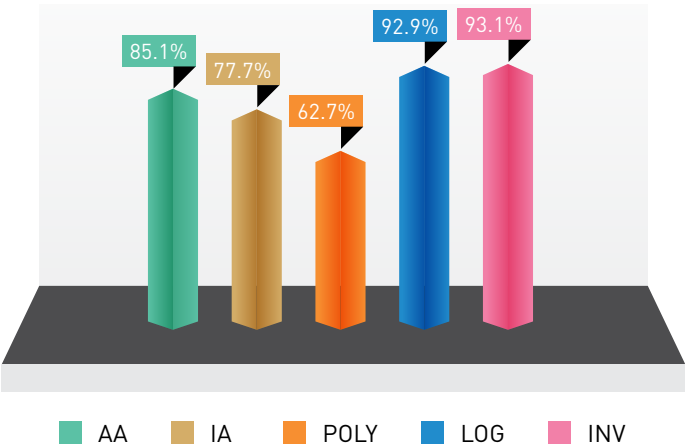
Additional details on our specific environmental performance can be found in the Environmental Disclosures section on pages 64 to 79.

## LOCAL PROCUREMENT

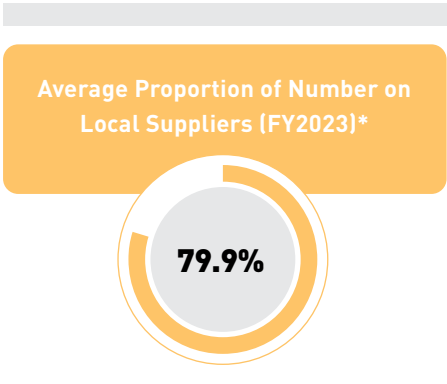
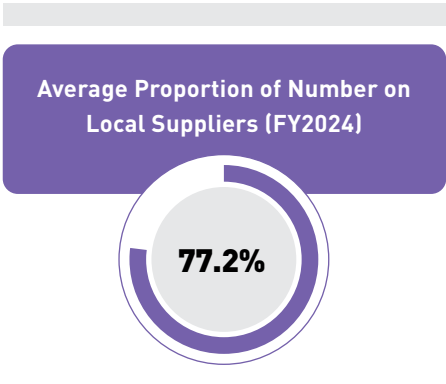
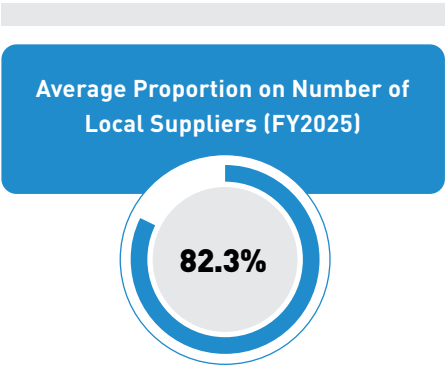
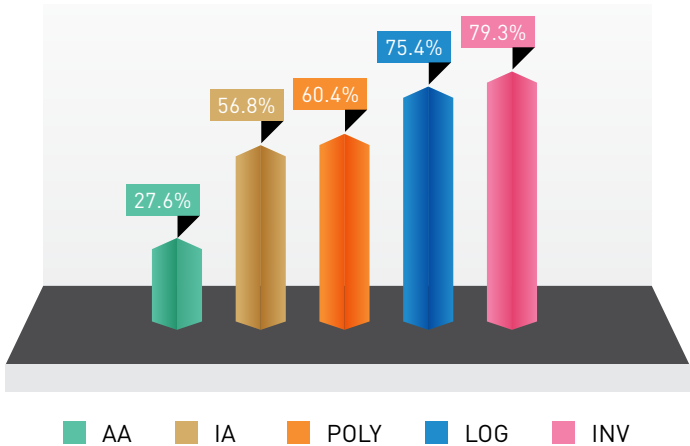
ANB recognises the importance of supporting local suppliers for both economic growth and environmental sustainability. For the Group, this means sourcing products and services from local businesses that are located in the vicinity of each Operating Company.

Beyond directly benefiting these local communities, local procurement offers added economic and environmental advantages. Locally sourced products typically require less transportation, reducing costs and waiting times for the Group. At the same time, it decreases emissions and the risk of pollution.

Divisional Average Proportion of Number of Local Suppliers in FY2025



Divisional Proportion of Spending on Local Suppliers in FY2025



\* Data in FY2023 only includes those of seven (7) Operating Companies.

## Sustainability Statement

### PRODUCT/SERVICE QUALITY AND RESPONSIBILITY

The Company's product and service quality is more than a benchmark; it is a reflection of our values and a cornerstone of customer trust. Our pursuit of excellence drives us to deliver products that are not only high-performing and reliable but also safe, sustainable, and aligned with regulatory standards. Across our business segments, quality assurance is embedded throughout the value chain from research and development to delivery and post-sales support.

This commitment translated into consistently strong customer satisfaction ratings. Through structured surveys and direct feedback channels, our Operating Companies captured valuable insights from clients, reinforcing our reputation for dependable service, product reliability, and timely support. These interactions do more than affirm performance; they provide actionable input that informs continuous improvement and innovation. For example, customer feedback has helped shape enhancements to existing offerings and inspired new product ideas tailored to evolving market needs.

Product safety remains a top priority. All our solutions undergo rigorous internal assessments, including field trials and technical evaluations, to ensure they perform safely and effectively. We also adhere to best practices in chemical safety management. Each product is accompanied by clear labelling and Safety Data Sheets ("SDS") that provide guidance on responsible use, storage, and disposal, reducing risk to both end-users and the environment.

In our effort to minimise ecological impact, ANB continues to assess opportunities to improve sustainability within our product formulation and packaging processes. Meanwhile, Kesuma, one of our subsidiaries, has introduced returnable, recyclable plastic packaging in place of single-use cartons, an initiative that supports waste reduction while maintaining product integrity during transportation.

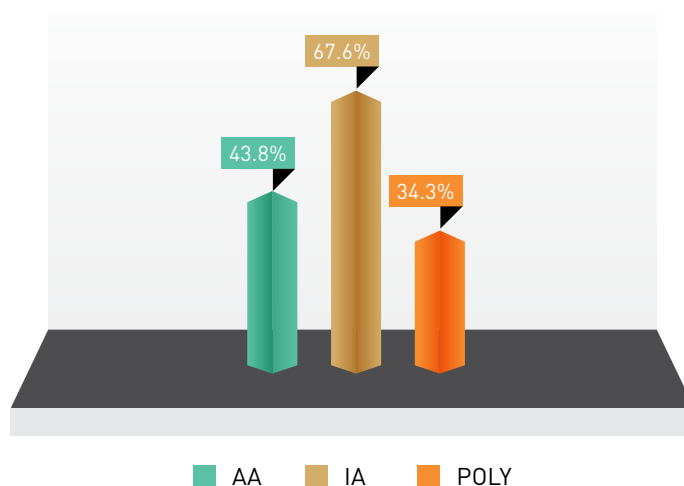
### QUALITY AND SATISFACTION

Throughout the year, Operating Companies actively monitored customer satisfaction via structured surveys and feedback mechanisms. Our annual customer satisfaction surveys reported consistently strong ratings, with the majority of respondents expressing positive experiences in areas such as product reliability, technical support, and delivery timelines.

The reported percentages IA at 67.6%, AA at 43.8%, and POLY at 34.3% represent the proportion of survey respondents within each segment relative to the total number of customers surveyed in that segment. This approach ensures transparency in survey coverage and response levels, providing a meaningful indicator of engagement and satisfaction trends. These results underscore the Group's focus on continuous improvement, responsive service, and strong client relationships.

Moving forward, ANB will continue to incorporate customer insights into our quality improvement efforts to ensure we meet evolving expectations while supporting broader ESG priorities such as responsible production and stakeholder trust.

#### Customer Satisfaction Performance



Note: Customer Satisfaction % = (Number of companies that responded to the survey) ÷ (Total number of companies the survey was sent to) × 100

# Sustainability Statement



## ENVIRONMENTAL

At ANB, we recognise that preserving and nurturing Earth's resources is fundamental to our environmental stewardship. We acknowledge that our operations consume natural resources, including energy, water, and raw materials, and produce emissions, waste products, and pollutants. As a responsible corporate entity, we deem these impacts to be material to our business and stakeholders.

Each of our business segments is encouraged to set ambitious targets for operational efficiency, including energy and water usage, as well as their corresponding outputs: GHG emissions, waste, and wastewater. By maintaining an efficient operational system, we not only reduce our environmental footprint but also achieve significant cost savings.

Every business segment within ANB has dedicated departments or managerial functions responsible for reviewing and monitoring the Group's activities. This oversight ensures compliance with all relevant laws and regulations, with a particular focus on pollution prevention and addressing the climate crisis.

In FY2025, ANB received a regulatory penalty of RM100,000 from the Department of Environment in relation to industrial effluent discharge parameters. The Group takes this matter seriously and has used it as an opportunity to further strengthen our environmental governance. Immediate corrective actions were undertaken at Fine Specialty Biochemicals ("FSB"), including the fine-tuning of dosing rates at the treatment plant and process optimisation to improve treated effluent quality. These measures have been implemented to support adherence to Standard B of the Environmental Quality (Industrial Effluent) Regulations. ANB remains committed to continuous improvement, ensuring all facilities operate in accordance with applicable environmental laws and best practices.

## PERFORMANCE MEASUREMENT

In line with Bursa Malaysia's Sustainability Reporting Guide, ANB recognises the importance of adopting and disclosing both absolute and intensity indicators to ensure stakeholders can assess our progress, efficiency, and effectiveness in addressing material sustainability matters across the Group. ANB's approach includes:

- **Absolute Indicators:** These are used for Group-wide metrics such as Scope 1 and Scope 2 GHG emissions (in tonnes of CO<sub>2</sub>e), total water withdrawal (in m<sup>3</sup>), energy consumption (in GJ), and total waste generated (in tonnes). These reflect the overall environmental footprint of our operations.
- **Intensity Indicators:** To provide operational context, we also report intensity-based indicators such as water consumption per RM million revenue. This allows stakeholders to understand performance in relation to business growth over consumption.

## ENERGY MANAGEMENT

### Powering Progress Through Smarter Energy Use

At ANB, energy efficiency is not just a goal; it is a continuous journey toward operational excellence and environmental responsibility. Electricity intensity across ANB's divisions showed mixed performance between FY2023 and FY2025, influenced largely by production demands and revenue fluctuations. The AA division recorded a slight increase from 0.012 in FY2023 to 0.014 in FY2025, reflecting higher consumption alongside expanded output. In contrast, the IA division maintained steady performance at 0.003, and the LOG division remained stable at 0.004, demonstrating consistent energy management practices.

DIVISION	ELECTRICITY CONSUMPTION (kWh)		
	FY2023*	FY2024	FY2025
AA	6,519,987	6,677,517	<b>7,726,473</b>
IA	2,088,356	3,556,623	<b>3,331,663</b>
POLY	3,995,981	3,805,601	<b>3,778,929</b>
LOG	226,409	250,471	<b>231,613</b>
INV	1,230,371	1,403,123	<b>1,309,428</b>
<b>Total</b>	<b>14,061,104</b>	<b>15,693,335</b>	<b>16,378,106</b>

\* FY2023 only includes those of seven (7) Operating Companies.

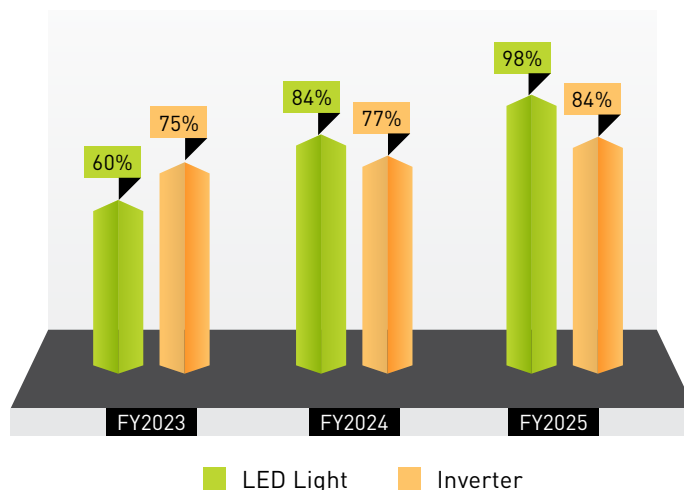


## Sustainability Statement

With FY2025 established as the Group's new baseline year, these figures provide a clearer foundation for monitoring energy efficiency going forward. While some divisions experienced marginal increases, the overall trend underscores the importance of striking a balance between operational growth and energy efficiency.

Our investments in energy-efficient infrastructure have been critical in this regard — LED lighting installations reached 98% completion in FY2025 (up from 84% in FY2024 and just 60% in FY2023), and inverter air-conditioning systems were deployed across ACC plants, achieving 84% completion. These upgrades, combined with ongoing process optimisation and technology improvements, underscore ANB's focus on energy-smart operations and its commitment to progressively reducing electricity intensity and strengthening long-term Environmental performance.

### LED and Inverter Installation Progress



### ENERGY SMART UPGRADES AT ANCOM CROP CARE (ACC)



As part of ANB's commitment to operational efficiency and environmental stewardship, our Agricultural Chemicals Complex in ACC has implemented LED lighting and variable speed drives ("VSDs") across its facilities.

These initiatives help reduce electricity consumption, lower emissions, and contribute meaningfully to ANB's broader goal of advancing sustainable growth while minimising our environmental impact.

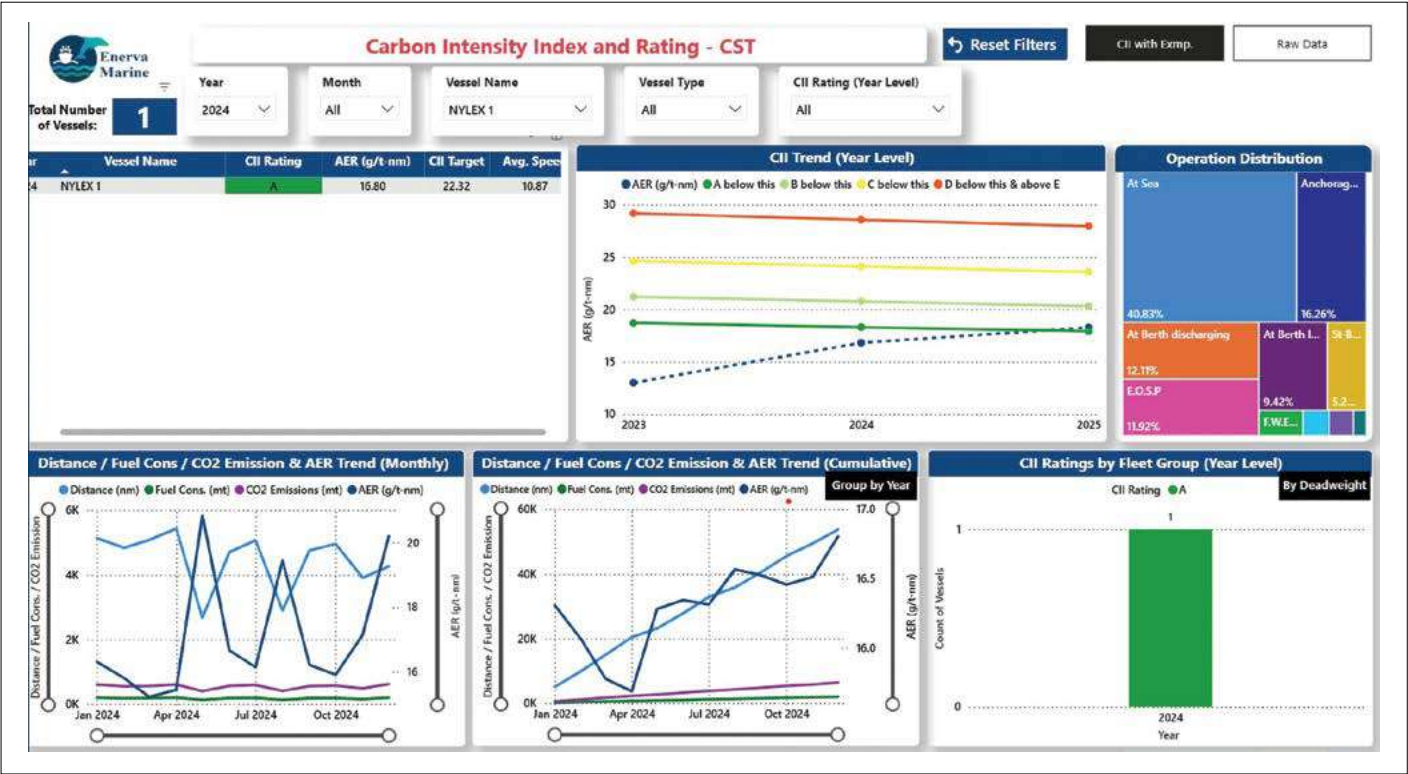
### Charting a Sustainable Course at Sea

Beyond our manufacturing operations, ALB Marine continues to lead our maritime energy transition. In line with the International Maritime Organisation's ("IMO") Energy Efficiency Existing Ship Index ("EEXI") and long-term decarbonisation targets, ALB Marine has embraced innovative technologies to boost fuel efficiency and reduce emissions.

Since FY2024, our fleet has transitioned from the NK Class Portal to the Enerva portal a robust platform that supports more precise monitoring of the Energy Efficiency Operating Indicator ("EEOI") and facilitates real-time tracking of carbon emissions. This shift has significantly enhanced our ability to manage vessel performance and has now integrated Enerva portal into our safety and energy management systems.

Sustainability Statement

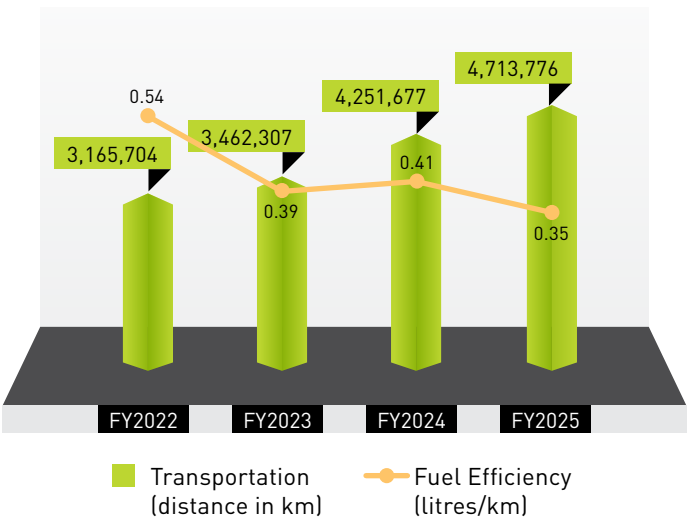
In recognition of these efforts, ALB Marine’s vessel was awarded the International Energy Efficiency Certificate (“IEE”) by Bureau Veritas Marine and Offshore. In FY2025, the tanker recorded an impressive Annual Efficiency Ratio (“AER”) of 17.45 and earned a top-tier CII Rating of ‘A’. These results speak to our ongoing commitment to maritime sustainability and support the global call for carbon neutrality by 2050.



Greener Roads Ahead

Meanwhile, our transportation arm, Cogent, has been steadily modernising its vehicle fleet. By replacing older trucks with Euro 5-compliant, fuel-efficient models, the division has achieved notable reductions in diesel intensity. Over the past four (4) financial years, diesel consumption per kilometre travelled dropped from 0.54 L/km in FY2022 to 0.35 L/km in FY2025, a 35% improvement in fuel efficiency. A higher distance and lower fuel consumption value indicate higher fuel efficiency.

Year	Fuel Efficiency (L/km)
FY2022	0.54
FY2023	0.39
FY2024	0.41
FY2025	0.35



This transition reflects ANB’s broader pledge to support Malaysia’s low-carbon mobility vision and to lead by example in minimising environmental impacts across all aspects of the supply chain. Together, these achievements and forward actions reinforce ANB’s dedication to build an energy-conscious future, one that balances productivity with sustainability, innovation with responsibility, and progress with planetary care.

## Sustainability Statement

### PENGANGKUTAN COGENT FLEET MODERNISATION FOR LOW-CARBON MOBILITY



To support Malaysia's sustainable transport goals, Cogent, our logistics arm, has undertaken a strategic upgrade of its fleet. By replacing older vehicles with Euro 5-compliant, energy-efficient trucks, Cogent has achieved a 35% reduction in diesel consumption per kilometre over four years.

This proactive shift not only reduces fuel costs and emissions, but also sets a strong example for sustainable logistics within our value chain.

Our energy sources comprise a mix of purchased electricity, natural gas, diesel fuel, and a wide variety of biodiesels, including B7, B10, and B20. These biodiesel fuels will be categorised under 'Diesel' in our upcoming 'Group Energy Mix (TJ)' table. Our manufacturing facilities, being major energy consumers, are the primary focus of our conservation efforts. We have implemented a rigorous equipment maintenance schedule to maximise operational efficiency and minimise energy waste.

ENERGY TYPE	GROUP ENERGY MIX (TJ)		
	FY2023**	FY2024***	FY2025
Diesel	171	132	<b>172</b>
Natural Gas	173	168	<b>167</b>
Electricity	50	56	<b>59</b>
Others*	N/A	4	<b>5</b>
<b>Total</b>	<b>394</b>	<b>360</b>	<b>403</b>

\* Refers to a mixture of heavy fuel oil, marine oil, petrol and liquified petroleum gas ("LPG").

\*\* Data in FY2023 only include those of seven (7) Operating Companies.

\*\*\* FY2024 data restated following an updated baseline study.

# Sustainability Statement

## CLIMATE CHANGE MANAGEMENT

ANB remains committed to address and mitigate climate change risks by reducing our impact and improving operational efficiency. We recognise the devastating effects of climate change and the associated short and long-term business risks. In line with this commitment, ANB fully supports Malaysia’s goal of achieving net zero carbon emissions by 2050 (“NZCE 2050”).

Our climate change strategy includes:



Climate change considerations have been fully integrated into our risk management processes. This integration ensures that climate-related risks and opportunities are systematically identified, assessed, and managed across all our operations. Our RMWG, reporting to the RMC, is tasked with devising strategies to manage and minimise our environmental footprint in light of these climate-related risks.

Furthermore, we recognise the significant financial implications of climate change on our business operations. Climate change directly affects our operating costs (“OPEX”) and capital expenditure (“CAPEX”) in several ways. Changing climate conditions can decrease the efficiency, output, and performance of our assets and equipment, potentially leading to increased operational costs.

We may need to allocate additional CAPEX due to asset damage or decreased asset performance resulting from climate-related events or gradual environmental changes. Complying with evolving environmental regulations often necessitates additional CAPEX for upgrading facilities or equipment to combat increased pollution risks and stricter emissions standards. We also anticipate the need for ongoing investments in climate-resilient infrastructure and technologies to maintain operational stability in the face of changing environmental conditions.

Looking ahead, ANB will conduct a Group-wide climate risk assessment within FY2026, in line with the ISSB IFRS S2 requirements. This assessment will enhance our understanding of both physical and transition risks, improve alignment with TCFD disclosures, and strengthen our ability to set reduction targets. We will continue to advance transparency and comparability in our climate-related disclosures, supported by strong governance and Board-level oversight.

## Sustainability Statement

### Emission Control

At ANB, addressing climate risks begins with a clear understanding of our emissions footprint. We are committed in reducing GHG emissions across our operations, starting with tracking of both direct emissions (Scope 1) and those linked to purchased energy (Scope 2) in tonnes of CO<sub>2</sub>-equivalent ("tCO<sub>2</sub>e") as a key performance metric. As we continue to strengthen our climate strategy, we are also laying the groundwork to gradually increase relevant Scope 3 emissions, ensuring a more complete picture of our environmental impact.

This monitoring extends beyond our manufacturing sites to include non-production locations such as administrative offices, reinforcing our commitment to a group-wide emissions reduction strategy. Despite their smaller footprint, these sites contribute to our overall carbon intensity and are integral to our decarbonisation goals.

To minimise operational emissions and comply with the Environmental Quality (Amendment) Bill 2023, the Group integrates emissions control with energy efficiency initiatives. Emission prevention measures are prioritized at the source through optimized production processes and the deployment of tailored pollution control technologies.

Key emission control systems in place include:

- a. Wet Scrubber Systems (Fermpro): Designed to neutralise acidic gases and capture fine particulates by chemically treating exhaust gases with a scrubbing liquid.
- b. Water Scrubber & Demister Units (ACC and NHSB): These multi-stage systems effectively remove particulates, moisture, and entrained liquid droplets from flue gases, improving air quality at the point of release.

All systems are maintained under the supervision of certified competent personnel and are subject to scheduled servicing to ensure optimal performance. To validate compliance and assess effectiveness, ANB conducts annual stack emission monitoring across key facilities, including ACC, Fermpro, and NHSB. The test results are submitted to the Department of Environment ("DOE") and have consistently demonstrated that emissions remain well within the permissible limits set out in the Malaysian Environmental Quality (Clean Air) Regulations 2014. Similar to PTNI, it has its own testing in compliance with the Indonesian authority.

In the coming year, the adoption of enhanced emissions monitoring tools is being explored to improve data accuracy and align with evolving sustainability disclosure standards, such as those outlined in the ISSB's IFRS S2. These improvements aim to support more informed decision-making in advancing climate-related strategies.

### ENABLING LOW CARBON MOBILITY THROUGH ANCOM ENERGY & SERVICES SDN. BHD. (AES)



**AES, a wholly owned subsidiary of the Group, serves as a certified charger installer for Tesla and other leading brands in Malaysia, playing an instrumental role in promoting sustainable, low-emission transportation.**

**Through its certified installation and maintenance of EV charging stations, the subsidiary helps reduce carbon emissions across communities while supporting equitable access to clean mobility solutions for individuals and businesses.**



# Sustainability Statement

## Strategic Acquisition

The Company and its subsidiary, ALB, entered into a Heads of Agreements with Greenheart Sdn. Bhd., Choong Wee Keong and How Yoon for the proposed acquisition by ALB of the entire share capital of Green Lagoon Technology Sdn. Bhd. ("GLTSB") ("Proposed GLTSB Acquisition"). GLTSB is a company specialising in engineering design and technology for palm oil mill effluent ("POME") anaerobic lagoon biogas-to-power projects. Upon completion of the Proposed GLTSB Acquisition, the Group expects carbon emissions to be significantly reduced.

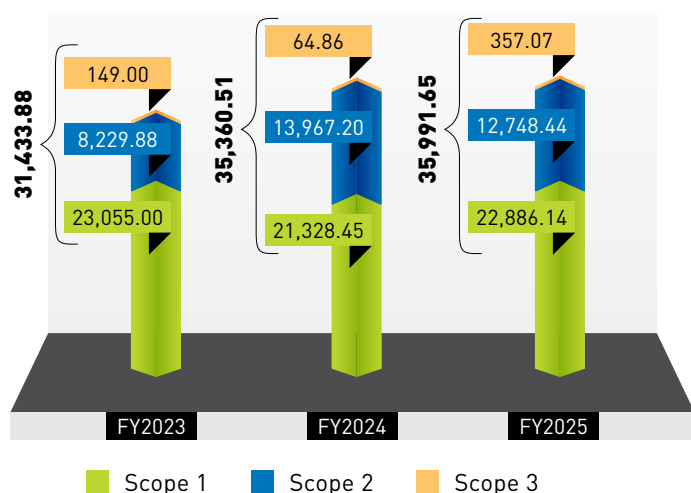
Additional details can be found on Corporate Exercised and Developments section on page 32.

## Carbon Emissions

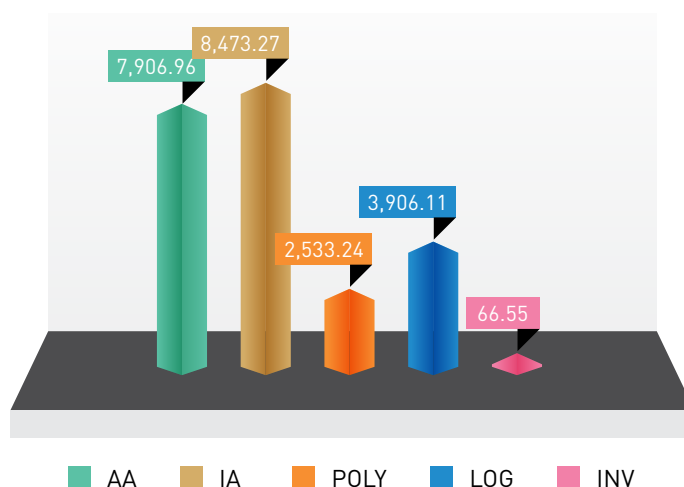
ANB continues to manage and measure its carbon emissions as part of its Carbon Management Plan, which is integral to our broader climate change management strategy. We use the internationally recognised GHG Protocol, established by the World Business Council for Sustainable Development ("WBCSD") and the World Resources Institute ("WRI"), for our emissions accounting.

In a significant expansion of our environmental monitoring efforts, ANB has broadened its scope to thirty-one (31) Operating Companies in its carbon emissions assessment. This marks a substantial increase from previous years, FY2023 only encompassed seven (7) and FY2024 twenty-five (25) Operating Companies.

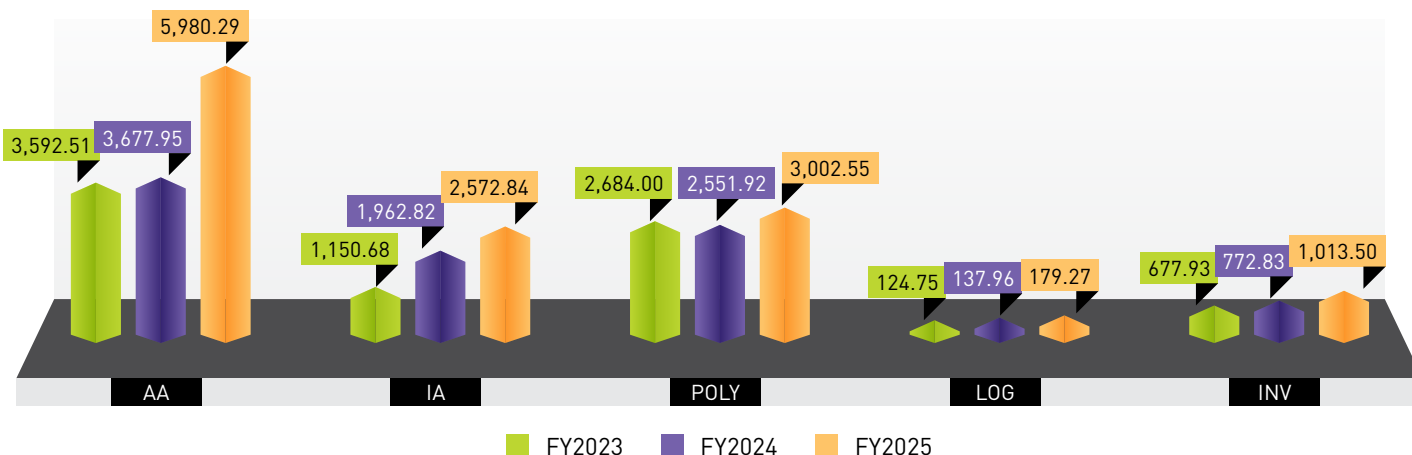
**Total Emissions (tCO<sub>2</sub>e)**



**Divisional Scope One Emissions for FY2025 (tCO<sub>2</sub>e)**



**Divisional Scope Two Emissions for FY2025 (tCO<sub>2</sub>e)**



Note: Emission factors sourced from UNFCCC (Malaysia), RUPTL 2019 (Indonesia), Department of Climate Change (Vietnam), and Energy Market Authority (Singapore).

Note: FY2023 and FY2024 data have been refined using a more accurate methodology.

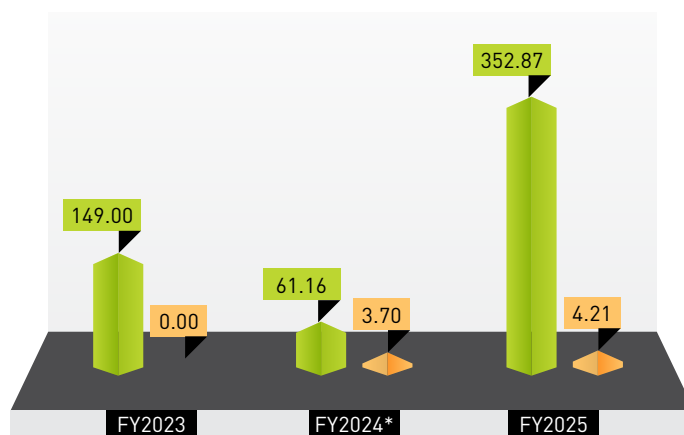
Note: FY2023 data only includes those of seven (7) Operating Companies.

## Sustainability Statement

### Divisional Scope Three Emissions for FY2025 (tCO<sub>2</sub>e)

DIVISION	CATEGORY 6 (BUSINESS TRAVEL)			CATEGORY 13 (LEASED ASSETS)
	CAR	TRAIN	FLIGHT	
AA	15.37	-	129.03	-
IA	57.24	0.02	69.25	-
POLY	2.07	0.02	17.92	-
LOG	0.37		1.37	4.21
INV	12.95		47.26	-
<b>Total</b>	<b>88.00</b>	<b>0.04</b>	<b>264.83</b>	<b>4.21</b>
<b>Grand Total</b>	<b>357.08</b>			

### Total Scope Three Emissions (tCO<sub>2</sub>e)



■ Category 6: Business Travel ■ Category 13: Leased Assets

\* FY2024 data restated following an updated baseline study.

### WATER MANAGEMENT

At ANB, we recognise the critical importance of water resources in the face of intensifying climate change. While we do not operate in water-stressed regions, the Group is committed to address water scarcity issues by efficiently managing this resource and optimising water use across all our sites. We encourage all stakeholders to join us in this crucial endeavour.

ANB's Group-Wide Water Reduction Initiatives:



#### Minimising

- Education on water conservation
- Installing sensors and automatic shut-off systems on nozzles
- Regulating taps to reduce water consumption
- Controlling steam consumption to reduce boiler water consumption



#### Monitoring

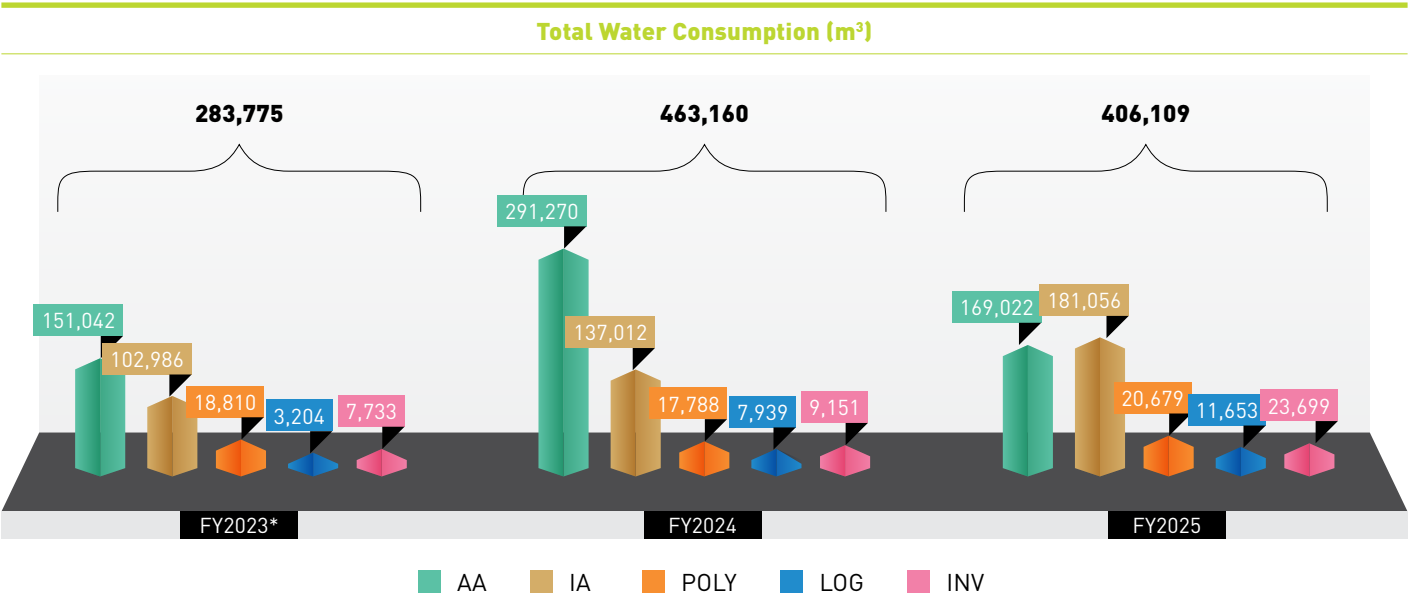
- Leak detection on all taps and pipes
- Centralised water consumption monitoring system



#### Recycling

- Installing and maintaining rainwater harvesting systems at plants
- Recycling process distillate water with a vapour condenser
- Recycling condensate water from the process back to the boiler water system

Sustainability  
Statement



\* Data in FY2023 only include those of seven (7) Operating Companies.

Water Consumption Performance

In FY2025, the Group recorded a total water consumption of 406,109 m³, marking a notable decline from 463,160 m³ in FY2024. This 12.3% reduction underscores our progress in implementing Group-wide water efficiency measures despite maintaining stable production activity across most operating units.

The decline is particularly evident in the AA division, which saw a 42% decrease following operational adjustments and targeted water-saving initiatives. Conversely, the IA division experienced an increase in consumption due to expanded manufacturing activities, now accounting for 44.6% of the Group’s total usage up from 29.6% in the previous year.

These shifts reflect the dynamic nature of our operations, where each business unit adapts its sustainability approach in response to operational demands and local water availability. Across the Group, initiatives such as scheduled maintenance of flow meters and cleaning cycle optimisation.

The data coverage in FY2025 encompasses a comprehensive set of operating companies, in contrast to the more limited scope in FY2023. This enhanced visibility enables more accurate tracking of performance trends and resource utilisation.

Looking ahead, we will continue to advance our commitment to responsible water stewardship through the introduction of rainwater harvesting and reuse systems, as well as a targeted water intensity reduction goal by FY2030. These efforts are consistent with our ESG roadmap and support our contribution to SDG 6: Clean Water and Sanitation.

## Sustainability Statement

### POLLUTION PREVENTION

At ANB, we recognise the environmental challenges inherent in our operations, particularly in the AA, IA, and LOG divisions. Our manufacturing, formulation, and packaging processes generate non-recoverable waste despite our ongoing efforts to reduce, recycle, and reuse. We recognise the significant impact that pollution can have on human health and the environment, and we are committed to address these issues proactively.

We are committed to environmental stewardship through our comprehensive Environmental Management System ("EMS"). Our EMS is designed to systematically address environmental impacts, ensure compliance with regulations, and drive continuous improvement in our environmental performance.

Key components of our EMS include:

1. ISO 14001:2015 Certification: Our EMS is implemented in accordance with international standards.
2. Regular Audits and Assessments: We conduct internal environmental audits on a consistent basis. These audits help us assess our compliance with regulatory requirements and evaluate the effectiveness of our environmental performance initiatives.
3. Employee Training and Awareness: We prioritise educating our workforce on pollution prevention and control best practices. This ongoing training ensures that environmental considerations are integrated into our daily operations at all levels of the organisation.

**Total Manufacturing Operating Companies Reported:**  
**13**

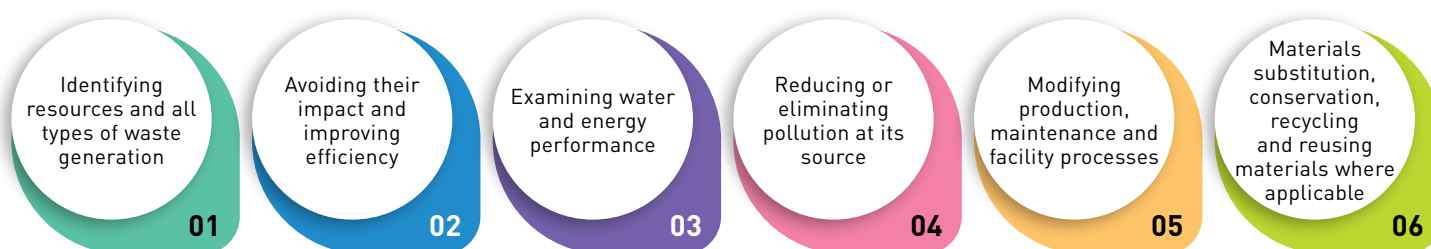
**ISO 14001 Certified Sites:**  
**3**

**Coverage:**  
**23.1%**  
of reported sites

Division	Operating Company	ISO 14001:2015 Certified
AA	ACC	Yes
IA	Kesuma	Yes
LOG	ALB Marine	Yes

Central to our environmental strategy is ANB's Pollution Reduction Model, which outlines a six-step approach to address pollution:

### Addressing pollution



## Sustainability Statement

### Effluent and Waste Targets:

Target	FY2025 progress	Progress
To collect and compile daily waste generation data for monitoring	To improve existing processes and comply with the regulation as stated in the Environmental Quality (Amendment) Bill 2023	<b>Achieved</b>
To weigh non-hazardous waste generated by type	Complete	<b>Achieved</b>

### Air Pollution Management

Pollutant	List of subsidiaries	ACC	ACC	ACC, Fermpro, NHSB
	Parameter	FY2023	FY2024	FY2025
Total Particulate Matter	mg/m3	14.60	37.40	<b>48.75</b>
Nitrogen Dioxide ("NO <sub>x</sub> ")	mg/m3	N/D	N/D	<b>222.34</b>
Sulphur Dioxide ("SO <sub>x</sub> ")	mg/m3	0.0006	N/D	<b>0.0007</b>
Carbon Monoxide ("CO")	ppm	0.00	0.00	<b>75.73</b>
Volatile Organic Compound ("VOC")	mg/m3	Nil	Nil	<b>154.51</b>
Hydrochloric Acid ("HCl")	mg/m3	Nil	Nil	<b>N/D</b>
Lead ("Pb")	ft/min	N/D	N/D	<b>Nil</b>
Mercury ("Hg")	mg/m3	Nil	N/D	<b>Nil</b>
Arsenic	mg/m3	Nil	Nil	<b>N/D</b>

#### Notes:

1. All above measurements comply with the Environmental Quality (Clean Air) Regulations 2014.
2. FY2023 and FY2024 data restated following an updated baseline study.
3. N/D = Non-detected

Pollutant	List of subsidiaries	PTNI		
	Parameter	FY2023	FY2024	FY2025
Total Particulate Matter	mg/m3	Nil	2.87	<b>56.46</b>
Sulphur Dioxide ("SO <sub>2</sub> ")	mg/m3	21.70	<21.70	<b>&lt;31.40</b>
Nitrogen Dioxide ("NO <sub>2</sub> ")	mg/m3	17.80	15.80	<b>9.70</b>
Carbon Monoxide ("CO")	mg/m3	2,021.80	2,799.40	<b>1,186</b>
Lead (Pb)	mg/m3	0.00002	0.0083	<b>0.0121</b>

#### Notes:

1. All above measurements comply with Government Regulation No. 22/2021 (PP 22/2021)-Environmental Protection & Management.
2. FY2023 and FY2024 data restated following an updated baseline study.



## Sustainability Statement

### Solid Waste Management

ANB recognises the importance of responsible hazardous waste management in its operations. The Group hazardous waste stream primarily consists of four (4) main categories: packaging materials from various processes, product residues generated during industrial production, liquids that cannot be safely disposed of through standard wastewater systems, and residual materials left over after production in specific plant facilities. To ensure compliance with environmental regulations and minimise potential risks, the Group has implemented a rigorous hazardous waste handling protocol. All hazardous materials are carefully packaged, clearly labelled, and securely stored in designated areas within our facilities. This systematic approach not only helps prevent accidental exposure but also facilitates efficient waste tracking and management.

For the final disposal of hazardous waste, ANB partners with licensed contractors who specialise in this field. These contractors are selected based on their expertise and ability to comply with the stringent regulations set forth by the DOE. By outsourcing this critical task to qualified professionals, the Group ensures that all hazardous waste is transported, treated, and disposed of in full, in accordance with legal requirements and best environmental practices.

The breakdown of scheduled waste produced by the Group is as follows:

WASTE TYPE	TOTAL WASTE (Tonnes)		
	FY2023	FY2024	FY2025
<b>SW101</b>			
Waste containing arsenic or its compounds	2.88	0.57	<b>1.48</b>
<b>SW202</b>			
Waste catalysts	-	0.38	-
<b>SW204</b>			
Sludges containing one or several metals, including chromium, copper, nickel, zinc, lead, cadmium, aluminium, tin, vanadium, and beryllium	2,278.09	265.32	<b>550.40</b>
<b>SW303</b>			
Adhesive or glue waste containing organic solvents, excluding solid polymeric materials	12.50	5.87	<b>3.56</b>
<b>SW408</b>			
Contaminated soil, debris, or matter resulting from the cleaning up of a spill of chemical, mineral oil, or scheduled wastes	24.51	-	-
<b>SW409</b>			
Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil, or scheduled wastes	1.04	10.73	<b>169.88</b>
<b>SW410</b>			
Rags, plastics, papers, or filters contaminated with scheduled wastes	50.10	75.70	<b>82.99</b>
<b>SW417</b>			
Waste of inks, paints, pigments, lacquer dye, or varnish	-	0.02	<b>0.002</b>
<b>SW421</b>			
A mixture of scheduled wastes	-	-	-
<b>SW426</b>			
Off-specification products from the production, formulation, trade, or use of pesticides, herbicides, or biocides	-	0.13	-
<b>SW429</b>			
Chemicals that are discarded or off-specification	-	0.11	-
<b>LB3</b>			
The Indonesian code for Toxic Hazardous Waste	-	39.56	<b>17.69</b>
<b>Total</b>	<b>2,369.12</b>	<b>398.39</b>	<b>826.002</b>

## Sustainability Statement

### Non-hazardous waste management

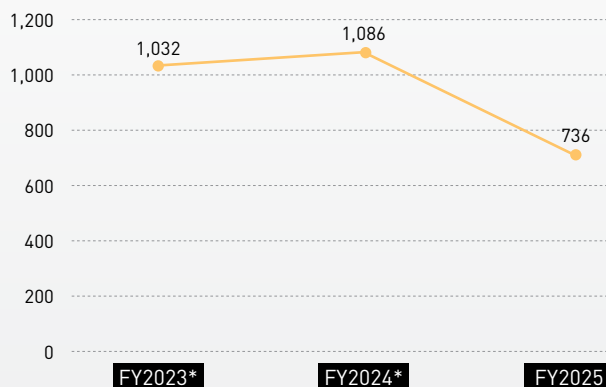
We remain committed in reducing non-hazardous waste directed to landfill by maximising reuse, recovery, and recycling. Through our continued collaboration with KDEB Waste Management, we ensure the proper collection and segregation of recyclable materials, including cardboard, paper, plastic, and glass. At Kesuma, all recyclable waste is donated to specialist collectors as part of its corporate social responsibility efforts, reinforcing our support for circular economy practices.

To further strengthen waste control across our operations, several new initiatives were implemented during FY2025. These include the adoption of electronic waste tracking systems, third-party effluent monitoring, pH discharge control systems at plant outlets, carbon filters to reduce odour and improve effluent quality, and the use of Oil Discharge Monitoring Equipment ("ODME") by ALB Marine to monitor cargo tank washings in accordance with Maritime Regulations.

As a result, total waste directed to disposal decreased by 32%, primarily due to lower production volumes across IA and POLY divisions. Enhanced process controls also contributed to the improvement.

Looking ahead, the Group will explore setting internal waste intensity baselines to monitor progress against operational scale. We are also reviewing the feasibility of expanding certified environmental management systems (e.g., ISO 14001) to more sites and formalising recycling partnerships across our supply chain to advance recycling initiatives.

#### Total Waste Directed to Disposal (Tonnes)



\* FY2023 and FY2024 data restated following an updated baseline study.

	FY2023*	FY2024		FY2025
Chipboard Pallet (pieces)	2,954	3,211	Chipboard Pallet (kg)	<b>3,713</b>
IBC: Intermediate Bulk Container (pieces)	341	441	IBC: Intermediate Bulk Container (kg)	<b>128</b>
Scrap iron (MT)	500	595	Scrap iron (MT)	<b>7,284</b>
Carboy (pieces)	30,090	34,662	Carboy (kg)	<b>6,628</b>
HDPE Drum: High-Density Polyethylene Drum (kg)	667	400	HDPE Drum: High-Density Polyethylene Drum (kg)	<b>8,196</b>
Metal Drum (L)	10,360	8,664	Metal Drum (L)	<b>8,104</b>
Wooden Pallet (kg)	4,097	5,112	Wooden Pallet (kg)	<b>6,654</b>
	<b>49,009</b>	<b>53,085</b>		<b>40,707</b>

Note:

1. Measurement units by material include pieces, kilograms (kg), litres (L) and metric tonnes (MT).
2. Starting from FY2025, the Group has adopted standardised metric reporting for all waste materials, in line with Bursa Malaysia's Sustainability Reporting Guidelines.
3. FY2023 only include those of seven (7) Operating Companies.

## Sustainability Statement

### ALB MARINE PLASTIC-BOTTLE FREE INITIATIVE

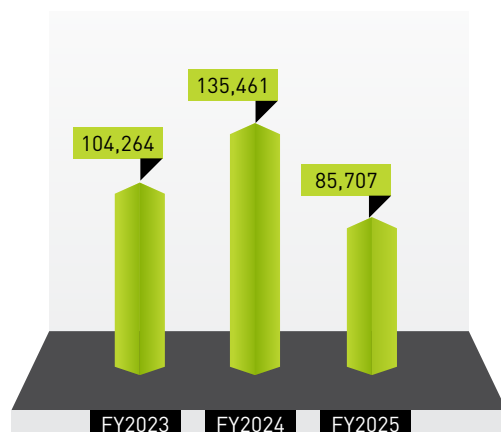


ALB Marine has installed permanent drinking water facilities on their vessels, eliminating the need for plastic bottles. This initiative reduces plastic waste onboard, promotes sustainability, and ensures crew members have ready access to clean water throughout their voyage.

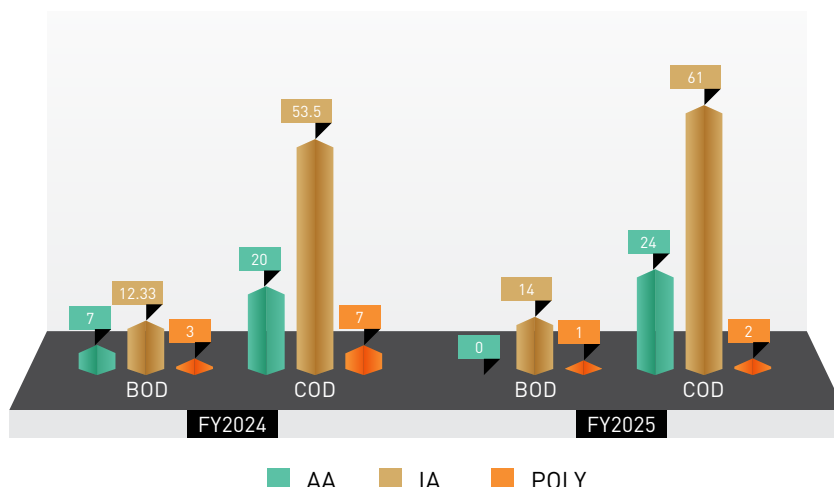
### Water Pollution Management

ANB recognises the potential environmental impact of effluents from its manufacturing operations and has implemented robust water pollution management practices. The Group's wastewater management system ensures environmental protection and compliance with relevant regulations. On-site drainage from operations is channelled to the Wastewater Treatment Plant ("WWTP"), preventing spillage, leaks, or contaminated washing water from entering external drains. The WWTP treats wastewater before discharge, adhering to standards set by the Environmental Quality (Amendment) Bill 2023. Certified Competent Persons oversee this process, monitoring and maintaining treatment operations to ensure consistent compliance. As part of this, key effluent parameters, Biochemical Oxygen Demand ("BOD") and Chemical Oxygen Demand ("COD") are routinely monitored.

\*Total Water Discharged (m<sup>3</sup>)



\*\*Water Effluent Quality Tested Before Discharged(mg/L)



\* Total Water Discharged: FY2023 and FY2024 data restated following an updated baseline study.

\*\* Water Effluent Quality: Data for FY2023 is not available as water effluent quality monitoring commenced in FY2024. Figures reported are based on laboratory testing prior to discharge, in compliance with regulatory requirements.

## Sustainability Statement

### FERMPRO UPGRADED INDUSTRIAL EFFLUENT TREATMENT SYSTEM ("IETS")



Fermpro has built an upgraded IETS to ensure that the final discharge channelled out of their facilities into the public drains complies with Standard B of the Environmental Quality Act 1974. The enhanced IETS has upgraded the type of chemical used and its dosing system to minimise resource consumption and save operational costs.

### RESOURCE CONSUMPTION

Our commitment to responsible sourcing and procurement practices ensures the safe development of products from inception. Kesuma continues to voluntarily omit hazardous materials such as asbestos, lead, tin, and toluene. All our products comply with the Restriction of Hazardous Substances in Electrical and Electronic Equipment ("RoHS"), the Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH"), and the list of Substances of Concern ("SOC").

A similar approach is applied at ACC, where innovation in chemical management is a central component of operations. ACC's absorption tank utilises eco-friendly materials, including activated carbon, sand, and gravel to filter dimethylamine and other chemicals. This advanced system effectively reduces COD levels in wastewater treatment, helping to safeguard the environment while ensuring compliance with regulatory requirements.

Together, these initiatives demonstrate how our subsidiaries are integrating sustainability into their daily operations, reinforcing ANB's broader commitment to responsible production and environmental stewardship.

MATERIALS	FY2023*	FY2024	FY2025
Hydrochloric Acid ("HCl")	5,548	5,621	<b>5,401</b>
Caustic	14,600	14,800	<b>14,929</b>
Chloromethane ("MeCl")	4,218	4,559	<b>4,494</b>
Arsenic Trioxide ("As2O3")	13,427	13,912	<b>16,069</b>
Dimethylacetamide ("DMA")	742	1,002	<b>716</b>
Dichlorophenyl ("DCPI")	1,792	1,990	<b>1,740</b>
Yellow Phosphorus	230	230	<b>364</b>
Polyphosphoric Acid ("PPA")	978	978	<b>98</b>
Phosphoric Acid	10,147	10,147	<b>9,546</b>
Metal and Plastic Drums	982	-	<b>-</b>
Unspecified	3,782	-	<b>-</b>
Nitrogen	60,462	60,462	<b>69,444</b>
<b>Total</b>	<b>116,908</b>	<b>113,701</b>	<b>122,801</b>

\* FY2023 data restated following an updated baseline study.

## Sustainability Statement

### BIODIVERSITY

The Group recognises the importance of protecting biodiversity and minimising our ecological footprint, especially as a chemical manufacturer handling potentially hazardous material. We implement stringent safety protocols to manage, store, and dispose of chemicals responsibly, ensuring full compliance with environmental regulations and avoiding adverse impacts on surrounding ecosystems. Products such as herbicides and pesticides are distributed with Safety Data Sheets ("SDS"), and logistics partners are thoroughly briefed to prevent leakage and environmental harm during transport.

#### Strengthening Biodiversity Through Community Action

In FY2025, ANB organised three (3) key environmental volunteer programmes that engaged employees from across our subsidiaries:

- Mangrove Tree Planting at Kampung Sijangkang: 79 volunteers planted 133 mangrove saplings to restore coastal ecosystems and enhance biodiversity.
- Tree Planting at Taman Botani Negara Shah Alam ("TBNSA"): 40 volunteers planted 200 native tree species to support urban greening and carbon sequestration.
- Beach Cleaning at Pantai Kelanang: 47 volunteers removed accumulated litter and marine debris, contributing to cleaner coastal habitats.

Across these initiatives, a total of 166 volunteer participations were recorded, reflecting our commitment to environmental stewardship and employee engagement. These efforts were made possible through strong employee participation, collaboration with local councils, and partnerships with environmental NGOs.



Mangrove tree planting at Kampung Sijangkang



Beach cleaning at Pantai Kelanang



Tree Planting in TBNSA by ACC

Our nature-positive actions contribute directly to SDG 14 (Life Below Water) and SDG 15 (Life on Land), while advancing FTSE4Good's Environmental Pillar in terms of biodiversity performance. These initiatives also align with our climate resilience strategy and future reporting roadmap, as outlined under the ISSB. They complement our broader climate risk approach, reinforcing efforts under the ISSB-aligned materiality roadmap we are currently developing.

Looking ahead, we plan to scale our efforts further. We aim to plant more mangrove trees in FY2026 and expand our coastal restoration initiatives to other locations. These actions will be guided by an integrated ESG governance approach that considers both climate and nature-related risks.

With continued stakeholder support, we are committed to build a sustainable future grounded in environmental responsibility, collaboration, and positive community impact.



# Sustainability Statement

## SOCIAL



### HUMAN AND LABOUR RIGHTS

At ANB, we are deeply committed to upholding and promoting human and labour rights across all our operations. Our approach is guided by internationally recognised standards and our own ethical principles.

While our Code of Conduct and Ethics currently guides internal operations, ANB's supplier governance approach focuses on assessing third-party suppliers, contractors, and business partners for alignment with our standards on quality, safety, and ethical conduct. As part of our ongoing improvement efforts, we will enhance our supplier assessment process in FY2026 by incorporating questions on compliance with our Code of Conduct and Ethics into our supplier evaluation criteria.

Our Human Rights Standards, Policies, Principles, and Commitment Statement encompass several key areas:

01

#### Health, Safety, and Well-being:

We prioritise workplace safety and provide healthcare programs for employees and their families.

02

#### Non-discrimination:

We promote inclusiveness and treat people fairly, without distinction based on race, gender, sexual orientation, religion, nationality, age, disability, or other defining factors.

03

#### No Harassment and Violence:

We do not tolerate any form of physical, verbal, sexual, or psychological harassment, bullying, abuse, or threats.

04

#### Child Protection:

We follow the International Labour Organisation ("ILO") definition of minimum age for employment and adhere to the Children's Rights and Business Principles.

05

#### Freedom of Association:

We respect employees' right to be legally represented by a labour union without fear of retaliation.

06

#### Rights of Indigenous People:

All our operations, local and international, must not violate the human rights of indigenous people.

07

#### No Forced Labour:

We ensure all employees work freely, are familiar with their terms and conditions, and receive regular and timely salaries as agreed.

08

#### Fair Pay and Remuneration:

We commit to paying above the minimum living wage and uphold the principle of 'equal pay for equal work'.

09

#### Rest and Leisure:

We recognise the right to rest and leisure, complying with local laws on working hours, overtime, and adequate rest periods.

## Sustainability Statement

We commit to the anti-sexual harassment policy, reinforcing our commitment in providing a workplace free from any form of sexual harassment. This policy aligns with the Anti-sexual Harassment Act 2022, passed by the Dewan Negara on 11 August 2022.

To ensure transparency and accountability, we have established robust procedures for whistle-blowing and grievance handling. These mechanisms allow employees and other stakeholders to report any violations of our human rights policies or labour standards without fear of retaliation. All reports are treated confidentially and investigated thoroughly.

As we move forward, we remain committed to continuously improving our human rights practices, regularly assessing our performance, and addressing any gaps or challenges that may arise.

### EMPLOYEE MANAGEMENT

ANB holds a deep respect for the fundamental dignity and human rights of all individuals in our business operations. Our practices are carefully aligned with renowned international standards, including the International Bill of Human Rights, the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights. As we move into FY2026, we are committed to continually reviewing and updating our policies and practices to ensure they remain at the forefront of human rights protection in the workplace.

### HIRING & ATTRITION

Our approach to hiring and retention is guided by our comprehensive Diversity Policy. The Diversity Policy emphasises equal opportunity for all, regardless of age, ethnicity, or gender. We recognise that a diverse workforce offers greater depth and breadth of perspectives, knowledge, and experiences, which contribute to our competitive advantage.

Our Diversity Policy is built on three (3) core pillars:

#### Equal Opportunity

A fair workplace culture that prioritises merit and levels the playing field.

#### Workforce Quality

Harnessing multiple viewpoints, backgrounds, and skill sets to improve overall capability

#### Inclusive Culture

Promoting awareness of rights and responsibilities while fostering a sense of belonging.

How our Diversity Policy shapes hiring and development:

#### Inclusive Recruitment

Vacancies, including Senior Management roles, are filled from diverse sources, such as recruiters, public advertisements, professional bodies, and internal recommendations.

#### Fair Succession Planning

Regularly reviewed and updated to ensure all candidates are given equal consideration.

#### Talent Development

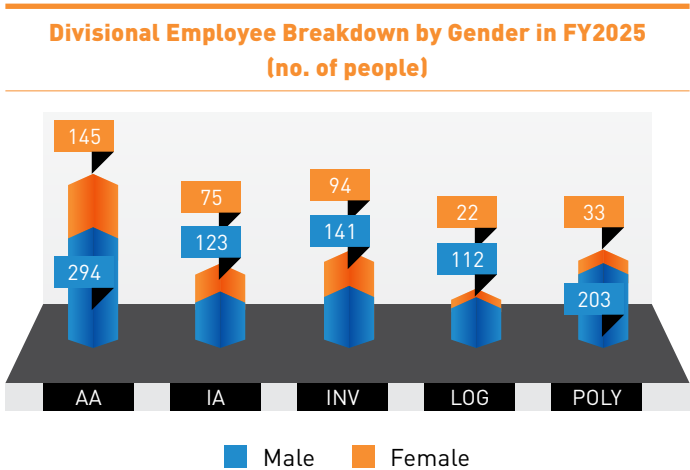
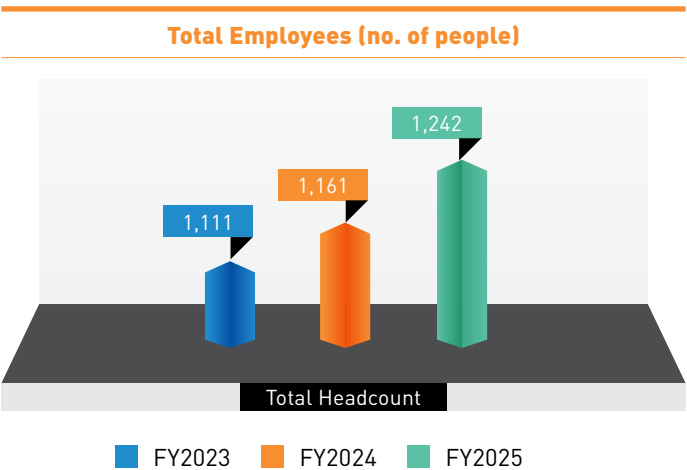
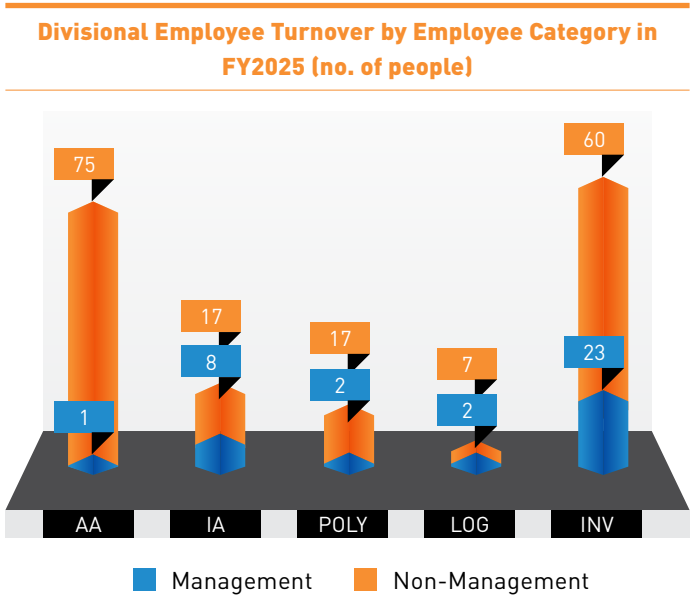
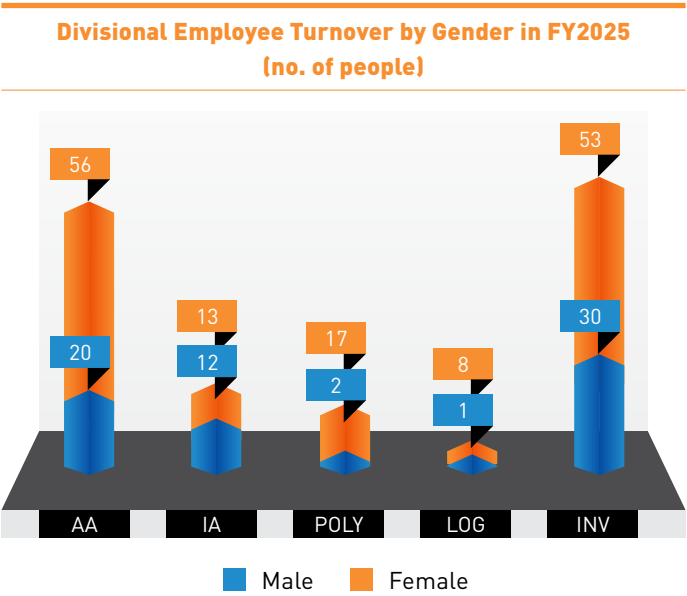
Skilling initiatives such as workplace development, mentoring, and targeted training to expand the pool of capable candidates.

Sustainability  
Statement

While we strive for diversity, the foremost considerations in selecting candidates remain knowledge, character, experience, integrity, competence, and the ability to carry out responsibilities effectively.

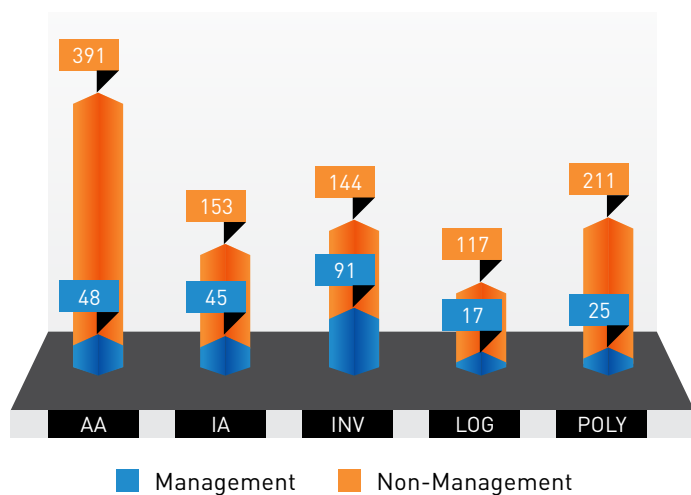
Employee Turnover	FY2023	FY2024	FY2025
Total Turnover	220	139	212
Turnover Rate	19.80%*	11.97%	17.07%
Turnover by Gender:			
Male	140	99	65
Female	80	40	147
Turnover by Employee Category:			
Management	7	13	36
Non-Management	213	126	176

\* FY2023 only includes those of seven (7) Operating Companies.

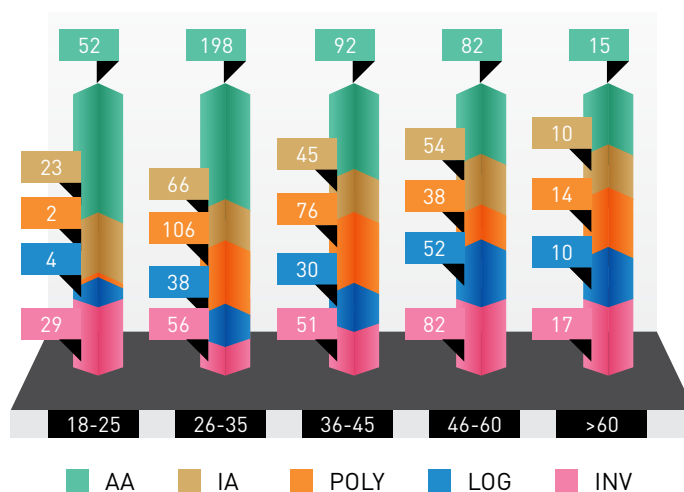


# Sustainability Statement

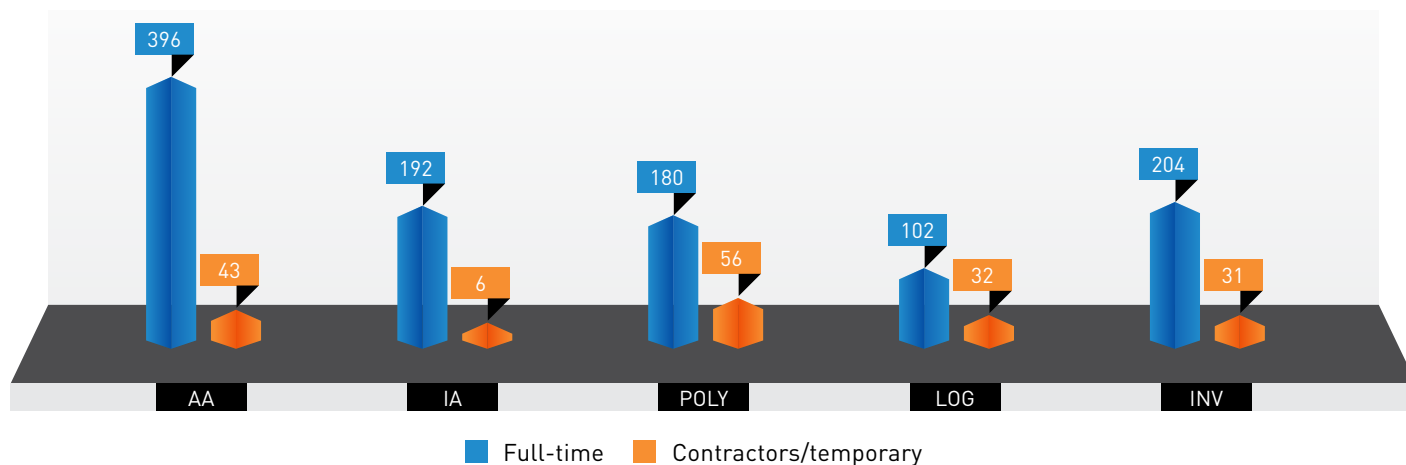
**Divisional Employee Breakdown by Employment Category in FY2025 (no. of people)**



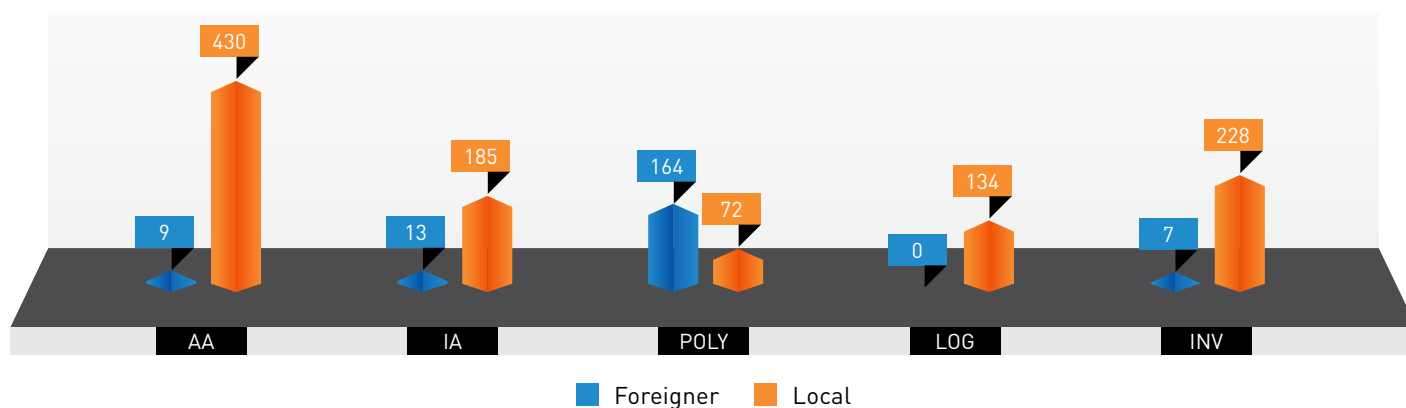
**Divisional Employee Breakdown by Age Group in FY2025 (no. of people)**



**Divisional Employee Breakdown by Contract in FY2025 (no. of people)**



**Divisional Employee Breakdown by Nationality in FY2025 (no. of people)**



## Sustainability Statement

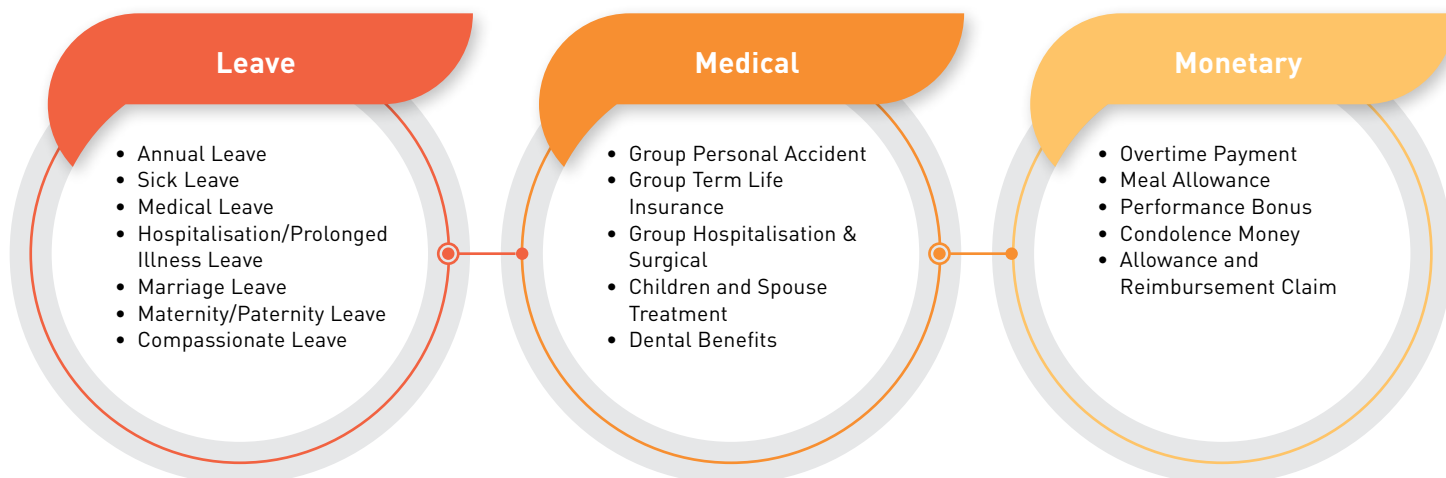
### EMPLOYEE BENEFITS & ENGAGEMENT

ANB offers fair and competitive remuneration to all employees, enabling us to attract and retain essential talent that drives the Group's productivity. Our remuneration package comprises both financial and non-financial benefits, including salaries and other perks benchmarked against current market standards. In addition to their basic salaries, employees who perform well are also rewarded with performance bonuses and salary increments to incentivise them to achieve their full potential.

As part of ANB's statutory requirements, the Group ensures that all employees receive the benefits mandated by the governments in the countries where we operate. In Malaysia, Operating Companies have contributed over RM7.5 million to the Employee Provident Fund ("EPF") and RM621,096 for the Social Security Organisation ("SOCSO") and the Social Security Employment Insurance ("EIS") in FY2025. Similarly, all Indonesian employees benefit from the Badan Penyelenggara Jaminan Sosial ("BJPS") Kesehatan retirement fund and medical insurance, with the Group making monthly contributions of over IDR 923 million (approximately RM240,569) and over IDR 500 million (approximately RM 130,513) respectively.

In Vietnam, PKGV adheres to regulations by making both compulsory and voluntary contributions toward employee benefits. For FY2025, a total of over 387 million VND (around RM65,755) was allocated for social insurance, health insurance, and unemployment insurance. This was in addition to a voluntary contribution of over 25 million VND (around RM4,384) for 24/24 accident insurance.

Other benefits provided by the Group include:



### ESG Engagements That Go Beyond Business

The Group continued to strengthen its ESG journey through a diverse range of activities aimed at environmental protection, social well-being, and employee engagement. Our initiatives spanned awareness campaigns, wellness programs, community outreach, and environmental conservation efforts, reflecting the collective commitment across our subsidiaries to act responsibly and inclusively. Whether through volunteering, charitable contributions, educational initiatives, or environmental restoration, these programmes were designed to create a positive impact beyond our business operations.

The year's engagements fostered stronger stakeholder relationships, empowered employees to be agents of change, and reinforced the Group's commitment in integrating sustainability into everyday practices. These actions are a testament to our belief that long-term value is built through purposeful collaboration and shared responsibility.

## Sustainability Statement

The list of engagement activities the Group and our Operating Companies conducted throughout FY2025 are:

### INTRODUCING THE ENHANCED ESG FRAMEWORK ON WORLD ENVIRONMENT DAY 2024



ANB proudly relaunched its ESG framework in conjunction with World Environment Day, underscoring the Company's commitment to sustainability. This revamped framework emphasizes proactive steps to align its business practices with global environmental standards, while addressing social and governance issues that impact communities and stakeholders. The initiative reflects the company's focus on creating long-term value through responsible growth and environmental stewardship, further strengthening its role as a leader in sustainable chemical industrial practices.

### ENCOURAGING HEALTHY LIFESTYLES THROUGH THE WEIGHT LOSS CHALLENGE



The Weight Loss Challenge was launched as part of our ESG efforts to promote healthier lifestyles among employees, aligning personal wellness with our broader sustainability goals. Running from 22 July to 30 August, this initiative saw 54 participants collectively lose 41.9% body fat and an impressive 127.8 kg in weight. The challenge not only aimed to improve health but also fostered a sense of responsibility towards healthier lifestyles and stronger communities.

### EMPOWERING OUR TEAM: ANB'S COMMITMENT TO MENTAL HEALTH AND WELL-BEING



In conjunction with World Mental Health Day 2024, AMS colleagues participated in a mental health training session on 28 October 2024, led by the esteemed Associate Professor Dr. Kamal Kenny, a dedicated consultant and social psychologist. The session focused on nurturing resilience, managing stress, and enhancing overall well-being an essential area that helps our colleagues thrive both personally and professionally. Dr. Kamal shared valuable strategies for self-care and mental health awareness, emphasizing the importance of prioritising mental well-being amid daily pressures.



## Sustainability Statement

### Community Development

#### COMMUNITY OUTREACH: SUPPORTING CHILDREN WITH SPECIAL NEEDS



In FY2025, the Group strengthened its commitment to community well-being through a charity initiative for Persatuan Kebajikan Kanak-Kanak Istimewa Insan ("PKKII"). Organised by the ESG Committee, the effort united employees from the Group in contributing essential goods and monetary donations.

On 16 November 2024, employees also visited the home, engaging in meaningful activities that brought joy and comfort to the children. The drive successfully fulfilled around 90% of the identified needs, totaling RM11,438 in contributions.

#### COMMUNITY ENGAGEMENT AT THE HOME OF PEACE



On 20 December 2024, the ESG team visited Pertubuhan Rumah Kebajikan Kanak-Kanak Home of Peace to celebrate Christmas and bring joy to its young residents. The Home provides a safe haven for 10 children, aged between 11 months and to 18 years, who are cared for by four (4) dedicated caretakers. Many of the children come from underprivileged backgrounds, yet they continue to inspire resilience and hope.

In the spirit of giving, the team fulfilled the children's wish lists, which ranged from toys and books to clothing and daily essentials. The initiative brightened the festive season for the children and reinforced ANB's commitment in supporting vulnerable communities while fostering compassion within our ESG efforts.

#### SUPPORTING CHILDREN AT NUR KASIH ORPHANAGE



ACC staff visited Nur Kasih Orphanage in Klang for a special breakfast ceremony filled with warmth and compassion. Held at the orphanage's home, the morning began with shared meals and joyful interactions between employees and children. Simple conversations and heartfelt moments created a deep sense of connection. This meaningful visit not only brightened the children's day but also reinforced ACC's dedication to give back and foster kindness within the community.

## Sustainability Statement

### PROMOTING ANIMAL WELFARE AS PART OF OUR SOCIAL RESPONSIBILITY



At ANB, our sustainability approach extends beyond compliance, encompassing care for all living beings. Animal welfare is a relevant ESG topic across our group, particularly through subsidiaries, CFSB, Shennong, and Vmd, which are actively involved in animal health, nutrition, and veterinary solutions.

Reflecting this value at the workplace level, our head office launched an initiative to care for stray cats that have taken shelter on-site. Through collaboration with local veterinarians and support from staff volunteers, we ensure these animals are fed, vaccinated, and cared for, while upholding workplace hygiene and safety standards.

### CELEBRATING UNITY AT FERMPRO RAYA OPEN HOUSE



The Hari Raya Open House at Ferprou brought colleagues together in a celebration that highlighted cultural traditions, festive cheer, and camaraderie. Staff enjoyed a spread of Raya favourites and shared meaningful moments that fostered connection and appreciation across teams. More than just a festive occasion, the event reinforced Ferprou's inclusive workplace culture and the spirit of unity that continues to strengthen employee bonds.

## Environmental Stewardship

### BERGOTONG-ROYONG WITH COGENT



At Cogent, employees take part in a monthly gotong-royong to maintain a clean and organised workplace. In just thirty minutes, teams come together to tidy desks, clear bins, and refresh shared spaces. Beyond housekeeping, the activity promotes teamwork, strengthens workplace culture, and reinforces the notion that sustainability starts with shared responsibility.

### TREE PLANTING WITH ACC



On 24 August 2024, a tree planting initiative was successfully held at Taman Botani Shah Alam, bringing together 40 staff members from ACC and members of Kelab Sukan Ancom ("KESRA") as part of a collaborative effort to promote environmental sustainability.

The event took about 3 and half hours, beginning with a briefing on the importance of trees and proper planting techniques. Participants then worked together to plant 200 Pandanus Veitchii trees, reinforcing the collective commitment to environmental conservation.



## Sustainability Statement

### BEACH CLEAN-UP AT PANTAI KELANANG



On 12 October 2024, ANB and its subsidiaries came together for the first-ever environmental initiative, a beach cleanup at Pantai Kelanang, removing 268 kg of waste in just one hour. This event, part of our broader ESG efforts, showcased our commitment to environmental stewardship and the power of collective action in addressing coastal pollution. With 47 dedicated volunteers, the clean-up not only improved the beach's condition but also highlighted the group's dedication to driving real change for a sustainable future through meaningful, eco-conscious efforts.

### RESTORING NATURE THROUGH MANGROVE TREE PLANTING



The Group reaffirmed its environmental commitment through two (2) separate mangrove planting events at Taman Rekreasi Paya Bakau, Kampung Sijangkang. The first was organised by NSC on 7 December 2024, followed by a Group-level ESG initiative on 15 February 2025. Together, these events brought 79 volunteers who planted a total of 133 mangrove saplings to restore coastal ecosystems, enhance biodiversity, and contribute to carbon absorption.

Beyond being a sustainability milestone, these initiatives demonstrated ANB's collective effort to safeguard natural ecosystems while strengthening environmental stewardship for future generations.

## Sustainability Statement

### Health and Well-being

#### SUPPORTING UNDERPRIVILEGED HEART PATIENTS WITH IJN FOUNDATION



ANB reaffirmed its commitment to community well-being by supporting the 9th IJN Foundation Charity Golf Challenge, an event held at Kota Permai Golf & Country Club on 24 August 2024. The initiative raised funds to provide life-saving treatments and surgeries for underprivileged heart patients at the National Heart Institute ("IJN").

Through this sponsorship, ANB contributed in improving healthcare access for vulnerable groups, demonstrating its ongoing commitment to uplifting communities and alleviating the burdens of families facing financial and medical challenges.

#### SUPPORTING THE PETRONITA ORCHID RUN & RIDE 2024



On 20 October 2024, ANB supported the PETRONITA Orchid Run & Ride 2024 in Kuala Lumpur as a proud sponsor. The event attracted thousands of participants in support of charitable causes, with 10 colleagues from ANB joining the run as part of our commitment to promoting health, fitness, and community engagement.

Through this initiative, ANB reinforced its role in supporting meaningful community programmes while encouraging employee participation in activities that foster well-being and social responsibility.

#### CLAP CHARITY RUN 2025 (CLEFT LIP & PALATE AWARENESS)



ANB participated as an event sponsor of the CLAP Charity Run 2025, a community initiative that raises awareness of cleft lip and palate and mobilises funds for patient care and family support. Our contribution has helped the organiser broaden outreach and channel resources toward treatment subsidies and post-operative support, reflecting ANB's emphasis on practical, needs-driven community investment.



## Sustainability Statement

### YOUTH DEVELOPMENT THROUGH SPORTS ENGAGEMENT



As part of our ongoing commitment to youth development and promoting healthy living, ANB partnered with HELM and two-time World Champion, Viktor Axelsen to host a special badminton sparring session for children in May 2025.

The session offered aspiring young athletes a rare opportunity to play under the guidance of a global icon, providing valuable insights into discipline, teamwork, and perseverance. Beyond enhancing their badminton skills, participants were inspired to embrace active lifestyles that foster personal growth and long-term well-being.

Through initiatives like this, ANB continues to inspire the next generation, nurturing potential while reinforcing the values of sportsmanship and healthy living in the communities we serve.

## Sustainability Statement

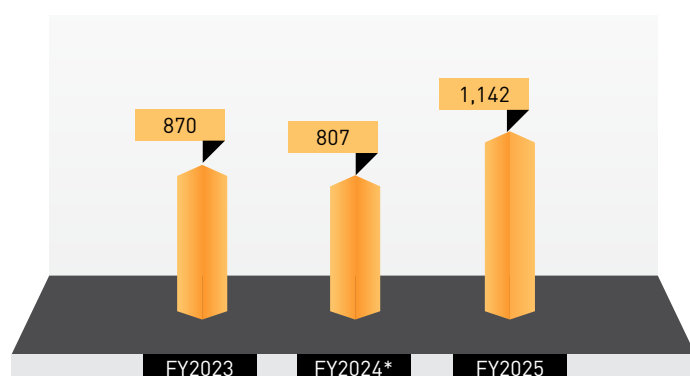
### TRAINING AND CAREER DEVELOPMENT

The professional growth and development of our employees are important to the Group's success. We understand that their continuous learning is a vital investment in sustaining ANB's competitive advantage. Empowering the workforce with the right skills and knowledge not only enhances their performance but also drives the overall productivity and success of our organisation.

As such, the Group is committed to foster an environment where continuous training and development are prioritised. This support begins on day one, with a comprehensive onboarding programme that ensures all new employees have the tools and knowledge to succeed in their roles. Throughout their careers, employees have access to a wide range of professional, technical, and developmental training opportunities tailored to the specific needs and nature of work within the Group.

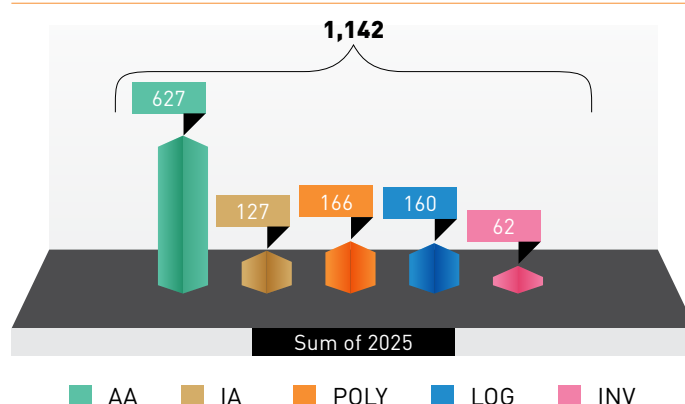
In FY2025, we continued to expand our training offerings, including programs on emergency response and first aid, sales training, technical skill building, and more. These initiatives are designed to equip our employees with the necessary skills and expertise to perform at their best, ensuring both their personal growth and the sustained performance of the Group.

**Number of Employees Trained in FY2025 (no. of People)**



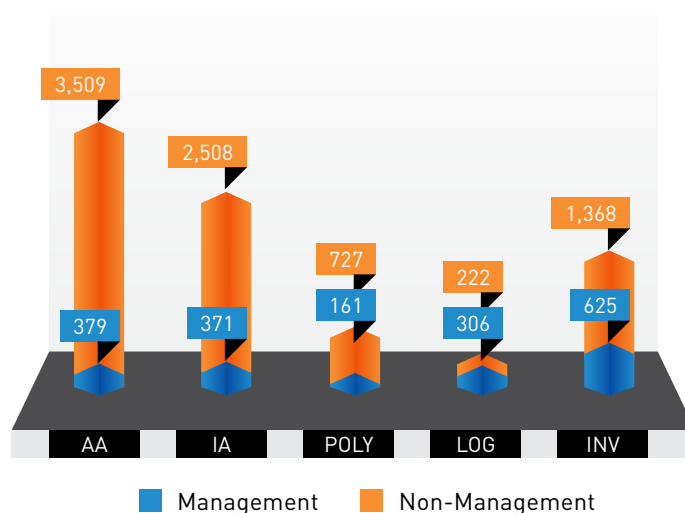
\* FY2024 data restated following an updated baseline study.

**Divisional Number of Employees Trained in FY2025 (no. of People)**



Total Training Hours	FY2023	FY2024	FY2025
<b>Total Training Hours:</b>	14,538	7,875	<b>10,176</b>
Management	5,949	3,855	<b>1,841</b>
Non-Management	8,589	4,020	<b>8,335</b>
<b>Total employees trained</b>	870	807	<b>1,142</b>

**Number of Training Hours by Division in FY2025**





## Sustainability Statement

Some of the training programmes conducted in FY2025 include the following:

### AA

- Analysis and Interpretation Training: ISO 45001:2018
- Application of Microsoft Excel for Data Analysis in Analytical Chemistry
- Authorised Entrant and Standby Person for Confined Space
- Basic Laboratory Skills and Techniques
- Business Psychology for Sales Professional
- Centrifugal Pumps: Problem Identification and Problem Solving
- CePSWAM Field Training Report Preparation Workshop
- Comprehensive Scheduled Waste Management Training

### IA

- Defensive Riding Course for Motorcycle Rider
- HACCP MS1480:2019 Awareness (training)
- Halal Competency Training
- IMDG Code "General Awareness" Training
- ISO 9001:2015 Internal Auditing Training
- Kursus Kesedaran Awam – Organisasi Keselamatan Kebakaran (OKK)
- Noise Hazard: Hearing Conservation Program (HCP)
- Pengendalian Bahan Kimia dengan Selamat dan Pengurusan Tumpahan dan Kebocoran
- Practical Chemical Spillage / Leakage (Drum)
- Refresher for GMP, Personal Hygiene, 5S & CCP

### LOG

- 3M Hearing Protection Training
- Authorised Entrant & Standby Person for Confined Space (AESP)
- Authorised Entrant & Standby Person for Confined Space – Refresher (AESPR)
- Authorised Gas Tester & Entry Supervisor for Confined Space (AGTES)
- Basic Practical Welding – SMAW/MMA
- Oil Spill Response Training (OSRT) – Supervisor Level
- Safety Handling of Liquid Nitrogen
- Defensive driver training

### INV

- Kursus Penyelaras Keselamatan & Kesihatan Pekerjaan (OSH-Coordinator)
- Web offset printing training

## LEADERSHIP ENGAGEMENT ON ESG TRENDS AND STRATEGIC INTEGRATION



The Group brought together its key leadership team to explore emerging ESG trends, upcoming regulatory changes, and forward-looking strategies to embed sustainability into core business practices. The session encouraged strategic dialogue and reinforced the importance of ESG integration at the leadership level, ensuring alignment with evolving stakeholder expectations and industry standards.

## Sustainability Statement

### OCCUPATIONAL SAFETY & HEALTH

#### OSH GOVERNANCE & MANAGEMENT

As part of our commitment to a unified and proactive approach to workplace safety, the Group has established Safety and Health Committees (“SHCs”) across all relevant Operating Companies. These committees, comprising both management and employee representatives, play a vital role in fostering a safe and healthy workplace by promoting inclusive decision-making on safety matters and ensuring alignment with the Group’s overarching OSH objectives.

#### ANCOM MANAGEMENT SERVICES



#### SAFETY & HEALTH COMMITTEE

To maintain consistent safety performance, each SHC convenes at least quarterly to address OSH-related concerns raised by both management and unions. Outcomes and updates from these meetings, including changes to OSH procedures, are communicated across the workforce via internal notices and email blasts. The SHC structure also facilitates continuous engagement between employees and leadership at both subsidiary and Group levels, ensuring that workplace health and safety remain as top priority.

ANB’s health and safety practices extend beyond employees to include contractors, visitors, and other stakeholders present at our sites. All operating activities are required to comply with relevant regulatory requirements, including the Occupational Safety and Health Act (“OSHA”) 1994, Factories and Machinery Act (“FMA”) 1967, Environmental Quality Act (“EQA”) 1974, and other applicable legislation in the jurisdictions where we operate.

At the governance level, the Board and Senior Management of ANB provide top-down oversight and take an active role in managing OSH risks. They are accountable for developing, implementing, and reviewing the effectiveness of Group-wide OSH initiatives, while also ensuring that all Operating Companies uphold legal and regulatory compliance.

To reinforce this commitment, relevant Operating Companies undergo regular biannual safety and environmental audits to assess the adequacy and effectiveness of safety protocols and ensure adherence to high operating standards.

## Sustainability Statement

### OSH TRAINING

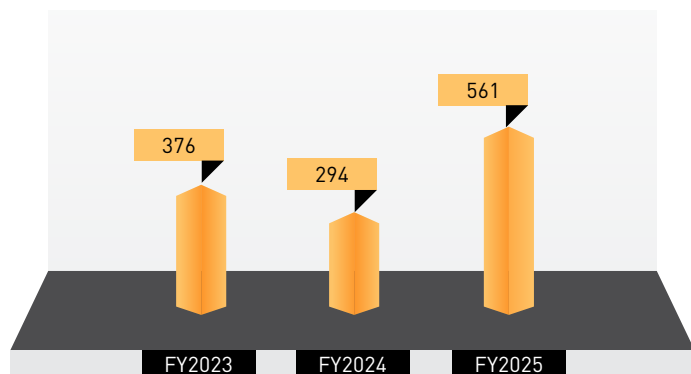
In addition to regular training programmes for career development, each Operating Company also conducts various training sessions focused on workplace safety procedures and emergency preparedness. These sessions are designed to equip the workforce with the knowledge and skills to proactively identify and minimise potential OSH risks and to swiftly respond to any incidents, thereby minimising harm.

OSH training sessions are either conducted directly by each Operating Company's management or facilitated through the SHC. All employees are encouraged to participate in these programmes to ensure a well-informed and prepared workforce.



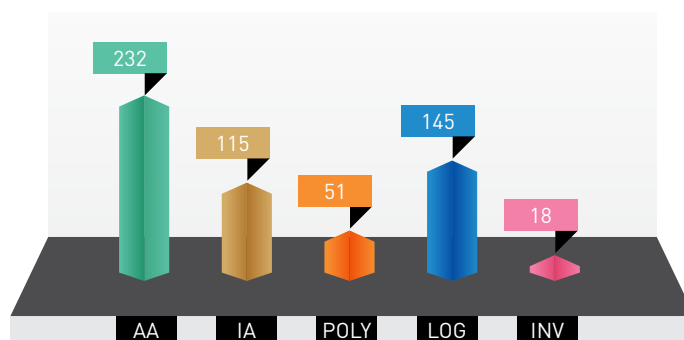
ANT colleagues in action during a safety training session.

#### Total Employees Trained on OSH (no. of people)



\* Data for FY2023 only include seven (7) Operating Companies.

#### Total Employees Trained on OSH by Division in FY2025 (no. of people)



### OSH PERFORMANCE

The Group's OSH performance in FY2025 is as below:

OSH PERFORMANCE	FY2023*	FY2024	FY2025
Number of Fatalities	-	-	-
Lost-Time Injury ("LTI")	-	5	9
Lost-Time Injury Rate ("LTIR")**	1.38	0.02	0.70

\* Data for FY2023 only include seven (7) Operating Companies.

\*\* LTIR is calculated using (Number of LTI in the reporting period/ Total number of working hours in the reporting period) X 200,000.



## Sustainability Statement

The rise in LTIR from 0.02 in FY2024 to 0.70 in FY2025 does not indicate a decline in safety performance but reflects the Group's move towards a more consistent reporting methodology across all operating companies. This refinement ensures better accuracy, transparency, and comparability of our safety disclosures.

During FY2025, one (1) Restricted Work Case was recorded at the IA division, involving occupational pesticide exposure. The case was identified through routine medical surveillance and traced back to the incorrect use of personal protective equipment ("PPE") during equipment cleaning. The employee was promptly reassigned to non-chemical duties during the recovery period. In response, the Group implemented corrective measures, including PPE refresher training and closer supervision, to strengthen safety practices and prevent recurrence.

### COMMUNITY DEVELOPMENT

In FY2025, the Group reinforced its commitment to responsible corporate citizenship by expanding charitable and ESG-focused efforts across all subsidiaries. A total of 27 impactful initiatives were carried out, involving more than 279 participants and contributing close to RM824,433 towards environmental, social, and educational causes.

#### Empowering Communities Through Education, Culture, and Unity

One of ANB's core community initiatives is supporting education through scholarships. Recognising its transformative impact, the Group provides financial aid to deserving students, especially those facing economic challenges. A key example is ACC's Penang Scholarship Programme, which enables access to higher education. In FY2025, a total of 27 students received scholarships amounting to RM138,000, helping to ease their financial burden and support their academic aspirations.



Beyond education, ANB also invests in broader community initiatives that strengthen social well-being and national identity. Support for youth development, cultural preservation, and national unity was extended through sponsorships of sporting tournaments, charity golf events, and national festivals. These initiatives enhanced the Group's engagement with civic, educational, and sporting institutions, contributing to Malaysia's broader social development goals.

Collectively, these efforts nurtured a strong culture of shared responsibility, encouraged volunteerism, and fostered collaboration across the Group. Sustainability is increasingly becoming part of the organisational DNA shaping not only how we contribute to communities but also how we grow as a unified enterprise.

## Sustainability Statement

Key programmes and corresponding beneficiaries are outlined below:

Date	Beneficiary & Programme
<b>GREEN INITIATIVES</b>	
24 August 2024	Taman Botani Negara Shah Alam - Tree Planting
12 October 2024	My Clean Beach - Beach Cleaning in Pantai Kelanang, Kuala Langat
7 December 2024 and 15 February 2025	Taman Rekreasi Paya Bakau - Mangrove Tree Planting Kampung Sijangkang, Telok Panglima Garang
<b>COMMUNITY DEVELOPMENT/ WELFARE PROGRAMMES</b>	
26 November 2024	Malaysian Aids Foundation - Sponsorship for Red Ribbon Gala
3 December 2024	Pusat Kreatif Kanak-Kanak Tuanku Bainun - 3yrs Sponsorship
10 June 2024 – 27 May 2025	ACC Penang Scholarship – sponsorship of 14 tertiary education students
20 December 2024	Home of Peace - Orphanage
7 January 2025	University Malaya - Persatuan Tarian Singa Universiti Malaya (Lion Dance Troupe)
24 March 2025	NUR KASIH Orphanage, Klang: Hosted a Sahur ceremony with over 60 orphans.
<b>SPORTS &amp; WELLNESS</b>	
14 July 2024	Yayasan Tan Sri Prof Ahmad Ibrahim - Charity Golf
19 July 2024	IJN Foundation - Charity Golf Challenge 2024
15 September 2024	Petronita Orchid Run & Ride – Charity Run
12 November 2024	Bendahari Negeri Selangor:Golf - Selangor Crown Prince Charity Cup 2024
26 November 2024	National Press Club Malaysia - Charity Golf
10 April 2025	Persatuan Bola Tampar Amatur Negeri Johor: Sponsorship For 2nd Johor U21 Volleyball Championship 2025
9 July 2024 – 7 April 2025	Badminton Players – Sponsorship of eight badminton players
20 May 2025	Cleft Lip and Palate Association of Malaysia - Charity Run 2025
21 May 2025	Elora Global Sdn Bhd - World Corporate Golf Challenge Malaysia 2025
<b>OTHER AGENCY INITIATIVES</b>	
9 July 2024	The Federation of Chinese Associations Sarawak - Sponsorship For The 39th National Chinese Cultural Festival
7 September 2024	Cobra Rugby Club: Classic Table -Night of Stars Celebrating Past Presidents
30 May 2025	Makiplago Sdn Bhd - MIHAS EXPO Pavillion booth

Through these diverse initiatives, ANB continues to strengthen its role as a responsible corporate citizen, contributing to education, cultural preservation, community well-being, and environmental stewardship. By fostering partnerships and encouraging employee participation, the Group ensures that sustainability is embedded not only in our operations but also in the communities we serve.

Moving forward, we remain committed in creating shared value and lasting positive impact, in line with our vision of building a sustainable future for people and the planet.

# Sustainability Statement

## SUSTAINABILITY PERFORMANCE INDICATORS

Indicator	Unit	FY2023	FY2024	FY2025
<b>Economic</b>				
<b>Procurement</b>				
Average Proportion spent on local suppliers	%	52.22	58.07	<b>58.19</b>
Average Proportion of local suppliers	%	79.87	77.22	<b>82.31</b>
Suppliers assessed for environmental impacts	%	1.12	7.52	<b>0.00</b>
Suppliers assessed for social impacts	%	1.12	3.40	<b>0.00</b>
<b>Carbon Emission Intensity</b>				
Division				
Agricultural Chemicals	tCO <sub>2</sub> e/RM mil		20.38	<b>21.39</b>
Industrial Chemicals	tCO <sub>2</sub> e/RM mil	Not available (N/A) as reporting began in FY 2024.	4.51	<b>9.04</b>
Polymers	tCO <sub>2</sub> e/RM mil		61.32	<b>68.30</b>
Logistics	tCO <sub>2</sub> e/RM mil		87.34	<b>75.31</b>
Investment Holdings & Others	tCO <sub>2</sub> e/RM mil		16.38	<b>17.90</b>
<b>Total Carbon Emission</b>	tCO <sub>2</sub> e/RM mil	N/A	189.93	<b>191.94</b>
<b>Corruption</b>				
Employees receiving anti-corruption and anti-bribery training	Number	331	310	<b>634</b>
Board of Directors receiving anti-corruption and anti-bribery training	Number	N/A	5	<b>10</b>
Management employees receiving anti-corruption and anti-bribery training	Number	96	65	<b>175</b>
Non-management receiving anti-corruption and anti-bribery training	Number	235	240	<b>449</b>
Operations assessed for corruption-related risks	%	5.26	8.33	<b>55.56</b>
Confirmed incidents of corruption	Number	0	0	<b>0</b>
Employees disciplined or dismissed due to non-compliance with Anti-Bribery & Anti-Corruption Policy	Number	0	0	<b>0</b>
Cost of fines, penalties or settlements in relation to corruption	RM	0	0	<b>0</b>
Total political contributions	RM	0	0	<b>0</b>



# Sustainability Statement

Indicator	Unit	FY2023	FY2024	FY2025
<b>Environment</b>				
<b>Energy</b>				
Diesel	TJ	171	132	<b>172</b>
Natural Gas	TJ	173	168	<b>167</b>
Electricity	TJ	50	56	<b>59</b>
Others*	TJ	N/A	4**	<b>5</b>
<b>Total energy consumption</b>	TJ	394	360	<b>403</b>
* Refers to a mixture of heavy fuel oil, marine oil, petrol and liquified petroleum gas ("LPG"). ** Data in FY2023 only include those of seven (7) Operating Companies. *** FY2024 data restated following an updated baseline study.				
<b>Water</b>				
Municipal water consumption	m <sup>3</sup>	283,775	463,160	<b>406,109</b>
The reported water consumption excludes activities carried out by third-party lessees who maintain operational control over the assets during the lease period.				
<b>Waste and Effluents</b>				
Total waste generated	Tonnes	113,474	113,701	<b>122,801</b>
Total waste diverted from disposal (recycled or repurposed)	Tonnes	2,369	398	<b>854</b>
Total waste directed to disposal (non-recycled)	Tonnes	6,855	N/A	<b>7,309</b>
Total scheduled waste	Tonnes	2,369	398	<b>854</b>
Effluent discharge	m <sup>3</sup>	85,707	135,461*	<b>104,264</b>
* FY2024 data restated following an updated baseline study.				
<b>GHG Emissions</b>				
Scope 1	tCO <sub>2</sub> e	23,055.00	21,328.45	<b>22,886.14</b>
Scope 2	tCO <sub>2</sub> e	8,229.88	13,967.20	<b>12,748.44</b>
Scope 3: Category 6 - Business Travel	tCO <sub>2</sub> e	149	61.16	<b>352.86</b>
Scope 3: Category 13- Leased Assets	tCO <sub>2</sub> e	N/A	3.7	<b>4.21</b>
<b>Total</b>	tCO <sub>2</sub> e	31,433.88	35,360.51	<b>35,991.65</b>
<b>Electricity Consumption over Revenue</b>				
Division				
Agricultural Chemicals	kWh/RM' mil	0.012	0.013	<b>0.014</b>
Industrial Chemicals	kWh/RM' mil	0.002	0.003	<b>0.003</b>
Polymers	kWh/RM' mil	0.047	0.049	<b>0.051</b>
Logistics	kWh/RM' mil	0.004	0.005	<b>0.004</b>
Investment Holdings & Others	kWh/RM' mil	0.024	0.025	<b>0.028</b>
<b>Total</b>	kWh/RM' mil	0.089	0.095	<b>0.100</b>

# Sustainability Statement

Indicator	Unit	FY2023	FY2024	FY2025
<b>Environment</b>				
<b>Water Consumption over Revenue</b>				
Division				
Agricultural Chemicals	kWh/RM' mil	0.27	0.56	<b>0.31</b>
Industrial Chemicals	kWh/RM' mil	0.08	0.11	<b>0.16</b>
Polymers	kWh/RM' mil	0.22	0.23	<b>0.28</b>
Logistics	kWh/RM' mil	0.06	0.16	<b>0.22</b>
Investment Holdings & Others	kWh/RM' mil	0.15	0.16	<b>0.51</b>
<b>Total</b>	kWh/RM' mil	<b>0.78</b>	<b>1.22</b>	<b>1.48</b>
<b>Conformance</b>				
Total costs of environmental fines and penalties	RM	12,000	200,000	<b>100,000</b>
<b>Social</b>				
<b>Diversity</b>				
Total headcount	Number	1,111	1,161	<b>1,242</b>
<u>Employees by gender</u>				
Male	Number (%)	800 (72.01)	835 (71.92)	<b>871 (70.13)</b>
Female	Number (%)	311 (27.99)	326 (28.08)	<b>371 (29.87)</b>
<u>Employees by age</u>				
18-25 years old	Number (%)	121 (10.89)	126 (10.85)	<b>117 (9.42)</b>
26-35 years old	Number (%)	413 (37.17)	441 (37.98)	<b>456 (36.71)</b>
36-45 years old	Number (%)	266 (23.94)	260 (22.39)	<b>295 (23.75)</b>
46-60 years old	Number (%)	262 (23.58)	284 (24.46)	<b>306 (24.64)</b>
60 years old >	Number (%)	49 (4.41)	50 (4.31)	<b>68 (5.48)</b>
<u>Employees by contract</u>				
Full-time employees	Number (%)	949 (85.42)	1079 (92.94)	<b>1074 (86.47)</b>
Contractors/Temporary employees	Number (%)	162 (14.58)	82 (7.06)	<b>168 (13.53)</b>
<u>Employees by Ethnicity</u>				
Bumiputera	Number (%)	632 (56.89)	631 (54.35)	<b>687 (55.31)</b>
Chinese	Number (%)	168 (15.12)	206 (17.74)	<b>240 (19.32)</b>
Indian	Number (%)	116 (10.44)	117 (10.08)	<b>122 (9.82)</b>
Foreigners	Number (%)	195 (17.55)	207 (17.83)	<b>193 (15.54)</b>
<u>Employees by Category</u>				
Management	Number (%)	203 (18.27)	168 (14.47)	<b>226 (18.20)</b>
Non-Management	Number (%)	908 (81.73)	993 (85.53)	<b>1016 (81.80)</b>
<u>Gender by Employee Category</u>				
Management: Male	Number (%)	115 (10.35)	103 (8.87)	<b>137 (11.03)</b>
Management: Female	Number (%)	88 (7.92)	65 (5.60)	<b>89 (7.17)</b>
Non-Management: Male	Number (%)	685 (61.66)	734 (63.22)	<b>736 (59.26)</b>
Non-Management: Female	Number (%)	223 (20.07)	259 (22.31)	<b>280 (22.54)</b>

# Sustainability Statement

Indicator	Unit	FY2023	FY2024	FY2025
<b>Social</b>				
<u>Age by Employee Category</u>				
Management: 18-25 years old	Number (%)	1 (0.09)	2 (0.17)	<b>0 (0.00)</b>
Management: 26-35 years old	Number (%)	37 (3.33)	17 (1.46)	<b>34 (2.74)</b>
Management: 36-45 years old	Number (%)	59 (5.31)	40 (3.45)	<b>50 (4.03)</b>
Management: 46-60 years old	Number (%)	81 (7.29)	80 (6.89)	<b>107 (8.62)</b>
Management: 60 years old >	Number (%)	25 (2.25)	29 (2.50)	<b>35 (2.82)</b>
Non-Management: 18-25 years old	Number (%)	120 (10.80)	124 (10.68)	<b>110 (8.86)</b>
Non-Management: 26-35 years old	Number (%)	376 (33.84)	424 (36.52)	<b>430 (34.62)</b>
Non-Management: 36-45 years old	Number (%)	207 (18.63)	215 (18.52)	<b>244 (19.65)</b>
Non-Management: 46-60 years old	Number (%)	181 (16.29)	209 (18.00)	<b>201 (16.18)</b>
Non-Management: 60 years old >	Number (%)	24 (2.16)	21 (1.81)	<b>31 (2.50)</b>
<u>Employees by qualification</u>				
Degree	Number (%)	269 (24.21)	267 (23.00)	<b>404 (32.53)</b>
Diploma	Number (%)	158 (14.22)	179 (15.42)	<b>160 (12.88)</b>
Certificate/Others	Number (%)	684 (61.57)	626 (53.92)	<b>681 (54.83)</b>
<u>Disabilities</u>				
Disabled staff	Number (%)	1 (0.09)	2 (0.17)	<b>2 (0.16)</b>
<b>Board of directors</b>				
Total directors	Number	8	8	<b>10</b>
<u>Directors by gender</u>				
Male	Number (%)	7 (87.50)	7 (87.50)	<b>8 (80.00)</b>
Female	Number (%)	1 (12.50)	1 (12.50)	<b>2 (20.00)</b>
<u>Directors by age</u>				
18-25 years old	Number (%)	0	0	<b>0</b>
26-35 years old	Number (%)	0	0	<b>0</b>
36-45 years old	Number (%)	0	0	<b>0</b>
46-60 years old	Number (%)	2 (25.00)	1 (12.50)	<b>3 (30.00)</b>
60 years old >	Number (%)	6 (75.00)	7 (87.50)	<b>7 (70.00)</b>
<b>Employee turnover</b>				
Total Employee turnover (ratio*)	Number (%)	220 (19.80)	139 (11.97)	<b>212 (17.07)</b>
* Employee turnover / average number of employees x 100				
<u>Employee turnover by gender</u>				
Female	Number (%)	80 (7.20)	40 (3.45)	<b>65 (5.23)</b>
Male	Number (%)	140 (12.60)	99 (8.53)	<b>147 (11.84)</b>
<u>Employee turnover by age</u>				
18-25 years old	Number (%)	74 (6.66)	22 (1.89)	<b>36 (2.90)</b>
26-35 years old	Number (%)	90 (8.10)	65 (5.60)	<b>88 (7.09)</b>
36-45 years old	Number (%)	37 (3.33)	29 (2.50)	<b>52 (4.19)</b>
46-60 years old	Number (%)	13 (1.17)	13 (1.12)	<b>27 (2.17)</b>
60 years old >	Number (%)	6 (0.54)	10 (0.86)	<b>9 (0.72)</b>

# Sustainability Statement

Indicator	Unit	FY2023	FY2024	FY2025
<b>Social</b>				
<u>Employee turnover by employee category</u>				
Management	Number (%)	7 (0.63)	13 (1.12)	<b>36 (2.90)</b>
Non-Management	Number (%)	213 (19.17)	126 (10.85)	<b>176 (14.17)</b>
<u>Voluntary/involuntary turnover</u>				
Voluntary turnover	Number (%)	213 (19.17)	138 (11.89)	<b>188 (15.14)</b>
Involuntary turnover	Number (%)	7 (0.63)	1 (0.09)	<b>24 (1.93)</b>
<u>Training and Development</u>				
Total training time	Hours	14,538	7,875	<b>10,176</b>
Total training for Management	Hours	5,949	3,855	<b>1,841</b>
Total training for Non-Management	Hours	8,589	4,020	<b>8,335</b>
Total employees trained	Number	870	807	<b>1,142</b>
<b>Health and safety</b>				
Fatalities	Number	0	0	<b>0</b>
Employees trained on health and safety standards	Number	376	294	<b>561</b>
Lost time incident rate	Rate *	1.38	0.02	<b>0.70</b>
Subsidiaries with OSHAS 18001/ISO 45001	Company	ALB	ALB	<b>ALB</b>
* Number of lost time injuries in the reporting period / Total number of hours worked in the reporting period * 200,000				
<b>Community</b>				
Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	238,294	549,476	<b>824,433</b>
<b>Human rights</b>				
Substantiated complaints concerning human rights violations	Number	0	0	<b>0</b>
<b>Customer Privacy</b>				
Substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	<b>0</b>

# Sustainability Statement

## BURSA SUSTAINABILITY DISCLOSURE INDEX

Indicator	Measurement Unit	2025
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Board Directors	Percentage	100.00
Management	Percentage	77.43
Non-Management	Percentage	44.19
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	55.56
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	824,433.22
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	27
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Board Directors 18 - 25	Percentage	0.00
Board Directors Between 26 - 35	Percentage	0.00
Board Directors 36 - 45	Percentage	0.00
Board Directors 46-60	Percentage	30.00
Board Directors > 60	Percentage	70.00
Management 18 - 25	Percentage	0.00
Management Between 26 - 35	Percentage	15.04
Management 36 - 45	Percentage	22.12
Management 46-60	Percentage	47.35
Management > 60	Percentage	15.49
Non-Management 18 - 25	Percentage	10.83
Non-Management Between 26 - 35	Percentage	42.32
Non-Management 36 - 45	Percentage	24.02
Non-Management 46-60	Percentage	19.78
Non-Management > 60	Percentage	3.05
Gender Group by Employee Category		
Board Directors Male	Percentage	80.00
Board Directors Female	Percentage	20.00
Management Male	Percentage	60.62
Management Female	Percentage	39.38
Non-Management Male	Percentage	72.44
Non-Management Female	Percentage	27.56
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	80.00
Female	Percentage	20.00
Between 46-60	Percentage	30.00
> 60	Percentage	70.00

# Sustainability Statement

Indicator	Measurement Unit	2025
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	16,378.00
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.70
Bursa C5(c) Number of employees trained on health and safety standards	Number	561
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	1,841
Non-Management	Hours	8,335
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	13.53
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	36
Non - Management	Number	176
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	58.19
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	406.110000
<b>Bursa (Waste management)</b>		
Bursa C10(a) Total waste generated	Metric tonnes	122,800.87
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	7,309.14
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	736
<b>Bursa (Emissions management)</b>		
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	22,886.14
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	12,748.44
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes	357.07







# Sustainability Statement

## GLOBAL REPORTING INITIATIVES (GRI) INDEX



**STATEMENT OF USE** : Ancom Nylex Berhad has reported the information cited in this GRI content index for the period 1<sup>st</sup> June 2023 to 31<sup>st</sup> May 2024 with reference to the GRI Standards.

**GRI 1 USED** : GRI 1: Foundation 2021















**SASB STANDARDS USED** : Chemicals

Pillar	GRI Disclosure	SASB Alignment	UNSDG Alignment	Page Reference & Reasons for Omission (if applicable)
Organisational Overview	<b>GRI 2: General Disclosures 2021</b>			
	2-1 Organisational details			39-40
	2-2 Entities included in the organisation's sustainability reporting			
	2-3 Reporting period, frequency, and contact point			40
	2-4 Restatements of information			40
	2-5 External Assurance			NA
	2-6 Activities, value chain, and other business relationships			39-40
	2-7 Employees		 	69-70
Sustainability Governance	2-8 Workers who are not employees			
	2-9 Governance structure and composition		 	82-83
	2-10 Nomination and selection of the highest governance body			Refer to Annual Report FY2025
	2-11 Chair of the highest governance body			
	2-12 Role of the highest governance body in overseeing the management of impacts			54
	2-13 Delegation of responsibility for managing impacts			
	2-14 Role of the highest governance body in sustainability reporting			
	2-15 Conflicts of interest			Refer to Annual Report FY2025










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Pillar	GRI Disclosure	SASB Alignment	UNSDG Alignment	Page Reference & Reasons for Omission (if applicable)	
Sustainability Governance	GRI 2: General Disclosures 2021				
	2-16 Communication of critical concerns		 	54-55	
	2-17 Collective knowledge of the highest governance body			Refer to Annual Report FY2025	
	2-18 Evaluation of the performance of the highest governance body				
	2-19 Remuneration policies				
	2-20 Process to determine remuneration				
	2-21 Annual total compensation ratio				
	2-22 Statement on sustainable development strategy			42	
	2-23 Policy commitments			53-55	
	2-24 Embedding policy commitments				
	2-25 Processes to remediate negative impacts				
	2-26 Mechanisms for seeking advice and raising concerns			58	
	2-27 Compliance with laws and regulations			53-55	
	Stakeholder	2-28 Membership associations			44
		2-29 Approach to stakeholder engagement			50-53
2-30 Collective bargaining agreements				58; 80	
Materiality	GRI 3: Material Topics 2021				
	3-1 Process to determine material topics			46	
	3-2 List of material topics			47; 49	
	3-3 Management of material topics			48-49	






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Pillar	GRI Disclosure	SASB Alignment	UNSDG Alignment	Page Reference & Reasons for Omission (if applicable)
Economic	<b>GRI 201: Economic Performance 2016</b>			
	201-1 Direct economic value generated and distributed		 	60
	201-3 Defined benefit plan obligations and other retirement plans		 	84
	<b>GRI 203: Indirect Economic Impacts 2016</b>			
	203-1 Infrastructure investments and services supported		 	76-77
	203-2 Significant indirect economic impacts			60
	<b>GRI 204: Procurement Practices 2016</b>			
Governance	GRI 205: Anti-Corruption 2016		 	95-96
	<b>GRI 205: Anti-Corruption 2016</b>			
	205-1 Operations assessed for risks related to corruption		 	56-57
	205-2 Communication and training about anti-corruption policies and procedures			
Environmental	205-3 Confirmed incidents of corruption and actions taken			
	<b>GRI 301: Materials 2016</b>			
	301-1 Materials used by weight or volume			78
	<b>GRI 302: Energy 2016</b>			
	302-1 Energy consumption within the organisation	RT-CH-130a.1	 	64-67
	302-3 Energy intensity			61
	302-4 Reduction of energy consumption			64, 65














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Pillar		GRI Disclosure	SASB Alignment	UNSDG Alignment	Page Reference & Reasons for Omission (if applicable)
Environmental	GRI 303: Water and Effluents 2018				
	303-1 Interactions with water as a shared resource		 	72	
	303-2 Management of water discharge-related impacts	RT-CH-140a.3		77	
	303-3 Water withdrawal	RT-CH-140a.1		72	
	303-4 Water discharge			77	
	303-5 Water consumption	RT-CH-140a.1		72	
	GRI 101: Biodiversity 2024				
	101-2 Management of biodiversity impacts		 	79	
	101-4 Identification of biodiversity impacts				
	GRI 305: Emissions 2016				
	305-1 Direct (Scope 1) GHG emissions	RT-CH-110a.1	  	70	
	305-2 Energy indirect (Scope 2) GHG emissions			70	
	305-3 Other indirect (Scope 3) GHG emissions			71	
	305-4 GHG emissions intensity			64-69	
	305-5 Reduction of GHG emissions			74	
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	RT-CH-120a.1			
	GRI 306: Waste 2020				
	306-1 Waste generation and significant waste-related impacts		 	75-77	
	306-2 Management of significant waste-related impacts				
	306-3 Waste generated	RT-CH-150a.1			
	306-4 Waste diverted from disposal				
	306-5 Waste directed to disposal				

# Sustainability Statement

Pillar		GRI Disclosure	SASB Alignment	UNSDG Alignment	Page Reference & Reasons for Omission (if applicable)	
Social	GRI 401: Employment 2016					
	401-1	New employee hires and employee turnover		 	81-82	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees			84	
	401-3	Parental leave				
	GRI 403: Occupational Health and Safety 2018					
	403-1	Occupational health and safety management system	RT-CH-320a.2	  	93-94	
	403-2	Hazard identification, risk assessment, and incident investigation				
	403-3	Occupational health services				
	403-4	Worker participation, consultation, and communication on occupational health and safety				
	403-5	Worker training on occupational health and safety			94	
	403-6	Promotion of worker health			94	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships				
	403-8	Workers covered by an occupational health and safety management system				
	403-9	Work-related injuries	RT-CH-320a.1			94-95
	403-10	Work-related ill health				

# Sustainability Statement

Pillar	GRI Disclosure	SASB Alignment	UNSDG Alignment	Page Reference & Reasons for Omission (if applicable)
Social	<b>GRI 404: Training and Education 2016</b>			
	404-1 Average hours of training per year per employee		 	91
	404-2 Programmes for upgrading employee skills and transition assistance programmes			92
	<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
	405-1 Diversity of governance bodies and employees		  	55; 82-83
	<b>GRI 406: Non-discrimination 2016</b>			
	406-1 Incidents of discrimination and corrective actions taken		  	57
	<b>GRI 413: Local Communities 2016</b>			
	413-1 Operations with local community engagement, impact assessments, and development programmes	RT-CH-210a.1	 	95-96
	413-2 Operations with significant actual and potential negative impacts on local communities			
	<b>GRI 417: Marketing and Labelling 2016</b>			
	417-1 Requirements for product and service information and labelling			63
	<b>GRI 418: Customer Privacy 2016</b>			
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data			59



# Sustainability Statement

## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Recommended Disclosures	Location/ Explanation
<b>Governance</b> Disclose the company's governance around climate-related risks and opportunities	
a) Describe the Board's oversight of climate-related risks and opportunities.	
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Refer to pages 54 and 55
<b>Strategy</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning where such information is material	
a) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Refer to page 68
<b>Risk Management</b> Disclose how the organisation identifies, assesses, and manages climate-related risks	
a) Describe the organisation's processes for identifying and assessing climate-related risks.	
b) Describe the organisation's processes for managing climate-related risks.	Refer to page 68
<b>Metrics and Targets</b> Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions and the related risks.	Refer to pages 70-72
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Refer to pages 61 and 69

## Sustainability Statement

### STATEMENT OF ASSURANCE



#### STERLING BUSINESS ALIGNMENT CONSULTING SDN BHD

Reg. No. 200401015607 (654110-P)

Unit C3A02, Level 3A, Lobby 1, Block C, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor

Tel: 03-7662 8010 / 03-7612 8609 | Fax: 03-7612 8610 | Website: sterlingbizgroup.com | Email: admin@sterlingbizgroup.com

Date: 2 September 2025

The Board of Directors  
Ancom Nylex Berhad  
Lot 2A, Jalan 13/2, Section 13,  
46200 Petaling Jaya, Selangor

Dear Members of the Board,

#### Re: Statement of Assurance

In strengthening the credibility of the Sustainability Statement, the Sustainability Statement included in the Annual Report for the financial year ended 31 May 2025 has been subjected to an independent limited review by Sterling Business Alignment Consulting Sdn Bhd.

The subject matter covers the Sustainability Statement which describes the sustainability practices across Ancom Nylex Berhad's financial control. The boundary of the independent review includes mainly the quantitative and qualitative narratives to a certain extent in the said Sustainability Statement. We conducted our review of the Sustainability Statement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information in accordance with the International Standard on Assurance Engagement (ISAE) 3000 and the Principles to Sustainability Reporting COSO ICIF-2013.

A copy of the independent Sustainability Statement Review Report is appended for the Board's information.

Thank you.

Yours faithfully,

Dr. So Hsien Ying  
Principal Consultant

# Corporate Governance Overview Statement

## INTRODUCTION

The Board of Directors (“Board”) of Ancom Nylex Berhad (“Company”) is pleased to present the Corporate Governance Overview Statement (“Statement”) for the financial year ended 31 May 2025 (“FY2025”).

This Statement aims to provide shareholders and investors with an overview of the corporate governance (“CG”) practices of the Company. The Statement is guided by the three key CG principles and practices as set out in the Malaysian Code on Corporate Governance (“MCCG”) issued and updated by the Securities Commission (“SC”) on 28 April 2021.

PRINCIPLE A:	PRINCIPLE B:	PRINCIPLE C:
Board Leadership and Effectiveness	Effective Audit and Risk Management	Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This Statement is prepared in compliance with the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). It should be read alongside the Company’s Corporate Governance Report (“CG Report”) for FY2025, available on the Company’s website at [www.ancomnylex.com](http://www.ancomnylex.com).

The CG Report provides details on how the Company has applied each of the practices as set out in the MCCG during FY2025.

PRINCIPLE A:

Board Leadership and Effectiveness

### Board Roles and Responsibilities

The Board holds the ultimate responsibility for the successful operation of the Company and its subsidiaries (collectively, the “Group”). Its key focus is on achieving the Group’s business objectives and setting strategic direction. The Board provides clear and effective leadership to management, oversees performance, and ensures the implementation of achievable strategic plans. Additionally, it allocates sufficient resources for risk assessment and management, as well as internal controls, to support the achievement of objectives.

The Board operates under a formal charter outlining its strategic intent, roles, and responsibilities. This document clearly defines the Board’s primary duties regarding the Group’s direction, financial performance, risk management, information systems, and investor relations. Key responsibilities include:

- formulating and charting the strategic direction and setting out the Group’s short-term and long-term plans and objectives;
- overseeing the governance of sustainability and in setting up the Group’s sustainability strategies;
- reviewing and approving the Group’s key operational policies and initiatives and major investments in new business/ projects and funding decisions of the Group;
- overseeing and reviewing the Group’s business operations and financial performances;
- ensuring the Company’s strategic plan supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- overseeing the development, implementation and review of the succession plan for Directors and key senior management;

## Corporate Governance Overview Statement

- overseeing the development, implementation and reviewing/monitoring of the Group's risk management framework in managing the business, operational, financial, compliance and ESG risks as well as bribery and corruption risks faced by the Group;
- ensuring the Group has in place adequate and effective internal control system and management information system to ensure compliance with the relevant laws, rules, regulations, directives, guidelines and the business objectives of the Group;
- ensuring the Company has in place procedures to enable effective communication with stakeholders;
- ensuring the integrity of the Company's financial and non-financial reporting; and
- formulating and promoting ethical and good corporate governance within the Group which reinforces ethical, prudent and professional behaviour.

The Board Charter was last reviewed and approved by the Board on 13 September 2024. It is subject to periodic review as necessary to ensure it remains relevant and effective. The latest version of the Board Charter is accessible on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).

### **Separation of Roles Between Independent Non-Executive Chairman, Executive Vice Chairman and Managing Director/Group Chief Executive Officer**

The positions of Independent Non-Executive Chairman, Executive Vice Chairman ("EVC") and Managing Director/Group Chief Executive Officer ("MD/GCEO") are held by separate individuals, each with distinct responsibilities. This separation of roles, as outlined in the Board Charter, ensures a robust system of checks and balances within the organisation.

The Independent Non-Executive Chairman, appointed on 30 November 2023, provides oversight and ensures that the Board upholds strong corporate governance and ethical standards. His role includes guiding the Board's overall direction, ensuring its effective functioning, and maintaining high standards of governance, independence, and objectivity. The Independent Non-Executive Chairman also oversees the Board's activities, ensuring that it functions effectively and independently of executive management.

The EVC works closely with the Independent Non-Executive Chairman and the MD/GCEO. The EVC is involved in implementing the Board's strategies and overseeing the operational aspects of the Group. In addition, the EVC fosters leadership within the Group and supports the Board in its governance responsibilities.

The MD/GCEO reports to the EVC. The MD/GCEO manages the day-to-day operations of the Group's business, aligning with the strategic direction set by the Board. He is also responsible for executing business plans and strategies to achieve the Group's objectives.

### **Qualified and Competent Company Secretaries**

The Board is supported by three qualified Company Secretaries (one in-house and two from external company secretarial firm), holding the requisite qualifications under Section 235(2) of the Companies Act 2016 and have more than 20 years of experience in board administration and company secretarial practices.

The appointment of an external company secretarial firm further complements the in-house team by providing additional technical expertise, regulatory insights, and continuity of support, thereby strengthening the Board's overall governance and compliance framework.

The key responsibilities of the Company Secretaries are as follows:

- formulating and administering the Company's Constitution and Board policies and procedures;
- ensuring compliance with statutory and regulatory requirements;
- providing timely updates to the Board on new regulations and corporate governance practices;
- coordinating Board, Board Committee, and shareholder meetings;
- maintaining statutory records and filing necessary documents with regulatory authorities;
- facilitating the onboarding of new Directors and providing ongoing support; and
- monitoring and implementing governance practices aligned with the Board's needs and stakeholder expectations.

The Company Secretaries work closely with the Independent Non-Executive Chairman, EVC and the MD/GCEO to ensure effective communication and information flow within the organisation. They also serve as the primary point of contact for stakeholder engagement.

## Corporate Governance Overview Statement

### Promoting Strategic Sustainability

The Board is committed to good corporate governance by integrating sustainability practices throughout the Group, which are believed to enhance corporate performance and create value for shareholders.

During FY2025, the Group continued to engage in activities that reflect its commitment to achieving better environmental, social, and governance outcomes in line with its sustainability agenda. These activities are detailed in the Sustainability Statement within this Annual Report.

### Access to Information and Independent Advice

All Directors have unrestricted access to the Group's information and are free to interact with management on an ongoing basis to obtain updates or explanations on any aspect of the Group's operations or business. The Directors also have unrestricted access to the services and advice of the Company Secretaries. They may obtain independent professional advice on specific matters relevant to the furtherance of their duties, when necessary, at the Company's expense and without the need for specific approval by the EVC.

Prior to Board/Board Committee meetings, all Directors are provided with an agenda on matters to be discussed, along with meeting papers, which include minutes of meetings, operational and financial performance reports, details of corporate proposals, quarterly interim financial reports or the annual audited financial statements, reports of the Board/Board Committees, internal audit reports, and other matters.

Members of the senior management team are invited to attend the Board/Board Committee meetings to provide insights and clarification on issues that may be raised by the Directors. Whenever required, professional advisers appointed by the Company are invited to attend the Board/Board Committee meetings to provide explanations or clarification to facilitate the Board's decision making.

### Code of Conduct and Ethical Behaviour

All Directors of the Group are required to maintain the highest degree of integrity and professionalism while promoting transparency and accountability in their actions.

The Company has implemented a Code of Conduct and Ethics to enhance the standard of corporate governance and corporate behaviour by:

- establishing a standard of ethical behaviour within the Group based on trustworthiness and values that can be accepted and upheld by any one person;
- upholding the spirit of professionalism, objectivity, transparency, and responsibility in line with the legislation, regulations and environmental and social responsibility governing the Group; and
- managing conflicts of interest and preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics, which was last reviewed by the Board on 15 September 2023, is available on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).

### Anti-Bribery and Anti-Corruption/Whistle-Blowing

In support of ethical business practices, the Group takes a strong stance against all forms of bribery and corruption, as outlined in its Anti-Bribery & Anti-Corruption Policy ("ABAC Policy").

The ABAC Policy applies to all individuals working within the Group, including Directors (both executive and non-executive), management, employees (permanent, contract, and temporary), business partners, contractors, other contracting parties, and any other person associated with the Group.

## Corporate Governance Overview Statement

The Group is also committed to the values of transparency, integrity, impartiality, and accountability in conducting its business. To this end, the Board has established a Whistle-Blowing Policy to provide a safe and confidential avenue for the Directors, management, employees and the public to report genuine concerns about wrongdoing or improper conduct involving the Group, its Directors, management, or employees.

The Board holds overall responsibility for the Whistle-Blowing Policy and oversees its implementation.

Both the ABAC Policy and Whistle-Blowing Policy were last reviewed and approved by the Board on 13 September 2024, and are available on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).

### Board Composition and Independence

The Board comprised one Independent Non-Executive Chairman, one EVC, one MD/GCEO, two Non-Independent Non-Executive Directors and five Independent Non-Executive Directors during the financial year.

This composition adheres to Bursa Securities' Listing Requirements, mandating at least one-third of the Board to be Independent Non-Executive Directors. It also aligns with Practice 5.2 of the MCCG requiring at least 50% Independent Non-Executive Director representation.

The significant majority of Independent Non-Executive Directors on the Board ensures robust oversight and decision-making. These Directors maintain independence from the Company's day-to-day operations, enabling objective judgement in fulfilling their duties.

### Board Committees

The Board is assisted by the following Board Committees to ensure an orderly and effective discharge of its responsibilities:

- Audit Committee ("AC")
- Risk Management Committee ("RMC")
- Remuneration & Nomination Committee ("R&NC")

All Board Committees comprise a majority of Independent Non-Executive Directors. These committees are delegated certain responsibilities and the authority to examine specific issues. They are entrusted to act on behalf of the Board in accordance with their respective Terms of Reference ("TOR") as approved by the Board. Each Board Committee reports to the Board with their proceedings, deliberations, and recommendations. However, the ultimate responsibility for decision-making lies with the Board.

For further details, please refer to the respective reports of the Board Committees within this Annual Report.

### Assessment of Independence

The Board, through the R&NC, has rigorously assessed the independence of the Independent Directors. Details of this assessment are provided in the Remuneration & Nomination Committee Report included in this Annual Report.

This assessment is conducted in line with CG guidelines to ensure that each Independent Director remains free from any business or other relationships that could materially interfere with their independent judgement. The Board is committed to upholding the highest standards of independence to foster transparent and effective governance.

### Senior Independent Director

The Board has not appointed a Senior Independent Non-Executive Director as a designated recipient for concerns. Instead, the Board operates in an open environment where opinions and information are freely exchanged. In this setting, there is no necessity to direct concerns towards a specific Director, as all board members collectively and individually undertake this responsibility.



## Corporate Governance Overview Statement

### Board Diversity Policy

The Group follows a policy of impartiality in selecting its Directors, refraining from any form of discrimination based on age, gender, ethnicity, or religion. This commitment is outlined in the Board Diversity Policy, which is accessible on the Company's website [www.ancomnylex.com](http://www.ancomnylex.com). The Board Diversity Policy was last reviewed by the Board on 15 September 2023.

The Group emphasises the importance of having a Board comprised of the most skilled individuals who possess the necessary knowledge, expertise, experience, independence, forward-thinking, and prudent decision-making abilities. This ensures the Board operates efficiently and can fulfil its responsibilities in the best interest of the Company and shareholders.

The Board endorses the promotion of gender diversity in the boardroom as recommended by the MCCG. The gender factor is considered during the nomination and selection of new Directors. Currently, two out of the ten board members are female. The Board also strives to achieve at least 20% female representation in senior management roles to ensure healthy representation of women in leadership positions.

The selection of new Directors is guided by the required skills, knowledge, experience, and qualifications of candidates, rather than being solely determined by their gender or ethnicity. This approach aligns with the Diversity Policy's objective of building a workplace culture that prioritises individual merit regardless of social constructs.

To further support this policy, the Group has implemented several measures:

- the R&NC and management may draw from various sources for recruiting, including independent recruiters, public vacancy advertisements, industry and professional associations, and recommendations from the Board and existing employees;
- the R&NC and management review and update succession plans to ensure that candidates are not denied opportunities based on unfair considerations;
- the R&NC considers the benefits of all aspects of diversity in reviewing board composition and succession planning, striving for an optimum balance in the Board and workforce composition, including gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, and length of service; and
- the R&NC ensures that female candidates are considered for board appointments and that female representation on the Board is continually improved over time. At least one female Director must be appointed to the Board.

Management is responsible for developing programmes to create a broader pool of skilled and experienced candidates for senior management such as workplace development programmes, mentoring programmes, and targeted training and development.

### Appointment of New Directors

The nomination and appointment of Directors are crucial processes as they determine the board's composition, the quality of its members, and their competency. The R&NC is responsible for reviewing candidates for board appointments and determining the criteria for selecting new Directors. When making its recommendations, the R&NC considers the following criteria:

- skills, knowledge, competencies, expertise and experience;
- professionalism, integrity and diversity;
- commitment, contribution and performance; and
- for Independent Non-Executive Directors, the candidates' ability to fulfil the responsibilities and functions expected of them, in accordance with the criteria set out in Paragraph 1.01 of the Listing Requirements.

## Corporate Governance Overview Statement

During the financial year, the Board welcomed Stephan Schnabel, Chief Executive Officer and Chairman of the Executive Board of HELM AG ("HELM"), and Kew Hui Chin, Managing Director and President, Chemical of HELM Asia Pte. Ltd., as Non-Independent Non-Executive Directors. Their appointments followed HELM's acquisition of a substantial shareholding in the Company.

As senior leaders within HELM — a global, family-owned chemical marketing enterprise headquartered in Hamburg, Germany, with an extensive network of over 100 subsidiaries in more than 30 countries — Stephan and Hui Chin bring valuable international perspective, industry expertise, and strategic insight to the Board.

These appointments not only align with governance best practices by ensuring meaningful representation for substantial shareholders, but also strengthen the Group's strategic reach and growth potential, particularly in Europe, where HELM commands a strong and established market presence.

In addition, Dato' Seri Dr. Awang Adek Bin Hussin was appointed as an Independent Non-Executive Director during the financial year to replace the vacancy created by the resignation of Tan Sri Dato' Seri Abdull Hamid Bin Embong, an Independent Non-Executive Director. Dato' Seri Dr. Awang Adek brings with him extensive experience as both an academician and a corporate leader, having held senior positions in academia, government, and the corporate sector. His broad expertise in economics, finance, and policy development, coupled with his leadership background, is expected to provide the Board with valuable perspectives and guidance in strengthening the Group's strategic direction, governance practices, and long-term value creation for stakeholders.

All the appointees have satisfied the R&NC's criteria regarding skills, integrity, professionalism, and competencies required for effective board contribution.

The R&NC does not use external sources to identify qualified candidates, as it possesses a thorough understanding of the specialised industries in which the Group operates and the type of candidates whose backgrounds meet the criteria set by the R&NC.

### Annual Board and Committee Evaluation

Please refer to the Remuneration & Nomination Committee Report within this Annual Report for more details.

### Directors' Remuneration

Details of Directors' remuneration received and receivable by the Directors of the Company for FY2025 are disclosed in the Remuneration & Nomination Committee Report within this Annual Report.

### Board Time Commitment

Each Director dedicated sufficient time to fulfil their obligations throughout the financial year. To enable Directors to effectively focus on and carry out their duties, they are restricted to holding a maximum of five Directorships in publicly listed companies, in accordance with the Listing Requirements.

At the end of each calendar year, the Company Secretaries prepare a timetable outlining all upcoming Board and Board Committee meetings, as well as the annual general meeting ("AGM") for the following year. This facilitates Directors in organising their schedules and attending these meetings.

## Corporate Governance Overview Statement

In FY2025, the Board met six times, the AC held five meetings, the RMC convened three times, and the R&NC met once. Detailed attendance records for each Director at the Board and Board Committee meetings for FY2025 are as follows:

### Board Meetings

Name of Directors	No. of Meetings Attended
Datuk Anuar Bin Ahmad	6/6
Dato' Siew Ka Wei	6/6
Datuk Lee Cheun Wei	6/6
Tan Sri Dato' Seri Abdull Hamid Bin Embong (resigned on 17 February 2025)	4/4*
Datuk Dr. Abd Hapiz Bin Abdullah	6/6
Maliki Kamal Bin Mohd Yasin	6/6
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	6/6
Christina Foo	6/6
Stephan Schnabel (appointed on 1 November 2024)	2/3**
Kew Hui Chin (appointed on 1 November 2024)	3/3**
Dato' Seri Dr. Awang Adek Bin Hussin (appointed on 17 February 2025)	2/2**

### AC Meetings

Name of Directors	No. of Meetings Attended
Christina Foo	5/5
Tan Sri Dato' Seri Abdull Hamid Bin Embong (resigned on 17 February 2025)	4/4*
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	5/5
Maliki Kamal Bin Mohd Yasin (appointed on 17 February 2025)	1/1**

### RMC Meetings

Name of Directors	No. of Meetings Attended
Datuk Dr. Abd Hapiz Bin Abdullah	3/3
Christina Foo	3/3
Datuk Lee Cheun Wei	3/3

## Corporate Governance Overview Statement

### R&NC Meeting

Name of Directors	No. of Meetings Attended
Datuk Dr. Abd Hapiz Bin Abdullah	1/1
Tan Sri Dato' Seri Abdull Hamid Bin Embong (resigned on 17 February 2025)	1/1*
Maliki Kamal Bin Mohd Yasin	1/1
Kew Hui Chin (appointed on 17 February 2025)	#

Note:

\* No. of meetings prior to resignation

\*\* No. of meetings held after appointment

# Not applicable as there was no meeting held after her appointment up to 31 May 2025

All the Directors fulfilled the requirement for attendance of board meetings during the financial year as prescribed under the Listing Requirements of Bursa Securities.

All the Directors (other than Stephan Schnabel, Kew Hui Chin and Dato' Seri Dr. Awang Adek Bin Hussin) have attended the Company's AGM on 29 October 2024.

### Directors' Continuous Development

The Board recognises the importance of continuous training and education for Directors to maintain the necessary skills and knowledge to assist them in discharging their duties as Directors.

All Directors have completed the Directors' Mandatory Accreditation Programme ("MAP") Part I in relation to a Director's roles, duties and liabilities and MAP Part II in relation to sustainability and the related roles of a Director as prescribed by Bursa Securities.

The Board has assumed the responsibility for determining the training needs of the Directors and filling any gaps identified. The Directors are mindful of the need for continuous training to keep abreast of the relevant changes in laws, regulations and the business environment to discharge their duties and responsibilities effectively. The Board has also been regularly updated and advised by the Company Secretaries along with other independent professionals on regulatory changes and matters on governance, to enable the Directors to discharge their responsibilities effectively.

During the financial year, the Directors of the Company attended an in-house training facilitated by a firm of professional trainers on Navigating the New Tech Risk Frontier- Essential Guidelines for Directors.

## Corporate Governance Overview Statement

### PRINCIPLE B: Effective Audit and Risk Management

#### The AC

As of the date of this Statement, the AC comprises three members, all of whom are Independent Non-Executive Directors. All members possess the necessary financial knowledge and understanding of the Group's business to effectively review, analyse, challenge, and make recommendations on matters under the purview of the AC including the financial reporting process. The AC Chairman is not the Chairman of the Board. No AC member is a former audit partner requiring a cooling-off period of at least three years before being appointed.

The AC's composition and responsibilities are detailed in the AC Report within this Annual Report. Through the external board effectiveness evaluation commissioned by the R&NC, the Board has reviewed the performance of the AC for FY2025. The Board, via the R&NC, is satisfied that the AC members have discharged their functions, duties, and responsibilities in accordance with the AC's TOR throughout the financial year.

Please refer to the Audit Committee Report within this Annual Report for more details.

#### The RMC

As of the date of this statement, the RMC comprises three members, two of whom are Independent Non-Executive Directors. The RMC's objective is to assist the Board in establishing and overseeing a sound and robust risk management framework designed to enhance the Group's ability to achieve its strategic objectives, particularly in pursuing its growth agenda.

The RMC's composition and responsibilities are detailed in the Risk Management Committee Report within this Annual Report. Through the external board effectiveness evaluation commissioned by the R&NC, the Board has reviewed the performance of the RMC for FY2025. The Board, via the R&NC, is satisfied that the RMC members have discharged their functions, duties, and responsibilities in accordance with the RMC's TOR throughout the financial year.

Please refer to the Risk Management Committee Report within this Annual Report for more details.

#### Compliance with Applicable Financial Reporting Standards

The Board strives to present a true, fair, comprehensive, balanced, and meaningful evaluation and assessment of the financial performance, financial position, and future prospects of the Group in the annual audited financial statements and the quarterly interim financial reports (collectively referred to as the "Financial Statements") of the Company and the Group.

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy, the financial position of the Company and the Group, ensuring that the Financial Statements are prepared in accordance with the Companies Act 2016, the Malaysian Financial Reporting Standards, the IFRS Accounting Standards, the Listing Requirements, and other statutory and regulatory requirements.

The Statement by the Directors in relation to the preparation of the Group's financial statements is set out in the Financial Statements section of this Annual Report.

## Corporate Governance Overview Statement

### **Risk Management and Internal Control**

The Board acknowledges its responsibility to maintain a sound risk management and internal control system that covers not only financial controls but also operational and compliance controls. This system is designed to identify risks in both operations and finance, and to implement measures to manage those risks. It is intended to manage, rather than eliminate, the risk of failure to achieve the Group's corporate objectives, as well as to safeguard shareholders' investments and the Group's assets.

The RMC is responsible for assisting the Board in ensuring that the Group has in place a sound and robust risk management framework and related policies. This is to ensure that the risk management framework is effectively implemented to enhance the Company's ability to achieve its strategic objectives, particularly in pursuing its growth agenda. The RMC is also responsible for overseeing the Group's business continuity management, compliance, integrity, and governance functions.

The AC is responsible for assisting the Board in ensuring the adequacy and effectiveness of the Group's internal controls. The Board is of the view that the system of internal control and risk management put in place during FY2025 is sound and sufficient to safeguard the Group's assets, shareholders' investments, and the interests of customers, regulators, employees, and other stakeholders.

Please refer to the Statement on Risk Management and Internal Control within this Annual Report for an overview of the Group's risk management and internal control systems.

### **Internal Audit Function**

The AC is responsible for assisting the Board in maintaining a sound system of internal control to manage, rather than eliminate, the risk of failure to achieve the Group's corporate objectives, as well as to safeguard shareholders' investments and the Group's assets.

Consistent with prior years, the internal audit function has been outsourced to an independent firm of consultants. For FY2025, Crowe Governance Sdn. Bhd. ("Crowe Governance") served as the Group's outsourced internal audit provider. Crowe Governance is an independent professional services firm that operates independently of management and reports directly to the AC. During the financial year, Crowe Governance conducted four audits to assess the adequacy and effectiveness of the Group's risk management and internal control systems in identifying and managing principal risks, ensuring compliance with applicable laws and regulations, and preserving the quality of assets and the integrity of the management information system.

Please refer to the Audit Committee Report in this Annual Report for further details.



## Corporate Governance Overview Statement

### PRINCIPLE C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

#### Corporate Disclosure Policy

The Board acknowledges the importance of timely and thorough dissemination of material information concerning the Group's business to shareholders and investors, enabling them to make informed investment decisions. The Board considers consistent and transparent communication with the public, through various notifications, the distribution of Annual Reports, circulars, and press releases, as crucial for fostering positive engagement with shareholders and investors. Briefings to investors are held regularly by the Company's senior management.

The Board strives to disclose such material information to the public as soon as practicable via Bursa Securities, the media, and the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com). It also ensures that all material information is managed appropriately to prevent any leakage or misuse prior to official release. The Board takes reasonable steps to ensure that all investors have equal and fair access to material information.

#### Shareholders' Participation at General Meetings

General meetings continue to serve as the primary platform for communication between the Company and its shareholders, providing a key channel for interaction and information exchange.

To encourage greater shareholders' participation at general meetings, any eligible member has the option to appoint a proxy to attend and vote on their behalf should they be unable to attend in person. The proxy need not be a member of the Company, nor be an advocate, approved company auditor, or person approved by the Registrar of Companies. The Company's Constitution explicitly permits a proxy to speak at general meetings.

Notices of general meetings and related circulars are distributed to shareholders in accordance with applicable regulatory and statutory requirements. Additionally, all meeting notices are published in a nationally circulated English-language newspaper within the prescribed timeframe to ensure broad shareholder awareness.

Minutes of the proceedings at general meetings are recorded by the Company Secretaries and are available for inspection by shareholders at the Company's registered office. Copies of the minutes, together with a summary of key matters discussed at the meetings, are also published on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).

#### Use of Information Technology for Shareholder Meetings and Disclosure

The Board leverages information technology to facilitate virtual shareholder meetings, enabling participation by remote shareholders and allowing for voting in absentia, thereby enhancing accessibility and convenience.

The Company successfully conducted a fully virtual AGM on 29 October 2024, providing effective engagement and ensuring compliance with regulatory requirements.

For FY2025, the Company plans to hold its AGM as a physical meeting. After careful consideration, the Board has decided not to adopt a hybrid meeting format due to the additional complexity and cost implications associated with such arrangements. The Company remains committed to ensuring that all shareholders continue to receive timely notice and have equitable access to participate, whether in person or through appropriate voting mechanisms.

All material information concerning the Group is publicly disclosed through Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) and via the Company's official website at [www.ancomnylex.com](http://www.ancomnylex.com).

## Corporate Governance Overview Statement

### Poll Voting

As provided in the Company's Constitution, all resolutions at the shareholder meetings are decided via poll voting.

### Effective Communication and Proactive Engagement with Stakeholders

Shareholders and investors are encouraged to submit their queries and concerns to the Company through the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com) or by e-mail to [companysecretary@ancomnylex.com](mailto:companysecretary@ancomnylex.com). Such queries will be addressed by the Company Secretaries, the Board, or senior management, as appropriate, to ensure timely and effective responses.

### LOOKING AHEAD

The Board has deliberated on, reviewed, and approved this Statement and is satisfied that the Group has fulfilled its obligations under the relevant provisions of the Listing Requirements, Companies Act 2016, the MCCG, the CG Guide (4th edition) issued by Bursa Malaysia Berhad, and other applicable laws and regulations throughout FY2025. The Board is also satisfied that the Company has adopted the recommended practices and applied the key principles of the MCCG during the financial year under review.

Moving forward, the Board remains committed to ensuring that the Group maintains a robust governance framework and fosters an ethical corporate culture by strengthening sustainability governance. The Board will also continue to ensure that all material risks are appropriately managed to deliver sustainable growth and performance for the Group.

This CG Overview Statement is made in accordance with a resolution of the Board.

# Audit Committee Report

The Board of Directors ("Board") of Ancom Nylex Berhad ("Company") is pleased to present the Audit Committee Report, which outlines the activities and work undertaken by the Audit Committee ("AC") for the financial year ended 31 May 2025 ("FY2025").

## COMPOSITION OF THE AC

The AC comprises the following Independent Non-Executive Directors:

**Christina Foo - Chairman**

**Tan Sri Dato' Seri Abdull Hamid Bin Embong - Member** *(resigned on 17 February 2025)*

**Tan Sri Dato' Sri Mohamad Fuzi Bin Harun - Member**

**Maliki Kamal Bin Mohd Yasin - Member** *(appointed on 17 February 2025)*

The composition of the AC complies with the requirements of paragraphs 15.09(1)(a), (b), and (c) and 15.10 of the Main Market Listing Requirements ("Listing Requirements") issued by Bursa Malaysia Securities Berhad ("Bursa Securities") and Practices 9.1 and 9.4 of the Malaysian Code on Corporate Governance (updated on 28 April 2021) ("MCCG") issued by Securities Commission Malaysia.

The Chairman of the AC, Christina Foo, is a Chartered Accountant and a member of the Malaysian Institute of Accountants.

The positions of Chairman of the AC and Chairman of the Board are held by different individuals to prevent any potential impairment of objectivity in the Board's review of the AC's findings and recommendations.

The Chairman of the Board is not a member of the AC.

## MEETINGS AND ATTENDANCE

During FY2025, the AC held five meetings. The attendance record of each member is as follows:

Name of Director	No. of Meetings Attended
Christina Foo	5/5
Tan Sri Dato' Seri Abdull Hamid Bin Embong	4/4*
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	5/5
Maliki Kamal Bin Mohd Yasin	1/1**

\* No. of meetings prior to resignation

\*\* No. of meetings after appointment

All meetings were held in person, with some members participating virtually via web and teleconferencing tools. Agendas and relevant meeting papers were distributed electronically to AC members in advance to ensure effective participation, regardless of location. The meetings were of sufficient length to allow for comprehensive discussion of the agenda and any emerging issues.

The meetings were conducted in an open and constructive manner, encouraging focused discussions, questioning, and the expression of differing opinions. The Managing Director/Group Chief Executive Officer ("MD/GCEO"), Chief Financial Officer ("CFO"), and, when required, other senior management were invited to attend all meetings. The Company Secretary attended all meetings to record the minutes.

The Internal Auditors attended four out of the five AC meetings during the year, while the External Auditors attended three of these meetings during FY2025.

# Audit Committee Report

## TERMS OF REFERENCE

The AC is governed by its Terms of Reference ("TOR"), which have been established in accordance with the Listing Requirements of Bursa Securities.

The AC's TOR sets out its composition, authority, duties, and responsibilities, and is subject to periodic review to ensure ongoing compliance with regulatory requirements and best practices. Pursuant to Practice 9.2 of the MCCG, the TOR requires that any former key audit partner of the Company's external auditors must observe a cooling-off period of at least three years before being appointed as a member of the AC. As at the date of this report, none of the AC members is a former audit partner of the Company's external auditors.

In FY2025, the AC's TOR was reviewed and enhanced to further strengthen governance and oversight. The key updates include:

- Anti-Bribery and Anti-Corruption ("ABAC"): The AC is now responsible for overseeing the implementation, monitoring, and effectiveness of the Company's ABAC policies and procedures, including regular reviews to ensure compliance with relevant laws and regulations.
- Whistleblowing: The AC's purview has been expanded to include oversight of the Company's Whistleblowing Policy. This includes receiving, investigating, and acting on complaints or concerns raised by Directors, employees, or members of the public regarding any wrongdoing or improper conduct within the Company and its subsidiaries (collectively "Group").

The revised TOR was last reviewed on 11 July 2024, approved by the AC on 27 August 2024, and subsequently approved by the Board of Directors on 13 September 2024. The full TOR is available on the Company's website at [www.ancommylex.com](http://www.ancommylex.com).

## SUMMARY OF ACTIVITIES

The AC effectively discharged its duties as outlined in its TOR during FY2025 as follows:

### Financial Reporting

- reviewed four quarterly Interim Financial Reports presented by management to ensure compliance with disclosure requirements of approved Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards ("IFRSs"), the Companies Act 2016, the Listing Requirements, and other statutory and regulatory requirements. The AC then recommended the reports to the Board for consideration, approval, and subsequent announcement to Bursa Securities. The AC also sought clarifications from Management on the Group's performance as needed.
- reviewed the annual Audited Financial Statements presented by Management in the presence of the External Auditors to ensure compliance with disclosure requirements of MFRSs, IFRSs, the Companies Act 2016, Listing Requirements, and other statutory and regulatory requirements. The AC also resolved any contentious issues before recommending the Audited Financial Statements to the Board for consideration, approval, and subsequent announcement to Bursa Securities and distribution to shareholders.

During the reviews, the CFO assured the AC that all quarterly Interim Financial Reports and the annual Audited Financial Statements (collectively "Financial Statements") were prepared based on consistently applied generally accepted accounting policies and standards. The CFO further confirmed the absence of material misstatements and that the Financial Statements presented a true and fair view of the Company's and Group's financial positions, performances, and cash flows for the respective reporting periods.

## Audit Committee Report

### External Audit

- a) reviewed with the External Auditors, Messrs. BDO PLT, covering:
  - audit strategy and approach for FY2025, new audit emphasis due to emerging events and recent accounting/regulatory changes, multi-location audit scope and timelines, significant audit areas for potential key audit matters, and proposed statutory audit fees which was subsequently recommended to the Board for approval;
  - results of the audits, including significant audit findings and accounting matters; and
  - management letter responses;
- b) reviewed the external audit reports and the results of the External Auditors' examination of the Company's and of the Group's annual Audited Financial Statements;
- c) reviewed the suitability of the External Auditors for re-appointment, taking into consideration their independence, performance, competence, experience, provision of non-audit services and audit fees;
- d) assessed the independence and objectivity of the External Auditors in carrying out statutory audit for the Group and prior to the engagement of the External Auditors for ad-hoc non-audit services ; and
- e) reviewed and approved, in accordance with the International Ethics Standards Board for Accountants standards, the provision of non-audit services related to the income tax submissions to the Inland Revenue Board and the e-invoicing consulting project for the Group by an associate firm of the External Auditors.

The AC also held a private session with the External Auditors, without the presence of Management. This session provided the AC with an opportunity to have an open and candid discussion with the Auditors on the audited financial statements, key accounting and auditing matters, as well as the integrity of the Company's financial reporting processes. Through this dialogue, the AC was able to seek independent assurance on areas of concern, evaluate significant audit findings, and obtain the Auditors' professional views on the Company's accounting practices, internal controls and overall financial governance.

The AC received confirmation from the External Auditors regarding their adherence to the ethical codes governing auditor independence. These codes include the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants. The External Auditors confirmed they identified no threat of breaches of independence and complied with the relevant requirements. Based on this confirmation, the AC was satisfied that no conflicts of interest were likely to arise, and the External Auditors' independence and objectivity remained unimpaired.

### Internal Audit

- a) reviewed and approved the Internal Audit Plan for FY2025, ensuring coverage of all major and high-risk activities;
- b) reviewed quarterly Internal Audit Reports, including observations, recommendations, and management responses. The AC also deliberated on weaknesses identified and non-compliance incidents, along with corresponding management actions. The Internal Auditors monitored implementation of action plans through follow-up reports, ensuring all key risks and control weaknesses are addressed; and
- c) reviewed the suitability of the Internal Auditors for re-appointment, taking into consideration their independence, performance, competence, experience and fees. The Audit Committee received written assurance from the Internal Auditors confirming their independence to the Company and the Group.

## Audit Committee Report

### Organisational Independence, Responsibility, Scope, and Resourcing

The Internal Audit function plays a vital role within the Group's assurance framework. It conducts independent and systematic reviews of the internal control system to provide reasonable assurance on the adequacy, integrity, and effectiveness of the Group's overall controls, risk management, and governance processes.

The AC is supported by an outsourced internal audit function in discharging its duties and responsibilities. Crowe Governance Sdn. Bhd. ("Crowe Governance") served as the Group's outsourced internal audit provider for FY2025, operating independently of management and reporting directly to the AC.

The AC reviewed the adequacy and effectiveness of Crowe Governance, including its scope, functions, competency, and resources, prior to recommending its continued appointment as the Group's Internal Auditors for the financial year ending 31 May 2026 ("FY2026"). In assessing the independence and performance of the outsourced internal audit firm, the AC was satisfied with Crowe Governance's competency, independence, and the quality of the Internal Audit reports delivered. Crowe Governance has provided written assurance to the AC confirming compliance with all relevant ethical requirements concerning their professional independence.

Accordingly, the AC recommended, and the Board concurred, that Crowe Governance continue to serve as the Group's Internal Auditors for FY2026.

### Summary of Internal Audit Activities in FY2025

For FY2025, the following activities were conducted:

- developed and presented the internal audit plan for review and approval by the AC. This plan guided the execution of internal audit activities throughout the financial year;
- conducted internal audits based on the approved plan, assessing the effectiveness of internal controls of critical business processes and assessed the effectiveness and adequacy of the existing state of internal control of the major subsidiaries, carried out in accordance with the International Professional Practices Framework ("IPPF") issued by the Institute of Internal Auditors Malaysia), identified risks and internal control gaps, and recommended possible improvements to the internal control processes;
- performed follow-up reviews on previously identified issues, ensuring that management addressed outstanding recommendations;
- issued comprehensive Internal Audit Reports to the AC. These reports detailed audit findings, weaknesses identified in systems and controls, and corresponding management responses; and
- presented the Internal Audit Reports to the AC for review and discussion. Internal Audit Reports were reviewed and adopted by the AC on a quarterly basis.

Total cost incurred by the Group in respect of internal audit services rendered by Crowe Governance for FY2025 was RM100,000 (internal audit services rendered by a different firm for the previous financial year ("FY2024") was RM85,000).



## Audit Committee Report

### Related Party Transactions and Conflict of Interest

The AC annually reviews procedures for identifying, monitoring, reporting, and reviewing related party transactions ("RPTs"), recurrent RPTs ("RRPTs"), and potential conflict of interest ("COI") situations. On a quarterly basis, the AC reviews RPTs that occurred within the Company and the Group during the financial year, including revenue and trading-related RRPTs.

The AC is satisfied that:

- procedures are sufficient to ensure RPTs are conducted at arm's length, on terms no more favourable to related parties than those available to the public, and not detrimental to minority shareholders;
- the Group has adequate procedures for timely and orderly identification, monitoring, tracking, and reporting of RPTs and RRPTs;
- no other COI situations arose, persisted, or may have arisen during the financial year that required resolution, elimination, or mitigation measures; and
- the Directors and senior management have given declarations to the Company that they are not involved in any COI situations, actual and potential, during the financial year.

### Site Visits

During FY2025, the AC made two site visits: one to the warehouse in Shah Alam in which Common Feed Sdn. Bhd., a wholly-owned subsidiary, uses to store its animal feed products and another one to the chemical tank farm built, owned and operated by Ancom Nylex Terminals Sdn. Bhd., a 66.3% owned subsidiary, located in West Port, Klang. The visits enabled AC members to assess the quality of the operations and gain a better understanding of the operations through direct observation. It also allowed the AC members to identify operational issues and areas for improvement.

### Anti-Bribery and Anti-Corruption Management/Whistle-Blowing

There were no incidents of corruption or bribery involving the Group, its Directors, management, or employees reported during FY2025 (FY2024: None).

The Group also did not receive any reports through the Whistle-Blowing channel (available on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com)) concerning any wrongdoing or improper conduct involving the Group, its Directors, management, or employees during FY2025 (FY2024: None).

### Reporting to the Board

The AC Chairman formally reported to the Board on the proceedings of each AC meeting and on all matters within the AC's duties and responsibilities during the Board's quarterly meetings. Minutes of the AC meetings were also presented to the Board for notation.

### Annual Report

The AC reviewed and recommended the following for the Board's approval and inclusion in this Annual Report for FY2025:

- Statement on Risk Management and Internal Control; and
- Audit Committee Report

### CONCLUSION

The AC is of the opinion that it has fulfilled its duties and responsibilities as outlined in its TOR throughout FY2025.

This Audit Committee Report is made in accordance with a resolution of the Board.

# Remuneration & Nomination Committee Report

The Board of Directors ("Board") is pleased to present the Remuneration & Nomination Committee ("R&NC") Report for the financial year ended 31 May 2025 ("FY2025").

## COMPOSITION OF THE R&NC

The R&NC comprises the following Non-Executive Directors, the majority of whom are Independent Non-Executive Directors ("INED"):

**Datuk Dr. Abd Hapiz Bin Abdullah - Chairman**

(INED)

**Tan Sri Dato' Seri Abdull Hamid Bin Embong - Member**

(INED) (Resigned on 17 February 2025)

**Maliki Kamal Bin Mohd Yasin - Member**

(INED)

**Kew Hui Chin - Member**

(Non-Independent Non-Executive Director ("NINED"))

(Appointed on 17 February 2025)

The Chairman of the R&NC is an INED.

The composition of the R&NC complied with the requirements of Paragraph 15.08A(1) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

## MEETINGS AND ATTENDANCE

During FY2025, the R&NC held one meeting and the attendance of each member of the R&NC is as follows:

Name of Director	No. of Meetings Attended
Datuk Dr. Abd Hapiz Bin Abdullah	1/1
Tan Sri Dato' Seri Abdull Hamid Bin Embong	1/1
Maliki Kamal Bin Mohd Yasin	1/1
Kew Hui Chin	#

# Not applicable as there was no meeting held after her appointment up to 31 May 2025.

The R&NC meeting was held in a hybrid format, combining in-person and virtual participation. Agendas and relevant meeting papers were distributed electronically to all members in advance to ensure effective participation, regardless of location. The meeting was of sufficient length to allow for a comprehensive discussion of the agenda and emerging issues.

The meeting was conducted in an open and constructive manner, encouraging focused discussions, questions, and the expression of diverse viewpoints. The Executive Vice Chairman ("EVC"), Managing Director/Group Chief Executive Officer ("MD/GCEO"), and Chief Financial Officer ("CFO") were invited to attend the meeting, with the Company Secretary present to record the minutes.

## Remuneration & Nomination Committee Report

### TERMS OF REFERENCE

The R&NC is governed by its Terms of Reference ("TOR"), which is established pursuant to the Listing Requirements.

The TOR was last revised on 11 July 2024, subsequently reviewed and approved by the R&NC on 27 August 2024, and subsequently approved by the Board on 13 September 2024. The TOR is subject to periodic review as and when necessary to ensure ongoing compliance with regulatory requirements and best practices. The full TOR is available on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).

### SUMMARY OF ACTIVITIES

During FY2025, the R&NC carried out its duties as set out in its TOR and undertook the following activities:

#### **Assessment of Directors**

##### Fit and Proper Assessment

The R&NC is responsible for conducting fit and proper assessments on individuals identified for appointment or continued service as Directors within the Company. These assessments are conducted prior to initial appointments, re-elections, or re-appointments. The R&NC also undertakes fit and proper assessments whenever new information arises that could potentially affect a Director's suitability.

The assessments are guided by the Directors' Fit and Proper Policy, which was last reviewed by the R&NC on 11 September 2023 and is accessible on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).

Both newly appointed Directors and existing Directors seeking re-election at the annual general meeting ("AGM") are required to complete a Fit and Proper declaration. As part of this process, all INEDs have affirmed their independence and ability to act objectively. They have also declared any potential conflicts of interest and are obligated to inform the Board promptly of any circumstances that might compromise their independence. All declarations are verified against independent sources to ensure accuracy and integrity.

The Board, based on the R&NC's assessments and respective Director's declarations, is satisfied that all Directors appointed or seeking re-election at the forthcoming AGM in FY2025 meet the required standards of fitness, propriety, and independence.

##### Board Effectiveness Evaluation

A Board Effectiveness Evaluation ("BEE") is intended to assess the performance of the Board, Board committees, and individual members of the Board, as well as to identify any gaps or areas for improvement.

For FY2025, the R&NC engaged KPMG Management & Risk Consulting Sdn. Bhd. ("KPMG") as an independent external consultant to facilitate the BEE. This engagement demonstrates the Board's commitment to enhancing the objectivity, rigour, and credibility of the evaluation process by leveraging KPMG's expertise and independent perspective. In the previous financial year, the R&NC conducted the BEE internally with the objective of evaluating whether the Board, Board committees, and individual Directors effectively performed their roles, fulfilled their responsibilities, and devoted sufficient time commitment to the Company's affairs; and to recommend areas for enhancement.

## Remuneration & Nomination Committee Report

The BEE conducted by KPMG involved comprehensive assessments of the Board's effectiveness across multiple dimensions, including composition, expertise, quality of information for decision-making, and Boardroom activities. Board Committees were evaluated based on their composition, expertise, and adherence to their respective TOR. Individual Director assessments considered qualifications, skills, knowledge, experience, time availability, professionalism, and integrity. For INEDs, the evaluation also focussed on their ability to fulfil expected responsibilities and contribute effectively to Board oversight and governance.

The R&NC is satisfied with the overall performance of the Board and the Board Committees. The recent externally facilitated BEE demonstrates that the Board and its Board Committees are well-positioned to provide effective governance and strategic oversight. The Board Committees are appropriately composed and benefit from skilled leadership. The Chairs of the Board and the Board Committees were recognised for their ability to facilitate open, constructive discussions and ensure focussed deliberations. This strong governance foundation, coupled with the Board's deep expertise in chemical manufacturing, distribution, logistics, and extensive international business experience, supports informed decision-making, enhanced accountability, and the Company's sustainable execution of strategic objectives.

Building on these strengths, the assessment also provided valuable insights into opportunities for further enhancement. In particular, the Board acknowledges the importance of developing a more structured succession planning framework to support leadership continuity at both Board and senior management levels. Expanding the Board's expertise in emerging areas such as human capital, sustainability, and information technology will further equip the Board to address evolving business challenges and regulatory expectations. While female representation on the Board currently stands at 20%, efforts to improve gender diversity remain a priority to promote a wider range of perspectives and strengthen decision-making.

These focus areas exemplify the Board's commitment to continuous improvement and proactive stewardship, ensuring that the Company and the Group remains resilient, adaptive, and well-governed as it navigates an increasingly complex and interconnected business environment. The engagement of KPMG for FY2025 marks a significant enhancement from the prior year's internal evaluation. The R&NC recognises that involving an independent expert lends greater objectivity and credibility to the assessment by providing an unbiased perspective on Directors' performance and their ability to contribute effectively to the Board.

### Independence Assessment of Independent Directors

KPMG has also conducted an Independence assessment on the INED.

Independent Directors have the mandate of bringing objectivity to the oversight function of the Board. As stated in the Corporate Governance Guide (4th edition) by Bursa Malaysia Berhad, the notion of independence is inherently situational and is more than anything, a state of mind. Viewed as a solution for balancing influence, INED are expected to display a strong element of objectivity, both in appearance ("perceived independence") as well as of mind ("independence in thought and action").

To elucidate further from the Corporate Governance Guide, independence in appearance refers to the state of being free from any personal, family or economic interests which would lead a third party to cast doubts on an INED's objectivity. Meanwhile, independence in mind refers to the state of thought and action that permits the exercise of independent judgment without being affected by influences that compromise objectivity.

The objectivity inherent to these Directors allows the INED to debate with and challenge the management in a relatively unbiased manner. The criteria for this assessment were developed based on regulatory provisions as well emerging and leading practices, customised by KPMG to the needs of the Company.

Based on the evaluation results, the R&NC is satisfied that the Independent Directors have conducted themselves in a manner consistent with the principles of independence, providing the necessary checks and balances in the best interests of the Company and its shareholders.

## Remuneration & Nomination Committee Report

### Appointment of New Directors

The nomination and appointment of Directors is a cornerstone of the Board's commitment to maintaining strong, effective, and forward-looking leadership. A well-considered appointment process ensures that the Board's composition remains refreshed, diverse, and equipped with the skills, experience, and perspectives necessary to guide the Group in an evolving business landscape.

The R&NC is responsible for assessing and recommending suitable candidates for appointment. In fulfilling this mandate, the R&NC applies a rigorous evaluation framework which considers, among others:

- the candidate's skills, knowledge, competencies, expertise, and experience;
- professionalism, integrity, and contribution to diversity of the Board;
- commitment, performance, and capacity to devote sufficient time to the role; and
- for INEDs, the ability to discharge their responsibilities objectively, compliance with the criteria set out in Paragraph 1.01 of the Listing Requirements, and alignment with the Company's Directors' Fit and Proper Policy.

During the financial year, the R&NC reviewed and recommended the appointments of Stephan Schnabel, Chief Executive Officer and Chairman of the Executive Board of HELM AG ("HELM"), and Kew Hui Chin, Managing Director & President, Chemical of HELM Asia Pte Ltd, as NINED, following HELM's acquisition of a substantial shareholding in the Company.

The R&NC also evaluated and recommended the appointment of Dato' Seri Dr. Awang Adek Bin Hussin as an INED to fill the vacancy arising from the resignation of Tan Sri Dato' Seri Abdull Hamid Bin Embong, an INED.

In each case, the R&NC was satisfied that the candidates possessed the qualifications, experience, and attributes necessary to contribute meaningfully to the Board's deliberations and to support the Company's strategic direction. The Board, having considered the R&NC's recommendations, approved all three appointments.

### Re-Election of Directors

The performance of the Directors who are subject to re-election at the forthcoming AGM was assessed by the R&NC. The Company has received confirmations from the following retiring Directors as per the provisions of the Company's Constitution that they are willing to seek re-election at the forthcoming AGM:

#### Retirement under Clause 125 of the Constitution:

Name of Director	Designation
Dato' Siew Ka Wei	Executive Vice Chairman
Maliki Kamal Bin Mohd Yasin	INED
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	INED

#### Retirement under Clause 130 of the Constitution:

Name of Director	Designation
Stephan Schnabel	NINED
Kew Hui Chin	NINED
Dato' Seri Dr. Awang Adek Bin Hussin	INED

## Remuneration & Nomination Committee Report

Based on the evaluation carried out, these Directors meet the criteria outlined in Paragraph 2.20A of the Listing Requirements. As all the retiring Directors have fulfilled the criteria for appointment as stipulated in the Company's Directors' Fit and Proper Policy, and they have confirmed that there were no incidence of conflict-of-interests (actual or potential) existing between them and the Company, the R&NC has recommended to the Board the re-election of the above retiring Directors pursuant to Clauses 125 and 130 of the Company's Constitution at the Company's forthcoming AGM.

### Remuneration of Directors

The R&NC is responsible for recommending the remuneration of the Non-Executive Directors, including Directors' fees and benefits, in accordance with the Board's Remuneration Policy. The Remuneration Policy sets out the principles and guidelines for the Board and the R&NC in reviewing and determining the remuneration packages of both Non-Executive Directors and Executive Directors (i.e. the EVC and the MD/GCEO). The Remuneration Policy aims to ensure that the remuneration packages are competitive, fair, and aligned with the Group's strategic objectives and performance, while also reflecting the responsibilities and contributions of the Directors.

The Remuneration Policy is available on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).

During the financial year, the R&NC commissioned KPMG to conduct a Remuneration Benchmarking study for its Non-Executive Directors. Based on the results of the study, the R&NC is of the opinion that the fees for the Non-Executive Directors, as indicated below, which are the same as in the previous financial years, are reflective of current market rates for comparable companies listed on the Main Market of Bursa Securities:

Director	Annual fee per Director (RM)
<b><u>Board of Directors</u></b>	
- Chairman	100,000
- Non-Executive Director	70,000
<b><u>Audit Committee</u></b>	
- Chairman	45,000
- Member	30,000
<b><u>R&amp;NC &amp; Risk Management Committee</u></b>	
- Chairman	25,000
- Member	20,000

Non-Executive Directors also received an attendance allowance of RM500.00 for each Board and Board Committee meeting attended during the financial year. Consistent with previous years, the EVC and the MD/GCEO did not receive any meeting allowance for attendance at those meetings.

The R&NC recommended to the Board, and the Board subsequently approved, the above remuneration structure for Directors for FY2025.

The R&NC also assumes the task of recommending to the Board the remuneration package for the EVC and MD/GCEO. The remuneration of the EVC and MD/GCEO comprises a monthly salary, bonuses, benefits-in-kind ("BIK") and other benefits that the Board approves from time to time. The EVC and MD/GCEO are not paid any Director's fee.



## Remuneration & Nomination Committee Report

Details of remuneration received and receivable by the Directors of the Company for FY2025, including remuneration for services rendered to the Company and to the subsidiaries, are as follows:

Company	Directors' fee (RM'000)	Salaries & bonus (RM'000)	Other emoluments (RM'000)	Meeting allowances (RM'000)	BIK (RM'000)	Total (RM'000)
<b>Executive Directors</b>						
Dato' Siew Ka Wei	-	275.9	-	-	43.2	319.1
Datuk Lee Cheun Wei	-	-	-	-	-	-
<b>Non-Executive Directors</b>						
Datuk Annuar Bin Ahmad	100.0	-	-	3.5	-	103.5
Tan Sri Dato' Seri Abdull Hamid Bin Embong	86.1	-	-	5.0	18.3	109.4
Datuk Dr. Abdul Hapiz Bin Abdullah	120.0	-	-	5.5	-	125.5
Maliki Kamal Bin Mohd Yasin	98.5	-	-	4.5	-	103.0
Christina Foo	135.0	-	-	7.5	-	142.5
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	100.0	-	-	6.0	-	106.0
Stephan Schnabel	40.7	-	-	1.0	-	41.7
Kew Hui Chin	46.4	-	-	1.5	-	47.9
Dato' Seri Dr. Awang Adek Bin Hussin	19.9	-	-	1.0	-	20.9
<b>Total</b>	<b>746.6</b>	<b>275.9</b>	<b>-</b>	<b>35.5</b>	<b>61.5</b>	<b>1,119.5</b>

Group	Directors' fee (RM'000)	Salaries & bonus (RM'000)	Other emoluments (RM'000)	Meeting allowances (RM'000)	BIK (RM'000)	Total (RM'000)
<b>Executive Directors</b>						
Dato' Siew Ka Wei	-	4,303.6	24.0	-	95.8	4,423.4
Datuk Lee Cheun Wei	-	1,732.6	961.3	-	13.3	2,707.2
<b>Non-Executive Directors</b>						
Datuk Annuar Bin Ahmad	240.0	-	-	8.0	15.0	263.0
Tan Sri Dato' Seri Abdull Hamid Bin Embong	86.1	-	-	5.0	18.3	109.4
Datuk Dr. Abdul Hapiz Bin Abdullah	120.0	-	650.6	5.5	-	776.1
Maliki Kamal Bin Mohd Yasin	98.5	-	-	4.5	-	103.0
Christina Foo	135.0	-	-	7.5	-	142.5
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	100.0	-	-	6.0	-	106.0
Stephan Schnabel	40.7	-	-	1.0	-	41.7
Kew Hui Chin	46.4	-	-	1.5	-	47.9
Dato' Seri Dr. Awang Adek Bin Hussin	19.9	-	-	1.0	-	20.9
<b>Total</b>	<b>886.6</b>	<b>6,036.2</b>	<b>1,635.9</b>	<b>40.0</b>	<b>142.4</b>	<b>8,741.1</b>

In addition to the above, the Company has taken up Directors' and Officers' Liability ("D&O") insurance to cover Directors' defence costs and legal representation expenses incurred if any action is brought against a director for actions undertaken as a director of the Company and/or its subsidiaries. However, the D&O insurance does not indemnify a director if he is proven to have acted fraudulently, dishonestly, or to have intentionally breached the law.

### CONCLUSION

The R&NC is of the opinion that it has discharged its duties and responsibilities in accordance with its TOR during the financial year.

This Remuneration & Nomination Committee Report is made in accordance with a resolution of the Board.

# Risk Management Committee Report

The Board of Directors ("Board") of Ancom Nylex Berhad ("Company") is pleased to present the Risk Management Committee ("RMC") Report, which outlines the activities and work undertaken by the RMC for the financial year ended 31 May 2025 ("FY2025").

## COMPOSITION OF THE RMC

The RMC is established to assist the Board in overseeing the adequacy and effectiveness of the Group's risk management framework and processes. The RMC's role is to provide independent oversight to ensure that risks are appropriately identified, assessed, and managed in line with the Group's strategic objectives, particularly its growth agenda.

The RMC is comprised entirely of Board members, with a majority being Independent Non-Executive Directors ("INEDs") to ensure objective and independent oversight. The members bring diverse expertise, experience, and industry knowledge, which enrich the RMC's risk evaluation and decision-making processes.

The composition of the RMC during FY2025 was as follows:

**Datuk Dr. Abd Hapiz Bin Abdullah - Chairman**

(INED)

**Christina Foo - Member**

(INED)

**Datuk Lee Cheun Wei - Member**

(Managing Director)

The composition of the RMC complies with Step-up Practice 10.3 of the Malaysian Code on Corporate Governance ("MCCG"), updated on 28 April 2021 and issued by the Securities Commission Malaysia, which recommends that the majority of the committee members be Independent Directors.

## MEETINGS AND ATTENDANCE

During FY2025, the RMC held three meetings. The attendance record of each member is as follows:

Name of Director	No. of Meetings Attended
Datuk Dr. Abd Hapiz Bin Abdullah	3/3
Christina Foo	3/3
Datuk Lee Cheun Wei	3/3

All meetings were held in person, with some members participating virtually via web and teleconferencing tools. Agendas and relevant meeting papers were distributed electronically to RMC members in advance to ensure effective participation, regardless of location. The meetings were of sufficient length to allow for comprehensive discussion of the agenda and any emerging risk topics.

## Risk Management Committee Report

The meetings were conducted in an open and constructive manner, encouraging focussed discussions, questioning, and the expression of differing opinions. The Chief Financial Officer, Risk Management Secretariat, and when required, other senior management were invited to attend all meetings. The Company Secretary attended all meetings to record the minutes.

Following a thorough review of all risk registries of the major divisions during the three meetings held during the year (the last of which was in January 2025), the RMC decided to reschedule the subsequent meeting from April 2025 to July 2025. This adjustment allows for a more comprehensive review of the updated risk registries, including cyber related risks to reflect the Group's proactive approach to emerging risks.

### TERMS OF REFERENCE

The RMC is governed by its Terms of Reference ("TOR"), which have been established in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The RMC's TOR sets out its composition, authority, duties, and responsibilities, and is subject to periodic review to ensure ongoing compliance with regulatory requirements and best practices. The TOR requires that the majority of the RMC members be INEDs to ensure independent oversight, in line with Step-up Practice 10.3 of the MCCG.

In FY2025, the RMC's TOR was expanded and enhanced to reflect evolving risk management priorities. Key updates include the inclusion of Environmental, Social and Governance ("ESG") related risks and associated bribery and corruption risks under the RMC's purview. The frequency of RMC meetings was also amended from at least once a year to quarterly meetings to enable more proactive risk oversight.

The revised TOR was last updated on 11 July 2024, reviewed and approved by the RMC on 18 July 2024, and subsequently approved by the Board of Directors on 13 September 2024. The full TOR is available on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).

### SUMMARY OF ACTIVITIES

During FY2025, the RMC actively discharged its duties in accordance with its TOR, focussing on enhancing the Group's risk management framework and oversight of emerging risks, including ESG and anti-bribery and anti-corruption ("ABAC") risks. Key activities undertaken by the RMC include:

#### Corporate Risk Profile

- a) reviewed and endorsed the updated Corporate Risk Profile for Board approval. On a quarterly basis, the RMC reviewed and deliberated on assessments to monitor the adequacy and effectiveness of risk mitigation efforts and key risk indicators.

#### TOR Review

- a) reviewed and enhanced the RMC's TOR to include oversight of ESG-related risks and related bribery and corruption risks.
- b) approved an amendment to increase the frequency of RMC meetings from at least once a year to quarterly to facilitate more proactive risk oversight.

## Risk Management Committee Report

### Risk Management Framework and Registry of Risks

- a) reviewed the Group's Risk Management Framework and Risk Registry, including ongoing identification, evaluation, and management of significant risks as reported in the Statement on Risk Management and Internal Control.
- b) monitored the progress of the management-level Risk Management Working Group ("RMWG") in maintaining the Risk Registry and refining risk assessment criteria.
- c) provided guidance to management on integrating sustainability considerations into risk management processes.
- d) oversaw the adequacy and effectiveness of the Group's risk management framework, ensuring that risks are appropriately identified, assessed, and managed in line with the Group's risk appetite and strategic objectives. The RMC's oversight complements the Board's broader risk governance responsibilities detailed in the Statement on Risk Management and Internal Control.

### ESG Integration to the Group's Risk Management Framework

- a) reviewed and discussed the Group's current ESG rating and progress towards achieving higher ratings, including the long-term plan to attain a 3-star rating within 2-3 years and ultimately a 4-star rating.
- b) actively participated in selecting the ESG theme "Embracing Chemistry for a Sustainable Tomorrow" to align with the Group's ESG strategy and risk management objectives.
- c) reviewed and provided feedback on the expanded ESG framework, including materiality topics and key performance indicators.
- d) recommended the ESG plans to the Board for approval, establishing a clear framework for managing ESG-related risks and opportunities.

### Mitigating Corporate Liability

- a) reviewed the Group's ABAC Policy, which is based on the principles of T.R.U.S.T. as outlined in the Guideline on Adequate Procedures issued by the Prime Minister's Department.
- b) monitored the conduct and outcomes of ABAC training programmes conducted for Directors, senior management, and employees, focussing on awareness of Section 17A of the Malaysian Anti-Corruption Commission Act, 2019.
- c) reviewed the results of ABAC compliance testing and assessments carried out during the year to ensure the effectiveness of anti-corruption controls.

### Reporting to the Board

The RMC Chairman formally reported to the Board on the proceedings of each RMC meeting and all matters within the RMC's duties and responsibilities during the Board's quarterly meetings. Minutes of the RMC meetings were also presented to the Board for notation.

### CONCLUSION

The RMC is of the opinion that it has fulfilled its duties and responsibilities as outlined in its TOR throughout FY2025.

This Risk Management Committee Report is made in accordance with a resolution of the Board.

# Statement on Risk Management & Internal Control

## INTRODUCTION

The Board of Directors ("Board") of Ancom Nylex Berhad ("Company") is pleased to present the Statement on Risk Management and Internal Control ("Statement") for the financial year ended 31 May 2025 ("FY2025"). This Statement outlines the risk management and internal control systems of the Company and its subsidiaries (collectively the "Group"), prepared in accordance with Rule 15.26(b) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), and guided by the Malaysian Code on Corporate Governance (updated on 28 April 2021), as well as the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by Bursa Securities.

## BOARD'S RESPONSIBILITY

The Board acknowledges its overall responsibility for overseeing and ensuring the effectiveness of the Group's risk management and internal control systems. The Board is dedicated to continuously reviewing the adequacy, integrity, and effectiveness of these systems to safeguard the interests of shareholders and stakeholders. Central to its oversight role, the Board approves and closely monitors the implementation of comprehensive risk management strategies and policies across the Group. The Board also acknowledges the important role of internal controls in fostering sound corporate governance. Recognising the inherent limitations of any internal control system, the Board ensures these systems are designed to manage, rather than eliminate, risks associated with potential failure to achieve the Group's business objectives and strategies. Accordingly, they provide reasonable, though not absolute, assurance against material misstatement of financial information, loss, or fraud.

The Board, on a quarterly basis, receives and reviews reports on the effectiveness of risk management and internal control from the Risk Management Committee ("RMC") and the Audit Committee ("AC"), respectively. The Board acknowledges that the identification and management of risks are the responsibility of management. By overseeing these processes and ensuring transparent disclosure to shareholders, the Board views its oversight as fundamental to upholding strong governance standards.

In FY2025, the RMC conducted reviews and assessments of the effectiveness of risk treatment and mitigation plans implemented to oversee and manage the Group's overall risk exposure. The RMC also monitored the progress and status of risk management initiatives, and addressed significant issues, providing actionable feedback to management. Concurrently, the AC assessed the adequacy and effectiveness of internal controls in light of audits performed by the internal auditors. Discussions during AC meetings focused on audit findings and the subsequent actions taken by management to resolve identified issues. Detailed minutes capturing these deliberations were presented to the Board for review and notation.

The Board is satisfied with the Group's implementation of an ongoing process to identify, evaluate, monitor, manage, and respond to significant risks impacting its achievement of business goals and objectives. This process has been effectively in place throughout the financial year under review and remains so as of the approval date of this Statement for the Annual Report.

## MANAGEMENT'S RESPONSIBILITY

Management is responsible for implementing all policies and procedures approved by the Board in relation to risk management and internal control. These responsibilities include:

- identifying and evaluating risks relevant to the Group's business, including those that could hinder the achievement of its business objectives and strategies;
- formulating policies and procedures to manage these risks, ensuring alignment with the Group's strategic vision, overall risk appetite, and compliance obligations;
- designing and implementing a risk management and internal control system, with ongoing monitoring to ensure its continued effectiveness;
- implementing remedial actions to address any compliance deficiencies identified by the Board, particularly in areas related to ethical conduct and regulatory compliance; and
- reporting to the Board in a timely manner on any changes to existing risks, emerging risks including Environmental, Social, and Governance ("ESG"), Anti-bribery and Anti-Corruption ("ABAC") and cyber-related risks, and the mitigation actions taken.

## Statement on Risk Management & Internal Control

### RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

#### Risk Management

The Group maintains a Risk Management Handbook, Registry of Risks, and a Board-adopted Risk Management Policy as part of its comprehensive risk management process. The Risk Management Handbook summarises the risk management methodology, approach and processes, roles and responsibilities, and various risk management concepts. The Registry of Risks is maintained to identify and evaluate principal business risks and risk profiles which identify the risk factors, statement of risks, risk owners, likelihood, impacts, and proposed risk mitigation actions. The Risk Management Policy, which was reviewed and approved by the Board on 13 September 2024, is available on the Company's website at [www.ancomnylex.com](http://www.ancomnylex.com).

The Group adopts a risk management approach that is continuous, integrated into all levels of the organisation, and embedded in its culture and business processes. Risk management is not only about mitigating losses, but also about identifying opportunities to enhance business performance and achieve strategic objectives. The Group's risk management framework supports informed decision-making by balancing risk and reward, and is communicated throughout the Group to ensure accountability at every level.

The risk identification process includes reviewing and identifying issues arising from changes in both the external business environment and internal operating conditions. The risk measurement guidelines comprise both financial and non-financial qualitative measures of risk consequences. These guidelines are used to assign a risk likelihood rating and a risk impact rating to each identified risk. Risk control actions are designed and implemented based on prioritisation of risks.

In line with the Group's Risk Management Handbook, a range of risk mitigation strategies are considered and applied as appropriate, including risk transfer, reduction, acceptance, diversification, and elimination. The selection of mitigation strategies is based on the nature and significance of each risk.

The respective risk owners are entrusted to identify risks and to ensure that adequate control systems are implemented to mitigate risks faced by the Group. The process of identifying, evaluating, monitoring, and managing significant risks is embedded in the various work processes and procedures of the respective operational functions and the management team. The key risk categories of the Group encompass business and strategic risks, financial risks, operational risks, regulatory or compliance risks, as well as ESG, ABAC and cyber related risks.

A Risk Management Working Group ("RMWG"), comprising the Managing Director/Group Chief Executive Officer ("MD/GCEO"), Chief Financial Officer ("CFO"), and Risk Management Secretariat, reports on matters relating to risk management to the RMC. The RMWG considers all matters relating to the identification, assessment, monitoring and management of risks associated with the Group that it deems to be appropriate. The RMWG's responsibilities in risk management include:

- assessment and monitoring of risks associated with the Group's operations including ESG, ABAC and cyber related risks;
- development and implementation of internal compliance and control systems and procedures to manage risks;
- assessment and monitoring of the effectiveness of controls instituted;
- reviewing and making recommendations to the RMC in relation to risk management;
- making recommendations to the RMC on compliance matters by the Group with its risk management strategy;
- reporting on material changes to the risk profile of the Group to the RMC;
- monitoring and referring to the RMC any instances involving material breaches or potential breaches of the Group's risk management strategy;
- reporting to the RMC on the Group's risk management; and
- undertaking annual reviews in accordance with the Group's risk management framework, and making recommendations to the RMC in connection with changes required to be made to the Group's risk management strategy.



## Statement on Risk Management & Internal Control

### Internal Control System

The Board has established a robust internal control system to provide effective governance and oversight. The Group's internal control system is designed to be an integral part of its culture and daily business processes, supporting the achievement of strategic objectives and the identification of opportunities, in addition to managing risks and ensuring compliance. The system is regularly reviewed and enhanced to remain effective in a dynamic business environment.

This system incorporates several key elements:

- Organisational structure

The Board has defined clear lines of responsibility, authority limits, and accountability across the organisation, aligning them with business and operational needs. This structure promotes a strong control environment by ensuring proper segregation of duties. No single employee has complete control over a business process.

The Board entrusts the Executive Vice Chairman ("EVC"), MD/GCEO, and the Management team to run the Group's businesses. Divisional Heads/Managing Directors and the CFO actively manage their respective divisions, and reporting to MD/GCEO. The Group strategically places experienced and competent employees in key positions to ensure the success of the risk management and internal control system.

- Reporting and review

The MD/GCEO regularly convenes meetings with Divisional Heads/Managing Directors and Senior Management to discuss and resolve operational, corporate, financial, and key management issues. The Board receives performance reviews comparing actual results with targets, previous years' performance, and explanations for significant variances.

The Group's quarterly Interim Financial Reports and Annual Audited Financial Statements are reviewed by the AC and approved by the Board before being released to Bursa Securities.

- Policies and procedures

Policies and standard operating procedures ("SOPs") consist of elements of internal control in the day-to-day operations of the Group. These policies and SOPs are aimed at promoting accountability, efficiencies, and responsibilities within the Group. Relevant policies and SOPs have been approved by the Board and relevant authorities to ensure that the Group's values and adequate control mechanisms are embedded in business operations. The Group conducts periodic reviews to ensure the relevance and effectiveness of its policies and SOPs. These are updated as needed to reflect changes in the business environment or regulatory guidelines.

The Group's policies and SOPs cover the following core areas: authority limits and authorisation mandates, protection and maintenance of assets, human resources management, sales, finance, procurement and operations. The Limits of Authority established in the Group's policies and SOPs delineate authority limits to the appropriate persons to ensure accountability and segregation of duties.

## Statement on Risk Management & Internal Control

- Compliance management

The Group's compliance management covers both regulatory and operational compliance. Regulatory compliance includes all relevant legal obligations imposed, in particular laws, regulations, rules and major identified guidelines or legal requirements. Operational compliance covers compliance to internal policies and procedures, code of ethics and business conduct.

The Group's compliance management framework also encompasses ESG and cyber related risks, ABAC requirements, and other emerging compliance areas, as outlined in the Group's Risk Management Handbook.

The Board is assisted by the RMC in assessing compliance risks. The overall objective is to prioritise compliance risk management and ensure regulatory compliance effectively supports business growth within the Group's risk appetite. The RMC reviews and assesses the adequacy of infrastructure, resources, and systems for managing compliance risk across the Group, recommending improvements to enhance effectiveness.

- Code of Conduct and Ethics

A Code of Conduct and Ethics sets out the policy stand on the conduct of business and the standards of behaviour/ethical conduct expected of the Group's employees. The policy sets out sound principles and standards of good practice to be observed by all employees.

- ABAC Policy

The Group has an ABAC Policy that sets out the Group's commitments and requirements regarding ethical business practices and personal conduct. It also outlines the behaviour the Group expects of its employees as well as what the Group's employees and business partners can expect from the Group. All the Group's employees and persons associated with the Group are expected to act in accordance with corporate values and ethics as set out in the Group's ABAC Policy.

- Whistle-Blowing Policy

The Group has a Whistle-Blowing Policy and a whistle-blowing channel at [www.ancomnylex.com](http://www.ancomnylex.com) that provides an avenue for any persons, namely, Directors, managers, employees or external parties to report of any improper conduct against any Directors, managers or employees, in a safe and confidential manner. An employee who makes a report of improper conduct in good faith shall not be subject to unfair dismissal, victimisation, demotion, suspension, intimidation or harassment, discrimination, any action causing injury, loss or damage or any other retaliatory actions by the Group.

- Insurance

Sufficient insurance coverage and physical safeguards on major assets are in place to ensure that the Group's assets are adequately covered against any mishap that could result in material loss. Management conducts an annual policy renewal exercise to review the coverage of assets recorded in the current fixed asset register, ensuring alignment with their net book values and, where applicable, replacement values (prevailing market prices for similar items).

- Internal Audit Review

Internal audit reviews are focused on achieving effective and efficient operations, reliability of reporting, compliance with applicable laws and regulations as well as safeguarding of assets. The system of internal control covers governance, risk management, financial, strategy, organisational, operational, regulatory and compliance control matters. The Board recognises that this system is designed to manage, rather than eliminate the risks of not adhering to the Group's policies and achieving goals and objectives within the risk tolerance established by the Board and Management. The system provides reasonable, not absolute, assurance against material misstatements, losses, or fraud.

The Group is committed to continuous improvement of its internal control system, with regular assessments and updates to ensure ongoing effectiveness and alignment with best practices, regulatory developments, and strategic objectives.

The adequacy and effectiveness of internal controls were reviewed by the AC in relation to the audits conducted by the Internal Auditors during the financial year. Audit issues and actions taken by Management to address the issues tabled by Internal Auditors were deliberated on during the AC meetings where the matters are reported to the Board by the AC Chairman at the Board meetings.

## Statement on Risk Management & Internal Control

### INTERNAL AUDIT

#### Internal Audit Function

The Group's internal audit function is performed by an independent professional firm. For the financial year ended 31 May 2025, Crowe Governance Sdn Bhd ("Crowe Governance") has been appointed as the Group's independent internal auditors.

Crowe Governance continuously tests and assesses the effectiveness and efficiency of the internal control systems, providing reasonable assurance of their efficient and effective operation. They offer risk-based and objective assurance, advice, and insights aimed at enhancing and safeguarding organisational values, ultimately supporting the Group in achieving its strategic goals.

Crowe Governance is independent of the Group's operations and reports directly to the AC. The internal auditors hold no direct operational responsibility or authority over any audited activities. Crowe Governance conducts independent reviews of key activities within the Group's operating units based on a detailed internal audit plan approved by the AC. Quarterly internal audit reports and status reports on follow-up actions are presented to the AC during its meetings.

Crowe Governance adopts the Internal Control-Integrated Framework established by the Committee of Sponsoring Organizations of the Treadway Commission as the basis for evaluating the effectiveness of the internal control systems. They carry out review procedures in accordance with applicable standards of the International Professional Practices Framework as adopted and recommended by The Institute of Internal Auditors, Malaysia.

Based on the internal audit reviews, observations are presented by Crowe Governance, along with management's response and proposed action plans to the AC for review during the quarterly AC meetings. In addition, Crowe Governance follows up on the implementation of recommendations from previous cycles of internal audit and updates the AC on the status of management-agreed action plans.

The appointment of Crowe Governance reflects the Group's commitment to continuous improvement in its risk management and internal control framework. Crowe Governance brings a wealth of experience and expertise in serving companies within the Group's industry sectors. Their deep understanding of the Group's specific risks and challenges allows them to provide targeted and insightful audits, further strengthening the internal control environment. The Group's practice of rotating qualified internal audit firms fosters the exchange of best practices and fresh perspectives, ultimately enhancing the effectiveness and value of the internal audit function.

#### AC of the Board

The AC is a board-level committee established by the Board to assist in the execution of its governance and oversight responsibilities. The AC is responsible for assessing the adequacy and effectiveness of the Group's governance, risk management, and internal control systems, leveraging the outsourced internal audit function.

The AC has active oversight over Crowe Governance's independence, scope of work, and resources. The AC meets on a scheduled basis to review audit and investigation reports prepared by Crowe Governance. The AC escalates significant control lapses to the Board for further deliberation. The AC deliberates on the outstanding audit findings to ensure that management undertakes the necessary remedial actions within the committed timeline. Where necessary, representatives from the audited units are requested to attend the AC meeting to facilitate the deliberation of the audit reports. Minutes of the AC meetings are then tabled to the Board.

## Statement on Risk Management & Internal Control

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

This Statement has been reviewed by external auditors pursuant to paragraph 15.23 of the Listing Requirements of Bursa Securities for inclusion in the Annual Report of the Group for the financial year ended 31 May 2025. The limited assurance review was conducted in accordance with Audit and Assurance Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants. AAPG 3 does not require external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

Based on the limited assurance procedures performed and evidence obtained, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers; nor is the Statement factually inaccurate.

### CONCLUSION

The EVC, MD/GCEO, and CFO have provided written assurance to the Board that the Group's risk management and internal control system operated adequately and effectively, in all material respects, throughout the financial year ended 31 May 2025 and up to the date of approval of this Statement for inclusion in the Annual Report.

Taking into consideration this assurance from management, as well as input from relevant assurance providers, the Board is of the view that the Group's risk management and internal control system operated adequately and effectively to safeguard the interests of the Group's shareholders and assets. The Board is also satisfied that the Group has an ongoing process in place to identify, evaluate, monitor, manage, and respond to significant risks faced in achieving its business and strategic objectives. This process has remained effective in the dynamic and challenging business environment, with increasing regulatory scrutiny, and has been operational throughout the entire financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report.

# Directors' Responsibilities Statement

In accordance with the Companies Act 2016, the Directors of the Company are responsible for the preparation of audited financial statements for each financial year, which give a true and fair view of the financial position of the Company and its subsidiaries (collectively referred to as the "Group") as at the end of the financial year, as well as their financial performance and cash flows for the year then ended.

The Directors are also responsible for ensuring that proper accounting records are maintained by the Company and the Group to enable the preparation of financial statements with reasonable accuracy and without material misstatement, whether due to fraud or error. In addition, the Directors are responsible for safeguarding the assets of the Company and the Group, and for taking reasonable steps to prevent and detect fraud, misappropriation, and other irregularities.

In preparing the audited financial statements for the financial year ended 31 May 2025 ("Audited Financial Statements"), the Directors have:

- adopted and consistently applied appropriate accounting policies;
- made reasonable and prudent judgments and estimates;
- ensured the Audited Financial Statements were prepared on a going concern basis; and
- complied with all applicable approved accounting standards, with any material departures disclosed and explained in the Audited Financial Statements.

The Directors further confirm that the Audited Financial Statements comply with the provisions of the Companies Act 2016, the Malaysian Financial Reporting Standards, the IFRS Accounting Standards, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and all other relevant statutory and regulatory requirements.

The Directors have also provided the External Auditors with unrestricted access to all relevant records and information, and have ensured that the External Auditors were given every opportunity to perform necessary reviews, conduct appropriate inquiries, and obtain all explanations required for the purpose of their audit.



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# Directors' Report

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 May 2025.

## PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are mainly provision of management services, manufacturing and trading of agricultural chemical products and related business, trading of petrochemical and industrial chemicals, manufacturing, trading and sale of polymer products, ship-owning, ship-operating, land transportation, container haulage, bulk cargo handling, chemicals warehousing and related services, providing IT related consultancy services, provision of media marketing, cinema and digital advertising and media related services. Further details of the subsidiaries are set out in Note 40 to the financial statements. There have been no significant changes in the nature of the activities of the Company and its subsidiaries during the financial year.

## RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	65,156	71,692
Attributable to:		
Owners of the parent	63,489	71,692
Non-controlling interests	1,667	-
	65,156	71,692

## DIVIDENDS

Dividends paid, declared or proposed by the Company since the end of the previous financial year were as follows:

	RM'000
<b>In respect of financial year ended 31 May 2024</b>	
Second interim single tier dividend of 1.0 sen per ordinary share, paid on 24 October 2024	10,135
<b>In respect of financial year ended 31 May 2025</b>	
First interim single tier dividend by way of dividend-in-specie <sup>1</sup>	37,818
Second interim single tier dividend by way of dividend-in-specie <sup>2</sup>	10,418
	58,371

<sup>1</sup> The dividend-in-specie was completed on 24 October 2024 by crediting 40,409,716 treasury shares of the Company to the Central Depository System account of the Company's shareholders.

<sup>2</sup> The dividend-in-specie was completed on 28 May 2025 by crediting 10,463,522 treasury shares of the Company to the Central Depository System account of the Company's shareholders.

On 23 July 2025, the Directors proposed and declared a first interim single tier dividend of 1.0 sen per ordinary share in respect of the financial year ending 31 May 2026 and paid on 21 August 2025.

The Directors do not recommend the payment of any other dividend in respect of the current financial year.

## Directors' Report

### RESERVES AND PROVISIONS

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

### ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully paid-up ordinary shares of the Company was increased from 1,008,597,360 to 1,170,744,618 by way of issuance of 162,147,258 new ordinary shares pursuant to the following:

- i. private placement of 96,220,000 new ordinary shares of RM1.00 per ordinary share; and
- ii. 65,927,258 new ordinary shares arising from the exercise of Warrants B at RM0.28 per ordinary share.

The newly issued ordinary shares of the Company rank pari passu in all respects with the existing ordinary shares of the Company.

The Company did not issue any debentures during the financial year.

### OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

### WARRANTS B (2020/2025)

The Warrants B are constituted by the deed poll dated 21 August 2020.

The Company issued 59,878,790 free Warrants B on the basis of one (1) Warrant for every four (4) existing ordinary shares held, which were listed and quoted on the Main Market of Bursa Securities on 18 September 2020.

The salient terms of the Warrants B are as follows:

- i. Each Warrant B entitles the registered holder to subscribe for one (1) new ordinary share in the Company at any time on or before the maturity date, 9 September 2025, falling five (5) years from the date of issue of the Warrants B. Unexercised Warrants B after the exercise period will thereafter lapse and cease to be valid;
- ii. The exercise price of the Warrants B is fixed at RM0.84 per Warrant B; and
- iii. The new ordinary shares to be issued upon the exercise of the Warrants B shall rank pari passu in all respects with the existing ordinary shares of the Company.

On 7 June 2022, a total of 105,908,882 additional Warrants B have been issued and the exercise price of Warrants B is adjusted to RM0.28 per Warrant B.

During the financial year, 65,927,258 (2024: 20,655,763) Warrants B were exercised. As at 31 May 2025, there were 25,186,328 Warrants B remained unexercised.

As of the date of this report, any unexercised warrants have lapsed. The Company is in the process of finalising the number of Warrants B exercised prior to their expiry on 9 September 2025.

## Directors' Report

### REPURCHASE OF SHARES

At the 55<sup>th</sup> Annual General Meeting held on 29 October 2024, the Company's shareholders approved the proposed renewal of shareholders' mandate for the Company to repurchase up to ten percent (10%) of its own ordinary shares.

During the financial year:

- i. the Company repurchased 130,152,000 of its issued ordinary shares from the open market of Bursa Securities at an average price of RM1.02 per share;
- ii. the Company resold 32,031,400 of its treasury shares with price ranging from RM0.92 to RM0.97;
- iii. the Company distributed 40,409,716 treasury shares on 24 October 2024 on the basis of four (4) treasury shares for every one hundred (100) existing ordinary shares held in the Company in respect of financial year ended 31 May 2025; and
- iv. the Company distributed 10,463,522 treasury shares on 28 May 2025 on the basis of one (1) treasury share for every one hundred (100) existing ordinary shares held in the Company in respect of financial year ended 31 May 2025.

As at 31 May 2025, a total of 98,286,039 (2024: 51,038,677) treasury shares at a total cost of RM96,381,000 (2024: RM43,195,000) are held by the Company. The shares repurchased are being held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016 and the Main Market Listing Requirements and applicable guideline of Bursa Securities.

The number of ordinary shares as at 31 May 2025 net of treasury shares is 1,072,458,579 (2024: 957,558,683).

### DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Datuk Anuar Bin Ahmad	(Non-executive Chairman)
Dato' Siew Ka Wei	(Executive Vice Chairman)
Siew Ka Kheong	(Alternate to Dato' Siew Ka Wei)
Datuk Lee Cheun Wei	(Managing Director)
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	
Datuk Dr. Abd Hapiz Bin Abdullah	
Christina Foo	
Maliki Kamal Bin Mohd Yasin	
Stephan Schnabel	(Appointed on 1 November 2024)
Kew Hui Chin	(Appointed on 1 November 2024)
Dato' Seri Dr. Awang Adek Bin Hussin	(Appointed on 17 February 2025)
Tan Sri Dato' Seri Abdull Hamid Bin Embong	(Resigned on 17 February 2025)

Subsidiaries of Ancom Nylex Berhad ("ANB") (excluding those Directors listed above)

Abdul Latif Bin Mahamud  
 Akio Hatakeyama  
 Andrew Leong  
 Anthony Tan Swee Hock  
 Asmariah Binti Ismail  
 Carina Lee Ling Tze  
 Chai Hann Lin  
 Chen Tai Ngoh  
 Chua Choo Oon

## Directors' Report

### DIRECTORS (CONTINUED)

Subsidiaries of Ancom Nylex Berhad ("ANB") [excluding those Directors listed above] (continued)

Datin Joanne Marie Lopez	
Dato' Abdul Latif Bin Abdullah	
Dato' Mohammad Medan Bin Abdullah	
Dato' Ng How Hon	
Datuk Abdul Rashid Bin Hashim	
Datuk Hasnul Bin Hassan	
Datuk Mohd Farid Bin Mohd Adnan	
Edmond Cheah Swee Leng	
Gan Kian Chong	
Hasdi Bin Husain	
Idris Bin Pilus	
Joe Pramesh Ganesaguru	
Khamis Bin Awal	
Kong Hwai Ming	
Lee Nan Phin	
Liew Tet Seng	
Lim Chang Meng	
Lim Lay Chin	
Lim Liang Tan	
Lim Tiak Cheong	
Loh Chian Hong	
Loke Yeak Thong	
Looi Seng Chong	
Low Huoi Seong	
Masahiko Otomo	
Mohamad Ruslan Bin Ali	
Norzain Bin Abdul Wahab	
Raja Mazhar Mohar Bin Raja Mohar	
Robin Ling Seng Chiong	
Sabli Bin Sibil	
Shamsudin Bin Basri	
Shigeo Fuji	
Suzuki Masayuki	
Tan Sri Dato' Dr. Lin See Yan	
Tan Sri Datuk Dr. Ampikaipakan A/L S.Kandiah	
Tan Wee Lian	
Tan Yeow Heng	
Winraswathy Riny Surakhmad	
Wong Jun-Pin	
Wong Kah Pun	
Wong Siut Yin	
Wong Yew Mun	
YM Datin Paduka Raja Nor Mazli Binti Raja Mohar	
YM Dato' Paduka Tengku Shaharin Abu Bakar Tengku Suleiman	
Yulies Hidajat	
Tan Sri Dato' Seri Abdull Hamid bin Embong	(Appointed on 26 February 2025)
Mohd Azlan Bin Mohammed	(Resigned on 26 February 2025)
S.Mareshvaran A/L S.Starling	(Resigned on 21 May 2025)

## Directors' Report

### DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares and warrants of the Company and of its related corporations during the financial year ended 31 May 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

← Number of ordinary shares →				
	As at 1.6.2024/ date of appointment	Additions	Sold	As at 31.5.2025
<b>The Company</b>				
<u>Direct interests:</u>				
Dato' Siew Ka Wei	126,584,945	27,965,786	(1,000,000)	<b>153,550,731</b>
Siew Ka Kheong	15,780,454	765,459	-	<b>16,545,913</b>
Datuk Lee Cheun Wei	81,595,485	25,756,044	-	<b>107,351,529</b>
<u>Indirect interests:</u>				
Dato' Siew Ka Wei	30,223,398	1,352,581	(6,000,000)	<b>25,575,979</b>
Siew Ka Kheong	11,557,119	441,678	(6,000,000)	<b>5,998,797</b>
Datuk Lee Cheun Wei	14,782,500	11,398,437	-	<b>26,180,937</b>
Stephan Schnabel	171,017,600	8,201,345	-	<b>179,218,945</b>
<b>Subsidiary, Ancom Logistics Berhad</b>				
<u>Direct interest:</u>				
Dato' Siew Ka Wei	6	-	-	<b>6</b>
<u>Indirect interest:</u>				
Dato' Siew Ka Wei	160,746,291	-	-	<b>160,746,291</b>

← Number of Warrants B (2020/2025) →				
	As at 1.6.2024	Additions	Converted/ Sold	As at 31.5.2025
<b>The Company</b>				
<u>Direct interests:</u>				
Dato' Siew Ka Wei	17,927,231	525,300	(18,452,531)	-
Datuk Lee Cheun Wei	17,279,483	-	(17,279,483)	-
<u>Indirect interest:</u>				
Datuk Lee Cheun Wei	3,300,000	3,268,000	(6,568,000)	-

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares and warrants of the Company and of its related corporations during the financial year.

## Directors' Report

### DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received and receivable by the Directors) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than the following:

- (a) certain Directors who may be deemed to derive benefits by virtue of trade transactions entered into with companies in which certain Directors have substantial financial interests; and
- (b) certain Directors who received remuneration from the subsidiaries as Directors of the subsidiaries.

The details of the above transactions are disclosed in Note 36 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### DIRECTORS' REMUNERATION

Fees and other benefits of the Directors of the Company who held office during the financial year ended 31 May 2025 were as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Executive Directors</b>				
- salaries, bonus and allowances	5,880	7,666	265	265
- defined contribution plan	156	173	11	11
- others	985	600	-	-
	<b>7,021</b>	8,439	<b>276</b>	276
<b>Non-Executive Directors</b>				
- fees	887	782	747	644
- other emoluments	691	683	35	28
	<b>1,578</b>	1,465	<b>782</b>	672
Total remuneration of Directors	<b>8,599</b>	9,904	<b>1,058</b>	948

The estimated monetary value of benefits-in-kind received by the Directors otherwise than in cash from the Group and the Company amounted to RM142,000 (2024: RM121,000) and RM61,000 (2024: RM58,000) respectively.

### INDEMNITY AND INSURANCE FOR OFFICERS, DIRECTORS AND AUDITORS

The Group and the Company effected Directors' and officers' liability insurance during the financial year to protect the Directors and officers of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors and officers. The total amount of insurance premium effected for any Director and officer of the Group and of the Company was RM14,000.

No indemnity was given to or insurance effected for the auditors of the Group and of the Company.



## Directors' Report

### OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

#### (I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

#### (II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
  - (i) which would render the amount written off for 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 material extent;
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
  - (iii) 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.
- (d) In the opinion of the Directors:
  - (i) there has not arisen 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 year in which this report is made; and
  - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

#### (III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

## Directors' Report

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) The Company and its subsidiary, Nylex (Malaysia) Berhad ("Nylex"), had on 21 March 2022 entered into a Heads of Agreement ("HOA") with Sinar Bina Infra Sdn. Bhd., LBS Bina Group Berhad and BTS Group Holdings Public Company Limited (collectively referred to as "Parties") for the collaboration to build and operate a light rail transport system connected with the railway shuttle link currently being built from Singapore to Johor Bahru, with an integrated property development using the "Transit-Oriented Development" concept in Johor Bahru metropolitan region ("LRT Project"). The Parties are working together exclusively to agree on the terms of the definitive agreements to effect the proposals stipulated in the HOA ("Proposal"). The LRT Project is subject to an ongoing feasibility study (as defined in the HOA) being completed and the grant of the concession award for the Project by the state government of Johor. The Proposals will form part of the regularisation plan to be undertaken by Nylex to regularise its affected listed issuer status.

Nylex had on 13 December 2022, signed a Letter of Intent ("LOI") with CRRC Changchun Railway Vehicles Co., Ltd ("CRRC Changchun") for the purposes of entering into good faith discussions and negotiations with regards to the construction, commissioning, installation and testing of the LRT Project. The LOI is entered by Nylex as a part of its efforts to complete the feasibility study for the LRT Project.

Bursa Securities had via its letter dated 30 January 2023, granted Nylex an extension of time of six (6) months up to 26 July 2023 for Nylex to submit its regularisation plan to the regulatory authorities.

On 22 March 2023, the Parties have agreed to extend the long stop date of the HOA by another three (3) months to 21 June 2023. On 21 June 2023, the Parties have further agreed to extend the long stop date of the HOA to 31 January 2024.

On 16 August 2023, Bursa Securities has rejected Nylex's extension of time application as Nylex has not demonstrated to the satisfaction of Bursa Securities any material development towards the finalisation and submission of the regularisation plan to the regulatory authorities. On the same day, Nylex has received a notice to show cause on commencement of suspension and de-listing procedures pursuant to Paragraph 8.03a(3)(b) of the Listing Requirements from Bursa Securities ("Notice").

Nylex had on 23 August 2023 submitted the written representations to Bursa Securities in relation to why a suspension should not be imposed on the trading of the securities of Nylex; and why the securities of Nylex should not be de-listed from the Official List of Bursa Securities.

On 13 October 2023, Bursa Securities had decided to grant Nylex a further extension of time until 26 January 2024 to submit the regularisation plan to the relevant authorities for approval ("Extended Timeframe"), failing which the securities of Nylex will be suspended and de-listed from the Official List of Bursa Securities. As Nylex had failed to submit the proposed regularisation plan within the Extended Timeframe, the Company has on 26 January 2024 appealed/applied for a further extension of time ("Appeal").

On 29 January 2024, Bursa Securities had decided to suspend the securities of Nylex with effect from 7 February 2024 as Nylex had failed to submit the proposed regularisation plan and the de-listing of the securities of Nylex is deferred pending the decision on the Appeal by Bursa Securities.

Bursa Securities has via its letter dated 4 March 2024, allowed Nylex's appeal against the de-listing of Nylex and granted Nylex a further extension of time until 26 July 2024 to submit the regularisation plan to the relevant authorities for approval ("Extended Timeframe II"); failing which the securities of the Company shall be removed from the Official List of Bursa Securities upon expiry of two (2) market days from the date the Company is notified by Bursa Securities or on such date as may be specified by Bursa Securities. As Nylex is unable to submit the proposed regularisation plan within the Extended Timeframe II, the Company has on 19 July 2024 appealed/applied for a further extension of time ("Further Appeal").

Bursa Securities has via its letter dated 24 September 2024, decided to allow the Further Appeal and grant Nylex an extension of time of 6 months until 26 January 2025 as requested by Nylex to submit its regularisation plan to the relevant authorities for approval.

Bursa Securities has via its letter dated 6 March 2025, decided to delist Nylex from the Official List of Bursa Securities on 11 March 2025.

## Directors' Report

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (CONTINUED)

- (b) ANB and its subsidiary, Ancom Logistics Berhad ("ALB") had entered into a Heads of Agreement ("ALB HOA") with Greenheart Sdn. Bhd. ("GSB"), Choong Wee Keong ("CWK") and How Yoon For ("HYF") for the following:

(GSB, CWK and HYF shall be collectively referred to as "Vendors" and ANB, ALB, and Vendors shall be collectively referred to as "Parties")

- (i) proposed acquisition by ALB of the entire share capital of Green Lagoon Technology Sdn. Bhd. ("GLTSB") from the Vendors for total consideration of RM120,000,000, subject to an independent valuation to be conducted on GLTSB during the due diligence and in return ALB shall issue 1,000,000,000 new ordinary shares in ALB ("ALB Share(s)") at an issue price of RM0.12 per ALB Share, that will be listed and tradeable in the ACE Market to the GLTSB shareholders ("Consideration Shares") ("Proposed Acquisition");
- (ii) proposed exemption under subparagraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions to the Vendors, other shareholders of GLTSB and their person(s) acting in concert (collectively "PAC(s)") under Sections 216(2) and 216(3) of the Capital Markets and Services Act 2007 from the obligation to undertake a mandatory offer for the remaining ALB Shares not already owned by them pursuant to the Proposed Acquisition ("Proposed Exemption");
- (iii) proposed private placement of up to 183,333,334 new Shares (or such other number of new Shares as may be applicable) to ANB for the total sum of up to RM22,000,000.08 (or such other amount corresponding to such number of new ALB Shares to be issued), and to be settled in cash at the issue price of RM0.12 per ALB Share, provided that the total percentage of shareholding held by ANB directly and indirectly in the share capital of ALB on completion of the Proposed Acquisition shall not exceed such number of ALB Shares representing 21% of the entire share capital of ALB ("Proposed Private Placement"); and
- (iv) proposed disposal by ALB all of its subsidiaries (i.e., Synergy Trans-Link Sdn. Bhd. and its subsidiaries, Pengangkutan Cogent Sdn. Bhd. and Ancom Nylex Terminals Sdn. Bhd.) to ANB at an independent valuation to be conducted and agreed by ANB and ALB and upon such terms and conditions to be determined later ("Proposed Disposal").

Subsequently on 21 April 2025, ALB and ANB entered into a Supplemental Agreement to the ALB HOA ("Supplemental Agreement") with the Vendors and GLTSB. Pursuant to the Supplemental Agreement, the Parties have mutually agreed to, amongst others, the following:

- (i) vary the terms of the Proposed Private Placement to up to 83,333,334 new ordinary shares (or such other number of new ordinary shares as may be applicable) to be issued by ALB to ANB for the total sum of up to RM10,000,000.08 (or such other amount corresponding to such number of new ordinary shares to be issued), and to be settled in cash at the issue price of RM0.12 per share, provided that the total percentage of shareholding held by ANB directly and indirectly in the share capital of ALB on completion of the Proposed Acquisition shall not exceed such number of ALB Shares representing 22% of the entire issued and paid-up share capital of ALB;
- (ii) to include a proposed subscription by ANB for 145,685 new ordinary shares in GLTSB ("GLTSB Share(s)") (or such other number of new GLTSB Shares as may be applicable), to be issued and allotted by GLTSB to ANB for the total sum of RM12,000,073.45 ("Subscription Shares") at the issue price of RM82.37 per GLTSB Share; and
- (iii) extend the Term to 31 December 2025.

(The Proposed Acquisition, Proposed Exemption, Proposed Private Placement and Proposed Disposal shall be collectively referred to as "Proposals")

Upon completion of the Proposals, ALB will cease to be a subsidiary of ANB and will be accounted for an associate company of ANB.

As at the date of this report, the Proposals are yet to be completed.

## Directors' Report

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (CONTINUED)

- (c) ANB and its wholly-owned subsidiary, Rhodemark Development Sdn. Bhd. ("RDSB") (collectively referred to as "Joint Offerors") in its capacity as the controlling shareholders of Nylex, had on 6 June 2025, served a letter of offer requesting Nylex to undertake a selective capital reduction and repayment exercise pursuant to Section 116 of the Companies Act 2016 ("Act") ("Proposed SCR").

For information, in January 2022, Nylex was classified as an affected listed issuer after disposal of its entire business to ANB, triggering Paragraph 8.03A(2) of the Listing Requirements of Bursa Securities, whereby Nylex has an insignificant business or operations after the disposal. Bursa Securities had dismissed Nylex's appeal for a further extension of time to submit its regularisation plan to the authorities in March 2025, and was subsequently delisted from the Official List of Bursa Securities.

Under the Proposed SCR, all shareholders of Nylex other than the Joint Offerors whose names appear in the Record of Depositors of Nylex as at the close of business on an entitlement date to be determined and announced later by the board of Nylex ("Entitled Shareholders") collectively would receive a total capital repayment of RM5.30 million, which represents a cash amount of RM0.051 for each Nylex Share. The Proposed SCR would result in the cancellation of the Nylex shares held by the Entitled Shareholders which would proportionately increase the percentage of shareholdings of the Joint Offerors to 100.00% of the resultant share capital of Nylex, if approved.

The Proposed SCR was subjected to and conditional upon, among others, the following being obtained:

- (i) approval of the non-interested entitled shareholders of Nylex for the Proposed SCR via a special resolution tabled at an extraordinary general meeting of Nylex; and
- (ii) the grant of the order by the High Court of Malaya confirming the reduction of the issued share capital of Nylex pursuant to Section 116 of the Act.

The Proposed SCR was to provide an opportunity for the Entitled Shareholders to realise their investments in the unlisted Nylex shares, returns capital resources of Nylex to shareholders in a timely manner and also accords the Joint Offerors greater flexibility in managing Nylex's business moving forward. The exercise would be funded by Nylex's internal funds and would not expected to have a material impact on the Joint Offerors' financial position.

In an extraordinary general meeting of Nylex held on 22 August 2025, the non-interested shareholders of Nylex have voted against the Proposed SCR.

- (d) The Group via its wholly-owned subsidiary, Nylex Holdings Sdn. Bhd. ("NHSB"), had on 19 September 2024 entered into a Share Sale Agreement for the acquisition of 1,400,000 ordinary shares or 70% equity interest in Colorex Sdn. Bhd. ("Colorex") for a cash consideration of RM14,000,000.

On 2 April 2025, conditions precedents have been fulfilled and on the even date, the Share Sale Agreement has become unconditional and the acquisition was completed, which in turn Colorex became an indirect subsidiary of Group.

- (e) The Group via its wholly-owned subsidiary, Ancom Healthcare Sdn. Bhd. (formerly known as Wandeerfull Industries Sdn. Bhd.), had on 23 May 2025 entered into Share Sale Agreement for the acquisition of 600,000 or 60% equity interest in H2H Medicare Group Sdn. Bhd. ("H2H") for a cash consideration of RM5,000,000.

On 25 July 2025, conditions precedents have been fulfilled and on the even date, the Share Sale Agreement has become unconditional and the acquisition was completed, which in turn H2H became an indirect subsidiary of Group.

- (f) The Group via its wholly-owned subsidiary, Ancom Crop Care Sdn. Bhd., had on 11 June 2025 entered into Share Sale Agreement for the acquisition of 80,000 or 80% equity interest in Flexis Solutions Sdn. Bhd. ("Flexis") for a cash consideration of RM13,300,000.

On 23 June 2025, conditions precedents have been fulfilled and on the even date, the Share Sale Agreement has become unconditional and the acquisition was completed, which in turn Flexis became an indirect subsidiary of Group.

# Directors’ Report

## AUDITORS

The auditors, BDO PLT [201906000013(LLP0018825-LCA) & AF 0206], have expressed their willingness to continue in office.

Auditors’ remuneration of the Group and of the Company for the financial year ended 31 May 2025 were as follows:

	Group RM’000	Company RM’000
Statutory audit	1,078	134
Assurance related services	16	12
	1,094	146

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

**Dato’ Siew Ka Wei**  
Director

Kuala Lumpur  
9 September 2025

**Datuk Lee Cheun Wei**  
Director

## Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 163 to 246 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 May 2025 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

**Dato' Siew Ka Wei**

Director

Kuala Lumpur

9 September 2025

**Datuk Lee Cheun Wei**

Director

## Statutory Declaration

I, Lim Chang Meng (CA 15594), being the officer primarily responsible for the financial management of Ancom Nylex Berhad, do solemnly and sincerely declare that the financial statements set out on pages 163 to 246 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly  
declared by the abovenamed  
at Kuala Lumpur this  
9 September 2025

**Lim Chang Meng**  
Chief Financial Officer

Before me:

**Mardhiyyah Abdul Wahab**

Commissioner for Oaths (No. W729)



# Independent Auditors' Report

To the Members of Ancom Nylex Berhad (Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Ancom Nylex Berhad, which comprise the statements of financial position as at 31 May 2025 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 163 to 246.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 May 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), 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 ("ISAs"). 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 year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Key Audit Matter of the Group

#### **1. Annual impairment assessment on goodwill on consolidation**

The carrying amount of goodwill on consolidation as at 31 May 2025 amounted to RM87,718,000, as disclosed in Note 13 to the financial statements.

We determined that the annual impairment assessment on goodwill on consolidation to be a key audit matter because of its significance to the consolidated financial position of the Group and it requires significant management estimates and judgement and involved key assumptions in determining the value-in-use of the Cash Generating Units ("CGUs") using cash flow forecasts. These include revenue growth rates, terminal growth rate, profit margins and pre-tax discount rates applied to these forecasted cashflows of the underlying CGUs.

# Independent Auditors' Report

To the Members of Ancom Nylex Berhad (Incorporated in Malaysia)

## Key Audit Matters (continued)

### Key Audit Matter of the Group (continued)

#### **1. Annual impairment assessment on goodwill on consolidation (continued)**

Our audit procedures included the following:

- a. Compared prior period forecasts to historical performance to assess the reliability of management's forecasts;
- b. Compared cash flow forecasts against the CGUs' approved one-year financial budget and future forecasts;
- c. Assessed the reasonableness of the key assumptions applied in the value-in-use calculations through discussions with management to understand and evaluate their basis in determining the key assumptions and compared them to available external market information;
- d. Assessed the reasonableness of the pre-tax discount rates applied by management for the CGUs by comparing the discount rates used to entities with similar risk profiles and relevant market information and other risk factors; and
- e. Performed sensitivity analysis of our own to stress test the key assumptions in the impairment model.

### Key Audit Matters of the Company

#### **2. Impairment assessment of the carrying amounts of costs of investments in subsidiaries**

As at 31 May 2025, the carrying amount of costs of investments in subsidiaries amounted to RM462,672,000 as disclosed in Note 8 to the financial statements. Impairment losses on costs of investments in subsidiaries of the Company amounted to RM166,547,000 as at 31 May 2025.

We determined the impairment assessment of the carrying amounts of the costs of investments in subsidiaries to be a key audit matter as it requires significant management estimates and judgement and involved key assumptions in determining the value-in-use of the subsidiaries. These include revenue growth rates, terminal growth rate, profit margins and pre-tax discount rates applied to these forecasted cashflows of the underlying CGUs.

Our audit procedures included the following:

- a. Compared prior period forecasts to historical performance to assess the reliability of management's forecasts;
- b. Compared cash flow forecasts against the subsidiaries' approved one-year financial budget and future forecasts;
- c. Assessed the reasonableness of the key assumptions applied in the value-in-use calculations through discussions with management to understand and evaluate their basis in determining the key assumptions and compared them to available external market information;
- d. Assessed the reasonableness of the pre-tax discount rates applied by management for the subsidiaries by comparing the discount rates used to entities with similar risk profiles and relevant market information and other risk factors; and
- e. Performed sensitivity analysis of our own to stress test the key assumptions in the impairment model.

## Independent Auditors' Report

To the Members of Ancom Nylex Berhad (Incorporated in Malaysia)

### Key Audit Matters (continued)

#### Key Audit Matters of the Company (continued)

#### **3. Impairment assessment on amounts owing by subsidiaries**

As at 31 May 2025, the amounts owing by subsidiaries amounted to RM127,304,000 as disclosed in Note 17 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the probability of default by subsidiaries, including assessment of indicators of significant increase in credit risk and the resultant basis for classification of exposure into respective stages in accordance with MFRS 9 *Financial Instruments*, estimated cash flows recoverable and appropriate forward-looking information.

Our audit procedures included the following:

- a. Recomputed probability of default using historical data and forward-looking information adjustment, applied by the Company;
- b. Assessed the appropriateness of the indicators of significant increase in credit risk applied by management and the resultant basis for classification of exposure into respective stages; and
- c. Evaluated management's basis for determining recoverable cash flows, where applicable.

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

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

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

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

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

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

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, 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 ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

## Independent Auditors' Report

To the Members of Ancom Nylex Berhad (Incorporated in Malaysia)

### 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 ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) 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.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (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.
- (e) 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.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

## Independent Auditors' Report

To the Members of Ancom Nylex Berhad (Incorporated in Malaysia)

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

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 the subsidiaries of which we have not acted as auditors are disclosed in Note 40(a) to the financial statements.

### Other Matters

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

#### **BDO PLT**

201906000013 (LLP0018825-LCA) & AF 0206  
Chartered Accountants

Kuala Lumpur  
9 September 2025

#### **Rejeesh A/L Balasubramaniam**

02895/08/2026 J  
Chartered Accountant

# Statements of Financial Position

As at 31 May 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	259,873	246,513	6,676	6,236
Right-of-use assets	6	134,490	87,915	20,547	20,611
Investment properties	7	12,319	7,496	-	-
Investments in subsidiaries	8	-	-	462,672	498,824
Investments in associates	9	1,506	1,514	-	-
Investment in a joint venture	10	-	-	-	-
Other investments	11	7,899	7,399	7,228	7,228
Intangible assets	12	4,107	4,253	-	-
Goodwill on consolidation	13	87,718	87,100	-	-
Deferred tax assets	14	10,485	14,767	-	-
Trade and other receivables	16	1,305	3,449	-	-
		519,702	460,406	497,123	532,899
Current assets					
Inventories	15	183,539	218,857	-	-
Trade and other receivables	16	369,749	382,896	7,075	7,421
Amounts owing by subsidiaries	17	-	-	127,304	27,618
Amounts owing by associates	18	13,796	14,899	2,720	3,170
Amount owing by a joint venture	19	-	-	-	-
Current tax assets		10,620	12,422	469	469
Other investments	11	987	1,175	-	-
Cash and bank balances	20	151,112	137,312	1,435	2,668
		729,803	767,561	139,003	41,346
TOTAL ASSETS		1,249,505	1,227,967	636,126	574,245



## Statements of Financial Position

As at 31 May 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to the owners of the parent</b>					
Share capital	21	523,386	408,707	523,386	408,707
Treasury shares	21(c)	(96,381)	(43,195)	(96,381)	(43,195)
Reserves	22	173,452	182,577	56,342	39,073
		600,457	548,089	483,347	404,585
<b>Non-controlling interests</b>	8(e)	36,664	34,061	-	-
<b>TOTAL EQUITY</b>		637,121	582,150	483,347	404,585
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	23	31,893	47,671	-	10,100
Lease liabilities	6	47,954	4,242	242	116
Deferred tax liabilities	14	23,288	22,730	267	267
Provision for retirement benefits	25	3,948	4,661	-	-
		107,083	79,304	509	10,483
<b>Current liabilities</b>					
Borrowings	23	291,199	299,941	44,919	48,529
Lease liabilities	6	11,278	6,448	71	36
Trade and other payables	26	193,167	246,792	3,934	3,835
Amounts owing to subsidiaries	27	-	-	103,346	106,777
Amounts owing to associates	18	224	1,592	-	-
Contract liabilities	28	5,146	7,398	-	-
Current tax liabilities		4,287	4,342	-	-
		505,301	566,513	152,270	159,177
<b>TOTAL LIABILITIES</b>		612,384	645,817	152,779	169,660
<b>TOTAL EQUITY AND LIABILITIES</b>		1,249,505	1,227,967	636,126	574,245

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

# Statements of Profit or Loss

For the Financial Year ended 31 May 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Revenue</b>	29	<b>1,874,640</b>	1,996,536	<b>125,917</b>	41,586
Cost of sales		<b>(1,565,623)</b>	(1,683,697)	-	-
Gross profit		<b>309,017</b>	312,839	<b>125,917</b>	41,586
Other operating income		<b>13,416</b>	15,566	<b>113</b>	38
Distribution costs		<b>(105,398)</b>	(102,624)	-	-
Administrative expenses		<b>(89,985)</b>	(84,675)	<b>(7,577)</b>	(6,275)
Other operating expenses		<b>(14,650)</b>	(6,176)	<b>(37,223)</b>	(10,067)
Finance costs	30	<b>(19,517)</b>	(20,584)	<b>(4,779)</b>	(6,666)
Net gain/(losses) on impairment of financial assets		<b>6,235</b>	(3,835)	<b>(4,360)</b>	-
Share of results of associates, net of tax	9(h)	<b>5</b>	(32)	-	-
Profit before tax		<b>99,123</b>	110,479	<b>72,091</b>	18,616
Tax expense	31	<b>(33,967)</b>	(29,634)	<b>(399)</b>	(218)
<b>Profit for the financial year</b>		<b>65,156</b>	80,845	<b>71,692</b>	18,398
Profit/(Loss) attributable to:					
Owners of the parent		<b>63,489</b>	81,474	<b>71,692</b>	18,398
Non-controlling interests	8(e)	<b>1,667</b>	(629)	-	-
		<b>65,156</b>	80,845	<b>71,692</b>	18,398

	Note	Group	
		2025 Sen	2024 Sen
<b>Earnings per ordinary share</b>			
- Basic	32(a)	<b>6.09</b>	8.58
- Diluted	32(b)	<b>5.99</b>	8.02

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

# Statements of Comprehensive Income

For the Financial Year ended 31 May 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit for the financial year		<b>65,156</b>	80,845	<b>71,692</b>	18,398
<b>Other comprehensive loss, net of tax</b>					
<b>Item that may be reclassified subsequently to profit or loss</b>					
Foreign currency translations		<b>(15,204)</b>	(861)	-	-
<b>Item not to be reclassified subsequently to profit or loss</b>					
Re-measurement of defined benefit liability	25	<b>689</b>	555	-	-
Other comprehensive loss, net of tax		<b>(14,515)</b>	(306)	-	-
<b>Total comprehensive income</b>		<b>50,641</b>	80,539	<b>71,692</b>	18,398
Total comprehensive income/(loss) attributable to:					
Owners of the parent		<b>48,974</b>	81,168	<b>71,692</b>	18,398
Non-controlling interests	8(e)	<b>1,667</b>	(629)	-	-
		<b>50,641</b>	80,539	<b>71,692</b>	18,398

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

# Consolidated Statement of Changes in Equity

For the Financial Year ended 31 May 2025

Group	Share capital RM'000	Capital reserve RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>Balance as at 1 June 2024</b>	<b>408,707</b>	<b>273</b>	<b>27,499</b>	<b>(43,195)</b>	<b>154,805</b>	<b>548,089</b>	<b>34,061</b>	<b>582,150</b>
Profit for the financial year	-	-	-	-	63,489	63,489	1,667	65,156
Other comprehensive (loss)/income, net of tax	-	-	(15,204)	-	689	(14,515)	-	(14,515)
Total comprehensive (loss)/income	-	-	(15,204)	-	64,178	48,974	1,667	50,641
<b>Transactions with owners</b>								
Ordinary shares issued pursuant to:								
- Private placement	96,220	-	-	-	-	96,220	-	96,220
- Exercise of Warrants B	18,459	-	-	-	-	18,459	-	18,459
Net repurchases of treasury shares of the Company	-	-	-	(101,131)	3,948	(97,183)	-	(97,183)
Acquisition of a subsidiary	-	-	-	-	-	-	3,196	3,196
Dividend-in-specie	-	-	-	47,945	(48,236)	(291)	-	(291)
Dividend paid	-	-	-	-	(10,135)	(10,135)	-	(10,135)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	(2,800)	(2,800)	(2,250)	(5,050)
Partial disposal of interest in a subsidiary	-	-	-	-	10	10	(10)	-
Remeasurement of acquisition of a subsidiary	-	-	-	-	(886)	(886)	-	(886)
Total transactions with owners	114,679	-	-	(53,186)	(58,099)	3,394	936	4,330
<b>Balance as at 31 May 2025</b>	<b>523,386</b>	<b>273</b>	<b>12,295</b>	<b>(96,381)</b>	<b>160,884</b>	<b>600,457</b>	<b>36,664</b>	<b>637,121</b>

## Consolidated Statement of Changes in Equity

For the Financial Year ended 31 May 2025

Group	Share capital RM'000	Capital reserve RM'000	Exchange translation reserve RM'000	Share options reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>Balance as at 1 June 2023</b>	397,624	273	28,360	1,224	(25,123)	89,150	491,508	32,423	523,931
Profit/(Loss) for the financial year	-	-	-	-	-	81,474	81,474	(629)	80,845
Other comprehensive income/(loss), net of tax	-	-	(861)	-	-	555	(306)	-	(306)
Total comprehensive income/(loss)	-	-	(861)	-	-	82,029	81,168	(629)	80,539
<b>Transactions with owners</b>									
Ordinary shares issued pursuant to:									
- Employees' Share Option Scheme ("ESOS")	5,299	-	-	(1,432)	-	-	3,867	-	3,867
- Exercise of Warrants B	5,784	-	-	-	-	-	5,784	-	5,784
ESOS lapsed	-	-	-	208	-	(208)	-	-	-
Net repurchases of treasury shares of the Company	-	-	-	-	(25,487)	1,492	(23,995)	-	(23,995)
Acquisition of subsidiaries	-	-	-	-	-	-	-	4,240	4,240
Dividend-in-specie	-	-	-	-	7,415	(7,604)	(189)	-	(189)
Dividends paid	-	-	-	-	-	(9,493)	(9,493)	-	(9,493)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	(561)	(561)	(2,612)	(3,173)
Disposal of subsidiaries	-	-	-	-	-	-	-	639	639
Total transactions with owners	11,083	-	-	(1,224)	(18,072)	(16,374)	(24,587)	2,267	(22,320)
<b>Balance as at 31 May 2024</b>	408,707	273	27,499	-	(43,195)	154,805	548,089	34,061	582,150

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

# Statement of Changes in Equity

For the Financial Year ended 31 May 2025

Company	Share capital RM'000	Treasury shares RM'000	Share options reserve RM'000	Retained earnings RM'000	Total equity RM'000
<b>Balance as at 1 June 2023</b>	397,624	[25,123]	1,373	36,339	410,213
Profit for the financial year	-	-	-	18,398	18,398
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive income	-	-	-	18,398	18,398
<b>Transactions with owners</b>					
Ordinary shares issued pursuant to:					
- ESOS	5,299	-	(1,432)	-	3,867
- Exercise of Warrants B	5,784	-	-	-	5,784
Dividends paid	-	-	-	(9,493)	(9,493)
Dividend-in-specie	-	7,415	-	(7,604)	(189)
ESOS lapsed	-	-	59	(59)	-
Net repurchases of treasury shares of the Company	-	(25,487)	-	1,492	(23,995)
Total transactions with owners	11,083	(18,072)	(1,373)	(15,664)	(24,026)
<b>Balance as at 31 May 2024/1 June 2024</b>	<b>408,707</b>	<b>(43,195)</b>	<b>-</b>	<b>39,073</b>	<b>404,585</b>
Profit for the financial year	-	-	-	71,692	71,692
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive income	-	-	-	71,692	71,692
<b>Transactions with owners</b>					
Ordinary shares issued pursuant to:					
- Private placement	96,220	-	-	-	96,220
- Exercise of Warrants B	18,459	-	-	-	18,459
Dividends paid	-	-	-	(10,135)	(10,135)
Dividend-in-specie	-	47,945	-	(48,236)	(291)
Net repurchases of treasury shares of the Company	-	(101,131)	-	3,948	(97,183)
Total transactions with owners	114,679	(53,186)	-	(54,423)	7,070
<b>Balance as at 31 May 2025</b>	<b>523,386</b>	<b>(96,381)</b>	<b>-</b>	<b>56,342</b>	<b>483,347</b>

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



# Statements of Cash Flows

For the Financial Year ended 31 May 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		99,123	110,479	72,091	18,616
Adjustments for:					
Amortisation of intangible assets	12	398	508	-	-
Bad debts written off		541	78	244	-
Deposits written off		43	3	-	-
Depreciation of investment properties	7	177	67	-	-
Depreciation of property, plant and equipment	5	19,518	22,613	473	454
Depreciation of right-of-use assets	6	12,216	17,911	354	283
Dividend income	29	-	-	(122,515)	(39,663)
Fair value loss/(gain) on other investments		188	(73)	-	-
Gain on disposal of property, plant and equipment		(809)	(1,038)	(8)	(38)
Gain on disposal of right-of-use assets	6(f)	(2)	(38)	(2)	-
Impairment loss on amounts owing by subsidiaries	17(d)	-	-	4,575	-
Impairment loss on investments in associates	9(b)	18	40	-	-
Impairment loss on investments in subsidiaries	8(b)	-	-	36,152	9,287
Impairment loss on other investments		-	500	-	-
Impairment loss on trade and other receivables		2,181	6,231	-	-
Impairment loss on property, plant and equipment	5	207	-	-	-
Intangible assets written off	12	-	223	-	-
Interest expense	30	19,517	20,584	4,779	6,666
Interest income		(1,734)	(1,418)	(1,753)	(112)
Inventories written down/(back)	15	843	(2,264)	-	-
Inventories written off	15	3	26	-	-
Loss on reassessments and modifications of leases	6(f)	7	12	-	-
(Gain)/Loss on termination of leases	6(f)	(3)	17	-	-
Loss on disposal of investment properties		-	97	-	-
Loss on disposal of subsidiaries		-	48	-	-
Negative goodwill		-	(4,034)	-	-
Net unrealised loss/(gain) on foreign exchange		2,298	(21)	-	-
Property, plant and equipment written off	5	126	105	-	-
Provision for retirement benefits	25	545	625	-	-
Provision for slow moving inventories		-	16	-	-
Reversal of impairment loss on amounts owing by subsidiaries	17(d)	-	-	(215)	-
Reversal of impairment loss on trade and other receivables		(8,416)	(2,396)	-	-
Share of results of associates	9(h)	(5)	32	-	-
Operating profit/(loss) before working capital changes		146,980	168,933	(5,825)	(4,507)

# Statements of Cash Flows

For the Financial Year ended 31 May 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)</b>					
Operating profit/(loss) before working capital changes (continued)		<b>146,980</b>	168,933	<b>(5,825)</b>	(4,507)
Working capital changes:					
Inventories		<b>36,071</b>	(2,060)	-	-
Trade and other receivables		<b>7,853</b>	(15,447)	<b>346</b>	(4,392)
Trade and other payables		<b>(53,254)</b>	4,998	<b>99</b>	(1,307)
Contract liabilities		<b>(2,252)</b>	2,732	-	-
Amounts owing by associates		<b>1,103</b>	(7,819)	<b>450</b>	330
Amounts owing to associates		<b>(1,368)</b>	898	-	-
Cash generated from/(used in) operations		<b>135,133</b>	152,235	<b>(4,930)</b>	(9,876)
Dividend income		-	-	-	39,663
Retirement benefits paid	25	<b>(273)</b>	(368)	-	-
Tax paid		<b>(27,887)</b>	(21,110)	<b>(399)</b>	(218)
<b>Net cash from/(used in) operating activities</b>		<b>106,973</b>	130,757	<b>(5,329)</b>	29,569
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Acquisition of additional interests in an associate		<b>(5)</b>	-	-	-
Additions of right-of-use assets		<b>(449)</b>	(3,970)	<b>(42)</b>	-
Interests received		<b>1,734</b>	1,418	<b>1,753</b>	112
Net cash outflow on acquisition of subsidiaries		<b>(7,959)</b>	(1,457)	-	-
Net cash outflow on disposal of subsidiaries		-	(5)	-	-
Repayments from subsidiaries		-	-	<b>14,794</b>	25,259
Proceeds from disposal of investment properties		-	249	-	-
Proceeds from disposal of property, plant and equipment		<b>1,063</b>	1,146	<b>8</b>	38
Proceeds from disposal of right-of-use assets		<b>130</b>	60	<b>130</b>	-
Purchase of other investments		<b>(500)</b>	(4,735)	-	(4,735)
Purchase of intangible assets	12	<b>(252)</b>	(480)	-	-
Purchase of property, plant and equipment	5(e)	<b>(24,324)</b>	(48,219)	<b>(913)</b>	(587)
(Placement)/Withdrawal of short term deposits:					
- pledged with licensed banks		<b>(1,568)</b>	464	-	-
- with maturity period more than three (3) months		<b>637</b>	(3,431)	-	-
<b>Net cash (used in)/from investing activities</b>		<b>(31,493)</b>	(58,960)	<b>15,730</b>	20,087

## Statements of Cash Flows

For the Financial Year ended 31 May 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Dividend-in-specie		(291)	(189)	(291)	(189)
Dividends paid		(10,135)	(9,493)	(10,135)	(9,493)
Dividends paid to non-controlling interests of subsidiaries		(5,050)	(3,173)	-	-
Drawdowns of term loans		7,435	18,704	-	-
Interests paid		(16,571)	(19,811)	(4,758)	(6,658)
Net (repayments)/drawdowns of other short term borrowings		(8,587)	(3,602)	35	(3,750)
Net repurchases of treasury shares of the Company		(97,183)	(23,995)	(97,183)	(23,995)
Payments of lease liabilities	6	(14,276)	(18,456)	(236)	(43)
Proceeds from issuance of ordinary shares pursuant to:					
- ESOS		-	3,867	-	3,867
- Private placement	21	96,220	-	96,220	-
- Exercise of Warrants B	21	18,459	5,784	18,459	5,784
Repayments of term loans		(26,064)	(52,741)	(14,100)	(15,200)
<b>Net cash used in financing activities</b>		<b>(56,043)</b>	<b>(103,105)</b>	<b>(11,989)</b>	<b>(49,677)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>19,437</b>	<b>(31,308)</b>	<b>(1,588)</b>	<b>(21)</b>
<b>Cash and cash equivalents at beginning of financial year</b>		<b>119,176</b>	<b>150,476</b>	<b>(3,796)</b>	<b>(3,775)</b>
Effects of exchange rate changes on cash and cash equivalents		(3,202)	8	-	-
		115,974	150,484	(3,796)	(3,775)
<b>Cash and cash equivalents at end of financial year</b>	20(c)	<b>135,411</b>	<b>119,176</b>	<b>(5,384)</b>	<b>(3,796)</b>

## Statements of Cash Flows

For the Financial Year ended 31 May 2025

### RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Borrowings*</b>					
Balance as at 1 June 2024/2023		<b>337,427</b>	371,159	<b>52,165</b>	71,115
Cash flows					
- Drawdown of term loans		<b>7,435</b>	18,704	-	-
- Repayments of term loans		<b>(26,064)</b>	(52,741)	<b>(14,100)</b>	(15,200)
- Net (repayments)/drawdowns of other short term borrowings		<b>(8,587)</b>	(3,602)	<b>35</b>	(3,750)
Non-cash flows:					
- Acquisition of subsidiaries		<b>12,515</b>	1,920	-	-
- Unrealised loss on foreign exchange		<b>268</b>	511	-	-
- Effect of foreign exchange		<b>(6,721)</b>	1,476	-	-
Balance as at 31 May 2025/2024		<b>316,273</b>	337,427	<b>38,100</b>	52,165
<b>Lease liabilities</b>					
Balance as at 1 June 2024/2023		<b>10,690</b>	23,845	<b>152</b>	187
Cash flows		<b>(14,276)</b>	(18,456)	<b>(236)</b>	(43)
Non-cash flows:					
- Additions		<b>23,930</b>	4,212	<b>376</b>	-
- Effect of foreign exchange		<b>496</b>	273	-	-
- Reassessments/Modifications		<b>34,815</b>	134	-	-
- Termination		<b>(83)</b>	(398)	-	-
- Accretion of interest expense		<b>2,946</b>	773	<b>21</b>	8
- Acquisition of subsidiaries		<b>714</b>	307	-	-
Balance as at 31 May 2025/2024	6	<b>59,232</b>	10,690	<b>313</b>	152

\* Excluding bank overdrafts of the Group and of the Company of RM6,819,000 (2024: RM10,185,000) and RM6,819,000 (2024: RM6,464,000) respectively.

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

# Notes to the Financial Statements

31 May 2025

## 1. CORPORATE INFORMATION

Ancom Nylex Berhad ("ANB" or "the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

The registered office of the Company is located at Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur, Malaysia.

The principal place of business of the Company is located at No. 2A, Jalan 13/2, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The consolidated financial statements for the financial year ended 31 May 2025 comprise the Company and its subsidiaries and the interests of the Group in associates and a joint venture. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 9 September 2025.

## 2. PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and the details of the subsidiaries are disclosed in Note 40 to the financial statements. There have been no significant changes in the nature of the activities of the Company and its subsidiaries during the financial year.

## 3. BASIS OF PREPARATION

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

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The Amendments to MFRSs adopted during the financial year are disclosed in Note 41.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

## Notes to the Financial Statements

31 May 2025

### 4. OPERATING SEGMENTS

The Group's operations comprise the following main operating segments:

Investment holding : Investment holding

Agricultural chemicals : Manufacture, trading and sale of agricultural chemical products

Industrial chemicals : Manufacture, trading and sale of industrial chemical products

Logistics : Ship-owning, ship-operating, land transportation, container haulage, bulk cargo handling, chemicals warehousing and related services

Polymer : Manufacturing and marketing of polymer products

Others mainly comprise media, education, information technology, manufacturing, sales of electrical component products and property development.

The accounting policies of operating segments are the same as those described in the respective notes to the financial statements. The Group evaluates performance on the basis of profit or loss from operations before tax. These policies have been applied consistently throughout the current and previous financial years.

The Group's chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions on resource allocation and performance assessment.

The inter-segment assets are adjusted against the segment assets to arrive at total assets reported in the consolidated statement of financial position.

The inter-segment liabilities are adjusted against the segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position.

# Notes to the Financial Statements

31 May 2025

## 4. OPERATING SEGMENTS (CONTINUED)

(a) Operating segment

2025	Investment holding and others RM'000	Agricultural chemicals RM'000	Industrial chemicals RM'000	Logistics RM'000	Polymer RM'000	Elimination and adjustments RM'000	Total RM'000
<b>Revenue</b>							
External sales	53,699	544,706	1,154,893	46,889	74,453	-	1,874,640
Inter-segment sales	131,521	130,344	2,699	7,697	-	(272,261)	-
Total revenue	185,220	675,050	1,157,592	54,586	74,453	(272,261)	1,874,640
<b>Segment (loss)/profit before tax</b>							
Interest income	(27,435)	93,215	21,404	8,487	3,731	(279)	99,123
Depreciation and amortisation	4,246	1,087	1,094	33	114	(4,840)	1,734
Share of results of associates	(3,761)	(9,797)	(11,614)	(7,630)	(3,456)	3,949	(32,309)
Interest expense	5	-	-	-	-	-	5
Other material non-cash items:	(7,896)	(5,954)	(7,871)	(3,028)	(11)	5,243	(19,517)
Impairment loss on investments in associates	(18)	-	-	-	-	-	(18)
Impairment loss on property, plant and equipment	-	(207)	-	-	-	-	(207)
Inventories written down	-	(43)	(771)	-	(29)	-	(843)
Net gain/(loss) on impairment of financial assets	601	5,758	8	25	(157)	-	6,235
Net unrealised gain/(loss) on foreign exchange	173	(903)	(1,379)	(184)	(5)	-	(2,298)
Property, plant and equipment written off	(47)	(79)	-	-	-	-	(126)
<b>Segment assets</b>	210,451	429,457	407,594	109,559	85,723	6,721	1,249,505
Investments in associates	228	762	8,466	-	-	(7,950)	1,506
Goodwill on consolidation	1,916	17,941	67,767	-	94	-	87,718
Additions to property, plant and equipment and intangible assets	2,890	6,230	13,895	10,639	450	-	34,104
<b>Segment liabilities</b>	93,657	148,092	263,563	96,418	16,590	(5,936)	612,384



## Notes to the Financial Statements

31 May 2025

## 4. OPERATING SEGMENTS (CONTINUED)

(a) Operating segment (continued)

2024	Investment holding and others RM'000	Agricultural chemicals RM'000	Industrial chemicals RM'000	Logistics RM'000	Polymer RM'000	Elimination and adjustments RM'000	Total RM'000
<b>Revenue</b>							
External sales	56,897	521,235	1,292,232	48,542	77,630	-	1,996,536
Inter-segment sales	50,191	144,150	578	7,332	126	(202,377)	-
Total revenue	107,088	665,385	1,292,810	55,874	77,756	(202,377)	1,996,536
<b>Segment (loss)/profit before tax</b>							
Interest income	(26,688)	103,436	14,517	7,938	8,526	2,750	110,479
Depreciation and amortisation	2,591	1,159	738	102	140	(3,312)	1,418
Share of results of associates	(3,225)	(8,289)	(18,152)	(10,251)	(4,020)	2,838	(41,099)
Interest expense	(32)	-	-	-	-	-	(32)
Other material non-cash items:	(10,332)	(3,038)	(7,456)	(3,104)	(31)	3,377	(20,584)
Impairment loss on other investments	(500)	-	-	-	-	-	(500)
Inventories written (down)/back	-	(147)	-	-	2,411	-	2,264
Net (losses)/gain on impairment of financial assets	(1,639)	(2,294)	454	(134)	(222)	-	(3,835)
Net unrealised gain/(loss) on foreign exchange	679	(272)	3	208	(597)	-	21
Property, plant and equipment written off	(6)	(99)	-	-	-	-	(105)
<b>Segment assets</b>	205,359	393,821	407,594	114,953	85,723	20,517	1,227,967
Investments in associates	251	757	7,869	-	-	(7,363)	1,514
Goodwill on consolidation	1,916	17,941	67,149	-	94	-	87,100
Additions to property, plant and equipment and intangible assets	3,531	27,568	1,191	16,097	312	-	48,699
<b>Segment liabilities</b>	166,884	139,341	263,563	56,578	16,590	2,861	645,817

## Notes to the Financial Statements

31 May 2025

### 4. OPERATING SEGMENTS (CONTINUED)

#### (b) Geographical segment

In determining the geographical segment of the Group, revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	Revenue		Segment assets	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Malaysia	<b>1,250,849</b>	1,274,273	<b>1,096,342</b>	1,032,739
Singapore	<b>105,112</b>	149,587	<b>85,474</b>	106,356
Indonesia	<b>103,824</b>	108,282	<b>47,973</b>	56,743
Other Southeast Asian countries	<b>139,770</b>	176,432	<b>7,047</b>	18,803
Other Asian countries	<b>47,470</b>	61,066	<b>12,669</b>	13,326
Australia and New Zealand	<b>46,697</b>	38,040	-	-
North and South America	<b>139,922</b>	148,139	-	-
Africa	<b>40,803</b>	40,295	-	-
Europe	<b>193</b>	422	-	-
	<b>1,874,640</b>	1,996,536	<b>1,249,505</b>	1,227,967

#### (c) Major customers

There are no major customers with revenue equal or more than ten percent (10%) of the Group's revenue.

31 May 2025

Group	Balance as at 1.6.2024 RM'000	Reclassification RM'000	Additions RM'000	Impairment RM'000	Disposals RM'000	Depreciation charge for the financial year RM'000	Foreign exchange differences RM'000	Written off RM'000	Acquisition of a subsidiary (Note 8) RM'000	Balance as at 31.5.2025 RM'000
<b>2025</b>										
<b>Carrying amount</b>										
Freehold land	1,016	-	-	-	-	-	-	-	-	1,016
Buildings	55,054	70	384	-	(2)	(2,101)	(510)	-	-	52,895
Bearer plant	1,652	-	119	-	-	-	-	-	-	1,771
Plant and machinery	88,324	13,420	5,124	(207)	(23)	(10,981)	(783)	(15)	110	94,969
Vessel and equipment	53,385	-	994	-	-	(3,135)	-	-	-	51,244
Motor vehicles	8,094	-	804	-	(191)	(2,038)	(16)	-	738	7,391
Furniture, fittings and office equipment	4,433	257	1,698	-	(38)	(738)	(16)	(111)	90	5,575
Renovation	5,502	-	1,294	-	-	(525)	-	-	-	6,271
Assets under construction	29,053	(13,747)	23,435	-	-	-	-	-	-	38,741
	246,513	-	33,852	(207)	(254)	(19,518)	(1,325)	(126)	938	259,873

31 May 2025

Group	Balance as at 1.6.2023 RM'000	Reclassification RM'000	Additions RM'000	Reclassification* RM'000	Disposals RM'000	Depreciation charge for the financial year RM'000	Foreign exchange differences RM'000	Written off RM'000	Acquisition of a subsidiary (Note 8) RM'000	Balance as at 31.5.2024 RM'000
<b>Carrying amount</b>										
Freehold land	1,016	-	-	-	-	-	-	-	-	1,016
Buildings	33,739	26	23,371	-	-	(1,729)	(353)	-	-	55,054
Bearer plant	1,769	(464)	347	-	-	-	-	-	-	1,652
Plant and machinery	83,062	438	17,933	-	-	(12,483)	(592)	(34)	-	88,324
Vessel and equipment	56,845	-	8	-	-	(3,468)	-	-	-	53,385
Motor vehicles	7,498	-	2,135	709	(106)	(2,161)	(8)	-	27	8,094
Furniture, fittings and office equipment	5,549	-	1,213	-	(2)	(2,298)	(6)	(65)	42	4,433
Renovation	5,612	-	357	-	-	(474)	-	(6)	13	5,502
Assets under construction	26,199	-	2,855	-	-	-	(1)	-	-	29,053
	221,289	-	48,219	709	(108)	(22,613)	(960)	(105)	82	246,513

	At 31.5.2024		
	Cost RM'000	Accumulated depreciation and impairment RM'000	Carrying amount RM'000
Freehold land	1,016	-	1,016
Buildings	82,783	(27,729)	55,054
Bearer plant	1,652	-	1,652
Plant and machinery	277,460	(189,136)	88,324
Vessel and equipment	80,174	(26,789)	53,385
Motor vehicles	33,147	(25,053)	8,094
Furniture, fittings and office equipment	35,573	(31,140)	4,433
Renovation	11,571	(6,069)	5,502
Assets under construction	29,053	-	29,053
	552,429	(305,916)	246,513

\* The assets previously acquired under hire purchase arrangements were reclassified from right-of-use assets as the lease liabilities for those assets had been fully settled in the previous financial year.

## Notes to the Financial Statements

31 May 2025

## 5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

## Company

	Balance as at 1.6.2024 RM'000	Additions RM'000	Depreciation charge for the financial year RM'000	Balance as at 31.5.2025 RM'000
<b>2025</b>				
<b>Carrying amount</b>				
Building	4,720	-	(127)	4,593
Furniture, fittings and office equipment	457	36	(63)	430
Renovation	1,059	877	(283)	1,653
	6,236	913	(473)	6,676

	At 31.5.2025		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Building	6,327	(1,734)	4,593
Motor vehicles	946	(946)	-
Furniture, fittings and office equipment	1,780	(1,350)	430
Renovation	6,569	(4,916)	1,653
	15,622	(8,946)	6,676

	Balance as at 1.6.2023 RM'000	Additions RM'000	Depreciation charge for the financial year RM'000	Balance as at 31.5.2024 RM'000
<b>2024</b>				
<b>Carrying amount</b>				
Building	4,846	-	(126)	4,720
Furniture, fittings and office equipment	138	369	(50)	457
Renovation	1,119	218	(278)	1,059
	6,103	587	(454)	6,236

	At 31.5.2024		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Building	6,327	(1,607)	4,720
Motor vehicles	1,632	(1,632)	-
Furniture, fittings and office equipment	1,744	(1,287)	457
Renovation	5,692	(4,633)	1,059
	15,395	(9,159)	6,236

## Notes to the Financial Statements

31 May 2025

### 5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) Property, plant and equipment are initially measured at cost. After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

All costs directly related to bearer plant are capitalised until such time the bearer plant reach maturity, at which point all further costs are expensed and depreciation commences. Such costs include planting, cultivating and other upkeep costs and an allocation of overhead costs.

Assets under construction mainly comprised building and plant under construction or installation for intended use as production facilities.

- (b) Freehold land has unlimited useful life and is not depreciated. The immature bearer plant and assets under construction are not depreciated until such time when the asset is available for use.

Depreciation on other property, plant and equipment is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

Buildings	1.0% - 8.0%
Plant and machinery	2.5% - 33.3%
Vessel and equipment	3.8% - 50.0%
Motor vehicles	10.0% - 25.0%
Furniture, fittings and office equipment	7.0% - 33.3%
Renovation	2.0% - 33.3%

- (c) Chemical tanks categorised under plant and machinery were previously depreciated over the shorter of their useful life or the original lease term. In light of the lease extension as disclosed in Note 6(c) to the financial statements, the remaining useful lives of these tanks were revised to reflect the extended lease term. The change in estimated useful lives resulted in a decrease in depreciation of the plant and machinery during the financial year by RM2,215,000, leading to a corresponding increase in profit before tax during the financial year.
- (d) As at 31 May 2025, certain buildings of the Group and of the Company with a total carrying amount of RM32,855,000 (2024: RM33,099,000) and RM4,593,000 (2024: RM4,720,000) respectively have been charged to licensed banks for banking facilities granted to the Company and subsidiaries as disclosed in Note 23 to the financial statements.
- (e) During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Additions of property, plant and equipment	<b>33,852</b>	48,219	<b>913</b>	587
Reclassification from prepayments	<b>(9,528)</b>	-	<b>-</b>	-
Cash outflow for acquisition for property, plant and equipment	<b>24,324</b>	48,219	<b>913</b>	587

## Notes to the Financial Statements

31 May 2025

## 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

## Right-of-use assets

2025	Balance as at 1.6.2024 RM'000	Additions RM'000	Disposal RM'000	Reassessments/ Modifications RM'000	Depreciation charge for the financial year RM'000	Foreign exchange differences RM'000	Termination RM'000	Acquisition of a subsidiary (Note 8) RM'000	Balance as at 31.5.2025 RM'000
<b>Group</b>									
<b>Carrying amount</b>	<b>76,155</b>	<b>227</b>	<b>-</b>	<b>34,439</b>	<b>(1,997)</b>	<b>(502)</b>	<b>(15)</b>	<b>-</b>	<b>108,307</b>
Leasehold land									
Buildings	2,802	2,050	-	369	(1,945)	(61)	(64)	335	3,486
Storage tanks	2,212	16,529	-	-	(6,218)	40	-	-	12,563
Motor vehicles	5,503	3,461	(128)	-	(1,183)	-	-	-	7,653
Plant and machinery	1,105	2,030	-	-	(767)	-	-	-	2,368
Office equipment	138	82	-	-	(106)	-	(1)	-	113
	<b>87,915</b>	<b>24,379</b>	<b>(128)</b>	<b>34,808</b>	<b>(12,216)</b>	<b>(523)</b>	<b>(80)</b>	<b>335</b>	<b>134,490</b>

Company	Balance as at 1.6.2024 RM'000	Additions RM'000	Disposal RM'000	Depreciation charge for the financial year RM'000	Balance as at 31.5.2025 RM'000
<b>Carrying amount</b>	<b>20,447</b>	<b>-</b>	<b>-</b>	<b>(241)</b>	<b>20,206</b>
Leasehold land					
Motor vehicle	164	418	(128)	(113)	341
	<b>20,611</b>	<b>418</b>	<b>(128)</b>	<b>(354)</b>	<b>20,547</b>



# Notes to the Financial Statements

31 May 2025

## 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

### Right-of-use assets (continued)

2024	Balance as at 1.6.2023 RM'000	Additions RM'000	Disposal RM'000	Reassessments/ Modifications RM'000	Depreciation charge for the financial year RM'000	Foreign exchange differences RM'000	Reclassi- fication* RM'000	Termination RM'000	Acquisition of subsidiaries (Note 8) RM'000	Balance as at 31.5.2024 RM'000
<b>Carrying amount</b>										
Leasehold land	74,581	4,021	-	-	(2,024)	(317)	-	(106)	-	76,155
Buildings	2,502	2,109	-	92	(1,649)	7	-	(259)	-	2,802
Storage tanks	14,630	41	-	-	(12,643)	184	-	-	-	2,212
Motor vehicles	5,350	1,945	(22)	-	(1,389)	-	(709)	-	328	5,503
Plant and machinery	1,186	-	-	-	(81)	-	-	-	-	1,105
Office equipment	175	66	-	30	(125)	-	-	(8)	-	138
	98,424	8,182	(22)	122	(17,911)	(126)	(709)	(373)	328	87,915

Company	Balance as at 1.6.2023 RM'000	Depreciation charge for the financial year RM'000	Balance as at 31.5.2024 RM'000
<b>Carrying amount</b>			
Leasehold land	20,688	(241)	20,447
Motor vehicle	206	(42)	164
	20,894	(283)	20,611

\* The assets previously acquired under hire purchase arrangements were reclassified to property, plant and equipment as the lease liabilities for those assets had been fully settled in the previous financial year.

## Notes to the Financial Statements

31 May 2025

**6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)****Lease liabilities**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance as at 1 June 2024/2023	<b>10,690</b>	23,845	<b>152</b>	187
Additions	<b>23,930</b>	4,212	<b>376</b>	-
Reassessments/Modifications	<b>34,815</b>	134	-	-
Termination	<b>(83)</b>	(398)	-	-
Lease payments	<b>(14,276)</b>	(18,456)	<b>(236)</b>	(43)
Acquisition of subsidiaries (Note 8)	<b>714</b>	307	-	-
Accretion of interest expense	<b>2,946</b>	773	<b>21</b>	8
Foreign exchange differences	<b>496</b>	273	-	-
Balance as at 31 May 2025/2024	<b>59,232</b>	10,690	<b>313</b>	152
Represented by:				
Current liabilities	<b>11,278</b>	6,448	<b>71</b>	36
Non-current liabilities	<b>47,954</b>	4,242	<b>242</b>	116
	<b>59,232</b>	10,690	<b>313</b>	152
Lease liabilities owing to financial institutions	<b>5,277</b>	5,454	<b>313</b>	152
Lease liabilities owing to non-financial institutions	<b>53,955</b>	5,236	-	-
	<b>59,232</b>	10,690	<b>313</b>	152

- (a) The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

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

- (b) The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Leasehold land	5 to 99 years
Buildings	2 to 5 years
Storage tanks	2 to 8 years
Motor vehicles	2 to 5 years
Plant and machinery	2 to 5 years
Office equipment	2 to 5 years

- (c) During the financial year, the Group entered into an agreement to extend the lease term of a leasehold land of a subsidiary to 46 years. As a result, the Group remeasured the related right-of-use assets and lease liabilities accordingly.

## Notes to the Financial Statements

31 May 2025

### 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

- (d) As at 31 May 2025, certain leasehold land of the Group and of the Company with a total carrying amount of RM30,209,000 (2024: RM30,644,000) and RM20,206,000 (2024: RM20,447,000) respectively have been charged to licensed banks for banking facilities granted to the Company and subsidiaries as disclosed in Note 23 to the financial statements.
- (e) The Group has certain leases of assets with lease term of twelve (12) months or less and low value leases of RM20,000 and below. The Group applies the “short-term lease” and “lease of low-value assets” exemptions for these leases.
- (f) The following are the amounts recognised in profit or loss:

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM'000</b>	<b>2024 RM'000</b>	<b>2025 RM'000</b>	<b>2024 RM'000</b>
Represented by:				
Depreciation charge on right-of-use assets (included in cost of sales, distribution costs and administrative expenses)	<b>12,216</b>	17,911	<b>354</b>	283
Interest expense on lease liabilities (included in finance costs)	<b>2,946</b>	773	<b>21</b>	8
Gain on disposal of right-of-use assets (included in other operating income)	<b>(2)</b>	(38)	<b>(2)</b>	-
(Gain)/Loss on termination of leases (included in other operating income/expenses)	<b>(3)</b>	17	-	-
Loss on reassessments and modifications of leases (included in other operating expense)	<b>7</b>	12	-	-
Expense relating to short-term leases and leases of low-value assets (included in administrative expenses)	<b>708</b>	1,053	-	-
	<b>15,872</b>	19,728	<b>373</b>	291

- (g) At the end of the financial year, the Group and the Company had total cash outflows for leases of RM14,984,000 (2024: RM19,509,000) and RM236,000 (2024: RM43,000) respectively.

### 7. INVESTMENT PROPERTIES

#### Group

	<b>Balance as at 1.6.2024 RM'000</b>	<b>Depreciation charge for the financial year RM'000</b>	<b>Acquisition of a subsidiary (Note 8) RM'000</b>	<b>Balance as at 31.5.2025 RM'000</b>
<b>2025</b>				
<b>Carrying amount</b>				
Freehold lands at cost	<b>406</b>	<b>(12)</b>	<b>1,163</b>	<b>1,557</b>
Leasehold land at cost	<b>101</b>	<b>(3)</b>	<b>-</b>	<b>98</b>
Buildings at cost	<b>6,989</b>	<b>(162)</b>	<b>3,837</b>	<b>10,664</b>
	<b>7,496</b>	<b>(177)</b>	<b>5,000</b>	<b>12,319</b>

## Notes to the Financial Statements

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## 7. INVESTMENT PROPERTIES (CONTINUED)

## Group (continued)

2024	Balance as at 1.6.2023 RM'000	Depreciation charge for the financial year RM'000	Acquisition of subsidiaries (Note 8) RM'000	Disposal RM'000	Balance as at 31.5.2024 RM'000
<b>Carrying amount</b>					
Freehold lands at cost	408	(2)	-	-	406
Leasehold land at cost	208	(3)	-	(104)	101
Buildings at cost	1,671	(62)	5,622	(242)	6,989
	2,287	(67)	5,622	(346)	7,496

	<b>Group</b>	
	<b>2025 RM'000</b>	<b>2024 RM'000</b>
Fair value	<b>13,200</b>	8,560

- (a) Investment properties of the Group are held to earn rental yields or for capital appreciation or for both and are not occupied by the Group. Investment properties are initially measured at cost, including transaction costs. After initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.
- (b) Depreciation is calculated to write off the cost of the investment properties to their residual values on a straight line basis over their estimated useful lives. The principal depreciation periods for the investments properties are fifty (50) years.
- (c) Rental income generated from rental of investment properties of the Group during the financial year amounted to RM282,000 (2024: RM152,000). Direct operating expenses from investment properties which generated rental income to the Group during the financial year amounted to RM140,000 (2024: RM125,000).
- (d) The fair value of investment properties for disclosure purposes, which are at Level 3 fair value, was recommended by the Directors as at the end of reporting period based on indicative market value of similar properties in the vicinity on a price per square foot basis.
- (e) The investment properties of the Group are mainly used to generate rental income. However, the fair value of the investment properties reflects the highest and best use of the said properties should the investment properties be disposed. Currently, management does not intend to dispose off the investment properties and the existing use of the investment properties remains for rental purposes.
- (f) As at 31 May 2025, certain land and buildings of the Group with a total carrying amount of RM11,722,000 (2024: RM6,879,000) have been charged to licensed banks for banking facilities granted a subsidiary as disclosed in Note 23 to the financial statements.

## Notes to the Financial Statements

31 May 2025

### 8. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025	2024
	RM'000	RM'000
Quoted shares in Malaysia, at cost	<b>2,694</b>	4,106
Unquoted shares, at cost	<b>500,012</b>	498,600
Equity loans	<b>120,000</b>	120,000
Equity contributions in subsidiaries in respect of ESOS	<b>6,513</b>	6,513
	<b>629,219</b>	629,219
Less: Impairment losses	<b>(166,547)</b>	(130,395)
	<b>462,672</b>	498,824

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

All components of non-controlling interests shall be initially measured at fair value on the acquisition date, unless another measurement basis is required by MFRS. The choice of the measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of the non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

- (b) Management reviews the investments in subsidiaries for impairment when there is an indication of impairment. The recoverable amounts of the investments in subsidiaries are assessed by reference to the higher of fair value less cost to sell of the underlying assets or the value-in-use of the respective subsidiaries. The value-in-use is the net present value of the projected future cash flows derived from the business operations of the respective subsidiaries discounted at an appropriate pre-tax discount rate. For such discounted cash flow method, it involves the use of estimated future results and a set of assumptions to support their income and cash flows. Significant judgements and estimates are applied to determine the key assumptions applied to the cash flow projections, which includes the profit margins, growth rates, and the appropriate pre-tax discount rates used for each of the subsidiary. Impairment losses are made when the carrying amount of the investments in subsidiaries exceed its recoverable amount.

During the financial year, an impairment loss of RM36,152,000 (2024: RM9,287,000) was recognised within the other operating expenses in statements of profit or loss to bring the carrying amount to their recoverable amount due to decline in operations of certain subsidiaries of the Company. The net assets of these subsidiaries were used as a proxy of their recoverable amount based on fair value less cost to sell method.

- (c) The details of the subsidiaries are disclosed in Note 40(a) to the financial statements.
- (d) Quoted investments in subsidiaries with a carrying amount of RM547,000 (2024: RM1,840,000) and quoted investments held by subsidiaries with a carrying amount of RM8,493,000 (2024: RM20,553,000) have been charged to licensed banks for credit facilities granted to the Company and a subsidiary as disclosed in Note 23 to the financial statements.

Unquoted investments in subsidiaries held by subsidiaries with total carrying amounts of RM134,534,000 (2024: RM124,712,000) have been charged to licensed banks for credit facilities granted to the Company and a subsidiary as disclosed in Note 23 to the financial statements.

## Notes to the Financial Statements

31 May 2025

**8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)**

(e) The subsidiaries of the Group that have material non-controlling interests ("NCI") are as follows:

	<b>Nylex (Malaysia) Berhad RM'000</b>	<b>Ancom Logistics Berhad RM'000</b>	<b>Others*</b> <b>RM'000</b>	<b>Total RM'000</b>
<b>2025</b>				
NCI percentage of ownership interest and voting interest (%)	<b>57.8%</b>	<b>66.0%</b>		
Carrying amount of NCI	<b>10,272</b>	<b>11,118</b>	<b>15,274</b>	<b>36,664</b>
(Loss)/Profit allocated to NCI	<b>(724)</b>	<b>(660)</b>	<b>3,051</b>	<b>1,667</b>
Other comprehensive income allocated to NCI	-	-	-	-
Total comprehensive (loss)/income allocated to NCI	<b>(724)</b>	<b>(660)</b>	<b>3,051</b>	<b>1,667</b>
<b>2024</b>				
NCI percentage of ownership interest and voting interest (%)	57.8%	66.0%		
Carrying amount of NCI	10,996	11,778	11,287	34,061
(Loss)/Profit allocated to NCI	(1,455)	(2,470)	3,296	(629)
Other comprehensive income allocated to NCI	-	-	-	-
Total comprehensive (loss)/income allocated to NCI	(1,455)	(2,470)	3,296	(629)

\* The NCI of all other subsidiaries that are not wholly-owned by the Group are deemed to be immaterial.

## Notes to the Financial Statements

31 May 2025

### 8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

- (f) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting period are as follows:

	<b>Nylex (Malaysia) Berhad RM'000</b>	<b>Ancom Logistics Berhad RM'000</b>
<b>2025</b>		
<b>Assets and liabilities</b>		
Non-current assets	<b>7,785</b>	<b>80,174</b>
Current assets	<b>9,350</b>	<b>15,048</b>
Non-current liabilities	<b>-</b>	<b>(54,209)</b>
Current liabilities	<b>(179)</b>	<b>(16,226)</b>
Net assets	<b>16,956</b>	<b>24,787</b>
<b>Results</b>		
Revenue	<b>174</b>	<b>33,382</b>
(Loss)/Profit for the financial year	<b>(1,456)</b>	<b>707</b>
Total comprehensive (loss)/income	<b>(1,456)</b>	<b>707</b>
Cash flows (used in)/from operating activities	<b>(2,195)</b>	<b>5,625</b>
Cash flows from/(used in) investing activities	<b>282</b>	<b>(6,508)</b>
Cash flows from financing activities	<b>-</b>	<b>904</b>
Net (decrease)/increase in cash and cash equivalents	<b>(1,913)</b>	<b>21</b>
<b>2024</b>		
<b>Assets and liabilities</b>		
Non-current assets	7,785	39,106
Current assets	11,485	14,665
Non-current liabilities	-	(15,985)
Current liabilities	(858)	(12,334)
Net assets	18,412	25,452
<b>Results</b>		
Revenue	114	31,442
Loss for the financial year	(2,926)	(2,942)
Total comprehensive loss	(2,926)	(2,942)
Cash flows (used in)/from operating activities	(2,330)	5,219
Cash flows from/(used in) investing activities	299	(15,679)
Cash flows from financing activities	-	9,102
Net decrease in cash and cash equivalents	(2,031)	(1,358)

During the financial year, dividends paid to non-controlling interests of subsidiaries amounted to RM2,250,000 (2024: RM2,612,000).



## Notes to the Financial Statements

31 May 2025

### 8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

#### 8.1 Acquisition of subsidiaries

(a) The Group via its wholly-owned subsidiary, Nylex Holdings Sdn. Bhd. ("NHSB"), had on 19 September 2024 entered into a Share Sale Agreement for the acquisition of 1,400,000 ordinary shares or 70% equity interest in Colorex Sdn. Bhd. ("Colorex") for a cash consideration of RM14,000,000, as follows:

- (i) a sum of RM11,900,000 paid to the vendors upon the delivery and/or procurement of the transaction documents; and
- (ii) a contingent consideration of RM2,100,000.

The acquisition of Colorex was completed on 2 April 2025.

The fair values of the identifiable assets and liabilities acquired and the effects on cash flows arising from the acquisition were as follows:

	Note	Group RM'000
Property, plant and equipment	5	938
Right-of-use assets	6	335
Investment properties	7	5,000
Trade and other receivables		8,783
Inventories		8,340
Cash and bank balances		3,941
Borrowings		(12,515)
Deferred tax liabilities	14	(41)
Lease liabilities	6	(714)
Trade and other payables		(3,270)
Current tax liabilities		(143)
Total fair value of identified net asset		10,654
Non-controlling interest at the date of acquisition		(3,196)
Provisional goodwill on acquisition	13	6,542
Total fair value at purchase consideration		14,000
Less:		
Cash and cash equivalents of a subsidiary		(3,941)
Contingent consideration		(2,100)
Net cash outflow on acquisition		7,959

As part of the consideration on the acquisition of Colorex, the Group is required to release the contingent consideration upon profit guarantee from Colorex being met or any shortfall arising therefrom being compensated in full by the vendor. The fair value of the contingent consideration was estimated at RM2,100,000 at the acquisition date.

The goodwill is provisional pending completion of the purchase price allocation ("PPA"). The goodwill, fair value of assets acquired and liabilities assumed on acquisition would be adjusted accordingly upon completion of the PPA.

For the financial year ended 31 May 2025, the acquisition contributed revenue of RM8,928,000 and profit after tax of RM133,000. Had the acquisition occurred on 1 June 2024, the revenue and profit after tax of the Group would have been RM52,384,000 and RM2,226,000 respectively.

## Notes to the Financial Statements

31 May 2025

### 8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

#### 8.1 Acquisition of subsidiaries (continued)

- (b) In the previous financial year, the Group via its wholly-owned subsidiary, Ancom Crop Care Sdn. Bhd. ("ACC") had on 12 April 2023 entered into Share Sale Agreements to acquire 70% equity interest each in H.J. Unkel Chemicals Sdn. Bhd. ("Unkel") and Novelty Chemicals Sdn. Bhd. ("Novelty") for a cash consideration of RM9,700,000.

The acquisitions of Unkel and Novelty were completed on 10 January 2024.

The fair values of the identifiable assets and liabilities acquired and the effects on cash flows arising from the acquisition were as follows:

	Note	Group RM'000
Property, plant and equipment	5	82
Right-of-use assets	6	328
Investment properties	7	5,622
Current tax assets		505
Trade and other receivables		3,674
Inventories		3,478
Cash and bank balances		8,243
Borrowings		(1,920)
Deferred tax liabilities		(12)
Lease liabilities	6	(307)
Trade and other payables		(2,263)
Total fair value of identified net asset		17,430
Non-controlling interest at the date of acquisition		(4,240)
Negative goodwill		(3,490)
Total fair value at purchase consideration		9,700
Less:		
Cash and cash equivalents of subsidiaries		(8,243)
Net cash outflow on acquisition		1,457

For the financial year ended 31 May 2024, the acquisition contributed revenue of RM8,502,000 and profit after tax of RM861,000.

- (c) In the previous financial year, the Group via its wholly-owned subsidiary, Ancom Management Services Sdn. Bhd. ("AMS") acquired 100,001 ordinary shares, representing 100% equity interest in Trinity Diligent Sdn. Bhd. for a cash consideration of RM1. The acquisition did not have any material impact to the Group.
- (d) In the previous financial year, the Group via its wholly-owned subsidiary, ACC acquired 1,000,000 ordinary shares, representing 100% equity interest in Decom Limited for a cash consideration of RM1. The acquisition did not have any material impact to the Group.

## Notes to the Financial Statements

31 May 2025

### 8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

#### 8.2 Dilution of equity interests in a subsidiary

During the financial year, the Group disposed of 40,776 ordinary shares, representing 40% equity interests in Trinity Diligent Sdn. Bhd. ("TDSB"). Upon completion of the disposal, TDSB became a 60% owned subsidiary of the Group.

#### 8.3 Disposal of subsidiaries

In the previous financial year, the Group disposed of its entire equity interest of the following subsidiaries for a cash consideration of RM1 for each of the entity:

- Ancom Academy Sdn. Bhd. ("Academy");
- Hikmat Ikhlas Sdn. Bhd. ("HISB");
- HSO Business Systems Sdn. Bhd. ("HSO");
- Redberry Events Sdn. Bhd. ("RESB");
- Redberry Screens Sdn. Bhd. ("RSSB"); and
- Syarikat Wandeerfull (Kg Attap) Sdn. Bhd. ("Attap").

Academy, HISB, HSO, RESB, RSSB and Attap ceased to be subsidiaries of the Group upon completion of the disposal. The disposals did not have any material impact to the Group.

#### 8.4 Common control transactions

- (a) During the financial year, Syarikat Wandeerfull Sdn. Bhd. disposed of its entire equity interest in Ancom Healthcare Sdn. Bhd. (formerly known as Wandeerfull Industries Sdn. Bhd.) to the Company for a cash consideration of RM1.
- (b) In the previous financial year, Synergy Tanker Sdn. Bhd. disposed of its entire equity interest in Ancom Nylex Terminals Sdn. Bhd. to CKG Chemicals Pte. Ltd. for a cash consideration of RM7,418,000.

#### 8.5 Equity loans

Equity loans to subsidiaries, which are unsecured, interest-free and settlement is neither planned nor likely to occur in the foreseeable future, and are considered to be part of the investments of the Company in providing the subsidiaries with a long term source of additional capital.

### 9. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unquoted shares, at cost	20,265	20,260	9,149	9,149
Share of post-acquisition reserves	(11,366)	(11,371)	-	-
	8,899	8,889	9,149	9,149
Less: Impairment losses	(7,393)	(7,375)	(9,149)	(9,149)
	1,506	1,514	-	-

- (a) Investments in associates are measured at cost less impairment losses in the separate financial statements of the Company and accounted for using the equity method in the consolidated financial statements.

## Notes to the Financial Statements

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### 9. INVESTMENTS IN ASSOCIATES (CONTINUED)

- (b) During the financial year, an impairment loss of RM18,000 (2024: RM40,000) was recognised within the other operating expenses in statements of profit or loss of the Group to bring the carrying amount of the investments in associates to their recoverable amount due to decline in operations of certain associates of the Group. The net assets of these associates were used as a proxy for their recoverable amount based on fair value less cost to sell method.
- (c) During the financial year, the Group via its wholly-owned subsidiary, ACC acquired additional 50,000 ordinary shares, representing 5% equity interest in Trevi Properties Sdn. Bhd. ("Trevi") for a total consideration of RM5,000. Upon completion of the acquisition, the shareholding in Trevi increased from 25% to 30%. The acquisition did not have any material impact to the Group.
- (d) During the financial year, the Group via its wholly-owned subsidiary, Redberry Holdings Sdn. Bhd. acquired 387,750 ordinary shares, representing 35.25% equity interest in Meru Utama Sdn. Bhd. ("Meru") for a total consideration of RM1. The acquisition did not have any material impact to the Group.
- (e) Meru, DJ Money Matters Sdn. Bhd. ("DJ Money") and Trevi have a financial year end of 31 March, 30 April and 30 June respectively. Therefore, the financial statements of Meru, DJ Money and Trevi are not coterminous with the Group. In applying the equity method of accounting, the unaudited management accounts of Meru, DJ Money and Trevi for financial period ended 31 May 2025 have been used. The use of the unaudited management accounts is not expected to have any significant effects on the consolidated financial statements of the Group.
- (f) The details of the associates are disclosed in Note 40(b) to the financial statements.
- (g) Summarised financial information of the associates are not disclosed as it is immaterial to the Group.
- (h) The aggregate amount of the associates results shared by the Group during the financial year are as follows:

	<b>Group</b>	
	<b>2025 RM'000</b>	<b>2024 RM'000</b>
Share of profit/(loss)	<b>5</b>	(32)
Share of other comprehensive income	-	-
Share of total comprehensive income/(loss)	<b>5</b>	(32)

- (i) During the financial year, Advanced Technology Studies Centre Sdn. Bhd. had been struck off from the register and dissolved on 21 April 2025, following the publication of the notice of striking off pursuant to Section 551(3) of the Company Act 2016. There is no financial impact to the financial position and financial performance of the Group arising from the dissolution.

### 10. INVESTMENT IN A JOINT VENTURE

	<b>Group</b>	
	<b>2025 RM'000</b>	<b>2024 RM'000</b>
Unquoted shares, at cost	<b>540</b>	540
Share of post-acquisition reserves	<b>(540)</b>	(540)
	-	-

## Notes to the Financial Statements

31 May 2025

### 10. INVESTMENT IN A JOINT VENTURE (CONTINUED)

- (a) Investment in a joint venture is stated at cost in the separate financial statements. The Group recognises its interest in a joint venture as an investment and accounts for that investment using the equity method.
- (b) The details of the joint venture are disclosed in Note 40(c) to the financial statements.
- (c) Senandung Sonik Sdn. Bhd. ("SSSB") is an unlisted separate entity whose quoted market prices are not available. The contractual arrangement provides the Group with only the rights to the net assets of the joint arrangement, with the rights to assets and obligation for liabilities of the joint arrangement resting primarily with SSSB.
- (d) SSSB is not allowed to distribute their profits prior to the consent of the venture partners.
- (e) Summarised financial information of SSSB is not disclosed as it is immaterial to the Group.

### 11. OTHER INVESTMENTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-current</b>				
<i>Fair value through profit or loss</i>				
Quoted shares in Malaysia	4,881	4,881	4,735	4,735
Unquoted shares in Malaysia	2,750	2,250	2,250	2,250
Club memberships	268	268	243	243
	<b>7,899</b>	7,399	<b>7,228</b>	7,228
<b>Current</b>				
<i>Fair value through profit or loss</i>				
Quoted shares in Malaysia	275	487	-	-
Unit trusts	712	688	-	-
	<b>987</b>	1,175	-	-

- (a) Quoted shares in Malaysia of the Group and of the Company are categorised as Level 1 in fair value hierarchy. Fair values of quoted shares in Malaysia is determined by reference to exchange quoted market prices at the end of the reporting period.
- (b) Unquoted shares in Malaysia of the Group and of the Company are categorised as Level 3 in the fair value hierarchy. Fair values of unquoted shares in Malaysia are estimated by discounting expected future cash flows at market incremental lending rates for similar types of lending or borrowing arrangements at the end of the reporting period.
- (c) Unit trusts of the Group are categorised as Level 1 in the fair value hierarchy. Fair values of unit trusts is determined by reference to closing price at the end of the reporting period.
- (d) Club memberships of the Group and of the Company are categorised as Level 3 in the fair value hierarchy. Fair values of club memberships is determined by reference to club memberships price.
- (e) Sensitivity analysis for other investments is not disclosed as it is immaterial to the Group.
- (f) There is no transfer between levels in the fair value hierarchy during the financial year.

## Notes to the Financial Statements

31 May 2025

### 12. INTANGIBLE ASSETS

#### Group

	Balance as at 1.6.2024 RM'000	Additions RM'000	Amortisation during the financial year RM'000	Balance as at 31.5.2025 RM'000
<b>2025</b>				
<b>Carrying amount</b>				
Intellectual property	1,065	-	(60)	1,005
Rights	459	-	(174)	285
Development expenditure	2,443	252	(49)	2,646
Computer software	286	-	(115)	171
	<b>4,253</b>	<b>252</b>	<b>(398)</b>	<b>4,107</b>

	Balance as at 1.6.2023 RM'000	Additions RM'000	Written off RM'000	Amortisation during the financial year RM'000	Balance as at 31.5.2024 RM'000
<b>2024</b>					
<b>Carrying amount</b>					
Intellectual property	1,133	42	-	(110)	1,065
Rights	757	-	-	(298)	459
Development expenditure	2,389	277	(223)	-	2,443
Computer software	225	161	-	(100)	286
	<b>4,504</b>	<b>480</b>	<b>(223)</b>	<b>(508)</b>	<b>4,253</b>

- (a) Intellectual property is capitalised on the basis of the costs incurred to develop, formulate and market a wide range of chemical products.
- (b) Rights represent audio and visual advertising network distributions secured by the Group for media sales. These are recognised as assets at the acquisition date and initially measured at cost. After initial recognition, the rights are carried at cost less accumulated amortisation and accumulated impairment losses, if any.
- (c) Expenditure incurred on development activities relating to internally developed products is recognised as an intangible asset when it relates to the production of new or substantively improved products and processes and when the Group can demonstrate that it is technically feasible to develop the product or processes, adequate resources available to complete the development and that there is intention to complete and sell the product or processes to generate future economic benefits.

Development expenditure comprises primarily salaries and related costs of personnel engaged in the design and development of products prior to the commencement of commercial production. Expenditure that does not meet the above criteria is recognised as an expense in the period in which it is incurred.

- (d) Computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software.
- (e) Amortisation is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal amortisation periods are as follows:

Intellectual property	5 to 10 years
Rights	15 years
Development expenditure	20 years
Computer software	3 to 5 years

# Notes to the Financial Statements

31 May 2025

## 13. GOODWILL ON CONSOLIDATION

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Balance as at 1 June 2024/2023	<b>87,100</b>	86,010
Acquisition of a subsidiary (Note 8)	<b>6,542</b>	-
Foreign exchange differences	<b>(5,924)</b>	1,090
Balance as at 31 May 2025/2024	<b>87,718</b>	87,100

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

### (a) Allocation of goodwill

Goodwill has been allocated to the Group's cash generating units ("CGUs") which has been identified according to business segments as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Industrial chemicals	<b>67,767</b>	67,149
Agricultural chemicals	<b>17,941</b>	17,941
Others	<b>2,010</b>	2,010
	<b>87,718</b>	87,100

### (b) Recognition and measurement of impairment loss

For the purpose of impairment testing, goodwill is allocated from the acquisition date, to each of the Group's CGU that are expected to benefit from the synergies of the combination.

Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount. As the Directors are of the opinion that all the CGUs are held on a long-term basis, the value-in-use would best reflect their recoverable amount. The value-in-use is determined by discounting future cash flows over a relevant period. The future cash flows are based on management's business plans, which is the best estimate of future performance. The ability to achieve the business plan targets is a key assumption in determining the recoverable amount for each CGU.

There remains a risk that the ability to achieve management's business plans may be adversely affected due to unforeseen changes in the respective economies in which the CGUs operate and/or global economic conditions.



## Notes to the Financial Statements

31 May 2025

### 13. GOODWILL ON CONSOLIDATION (CONTINUED)

- (b) Recognition and measurement of impairment loss (continued)

#### **Industrial chemicals CGU**

The key assumptions on which management has based its cash flow forecasts for the purposes of the impairment test for goodwill are as follows:

- (i) Revenue growth rate used is based on historical trends of each CGU taking into account the industry outlook. The average revenue growth rate is 2.06% (2024: 2.50%) per annum.
- (ii) Profit margin applied to the forecasts are the average gross profit margins achieved in the year immediately before the budgeted year adjusted for expected efficiency improvements or deficiency.
- (iii) Terminal growth rate used in determining the terminal value of cash flows is based on historical average inflation rate. The terminal growth rate applied to the cash flow forecasts is 2.03% (2024: 2.14%).
- (iv) Discount rates used for cash flows discounting purpose is the pre-tax discount rate of the Group plus a reasonable risk premium at the date of assessment of the CGU. The average discount rate applied to the cash flow forecasts is 7.59% (2024: 7.38%).

The sensitivity analysis of each of these key assumptions assuming all other variables of a loss-making subsidiary are held constant are as follows:

<b>Key assumptions applied</b>	<b>Changes in key assumptions</b>	<b>Potential impairment (RM'000)</b>
Revenue growth rate	Decrease by 1.00%	719
Gross profit margin	Decrease to 3.00%	5,974
Terminal growth rate	Decrease to Nil	10,535
Discount rate	Increase by 2.40%	Breakeven

#### **Agricultural chemicals CGU**

The key assumptions on which management has based its cash flow forecasts for the purposes of the impairment test for goodwill are as follows:

- (i) Revenue growth rate used is based on the historical trends of the CGU. The average revenue growth rate is 14.25% (2024: 10.00%) per annum.
- (ii) Profit margin applied to the forecasts are the average gross profit margins achieved in the year immediately before the budgeted year adjusted for expected efficiency improvements or deficiency.
- (iii) Discount rates used for cash flows discounting purpose is the pre-tax discount rate of the Group plus a reasonable risk premium at the date of assessment of the CGU. The average discount rate applied on the cash flow projections is 8.39% (2024: 8.67%).
- (iv) Terminal growth rate used in determining the terminal value of cash flows is based on historical average inflation rate. The terminal growth rate applied to the cash flow forecasts is 1.97% (2024: 2.11%).

Management is not aware of any reasonable possible changes in the key assumptions, which would cause the carrying amount of the agricultural chemicals CGU to materially exceed its recoverable amount.

#### **Other CGUs**

The management is not aware of any reasonable possible changes which would cause the carrying amount of the other CGUs to materially exceed its recoverable amount.

## Notes to the Financial Statements

31 May 2025

**14. DEFERRED TAX (ASSETS)/LIABILITIES**

(a) The deferred tax (assets)/liabilities are made up of the following:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance as at 1 June 2024/2023	<b>7,963</b>	(3,089)	<b>267</b>	267
Recognised in profit or loss (Note 31)	<b>4,476</b>	11,503	-	-
Acquisition of subsidiaries	<b>41</b>	(587)	-	-
Foreign exchange differences	<b>323</b>	136	-	-
	<b>4,840</b>	11,052	-	-
Balance as at 31 May 2025/2024	<b>12,803</b>	7,963	<b>267</b>	267
Presented after appropriate offsetting as follows:				
Deferred tax assets, net*	<b>(10,485)</b>	(14,767)	-	-
Deferred tax liabilities, net*	<b>23,288</b>	22,730	<b>267</b>	267
	<b>12,803</b>	7,963	<b>267</b>	<b>267</b>

\* The amount of set-off between deferred tax assets and deferred tax liabilities was RM5,283,000 (2024: RM6,458,000) for the Group.

(b) The components and movements of deferred tax liabilities and assets of the Group and of the Company during the financial year prior to offsetting are as follows:

**Deferred tax liabilities**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Property, plant and equipment</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance as at 1 June 2024/2023	<b>29,188</b>	27,540	<b>267</b>	267
Recognised in profit or loss	<b>(913)</b>	1,585	-	-
Acquisition of subsidiaries	<b>211</b>	12	-	-
Foreign exchange differences	<b>85</b>	51	-	-
Balance as at 31 May 2025/2024	<b>28,571</b>	29,188	<b>267</b>	267

## Notes to the Financial Statements

31 May 2025

### 14. DEFERRED TAX (ASSETS)/LIABILITIES (CONTINUED)

- (b) The components and movements of deferred tax liabilities and assets of the Group and of the Company during the financial year prior to offsetting are as follows: (continued)

#### Deferred tax assets of the Group

	Provision for liabilities RM'000	Unutilised tax losses and unabsorbed capital allowances RM'000	Others RM'000	Total RM'000
<b>2025</b>				
Balance as at 1 June 2024	(1,505)	(18,556)	(1,164)	(21,225)
Acquisition of a subsidiary	-	(170)	-	(170)
Recognised in profit or loss	(112)	5,571	(70)	5,389
Foreign exchange differences	(169)	-	407	238
Balance as at 31 May 2025	(1,786)	(13,155)	(827)	(15,768)
<b>2024</b>				
Balance as at 1 June 2023	(2,350)	(27,043)	(1,236)	(30,629)
Acquisition of subsidiaries	-	(599)	-	(599)
Recognised in profit or loss	923	9,086	(91)	9,918
Foreign exchange differences	(78)	-	163	85
Balance as at 31 May 2024	(1,505)	(18,556)	(1,164)	(21,225)

Included in the deferred tax assets of the Group is deferred tax assets recognised by a subsidiary which amounted to RM7,785,000 (2024: RM7,785,000) to the extent that it is probable that future taxable profits will be available to offset the unutilised tax losses. The estimation of future taxable profits involved significant assumptions in respect of the proposed business plans of the subsidiary.

## Notes to the Financial Statements

31 May 2025

**14. DEFERRED TAX (ASSETS)/LIABILITIES (CONTINUED)**

- (c) The amounts of temporary differences for which no deferred tax assets have been recognised in the consolidated statement of financial position are as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Unutilised tax losses	<b>153,960</b>	145,867
Unabsorbed capital allowances	<b>7,148</b>	9,036
Others	<b>7,808</b>	4,046
	<b>168,916</b>	158,949

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not certain that these subsidiaries will have future taxable profits to offset the unutilised tax losses and unabsorbed capital allowances.

The availability of unutilised tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to guidelines issued by tax authority. The use of tax losses of subsidiaries in other countries is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the subsidiaries operate.

Unutilised tax losses of subsidiaries incorporated in Malaysia can be carried forward up to ten (10) consecutive years of assessment immediately following the year of assessment under the tax legislation of Inland Revenue Board.

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Unutilised tax losses</b>		
No expiry date	<b>47,411</b>	47,792
Expires by year of assessment 2028	<b>49,461</b>	49,660
Expires by year of assessment 2029	<b>11,224</b>	11,420
Expires by year of assessment 2030	<b>6,261</b>	6,261
Expires by year of assessment 2031	<b>2,361</b>	2,361
Expires by year of assessment 2032	<b>6,551</b>	6,551
Expires by year of assessment 2033	<b>11,648</b>	11,648
Expires by year of assessment 2034	<b>10,174</b>	10,174
Expires by year of assessment 2035	<b>8,869</b>	-
	<b>153,960</b>	145,867

# Notes to the Financial Statements

31 May 2025

## 15. INVENTORIES

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At cost</b>		
Raw materials and consumables	<b>55,543</b>	55,003
Packing materials	<b>582</b>	580
Work-in-progress	<b>2,278</b>	3,542
Finished goods	<b>81,227</b>	88,364
Inventory-in-transit	<b>4,705</b>	2,286
	<b>144,335</b>	149,775
<b>At net realisable value</b>		
Raw materials and consumables	<b>-</b>	5,888
Finished goods	<b>39,204</b>	63,194
	<b>39,204</b>	69,082
	<b>183,539</b>	218,857

- (a) Inventories are stated at the lower of cost and net realisable value.
- (b) Cost is determined using the first-in, first-out formula and weighted average method. Cost comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present condition and location. Cost of finished goods and work-in-progress include the cost of raw materials, direct labour, other direct cost and an appropriate portion of production overheads based on normal operating capacity of the production facilities.
- (c) During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group amounted to RM1,446,439,000 (2024: RM1,575,286,000).
- (d) The amounts of inventories written down, inventories written off and inventories written back recognised in the statements of profit or loss are as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Recognised in other operating expenses</b>		
Inventories written down	<b>843</b>	-
Inventories written off	<b>3</b>	26
Inventories written back	<b>-</b>	(2,264)
	<b>846</b>	(2,238)

## Notes to the Financial Statements

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## 16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-current</b>				
<b>Other receivables</b>				
Deposits	2,063	4,958	-	-
Less: Impairment losses	(758)	(1,509)	-	-
<b>Total non-current receivables</b>	<b>1,305</b>	<b>3,449</b>	<b>-</b>	<b>-</b>
<b>Current</b>				
<b>Trade receivables</b>				
Third parties	301,277	334,488	-	-
Less: Impairment losses	(13,757)	(19,005)	-	-
	<b>287,520</b>	<b>315,483</b>	<b>-</b>	<b>-</b>
<b>Other receivables</b>				
Third parties	30,915	32,883	4,194	5,324
Deposits	17,587	21,248	28	1,629
	<b>48,502</b>	<b>54,131</b>	<b>4,222</b>	<b>6,953</b>
Less: Impairment losses	(13,663)	(14,362)	(101)	(101)
	<b>34,839</b>	<b>39,769</b>	<b>4,121</b>	<b>6,852</b>
<b>Total current receivables</b>	<b>322,359</b>	<b>355,252</b>	<b>4,121</b>	<b>6,852</b>
<b>Other assets</b>				
Deferred expenditure	11,575	4,653	-	-
Prepayments	35,815	22,991	2,954	569
	<b>47,390</b>	<b>27,644</b>	<b>2,954</b>	<b>569</b>
<b>Total current receivables and other assets</b>	<b>369,749</b>	<b>382,896</b>	<b>7,075</b>	<b>7,421</b>
<b>Total non-current and current receivables</b>	<b>323,664</b>	<b>358,701</b>	<b>4,121</b>	<b>6,852</b>

## Notes to the Financial Statements

31 May 2025

### 16. TRADE AND OTHER RECEIVABLES (CONTINUED)

- (a) Total non-current and current receivables are classified as financial assets measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group ranged from one (1) month to four (4) months (2024: one (1) month to four (4) months). They are recognised at their original invoiced amounts, which represent their fair values on initial recognition.
- (c) The currency exposure profile of trade and other receivables are disclosed in Note 35(i) to the financial statements.
- (d) Included in deposits of the Group is refundable deposits owing by a third party amounting to RM4,813,000 (2024: RM6,500,000), which the Group made a net reversal of impairment of deposits amount to RM418,000 during the financial year. In the previous financial year, the Group had recognised impairment losses of RM1,872,000 on the refundable deposits. The carrying amount of the non-current other receivables is reasonable approximation of fair value due to insignificant impact of discounting.
- (e) Included in prepayments of the Group is advance payments made to suppliers for the purchase of parts of plant and machinery amounting to RM13,519,000 (2024: RM9,528,000). The prepayments are made to secure the delivery and installation of plant and machinery which are expected to capitalise as property, plant and equipment upon receipt and commissioning.
- (f) Recognition and measurement of impairment loss

Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve (12) months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables based on grouping of customer sharing the same credit risk characteristics and past due days. Expected loss rates are calculated using the roll rate method separately for exposures in different segments based on geographic region.

During this process, the probability of non-payment by the trade receivables is adjusted by forward-looking information on macroeconomic factors, which the Group has identified as consumer price index, gross domestic product growth rate, unemployment rate, inflation rate, producer price index and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss. On confirmation that the trade receivable would not be collectable, the gross carrying amount of the asset would be written off against the associated impairment.

The individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full. It requires management to exercise significant judgement in determining the probability of default by trade receivables, and the appropriate forward-looking information.



## Notes to the Financial Statements

31 May 2025

**16. TRADE AND OTHER RECEIVABLES (CONTINUED)**

(f) Recognition and measurement of impairment loss (continued)

Lifetime expected loss provision for trade receivables of the Group are as follows:

	<b>Gross carrying amount RM'000</b>	<b>Lifetime expected loss RM'000</b>	<b>Net carrying amount RM'000</b>
<b>2025</b>			
<b>Collective assessment</b>			
Not past due	<b>225,552</b>	<b>(1,282)</b>	<b>224,270</b>
Past due			
1 to 30 days	<b>39,303</b>	<b>(539)</b>	<b>38,764</b>
31 to 60 days	<b>12,353</b>	<b>(444)</b>	<b>11,909</b>
Over 60 days	<b>11,080</b>	<b>(5,627)</b>	<b>5,453</b>
	<b>62,736</b>	<b>(6,610)</b>	<b>56,126</b>
<b>Individual assessment</b>	<b>12,989</b>	<b>(5,865)</b>	<b>7,124</b>
	<b>301,277</b>	<b>(13,757)</b>	<b>287,520</b>
<b>2024</b>			
<b>Collective assessment</b>			
Not past due	245,868	(958)	244,910
Past due			
1 to 30 days	53,169	(679)	52,490
31 to 60 days	11,368	(655)	10,713
Over 60 days	14,984	(8,749)	6,235
	79,521	(10,083)	69,438
<b>Individual assessment</b>	9,099	(7,964)	1,135
	334,488	(19,005)	315,483

## Notes to the Financial Statements

31 May 2025

### 16. TRADE AND OTHER RECEIVABLES (CONTINUED)

(f) Recognition and measurement of impairment loss (continued)

Trade receivables are not secured by any collateral or credit enhancement.

During the financial year, the Group did not renegotiate the terms of any trade receivables.

Impairment for other receivables, amounts owing by related companies, associates and a joint venture are recognised based on the 3 stages general approach within MFRS 9 *Financial Instruments* using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group defined significant increase in credit risk as twenty percent (20%) on relative basis and including operating performance of the receivables, payment trends and past due information.

The probability of non-payment by other receivables, amounts owing by related companies, associates and a joint venture are adjusted by forward-looking information on macroeconomic factors, which the Group has identified as consumer price index, gross domestic product growth rate, unemployment rate, inflation rate, producer price index and multiplied by the amount of the expected loss arising from default to determine the 12-month or lifetime expected credit loss for other receivables, amounts owing by related companies, associates and a joint venture.

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of the impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

(g) Movement in impairment loss are as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Trade receivables</b>		
Balance as at 1 June 2024/2023	<b>19,005</b>	16,860
Charge for the financial year	<b>2,084</b>	4,081
Reversal of impairment loss	<b>(6,869)</b>	(930)
Written off	<b>(359)</b>	(868)
Disposal of subsidiaries	-	(171)
Acquisition of subsidiaries	-	62
Foreign exchange differences	<b>(104)</b>	(29)
Balance as at 31 May 2025/2024	<b>13,757</b>	19,005

## Notes to the Financial Statements

31 May 2025

## 16. TRADE AND OTHER RECEIVABLES (CONTINUED)

(g) Movement in impairment loss are as follows: (continued)

**Group**

	<b>12-month ECL* RM'000</b>	<b>Lifetime ECL RM'000</b>	<b>Credit impaired RM'000</b>	<b>Total RM'000</b>
<b>Other receivables</b>				
Balance as at 1 June 2024	<b>1,209</b>	<b>2,043</b>	<b>12,619</b>	<b>15,871</b>
Charge for the financial year	<b>97</b>	<b>-</b>	<b>-</b>	<b>97</b>
Reversal of impairment loss	<b>(32)</b>	<b>(418)</b>	<b>(1,097)</b>	<b>(1,547)</b>
Balance as at 31 May 2025	<b>1,274</b>	<b>1,625</b>	<b>11,522</b>	<b>14,421</b>
Balance as at 1 June 2023	2,285	-	12,915	15,200
Charge for the financial year	42	1,872	236	2,150
Disposal of a subsidiary	-	-	(2)	(2)
Reversal of impairment loss	(936)	-	(530)	(1,466)
Transferred to lifetime ECL	(171)	171	-	-
Written off	(11)	-	-	(11)
Balance as at 31 May 2024	1,209	2,043	12,619	15,871

**Company**

	<b>12-month ECL RM'000</b>	<b>Credit impaired RM'000</b>	<b>Total RM'000</b>
<b>Other receivables</b>			
Balance as at 1 June 2024/31 May 2025	<b>-</b>	<b>101</b>	<b>101</b>
Balance as at 1 June 2023/31 May 2024	-	101	101

\* Expected credit losses

(h) Information on financial risks of trade and other receivables are disclosed in Note 35 to the financial statements.

## Notes to the Financial Statements

31 May 2025

### 17. AMOUNTS OWING BY SUBSIDIARIES

	Company	
	2025 RM'000	2024 RM'000
Amounts owing by subsidiaries	137,202	33,156
Less: Impairment losses	(9,898)	(5,538)
	127,304	27,618

- (a) Amounts owing by subsidiaries are classified as financial assets measured at amortised cost.
- (b) The amounts owing by subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and payable within next twelve (12) months or upon demand in cash and cash equivalents except for an amount of RM83,474,000 (2024: RM2,838,000), which bears interest at 5.0% (2024: 4.5%) per annum.
- (c) Amounts owing by subsidiaries are denominated in RM.
- (d) Recognition and measurement of impairment loss

As disclosed in Note 16(f) to the financial statements, impairment for amounts owing by subsidiaries is recognised based on the general approach within MFRS 9 *Financial Instruments* using the forward-looking expected credit loss model. Significant judgement is required in determining the probabilities of default by subsidiaries in assessing the expected credit loss allowance, including assessment of indicators of significant increase in credit risk and the resultant basis for classification of exposure into respective stages in accordance with MFRS 9, estimated cash flows recoverable and appropriate forward-looking information.

Movements in the impairment allowance for amounts owing by subsidiaries are as follows:

Company	12-month ECL RM'000	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
Balance as at 1 June 2024	2,979	-	2,559	5,538
Charge for the financial year	-	870	3,705	4,575
Reversal of impairment loss	(3)	-	(212)	(215)
Balance as at 31 May 2025	2,976	870	6,052	9,898
Balance as at 1 June 2023/31 May 2024	2,979	-	2,559	5,538

- (e) Information on financial risks of amounts owing by subsidiaries are disclosed in Note 35 to the financial statements.

## Notes to the Financial Statements

31 May 2025

**18. AMOUNT OWING BY/(TO) ASSOCIATES**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Amounts owing by associates	<b>26,837</b>	27,940	<b>2,858</b>	3,308
Less: Impairment losses	<b>(13,041)</b>	(13,041)	<b>(138)</b>	(138)
	<b>13,796</b>	14,899	<b>2,720</b>	3,170
Amounts owing to associates	<b>(224)</b>	(1,592)	<b>-</b>	-

- (a) Amounts owing by associates are classified as financial assets measured at amortised cost.
- (b) Amounts owing to associates are classified as financial liabilities measured at amortised cost.
- (c) The amounts owing by/(to) associates represent balances arising from trade transactions, advances and payments made on behalf, which are unsecured, interest-free and payable within next twelve (12) months or upon demand in cash and cash equivalents. The trade transactions are carried out based on normal trade terms as disclosed in Notes 16(b) and 26(b) to the financial statements.
- (d) Amounts owing by/(to) associates are denominated in RM.
- (e) Recognition and measurement of impairment loss

Impairment for amounts owing by associates is recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model as disclosed in Note 16(f) to the financial statements.

Movements in the impairment allowance for amounts owing by associates are as follows:

	<b>12-month ECL RM'000</b>	<b>Credit impaired RM'000</b>	<b>Total RM'000</b>
<b>Group</b>			
Balance as at 1 June 2024/31 May 2025	<b>75</b>	<b>12,966</b>	<b>13,041</b>
Balance as at 1 June 2023/31 May 2024	75	12,966	13,041
<b>Company</b>			
Balance as at 1 June 2024/31 May 2025	<b>-</b>	<b>138</b>	<b>138</b>
Balance as at 1 June 2023/31 May 2024	-	138	138

- (f) Information on financial risks of amounts owing by/(to) associates are disclosed in Note 35 to the financial statements.

## Notes to the Financial Statements

31 May 2025

### 19. AMOUNT OWING BY A JOINT VENTURE

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Amount owing by a joint venture	<b>93</b>	93
Less: Impairment losses	<b>(93)</b>	(93)
	<b>-</b>	-

- (a) Amount owing by a joint venture is classified as financial assets measured at amortised cost.
- (b) The amount owing by a joint venture represents advances and payments made on behalf, which are unsecured, interest-free and payable within next twelve (12) months or upon demand in cash and cash equivalents.
- (c) Amount owing by a joint venture is denominated in RM.
- (d) Recognition and measurement of impairment loss

Impairment for amount owing by a joint venture is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 16(f) to the financial statements.

The amount owing by a joint venture of RM93,000 (2024: RM93,000) was classified as credit impaired.

### 20. CASH AND BANK BALANCES

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Short term deposits with licensed banks	<b>31,867</b>	31,384	-	-
Cash and bank balances	<b>119,245</b>	105,928	<b>1,435</b>	2,668
	<b>151,112</b>	137,312	<b>1,435</b>	2,668

- (a) Short term deposits of the Group amounting to RM1,704,000 (2024: RM136,000) have been pledged to licensed banks for banking facilities granted to certain subsidiaries of the Group as disclosed in Note 23 to the financial statements.
- (b) The currency exposure profiles of cash and bank balances are disclosed in Note 35(i) to the financial statements.

## Notes to the Financial Statements

31 May 2025

**20. CASH AND BANK BALANCES (CONTINUED)**

- (c) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of each reporting period:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	<b>151,112</b>	137,312	<b>1,435</b>	2,668
Less:				
Short term deposits with maturity period more than three (3) months	<b>(7,178)</b>	(7,815)	-	-
Short term deposits pledged with licensed banks	<b>(1,704)</b>	(136)	-	-
Bank overdrafts (Note 23)	<b>(6,819)</b>	(10,185)	<b>(6,819)</b>	(6,464)
As reported in statements of cash flows	<b>135,411</b>	119,176	<b>(5,384)</b>	(3,796)

- (d) Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods of between one (1) day and twelve (12) months, depending on the immediate cash requirements of the Group, and earn interest at respective short term deposits rates.
- (e) No expected credit losses were recognised arising from the short term deposits with licensed banks and cash at bank because the probability of default by these financial institutions were negligible.
- (f) Information on financial risks of cash and bank balances are disclosed in Note 35 to the financial statements.

**21. SHARE CAPITAL**

	<b>Group and Company</b>			
	<b>2025</b>		<b>2024</b>	
	<b>Number of shares</b>	<b>RM'000</b>	<b>Number of shares</b>	<b>RM'000</b>
Issued and fully paid with no par value:				
Balance as at 1 June 2024/2023	<b>1,008,597,360</b>	<b>408,707</b>	972,776,411	397,624
Ordinary shares issued pursuant to:				
- ESOS	-	-	15,165,186	5,299
- Exercise of Warrants B	<b>65,927,258</b>	<b>18,459</b>	20,655,763	5,784
- Private placement	<b>96,220,000</b>	<b>96,220</b>	-	-
Balance as at 31 May 2025/2024	<b>1,170,744,618</b>	<b>523,386</b>	1,008,597,360	408,707



## Notes to the Financial Statements

31 May 2025

### 21. SHARE CAPITAL (CONTINUED)

- (a) During the financial year, the issued and fully paid-up ordinary shares of the Company was increased from 1,008,597,360 to 1,170,744,618 by way of issuance of 162,147,258 new ordinary shares pursuant to the following:
- private placement of 96,220,000 new ordinary shares of RM1.00 per ordinary share; and
  - 65,927,258 new ordinary shares arising from the exercise of Warrants B at RM0.28 per ordinary share.

The newly issued ordinary shares of the Company rank pari passu in all respects with the existing ordinary shares of the Company.

- (b) The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.
- (c) Treasury shares

During the financial year:

- the Company repurchased 130,152,000 of its issued ordinary shares from the open market of Bursa Securities at an average price of RM1.02 per share;
- the Company resold 32,031,400 of its treasury shares with price ranging from RM0.92 to RM0.97;
- the Company distributed 40,409,716 treasury shares on 24 October 2024 on the basis of four (4) treasury shares for every one hundred (100) existing ordinary shares held in the Company in respect of financial year ended 31 May 2025; and
- the Company distributed 10,463,522 treasury shares on 28 May 2025 on the basis of one (1) treasury share for every one hundred (100) existing ordinary shares held in the Company in respect of financial year ended 31 May 2025.

As at 31 May 2025, a total of 98,286,039 (2024: 51,038,677) treasury shares at a total cost of RM96,381,000 (2024: RM43,195,000) are held by the Company. The shares repurchased are being held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016 and the Main Market Listing Requirements and applicable guideline of Bursa Securities.

The number of ordinary shares as at 31 May 2025 net of treasury shares is 1,072,458,579 (2024: 957,558,683).

### 22. RESERVES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-distributable</b>				
Capital reserve	273	273	-	-
Exchange translation reserve	12,295	27,499	-	-
<b>Distributable</b>				
Retained earnings	160,884	154,805	56,342	39,073
	<b>173,452</b>	182,577	<b>56,342</b>	39,073

## Notes to the Financial Statements

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**22. RESERVES (CONTINUED)**Exchange translation reserve

The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operations.

**23. BORROWINGS**

Note	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-current</b>				
<b>Unsecured</b>				
Term loans	15,801	11,955	-	-
<b>Secured</b>				
Term loans	16,092	35,716	-	10,100
	<b>31,893</b>	<b>47,671</b>	<b>-</b>	<b>10,100</b>
<b>Current</b>				
<b>Unsecured</b>				
Bankers' acceptances	53,228	72,150	-	-
Bank overdrafts	996	4,717	996	996
Revolving credits	91,300	89,050	5,000	5,000
Trust receipts	40,873	54,020	-	-
Term loans	128	-	-	-
Trade financing	14,924	15,420	-	-
	<b>201,449</b>	<b>235,357</b>	<b>5,996</b>	<b>5,996</b>
<b>Secured</b>				
Bankers' acceptances	4,227	-	-	-
Bank overdrafts	5,823	5,468	5,823	5,468
Revolving credits	53,000	22,966	23,000	22,965
Trust receipts	1,721	10,045	-	-
Term loans	23,418	24,429	10,100	14,100
Trade financing	1,561	1,676	-	-
	<b>89,750</b>	<b>64,584</b>	<b>38,923</b>	<b>42,533</b>
	<b>291,199</b>	<b>299,941</b>	<b>44,919</b>	<b>48,529</b>

## Notes to the Financial Statements

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### 23. BORROWINGS (CONTINUED)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Total borrowings</b>					
Bankers' acceptances		<b>57,455</b>	72,150	-	-
Bank overdrafts	20	<b>6,819</b>	10,185	<b>6,819</b>	6,464
Revolving credits		<b>144,300</b>	112,016	<b>28,000</b>	27,965
Trust receipts		<b>42,594</b>	64,065	-	-
Term loans	24	<b>55,439</b>	72,100	<b>10,100</b>	24,200
Trade financing		<b>16,485</b>	17,096	-	-
		<b>323,092</b>	347,612	<b>44,919</b>	58,629

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) The secured borrowings of the Group and of the Company are secured by the following:
- (i) a fixed charge over certain land and buildings of the Group and of the Company as disclosed in Notes 5, 6 and 7 to the financial statements;
  - (ii) certain quoted shares of quoted subsidiaries and shares of unquoted subsidiaries as disclosed in Note 8 to the financial statements;
  - (iii) pledge of short term deposits of the Group with licensed banks as disclosed in Note 20 to the financial statements; and
  - (iv) assignment of insurance policies covering stock in trade in favour of the bank of certain subsidiaries.
- (c) The currency exposure profiles of borrowings of the Group and of the Company are disclosed in Note 35(i) to the financial statements.
- (d) Information on financial risks of borrowings of the Group and of the Company are disclosed in Note 35 to the financial statements.
- (e) As at 31 May 2025, long term borrowing of the Group and the Company of RM5,700,000 was reclassified as short term borrowing due to a technical breach of a covenant with a bank. Subsequently on 25 August 2025, the Group and the Company had received an indulgence letter to waive the said loan covenant for the year ended 31 May 2025.

## Notes to the Financial Statements

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## 24. TERM LOANS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Current</b>				
- not later than one (1) year	<b>23,546</b>	24,429	<b>10,100</b>	14,100
<b>Non-current</b>				
- later than one (1) year and not later than five (5) years	<b>26,387</b>	39,033	-	10,100
- more than five (5) years	<b>5,506</b>	8,638	-	-
	<b>31,893</b>	47,671	-	10,100
	<b>55,439</b>	72,100	<b>10,100</b>	24,200

## 25. PROVISION FOR RETIREMENT BENEFITS

	Group	
	2025 RM'000	2024 RM'000
Balance as at 1 June 2024/2023	<b>4,661</b>	5,143
Actuarial gain from re-measurement	<b>(689)</b>	(555)
Expense recognised in profit or loss	<b>545</b>	625
Benefits paid	<b>(273)</b>	(368)
Foreign exchange differences	<b>(296)</b>	(184)
Balance as at 31 May 2025/2024	<b>3,948</b>	4,661

The retirement benefit obligation is a post-employment benefit plan under which the Group is obligated to pay eligible employees a fixed percentage on the average annual salary for each completed year of service.

- (a) The Group provides retirement benefit obligations for qualifying employees of its overseas subsidiaries, PT Nylex Indonesia and PT PKG Lautan Indonesia, in accordance with the legislations established in Indonesia.

The principal actuarial assumptions used are as follows:

	Group	
	2025 %	2024 %
<b>Indonesia</b>		
Discount rate	<b>6.3 - 7.3</b>	6.7 - 7.1
Rates of mortality	<b>TMI - 2019</b>	TMI - 2019
Annual salary increment	<b>6.0 - 8.0</b>	8.0 - 10.0
Normal pension age	<b>55 - 57</b>	55 - 57

The management believes that no reasonably possible changes in any of the above key assumptions would lead to significant changes to the present value of the retirement obligations.

## Notes to the Financial Statements

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### 25. PROVISION FOR RETIREMENT BENEFITS (CONTINUED)

(b) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the retirement benefit obligation by the amounts shown below:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Discount rate		
- if increase 1%	<b>(1,181)</b>	(1,758)
- if decrease 1%	<b>1,483</b>	2,264
Annual salary increment		
- if increase 1%	<b>1,483</b>	2,255
- if decrease 1%	<b>(1,178)</b>	(1,758)

### 26. TRADE AND OTHER PAYABLES

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Trade payables	<b>120,671</b>	169,906	-	-
Other payables	<b>42,060</b>	34,866	<b>3,030</b>	3,120
Deposits	<b>293</b>	298	<b>147</b>	147
Accruals	<b>30,143</b>	41,722	<b>757</b>	568
	<b>193,167</b>	246,792	<b>3,934</b>	3,835

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) The normal credit terms available to the Group in respect of trade payables ranged from 30 to 90 days (2024: 30 to 90 days) from date of invoice.
- (c) The currency exposure profiles of trade and other payables are disclosed in Note 35(i) to the financial statements.
- (d) Information on financial risks of trade and other payables are disclosed in Note 35 to the financial statements.
- (e) Included in other payables is contingent consideration of RM2,100,000 for business acquisition arose from the Group's acquisition of a subsidiary, Colorex in the financial year ended 31 May 2025. The contingent consideration of up to RM2,100,000 is payable proportion to Colorex meeting the target of achieving profit after tax in excess of the profit after tax Guarantee for each for the next two (2) years from the completion date of the acquisition.

## Notes to the Financial Statements

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### 27. AMOUNTS OWING TO SUBSIDIARIES

- (a) Amounts owing to subsidiaries are classified as financial liabilities measured at amortised cost.
- (b) The amounts owing to subsidiaries represent advances and payments made on behalf of the Company's subsidiaries, which are unsecured, interest-free and payable within next twelve (12) months or upon demand in cash and cash equivalents, except for an amount of RM52,373,000 (2024: RM54,470,000), which is subject to interest ranging from 5.00% - 5.55% (2024: 4.50% - 5.60%) per annum.
- (c) Amounts owing to subsidiaries are denominated in RM.
- (d) Information on financial risks of amounts owing to subsidiaries are disclosed in Note 35 to the financial statements.

### 28. CONTRACT LIABILITIES

	<b>Group</b>	
	<b>2025 RM'000</b>	<b>2024 RM'000</b>
Deferred revenue	<b>5,146</b>	7,398

- (a) Deferred revenue is recognised as revenue when performance obligations are satisfied.
- (b) Movement of contract liabilities as at the end of each reporting period are as follows:

	<b>Group</b>	
	<b>2025 RM'000</b>	<b>2024 RM'000</b>
Balance as at 1 June 2024/2023	<b>7,398</b>	4,666
Revenue recognised during the financial year	<b>(23,924)</b>	(23,083)
Invoiced during the financial year	<b>21,672</b>	25,815
Balance as at 31 May 2025/2024	<b>5,146</b>	7,398

- (c) Revenue of RM5,146,000 (2024: RM7,398,000) is expected to be recognised within the next twelve (12) months in the future in respect of unsatisfied contract liabilities as at the end of the reporting period.

## Notes to the Financial Statements

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### 29. REVENUE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<i>Revenue from contracts with customers</i>				
<b>Recognised at point in time:</b>				
Sale of goods	<b>1,767,449</b>	1,884,032	-	-
Services rendered	<b>54,080</b>	51,552	-	-
<b>Recognised over time:</b>				
Services rendered	<b>44,048</b>	53,136	-	-
	<b>1,865,577</b>	1,988,720	-	-
<i>Other revenue</i>				
Rental income	<b>9,063</b>	7,816	<b>1,649</b>	1,811
Interest income	-	-	<b>1,753</b>	112
Dividend income:				
- Unquoted investments in Malaysia	-	-	<b>3</b>	5
- Unquoted subsidiaries	-	-	<b>122,512</b>	39,658
	-	-	<b>122,515</b>	39,663
	<b>1,874,640</b>	1,996,536	<b>125,917</b>	41,586

(a) Revenue from contracts with customers is disaggregated in Note 4 to the financial statements by geographical area.

(b) Sale of goods

Revenue from the sale of goods is recognised at a point in time when the goods has been transferred, i.e. when the goods have been shipped to the customer's specific location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods and has the primary responsibility when selling the goods and bears the risks of obsolescence and loss in relation to the goods.

There is no right of return and warranty provided to the customers on the sale of products and services rendered.

There is no significant financing component in the revenue arising from sale of products and services rendered as the sales or services are made on the normal credit terms not exceeding twelve months.

(c) Services rendered

Revenue in respect of the rendering of services is recognised when performance obligation is satisfied.

(d) Rental income

Rental income is accounted for on a straight line basis over the lease term of an ongoing lease.

(e) Interest income

Interest income is recognised as on a time proportion basis that reflects the effective yield on assets.

(f) Dividend income

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



## Notes to the Financial Statements

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## 30. FINANCE COSTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest expense on:				
- amounts owing to subsidiaries	-	-	2,272	2,949
- bank overdrafts	309	621	243	385
- term loans, revolving credits and bankers' acceptances	15,707	17,961	2,138	3,302
- lease liabilities	2,946	773	21	8
- others	555	1,229	105	22
	19,517	20,584	4,779	6,666

## 31. TAX EXPENSE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax				
- Malaysian income tax	26,192	20,433	348	179
- Foreign income tax	1,262	1,614	-	-
	27,454	22,047	348	179
Under/(Over) provision in prior years				
- Malaysian income tax	2,070	(51)	51	39
- Foreign income tax	(33)	(3,865)	-	-
	2,037	(3,916)	51	39
	29,491	18,131	399	218
Deferred tax (Note 14)				
Relating to origination and reversal of temporary differences	4,009	11,000	-	-
Under provision in prior years	467	503	-	-
	4,476	11,503	-	-
	33,967	29,634	399	218

(a) The Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated taxable profit for the fiscal year.

(b) Tax expense for other taxation authorities are calculated at the rates prevailing in the respective jurisdictions.

## Notes to the Financial Statements

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### 31. TAX EXPENSE (CONTINUED)

- (c) The numerical reconciliations between the tax expense and the product of accounting profit multiplied by the applicable tax rate of the Group and of the Company are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit before tax	<b>99,123</b>	110,479	<b>72,091</b>	18,616
Tax at Malaysian statutory tax rate of 24% (2024: 24%)	<b>23,790</b>	26,515	<b>17,302</b>	4,468
Tax effects in respect of:				
Non-allowable expenses	<b>10,877</b>	6,790	<b>12,500</b>	5,230
Non-taxable income	<b>(6,212)</b>	(5,007)	<b>(29,454)</b>	(9,519)
Tax incentives and allowances	<b>(32)</b>	(28)	-	-
Deferred tax assets not recognised	<b>2,552</b>	4,857	-	-
Share of results of associates	<b>(1)</b>	8	-	-
Utilisation of unrecognised tax losses and capital allowances	<b>(160)</b>	(557)	-	-
Different tax rates in foreign jurisdictions	<b>649</b>	469	-	-
	<b>31,463</b>	33,047	<b>348</b>	179
Under/(Over) provision in prior years:				
- income tax	<b>2,037</b>	(3,916)	<b>51</b>	39
- deferred tax	<b>467</b>	503	-	-
	<b>2,504</b>	(3,413)	<b>51</b>	39
	<b>33,967</b>	29,634	<b>399</b>	218

- (d) Tax savings of the Group are as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Utilisation of unrecognised tax losses and capital allowances	<b>160</b>	557
Utilisation of tax incentives and allowances	<b>32</b>	28

## Notes to the Financial Statements

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### 32. EARNINGS PER ORDINARY SHARE

#### (a) Basic

The basic earnings per ordinary share for the financial year has been calculated based on the consolidated profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue (excluding treasury shares) during the financial year.

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
Profit attributable to owners of the parent (RM'000)	<b>63,489</b>	81,474
Weighted average number of ordinary shares in issue ('000)	<b>1,041,806</b>	949,731
Basic earnings per ordinary share for the financial year (sen)	<b>6.09</b>	8.58

#### (b) Diluted

The diluted earnings per ordinary share for the financial year has been calculated based on the consolidated profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue (excluding treasury shares) during the financial year adjusted for the effects of dilutive potential ordinary shares.

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
Profit attributable to owners of the parent (RM'000)	<b>63,489</b>	81,474
Weighted average number of ordinary shares in issue ('000)	<b>1,041,806</b>	949,731
Effects of dilution:		
- Warrants B	<b>17,817</b>	66,630
Adjusted weighted average number of ordinary shares in issue ('000)	<b>1,059,623</b>	1,016,361
Diluted earnings per ordinary share for the financial year (sen)	<b>5.99</b>	8.02

## Notes to the Financial Statements

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### 33. DIVIDENDS

	Company			
	2025		2024	
	Dividend per share sen	Amount of dividend RM'000	Dividend per share sen	Amount of dividend RM'000
<b>In respect of financial year ended 31 May 2023</b>				
First interim single tier dividend, paid on 30 August 2023	-	-	1.00	9,493
<b>In respect of financial year ended 31 May 2024</b>				
First interim single tier dividend by way of dividend-in-specie <sup>1</sup>	-	-	0.81	7,604
Second interim single tier dividend, paid on 24 October 2024	1.00	10,135	-	-
<b>In respect of financial year ended 31 May 2025</b>				
First interim single tier dividend by way of dividend-in-specie <sup>2</sup>	0.94	37,818	-	-
Second interim single tier dividend by way of dividend-in-specie <sup>3</sup>	1.00	10,418	-	-
		<b>58,371</b>		<b>17,097</b>

<sup>1</sup> The dividend-in-specie was completed on 1 March 2024 by crediting 9,378,600 treasury shares of the Company to the Central Depository System account of the Company's shareholders.

<sup>2</sup> The dividend-in-specie was completed on 24 October 2024 by crediting 40,409,716 treasury shares of the Company to the Central Depository System account of the Company's shareholders.

<sup>3</sup> The dividend-in-specie was completed on 28 May 2025 by crediting 10,463,522 treasury shares of the Company to the Central Depository System account of the Company's shareholders.

On 23 July 2025, the Directors proposed and declared a first interim single tier dividend of 1.0 sen per ordinary share in respect of the financial year ending 31 May 2026 and paid on 21 August 2025.

The Directors do not recommend the payment of any other dividend in respect of the current financial year.

## Notes to the Financial Statements

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### 34. CAPITAL MANAGEMENT

The primary objective of capital management of the Group is to ensure that entities of the Group would be able to continue as going concerns while it maintains acceptable capital ratios in order to support its business and maximise shareholder value. The overall strategy of the Group remains unchanged from that in financial year ended 31 May 2024.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 May 2025 and 31 May 2024.

The Group monitors capital using a gearing ratio. This ratio is calculated as net debt divided by total equity attributable to owners of the parent. Net debt are calculated as total borrowings net of cash and bank balances.

		<b>Group</b>	
	<b>Note</b>	<b>2025 RM'000</b>	<b>2024 RM'000</b>
Borrowings	23	<b>323,092</b>	347,612
Short term deposits with licensed banks	20	<b>(31,867)</b>	(31,384)
Cash and bank balances	20	<b>(119,245)</b>	(105,928)
<b>Net debt</b>		<b>171,980</b>	210,300
<b>Total equity attributable to owners of the parent</b>		<b>600,457</b>	548,089
<b>Gearing ratio</b>		<b>0.29</b>	0.38

Pursuant to the requirements of Practice Note No. 17/2005, of the Bursa Securities, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement during the financial year ended 31 May 2025.

### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders. The Group focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Financial risk management is carried out through risk reviews, internal control systems and adherence to the Group's financial risk management policies.

The main risk arising from the Group's financial instruments are foreign currency risk, interest rate risk, liquidity risk and credit risk. Management reviews and agrees policies for managing each of these risks and these are summarised below:

#### (i) Foreign currency risk

The Group is exposed to foreign currency risk as a result of its net investments in overseas subsidiaries and normal trading activities, both external and intra-group, where the currency denomination differs from the functional currency, Ringgit Malaysia. The Group's policy is to minimise the exposure of overseas operating subsidiaries to transaction risk by matching local currency income against local currency costs.

## Notes to the Financial Statements

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### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (i) Foreign currency risk (continued)

The net financial assets and liabilities of the Group that are not denominated in their functional currencies are as follows:

31 May 2025	Ringgit Malaysia ("RM") RM'000	Indonesian Rupiah ("IDR") RM'000	Hong Kong Dollar ("HKD") RM'000	United States Dollar ("USD") RM'000	Vietnam Dong ("VND") RM'000	Total RM'000
Functional currency						
<b>Trade and other receivables</b>						
United States Dollar	78,865	-	12	-	-	78,877
Singapore Dollar	593	-	-	1,478	-	2,071
Japanese Yen	307	-	-	-	-	307
Indonesian Rupiah	-	-	-	1,494	-	1,494
Euro	236	-	-	-	-	236
	80,001	-	12	2,972	-	82,985
<b>Cash and bank balances</b>						
Ringgit Malaysia	-	-	-	9	-	9
United States Dollar	37,412	1,970	4,557	-	23	43,962
Indonesian Rupiah	2	-	-	2,066	-	2,068
Japanese Yen	2	-	-	1	-	3
Euro	1,646	-	-	-	-	1,646
Singapore Dollar	1,466	-	-	641	-	2,107
Vietnam Dong	1	-	-	-	-	1
Thailand Baht	2	-	-	-	-	2
	40,531	1,970	4,557	2,717	23	49,798
<b>Borrowings</b>						
United States Dollar	17,056	-	-	-	-	17,056
Euro	1,561	-	-	-	-	1,561
	18,617	-	-	-	-	18,617
<b>Trade and other payables</b>						
United States Dollar	11,859	2	9,795	-	-	21,656
Singapore Dollar	27	-	-	2,084	-	2,111
Euro	1,424	-	-	-	-	1,424
Indonesian Rupiah	-	-	-	400	-	400
Ringgit Malaysia	-	-	-	670	-	670
Chinese Renminbi	1,354	-	-	-	-	1,354
	14,664	2	9,795	3,154	-	27,615
<b>Lease liabilities</b>						
Singapore Dollar	-	-	-	8,167	-	8,167
Ringgit Malaysia	-	-	-	5,977	-	5,977
	-	-	-	14,144	-	14,144

## Notes to the Financial Statements

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## 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

## (i) Foreign currency risk (continued)

The net financial assets and liabilities of the Group that are not denominated in their functional currencies are as follows: (continued)

31 May 2024	Ringgit Malaysia ("RM") RM'000	Indonesian Rupiah ("IDR") RM'000	Hong Kong Dollar ("HKD") RM'000	United States Dollar ("USD") RM'000	Total RM'000
Functional currency					
<b>Trade and other receivables</b>					
United States Dollar	61,358	-	-	-	61,358
Singapore Dollar	884	-	-	2,206	3,090
Japanese Yen	312	-	-	-	312
Indonesian Rupiah	-	-	-	3,465	3,465
Euro	214	-	-	-	214
	62,768	-	-	5,671	68,439
<b>Cash and bank balances</b>					
Ringgit Malaysia	-	-	-	11	11
United States Dollar	26,459	4,305	8,238	-	39,002
Indonesian Rupiah	2	-	-	2,241	2,243
Japanese Yen	638	-	-	1	639
Euro	316	-	-	-	316
Singapore Dollar	1,853	-	-	1,616	3,469
	29,268	4,305	8,238	3,869	45,680
<b>Borrowings</b>					
Euro	1,185	-	-	-	1,185
<b>Trade and other payables</b>					
United States Dollar	17,323	1	15,761	-	33,085
Singapore Dollar	27	-	-	3,976	4,003
Euro	890	-	-	-	890
Indonesian Rupiah	-	-	-	1,271	1,271
Ringgit Malaysia	-	-	-	513	513
Chinese Renminbi	606	-	-	-	606
	18,846	1	15,761	5,760	40,368
<b>Lease liabilities</b>					
Singapore Dollar	-	-	-	1,516	1,516
Ringgit Malaysia	-	-	-	1,280	1,280
	-	-	-	2,796	2,796



## Notes to the Financial Statements

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### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (i) Foreign currency risk (continued)

##### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit after tax and equity to a reasonably possible change in the foreign currencies strengthened or weakened by 10% (2024: 5%) and exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		<b>Group</b>	
		<b>2025</b>	<b>2024</b>
		<b>RM'000</b>	<b>RM'000</b>
		<b>Increase/ (Decrease)</b>	<b>Increase/ (Decrease)</b>
<b>Profit after tax and equity</b>			
RM/USD	- strengthen by 10% (2024: 5%)	<b>6,640</b>	2,679
	- weaken by 10% (2024: 5%)	<b>(6,640)</b>	(2,679)
IDR/USD	- strengthen by 10% (2024: 5%)	<b>150</b>	164
	- weaken by 10% (2024: 5%)	<b>(150)</b>	(164)
HKD/USD	- strengthen by 10% (2024: 5%)	<b>(397)</b>	(286)
	- weaken by 10% (2024: 5%)	<b>397</b>	286
USD/SGD	- strengthen by 10% (2024: 5%)	<b>(618)</b>	(63)
	- weaken by 10% (2024: 5%)	<b>618</b>	63
RM/SGD	- strengthen by 10% (2024: 5%)	<b>154</b>	103
	- weaken by 10% (2024: 5%)	<b>(154)</b>	(103)
USD/IDR	- strengthen by 10% (2024: 5%)	<b>240</b>	169
	- weaken by 10% (2024: 5%)	<b>(240)</b>	(169)
USD/RM	- strengthen by 10% (2024: 5%)	<b>(504)</b>	(68)
	- weaken by 10% (2024: 5%)	<b>504</b>	68
RM/EURO	- strengthen by 10% (2024: 5%)	<b>(84)</b>	(59)
	- weaken by 10% (2024: 5%)	<b>84</b>	59
RM/Chinese	- strengthen by 10% (2024: 5%)	<b>(103)</b>	(23)
Renminbi	- weaken by 10% (2024: 5%)	<b>103</b>	23

The Group's profit after tax and equity is not sensitive to other foreign currencies.

# Notes to the Financial Statements

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## 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### (ii) Interest rate risk

The Group's exposure to interest rate risk arises mainly from the Group's borrowings and is managed through the use of fixed and floating rate borrowings and deposits.

The following tables set out the carrying amounts, the effective annual interest rates as at the end of reporting date and the remaining maturities of the Group's and of the Company's financial instruments that are exposed to interest rate risk:

Group	Effective annual interest rate %	Within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>As at 31 May 2025</b>					
<b>Fixed rates</b>					
Short term deposits with licensed banks	2.29 - 3.20	31,867	-	-	31,867
Lease liabilities	2.10 - 7.95	11,278	13,172	34,782	59,232
<b>Floating rates</b>					
Bankers' acceptances	4.13 - 5.30	57,455	-	-	57,455
Bank overdrafts	7.26 - 8.01	6,819	-	-	6,819
Revolving credits	4.37 - 5.55	144,300	-	-	144,300
Trust receipts	5.34 - 7.03	42,594	-	-	42,594
Term loans	3.50 - 6.09	23,546	26,387	5,506	55,439
Trade financing	4.35 - 5.16	16,485	-	-	16,485
<b>As at 31 May 2024</b>					
<b>Fixed rates</b>					
Short term deposits with licensed banks	2.10 - 4.10	31,384	-	-	31,384
Lease liabilities	2.31 - 6.91	6,448	3,759	483	10,690
<b>Floating rates</b>					
Bankers' acceptances	3.71 - 4.49	72,150	-	-	72,150
Bank overdrafts	7.20 - 7.90	10,185	-	-	10,185
Revolving credits	4.76 - 5.29	112,016	-	-	112,016
Trust receipts	6.43 - 7.99	64,065	-	-	64,065
Term loans	1.47 - 11.70	24,429	39,033	8,638	72,100
Trade financing	4.87 - 5.93	17,096	-	-	17,096

## Notes to the Financial Statements

31 May 2025

### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (ii) Interest rate risk (continued)

The following tables set out the carrying amounts, the effective annual interest rates as at the end of reporting date and the remaining maturities of the Group's and of the Company's financial instruments that are exposed to interest rate risk: (continued)

Company	Effective annual interest rate %	Within one year RM'000	One to five years RM'000	Total RM'000
<b>As at 31 May 2025</b>				
<b>Fixed rates</b>				
Amounts owing by subsidiaries	5.00	83,474	-	83,474
Amounts owing to subsidiaries	5.00 - 5.55	52,373	-	52,373
Lease liabilities	2.13 - 2.34	71	242	313
<b>Floating rates</b>				
Bank overdrafts	7.26 - 8.01	6,819	-	6,819
Revolving credits	4.37 - 5.55	28,000	-	28,000
Term loans	5.33 - 5.76	10,100	-	10,100
<b>As at 31 May 2024</b>				
<b>Fixed rates</b>				
Amounts owing by subsidiaries	4.50	2,838	-	2,838
Amounts owing to subsidiaries	4.50 - 5.60	54,470	-	54,470
Lease liabilities	2.31	36	116	152
<b>Floating rates</b>				
Bank overdrafts	7.20	6,464	-	6,464
Revolving credits	5.31	27,965	-	27,965
Term loans	5.74	14,100	10,100	24,200

#### Sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial instruments at fair value through profit or loss, and the carrying amount of fixed rate financial instruments of the Group and of the Company are measured at amortised cost. Therefore, no sensitivity analysis for fixed rate instruments was prepared as the change in market interest rate at the end of the reporting period would not affect profit or loss.

## Notes to the Financial Statements

31 May 2025

### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (ii) Interest rate risk (continued)

##### Sensitivity analysis for floating rate instruments

As at 31 May 2025, if there was a variation in interest rates by 100 basis points with all other variables held constant, the Group's and the Company's profit after tax and equity for the financial year, arising mainly as a result of higher or lower interest expense on variable borrowings, would have been:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Profit after tax and equity</b>				
100 basis point higher	(2,455)	(2,642)	(341)	(446)
100 basis point lower	2,455	2,642	341	446

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

#### (iii) Liquidity risk

It is the Group's policy to ensure continuity in servicing its cash obligations in the future by way of measuring and forecasting its cash commitments, monitoring and maintaining a level of cash and cash equivalents deemed adequate for the Group's operations.

As at 31 May 2025, the current liabilities of the Company exceeded its current assets by RM13.3 million (2024: RM117.8 million). The Company monitor its cash flows from its business operations and the Company has been provided with undertakings not to demand repayment by the subsidiaries which amounted to RM94.3 million (2024: RM95.7 million) unless the Company has sufficient funds to permit repayments. Therefore, the Directors are confident that the Company is able to meet its obligations as and when they fall due.

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>2025</b>				
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	193,167	-	-	193,167
Amounts owing to associates	224	-	-	224
Lease liabilities	14,256	25,404	85,939	125,599
Borrowings	300,533	29,580	5,736	335,849
Total undiscounted financial liabilities	508,180	54,984	91,675	654,839

## Notes to the Financial Statements

31 May 2025

### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (iii) Liquidity risk (continued)

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations. (continued)

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>2025</b>				
<b>Company</b>				
<b>Financial liabilities</b>				
Trade and other payables	3,934	-	-	3,934
Lease liabilities	84	260	-	344
Financial guarantee contracts	94,598	-	-	94,598
Amounts owing to subsidiaries	103,346	-	-	103,346
Borrowings	46,881	-	-	46,881
Total undiscounted financial liabilities	248,843	260	-	249,103
<b>2024</b>				
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	246,792	-	-	246,792
Amounts owing to associates	1,592	-	-	1,592
Lease liabilities	6,589	4,271	627	11,487
Borrowings	307,797	43,665	9,946	361,408
Total undiscounted financial liabilities	562,770	47,936	10,573	621,279
<b>Company</b>				
<b>Financial liabilities</b>				
Trade and other payables	3,835	-	-	3,835
Lease liabilities	42	124	-	166
Financial guarantee contracts	73,037	-	-	73,037
Amounts owing to subsidiaries	106,777	-	-	106,777
Borrowings	50,641	10,609	-	61,250
Total undiscounted financial liabilities	234,332	10,733	-	245,065

## Notes to the Financial Statements

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### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (iv) Credit risk

Cash deposits and receivables may give rise to credit risk, which requires the loss to be recognised if a counter party failed to perform as contracted. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period granted by the Group ranged from one (1) month to four (4) months (2024: one (1) month to four (4) months). Each customer has a maximum credit limit and the Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management.

In respect of the cash and bank balances placed with major financial institutions in Malaysia, the Directors believe that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength.

#### Exposure to credit risk

At the end of the reporting period, the maximum exposures to credit risk of the Group and of the Company are represented by the carrying amounts of each class of financial assets recognised in the statements of financial position.

#### Credit risk concentration profile

At the end of the reporting period, the Group did not have any significant exposure to any individual customer or counter party nor did it have any major concentration of credit risk related to any financial instruments.

At the end of the reporting period, the Company did not have any significant exposure to any individual customer or counter party nor did it have any major concentration of credit risk related to any financial instruments other than the amounts owing by subsidiaries of RM127,304,000 (2024: RM27,618,000).

### 36. RELATED PARTY DISCLOSURES

#### (a) Identities of related parties

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

The Group has related party relationship with its subsidiaries, associates and a joint venture as disclosed in Note 40 to the financial statements, and which Directors have substantial direct/indirect shareholding.

## Notes to the Financial Statements

31 May 2025

### 36. RELATED PARTY DISCLOSURES (CONTINUED)

#### (b) Significant related parties transactions

In addition to the related parties information detailed elsewhere in the financial statements, the Group and the Company had the following significant transactions with related parties during the financial year:

	<b>Group</b>	
	<b>2025 RM'000</b>	<b>2024 RM'000</b>
Purchases from:		
- companies in which certain Directors of the Company have direct or deemed interests	<b>41,979</b>	3,230
Rental income from:		
- company in which a Director of the Company has direct or deemed interests	<b>13</b>	244
- a subsidiary of an associate	<b>-</b>	142
- an associate	<b>362</b>	-
Rental paid to:		
- a subsidiary of an associate	<b>-</b>	28
- an associate	<b>28</b>	-
	<b>Company</b>	
	<b>2025 RM'000</b>	<b>2024 RM'000</b>
Rental income from:		
- a subsidiary of an associate	<b>-</b>	92
- an associate	<b>92</b>	-
- company in which a Director of the Company has direct or deemed interests	<b>13</b>	244

During the financial year, dividend income from subsidiaries amounted to RM122,512,000 (2024: Nil) were settled through contra arrangements against amounts payable to or receivable from certain subsidiaries within the Group.

The Directors of the Group and of the Company are of the opinion that the above transactions were carried out based on negotiated terms and conditions and mutually agreed with the related parties.



# Notes to the Financial Statements

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## 36. RELATED PARTY DISCLOSURES (CONTINUED)

### (c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group.

The remuneration of Directors and other key management personnel of the Group and of the Company during the financial year was as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Fees	<b>1,720</b>	1,469	<b>747</b>	644
Short term employee benefits	<b>22,078</b>	22,367	<b>265</b>	265
Defined contribution plan	<b>1,499</b>	1,372	<b>11</b>	11
Other emoluments	<b>2,008</b>	2,239	<b>35</b>	28
	<b>27,305</b>	27,447	<b>1,058</b>	948

The estimated monetary value of benefits-in-kind received by the Directors otherwise than in cash from the Group and the Company amounted to RM280,000 (2024: RM238,000) and RM61,000 (2024: RM58,000) respectively.

## 37. CAPITAL COMMITMENTS

Capital commitments not provided for in the financial statements are as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
In respect of purchase of property, plant and equipment:		
Contracted but not provided for	<b>12,694</b>	8,934
Approved but not contracted for	<b>28,413</b>	58,035
	<b>41,107</b>	66,969

## Notes to the Financial Statements

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### 38. GUARANTEES

	<b>Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Secured</b>		
Bank guarantees given by financial institutions for trade performance of certain subsidiaries and working capital purpose	<b>1,766</b>	4,649
<b>Unsecured</b>		
Financial guarantees given to financial institutions in respect of credit facilities granted to certain subsidiaries	<b>92,832</b>	68,388
	<b>94,598</b>	73,037

The Company has financial guarantee contracts of RM92,832,000 (2024: RM68,388,000) in respect of financial guarantees given to financial institutions for credit facilities granted to subsidiaries. The Company monitors the ability of the subsidiaries to service their loans regularly.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of the amount of the loss allowance; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 *Revenue from Contract with Customers*.

The Company assumes that there is significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when the subsidiaries are unlikely to repay its credit obligation to the bank in full or the subsidiaries are continuously loss making and are having a deficit shareholders' fund. The Company determines the probability of default of the guaranteed loans individually using internal information available.

Financial guarantees have not been recognised since the fair value was not material on initial recognition. As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

### 39. EMPLOYEE BENEFITS

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Salaries and wages	<b>97,960</b>	92,370	<b>265</b>	265
Defined contribution plan	<b>9,743</b>	9,228	<b>11</b>	11
Provision for retirement benefits	<b>545</b>	625	<b>-</b>	-
Other benefits	<b>5,312</b>	3,761	<b>-</b>	-
	<b>113,560</b>	105,984	<b>276</b>	276

Included in the employee benefits of the Group and of the Company are Executive Directors remuneration and other emoluments amounting to RM13,785,000 (2024: RM13,532,000) and RM276,000 (2024: RM276,000) respectively.

## Notes to the Financial Statements

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**40. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

(a) Details of subsidiaries are as follows:

Company	Principal place of business/ Country of incorporation	Group's effective equity interest		Principal activities
		2025 %	2024 %	
Direct:				
Ancom Properties Sdn. Bhd.	Malaysia	100.0	100.0	Investment holding
Rhodemark Development Sdn. Bhd.	Malaysia	100.0	100.0	Investment holding
Ancom Agrichemical Sdn. Bhd.	Malaysia	100.0	100.0	Investment holding
Nylex Holdings Sdn. Bhd.	Malaysia	100.0	100.0	Investment holding and manufacture and marketing of vinyl-coated fabrics, calendered film and sheeting and other polymer products, including geotextiles and prefabricated sub-soil drainage system and property development
ATG Nexus Sdn. Bhd.	Malaysia	97.3	97.3	Development of IT systems and providing IT related consultancy services
Ancom Truelife Sdn. Bhd.	Malaysia	75.0	75.0	Sale and trading of healthcare products
* Ancom Components Sdn. Bhd.	Malaysia	66.7	66.7	Manufacturing and marketing of low voltage switchgear
Redberry Sdn. Bhd.	Malaysia	100.0	100.0	Investment holding and provision of media advertising
Redberry Holdings Sdn. Bhd.	Malaysia	100.0	100.0	Investment holding
Ancom Management Services Sdn. Bhd.	Malaysia	100.0	100.0	Provision of management services
Synergy Tanker Sdn. Bhd.	Malaysia	100.0	100.0	Investment holding
Ancom Power Solutions Sdn. Bhd.	Malaysia	100.0	100.0	Dormant
ATG Avionix Sdn. Bhd.	Malaysia	100.0	100.0	Development of IT systems and providing IT related consultancy services

## Notes to the Financial Statements

31 May 2025

### 40. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (CONTINUED)

(a) Details of subsidiaries are as follows: (continued)

Company	Principal place of business/ Country of incorporation	Group's effective equity interest		Principal activities
		2025 %	2024 %	
Indirect:				
Ancom Crop Care Sdn. Bhd.	Malaysia	100.0	100.0	Manufacture and marketing of agricultural chemical products
Ancom Bioscience Sdn. Bhd.	Malaysia	100.0	100.0	Trading of agricultural chemical products
Polytensides Sdn. Bhd.	Malaysia	100.0	100.0	Manufacture and sale of agricultural chemical products
Ancom Energy & Services Sdn. Bhd.	Malaysia	100.0	100.0	Marketing of low voltage switchgear
Timber Preservatives Sdn. Bhd.	Malaysia	100.0	100.0	Manufacture and distribution of timber and preservatives related chemical products
Timber Preservatives Industries Sdn. Bhd.	Malaysia	100.0	100.0	Manufacture and distribution of timber and preservatives related chemical products
Kemcom Sdn. Bhd.	Malaysia	100.0	100.0	Manufacture and sale of wood preservatives
Ancom Nutrifoods Sdn. Bhd.	Malaysia	100.0	100.0	Growing of banana and durian, general trading and investment holding
Shennong Animal Health (Malaysia) Sdn. Bhd.	Malaysia	80.0	80.0	Manufacturing of chemical and animal health products
Vemedim Sdn. Bhd.	Malaysia	80.0	80.0	Trading of chemical and animal health products
* Ancom do Brasil Ltda	Brazil	99.9	99.9	Dormant. Holder of licenses for certain agricultural chemical products
* Ancom Australia Pty. Ltd.	Australia	100.0	100.0	Dormant. Holder of licenses for certain agricultural chemical products
* Malancom Agrochemicals (Pte) Limited	South Africa	100.0	100.0	Dormant. Holder of licenses for certain agricultural chemical products
* ChemResources China (Agencies) Limited	Hong Kong	100.0	100.0	Trading of chemical products

## Notes to the Financial Statements

31 May 2025

## 40. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (CONTINUED)

(a) Details of subsidiaries are as follows: (continued)

		Principal place of business/ Country of incorporation	Group's effective equity interest		
Company			2025 %	2024 %	Principal activities
Indirect: (continued)					
*	Decom Limited	Hong Kong	100.0	100.0	Trading of chemical products
	Entopest Environmental Services Sdn. Bhd.	Malaysia	90.0	90.0	Provision of pest control, hygiene and sanitation services
	Entopest Environmental Services (PG) Sdn. Bhd.	Malaysia	81.0	81.0	Provision of pest control, hygiene and sanitation services
*	PT Entopest Enivronmental Services	Indonesia	60.3	60.3	Dormant
@	Airefresh Industries (M) Sdn. Bhd.	Malaysia	18.0	18.0	Manufacture, distribution, merchandise and sale of air fresh products
	Airefresh Marketing Sdn. Bhd.	Malaysia	72.0	72.0	General trading
	Common Feed Sdn. Bhd.	Malaysia	100.0	100.0	Trading of animal feed products
	Vanguard Express Sdn. Bhd.	Malaysia	100.0	100.0	Freight and logistics services
	H.J. Unkel Chemicals Sdn. Bhd.	Malaysia	70.0	70.0	Trading of industrial chemicals products
	Novelty Chemicals Sdn. Bhd.	Malaysia	70.0	70.0	Trading of industrial chemicals products
@	Redberry Media Sdn. Bhd.	Malaysia	46.6	46.6	Provision of media related services
	Redberry Solutions Sdn. Bhd.	Malaysia	51.0	51.0	Dormant
	Wheel Sport Management Sdn. Bhd.	Malaysia	77.0	77.0	Promoters and organiser of motor sports and to buy, sell and deal in all kinds of motors
	Redberry Contact Center Sdn. Bhd.	Malaysia	100.0	100.0	Providing call centre services
	Digital Showcase Sdn. Bhd.	Malaysia	95.0	95.0	Investment holding
*	Redberry Animation Sdn. Bhd.	Malaysia	51.0	51.0	Dormant
	Redberry Advertising Sdn. Bhd.	Malaysia	95.0	95.0	Provision of digital advertising
	Twinstar Synergy Sdn. Bhd.	Malaysia	100.0	100.0	Printing of newspapers, journals, magazines, books and other literary works
	Redberry Retail Sdn. Bhd.	Malaysia	70.0	70.0	Provision of digital advertising
	Ten Plus Resources Sdn. Bhd.	Malaysia	95.0	95.0	Dormant
	Redberry Cinema and Digital Sdn. Bhd.	Malaysia	95.0	95.0	Provision of digital and cinema advertising

## Notes to the Financial Statements

31 May 2025

### 40. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (CONTINUED)

(a) Details of subsidiaries are as follows: (continued)

Company		Principal place of business/ Country of incorporation	Group's effective equity interest		Principal activities
			2025 %	2024 %	
<i>Indirect: (continued)</i>					
^#	Nylex (Malaysia) Berhad ("Nylex")	Malaysia	<b>42.2</b>	42.2	Investment holding and manufacture and marketing of vinyl-coated fabrics, calendered film and sheeting and other polymer products, including geotextiles and prefabricated sub-soil drainage system and property development
	Nylex Polymer Marketing Sdn. Bhd.	Malaysia	<b>100.0</b>	100.0	Marketing of polyurethane ("PU") and polyvinyl chloride ("PVC") synthetic leather, films and sheets, geosynthetic and general trading
	PT Nylex Indonesia	Indonesia	<b>100.0</b>	100.0	Manufacture, marketing and distribution of PVC and PU leathercloth
	Perusahaan Kimia Gemilang Sdn. Bhd.	Malaysia	<b>100.0</b>	100.0	Trading in petrochemicals and industrial chemicals
	Fermpro Sdn. Bhd.	Malaysia	<b>100.0</b>	100.0	Manufacture and marketing of ethanol, carbon dioxide and other related chemical products
	Kumpulan Kesuma Sdn. Bhd.	Malaysia	<b>100.0</b>	100.0	Manufacture and marketing of sealants and adhesive products
	Wedon Sdn. Bhd.	Malaysia	<b>100.0</b>	100.0	Marketing of sealants and adhesive products
	Speciality Phosphates (Malaysia) Sdn. Bhd.	Malaysia	<b>51.0</b>	51.0	Manufacture and sale of chemicals
	Nycon Manufacturing Sdn. Bhd.	Malaysia	<b>100.0</b>	100.0	Dormant
	* Dynamic Chemical Pte. Ltd.	Singapore	<b>100.0</b>	100.0	Blending, trading and distribution of industrial chemicals
	ALB Marine Sdn. Bhd.	Malaysia	<b>100.0</b>	100.0	Carrying out business of ship owning, ship management and charter hire of tanker

## Notes to the Financial Statements

31 May 2025

**40. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (CONTINUED)**

(a) Details of subsidiaries are as follows: (continued)

Company	Principal place of business/ Country of incorporation	Group's effective equity interest		Principal activities
		2025 %	2024 %	
Indirect: (continued)				
	Ancom Kimia Sdn. Bhd.	Malaysia	60.0	Distribution of petrochemicals and industrial chemicals
*	CKG Chemicals Pte. Ltd.	Singapore	100.0	Trading and distribution of industrial chemicals and gasoline blending components
	Nylex Specialty Chemicals Sdn. Bhd.	Malaysia	100.0	Manufacture and sale of phosphoric acid
	Perusahaan Kimia Gemilang (Vietnam) Company Ltd.	Vietnam	100.0	Building tank farms and other facilities for the storage of industrial chemicals, importation and distribution of industrial chemicals
	PT PKG Lautan Indonesia	Indonesia	100.0	Importation and distribution of industrial chemicals
	One Chem Terminal Sdn. Bhd.	Malaysia	51.0	Operate, lease and manage chemical tank farm and warehouse
##	Ancom Logistics Berhad ("ALB")	Malaysia	34.0	Investment holding
@	Synergy Trans-Link Sdn. Bhd.	Malaysia	34.0	Investment holding
	Ancom Nylex Terminals Sdn. Bhd.	Malaysia	66.3	Build, own, operate, lease and manage chemical tank farm and warehouse
@	Pengangkutan Cogent Sdn. Bhd.	Malaysia	34.0	Providing transportation and related services
*	Syarikat Wandeerfull Sdn. Bhd.	Malaysia	100.0	Investment holding, dealing in and subletting of properties
*	Ancom Healthcare Sdn. Bhd. (formerly known as Wandeerfull Industries Sdn. Bhd.)	Malaysia	100.0	Property investment
*	Pureplay Interactive Sdn. Bhd.	Malaysia	97.3	Dormant
*	Trinity Diligent Sdn. Bhd.	Malaysia	60.0	Dormant
	Colorex Sdn. Bhd.	Malaysia	70.0	Blending and trading of chemicals, colours and related products

## Notes to the Financial Statements

31 May 2025

### 40. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (CONTINUED)

(b) Details of associates are as follows:

		Principal place of business/ Country of incorporation	Group's effective equity interest		
Company			2025 %	2024 %	Principal activities
Direct:					
*	iSpring Capital Sdn. Bhd.	Malaysia	42.0	42.0	Dormant
*	Jirnexu Pte. Ltd.	Singapore	22.4	22.4	Investment holding
	MSTi Corporation Sdn. Bhd.	Malaysia	20.0	20.0	Trading of computer hardware and software and rendering of IT related consultancy services
Indirect:					
*	Ancom Philippines Inc.	Philippines	39.6	39.6	Dormant. Holder of licenses for certain agricultural chemical products
*	ActMedia (M) Sdn. Bhd.	Malaysia	30.0	30.0	Advertising media design and production
	Puncak Berlian Sdn. Bhd.	Malaysia	30.0	30.0	Investment holding
*	Trevi Properties Sdn. Bhd.	Malaysia	30.0	25.0	Property Development
*	Advanced Technology Studies Centre Sdn. Bhd.	Malaysia	-	32.4	Promoting knowledge and skills development in IT
*	DJ Money Matters Sdn. Bhd.	Malaysia	50.0	50.0	Money lending business
*	PT Mynindo Acqua Pura	Indonesia	30.0	30.0	Developing high technology products, in particular micro water treatment and waste treatment
*	Trilogy Renewables Sdn. Bhd.	Malaysia	40.0	40.0	Manufacture of gaseous fuels with a specified calorific value, by purification, blending and other processes from gases of various types including natural gas
	Meru Utama Sdn. Bhd.	Malaysia	35.3	-	General traders and rental of media space at airport, baggage trolleys and signages



# Notes to the Financial Statements

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## 40. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (CONTINUED)

(c) Details of the joint venture are as follows:

Company	Principal place of business/ Country of incorporation	Group's effective equity interest		Principal activities
		2025 %	2024 %	
Indirect:				
* Senandung Sonik Sdn. Bhd.	Malaysia	23.3	23.3	Holder of radio license
* Not audited by BDO PLT or BDO Member Firms.				
^ Percentage shareholding computed based on the number of ordinary shares in issue after deduction of the treasury shares of Nylex.				
@ The Group considers that it controls these subsidiaries even though it owns less than 50% of voting rights. This is because the Group is the single largest shareholder of these companies. Since the date of acquisition of these subsidiaries, there is no history of the other shareholders collaborating to exercise their votes collectively or to outvote the Group.				
# The financial statements of Nylex were consolidated as a subsidiary as the Group has control over the Board of Nylex.				
## The financial statements of ALB were consolidated as a subsidiary as the Group has power to govern the financial and operating policies of ALB under a statute and an agreement.				

## 41. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

### 41.1 New MFRSs and Amendments to MFRSs adopted during the financial year

The Group and the Company adopted the following Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

Adoption of the above Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

## Notes to the Financial Statements

31 May 2025

### 41. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (CONTINUED)

#### 41.2 New MFRSs and Amendments to MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

The following are Standards and Amendments of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

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

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

### 42. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) The Company and its subsidiary, Nylex (Malaysia) Berhad ("Nylex"), had on 21 March 2022 entered into a Heads of Agreement ("HOA") with Sinar Bina Infra Sdn. Bhd., LBS Bina Group Berhad and BTS Group Holdings Public Company Limited (collectively referred to as "Parties") for the collaboration to build and operate a light rail transport system connected with the railway shuttle link currently being built from Singapore to Johor Bahru, with an integrated property development using the "Transit-Oriented Development" concept in Johor Bahru metropolitan region ("LRT Project"). The Parties are working together exclusively to agree on the terms of the definitive agreements to effect the proposals stipulated in the HOA ("Proposal"). The LRT Project is subject to an ongoing feasibility study (as defined in the HOA) being completed and the grant of the concession award for the Project by the state government of Johor. The Proposals will form part of the regularisation plan to be undertaken by Nylex to regularise its affected listed issuer status.

Nylex had on 13 December 2022, signed a Letter of Intent ("LOI") with CRRC Changchun Railway Vehicles Co., Ltd ("CRRC Changchun") for the purposes of entering into good faith discussions and negotiations with regards to the construction, commissioning, installation and testing of the LRT Project. The LOI is entered by Nylex as a part of its efforts to complete the feasibility study for the LRT Project.

Bursa Securities had via its letter dated 30 January 2023, granted Nylex an extension of time of six (6) months up to 26 July 2023 for Nylex to submit its regularisation plan to the regulatory authorities.

On 22 March 2023, the Parties have agreed to extend the long stop date of the HOA by another three (3) months to 21 June 2023. On 21 June 2023, the Parties have further agreed to extend the long stop date of the HOA to 31 January 2024.

## Notes to the Financial Statements

31 May 2025

### 42. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (CONTINUED)

(a) (continued)

On 16 August 2023, Bursa Securities has rejected Nylex's extension of time application as Nylex has not demonstrated to the satisfaction of Bursa Securities any material development towards the finalisation and submission of the regularisation plan to the regulatory authorities. On the same day, Nylex has received a notice to show cause on commencement of suspension and de-listing procedures pursuant to Paragraph 8.03a(3)(b) of the Listing Requirements from Bursa Securities ("Notice").

Nylex had on 23 August 2023 submitted the written representations to Bursa Securities in relation to why a suspension should not be imposed on the trading of the securities of Nylex; and why the securities of Nylex should not be de-listed from the Official List of Bursa Securities.

On 13 October 2023, Bursa Securities had decided to grant Nylex a further extension of time until 26 January 2024 to submit the regularisation plan to the relevant authorities for approval ("Extended Timeframe"), failing which the securities of Nylex will be suspended and de-listed from the Official List of Bursa Securities. As Nylex had failed to submit the proposed regularisation plan within the Extended Timeframe, the Company has on 26 January 2024 appealed/applied for a further extension of time ("Appeal").

On 29 January 2024, Bursa Securities had decided to suspend the securities of Nylex with effect from 7 February 2024 as Nylex had failed to submit the proposed regularisation plan and the de-listing of the securities of Nylex is deferred pending the decision on the Appeal by Bursa Securities.

Bursa Securities has via its letter dated 4 March 2024, allowed Nylex's appeal against the de-listing of Nylex and granted Nylex a further extension of time until 26 July 2024 to submit the regularisation plan to the relevant authorities for approval ("Extended Timeframe II"); failing which the securities of the Company shall be removed from the Official List of Bursa Securities upon expiry of two (2) market days from the date the Company is notified by Bursa Securities or on such date as may be specified by Bursa Securities. As Nylex is unable to submit the proposed regularisation plan within the Extended Timeframe II, the Company has on 19 July 2024 appealed/applied for a further extension of time ("Further Appeal").

Bursa Securities has via its letter dated 24 September 2024, decided to allow the Further Appeal and grant Nylex an extension of time of 6 months until 26 January 2025 as requested by Nylex to submit its regularisation plan to the relevant authorities for approval.

Bursa Securities has via its letter dated 6 March 2025, decided to delist Nylex from the Official List of Bursa Securities on 11 March 2025.

(b) ANB and its subsidiary, Ancom Logistics Berhad ("ALB") had entered into a Heads of Agreement ("ALB HOA") with Greenheart Sdn. Bhd. ("GSB"), Choong Wee Keong ("CWK") and How Yoon For ("HYF") for the following:

[GSB, CWK and HYF shall be collectively referred to as "Vendors" and ANB, ALB, and Vendors shall be collectively referred to as "Parties"]

- (i) proposed acquisition by ALB of the entire share capital of Green Lagoon Technology Sdn. Bhd. ("GLTSB") from the Vendors for total consideration of RM120,000,000, subject to an independent valuation to be conducted on GLTSB during the due diligence and in return ALB shall issue 1,000,000,000 new ordinary shares in ALB ("ALB Share(s)") at an issue price of RM0.12 per ALB Share, that will be listed and tradeable in the ACE Market to the GLTSB shareholders ("Consideration Shares") ("Proposed Acquisition");

## Notes to the Financial Statements

31 May 2025

### 42. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (CONTINUED)

(b) (continued)

ANB and its subsidiary, Ancom Logistics Berhad ("ALB") had entered into a Heads of Agreement ("ALB HOA") with Greenheart Sdn. Bhd. ("GSB"), Choong Wee Keong ("CWK") and How Yoon For ("HYF") for the following: (continued)

- (ii) proposed exemption under subparagraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions to the Vendors, other shareholders of GLTSB and their person(s) acting in concert (collectively "PAC(s)") under Sections 216(2) and 216(3) of the Capital Markets and Services Act 2007 from the obligation to undertake a mandatory offer for the remaining ALB Shares not already owned by them pursuant to the Proposed Acquisition ("Proposed Exemption");
- (iii) proposed private placement of up to 183,333,334 new Shares (or such other number of new Shares as may be applicable) to ANB for the total sum of up to RM22,000,000.08 (or such other amount corresponding to such number of new ALB Shares to be issued), and to be settled in cash at the issue price of RM0.12 per ALB Share, provided that the total percentage of shareholding held by ANB directly and indirectly in the share capital of ALB on completion of the Proposed Acquisition shall not exceed such number of ALB Shares representing 21% of the entire share capital of ALB ("Proposed Private Placement"); and
- (iv) proposed disposal by ALB all of its subsidiaries (i.e., Synergy Trans-Link Sdn. Bhd. and its subsidiaries, Pengangkutan Cogent Sdn. Bhd. and Ancom Nylex Terminals Sdn. Bhd.) to ANB at an independent valuation to be conducted and agreed by ANB and ALB and upon such terms and conditions to be determined later ("Proposed Disposal").

Subsequently on 21 April 2025, ALB and ANB entered into a Supplemental Agreement to the ALB HOA ("Supplemental Agreement") with the Vendors and GLTSB. Pursuant to the Supplemental Agreement, the Parties have mutually agreed to, amongst others, the following:

- (i) vary the terms of the Proposed Private Placement to up to 83,333,334 new ordinary shares (or such other number of new ordinary shares as may be applicable) to be issued by ALB to ANB for the total sum of up to RM10,000,000.08 (or such other amount corresponding to such number of new ordinary shares to be issued), and to be settled in cash at the issue price of RM0.12 per share, provided that the total percentage of shareholding held by ANB directly and indirectly in the share capital of ALB on completion of the Proposed Acquisition shall not exceed such number of ALB Shares representing 22% of the entire issued and paid-up share capital of ALB;
- (ii) to include a proposed subscription by ANB for 145,685 new ordinary shares in GLTSB ("GLTSB Share(s)") (or such other number of new GLTSB Shares as may be applicable), to be issued and allotted by GLTSB to ANB for the total sum of RM12,000,073.45 ("Subscription Shares") at the issue price of RM82.37 per GLTSB Share; and
- (iii) extend the Term to 31 December 2025.

(The Proposed Acquisition, Proposed Exemption, Proposed Private Placement and Proposed Disposal shall be collectively referred to as "Proposals")

Upon completion of the Proposals, ALB will cease to be a subsidiary of ANB and will be accounted for an associate company of ANB.

As at the date of this report, the Proposals are yet to be completed.

## Notes to the Financial Statements

31 May 2025

### 42. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (CONTINUED)

- (c) ANB and its wholly-owned subsidiary, Rhodemark Development Sdn. Bhd. ("RDSB") (collectively referred to as "Joint Offerors") in its capacity as the controlling shareholders of Nylex, had on 6 June 2025, served a letter of offer requesting Nylex to undertake a selective capital reduction and repayment exercise pursuant to Section 116 of the Companies Act 2016 ("Act") ("Proposed SCR").

For information, in January 2022, Nylex was classified as an affected listed issuer after disposal of its entire business to ANB, triggering Paragraph 8.03A(2) of the Listing Requirements of Bursa Securities, whereby Nylex has an insignificant business or operations after the disposal. Bursa Securities had dismissed Nylex's appeal for a further extension of time to submit its regularisation plan to the authorities in March 2025, and was subsequently delisted from the Official List of Bursa Securities.

Under the Proposed SCR, all shareholders of Nylex other than the Joint Offerors whose names appear in the Record of Depositors of Nylex as at the close of business on an entitlement date to be determined and announced later by the board of Nylex ("Entitled Shareholders") collectively would receive a total capital repayment of RM5.30 million, which represents a cash amount of RM0.051 for each Nylex Share. The Proposed SCR would result in the cancellation of the Nylex shares held by the Entitled Shareholders which would proportionately increase the percentage of shareholdings of the Joint Offerors to 100.00% of the resultant share capital of Nylex, if approved.

The Proposed SCR was subjected to and conditional upon, among others, the following being obtained:

- (i) approval of the non-interested entitled shareholders of Nylex for the Proposed SCR via a special resolution tabled at an extraordinary general meeting of Nylex; and
- (ii) the grant of the order by the High Court of Malaya confirming the reduction of the issued share capital of Nylex pursuant to Section 116 of the Act.

The Proposed SCR was to provide an opportunity for the Entitled Shareholders to realise their investments in the unlisted Nylex shares, returns capital resources of Nylex to shareholders in a timely manner and also accords the Joint Offerors greater flexibility in managing Nylex's business moving forward. The exercise would be funded by Nylex's internal funds and would not expected to have a material impact on the Joint Offerors' financial position.

In an extraordinary general meeting of Nylex held on 22 August 2025, the non-interested shareholders of Nylex have voted against the Proposed SCR.

- (d) The Group via its wholly-owned subsidiary, Nylex Holdings Sdn. Bhd. ("NHSB"), had on 19 September 2024 entered into a Share Sale Agreement for the acquisition of 1,400,000 ordinary shares or 70% equity interest in Colorex Sdn. Bhd. ("Colorex") for a cash consideration of RM14,000,000.

On 2 April 2025, conditions precedents have been fulfilled and on the even date, the Share Sale Agreement has become unconditional and the acquisition was completed, which in turn Colorex became an indirect subsidiary of Group.

- (e) The Group via its wholly-owned subsidiary, Ancom Healthcare Sdn. Bhd. (formerly known as Wandeerfull Industries Sdn. Bhd.), had on 23 May 2025 entered into Share Sale Agreement for the acquisition of 600,000 or 60% equity interest in H2H Medicare Group Sdn. Bhd. ("H2H") for a cash consideration of RM5,000,000.

On 25 July 2025, conditions precedents have been fulfilled and on the even date, the Share Sale Agreement has become unconditional and the acquisition was completed, which in turn H2H became an indirect subsidiary of Group.

- (f) The Group via its wholly-owned subsidiary, Ancom Crop Care Sdn. Bhd., had on 11 June 2025 entered into Share Sale Agreement for the acquisition of 80,000 or 80% equity interest in Flexis Solutions Sdn. Bhd. ("Flexis") for a cash consideration of RM13,300,000.

On 23 June 2025, conditions precedents have been fulfilled and on the even date, the Share Sale Agreement has become unconditional and the acquisition was completed, which in turn Flexis became an indirect subsidiary of Group.

## Notes to the Financial Statements

31 May 2025

### 43. MATERIAL LITIGATION

High Court of Malaya at Kuala Lumpur Suit No. WA-22NCVC-87-02/2018

On 12 February 2018, a wholly-owned subsidiary of the Group, ACC and Hamshi Plantation Sdn. Bhd. initiated a legal action at the High Court of Malaya at Kuala Lumpur as plaintiffs against Logix World (M) Sdn. Bhd. ("Logix World") and Citra Semerbak Sdn. Bhd. as defendants to claim against and to hold the defendants jointly and severally liable for a principal sum of RM2,702,500, being the unpaid amount for goods sold and delivered by the plaintiffs to the defendants, and interest at the rate of 12.0% per annum from 24 October 2017 until full and final settlement.

On 21 May 2019, the plaintiffs filed the Substantive Application for Contempt against the directors of Logix World. The Court had on 13 July 2020 found the directors of Logix World guilty of contempt and that the plaintiffs have proven their case against the aforesaid directors for interference with the administration of justice beyond reasonable doubt. The Court had on 15 October 2021, sentenced the directors and awarded costs of RM15,000 and imposed a fine of RM10,000 per person.

The Kuala Lumpur High Court issued judgments on 10 February 2025, holding the defendants liable to the plaintiffs for a principal sum of RM1,762,500.00, along with 12% annual interest from 24 October 2017 until full payment, and costs totaling RM104,000.00. The Court dismissed the defendants' application regarding misjoinder of parties and ordered them to pay additional costs of RM5,200.00.

Following the Court's decisions, the plaintiffs has on 17 March 2025 filed the bankruptcy proceedings against the Directors of Logix. The Directors applied to stay these bankruptcy proceedings pending the disposal of the appeal in the Court of Appeal but has been dismissed by the Bankruptcy Court on 26 August 2025 and the Court recorded that an "act of bankruptcy" has been committed by the Directors on 26 August 2025. The next case management is on 26 February 2026 for the filing of the Creditors' Petition.

The Group is currently in the process of enforcing the judgment and recovering the awarded amount.

# Additional Compliance Information

## **Audit and Non-audit Fee**

The disclosure on audit fee and non-audit fee paid or payable to Messrs BDO PLT, the external auditors of the Company, in the financial year is in page 156 of this Annual Report.

## **Utilisation of Proceeds**

### **(a) Warrants B 2020/2025 (“WB”)**

During the financial year, a total of 65,927,258 WB have been exercised, raising a total of RM18,459,000 in proceeds which were used as working capital of the Group.

Subsequent to the financial year and up to 9 September 2025 (the expiry date of WB), a total of 16,498,918 WB were exercised, raising a total of RM4,620,000 in proceeds which were used as working capital of the Group.

### **(b) Private Placement of New Shares**

During the financial year, the Company completed the issuance of 96,220,000 new shares in the Company under a private placement on 18 October 2024, and a total proceeds of RM96,220,000 was raised. The total proceeds raised from the said private placement had been fully utilised as at the date of this Annual Report.

## **Expiry of WB**

On 9 September 2025 (the expiry date of WB), a total of 8,687,410 WB remain unexercised and are therefore lapsed and ceased to be valid for any purposes.

## **Recurrent Related Party Transactions (“RRPTs”)**

The aggregate value of RRPTs made during the financial year, pursuant to the shareholders’ mandate obtained at 55<sup>th</sup> Annual General Meeting of the Company, is as follows:

Related Party	Transacting Parties for RRPTs	Nature of RRPTs	Value of RRPTs (RM’000)	Interested Directors, major shareholders and connected persons
Malay Mail Online Sdn. Bhd. (“MMOSB”)	The Company and its subsidiaries (“ANB Group”)	Provision of advertising space in the media channels by MMOSB to ANB Group	1,140	<ul style="list-style-type: none"> <li>• Dato’ Siew Ka Wei</li> <li>• Datin Young Ka Mun</li> <li>• Siew Ka Kheong</li> <li>• Quek Lay Kheng</li> <li>• Siew Yuen Tuck</li> </ul>

## **Material Contracts Involving Directors’/Major Shareholders’ Interests**

There were no material contracts (other than contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiary companies which involves the interest of its Directors and major shareholders, either still subsisting at the end of the financial year ended 31 May 2025 or entered into since the end of the previous financial year.

# List of Top Ten Properties

	Owner	Location	Tenure	Land Area	Descriptions	Carrying Amount As At 31 May 2025 (RM'000)	Date of Acquisition / Revaluation
1.	Ancom Crop Care Sdn. Bhd.	P.T. 4227, Mukim of Kapar, Daerah Klang, Selangor	Unexpired leasehold interest of 61 years (Expiring on 9 June 2086)	2.52 hectares	Office and factory buildings  Age of buildings: approximately 34 years	29,581	30 March 2011
2.	Nylex Holdings Sdn. Bhd.	H.S.(D) 256546, Lot 16, Seksyen 15, Bandar Shah Alam, Selangor	Unexpired leasehold interest of 83 years (Expiring on 29 June 2108)	3.02 hectares	Office building and factory  Age of buildings: approximately 54 years	28,495	5 May 2011
		H.S.(D) 256546, Lot 16, Seksyen 15, Bandar Shah Alam, Selangor	Unexpired leasehold interest of 83 years (Expiring on 29 June 2108)	1.21 hectares	Warehouse, factory and vacant land  Age of buildings: approximately 45 years		
3.	Ancom Nylex Berhad	H.S.(D) 259800, No. 2A, Jalan 13/2, Petaling Jaya, Selangor	Unexpired leasehold interest of 83 years (Expiring on 21 October 2108)	1.31 hectares	Office and factory buildings  Age of buildings: approximately 39 to 50 years	24,799	7 April 2011
4.	Ancom Crop Care Sdn. Bhd.	PN 77684, Lot 5, Seksyen 15, Bandar Shah Alam, Selangor	Unexpired leasehold interest of 83 years (Expiring on 15 July 2108)	2.22 hectares	Office and factory buildings  Age of buildings: approximately 55 years	12,787	11 May 2011
5.	PT Nylex Indonesia	HGB No. 82, Desa Sumengko Km31, Wringinanom, Gresik 61176 Indonesia	Unexpired leasehold interest of 4 years (Expiring on 12 January 2029)	0.64 hectares	Casting line factory and office  Age of buildings: approximately 21 years	8,781	12 May 2011
		HGB No. 82, Desa Sumengko Km31, Wringinanom, Gresik 61176 Indonesia	Unexpired leasehold interest of 4 years (Expiring on 12 January 2029)	5.36 hectares	Calendar line factory and vacant land  Age of buildings: approximately 11 years		



## List of Top Ten Properties

	Owner	Location	Tenure	Land Area	Descriptions	Carrying Amount As At 31 May 2025 (RM'000)	Date of Acquisition / Revaluation
6.	Ancom Crop Care Sdn. Bhd.	H.S.(M) 6259, PT 4228, Mukim of Kapar, Daerah Klang, Selangor	Unexpired leasehold interest of 61 years (Expiring on 9 June 2086)	2.85 hectares	Office building and factory  Age of building: approximately 34 years	7,713	7 April 2011
7.	Nylex Holdings Sdn. Bhd.	Unit No: 7-10, Wisma 730 (The Trax) No: 1, Jalan Lima, Off Jalan Chan Sow Lin, 54200 Kuala Lumpur	Unexpired leasehold interest of 90 years (Expiring on 1 March 2115)	0.10 hectares	Vacant	6,301	12 September 2019
8.	Ancom Nylex Terminals Sdn. Bhd.	Jeti Petrokimia, Pelabuhan Barat Pelabuhan Klang, Selangor	Unexpired lease period of 45 years (Expiring on 31 August 2070)	9.8 acres	Tank farm, office and warehouse  Age of buildings: approximately 27 years	5,806	N/A
9.	Colorex Sdn. Bhd.	HS (M) 13302, No. 15, Lorong Helang 16 Off Jalan Helang, Batu 9, Kampung Kebun Baru 42500 Telok Panglima Garang, Kuala Langat, Selangor Darul Ehsan	Freehold	0.24 hectares	Rent out  Age of building: approximately 10 years	4,987	2 April 2025
10.	Nylex Specialty Chemicals Sdn. Bhd.	H.S.(M) 5507, Lot 593, Persiaran Raja Lumu, Kawasan Perusahaan Pandamaran, 42000 Port Klang, Selangor Darul Ehsan	Unexpired leasehold interest of 97 years (Expiring on 1 September 2122)	0.81 hectares	Office building and factory  Age of buildings: approximately 50 years	4,822	25 April 2011

# Analysis of Shareholdings

As at 10 September 2025

## NO. OF HOLDERS OF EACH CLASS OF EQUITY SECURITIES

Class of securities : Ordinary shares ("Shares")

Total no. issued : 1,186,806,776

No. of holders : 12,282

Voting rights : One vote per Share on a poll

## DISTRIBUTION SCHEDULE

Holdings	No. of Holders	Total Holdings	%
Less than 100	2,989	98,071	0.009
100 to 1,000	2,798	1,158,185	0.106
1,001 to 10,000	3,514	14,920,868	1.371
10,001 to 100,000	2,459	68,250,892	6.268
100,001 to less than 5% of issued Shares	520	730,878,246	67.126
5% and above of issued Shares	2	273,511,475	25.120
	12,282	1,088,817,737	100.000
Treasury shares	-	97,989,039	-
	12,282	1,186,806,776	100.000

## SHAREHOLDINGS

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<b>Directors</b>				
Dato' Siew Ka Wei	152,200,731	13.979	25,575,979 <sup>(a)</sup>	2.349
Datuk Lee Cheun Wei	108,151,529	9.933	26,730,937 <sup>(b)</sup>	2.455
Stephan Schnabel	-	-	179,218,945 <sup>(c)</sup>	16.460
Siew Ka Kheong (alternate to Dato' Siew Ka Wei)	16,545,913	1.520	5,998,797 <sup>(d)</sup>	0.551
<b>Substantial Holders</b>				
Dato' Siew Ka Wei	152,200,731	13.979	25,575,979 <sup>(a)</sup>	2.349
Datuk Lee Cheun Wei	108,151,529	9.933	26,730,937 <sup>(b)</sup>	2.455
HELM AG	179,218,945	16.460	-	-
Stephan Schnabel	-	-	179,218,945 <sup>(c)</sup>	16.460

Notes:

(a) Deemed interested by virtue of his interest held through Datin Young Ka Mun, Siew Ka Kheong, Quek Lay Kheng and Siew Yuen Tuck.

(b) Deemed interested by virtue of his interest in QuantumVerse Sdn. Bhd..

(c) Deemed interested by virtue of his interest in HELM AG.

(d) Deemed interested by virtue of his interest held through Quek Lay Kheng.

## Analysis of Shareholdings

As at 10 September 2025

### THIRTY LARGEST HOLDERS AS PER RECORD OF DEPOSITORS

(Without aggregating securities from different securities accounts belonging to the same person)

Name	No. of Shares	%
1. HELM AG	179,218,945	16.460
2. Kenanga Nominees (Tempatan) Sdn. Bhd. - Siew Ka Wei	94,292,530	8.660
3. Maybank Nominees (Tempatan) Sdn. Bhd. - Lee Cheun Wei	44,186,746	4.058
4. Citigroup Nominees (Tempatan) Sdn. Bhd. - Urusharta Jamaah Sdn. Bhd. (2)	39,201,502	3.601
5. Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Siew Ka Wei	38,772,673	3.561
6. RHB Nominees (Tempatan) Sdn. Bhd. - Lee Cheun Wei	34,718,932	3.189
7. CIMB Group Nominees (Tempatan) Sdn. Bhd. - CIMB Commerce Trustee Berhad – Kenanga Growth Fund	33,729,215	3.098
8. Lim Chin Tong	24,912,177	2.288
9. Maybank Nominees (Tempatan) Sdn. Bhd. - Siew Ka Wei	22,134,078	2.033
10. Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Lee Cheun Wei	18,982,221	1.744
11. RHB Nominees (Tempatan) Sdn. Bhd. - QuantumVerse Sdn. Bhd.	14,766,937	1.357
12. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Deutsche Trustees Malaysia Berhad – Eastspring Investmentssmall-Cap Fund	14,574,317	1.339
13. RHB Nominees (Tempatan) Sdn. Bhd. - Tai Mee Yin	12,354,612	1.135
14. RHB Nominees (Tempatan) Sdn. Bhd. - QuantumVerse Sdn. Bhd.	11,964,000	1.099
15. Yap Ai Toi	10,111,759	0.929
16. HSBC Nominees (Tempatan) Sdn. Bhd. - HSBC (M) Trustee Bhd – Principal Dali Equity Fund	9,608,400	0.883
17. Lee Cheun Wei	9,437,530	0.866
18. Lembaga Tabung Angkatan Tentera	9,084,611	0.834
19. Cartaban Nominees (Tempatan) Sdn. Bhd. - CN CIMB Commerce Trustee Berhad - Kenanga Growth Fund Series 2	8,967,186	0.823
20. Leverage Success Sdn. Bhd.	8,487,232	0.779
21. Citigroup Nominees (Asing) Sdn. Bhd. - CBNY for Norges Bank (FI 17)	7,976,239	0.732
22. Citigroup Nominees (Tempatan) Sdn. Bhd. - Employees Provident Fund Board (Eastspringgesg)	7,922,240	0.727
23. Hasnul Bin Hassan	7,833,560	0.719
24. Citigroup Nominees (Tempatan) Sdn. Bhd. - Employees Provident Fund Board	7,814,139	0.717
25. Citigroup Nominees (Tempatan) Sdn. Bhd. - Kumpulan Wang Persaraan (Diperbadankan) (Kenanga)	7,282,304	0.669
26. Citigroup Nominees (Tempatan) Sdn. Bhd. - Kumpulan Wang Persaraan (Diperbadankan) (AIIMAN IS EQ)	6,947,541	0.638
27. HSBC Nominees (Tempatan) Sdn. Bhd. - HSBC (M) Trustee Bhd – Manulife Investment Shariah Progress Fund	6,864,822	0.630
28. CIMB Islamic Nominees (Tempatan) Sdn. Bhd. - CIMB Islamic Trustee Berhad - Kenanga Syariah Growth Fund	6,751,770	0.620
29. Siew Ka Kheong	6,149,337	0.565
30. Quek Lay Kheng	5,998,797	0.551
Total	711,046,352	65.304

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the 56<sup>th</sup> Annual General Meeting (“AGM”) of the Company will be held at Selangor 1 Ballroom, Dorsett Grand Subang, Jalan SS 12/1, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 29 October 2025 at 11.30 a.m. to transact the following businesses:

## AGENDA

### AS ORDINARY BUSINESS

- |   |   |
|---|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 May 2025 together with the Reports of the Directors and Auditors thereon.                  | <b>(Please refer to Explanatory Note 1)</b> |
| 2. To re-elect the following Directors who are retiring pursuant to Clause 125 of the Company’s Constitution:   |   |
| (i) Dato’ Siew Ka Wei   | <b>[Ordinary Resolution 1]</b>              |
| (ii) Maliki Kamal Bin Mohd Yasin  | <b>[Ordinary Resolution 2]</b>              |
| (iii) Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun  | <b>[Ordinary Resolution 3]</b>              |
| 3. To re-elect the following Directors who are retiring pursuant to Clause 130 of the Company’s Constitution:   |   |
| (i) Stephan Schnabel  | <b>[Ordinary Resolution 4]</b>              |
| (ii) Kew Hui Chin   | <b>[Ordinary Resolution 5]</b>              |
| (iii) Dato’ Seri Dr. Awang Adek Bin Hussin  | <b>[Ordinary Resolution 6]</b>              |
| 4. To approve the payment of Directors’ fees to the Non-Executive Directors for the financial year ending 31 May 2026, to be paid quarterly in arrears.                   | <b>[Ordinary Resolution 7]</b>              |
| 5. To approve the payment of Directors’ benefits to the Non-Executive Directors for the period from 29 October 2025 until the next annual general meeting of the Company. | <b>[Ordinary Resolution 8]</b>              |
| 6. To re-appoint BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.   | <b>[Ordinary Resolution 9]</b>              |

### AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions, with or without modification(s):

- |  |                                 |
|--|---------------------------------|
| 7. <b>PROPOSED NEW SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS (“RRPTs”) OF A REVENUE OR TRADING NATURE</b> | <b>[Ordinary Resolution 10]</b> |
|--|---------------------------------|

“THAT subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries (“Group”) to enter into the RRPTs of a revenue or trading nature with the new related parties as specified in Section 2.2 of the Company’s Circular to Shareholders dated 30 September 2025, provided that such transactions are necessary for the Group’s day-to-day operations and are carried out in the ordinary course of business at arm’s length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company.

## Notice of Annual General Meeting

THAT the authority conferred by such mandate shall continue to be in force until:

- (i) the conclusion of the next annual general meeting of the Company, at which time it will lapse, unless by a resolution passed at that meeting, the authority is renewed;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by a resolution passed by the Company's shareholders at a general meeting;

whichever is the earlier.

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 the Directors may consider expedient or necessary or in the best interest of the Company to give effect to this resolution."

### 8. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS ("RRPTs") OF A REVENUE OR TRADING NATURE**

**[Ordinary Resolution 11]**

"THAT subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("Group") to enter into the RRPTs of a revenue or trading nature with the existing related party as specified in Section 2.2 of the Circular to Shareholders dated 30 September 2025, provided that such transactions are necessary for the Group's day-to-day operations and carried out in the ordinary course of business at arm's length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company.

THAT the authority conferred by such mandate shall continue to be in force until:

- (i) the conclusion of the next annual general meeting of the Company, at which time it will lapse, unless by a resolution passed at that meeting, the authority is renewed;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by a resolution passed by the Company's shareholders at a general meeting;

whichever is the earlier.

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 the Directors may consider expedient or necessary or in the best interest of the Company to give effect to this resolution."

## Notice of Annual General Meeting

### 9. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK**

**[Ordinary Resolution 12]**

"THAT subject to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given for the Company to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company ("Share Buy-Back Mandate") provided that:

- (i) the aggregate number of ordinary shares in the Company purchased and/or held as treasury shares pursuant to the Share Buy-Back Mandate does not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time;
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase; and
- (iii) the Directors of the Company may decide either to retain the ordinary shares so purchased as treasury shares or cancel the ordinary shares so purchased or retain part of the ordinary shares so purchased and cancel the remainder or resell the treasury shares on Bursa Securities or distribute the treasury shares as dividends or transfer the treasury shares under an employees' share scheme or as purchase consideration or otherwise use the treasury shares for such other purpose in the manner as prescribed by the Listing Requirements and all other applicable laws, guidelines, rules and regulations, issued by the relevant authorities.

THAT the authority conferred by this resolution will be effective upon the passing of this resolution and will continue to be in force until:

- (a) the conclusion of the next annual general meeting of the Company, at which time it shall lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next annual general meeting of the Company after that date is required by law to be held; or
- (c) revoked or varied by an ordinary resolution passed by the Company's shareholders at a general meeting;

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and all other applicable laws, guidelines, rules and regulations issued by the relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps to implement, finalise and give full effect to the Share Buy-Back Mandate with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors deem fit and expedient at their discretion in the best interest of the Company."

## Notice of Annual General Meeting

### 10. **PROPOSED AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

[Ordinary Resolution 13]

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised, to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions, to such persons and for such purposes as the Directors may in their absolute discretion deem fit PROVIDED THAT the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company AND THAT the Directors be authorised to do all such things as they deem fit and expedient in the best interest of the Company to give effect to the issuance of new shares under this resolution including making such applications to Bursa Securities for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company held after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is the earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting."

11. To transact any other business of which due notice shall have been given in accordance with the Constitution of the Company and the Companies Act 2016.

By Order of the Board,

**CHOO SE ENG (MIA 5876) (SSM PC No. 202208000036)**  
**TEO MEE HUI (MAICSA 7050642) (SSM PC No. 202008001081)**  
**NG SALLY (MAICSA 7060343) (SSM PC No. 202008002702)**

Company Secretaries

Petaling Jaya  
 30 September 2025

#### NOTES:

- (1) A registered member, including an authorised nominee who is entitled to attend and vote at the AGM may appoint up to two (2) proxies to attend and vote on his/her behalf at the AGM. A proxy may but need not be a member of the Company and need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. There shall be no restriction as to the qualification of the proxy.
- (2) In respect of deposited securities, only members whose names appear on the Record of Depositors as at 21 October 2025 shall be entitled to participate in the AGM and appoint proxy(ies) to participate on his/her behalf at the AGM.
- (3) Where a member is an exempt authorised nominee as defined under Securities Industry (Central Depositories) Act, 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (4) Where a member, an authorised nominee or an exempt authorised nominee, appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holding to be represented by each proxy in the Proxy Form.

## Notice of Annual General Meeting

- (5) The appointment of proxy(ies) may be made in the following manner and must be received by the Company's Share Registrar at least 48 hours before the time appointed for holding the AGM or any adjournment thereof:
- i. In hardcopy form  
To be deposited with the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit the Proxy Form in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - ii. By electronic means  
Please refer to the Administrative Guides for Shareholders for further information on electronic submission of Proxy Form.
- (6) Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.
- (7) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at the address indicated in item (5)(i) above not less than 48 hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the Power of Attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- (8) Last date and time for lodging the Proxy Form and the Power of Attorney is by **Monday, 27 October 2025 at 11.30 a.m.**
- (9) For a corporate member who has appointed an authorised representative, please deposit the original or duly certified certificate of appointment of authorised representative ("Certificate") with the Company's Share Registrar at its address indicated in item (5)(i) above before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. The Certificate should be executed in the following manner:
- i. If the corporate member has a Common Seal, the Certificate should be executed under seal in accordance with the constitution of the corporate member.
  - ii. If the corporate member does not have a Common Seal, the Certificate should be affixed with the rubber stamp of the corporate member (if any) and executed by: (a) at least two (2) authorised officers, one (1) of whom shall be a director; or (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- (10) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of AGM will be put to vote by way of poll.

### EXPLANATORY NOTES TO THE AGENDA:

#### 1. Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 May 2025

This agenda item is meant for discussion only. The provisions of Sections 248(2) and 340(1)(a) of the Companies Act 2016 do not require a formal approval of the shareholders for the Audited Financial Statements. As such, this agenda item is not a business which requires a motion to be put forward for voting.

#### 2. Ordinary Resolutions 1, 2, 3, 4, 5 and 6 – Re-election of Retiring Directors

Dato' Siew Ka Wei, Maliki Kamal Bin Mohd Yasin, Tan Sri Dato' Sri Mohamad Fuzi Bin Harun, Stephan Schnabel, Kew Hui Chin and Dato' Seri Dr. Awang Adek Bin Hussin are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the AGM.

Their profiles are disclosed in the Board of Directors of the Annual Report 2025.

Save as disclosed in the Annual Report 2025, the retiring Directors have no conflict of interest with the Company and have no family relationship with any Director and/or major shareholder of the Company. The Board had, through the Remuneration & Nomination Committee, assessed the performance and contribution of each of the retiring Directors including their personality, experience, integrity, competence, time commitment and fit and proper as enumerated in the Company's Directors' Fit and Proper Policy to effectively discharge their roles as Directors. Based on the assessment conducted, the Board is satisfied that the aforesaid Directors have devoted sufficient time to carry out their responsibilities throughout their tenure. They also possess relevant qualification, knowledge and experience which complement the Board's competencies.



## Notice of Annual General Meeting

### 3. Ordinary Resolution 7 – Directors’ Fees payable to Non-Executive Directors (“NEDs”) for the financial year ending 31 May 2026

At the 55<sup>th</sup> annual general meeting of the Company, the shareholders had approved the payment of Directors’ fees to the NEDs amounting to RM1,000,000 and RM1,300,000 for the Company and the Group respectively for the financial year ended 31 May 2025.

The actual amount of Directors’ fees paid to the NEDs were RM746,644 for the Company and RM886,644 for the Group for the financial year ended 31 May 2025.

For the financial year ending 31 May 2026, the Company proposed to pay up to RM1,000,000 and RM1,300,000 respectively to the NEDs of the Company and the Group. These amounts are calculated based on the existing memberships in the Board and Board Committees (and possible new additional members to the Board and Board Committees), and assuming that all NEDs will hold office until the next annual general meeting in the financial year ending 31 May 2026. This resolution is to facilitate payment of Directors’ fees to the NEDs on current year basis. In the event the proposed amount is insufficient (due to enlarged Board size), approval will be sought at the next annual general meeting for the shortfall.

The proposed fees payable by the Company to each of the NEDs are detailed below:

NEDs	Fee Per Year (RM)
<u>Board of Directors</u>	
- Chairman	100,000
- Member	70,000
<u>Audit Committee</u>	
- Chairman	45,000
- Member	30,000
<u>Risk Management Committee</u>	
- Chairman	25,000
- Member	20,000
<u>Remuneration &amp; Nomination Committee</u>	
- Chairman	25,000
- Member	20,000

### 4. Ordinary Resolution 8 – Benefits payable to NEDs

The benefits payable to the NEDs comprise meeting attendance allowance and other benefits (car, fuel, driver, and other emoluments).

In determining the estimated total amount of benefits (excluding Directors’ fees) for the NEDs, the Board considered various factors including the number of scheduled meetings for the Board, Board Committees as well as the number of Directors involved. The Board is recommending to the shareholders to approve the Directors’ benefits payable to the NEDs of up to RM120,000 from the date of the forthcoming AGM until the next annual general meeting of the Company. In the event the proposed amount is insufficient (due to more meetings/enlarged Board size), approval will be sought at the next annual general meeting for the shortfall.

### 5. Ordinary Resolution 9 – Re-appointment of Auditors

The Audit Committee had evaluated the performance of BDO PLT, the External Auditors, as enumerated in the Audit Committee Report and had recommended the re-appointment of BDO PLT as the External Auditors of the Company for the ensuing year. The Board concurred with the recommendation of the Audit Committee.

## Notice of Annual General Meeting

### 6. Ordinary Resolutions 10 and 11 – Proposed New and Renewal of Shareholders' Mandate for RRPTs of a Revenue or Trading Nature

Ordinary Resolutions 10 and 11, if passed, will allow the Group to enter into RRPTs with new and existing related parties in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad without the necessity to convene separate general meetings to seek shareholders' approval as and when such RRPTs occur. This would reduce substantial administrative time and expenses associated with the convening of such meetings without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group. This authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting of the Company and is subject to renewal on an annual basis.

Further details relating to these proposed resolutions are set out in Part A of the Company's Circular to Shareholders/Statement dated 30 September 2025.

### 7. Ordinary Resolution 12 – Proposed Renewal of Shareholders' Mandate for Share Buy-Back

Ordinary Resolution 12, if passed, will empower the Directors of the Company to purchase its own shares up to ten percent (10%) of the total number of issued shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting of the Company.

For further information on Ordinary Resolution 12, please refer to Part B of the Company's Circular to Shareholders/Statement dated 30 September 2025.

### 8. Ordinary Resolution 13 – Proposed Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

Ordinary Resolution 13, if passed, will empower the Directors to issue and allot up to an aggregate amount of not exceeding ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority will, unless revoked or varied by the Company at a general meeting, expire at the conclusion of the next annual general meeting of the Company.

This is a renewal of the mandate obtained from the shareholders at the last annual general meeting held on 29 October 2024 ("the Previous Mandate"). The mandate is to provide flexibility to the Company for any possible fund-raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration or such other application as the Directors may deem fit and in the best interest of the Company, without the need to convene separate general meeting to obtain shareholders' approval so as to avoid incurring additional costs and time.

The Company had utilised the mandate obtained at the 54<sup>th</sup> annual general meeting held on 27 October 2023 for the issuance of 96,220,000 new shares in the Company under a private placement, and a total proceeds of RM96,220,000 was raised. The private placement has been completed following the listing and quotation of the 96,220,000 new shares on the Main Market of Bursa Securities on 18 October 2024. The total proceeds raised from the said private placement had been fully utilised as at the date of this Notice.

On the other hand, as at the date of this Notice, the Company did not issue any new shares pursuant to the Previous Mandate granted by the shareholders at the last annual general meeting.

**ANCOM NYLEX BERHAD**[Registration No. 196901000122 (8440-M)]  
Incorporated in Malaysia

# Proxy Form

CDS A/C. No.	No. of shares held

I/We \_\_\_\_\_ NRIC No. \_\_\_\_\_  
(Full Name in Block Letters)of \_\_\_\_\_  
(Full Address)

being (a) member(s) of ANCOM NYLEX BERHAD, hereby appoint

Full Name in Block Letters		Proportion of shareholdings to be represented  %
NRIC No.		
Full Address		
Full Name in Block Letters		Proportion of shareholdings to be represented  %
NRIC No.		
Full Address		
		100 %

or failing \*him/her, the Chairman of the Meeting as \*my/our \*proxy/proxies to participate and to vote for \*me/us on \*my/ our behalf at the 56<sup>th</sup> Annual General Meeting ("AGM") of the Company which will be held at Selangor 1 Ballroom, Dorsett Grand Subang, Jalan SS 12/1, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 29 October 2025 at 11.30 a.m. and to vote as indicated below:-

ORDINARY RESOLUTIONS		FOR	AGAINST
1	To re-elect Dato' Siew Ka Wei as a Director of the Company		
2	To re-elect Maliki Kamal Bin Mohd Yasin as a Director of the Company		
3	To re-elect Tan Sri Dato' Sri Mohamad Fuzi Bin Harun as a Director of the Company		
4	To re-elect Stephan Schnabel as a Director of the Company		
5	To re-elect Kew Hui Chin as a Director of the Company		
6	To re-elect Dato' Seri Dr. Awang Adek Bin Hussin as a Director of the Company		
7	To approve the payment of Directors' fees to the Non-Executive Directors for the financial year ending 31 May 2026, to be paid quarterly in arrears		
8	To approve the payment of Directors' benefits to the Non-Executive Directors		
9	To re-appoint BDO PLT as Auditors of the Company		
10	To approve the proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature		
11	To approve the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature		
12	To approve the proposed renewal of shareholders' mandate for share buy-back		
13	To approve the proposed authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		

(Please indicate with an "X" on how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.)

[\*Delete if not applicable]

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

**Telephone no. during office hours:**\_\_\_\_\_  
[Signature / Common Seal of shareholder(s)]

**NOTES:**

- (1) A registered member, including an authorised nominee who is entitled to attend and vote at the AGM may appoint up to two (2) proxies to attend and vote on his/her behalf at the AGM. A proxy may but need not be a member of the Company and need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. There shall be no restriction as to the qualification of the proxy.
- (2) In respect of deposited securities, only members whose names appear on the Record of Depositors as at 21 October 2025 shall be entitled to participate in the AGM and appoint proxy(ies) to participate on his/her behalf at the AGM.
- (3) Where a member is an exempt authorised nominee as defined under Securities Industry (Central Depositories) Act, 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (4) Where a member, an authorised nominee or an exempt authorised nominee, appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holding to be represented by each proxy in the Proxy Form.
- (5) The appointment of proxy(ies) may be made in the following manner and must be received by the Company's Share Registrar at least 48 hours before the time appointed for holding the AGM or any adjournment thereof:
  - (i) In hardcopy form  
To be deposited with the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit the Proxy Form in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - (ii) By electronic means  
Please refer to the Administrative Guides for Shareholders for further information on electronic submission of Proxy Form.
- (6) Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.
- (7) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at the address indicated in item (5)(i) above not less than 48 hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the Power of Attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- (8) Last date and time for lodging the Proxy Form and the Power of Attorney is by **Monday, 27 October 2025 at 11.30 a.m.**

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Affix  
Stamp

**ANCOM NYLEX BERHAD**

[Registration No. 196901000122 [8440-M]]

**The Share Registrar:**

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

Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Malaysia

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- (9) For a corporate member who has appointed an authorised representative, please deposit the original or duly certified certificate of appointment of authorised representative ("Certificate") with the Company's Share Registrar at its address indicated in item (5)(i) above before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. The Certificate should be executed in the following manner:
  - (i) If the corporate member has a Common Seal, the Certificate should be executed under seal in accordance with the constitution of the corporate member.
  - (ii) If the corporate member does not have a Common Seal, the Certificate should be affixed with the rubber stamp of the corporate member (if any) and executed by: (a) at least two (2) authorised officers, one (1) of whom shall be a director; or (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- (10) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of AGM will be put to vote by way of poll.



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