



# **BM** GreenTech

**BM GREENTECH BERHAD**  
(formerly known as Boilermech Holdings Berhad)  
REGISTRATION NO. 201001013463 (897694-T)

Crafting **synergies**

## Our Vision & Mission Statements

We have realigned our vision and mission statements, as part of the corporate strategy to further incorporate Environmental, Social, and Governance (“ESG”) into our growth direction and culture. By crystallising our vision and mission, our Board, Management and employees now have a stronger purpose and direction Vision alignment in their roles and priorities.

## Vision Statement

To be the regional partner of choice to achieve an environmentally sustainable society

## Mission Statement

To create shared value for all stakeholders by providing innovative and cost-effective energy and water solutions to achieve lasting sustainability

## At a Glance

### Financial Review

- Total Revenue (+16.6%)**  
 has increased from RM377.7 million for FYE 2023 to **RM440.3 million** for FYE 2024
- Profit Before Tax (“PBT”) (+>100%)**  
 achieved by the Group was **RM47.9 million** for FYE 2024 as compared to RM20.9 million for FYE 2023
- Net Tangible Assets (+10.7%)**  
 had increased from RM231.0 million for FYE 2023 to **RM255.7 million** for FYE 2024
- Final single tier dividend of 2.25 sen**  
 per ordinary share  
 The Board of Directors has on 28 May 2024 recommended a final single tier dividend of 2.25 sen per ordinary share amounting to RM11,610,000 in respect of FYE 31 March 2024 subject to approval from shareholders at the forthcoming 14<sup>th</sup> Annual General Meeting.

### Non-Financial Highlights

We achieved a remarkable milestone by rebranding our Company as BM GreenTech. This rebranding reflects our renewed commitment to our vision of becoming the preferred partner of choice in clean energy within the region.

More than just a facelift and name change, the new identity aims to further bolster our market presence, elevate our status and enhance our credibility. We envision to establish multiple brands with high brand equity in the clean energy and water sectors.

In line with our vision for an environmentally sustainable society, BM GreenTech recently entered into a Share Acquisition Agreement to acquire equity interest in Plus Xnergy Holding Sdn Bhd (“PXH”) (“Proposed Acquisition”).

The Proposed Acquisition will strengthen our position as the leading provider of diversified climate and clean energy solutions in the region. It is also expected to drive a synergistic partnership, driving mutual growth for both PXH Group and our group of companies in the future.

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# Brand Story



**BM**  
GreenTech

For BM GreenTech, the logo outlines a more inventive direction, using the motion of energy that loops on itself as a symbol of sustainable development.

A strong eco-friendly visual perception is portrayed by the multiple ellipses that mimics naturally healthy growing leaves.

## Introducing Our Subsidiaries

Rebranding as BM GreenTech highlights our global leadership in biomass boilers and commitment to clean energy and sustainability:



BoilerMech Energy logo symbolises the Company’s dedication to innovative and efficient biomass boiler solutions, blending technology and nature with elements that evoke both combustion flames and energy.



BM Solar logo reflects the Company’s commitment to renewable energy with a stylised sun and rays that evolve into energy waves, symbolising the conversion of sunlight into usable power.



BM TEK logo showcases the Company’s expertise in water treatment with a drop of water, symbolising purity, enclosed in a shield-like structure that represents protection and comprehensive care for water resources.

## The Shape Of Innovation

The ellipse symbol, being an important vector in mathematics and science, is inspired by Boilermech's own original logo. The ellipse displays perspective, precision and dedication for substance, manifesting a continuous cycle of growth while maintaining harmony and balance.

With this as its building block, BM GreenTech's brand is presented as being responsibly committed, efficiently pragmatic and purposefully dedicated.

## Logo Construction

For BM GreenTech, the logo outlines a more inventive direction, using the motion of energy that loops on itself as a symbol of sustainable development.

A strong eco-friendly visual perception is portrayed by the multiple ellipses that mimics naturally healthy growing leaves.



## Crafting Synergies

BM GreenTech champions the power of unity and sustainable growth through collaboration, as symbolised by our cover design featuring two converging ellipses. This design reflects our collective strength and dynamic energy, representing our commitment to integrating diverse ideas and talents. The ellipse symbolises stability and balance, echoing our dedication to sustainable growth. As we move forward, these elements inspire us to achieve greater heights together, embodying the perpetual growth and boundless energy that define BM GreenTech.

# Who We Are

Leveraging our extensive expertise in Bio-Energy, Solar Energy, and Water Treatment, we are strategically positioned to address Malaysia's clean energy needs and capitalise on the country's abundant biomass resources. By actively monitoring the industry trends and leveraging supportive government policies, we are poised for continued growth and success, making remarkable contributions to Malaysia's sustainable development goals and the broader global environmental agenda.

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Our proactive approach to innovation and the promotion of green technologies has not only delivered exceptional value to our customers but also significantly mitigated their environmental impact.

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BM GreenTech Group has celebrated yet another extraordinary year, culminated a record high revenue. This achievement underscores our continued growth, highlights our firm commitment to advancing green technologies across power generation, industrial, commercial, and consumer sectors. Our proactive approach to innovation and the promotion of green technologies has not only delivered exceptional value to our customers but also significantly mitigated their environmental impact.

Our strategic initiatives align seamlessly with Malaysia's National Energy Transition Roadmap (NETR) policy and global environmental sustainability objectives. Its alignment is further bolstered by the government's infrastructure development plans which include the construction of new power plants, water treatment facilities, and industrial and commercial buildings.

Our Solar Energy segment has experienced a surge in revenue, driven by its expanded participation in the national agenda for energy transition, particularly through the adoption of residential solar installations. The revenue growth indicated the great potential within the renewable energy sectors and accentuated our widening reach in the national energy landscape.

# Corporate Information

## Board of Directors

### Dr. Chia Song Kun

Non-Independent Non-Executive Chairman

### Mr. Chia Lik Khai

Group Managing Director

### Mr. Chia Seong Fatt

Alternate Director to Group Managing Director, Chia Lik Khai

### Mr. Gan Chih Soon

Executive Director

### Mr. Tee Seng Chun

Alternate Director to Executive Director, Gan Chih Soon

### Mr. Ng Swee Weng

Independent Non-Executive Director

### Datuk Wira Roslan Bin AB Rahman

Independent Non-Executive Director

### Ms. Koh Ee Huei

Independent Non-Executive Director

## AUDIT COMMITTEE

### Mr. Ng Swee Weng

Chairman, Independent Non-Executive Director

### Dr. Chia Song Kun

Member, Non-Independent Non-Executive Director

### Datuk Wira Roslan Bin AB Rahman

Member, Independent Non-Executive Director

### Ms. Koh Ee Huei

Member, Independent Non-Executive Director

## NOMINATION COMMITTEE

### Mr. Ng Swee Weng

Chairman, Independent Non-Executive Director

### Dr. Chia Song Kun

Member, Non-Independent Non-Executive Director

### Datuk Wira Roslan Bin AB Rahman

Member, Independent Non-Executive Director

### Ms. Koh Ee Huei

Member, Independent Non-Executive Director

## REMUNERATION COMMITTEE

### Dr. Chia Song Kun

Chairman, Non-Independent Non-Executive Director

### Mr. Ng Swee Weng

Member, Independent Non-Executive Director

### Datuk Wira Roslan Bin AB Rahman

Member, Independent Non-Executive Director

### Ms. Koh Ee Huei

Member, Independent Non-Executive Director

## COMPANY SECRETARIES

### Ms. Tan Bee Hwee

(MAICSA 7021024)  
(SSM PC No. 202008001497)

### Ms. Soo Siew Peng

(MAICSA 7063110)  
(SSM PC No. 202008001646)

## REGISTERED OFFICE

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

Telephone : 03-2783 9191  
Facsimile : 03-2783 9111  
Email :  
info@my.tricorglobal.com

## HEAD OFFICE

Lot 875, Jalan Subang 8  
Taman Perindustrian Subang  
47620 Subang Jaya  
Selangor Darul Ehsan

Telephone : 03-8023 9137

Facsimile : 03-8023 2127

Website :

www.bmgreentech.com

## PRINCIPAL BANKERS

### Hong Leong Islamic Bank

Registration No. 200501009144 (686191-W)

### Hong Leong Bank Berhad

Registration No. 193401000023 (97141-X)

### HSBC Bank Malaysia Berhad

Registration No. 198401015221 (127776-V)

### Malayan Banking Berhad

Registration No. 196001000142 (3813-K)

### OCBC Bank (Malaysia) Berhad

Registration No. 199401009721 (295400-W)

### OCBC Al-Amin Bank Berhad

Registration No. 200801017151 (818444-T)

### Public Bank Berhad

Registration No. 196501000672 (6463-H)

### United Overseas Bank (Malaysia) Bhd

Registration No. 199301017069 (271809-K)

### PT Bank Mandiri (Persero) Tbk

## AUDITORS

### KPMG PLT

(LLP0010081-LCA & AF 0758)

10th Floor, KPMG Tower

No.8, First Avenue, Bandar

Utama

47800 Petaling Jaya

Selangor Darul Ehsan

Telephone : 03-7721 3388

Facsimile : 03-7721 3399

## SHARE REGISTRAR

### Tricor Investor & Issuing House Services Sdn Bhd

Registration No. 197101000970 (11324-H)

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Telephone : 03-2783 9299

Facsimile : 03-2783 9222

Email :

is.enquiry@my.tricorglobal.com

## STOCK EXCHANGE LISTING

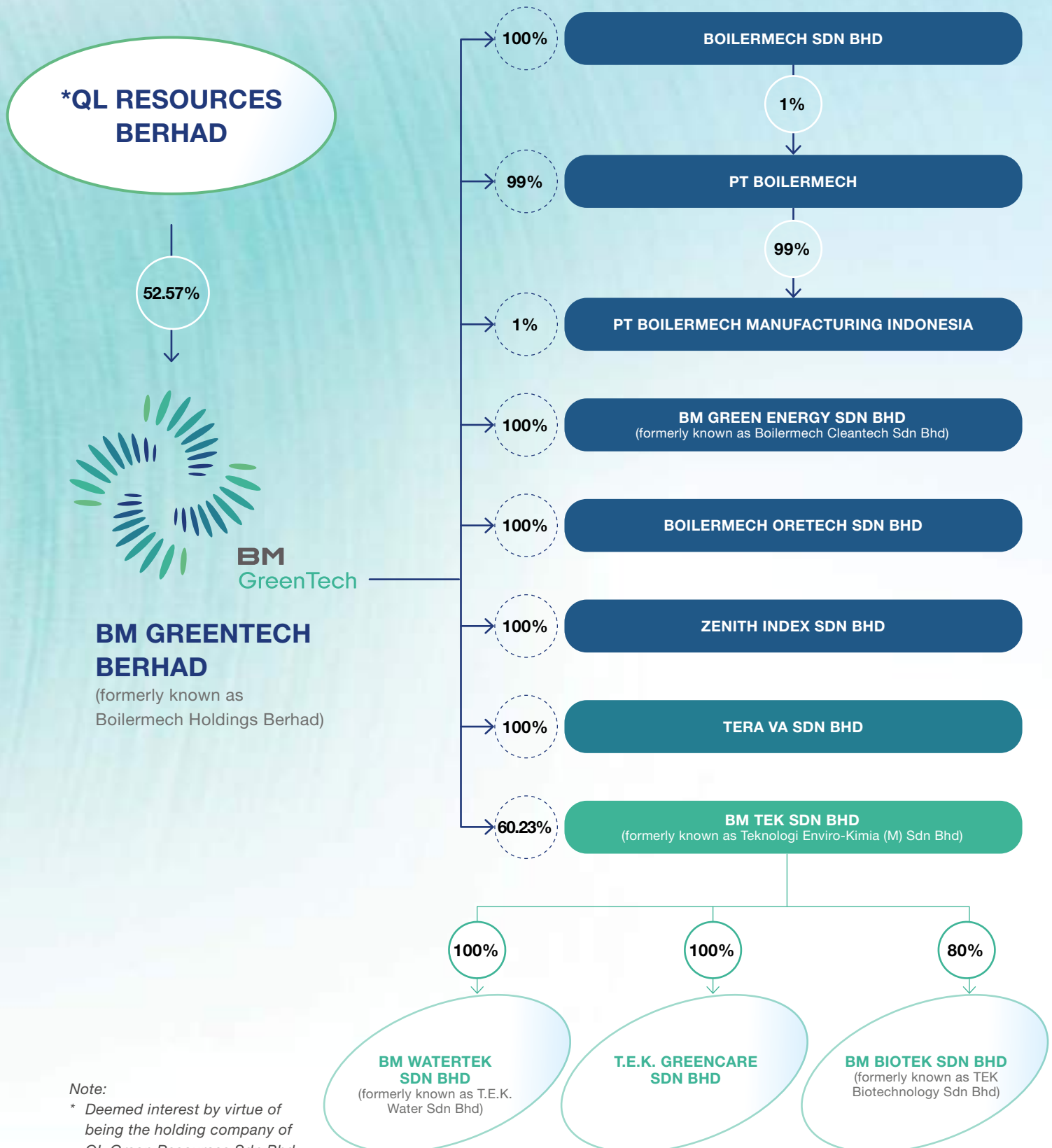
Main Market of Bursa Malaysia

Securities Berhad

Stock Name : BMGREEN

Stock Code : 0168

# Corporate Structure



Note:  
 \* Deemed interest by virtue of being the holding company of QL Green Resources Sdn Bhd



# Board of Directors

*Front row, from left to right:*

**MR. CHIA LIK KHAI**

*Group Managing Director*

**DR. CHIA SONG KUN**

*Non-Independent  
Non-Executive Chairman*

**MR. CHIA SEONG FATT**

*Alternate Director  
to Group Managing Director,  
Mr. Chia Lik Khai*

*Back row, from left to right:*

**MR. NG SWEE WENG**

*Independent  
Non-Executive Director*

**MS. KOH EE HUEI**

*Independent  
Non-Executive Director*

**DATUK WIRA ROSLAN BIN  
AB RAHMAN**

*Independent  
Non-Executive Director*

**MR. GAN CHIH SOON**

*Executive Director*

**MR. TEE SENG CHUN**

*Alternate Director  
to Executive Director, Mr. Gan Chih Soon*



# Directors' Profile

**DR. CHIA SONG KUN**

*Non-Independent Non-Executive  
Chairman*

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**MR. CHIA LIK KHAI**

*Group Managing Director*

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## DR. CHIA SONG KUN

*Non-Independent Non-Executive  
Chairman*

**Dr. Chia Song Kun is the Non-Independent Non-Executive Chairman of the Company. He was appointed to the Board of BM GreenTech Berhad (formerly known as Boilermach Holdings Berhad) (“BM GreenTech” or “Company”) on 4 March 2011. He is also the Chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee.**

He graduated with a Bachelor of Science (Honours) degree majoring in Mathematics from University of Malaya in 1973 and obtained a Master’s degree in Business Administration in 1988 from the same university.

He began his career in 1973 as a tutor in University of Malaya and subsequently joined University Teknologi MARA, Shah Alam, Selangor Darul Ehsan as a lecturer where he served for eleven (11) years until 1984. He left the educational institution in 1984 to set up CBG Holdings Sdn Bhd to commence the business of distributing fishmeal and other feed-meal raw materials.

He was a founder member of Inti Universal Holdings Berhad (presently known as Inti Universal Holdings Sdn Bhd) which operates one of the leading private university colleges in Malaysia. On 5 July 2008, he was conferred the honorary degree of Doctor of Laws (Hon LLD) by the Honorary Awards Board of the University of Hertfordshire in recognition of his outstanding contribution to the development of business and education in Malaysia.

He is also the founder and Executive Chairman of the Board of Directors of QL Resources Berhad (“QL”) which is listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”). Together with the help of his family members, he successfully nurtured, developed and transformed the QL group of companies (“QL Group”) into a billion ringgit sustainable and scalable multinational agro-food corporation.

He has beneficial interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, which is a major shareholder of QL, in turn is the ultimate holding company of BM GreenTech, held through its wholly-owned subsidiary QL Green Resources Sdn Bhd. (“QLGR”).

Dr. Chia Song Kun is also a director of QLGR. He is the father of Mr. Chia Lik Khai and brother-in-law to Mr. Chia Seong Fatt.

Dr. Chia Song Kun attended all the six (6) Board of Directors’ meetings held during the financial year ended 31 March 2024 (“financial year”).

He has no conflict of interest with the Company. He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

Gender: **Male**

Age: **74**

Nationality: **Malaysian**

## MR. CHIA LIK KHAI

*Group Managing Director*

**Mr. Chia Lik Khai is the Group Managing Director of BM GreenTech Group. He was appointed to the Board on 26 October 2010 as an Executive Director and re-designated as Deputy Managing Director on 25 February 2015 and Joint Managing Director since 1 March 2021. He has served as Group Managing Director since 1 September 2022.**

He graduated from the MBA program of Wharton Business School, University of Pennsylvania, United States where he focused on Entrepreneurship and Corporate Finance. He also received his Master of Science and Bachelor of Science in Electrical Engineering from University of Michigan, Ann Arbor, United States. His graduate studies specialised in Communication Integrated Circuits design and advanced semiconductor.

Prior to 2009, he was with McKinsey & Company in Shanghai, where he was an affiliate of the Global Energy & Materials and High-Tech practice. During his tenure there, he focused on serving global clients in renewable energy, consumer products and high-tech sectors on strategy, mergers and acquisitions as well as sales and marketing.

He also possesses extensive management experience in high-tech telecommunications and internet commerce. He spent eight (8) years in the semiconductor industry with Agilent and Avago Technologies in Silicon Valley, where he assumed multiple roles as R&D staff, new product manager and marketing manager. He subsequently joined QL Resources Berhad as Group Corporate Development Director and was appointed as the Executive Director of a few subsidiaries of QL in 2009.

Mr. Chia Lik Khai is instrumental in implementing and executing business strategies and plans of BM GreenTech Group. He is committed to drive the Group business towards a fully integrated sustainable environmental solution provider across all its business segments i.e., bio-energy, water treatment and solar energy solution.

He is also an Executive Director in QL Resources Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad and QL Green Resources Sdn Bhd, being the ultimate and immediate holding company of BM GreenTech respectively.

Mr. Chia Lik Khai is the son of Dr. Chia Song Kun and the nephew to Mr. Chia Seong Fatt.

Mr. Chia Lik Khai attended all the six (6) Board of Directors’ meetings held during the financial year.

Mr. Chia Lik Khai has no conflict of interest with the Company. He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

Gender: **Male**

Age: **45**

Nationality: **Malaysian**

## Directors' Profile

**MR. CHIA SEONG FATT**

*Alternate Director to Group Managing  
Director, Mr. Chia Lik Khai*

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**MR. GAN CHIH SOON**

*Executive Director*

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## **MR. CHIA SEONG FATT**

*Alternate Director to Group Managing Director, Mr. Chia Lik Khai*

**Mr. Chia Seong Fatt is the Alternate Director to the Group Managing Director, Mr. Chia Lik Khai. He was appointed to the Board on 4 March 2011. He obtained his Bachelor of Science (Honours) degree majoring in Chemistry from University of London in 1979.**

He practiced as an industrial chemist for three (3) years before pursuing further studies in University Malaya. In 1984, he graduated from University Malaya with Master degree in Business Administration. He served for seven (7) years as Managing Director in Sri Tawau Farming Sdn Bhd, a company involved in layer farming and an associated company of Lay Hong Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad.

In 1991, he was appointed as Managing Director of QL Farms Sdn Bhd, a subsidiary of QL Resources Berhad. In January 1996, he was appointed as an Executive Director of QL Feedingstuffs Sdn Bhd in charge of layer farm and Crude Palm Oil (CPO) milling operations and subsequently resigned as Director in view of the restructuring of the QL Group.

Mr. Chia Seong Fatt is an Executive Director in QL Resources Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad and a Director of QL Green Resources Sdn Bhd, being the ultimate and immediate holding company of BM GreenTech respectively.

Mr. Chia Seong Fatt is the brother-in-law to Dr. Chia Song Kun and the uncle to Mr. Chia Lik Khai.

Mr. Chia Seong Fatt attended all the six (6) Board of Directors' meetings held during the financial year.

Mr. Chia Seong Fatt has no conflict of interest with the Company. He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

Gender: **Male**  
Age: **68**  
Nationality: **Malaysian**

## **MR. GAN CHIH SOON**

*Executive Director*

**Mr. Gan Chih Soon is the Executive Director of the Company. He was appointed to the Board on 25 February 2015. He obtained his Bachelor of Science in Mechanical Engineering from University of Oklahoma, United States of America.**

He started his career in 1997 as a Project Engineer in Vickers Hoskins (M) Sdn Bhd, a boiler manufacturing company. Upon his promotion to Senior Engineer, he led teams to manage the installation and commissioning of boilers in countries such as Indonesia, Thailand, Papua New Guinea, Myanmar and Venezuela. He was later promoted to Project Manager where he was responsible for the overall project management, material procurement, site execution and commissioning of boilers within the biomass industry.

He joined BM GreenTech Group in 2005 as Operation Manager and has since been promoted to General Manager and subsequently as Executive Director. He is presently responsible for overseeing the operations, sales and marketing functions of BM GreenTech Group.

Mr. Gan Chih Soon does not hold any directorship in any other public companies and listed companies.

He has no family relationship with any director and/or major shareholder of the Company.

Mr. Gan Chih Soon attended all the six (6) Board of Directors' meetings held during the financial year.

Mr. Gan Chih Soon has no conflict of interest with the Company. He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

Gender: **Male**  
Age: **50**  
Nationality: **Malaysian**

## Directors' Profile

**Mr. TEE SENG CHUN**

*Alternate Director to Executive Director,  
Mr. Gan Chih Soon*

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**Mr. NG SWEE WENG**

*Independent Non-Executive Director*

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## MR. TEE SENG CHUN

*Alternate Director to Executive Director, Mr. Gan Chih Soon*

**Mr. Tee Seng Chun is the Alternate Director to Executive Director, Mr. Gan Chih Soon. He was appointed to the Board on 25 February 2015. He obtained his Bachelor of Science in Agricultural Engineering from University Pertanian Malaysia, Malaysia in 1988.**

He started his career in 1988 in Kuala Lumpur Kepong Berhad as a Cadet Engineer where he was posted to a palm oil mill in Sabah. He then joined Austral Enterprise as an Assistant Mill Engineer where he obtained his Steam Engineer Certificate in 1993 from Jabatan Keselamatan dan Kesihatan Pekerjaan.

In 1994, he joined Vickers Hoskins (M) Sdn Bhd as a Project Engineer and was involved in the installation, modification and upgrading work of no less than 200 boilers. He was promoted to Project Manager in 1998 and subsequently to Operations Manager in 2000. During his tenure in Vickers Hoskins, he underwent training at Babcock Limited Co. in United Kingdom in designing boiler thermal performance as well as circulation performance.

His experience includes the design and implementation of heat recovery steam generating systems, mini Co-Generation Plant for the wood and palm oil industries. He was also involved in providing advice on the first unit of full water cooled moving grate boiler in a glove factory in Ipoh, which eventually proven to be a solution for the general industry to utilise biomass fuel instead of fossil fuel.

He joined BM GreenTech Group in 2005 and is responsible for overseeing the business development, engineering, design and quality assurance functions of BM GreenTech Group.

Mr. Tee Seng Chun does not hold any directorship in any other public companies and listed companies.

He has no family relationship with any director and/or major shareholder of the Company.

Mr. Tee Seng Chun attended all the six (6) Board of Directors' meetings held during the financial year.

Mr. Tee Seng Chun has no conflict of interest with the Company. He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

**Gender: Male**

**Age: 60**

**Nationality: Malaysian**

## MR. NG SWEE WENG

*Independent Non-Executive Director*

**Mr. Ng Swee Weng is an Independent Non-Executive Director. He was appointed to the Board on 22 January 2020. He is also the Chairman the Audit Committee and Nomination Committee and member of the Remuneration Committee.**

He was articled with KPMG in 1977 and qualified as a member of the Malaysian Institute of Certified Public Accountants (MICPA) in 1981. He is also member of the Malaysian Institute of Accountants (MIA) and CPA Australia.

Mr. Ng Swee Weng is currently a Senior Advisor at BDO Tax Services Sdn Bhd ("BDO"). Prior to joining BDO, he was an Audit Partner at KPMG Malaysia for 23 years before he retired in 2012 as the Partner in charge of the Penang office. He was also formerly a member of KPMG's Audit and Accounting Committee, which provided directives and consultative support on technical issues.

He has experience in providing Goods & Services Tax ("GST") advice to companies ranging from small-to-medium enterprises (SMEs) to large publicly listed entities, particularly those entities operating in the property development and construction industries. By combining years of risk management experience with his GST knowledge, he is able to provide tailored advice to clients regarding a broad range of technical GST issues.

He also has extensive experience in coordinating and managing complex assurance assignments in the palm oil and plantation, manufacturing, trading, construction and property development industries. He is an experienced reporting accountant who has worked on numerous due diligence exercises and has been the reporting accountant for many Initial Public Offerings and Bond/Rights Issues. He was a former Project Director of the Malaysian Accounting Standards Board.

Mr. Ng Swee Weng is also an Independent Non-Executive Director and Audit Committee Chairman, member of Nominating Committee and Remuneration Committee of SKB Shutters Corporation Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad.

He has no family relationship with any director and/or major shareholder of the Company.

Mr. Ng Swee Weng attended all the six (6) Board of Directors' meetings held during the financial year.

Mr. Ng Swee Weng has no conflict of interest with the Company. He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

**Gender: Male**

**Age: 67**

**Nationality: Malaysian**

## Directors' Profile

### **DATUK WIRA ROSLAN BIN AB RAHMAN**

*Independent Non-Executive Director*

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### **MS. KOH EE HUEI**

*Independent Non-Executive Director*

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## DATUK WIRA ROSLAN BIN AB RAHMAN

*Independent Non-Executive Director*

**Datuk Wira Roslan AB Rahman (“Datuk Wira Roslan”) is an Independent Non-Executive Director of the Company. He was appointed to the Board on 17 November 2023. He is also the member of the Nomination Committee and Audit Committee and the Remuneration Committee.**

He is an engineer who has vast experience in the electricity supply industry with over 42 years of service in the Tenaga Nasional Berhad (“TNB”), the national utility company. He has been involved in various management capacities at TNB, where he leveraged his extensive knowledge of the industry to transform and modernise the electricity generation and power distribution systems. He has also collaborated with the Ministry of Energy and Natural Resources and the Energy Commission on various energy-related issues.

His exposure in customer service and commercial aspects of TNB has enabled him to successfully coordinate efforts with Malaysia Investment Development Authority (MIDA) in facilitating the supply of electricity for big investments and Foreign Direct Investment (FDIs). He has also worked with other important stakeholders such as Federation of Malaysian Manufactures (FMM) and Federation of Malaysian Consumers Association (FOMCA).

Datuk Wira Roslan was the spokesperson for TNB while serving as the Chief Corporate Office. His major role was to monitor and advise the Chief Executive Officer and Board of Directors on corporate communication related matters. His strong industrial relations skills had helped him to enhance the work culture, improve the harmony with the unions and employees, and build constructive relationships with various stakeholders.

In the international front, Datuk Wira Roslan represented the national utility company in various roles, namely as Country Coordinator in Head of ASEAN Power Utility (HAPUA) and Association of Energy Supply Industry of East Asia and Asia Pacific (AESIEAP).

His last position as the Chief Regulatory and Stakeholder Management Officer saw him working closely with the Ministry of Energy and Natural Resources (KETSA) and Energy Commission (EC) on various energy-related issues for the benefit of the country. His service with TNB was extended beyond his retirement age for 6 years due to his invaluable services.

Datuk Wira Roslan is currently the Independent Non-Executive Director of Malakoff Corporation Berhad and Varia Berhad (formerly known as Stella Holdings Berhad).

He has no family relationship with any director and/or major shareholder of the Company.

During the financial year, Datuk Wira Roslan attended two (2) out of two (2) Board of Directors’ meetings held since his date of appointment as Director of the Company on 17 November 2023.

Datuk Wira Roslan has no conflict of interest with the Company. He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

**Gender: Male**

**Age: 67**

**Nationality: Malaysian**

## MS. KOH EE HUEI

*Independent Non-Executive Director*

**Ms. Koh Ee Huei is an Independent Non-Executive Director. She was appointed to the board on 17 November 2023. She is also the member of the Nomination Committee and Audit Committee and Remuneration Committee.**

Ms. Koh Ee Huei was formerly a partner of McKinsey & Company since 2017, having joined the firm in 2008. She focused on the areas of infrastructure, energy, sustainability, and economic development on topics relating to strategy and transformation, investment feasibility studies and due diligences, and regulatory reforms.

She has worked extensively with public, private, government-linked, and government-linked investment companies across Malaysia and Southeast Asia. In her role, she also led McKinsey talent development initiatives across Southeast Asia including learning programme, optimising the people experience and managing recruitment for the Kuala Lumpur office.

Currently, she serves as the Head of the GEAR-uP Programme Secretariat at the Ministry of Finance, Malaysia. Prior to McKinsey, Ms. Koh Ee Huei was a Business Development Manager at YTL Power International Bhd (2006-2008) where she supported the evaluation of investments in the power and telecommunications sector. She previously worked as an analyst at BinaFikir Sdn Bhd (2005-2006), where she supported projects on restructuring the public transport system. She holds a Bachelor of Science in Civil Engineering and a Master of Science in Civil Engineering (Transportation) from Purdue University, West Lafayette.

Ms. Koh Ee Huei does not hold any directorship in any other public companies and listed companies.

She has no family relationship with any director and/or major shareholder of the Company.

During the financial year, Ms. Koh Ee Huei attended two (2) out of two (2) Board of Directors’ meetings held since her date of appointment as Director of the Company on 17 November 2023.

Ms. Koh Ee Huei has no conflict of interest with the Company. She has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on her by the relevant regulatory bodies during the financial year under review.

**Gender: Female**

**Age: 42**

**Nationality: Malaysian**

# Key Senior Management

## MR. CHIA LIK KHAI

*Group Managing Director of BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad)*



## MR. GAN CHIH SOON

*Executive Director of BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad)*



## MR. TEE SENG CHUN

*Executive Director of Boilermech Sdn Bhd, a wholly-owned subsidiary of the Company*



Please refer to pages 8 to 13 for the profiles of the above Senior Management personnel.

## MR. LEONG YEW CHEONG

*Executive Director of Boilermech Sdn Bhd, a wholly-owned subsidiary of the Company*



Mr. Leong Yew Cheong holds a Bachelor of Science in Mechanical Engineering from the University of Huddersfield, United Kingdom. He began his career in 1980 as a project engineer in a boiler manufacturing company and was responsible for the designing, installation, and commissioning of boilers.

He brings with him approximately forty-three years of experience in the boiler manufacturing industry and has strong business contacts with customers operating in the palm oil industry and other end-user industries, as well as suppliers of spare parts and boiler components.

Mr. Leong Yew Cheong was appointed as Director of BM GreenTech on 26 October 2010. He acted as the Managing Director of the Group before re-designated as Joint Managing Director on 1 March 2021 and retired on 31 August 2022. He remains as an Executive Director of Boilermech Sdn Bhd.

**Gender: Male**

**Age: 69**

**Nationality: Malaysian**

He is presently responsible for overseeing the overall operations of BM GreenTech Group with emphasis on strategic business planning and development, client relationship and management.

Mr. Leong Yew Cheong does not hold any directorship in any other public companies and listed companies.

He has no family relationship with any director and/or major shareholder of the Company.

Mr. Leong Yew Cheong has no conflict of interest with the Company. He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

# Key Senior Management

## MS. TAN EE MING

*Group Financial Controller*



Ms. Tan Ee Ming is a member of Malaysian Institute of Accountants (“MIA”) and the Association of Chartered Certified Accountants (ACCA).

She began her career as an auditor with a Big 4 public accounting firm in 1994 and thereafter continued to the commercial sector after 8 years. She has over 28 years of working experience in the areas of audit, accounting, taxation, corporate reporting, treasury and budget management, business partnering, mergers and acquisitions over industries such as manufacturing, services, healthcare and pharmaceutical, trading, retail, Saas, investment holding etc. Her experience includes the coverage of Finance function spanning local and multinational companies with a 2 year stint working in a Group Head Office based in Hong Kong. On the regional front, previously she has overseen Finance departments of China, South Korea, Taiwan, Hong Kong,

Singapore, Thailand, the Philippines, Indonesia, Vietnam, Brunei and Sri Lanka. Prior to joining BM GreenTech, she was the Finance Director (Asia) of an overseas listed company providing software as a service (Saas).

Ms. Tan Ee Ming is also an Independent Non-Executive Director and the Audit Committee Chairperson of SNS Network Technology Bhd, a company listed on Main Market of Bursa Malaysia Securities Berhad.

She has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. She has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on her by the relevant regulatory bodies during the financial year under review.

**Gender: Female**

**Age: 50**

**Nationality: Malaysian**

## MS. CHAN VAN CHEE

*Director, Corporate Planning and Transformation*



Ms. Chan Van Chee joined BM GreenTech Group in year 2010, is a member of the Executive Committee and the Director, Corporate Planning and Transformation.

She obtained her qualification from the Association of Chartered Certified Accountants (ACCA) in 1998. She is a member of the Malaysian Institute of Accountants and a fellow member of the ACCA. Prior to joining BM GreenTech, she has held various accounting, finance and human resource positions in audit, industrial manufacturing, information technology companies and was attached to a management consultancy providing business solutions.

She is presently responsible for the corporate planning, sustainability, and business process transformation of BM GreenTech Group.

Ms. Chan Van Chee does not hold any directorship in any public companies and listed companies. She has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. She has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on her by the relevant regulatory bodies during the financial year under review.

**Gender: Female**

**Age: 51**

**Nationality: Malaysian**

## Key Senior Management

### MR. LEONG JIT MIN

*Managing Director of Tera VA Sdn Bhd, a wholly-owned subsidiary of the Company*



Mr. Leong Jit Min obtained his Diploma in Electronic and Electrical Engineering from Inti College Malaysia in 2003. In 2006, he completed a Graduate Diploma in Business Administration from ALC College. He then received Grid Connected Photovoltaic certificates from both ISPQ and SEDA in 2013 and 2014, respectively.

He began his career in the Power & Energy industry as an Application Assistant Engineer in the Diesel Generating set sector. He then joined three multinational corporations, namely Schneider Electric Malaysia, ABB Ltd, and Siemens AG, as a Business Development Engineer. During his time at these companies, he gained valuable experience in Power Distribution, Protection, Control, Monitoring, Management, and Switchboard Design & Construction.

In 2011, he co-founded the Company, Tera VA Sdn Bhd ("Tera VA") and has played a key role as the Managing Director. Tera VA, is a well-established Engineering, Procurement,

Construction and Commissioning ("EPCC") contractor in the Solar PV industry and has been operating under the reputable brand name of VASOLAR since 2016. VASOLAR is dedicated to promoting the adoption of renewable energy sources and reducing carbon emissions. It is committed to enhancing the affordability and accessibility of Solar PV technology for a wide range of users, including residential, commercial, and industrial customers.

Mr. Leong Jit Min does not hold any directorship in any public companies and listed companies. He has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company.

He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

Gender: **Male**

Age: **40**

Nationality: **Malaysian**

### MR. YONG HUA KONG

*Managing Director of BM TEK Sdn Bhd (formerly known as Teknologi Enviro-Kimia (M) Sdn Bhd), a 60.23% owned principal subsidiary of the Company*



Mr. Yong Hua Kong obtained his Bachelor of Science in Chemistry from University of Malaya, Malaysia in 1991. He began his career as a product specialist in water testing equipment before advancing to a role at an American water treatment firm, where he served as a water treatment engineer. He holds certification as a registered wastewater specialist from the Department of Environment.

In 1995, he started his business venture as a cofounder and Managing Director of BM TEK Sdn Bhd (formerly known as Teknologi Enviro-Kimia (M) Sdn Bhd) ("TEK") group of companies. TEK is a total water management company offering a full range of water treatment solutions to the Malaysian and South East Asia markets. Mr. Yong Hua Kong has been instrumental in driving the business operation of TEK Group. Over the years, TEK Group has accomplished many achievements while continued to undertake the research and development activities in the water treatment industry.

He led his team in the development of several patented treatment plants for various industrial applications, these include Memplus, a unique membrane based treatment process for palm oil effluent treatment and TEK WaterPak, specially designed packaged water treatment plant for rural community's clean water supply.

Mr. Yong Hua Kong does not hold any directorship in any public companies and listed companies.

He has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

Gender: **Male**

Age: **57**

Nationality: **Malaysian**

# Chairman's Statement

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Dear Valued  
Shareholders,

**On behalf of the Board of Directors, I am honoured to present the Annual Report of BM GreenTech for the financial year ended (“FYE”) 31 March 2024.**

Our Group has celebrated yet another extraordinary year, culminated a record high revenue. This achievement underscores our continued growth, reflects our firm commitment to advancing green technologies across power generation, industrial, commercial, and consumer sectors. Our proactive approach to innovation and the promotion of green technologies has not only delivered exceptional value to our customers but also significantly mitigated their environmental impact.

**DR. CHIA SONG KUN**  
*Chairman*

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# Chairman's Statement

Reflecting our strategic initiatives over the recent years, our projects have collectively accomplished a notable reduction in carbon emissions, with an estimated annual impact of 4.3 million metric tons of carbon dioxide equivalent mitigated, alongside a decrease in annual Biological Oxygen Demand (BOD) by 28,909 metric tons through the installation of our innovative products for our customers. These figures represent our dedication to environmental stewardship and sustainable development.

The Bio-Energy, Solar Energy and Water Treatment segments of the Group have delivered record-breaking revenue. The Bio-Energy segment has showcased outstanding improvement in its financial results, which attributed to its operational efficiency and the increasing demand for bio-energy solutions in the market.

The Water Treatment segment has strategically expanded its trading division to enhance its market presence and reach broader customer base thereby increasing its capacity to deliver tailored solutions and drive business growth.

Our Solar Energy segment has experienced a surge in revenue, driven by its expanded participation in the national agenda for energy transition,

particularly through the adoption of residential solar installations. The revenue growth indicated the great potential within the renewable energy sectors and accentuated our widening reach in the national energy landscape.

In pursuit of our vision to become the regional partner of choice to achieve an environmentally sustainable society, BM GreenTech recently entered into a Share Acquisition Agreement to acquire 66.6 million shares in Plus Xnergy Holding Sdn Bhd ("PXH") ("Proposed Acquisition") through the issuance of new BM GreenTech shares. PXH is a pioneering and leading provider of Engineering, Procurement, Construction and Commissioning services for large-scale-solar plants and commercial and industrial sectors in Malaysia.

BM GreenTech Group stands to substantially benefit from the Malaysian government's aggressive initiatives outlined in the National Energy Transition Roadmap (NETR), as well as its ongoing commercial and utility-scale renewable energy generation efforts. Moreover, the Proposed Acquisition is expected to strengthen our solar and renewable energy solution capability and expand the Group's competitiveness as a diversified clean energy and water solution provider.



In FY2024, We Achieved A Remarkable Total Revenue Of **RM440.3 Million**

Resulted In **16.6%** Year-On-Year ("YoY") Growth.

## Financial Performance

FYE 31 March 2024, the Group has witnessed a robust financial performance, with its revenue improved by RM62.6 million (17%) from RM377.7 million to RM440.3 million with a gross profit of RM90.4 million, an increase of RM31.2 million (53%).

The Profit before tax (PBT) of the Group increased by RM27.0 million (>100%) from RM20.9 million to RM47.9 million attributed to the collective contributions from all the three business segments.

More details of our financial and operational performance are outlined in the Management Discussion and Analysis Section in this Annual Report.

# Chairman's Statement

Positioning BM GreenTech as total climate solution provider:

## Rebranding Journey

On 28 August 2023, we achieved a remarkable milestone by rebranding our Company as BM GreenTech. This rebranding reflects our renewed commitment to our vision of becoming the preferred partner of choice in clean energy within the region.

Our modern and progressive brand identity aligns with our goals and embodies our drive in achieving a sustainable and clean energy for the world of tomorrow. More than just a facelift and name change, the new identity aims to further bolster our market presence, elevate our status and enhance our credibility. We envision to establish multiple brands with high brand equity in the clean energy and water sectors.

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As leaders in sustainable innovation, our efforts in engineering, procurement, construction and commissioning of renewable and clean energy projects empower industries to adopt environmentally responsible practices.

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## Environment, Social And Governance (“ESG”) Aspects

Our commitment to sustainability is steadfast as we navigate the path forward, recognising its important role in shaping a prosperous future. The Board actively strengthens oversight and deeply embeds sustainability within our corporate strategy, governance, and decision-making processes. By deploying proactive and effective strategies, we aim to identify and address key ESG risks and opportunities, ensuring corporate resilience and sustained success.

As leaders in sustainable innovation, our efforts in engineering, procurement, construction and commissioning of renewable and clean energy projects empower industries to adopt environmentally responsible practices. In Malaysia’s evolving energy landscape, our commitment aligns with national goals of achieving carbon neutrality by 2050. Our biomass and solar technologies directly contribute to reducing carbon emissions, promoting sustainable energy alternatives, and fostering economic growth while protecting the environment.

Furthermore, our social initiatives prioritise diversity and inclusivity in the workplace, support local economies through responsible procurement practices, and enhance community well-being. In governance, we uphold transparency, integrity, and accountability, adhering to the highest ethical standards and regulatory requirements.

# Chairman's Statement

## Board Member Retirement and New Appointment

As announced, Ms. Rina Meileene Binti Adam retired from the Board at the conclusion of the 13<sup>th</sup> AGM whereas Mr. Adrian Chair Yong Huang retired after serving a term of nine years of exemplary service as Independent Non-Executive Director. Mr. Ho Cheok Yuen ceased as an Independent Non-Executive Director with his demise on 27 September 2023.

On behalf of the Board, I would like to extend our gratitude for their invaluable contribution and guidance. Their involvement has been instrumental in strengthening our corporate governance practices and driving the Company's growth over the years.

The Board also welcomed Datuk Wira Roslan AB Rahman and Ms. Koh Ee Huei who joined us as Independent Non-Executive Directors on 17 November 2023. These new appointees will bring fresh perspectives for the Company, enriching our collective expertise with their diverse skill sets, background, and industry experience. We are confident that their strategic oversight and extensive experience will play a crucial role in moving forward positive advancements for the Group, as members of the Board.

## Appreciation

On behalf of the Board of Directors, I would like to take this opportunity to express my appreciation to our shareholders, management, customers, suppliers, bankers, business associates and the government agencies for their unwavering co-operation and continued support.

To our dedicated employees, thank you for your hard work and loyalty. Your contributions drive our achievements, and we value your dedication. A special acknowledgment goes to my fellow Board members. Your support and collaboration have been invaluable.

I am pleased to announce that the Board is recommending a proposed final single tier dividend of 2.25 sen per ordinary share for FYE 2024 for shareholders' approval at the forthcoming 14<sup>th</sup> Annual General Meeting.

Thank you very much.

**Dr. Chia Song Kun**  
Chairman



# Management Discussion and Analysis

## Overview of business and operations

BM GreenTech historically started with the production of Bio-Energy boilers as its main activity when the Group first started.

In 2011, the Group was listed on Bursa Malaysia founded on the manufacturing and construction of Bio-Energy boilers. The Group strengthened its commitment to renewable energy by acquiring BM TEK Sdn Bhd (formerly known as Teknologi Enviro-Kimia (M) Sdn Bhd) (“TEK”) to form the Water Treatment segment in 2016. Subsequently in 2020, Tera VA Sdn Bhd (“Tera”) joined the Group to spearhead the Solar Energy segment. These strategic moves have enabled the Group to consolidate its focus on providing sustainable environmental solutions for our clients.

With this structure, the Group expanded to become a renewable energy and total water solutions provider; in line with our strength to provide technical solutions that would both assist our clients and promote sustainable environment.

On the geographical front, BM GreenTech is currently the leading biomass boiler manufacturer in South East Asia while serving clients in Africa, Cambodia, Philippines, Indonesia, Papua New Guinea, Thailand and Vietnam. The Group currently has sales and marketing and manufacturing facilities both in Malaysia and Indonesia serving clients in the region.

Our Vision, underpinned by our core values of Integrity, Teamwork, Perseverance and Innovativeness, is to be the regional partner of choice to achieve an environmentally sustainable society.

## Our principal activities

Our main principal activities focus on providing innovative and cost effective Bio-Energy, Water Treatment and Solar Energy solutions empowering clients to accelerate their sustainability journey. As Environment, Social and Governance (“ESG”) awareness heightened, compelling government policies to evolve, these segments are poised for growth across the region. The Group leverages on our pool of engineering and specialised expertise to bring client’s sustainability goals to fruition.

# Management Discussion and Analysis

Business Segment		
BIO-ENERGY (“BE”)	WATER TREATMENT (“WT”)	SOLAR ENERGY (“SE”)
Principal Activities		
Engineering, Procurement, Construction and Commissioning (“EPC”)		
<ul style="list-style-type: none"> <li>• Palm Oil Mill Boilers</li> <li>• Industrial Biomass Boilers</li> <li>• Industrial Oil &amp; Gas Boilers</li> <li>• Heat Recovery Steam Generators</li> <li>• Independent Power Plant (“IPP”)</li> </ul>	<ul style="list-style-type: none"> <li>• Industrial Effluent Treatment system</li> <li>• Palm Oil Mill Effluent (“POME”) Treatment and Biogas Capture system</li> <li>• Membrane system for process water and tertiary treatment</li> </ul>	<ul style="list-style-type: none"> <li>• Solar Photovoltaic (“PV”) system for Commercial and Industrial</li> <li>• Solar Photovoltaic (“PV”) system for Residential</li> <li>• Solar Photovoltaic (“PV”) system for Independent Power Plant (“IPP”)</li> </ul>
Technical Support, Trading and Services		
<ul style="list-style-type: none"> <li>• Product upgrades</li> <li>• Major repairs and maintenance services</li> <li>• Parts and accessories</li> </ul>	<ul style="list-style-type: none"> <li>• Product upgrades</li> <li>• Water treatment chemical supplies</li> <li>• Repairs and maintenance</li> <li>• Parts and accessories</li> </ul>	<ul style="list-style-type: none"> <li>• Product upgrades</li> <li>• Repairs and maintenance</li> <li>• Parts and accessories</li> </ul>
Design, Build, Own, and Operate (“DBO”)		
<ul style="list-style-type: none"> <li>• Biomass for green steam and power plant</li> </ul>	<ul style="list-style-type: none"> <li>• Biogas for power generation and utilisation</li> <li>• Raw water treatment for clean water supply</li> </ul>	<ul style="list-style-type: none"> <li>• Solar leasing with Power Purchase Agreement</li> <li>• Large Scale Solar for power generation</li> </ul>

## Bio-Energy segment



The Bio-Energy segment is the core activity of the Group and is principally involved in engineering, procurement, construction and commissioning of Bio-Energy systems primarily in palm oil mills, power plants and other industries.

This segment also provides product upgrades, trading and repairs and maintenance of the said Bio-Energy systems.

The Bio-Energy segment’s main product is the biomass boiler where it is a renewable energy system as it runs on agricultural waste; e.g. palm biomass, bagasse, rice husks and wood chips. This provides an integrated solution to clients to cater to their energy needs as well as efficient management of their production by-products. The Group’s Bio-Energy products offer sustainable solutions enabling clients to achieve efficient energy cost and to manage environment quality such as emission control and carbon reduction.

The Group’s Bio-Energy segment operates mainly in Malaysia and Indonesia with its corporate office based in Taman Perindustrian Subang, Selangor which houses the sales and marketing, research and design and manufacturing functions.

The Bio-Energy segment’s Indonesian subsidiary companies operate a manufacturing plant in Surabaya and a business office in Jakarta with a warehouse in Medan. The Indonesia presence enables efficient services to support local clients’ requirements promptly. The Indonesia manufacturing plant also provides additional capacity to match the growing Indonesian market demand.

# Management Discussion and Analysis

## Water Treatment segment



The Group's Water Treatment segment provides engineering, procurement, construction and commissioning of industrial wastewater treatment solutions which serves palm oil and other general industries such as food, wood, paper and pulp.

The Water Treatment segment is spearheaded by BM TEK Sdn Bhd (formerly known as Teknologi Enviro-Kimia (M) Sdn Bhd) ("TEK"), our subsidiary which is one of the leading providers of raw water, industrial wastewater and palm oil mill effluent ("POME") treatment solutions. Water Treatment segment also offers Biogas capture, Membrane system for wastewater and chemical-free potable water treatment, product upgrades, maintenance and servicing of the system and also the supply of chemicals and parts for water treatment. TEK operates from 6 locations in Malaysia i.e. Kuching, Bintulu, Miri, Sandakan, Johor and Klang Valley.

## Solar Energy segment



The Group's Solar Energy segment primarily focus on the engineering, procurement, construction and commissioning of Solar Photovoltaic systems to commercial, industrial and residential clients.

The system allows the clients to enjoy energy cost savings by having lower electricity bill while reducing carbon footprint, creating value both financially and environmentally.

Tera VA Sdn Bhd ("Tera") leads the Solar Energy segment to participate in this fast-growing renewable energy sector. Tera serves Commercial and Industrial ("C&I") sector and it is emerging as the market leader in residential solar system provider.

In line, a rebranding was undertaken to refresh the identity and positioning of Tera that befits its growing market stature especially amongst the direct-to-customer households.



# Management Discussion and Analysis

## Analysis of Financial results

The Group has achieved a third consecutive record year of revenue at RM440.3 million; a 16.6% increase from last year. The increase in revenue stems from all fronts with commendable year-on-year growth from each segment. The revenue from the 3 segments was the highest since the individual segments started as part of BM GreenTech Group.

Our financial results reflect a Profit Before Tax of RM47.9 million, resulting an increase of more than 100% from last year which in line with the increase in revenue and the improved efficiency, delivery as well as stabilised raw material costs and foreign currency fluctuations.

The net tangible assets have been positive and had increased from RM231.0 million to RM255.7 million; while borrowings have had managed a slight reduction of RM0.4 million.

	FY2024 RM Million	FY2023 RM Million	Variance RM Million	Variance (%)
Revenue	<b>440.3</b>	377.7	62.6	16.6%
Profit before taxation	<b>47.9</b>	20.9	27.0	>100%

The Group's past 5 years performance and financial position are shown in page 31 of annual report.

## Segmental Reporting

Revenue	FY2024		FY2023		Variance	
	RM Million	Contribution (%)	RM Million	Contribution (%)	RM Million	(%)
Bio-Energy Segment	<b>325.3</b>	<b>73.9%</b>	292.0	77.3%	33.3	11.4%
Water Treatment Segment	<b>50.4</b>	<b>11.4%</b>	48.0	12.7%	2.4	5.0%
Solar Energy Segment	<b>64.6</b>	<b>14.7%</b>	37.7	10.0%	26.9	71.4%
	<b>440.3</b>	<b>100.0%</b>	377.7	100.0%	62.6	16.6%
<b>Profit Before Tax</b>						
Bio-Energy Segment	<b>33.4</b>	<b>69.7%</b>	13.6	65.1%	19.8	>100%
Water Treatment Segment	<b>6.1</b>	<b>12.7%</b>	5.9	28.2%	0.2	3.4%
Solar Energy Segment	<b>8.4</b>	<b>17.6%</b>	1.4	6.7%	7.0	>100%
	<b>47.9</b>	<b>100.0%</b>	20.9	100.0%	27.0	>100%
<b>Profit Margin</b>						
Bio-Energy Segment	<b>10.3%</b>		4.6%			
Water Treatment Segment	<b>12.1%</b>		12.3%			
Solar Energy Segment	<b>13.0%</b>		3.7%			

# Management Discussion and Analysis



## Bio-Energy

Bio-Energy segment attained a record revenue of RM325.3 million for the financial year. This was an increase of 11.4% from last year cementing the Group as the leading biomass energy engineering, procurement, construction and commissioning (“EPCC”) contractor in the region. The increase reflected new industrial projects as well as additional contribution from the Indonesian operations.

The segment’s higher profit margin of 10.3% for the financial year was due to higher direct contribution resulting from improved operations and cost efficiency.

The segment contributed 73.9% of the revenue for the year and 69.7% to the Group’s Profit Before Tax.



## Water Treatment

The Water Treatment segment accomplished a record revenue at RM50.4 million, a 5.0% increase from last year. The increase mainly came from the trading business unit which had increased by 10.8% while the project business unit had remained largely consistent. Profit Before Tax improved in tandem by 3.4%, mainly contributed by the increase in trading volume.

The segment contributed 11.4% of the revenue for the year and 12.7% to the Group’s Profit Before Tax.



## Solar Energy

Solar Energy segment managed a record revenue during the year at RM64.6 million, a 71.4% increase from last year. The residential solar segment has grown significantly doubling up as compared to last financial year; showing an increase of market penetration into consumer business which is attributable to targeted marketing efforts and also strong market awareness of the benefits of solar photovoltaic products. Commercial and Industrial segment grown by 75% where we had successfully commissioned a few key engineering, procurement, construction and commissioning projects with established industrial corporate customers this year.

Solar Energy segment achieved record Profit Before Tax of RM8.4 million for the year due to favourable solar panel price and operations efficiency from higher project volumes.

The segment contributed 14.7% of the revenue for the year and 17.6% to the Group’s Profit Before Tax.

# Management Discussion and Analysis

## Geographical presence

The Group's business primarily derives from Malaysia and Indonesia although the Group has customer base mainly from palm oil producing countries of different continents of the world such as Africa, Cambodia, Philippines, Indonesia, Papua New Guinea, Thailand and Vietnam.

Revenue	FY2024		FY2023	
	RM Million	Contribution (%)	RM Million	Contribution (%)
Malaysia	219.3	49.8%	202.4	53.6%
Indonesia	204.4	46.4%	162.4	43.0%
Other countries	16.6	3.8%	12.9	3.4%
	440.3	100.0%	377.7	100.0%

Malaysia remains to be the main revenue base while Indonesia's contribution increased to almost 46.4% of the Group's record revenue signifying the continuing importance of our localised operations in our neighbouring country.

## Significant risk to the Group

The Group manages its enterprise and operational risks under the guidance of the Group's Enterprise Risk Management ("ERM") Framework. The ERM framework identifies, manages, monitors and mitigates the risks in the businesses and further ensures that the risk appetite and tolerance is appropriate for the Group's business model and strategies. The Group recognises that management and constant monitoring of those identified risks are essential to the successful business operations and execution of the Group's strategies.

Through its ERM framework, the Group continues to identify the following risks which it deemed as important key business risks:

### Country risk

Indonesia contributes 46.4% to our revenue and as we further expand our presence in Indonesia, we expect to encounter a range of challenges. These may include changes in government policies and local regulations, which could potentially impact our business operations. Additionally, Indonesia's economic landscape is susceptible to volatility due to factors such as fluctuations in commodity prices and foreign currency exchange rates.

Geographically, there is market fragmentation as the country is an extensive archipelago with numerous islands, making market reach and transportation an important consideration. Depending on locality, some areas are exposed to natural disaster such as earthquakes and volcanic eruptions. Furthermore, Indonesia's rapid growth has created demands for industrial agricultural development, presenting opportunities for us to contribute to the country's growth.

Despite these challenges, Indonesia, being the largest oil palm producer offers significant opportunities for growth and expansion. The country also has a large existing market and vast untapped areas for development. Navigating these risks requires robust risk management strategies, local market expertise, and a proactive approach in engaging with regulatory authorities.

# Management Discussion and Analysis

## Fluctuations in raw material prices and foreign exchange rates

The volatility in steel prices may impact the cost of our product as steel is the main raw material for building boilers. Due to supply limitations and the specialised nature of the steel required for pressure vessels, we are unable to hedge these prices completely for long duration projects. As a result, our profitability is susceptible to erosion in the event of significant price fluctuations.

Additionally, some of our major raw material purchases are denominated in foreign currencies, exposing us to foreign exchange rate fluctuations. We have performed foreign currency hedging for material sales and purchases when possible. These fluctuations would also affect the cost of such raw materials which in turn would impact our margins.

While we strive to pass on price changes to our clients where possible, projects with long execution period can render our margins susceptible to fluctuations in prices and exchange rates.

Managing these risks effectively is crucial to maintaining financial stability and protecting profitability. We continuously monitor commodity markets and hedge against currency fluctuations when possible to make informed purchasing decisions and set pricing strategies. By remaining proactive and adaptable in our approach, we aim to minimise the impact of external economic factors on our operations and maintain financial stability and fiscal performance over time.

## Health and safety risk

Our operations involve manufacturing and installation activities at various sites, exposing us to a multitude of potential workplace hazards. These hazards encompass a broad spectrum of risks, including physical and chemical factors, which could lead to harm or injury to personnel. Ensuring the safety of our employees is our foremost priority, recognising the profound impact that workplace incidents can have.

We rely on our contractors for project executions in geographically diverse locations. Compliance with health and safety policies is a major priority to ensure safety at all sites. We routinely conduct contractor training and site supervision to enhance safety standards and practices across all locations. Our approach involves identifying hazards, conducting risk assessments, and implementing controls to mitigate key health and safety risks. We provide comprehensive training on specific hazards identified, conduct safety briefings for general workers at our manufacturing plant and installation sites, and supply personal protective equipment.

To further enhance our safety performance, we rigorously investigate incidents to identify root causes and implement corrective and preventive measures. We maintain detailed workplace records and continuously monitor our safety performance to uphold a secure work environment. Our commitment to enhancing health and safety practices underscores our dedication to safeguarding the well-being of our employees and stakeholders alike.

# Management Discussion and Analysis

## Dividend

The Board of Directors is pleased to recommend a single tier dividend of 2.25 sen per ordinary share amounting to RM11,610,000 for the financial year ended 31 March 2024, subject to the approval of shareholders at the forthcoming Annual General Meeting.

The Company's dividend trend is as per below:-

	FY2020	FY2021	FY2022	FY2023	FY2024
Net Dividend per share (sen)	1.75	1.75	1.75	1.75	<b>2.25</b>
Net Dividend (RM Million)	9.03	9.03	9.03	9.03	<b>11.61</b>

The Group's annual dividend payment may vary and is subject to, amongst others, the Group's level of cash, indebtedness, retained earnings, business operations, financial performance, prospects, capital commitments and other matters that the Board may deem relevant from time to time.

## Prospects

BM GreenTech's strategy and business model is well aligned with Malaysia's National Energy Transition Roadmap ("NETR") policy and the global environmental sustainability goals. With a focus on sustainability and renewable energy sources like biomass, solar, and wastewater treatment, BM GreenTech is strategically positioned to advance environmental sustainability across Malaysia and the ASEAN region.

Malaysia's ambitious targets to increase the share of renewable energy in its energy mix present substantial opportunities for BM GreenTech. The government's infrastructure development plans, including new power plants, water treatment facilities, and industrial and commercial buildings, further complement BM GreenTech's strategic initiatives.

Additionally, Malaysia's policies and regulations promoting energy efficiency, emissions reduction, and environmental protection create a favorable market environment for BM GreenTech's technology solutions. BM GreenTech's expertise in Bio-Energy, Solar Energy, and Water Treatment is well-suited to address Malaysia's clean energy requirements and biomass potential, aligning perfectly with the country's natural resources and policy objectives.

By proactively monitoring industry trends and leveraging supportive government policies, BM GreenTech is poised to drive growth and success while contributing significantly to Malaysia's sustainable development goals and the broader global environmental agenda.



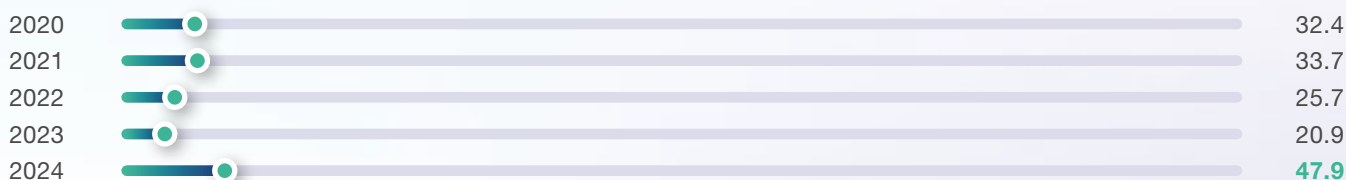
# Financial Highlights

	2020 RM Mil	2021 RM Mil	2022 RM Mil	2023 RM Mil	2024 RM Mil
Revenue	230.1	237.3	317.8	377.7	<b>440.3</b>
Profit before Taxation	32.4	33.7	25.7	20.9	<b>47.9</b>
Profit after Taxation after Minority Interest	23.3	22.5	17.0	14.1	<b>33.6</b>
Total Assets	311.3	361.3	352.1	391.4	<b>419.6</b>
Net Tangible Assets	208.5	223.6	231.6	231.0	<b>255.7</b>

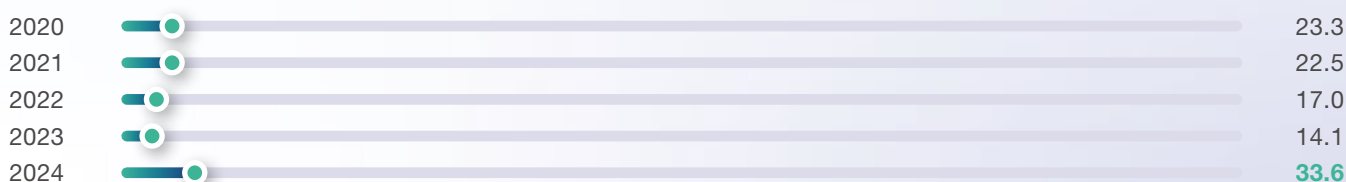
## Revenue (RM Mil)



## Profit Before Taxation (RM Mil)



## Profit after Taxation after Minority Interest (RM Mil)



## Total Assets (RM Mil)



## Net Tangible Assets (RM Mil)



# Sustainability Statement

## About This Statement

This Sustainability Statement summarises the Group’s sustainability efforts and initiatives during the financial year. At BM GreenTech, we believe that effective business continuity is dependent on our sustainability practices. By addressing economic, environmental, social, and governance (EESG) factors, we actively incorporate sustainability into our core practices and ensure that our practices align with the interests of our stakeholders and contribute to a more sustainable future. This statement is also meant to communicate our sustainability strategies, priorities, and targets as well as performance against these targets to our internal and external stakeholders.

Our Board takes into account the sustainability considerations when exercising its duties in the development and implementation of company strategies and business plans.

Collaboratively, the Board and management team manage material economic, environmental, social, and governance risks and opportunities, collectively known as ‘Material Sustainability Matters’, that arise from the Group’s operations.

## Reporting Framework

This Statement has been prepared in accordance with Paragraph 29, Part A of Appendix 9C and Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa”). In preparing these disclosures, we were guided by the enhanced Sustainability Reporting Framework, the Sustainability Reporting Guides, and the accompanying Toolkits issued by Bursa, ensuring compliance with the relevant reporting requirements.

Additionally, our disclosures are guided by recognised global standards, such as the Greenhouse Gas (“GHG”) Protocol, and we incorporate relevant performance indicators from the FTSE4Good Bursa Malaysia Index.

The Group recognises the importance of the Sustainable Development Goals (“SDGs”) adopted by the United Nations in 2015, including Malaysia’s commitment to these goals. These 17 global goals establish a framework for global partnership aimed at fostering peace, prosperity, and sustainability for people and the planet, now and in the future. In this Sustainability Statement, we outline the Group’s contributions to these global development goals.

# SUSTAINABLE DEVELOPMENT GOALS



# Sustainability Statement

## Feedback

We welcome our stakeholders to provide feedback pertaining to this Statement to our Group Sustainability department at [sustainability@boilermech.com](mailto:sustainability@boilermech.com).

## Assurance and Statement of Assurance

In strengthening the credibility of the Sustainability Statement, selected aspects disclosed in this Statement have been subjected to an internal review by the company's internal auditors.

Our Group Internal Audit provided independent limited assurance for all Bursa mandated common sustainability indicators, which the implementation has taken effect in our annual report 2024. Furthermore, we have proactively disclosed, ahead of schedule, three of the four common indicators related to the two common sustainability matters that will take effect for next year's reporting. These early disclosures have also been included in the scope of our internal review and assurance.

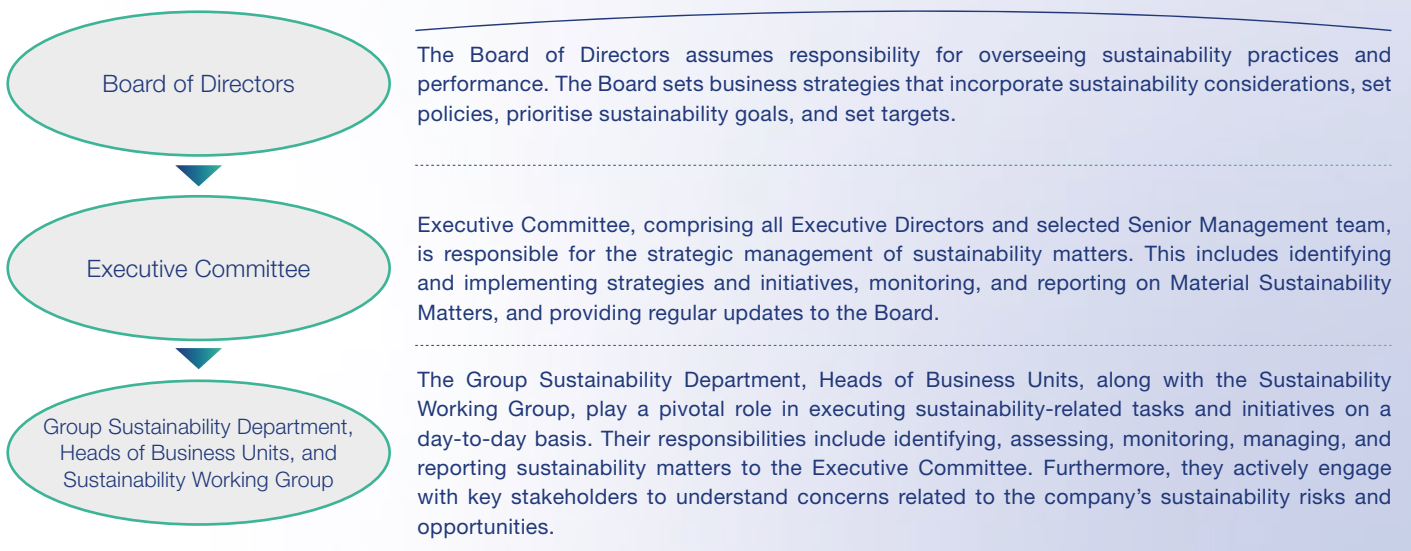
For more detailed information on the subject matter and scope of this assurance, please refer to the Statement of Assurance on page 65.

## Scope

This Statement covers the sustainability matters and activities of all entities within the Group for the reporting period from 1 April 2023 to 31 March 2024. The scope of this Statement is reviewed annually, taking into account various factors, including the contributions of the Group's business segments and activities, as well as their economic, environmental, social and governance impact.

## Governance Structure

To embed sustainability within our corporate culture and work practices, the Board and Management Team work collaboratively to identify and manage sustainability risks and opportunities in the Group. This integrated approach, where the Board and senior management work hand-in-hand, fosters effective governance of sustainability in the Group and underscores our commitment to aligning sustainability with our overall business objectives. This joint effort involves clear roles and responsibilities as follows:



# Sustainability Statement

## Stakeholder Engagement

Stakeholder engagement is an important component of our sustainability approach as it allows us to identify and address key sustainability matters. By actively engaging with our stakeholders, we gain a better understanding of how our business activities impact them and what their expectations are in relation to EESG matters. These insights play a vital role in guiding our business strategy and shaping our disclosures.

Recognising that each stakeholder group is unique, we have implemented various customised communication channels tailored to suit their specific needs and preferences. This allows us to engage with each group effectively and efficiently. Our stakeholder engagement efforts encompass the following channels:

Stakeholder	Mode of engagement	Frequency of engagement	Area of interest or concern
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Face-to-face interactions</li> <li>• Customer feedback</li> <li>• Meetings/Site visit</li> <li>• Official website</li> <li>• Marketing event</li> </ul>	<ul style="list-style-type: none"> <li>• As needed</li> </ul>	<ul style="list-style-type: none"> <li>• Product and service quality</li> <li>• Timeliness of delivery</li> <li>• Product pricing</li> <li>• Technology and innovation</li> <li>• Regulatory compliances</li> <li>• Safety and health at workplace</li> <li>• Environmental protection</li> </ul>
<b>Investors and shareholders</b>	<ul style="list-style-type: none"> <li>• Annual General Meeting</li> <li>• Annual Reports</li> <li>• Announcements on Bursa</li> <li>• Press releases</li> <li>• Financial statements</li> <li>• Meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• Annually</li> <li>• As needed</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Good management and corporate governance</li> <li>• Ethical business practices</li> <li>• Sustainability of value creation and business growth</li> </ul>
<b>Suppliers / Contractors</b>	<ul style="list-style-type: none"> <li>• Supplier and Contractor appraisal and evaluation reviews</li> <li>• Site visit/ interviews</li> <li>• Face-to-face interactions</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• As needed</li> </ul>	<ul style="list-style-type: none"> <li>• Product and service quality</li> <li>• Timeliness in delivery</li> <li>• Price competitiveness</li> <li>• Awareness and compliance with our Policies and Code of Business Ethic</li> <li>• Regulatory compliances</li> <li>• Safety and health at workplace</li> </ul>
<b>Employees and workers</b>	<ul style="list-style-type: none"> <li>• Meetings and discussions</li> <li>• Induction training</li> <li>• Learning and development programs</li> <li>• Employee performance evaluation</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly</li> <li>• Half-yearly</li> <li>• Annually</li> <li>• As needed</li> </ul>	<ul style="list-style-type: none"> <li>• Safety and health at workplace</li> <li>• Ethical business practices</li> <li>• Employee development, talent attraction and retention</li> <li>• Welfare</li> <li>• Respect for human right</li> <li>• Business continuity and growth</li> </ul>
<b>Government agencies, authorities and regulators</b>	<ul style="list-style-type: none"> <li>• Meetings and discussions with officers from the agencies, authorities and regulators</li> <li>• Press releases</li> <li>• Changes or introduction of new regulations</li> </ul>	<ul style="list-style-type: none"> <li>• As needed</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Product and service quality</li> <li>• Technology and innovation</li> <li>• Environmental protection and regulations</li> <li>• Corporate governance practise</li> </ul>

# Sustainability Statement

## Materiality Assessment

The Group conducts reviews of the operating environment during the financial year to ensure that our Material Sustainability Matters remain relevant and material. These reviews include assessing the performance of existing Material Sustainability Matters and their action plans, as well as identifying any new sustainability matters that may arise. Our materiality assessment process, aligned with Bursa’s Sustainability Reporting Guides and its accompanying Toolkits, incorporates the perspectives and concerns of our stakeholders, such as customers, investors, shareholders, suppliers, contractors, employees, workers, and regulators.

During the assessment, we evaluate the impact and importance of sustainability matters based on their alignment with our business objectives and their influence on stakeholder assessments and decisions. This enables us to identify and prioritise sustainability matters that have a substantial EESG impact and significantly affect our stakeholders. This approach allows us to continuously update our Material Sustainability Matters list and ensures that our sustainability efforts remain focused on the areas that matter most to our business and stakeholders.

Sustainability matters are prioritised based on the following criteria:

- if the sustainability matters reflect the Group’s significant EESG impact; and/or
- if the sustainability matters substantively influence the assessments and decisions of stakeholders; and
- fall under the common material sustainability matters as set out in the Bursa enhanced Sustainability Reporting Framework.

By applying these criteria, we ensure that our sustainability efforts align with the most significant areas of impact and concern for both our business and stakeholders. This enables us to address the key issues that contribute to our overall sustainability performance.

The materiality assessment process is summarised as follows:



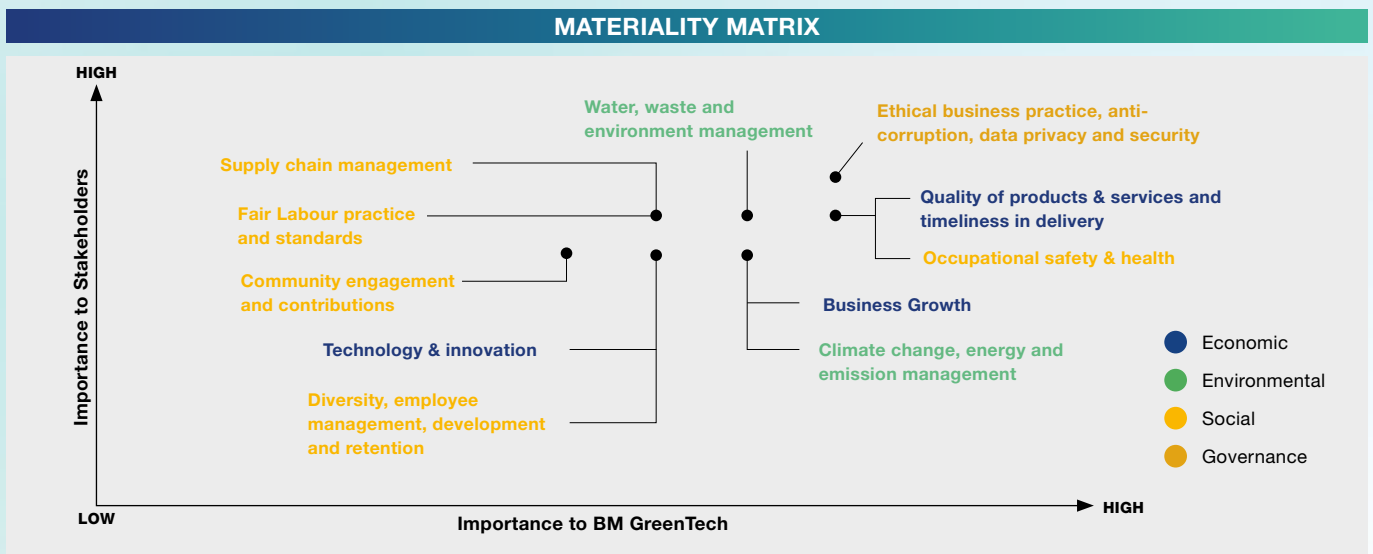
## Material Sustainability Matters

With due consideration to the outcomes from stakeholder engagements, and in line with Bursa’s common sustainability matters, we have reviewed and integrated the matters identified through our established stakeholder engagement practices with those required by Bursa.


To maintain a comprehensive yet manageable approach, we have merged certain common sustainability matters with those already identified. This process has streamlined our focus, resulting in a revised list of 11 material sustainability matters.

# Sustainability Statement

These material sustainability matters are of utmost importance within the scope of economic, environmental, social, and governance factors. By addressing these matters, we are dedicated to managing them effectively and implementing strategies and initiatives that contribute to sustainable practices and positive impacts. The relative importance of each material sustainability matter is depicted in the matrix chart below.



The table below presents an overview of the material sustainability matters and their importance to our Group:

Pillar	Material Sustainability Matter	Importance to the Group
 <b>Economic</b>	<ul style="list-style-type: none"> <li>• Business growth</li> <li>• Quality of products and services and timeliness in delivery</li> <li>• Technology &amp; innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Driving business growth, ensuring high-quality products and services delivered on time, fostering continuous technological innovation, and providing innovative products that achieve customer satisfaction and create value serve as our competitive advantage for sustainable growth and profitability.</li> </ul>
 <b>Environmental</b>	<ul style="list-style-type: none"> <li>• Climate change, energy and emission management</li> </ul>	<ul style="list-style-type: none"> <li>• We continue to monitor and control the carbon footprint from our operations despite our operating activities emit minimal Greenhouse Gas.</li> <li>• Our products incorporate advanced technologies for energy efficiency and emissions reduction, contributing to a cleaner environment.</li> </ul>
	<ul style="list-style-type: none"> <li>• Water, waste and environment management</li> </ul>	<ul style="list-style-type: none"> <li>• Efficient management of water and waste is integral to reducing resource consumption and minimising environmental impact.</li> <li>• Our products integrate sustainable practices in water, waste and environment management, promoting environmental stewardship and enhancing resource efficiency.</li> </ul>

# Sustainability Statement

Pillar	Material Sustainability Matter	Importance to the Group
 <p><b>Social</b></p>	<ul style="list-style-type: none"> <li>Diversity, employee management, development and retention</li> </ul>	<ul style="list-style-type: none"> <li>A diverse and competent workforce, along with an inclusive work environment, plays a critical role in company's success.</li> </ul>
	<ul style="list-style-type: none"> <li>Fair labour practices and standards</li> </ul>	<ul style="list-style-type: none"> <li>Fair labour practices promote a positive work environment, fostering employee satisfaction and productivity.</li> </ul>
	<ul style="list-style-type: none"> <li>Occupational safety and health</li> </ul>	<ul style="list-style-type: none"> <li>Occupational safety and health safeguards the well-being of our employees, reduces workplace accidents and incidents, and enhances overall productivity and morale.</li> </ul>
	<ul style="list-style-type: none"> <li>Supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>Effective supply chain management supports local economies and community well-being. It ensures reliable, ethical, and environmentally responsible sourcing practices across our operations, while also indirectly attracting additional investment and enhancing local infrastructure.</li> </ul>
	<ul style="list-style-type: none"> <li>Community engagement and contributions</li> </ul>	<ul style="list-style-type: none"> <li>Our commitment to corporate social responsibility is underscored by our engagement in community initiatives, promoting the well-being of our communities and fostering environmental stewardship.</li> </ul>
 <p><b>Governance</b></p>	<ul style="list-style-type: none"> <li>Ethical business practice, anti-corruption, data privacy and security</li> </ul>	<ul style="list-style-type: none"> <li>Good governance, including strong ethics, compliance, and anti-bribery measures ensures transparency, accountability, and ethical decision-making, while safeguarding our reputation and fostering sustainable growth.</li> </ul>

# Sustainability Statement

## ECONOMIC



The Group is of the view that adopting sound business practices provides long-term benefits and value creation towards sustainable growth and profitability. With this as a foundation, apart from generating sustainable returns to shareholders, the Group aims to deliver the highest value to our other stakeholders, e.g. customers, suppliers, employees and industry.

### Business growth

Business growth is a fundamental aspect of our economic pillar, reflecting our commitment to creating long-term value for all stakeholders. Sustainable growth ensures that we can continue to invest in innovative solutions, support our workforce, and contribute positively to the communities we serve.

Our Group's growth strategy focuses on both organic expansion and strategic acquisitions, enabling us to develop a robust and diversified portfolio of revenue-generating assets. Particularly, we have placed a strong emphasis on the renewable energy sector. What sets us apart is our unwavering commitment to operate our Group's business sustainably and responsibly.

Our financial performance remains robust, with an increase of 17% in revenue and more than 100% in profit compared to the last financial year. This growth translates into tangible benefits for the communities we operate in, contributing to local economic development and supporting the nation and community through our economic contributions.

Recapping our journey, we initially focused on Bio-Energy boilers. In 2016, we enhanced our initiatives by acquiring the Water Treatment segment, and in 2020, we further consolidated our focus on sustainable environmental solutions with the acquisition of the Solar Energy segment.

Our current structure positions us strategically to capitalise on energy transition and water preservation opportunities. By leveraging our expertise and experience, we actively seek out investment opportunities that align with our sustainability goals. Our approach encompasses consideration of EESG factors, ensuring that our investments not only generate financial returns but also contribute positively to the environment and society.

In a recent development, on June 18, 2024, we announced the proposed acquisition of Plus Xenergy Holding Sdn Bhd and its group of companies ("PXH Group"). PXH Group is principally involved in the provision of clean energy solutions, specifically in the solar sector. This acquisition is expected to be complementary and synergistic to the existing business of BM GreenTech, further strengthening our capabilities and market presence in the renewable energy sector.

In line with global trends, there has been a significant acceleration towards sustainability, particularly in relation to environmental concerns. With increasingly stringent environmental regulations, heightened government efforts, and growing awareness of Environmental, Social, and Governance ("ESG") factors, our management remains optimistic about the continued growth prospects of the renewable and clean energy, as well as clean water sectors.



# Sustainability Statement

## Quality of products and services and timeliness in delivery

Ensuring the quality of products and services, combined with timely delivery, is crucial for our Group's long-term business success. Customer satisfaction, attraction, retention, and referrals are vital for the sustainability of our Group. Therefore, we prioritise quality and the timely delivery of our products and services as key drivers of our economic performance. We are committed to maintaining the highest standards in all aspects of our operations, ensuring that our products and services meet and exceed customer expectations.

- **Commitment to Quality**

Our commitment to quality begins with rigorous standards and processes that are embedded in our operations. We adhere to internationally recognised quality management systems and continuously improve our practices to ensure the reliability and excellence of our products and services. Three of our subsidiaries in the Bio-Energy, Water Treatment, and Solar Energy segments have obtained ISO9001:2015 accreditation.

In the Bio-Energy segment, our quality assurance protocols start with material sourcing and involve comprehensive testing, inspections, and audits at every stage of the production and delivery process. Additionally, our Bio-Energy segment holds specific certifications related to our operations from The American Society of Mechanical Engineers (ASME). These certifications validate that the design, fabrication, inspection, and testing of our pressure vessels adhere to ASME's global guidelines and requirements, signifying our commitment to public safety and the quality of our boilers and pressure vessels.

All three of our business segments involve Engineering, Procurement, Construction, and Commissioning (EPCC). Quality and reliability are at the forefront of our project execution strategy. As an EPCC company, we oversee the entire lifecycle of projects, from initial design and procurement to construction and commissioning. We ensure that every project adheres to strict quality controls, industry best practices, and compliance with regulatory requirements. Our commitment to quality is reflected through our rigorous project management and operational standards, ensuring that our projects consistently meet industry standards and exceed client expectations.

- **Customer Feedback and Engagement**

We place a strong emphasis on customer feedback and engagement. Being ISO certified companies, we adopt robust quality management standards that include actively seeking input from our clients through customer satisfaction surveys. These surveys allow us to gain valuable insights into our customers' perspectives on the quality, timeliness, and overall satisfaction with our products and services.

The feedback gathered helps us identify areas for improvement and informs our continuous efforts to adapt and innovate, ensuring that we meet and exceed customer requirements. We analyse the survey results comprehensively to identify both areas of progress and opportunities for enhancement. This proactive approach enables us to refine our products and services and enhance the overall customer experience.

# Sustainability Statement

## Technology & innovation

One of the fundamental pillars underpinning our commitment to sustainable growth is technology and innovation. We firmly believe that embracing innovative technologies and solutions is essential for promoting renewable energy generation and efficient water management. By continuously exploring and investing in these areas, we aim to maintain a leading position within the industry, driving positive change, and catalysing the adoption of sustainable practices across the sector.

Technology and innovation enable us to enhance productivity, improve efficiency, and bolster our competitiveness. By harnessing the power of technology, we can develop advanced systems and processes that optimise resource utilisation and minimise environmental impact.

At the core of our approach is a close collaboration with our customers. We actively seek to understand their unique challenges and concerns related to energy efficiency and environmental impact, particularly in the realms of renewable energy and water management. We also aim to provide our customers with practical and cost-effective solutions that enable them to achieve their sustainability goals. By listening to their needs, we can align our innovation efforts and leverage our expertise and research capabilities to develop tailored technology solutions and products that effectively address their specific requirements.

Our commitment to technology and innovation is demonstrated through tangible successes in helping our clients achieve their sustainability goals and contributing to decarbonisation efforts in industries and the region. These include:

- **Biomass Boiler System:**

Our biomass boiler system has been implemented to reduce carbon dioxide emissions. This technology has enabled our clients to transition from fossil fuels to renewable biomass, leading to substantial reductions in greenhouse gas emissions and promoting cleaner energy production.

- **Solar PV System:**

The installation of our solar PV systems has empowered clients to harness solar energy, thereby reducing reliance on non-renewable energy sources. This shift has not only lowered operational costs but also decreased carbon footprints.

- **Water Management System:**

Our water management system has been deployed to treat raw and wastewater effectively. This system optimises water usage and ensures that wastewater is treated to meet stringent environmental standards. Notably, it has resulted in a significant reduction in biochemical oxygen demand (BOD) in wastewater, showcasing the positive environmental impact of our technology. Additionally, our advanced water treatment solutions enhance water reclamation processes, enabling industries to reuse water resources effectively and reduce freshwater consumption.

By incorporating these success stories, we demonstrate the real-world benefits of our technological innovations in achieving sustainability goals. For more detailed information on these initiatives and their environmental impacts, please refer to the Environment section of this report.

Our approach to technology and innovation, underpinned by collaborative customer relationships and continuous investment in emerging technologies, ensures that we remain at the forefront of sustainable practices. We are committed to leveraging our expertise to drive positive environmental and social outcomes, further solidifying our role as a leader in the industry.

# Sustainability Statement



## ENVIRONMENTAL

Environmental sustainability is a core pillar of our company’s values and business strategy. We recognise the vital importance of protecting our planet and are committed to minimising our environmental footprint through innovative and sustainable practices. The Group is committed to preserving the environment for future generations and actively contributing to Malaysia’s goal of becoming a carbon-neutral nation by 2050.

### Driving Environmental Sustainability : Impact from Operations

As a Group engaged in the engineering, procurement, and construction of renewable and clean energy and water treatment projects, we recognise the importance of leading by example. While our energy and water consumption remain minimal, we continuously seek ways to enhance energy consumption efficiency. This approach helps us identify areas for improvement and allows us to implement strategies that promote responsible resource management.

The following is a summary of the impact of our operations, including Scope 1, Scope 2, and renewable energy, during the financial year 2024:

	FY2023 *	FY2024
Energy consumption (Megawatt)	4,440	<b>5,082</b>
Energy intensity (Megawatt per Million Revenue)	11.8	<b>11.5</b>
Greenhouse Gas (GHG) Emissions (tCO <sub>2</sub> e)	1,356	<b>1,555</b>
GHG intensity (tCO <sub>2</sub> e per Million Revenue)	3.6	<b>3.5</b>
Electricity generated from solar energy (MWh)	436	<b>472</b>
Avoided GHG emission from solar energy generation (tCO <sub>2</sub> e)	279	<b>302</b>
Water Consumption (Megalitre)	20.50	<b>22.22</b>

\* Restated due to change in measurement unit, improvements in data collection or more comprehensive calculations

# Sustainability Statement

Below are our targeted environmental goals for the upcoming years:

Material Matter	Target
Climate change, energy and emission management	Net Zero emission (Scope 1&2) by year 2026
Water, waste and environment management	Zero regulatory violation (fines, court case) in respect to quality of effluent discharge per year
	Zero regulatory violation (fines, court case) in respect to management of hazardous waste per year

## Our Commitment to Environmental Solutions and Customer Success

Our commitment to the environment extends beyond our own operations. Our products and solutions enable our customers to adopt sustainable practices, allowing them to efficiently manage their consumption of resources such as fuel, energy, and water. By offering effective waste treatment, emission reduction, and effluent reduction solutions, we assist our customers in minimising their carbon footprint, conserving valuable resources, and safeguarding the environment. In this year's sustainability statement, we will continue to highlight how our solutions contribute to our customers' sustainability goals, showcasing not only economic benefits but also environmental impacts.

The summary of environmental impact estimated using the capacity of products and solutions installed by the Group:

	Cumulative *	FY2022	FY2023	FY2024
Reduction in Global Warming Potential (Million MT of CO <sub>2</sub> e)	16.9	2.2	2.9	<b>4.3</b>
- Reduction in Carbon Dioxide Emission (CO <sub>2</sub> ) (Million MT) from Biomass & Solar Energy generation	15.9	2.2	2.6	<b>3.9</b>
- Reduction in Methane (CH <sub>4</sub> ) Emission (converted to Million MT CO <sub>2</sub> e) from biogas plant	1.0	-	0.3	<b>0.4</b>
Reduction in Biomass Waste (Million MT)	18.6	2.5	3.0	<b>4.6</b>
Raw & Wastewater Treated (Million M <sup>3</sup> )	11.1	1.4	1.3	<b>3.2</b>
Reduction in Biochemical Oxygen Demand (BOD) in Wastewater (MT)	74,083	938	21,576	<b>28,909</b>

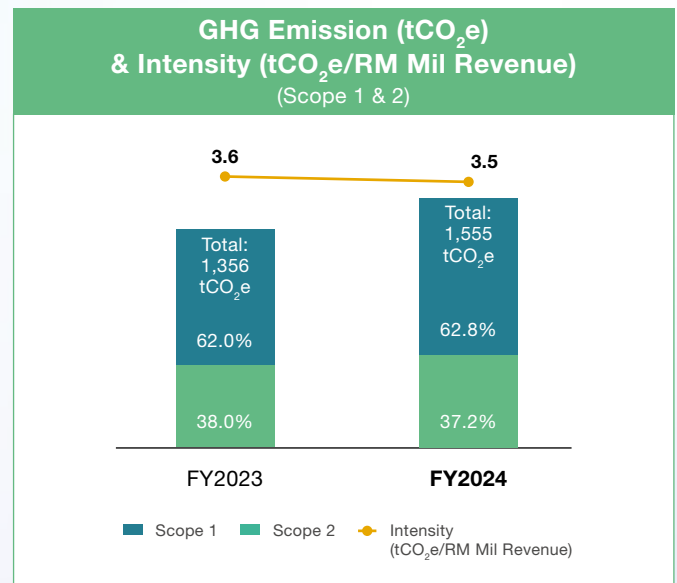
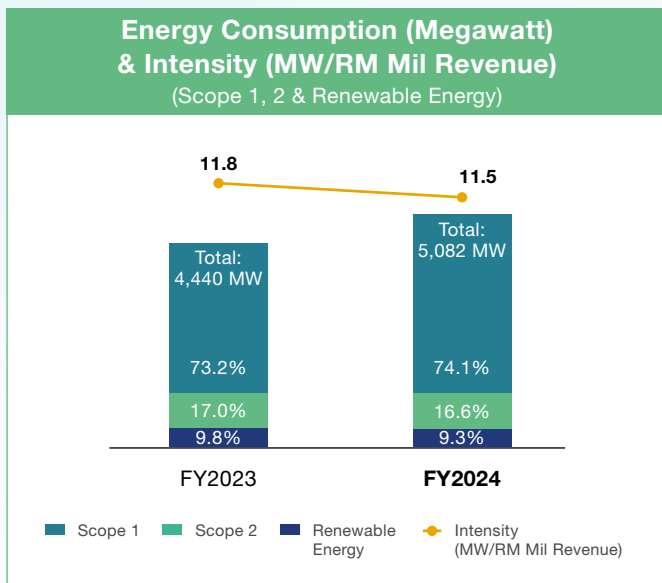
\* Cumulative capacity installed since FY2019

# Sustainability Statement

## Climate change, energy and emission management

### ► Impact from our operation

In FY2024, the Group’s total energy consumption was approximately 5,082 Megawatts (MW), with an energy intensity of 11.5 MW per million Revenue. Our total greenhouse gas (GHG) emissions amounted to 1,555 metric tons of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e), with an intensity of 3.5 tCO<sub>2</sub>e per million Revenue.



### Renewable Energy

We have invested in renewable energy by installing solar panels at our main manufacturing plant. In FY2024, our solar PV systems generated 472 MWh of clean energy, reducing CO<sub>2</sub> emissions by 302 tons and offsetting fossil fuel use. This renewable energy accounts for 9.3% of the Group’s total energy consumption for the year, contributing to an approximately 16.3% reduction in the Group’s overall CO<sub>2</sub> emissions.

Additionally, we are actively exploring further renewable energy options, including the potential installation of a second unit at our other plant, to further decrease our dependence on fossil fuels.

### Environmental Engagement and Employee Involvement

We are committed to measuring, managing, and reducing our GHG emissions. In last year’s report, we set a target to achieve a Net Zero emissions (Scope 1 & 2) in our carbon footprint by 2026. However, the methods we initially planned to use to offset CO<sub>2</sub> emissions from diesel and other fuel sources are limited to offsetting electricity consumption and are subject to quotas and approvals.

We remain dedicated to our goal of a Net Zero emissions (Scope 1 & 2) by 2026. Our strategy involves developing renewable energy (“RE”) plants leveraging our technology and engineering expertise. We expect this will qualify us to register as a Renewable Energy Certificate (REC) owner, enabling us to offset our emissions. However, this plan is contingent upon regulation which allows RE generation and distribution by private owners and developers and the availability of government schemes for carbon offsetting. We continue to explore and develop RE generation projects which will enable BM GreenTech to own RECs for the objective of emission reduction.

# Sustainability Statement

Engaging our employees is integral to our sustainability efforts. We recognise the importance of regular training sessions to educate our staff on environmental best practices and are in the process of developing these initiatives. During the financial year, we participated in a mangrove planting activity in collaboration with our holding company, volunteers and representatives from the forestry department. Our team, comprising approximately 26% of the total workforce, contributed to the planting of 2,000 mangrove trees by all participants.

Mangroves play a crucial role in environmental sustainability by protecting coastlines, reducing erosion, and serving as vital carbon sinks. This activity not only enhanced our employees' environmental awareness but also had a positive impact on the local ecosystem.



## Task Force on Climate-related Financial Disclosures (TCFD)

We are aware of the TCFD recommendations and are committed to enhancing our climate-related financial disclosures. As part of our sustainability strategy, we are taking steps to align our reporting practices with TCFD guidelines and will be fully prepared to meet the FY2026 reporting timeline. This includes assessing and disclosing the impacts of climate-related risks and opportunities on our business strategy, governance, risk management, and metrics and targets. We aim to provide transparent and comprehensive information to our stakeholders, enhancing our resilience to climate-related impacts and supporting decision-making.







# Sustainability Statement

## ➤ Impact from our products and solutions

Since the commencing of our reporting in FY2019, we have consistently disclosed the yearly achievements of environmental impacts resulting from products and solutions installed by the Group. These installations, operational since before 2019, continue to deliver reductions in CO<sub>2</sub> and methane emissions, water treatment, and other environmental metrics across subsequent years.

### Biomass Boilers

The Group's Bio-Energy Segment promotes the use of biomass boilers where feasible, leveraging biomass fuel availability. Our biomass boilers generate steam and electricity for industrial operations and power generation. Compared to coal-fired boilers, our biomass solutions significantly reduce CO<sub>2</sub> emissions, as shown in the table below:

	Reduction in CO <sub>2</sub>		
	FY2022 (*)	FY2023 (*)	FY2024 (*)
Products and solutions installed in current financial year	 2.2 Million MT/year	 2.6 Million MT/year	 3.9 Million MT/year
Products and solutions installed since FY2019	 9.4 Million MT	 12.0 Million MT	 15.9 Million MT

\* Assuming 6,000 hours of operation per year, based on capacity of products and solutions installed

### Palm Oil Mill Effluent (POME) Treatment

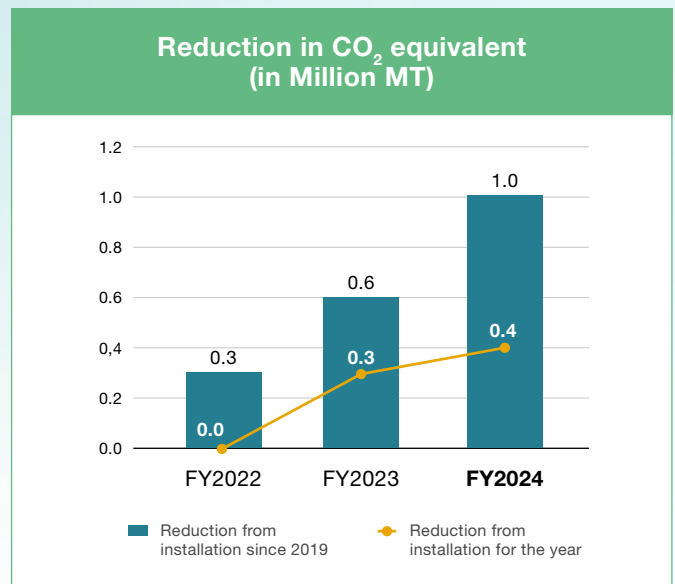
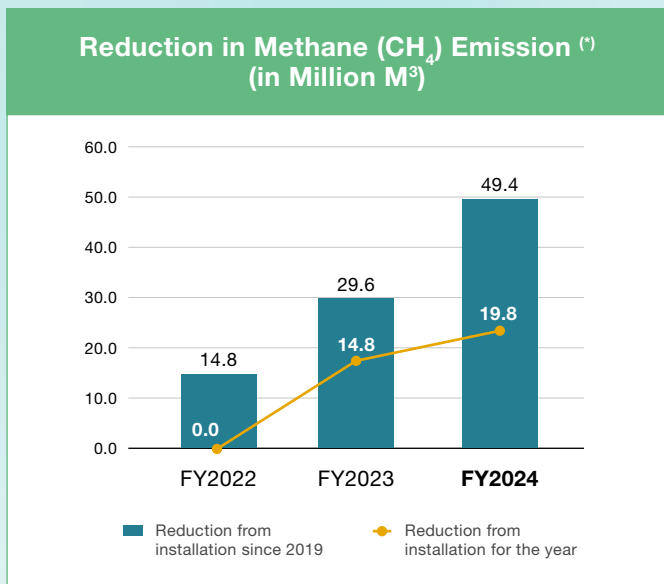
Our commitment extends to assisting palm oil mills in effective POME treatment, crucial for reducing methane emissions, a potent greenhouse gas with a higher global warming potential than CO<sub>2</sub>. By capturing and utilising biogas emitted from POME, we help our customers mitigate methane emissions that would otherwise contribute to atmospheric pollution.

The captured biogas offers several downstream applications, including electricity generation and utilisation as boiler fuel, among others. By providing our customers with these innovative biogas solutions, we enable them to transform a potential environmental challenge into a sustainable energy resource.

# Sustainability Statement

The methane capturing plant capacity installed and the estimated methane reduction achieved through these capturing plants in past three (3) financial years are as follows:

	FY2022 (*)	FY2023 (*)	FY2024 (*)
Methane Capturing Plant capacity installed (M <sup>3</sup> POME per hour)	-	180	240



With the installation of new biogas plants in FY2024, we expected a reduction of methane by an estimated 19.8 million M<sup>3</sup>, equivalent to approximately 0.4 million MT of CO<sub>2</sub> emissions annually.

Methane has a 100-year global warming potential approximately 28 times greater than carbon dioxide, emphasizing the substantial environmental impact of reducing methane emissions.

\* Assuming 6,000 hours of operation per year. 0.7M<sup>3</sup> of POME per MT of FFB, based on the capacity of products and solutions installed, where relevant

## Solar Energy

Our Solar Energy segment is dedicated to providing engineering, procurement, construction and commissioning services for solar power generation systems. These systems harness the abundant and renewable energy provided by sunlight, enabling our commercial, industrial, and residential clients to generate electricity. By embracing solar photovoltaic (PV) technology, we actively contribute to the reduction of fossil fuel consumption and greenhouse gas emissions.

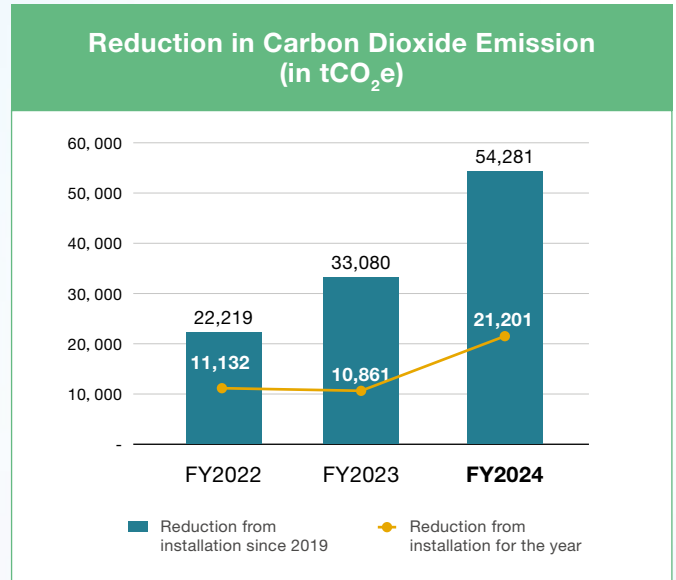
Since the acquisition of our solar business in year 2020, we have successfully installed solar applications for our customers, contributing to electricity generation and reductions in CO<sub>2</sub> emissions.



# Sustainability Statement

The estimated impact of our solar installations in terms of electricity generation and CO<sub>2</sub> emission reduction in the past three (3) financial years are as follows:

Financial year	Capacity installed	Estimated electricity generated
FY2024	<b>26.0MWp</b>	<b>33,239MWh</b>
FY2023	<b>13.4MWp</b>	<b>17,114MWh</b>
FY2022	<b>13.9MWp</b>	<b>17,720MWh</b>



Through our products and solutions, the Group actively contributes to achieving Goals 3, 7, 11, and 12 of the SDGs

Our efforts in reducing CO<sub>2</sub> and methane emissions align with Goal 3 of “good health and well-being.” By mitigating air pollution and promoting cleaner environments, we contribute to reducing the adverse impacts of pollution on human health, ultimately improving the well-being of individuals and communities.

Our installations of solar energy systems support Goal 7 of “affordable and clean energy.” By increasing access to renewable energy and diversifying the energy mix, we contribute to the availability of affordable and sustainable energy sources, reducing reliance on fossil fuels and advancing the global transition to cleaner energy systems.

Our commitment to Goal 11 of “sustainable cities and communities” is reflected in our focus on air quality improvement and the reduction of per capita environmental impacts. By prioritising sustainable practices and resource efficiency, we contribute to creating liveable and resilient cities, promoting sustainable urban development, and enhancing the well-being of urban populations.

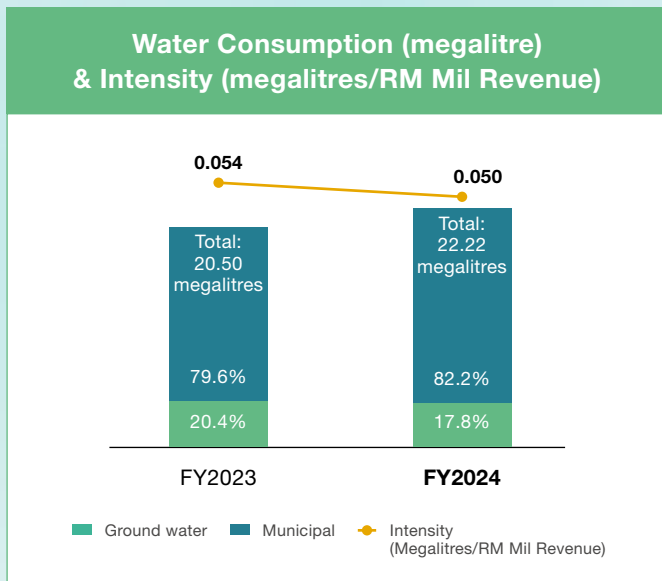
Our dedication to Goal 12 of “responsible consumption and production” is demonstrated through our efforts to minimise chemicals and waste emissions. By promoting responsible resource management and reducing the release of harmful substances, we contribute to minimising adverse impacts on human health and the environment, fostering more sustainable consumption and production patterns.

# Sustainability Statement

## Water, waste and environment management

### Impact from our operation

#### Water Management



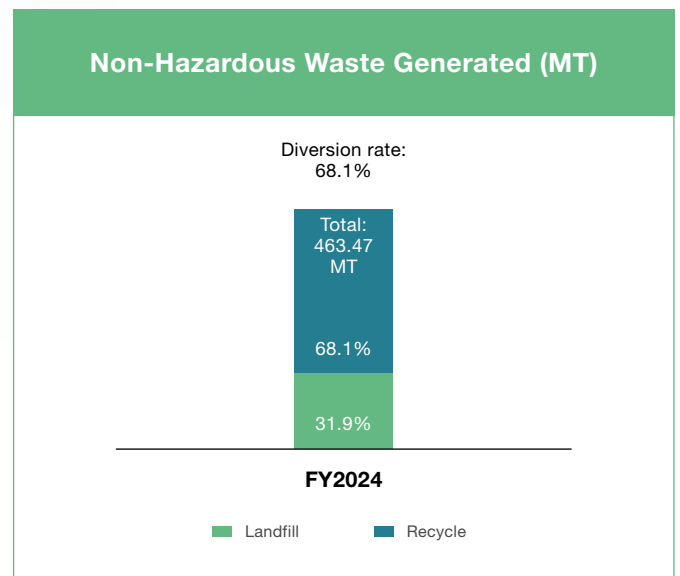
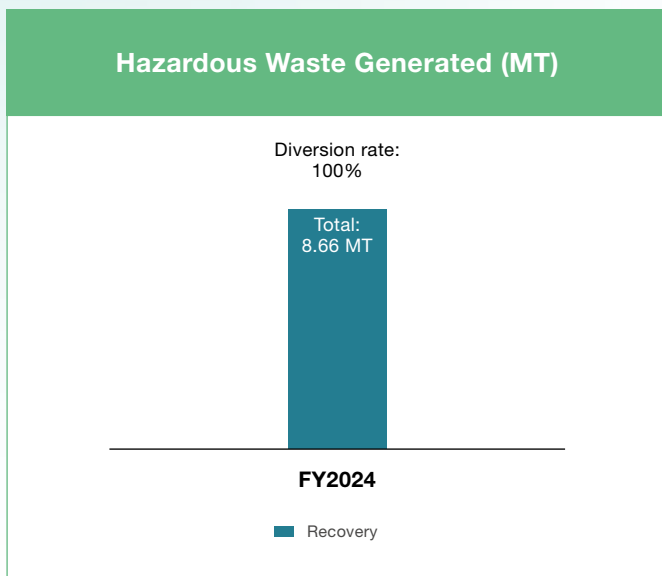
The issue of water scarcity is becoming increasingly alarming due to several factors, such as climate change, poor water management, and contamination. We recognise the importance of sustainable water management practices to ensure the long-term availability of this essential resource.

Our water consumption is relatively low, totalling 22.22 megalitres in FY2024, with 82.2% sourced from municipal supplies and 17.8% from groundwater. We achieve a water intensity of 0.050 megalitres per RM million revenue.

We monitor groundwater levels regularly to ensure sustainable withdrawal rates and prevent depletion. Additionally, we ensure that we adhere to relevant regulations pertaining to water quality and actively raise employees' awareness of proper water management at all our premises.

#### Waste Management

We manage various types of waste, including hazardous waste, as well as non-hazardous waste such as domestic waste, construction waste, and recyclable waste, with a focus on proper waste management to reduce our environmental impact and benefit the surrounding communities, especially in relation to our manufacturing business.



In FY2024, we generated 8.66 metric tons of hazardous waste and 463.47 metric tons of non-hazardous waste, totalling 472.13 metric tons of waste.

# Sustainability Statement

Our hazardous waste, categorised as scheduled waste, is carefully handled and disposed of in accordance with stringent regulations. We ensure that all scheduled waste is properly stored and managed throughout its lifecycle, from collection to final disposal, by licensed contractors approved by local environmental authorities. Our certified scheduled waste competent person oversees these operations, ensuring compliance with Department of Environment (DOE) standards.

100% of hazardous waste and 68.1% of non-hazardous waste were recovered, reused, or recycled, diverting them from disposal. The remaining 31.9% of non-hazardous waste was directed to proper disposal facilities.

Our Environmental Policy underscores the adoption of the 3R approach, reduce, reuse, and recycle – to minimise waste generation. We promote sustainable waste management practices among our employees, emphasizing the importance of waste reduction and responsible disposal methods.

➤ **Impact from our products and solutions**

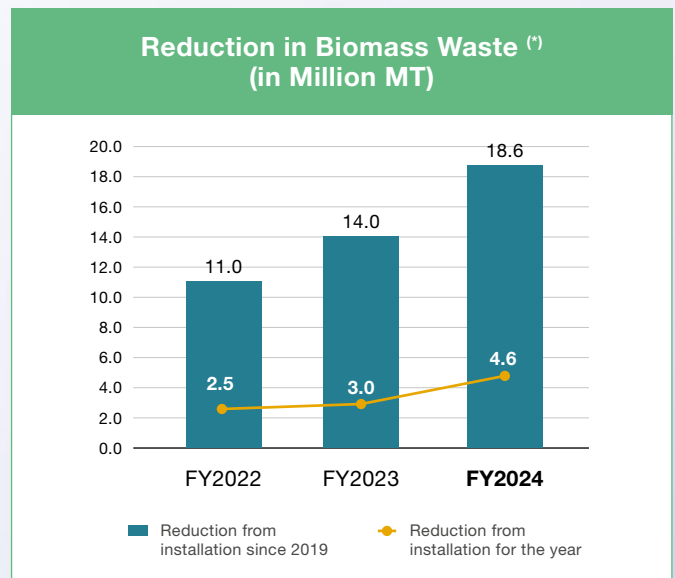
**Waste to energy**

The Group’s core product under the Bio-Energy Segment is the biomass boiler. By utilising our biomass boilers, we enable our customers to harness the various biomass wastes as fuel sources effectively. These include palm biomass wastes (such as palm mesocarp fibre, palm kernel shell, and empty fruit bunches), wood wastes, and rice husks. Our biomass boiler solutions allow customers to generate steam and electricity while reducing reliance on fossil fuels. This approach decreases long-term pollution and greenhouse gas emissions and addresses the critical issue of biomass waste management. By converting biomass waste into energy, we mitigate the release of harmful fermented syngas into the atmosphere. Our waste-to-energy approach reduces environmental risks and provides a sustainable solution for efficient biomass waste disposal.

Over the past three financial years, we have installed biomass boilers for our clients with the estimated reduction in biomass waste as follows:

Financial year	Capacity installed
FY2024	<b>2,297 MT/hour</b>
FY2023	<b>1,513 MT/hour</b>
FY2022	<b>1,270 MT/hour</b>

\* Assuming 6,000 hours of operation per year









The reduction of waste generated supports Goals 11 and 12 of SDG, “sustainable cities and communities” and “responsible consumption and production”. It reduces the adverse per capita environmental impact on cities and communities through effective waste management; and substantially reduces waste generation through prevention, reduction, recycling and reuse.

# Sustainability Statement

## Air Pollution Control

The Group provides air pollution control solutions to our customers through our dust filtration system. These systems effectively remove dust particles emitted into the atmosphere, thereby safeguarding air quality and the environment. By utilising our dust filtration system, our customers comply with the Environmental Quality (Clean Air) Regulations 2014, under the Environmental Quality Act 1974. These regulations set stringent standards for solid fuel steam generators, requiring particulate emissions to be reduced to below 150mg/Nm<sup>3</sup>, a significant improvement from the previous limit of 400mg/Nm<sup>3</sup>.

Over the past three financial years, we have delivered air pollution control systems to our customers, which are estimated to further reduce dust emission into the atmosphere as follows:

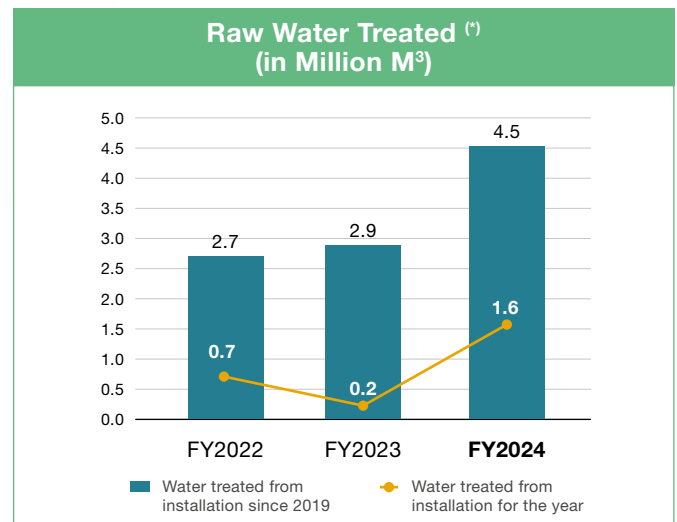
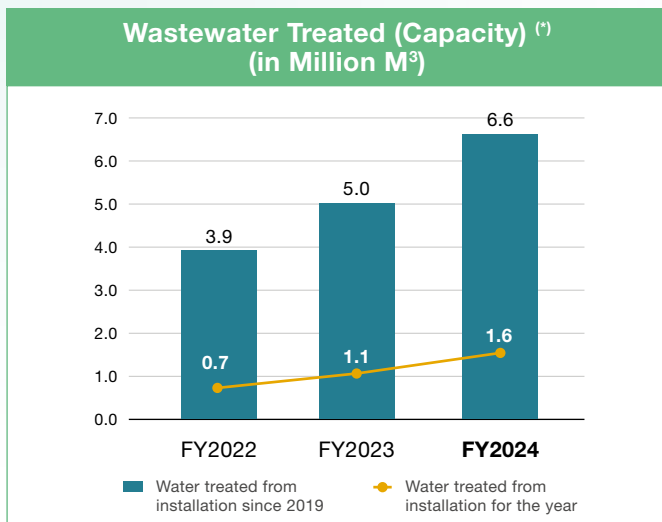
	Reduction in dust emission		
	FY2022	FY2023	FY2024
Products and solutions installed in current financial year	 472 MT/year	 1,807 MT/year	 2,114 MT/year
Products and solutions installed since FY2019	 1,534 MT	 3,341 MT	 5,455 MT



**Our air pollution control solutions align with Goal 3 of “good health and well-being.” By reducing the release of harmful dust particles and improving air quality, our solutions directly support efforts to minimise air pollution-related health risks and promote a healthier living environment for communities and individuals.**

## Wastewater and Raw Water Treatment

Our subsidiary from the Water Treatment Segment, TEK, specialises in providing wastewater and raw water treatment solutions for industrial applications. TEK supplied and installed the following wastewater and raw water treatment systems in the financial years 2022, 2023 and 2024:



\* Assuming 6,000 hours of operation per year

# Sustainability Statement



The water treatment solutions for industrial use supports Goal 6 of SDG, “clean water and sanitation”, as this process helps to improve raw water quality and wastewater discharge quality and increased water-use efficiency.

## Effluent Treatment

Our tertiary treatment plants and biogas plants enable palm oil mills to meet stringent requirements set by the Malaysian Environmental Quality (Industrial Effluent) Regulation 2009 under the Environmental Quality Act 1974. These regulations mandate that the final discharge of effluents into watercourses must not exceed a Biochemical Oxygen Demand (BOD) limit of 20 parts per million (ppm) in selected sensitive areas. With our proprietary technology, the Group stands out as one of the few capable of consistently achieving this target, providing assurance to our customers.

In addition to serving the palm oil industry, we have also designed and constructed Industrial Effluent Treatment Systems (IETS) for other industrial sectors. These systems effectively treat industrial wastewater before discharged into the environment, focusing on the removal of organic and inorganic substances that could adversely affect the environment. By implementing these wastewater treatment solutions, we contribute to safeguarding ecological balance and promoting responsible environmental practices across various industries.

Over the past three (3) financial years, we have delivered tertiary treatment plants, biogas plants and IETS that are estimated to further reduce BOD as follows:

	Reduction in BOD		
	FY2022 (*)	FY2023(*)	FY2024(*)
Products and solutions installed in current financial year	938 MT BOD/year	21,576 MT BOD/year	28,909 MT BOD/year
Products and solutions installed since FY2019	23,598 MT BOD/year	45,174 MT BOD/year	74,083 MT BOD/year

\* Assuming 6,000 hours of operation per year and 0.7m<sup>3</sup> POME per MT of FFB



The reduction of BOD in the final discharge helps our customers in reducing their impact on water quality and enabling better quality water systems, consistent with Goal 14 of SDG, which focuses on “life below water”, and aims to reduce marine pollution from various sources, including land-based activities.

# Sustainability Statement

## SOCIAL




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At BM GreenTech, our dedication to sustainability encompasses more than just economic and environmental efforts; it also includes a strong commitment to social responsibility. We understand the crucial role of social sustainability in fostering positive change within the communities we serve. Our employees are our greatest asset, and their well-being and development are essential.

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By fostering a supportive and inclusive work environment, we aim to develop, attract and retain exceptional talents. We strive to create an environment that nurtures talents, promotes diversity, and ensures fair labour practices. Our commitment to health and safety is unwavering, as we implement rigorous protocols, conduct regular risk assessments, and provide essential safety equipment. Additionally, we invest in community engagement initiatives and employee development programs that promote education, skill-building, and overall well-being. Through these initiatives, we aim to build a more equitable and sustainable society while securing the long-term success of our business.

## Diversity, employee management, development and retention

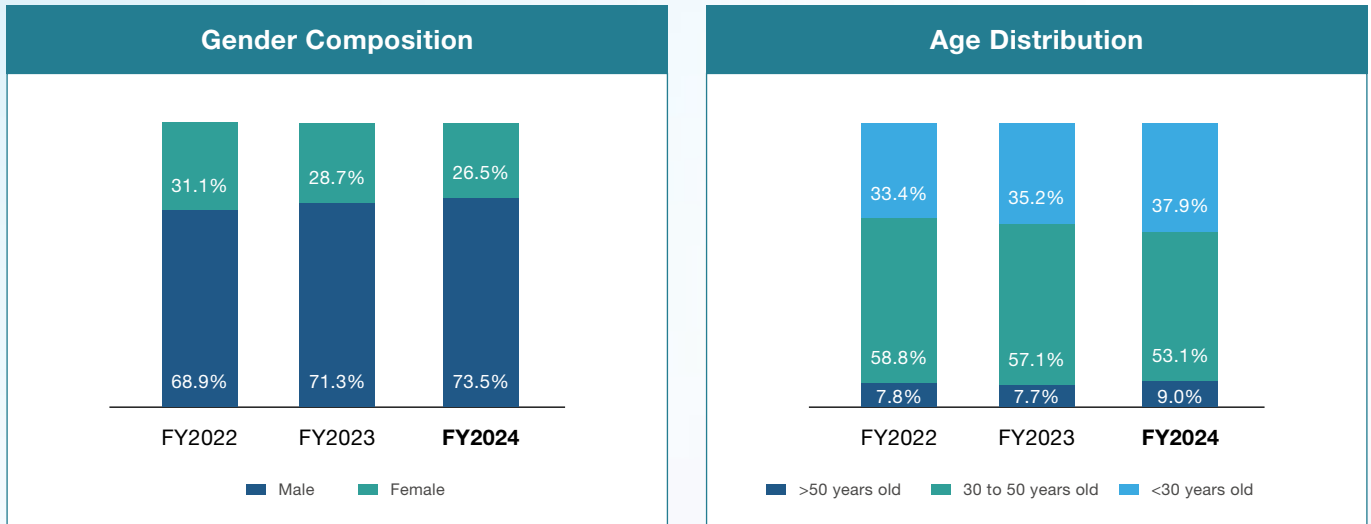
### Workforce Diversity

We believe in the power of a diverse workplace, where individuals from various backgrounds, skills, experiences, age groups, and genders come together to foster creativity and deliver high-quality solutions. Our conviction in treating employees fairly, actively promotes inclusivity and equal opportunities, ensuring that our recruitment processes and policies are designed to attract and retain a diverse talent pool. By embracing diversity, we create an environment that nurtures innovation, collaboration, and understanding, ultimately contributing to our sustainable growth and success.

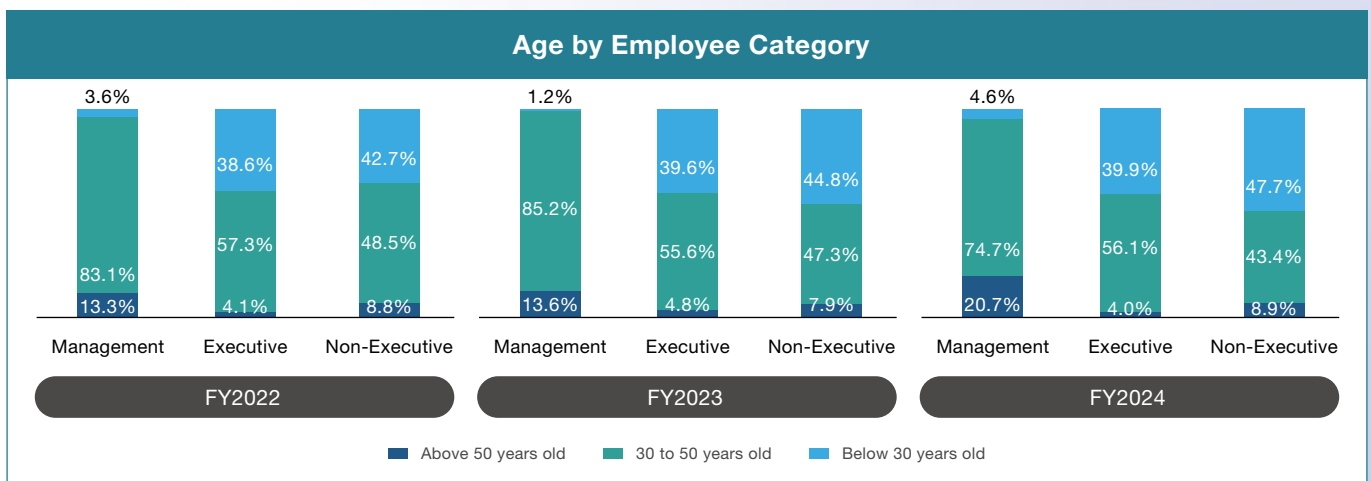
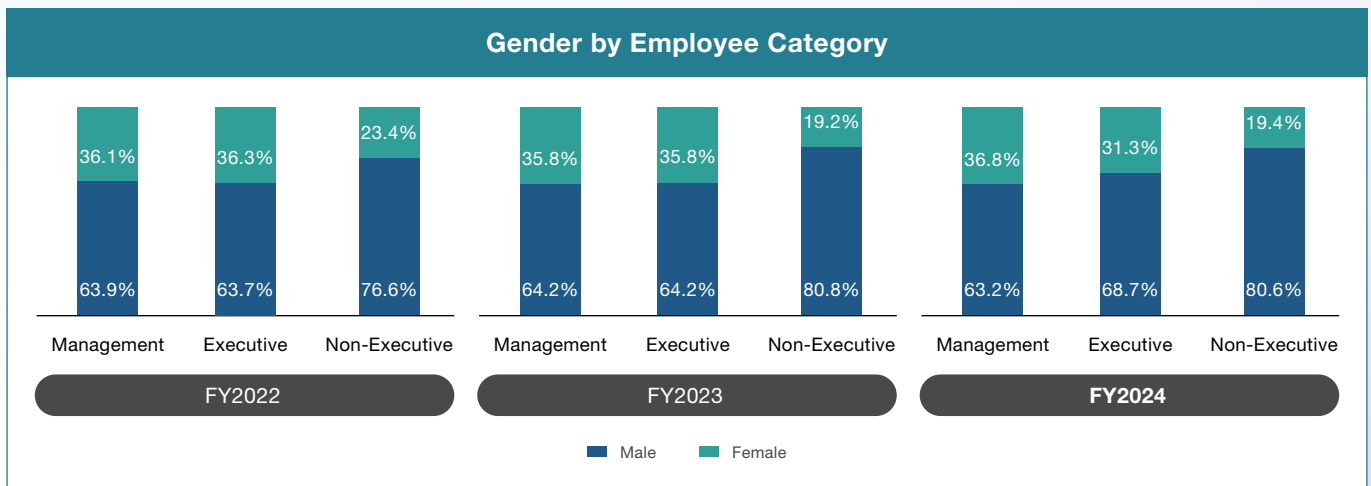
We have seen a steady growth in our workforce, with the number of employees increasing from approximately 425\* in 2022 to 471\* in 2023 and further to 543 in 2024. This growth has resulted in the creation of over 72 new jobs, providing new job opportunities and contributing to our business expansion.

# Sustainability Statement

An overview of our workforce diversity and management team diversity in the past three (3) financial year:



\* Restated due to improvements in data collection.



# Sustainability Statement

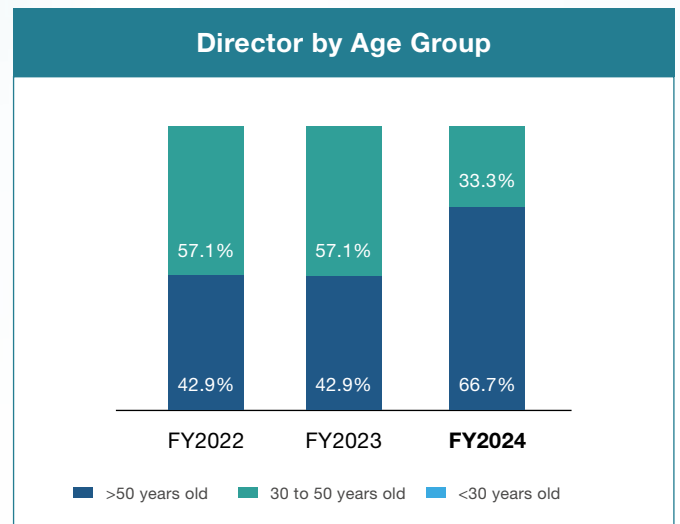
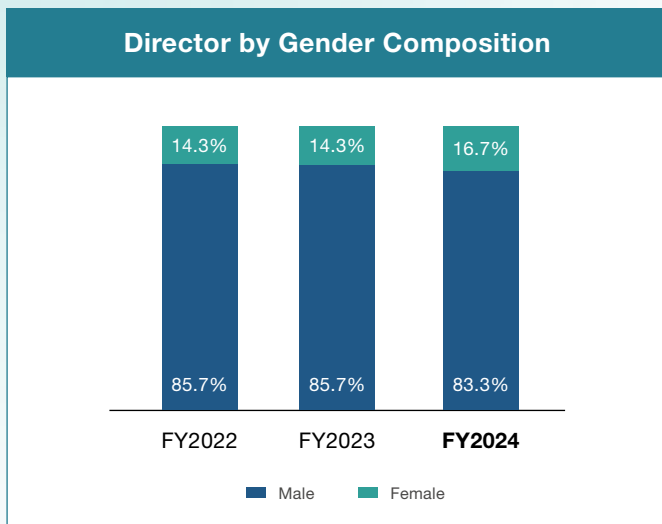
We categorise our employees into different roles to provide a clearer picture of our workforce structure. These roles include management (senior leadership and managers who oversee teams or operations), executives (employees with some supervisory responsibilities, overseeing a small team or specific tasks), and other non-executive roles. This classification helps us understand and address diversity across different levels of the organisation.

In analysing the gender and age composition of our workforce over the years, it is evident that our business environment, which encompasses engineering, manufacturing, construction, and project management, has traditionally had a higher representation of male employees. The nature of heavy machinery manufacturing and construction, which are physically challenging and require remote site postings, has historically resulted in a lower representation of the female workforce. Despite these challenges, we remain committed to promoting diversity and equal opportunities within our organisation.

Over the past three years, our workforce has exhibited a diverse range of age groups. In management, there has been a notable increase in employees above 50 years old, reflecting our value for experience and leadership stability. The executive and non-executive categories also show a healthy mix of age groups, with a significant proportion of employees below 30 years old. Similar reason to the higher male composition due to the demanding nature of heavy machinery manufacturing and construction, the influx of younger talent, including young engineers, highlights the dynamic and evolving nature of our business. This trend is particularly evident in our solar industry segment, which, as a newer industry, naturally attracts a younger workforce eager to drive innovation.

Effective talent attraction and recruitment, career advancement, recognition, and rewards are approached strictly based on employees' performance and merit. We hire based on merits such as skills, experience, and credibility for the role, while also ensuring alignment with our values, culture, and vision. To ensure fairness, we benchmark salaries to reflect prevailing market rates, using recognised job grading systems.

## Board Diversity



Our Board takes cognizance of the importance of diversity in the board composition, encompassing a range of skills, experiences, age groups, and genders. We comply with the Bursa's Main Market Listing Requirement, which mandates at least one female director on the board. Additionally, we have adopted a Fit and Proper Policy to ensure our Board members are of high calibre, competent, and credible. While we have yet to meet the Corporate Governance recommendation of 30% female representation, we are making continuous efforts towards this target. Our director appointments are made based on merit, considering factors such as skills, knowledge, experience, professionalism, and integrity.

The age distribution within our Board of Directors reflects a balanced mix, which enhances governance and the effectiveness of Board deliberations. This diversity allows us to draw from a broad spectrum of perspectives, ultimately contributing to our sustainable growth and success.



# Sustainability Statement

## Employee turnover

Employee turnover refers to the departure of employees from the company, whether voluntary or due to other reasons such as dismissal, retirement, or death in service. It is an important metric as it impacts the continuity and productivity of our workforce. In the current reporting period, turnover by category among our employees included 4 managers, 53 executives, and 42 non-executives.

The turnover among executives and non-executives reflects our dynamic workforce environment, where we actively recruit and develop young talent. Many of our younger employees, particularly those aged below 40, seek opportunities for career advancement and professional growth. This demographic tends to value career progression and diverse experiences, often leading them to explore new opportunities or roles within and outside the organisation.

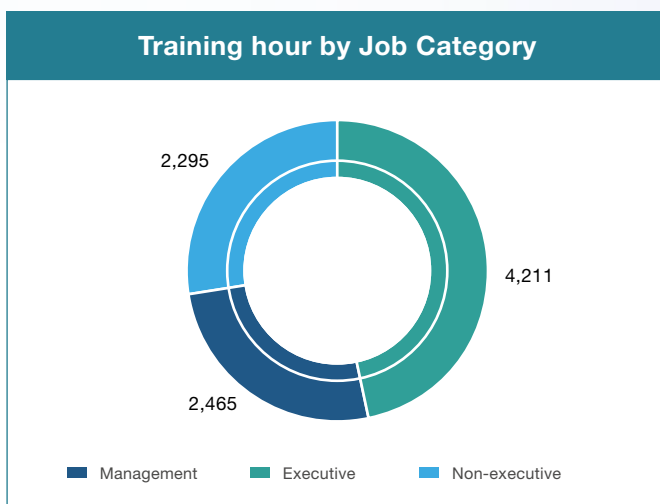
In conjunction with our retention strategies and career development opportunities within the group, employee turnover highlights our commitment to nurturing talent, fostering career progression, and maintaining an adaptable workforce environment. We continually implement measures to ensure seamless transitions, preserve institutional knowledge, and sustain operational continuity.

## Learning and development

Our commitment to employee management, development, and talent retention extends into the realm of learning and development. We recognise that continuous learning and skill enhancement are crucial for both individual and organisational growth.

To cultivate a high-performance culture and unlock the potential of our workforce, we conduct Training Needs Analysis exercise to identify areas for development and provide targeted training opportunities. We continue to expand this practice to all subsidiaries. By regularly assessing the training needs of our employees and aligning the available training programs with those needs, we aim to bridge any skill gaps, promote continuous learning, and empower our workforce to thrive in their roles.

In the current reporting period, the total hours of training by employee category were as follows:



For FY2024, we set targets for average training hours per employee, aiming for 16 hours for Executive level and above staff, and 10 hours for non-executive level staff. We have exceeded our targets for Executive level and above staff, achieving an average of 23 hours. However, for non-executive level staff, we reached an average of 9 hours, slightly below our target. While we exceeded expectations for our executive staff, we recognise the need to enhance our support for non-executive staff to ensure they also meet and exceed their training targets. We will maintain these targets for FY2025, continuing our efforts to provide comprehensive training across all employee categories. These targets reflect our commitment to providing more learning opportunities across various domains, including technical skills, sustainability, and soft skills development.

We believe that investing in a comprehensive training program that goes beyond direct work-related skills is essential to instilling a culture of sustainability and promoting overall employee growth. By offering training on environmental practices, we empower our employees to actively contribute to our sustainability initiatives, ensuring that our commitment to environmental stewardship is embedded in their day-to-day actions, both in the workplace and in their personal lives. Additionally, providing training on governance, including our Code of Ethics and Anti-Bribery and Anti-Corruption (ABAC) policies, strengthens our employees' understanding of ethical conduct and their role in upholding our high standards of integrity.

# Sustainability Statement

## Welfare

At our Group, we prioritise the well-being and welfare of our employees as a fundamental aspect of our sustainability commitment. We believe that by taking care of our employees' physical, mental, and emotional well-being, we create a positive and inclusive workplace culture that contributes to their long-term happiness and success. To achieve this, we provide a range of welfare programs and initiatives that support their overall well-being.

We understand the importance of maintaining a healthy work-life balance and strive to provide our employees with a safe, comfortable, and conducive working environment. By ensuring that our employees have a supportive workplace, we enable them to utilise their working hours in a productive and effective manner. In addition, we offer a variety of benefits and activities for the betterment of staff welfare including annual and monthly employees' engagement activities, health and wellness benefits, and comprehensive medical coverage. Furthermore, we believe in creating an inclusive and harmonious work environment where every employee feels valued and respected.

This year, we introduced several new initiatives to further enhance employee welfare. One of them is the Perkeso Sehati health screening program, conducted at our office for the convenience of our staff. This free screening, provided by the government, was organised by our HR and Administration team at our corporate premises. Employees eligible for the scheme were guided through the registration process, eliminating the need for them to book appointments and travel to clinics, thus saving valuable time. The initiative was well-received and appreciated by many.

Our subsidiaries also played a vital role in promoting employee well-being by organising activities such as community & charity runs, annual trips, and festive celebrations. These events encourage camaraderie, teamwork, and a sense of community among our staff, contributing to a more engaging and supportive workplace.

By prioritising the well-being and welfare of our employees, we create a healthy and supportive work environment that promotes employee satisfaction, engagement, and overall productivity.

## Fair labour practices and standards

At our Group, we are committed to supporting and respecting internationally recognised human rights and labour standards. We adhere to the principles set forth in the Universal Declaration on Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights of Work. Our policies and practices reflect our dedication to conducting business in a manner that upholds the rights and dignity of all individuals, in compliance with applicable regulations and laws. We strive to ensure that these fundamental rights are respected throughout our operations, value chain, and the communities in which we operate.

These include non-discrimination, equal opportunities, and a zero-tolerance approach towards any form of harassment or exploitation. By embracing these principles, we aim to create a work environment that is inclusive, respectful, and supportive, where everyone has equal opportunities to thrive and succeed.

Furthermore, we prioritise human rights and labour standards in various aspects of our operations. This encompasses workplace safety and health, workplace security, fair wages, reasonable working hours, and comprehensive benefits. We recognise that it is our responsibility to actively identify and address any potential infringements of human rights and labour standards, whether they arise directly or indirectly from our business activities or relationships.

Approximately 61% of our workforce includes contractors, contract employees, and temporary staff, with contractors making up the substantial majority. Contractors are individuals or entities engaged onsite or offsite to support our geographically diverse operations across multiple states in Peninsular and East Malaysia, as well as internationally. Outsourcing to contractors for project execution allows us to efficiently manage resources and costs while maintaining flexibility and mobility across our various project sites. By engaging local contractors, we optimize workforce utilisation, reducing idle time and overstaffing, which is crucial in our dynamic industry.

In certain roles and positions, we may hire employees on short-term contracts, typically ranging from six months to one year. Additionally, we also value the expertise of retired staff members, retaining them as advisors to provide guidance and support. Temporary staff are selectively hired to fill specific roles, such as during maternity leave, ensuring operational continuity without significantly altering our permanent workforce composition.

# Sustainability Statement

There were no substantiated complaints concerning human rights violations within our Group over the past three fiscal years. This reflects our ongoing commitment to maintaining a respectful and compliant work environment.

To guide our efforts, we have developed our Human Rights and Labour Standards Policy, which is readily available on our company website. This policy serves as a guiding framework to ensure a fair, inclusive, and conducive work environment that upholds the well-being and rights of all individuals involved.



The above is in line with Goal 8 of SDG “decent work and economic growth”, where the Group promotes a safe and secure working environment for all workers.

## Occupational safety and health

At BM GreenTech’s Group of Companies, we uphold a steadfast commitment to ensuring the safety and well-being of our employees, contractors, and stakeholders across all operations. We prioritise compliance with internationally recognised safety standards and regulations, fostering a culture where safety is paramount.

The safety and health incidents covering both contractors and employees reported during the financial year are summarised as follows:

	FY2024
Total Hours Worked	<b>2,767,104</b>
Number of Workplace-Related Fatalities	<b>1</b>
Number of Lost Time Injuries	<b>6</b>
Lost Time Incident Frequency Rate (LTIFR) per million work hours	<b>2.17</b>

### Number of Workplace-Related Fatalities

During the financial year, we regret to report one fatality accident at a customer site involving a contractor’s employee. This incident prompted a rigorous accident investigation to identify root causes and implement preventive measures. Moving forward, we are enhancing our contractor safety management systems to strengthen procedures, practices, and supervision, particularly at project sites, with the aim of achieving zero incidents next year and maintaining this standard in future years.

### Lost Time Incident Frequency Rate (LTIFR)

During the financial year, we experienced six lost time injury incidents, resulting in an LTIFR of 2.17 per 1 million hours worked. These incidents highlight the critical importance of our ongoing efforts to enhance workplace safety. Considering these events, particularly the unfortunate fatality at a customer installation site, we have intensified our safety protocols across all operations. We have strengthened our contractor safety management systems, improved supervision, and implemented more stringent safety procedures, especially at project sites. Additionally, we have increased the frequency and scope of safety training sessions to ensure all employees are thoroughly familiar with safety standards and protocols.

To reduce the LTIFR and improve overall safety performance, our target for the next year is to reduce the LTIFR by 10% from the average LTIFR for the past 3 years of 1.89, bringing it down to 1.70. This goal reflects our commitment to continuous improvement in workplace safety and injury prevention.

# Sustainability Statement

## Number of Employees Trained on Health and Safety Standards

Given the operational scope of our manufacturing and installation activities across diverse sites, our workforce regularly encounters risks such as working at heights, heavy lifting, and confined spaces. Our training program is designed to mitigate these risks through comprehensive Hazard Identification, Risk Assessment, and Risk Control (HIRARC) processes, along with specialised training tailored to specific hazards identified. This ensures that all employees, particularly those directly engaged in manufacturing and installation, receive essential safety and health training aligned with legal and regulatory standards.

Throughout the financial year, a total of 189 employees underwent training on health and safety standards, ensuring they are equipped to manage occupational hazards effectively. In addition, we also provide safety briefings to general workers at our manufacturing plant and installation site.

Moreover, we conduct regular safety training sessions on fire drills, evacuation procedures, basic firefighting and first aid for all employees, promoting preparedness and adherence to safety protocols. These sessions are periodically offered to ensure ongoing readiness across the organisation.



## Initiatives to Enhance Workplace Safety

Throughout the fiscal year, we have intensified communications and training sessions with our contractors to reinforce safety requirements and policies. Contractors are committed to upholding safety protocols and ensuring quality installation work within specified timelines while prioritising safety. They receive training on our safety policies, procedures, and the importance of compliance with Department of Occupational Safety and Health (DOSH) regulations. Regular toolbox briefings, specialised training sessions, and provision of Personal Protective Equipment (PPE) further support our commitment to safety in day-to-day operations.

Our Safety and Health Committee remains dedicated to continuous improvement, regularly reviewing policies and procedures to align with industry best practices and regulatory requirements. We conduct thorough investigations into incidents and implement corrective actions to prevent recurrence. By fostering a strong safety culture and investing in ongoing training and development, we aim to safeguard the well-being of our employees and maintain a safe, secure workplace environment.

## ISO 45001 certification

Our Bio-Energy segment in Malaysia, which involves manufacturing and installation activities at sites, has initiated the process to achieve ISO 45001 certification. This effort, kicked off subsequent to the financial year end, underscores our dedication to maintaining the high standards of occupational health and safety. We are committed to completing the certification process by FY2025.



# Sustainability Statement

## Safety Target

Through these efforts, we reinforce our pledge to uphold the highest standards of occupational safety and health, ensuring that every individual within our organisation operates in a safe and supportive environment.

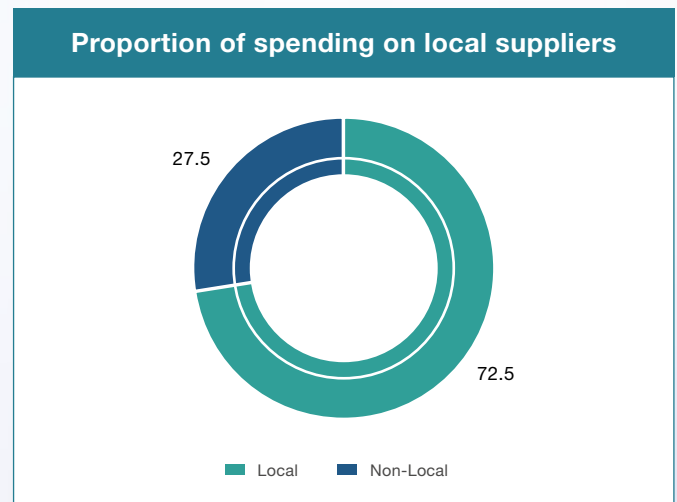
Material Matter	Target
Occupational Safety and Health	Zero Fatality
	10% improvement in LTIFR in FY2025
	1 company within the Group achieving ISO 45001 certification by FY2025
Labour standards	Zero substantiated complaints concerning human rights violations

## Supply chain management

Effective supply chain management and robust supplier relations are critical components of our social and economic pillar. By supporting local suppliers and service providers, we strengthen the social fabric of the communities in which we operate as well as bolster the local economy.

Our Group emphasises supporting local suppliers, recognising the importance of their role in driving economic growth and stability within the communities where we operate. By prioritising local procurement, we contribute to the economic well-being of these communities, indirectly attracting additional investment and enhancing local infrastructure.

For reporting purposes, we define local suppliers as those based within the same country as our operations, where no transnational payments are made. For the financial year ended March 31, 2024, 72.5% of our total procurement spending was directed towards local suppliers. This significant proportion demonstrates our commitment to local sourcing and its positive impact on the local economy. By engaging local suppliers, we ensure a reliable supply chain, reduce transportation emissions, and promote a stable local economy. Additionally, local sourcing helps us maintain strong community relations, which are essential for our long-term business success.



This year marks our first disclosure of the proportion of spending on local suppliers, reflecting our commitment to transparency and accountability. We will continue to track and report on this metric, striving for continuous improvement in our local sourcing practices.

To further strengthen our supply chain, we engage with our suppliers and service providers through various initiatives. We conduct supplier assessments during the registration and pre-qualification stages, as well as annual performance reviews, to ensure that our suppliers meet our stringent quality and sustainability standards. Our assessments consider not only quality and price but also other sustainability factors such as ethical dealings, zero corruption, safety and health, and environmental impact.

Moreover, we work closely with our suppliers to help them upgrade their quality and sustainability practices. This includes providing support to enhance their operational efficiency, offering guidance on best practices, and collaborating on improvement initiatives. Through these efforts, we aim to build strong, mutually beneficial relationships that enhance both our business operations and the social fabric of the communities we serve.

# Sustainability Statement

## Community engagement and contributions

Our commitment to social responsibility extends beyond our operations to positively impact the communities in which we operate. Through various initiatives, we strive to address community needs and promote sustainable development. This includes supporting local schools, contributing to community health and welfare projects, and participating in environmental conservation efforts.

During the year, we engaged in a few community-focused activities as below:

### *Empowering Communities, Securing Our Future Generations*

Investing a total of RM13,350 in our community, we directed these funds across five (5) schools during the reporting period. These contributions were specifically aimed at enhancing educational facilities and providing necessary resources to benefit students in our communities. By investing in local schools, we aim to empower future generations with better learning environments and educational opportunities.

### *Gift of life, in every drop*

During the fiscal year, we organized a blood donation drive in collaboration with local hospitals at our corporate premises. This initiative aimed to support local healthcare systems and encourage voluntary blood donations among our employees and the community. The event saw supportive participation from our staff, demonstrating our commitment to contributing to public health initiatives and community welfare.



### *Rooted in Conservation, Growing for Coastal Resilience*

As highlighted earlier, we participated in a mangrove planting initiative in collaboration with our holding company and volunteers. Beyond its environmental impact in preserving natural habitats crucial for coastal protection, erosion prevention, and carbon sequestration, our employees came together during this initiative, fostering stronger teamwork and camaraderie. This collective effort not only enhanced our environmental consciousness but also strengthened our community engagement, showcasing our dedication to corporate social responsibility and sustainable practices that benefit both ecosystems and our team spirit.



# Sustainability Statement

## GOVERNANCE



### Ethical business practice, anti-corruption, data privacy and security

In our commitment to uphold high ethical standards and sustainable business practices, we embed strong business ethics in our corporate culture and operations. The Group maintains a strong stance against bribery and corruption, strictly complying with anti-bribery legislation and refusing to engage in any form of bribery. We expect the same commitment from all stakeholders, including Directors, Employees, Suppliers, and Business Associates, who are required to adhere to our anti-bribery policies. Violations of our Anti-Bribery Policy are taken seriously, and appropriate actions will be taken, such as dismissal, termination of business relationships, and reporting to the authorities in accordance with relevant laws and regulations.

To foster a culture of integrity and ethical behaviour, we have established an Anti-Bribery and Anti-Corruption Framework, accompanied by relevant Policies and Procedures. Our Code of Ethics sets clear standards for ethical conduct and is communicated to all Directors, Senior Management, Employees, Suppliers, and Business Associates. Additionally, we have established a whistleblowing channel to facilitate the reporting of any actual or suspected malpractices, including unethical behaviour.

To mitigate the risk of corruption, we conduct annual assessments to identify and address potential corruption risks. We also require our Suppliers and Business Associates to declare and sign our Code of Business Ethics, reaffirming their commitment to ethical business practices. All Directors and Employees undergo Code of Ethics training during onboarding or refresher sessions, and they sign an integrity declaration, reaffirming their dedication to upholding ethical standards.

Governance Indicators	FY2022	FY2023	FY2024
Employees received anti-corruption training	100%	100%	<b>100%</b>
Operations assessed for corruption-related risk	100%	100%	<b>100%</b>
Confirmed incidents of corruption	Zero	Zero	<b>Zero</b>
Violations of our Anti-Bribery Policy	Zero	Zero	<b>Zero</b>
Whistleblowing cases	Zero	Zero	<b>Zero</b>
Substantiated complaints concerning breaches of customer privacy and losses of customer data	Zero	Zero	<b>Zero</b>

# Sustainability Statement

During the financial year, all our operations underwent assessments for corruption-related risks, underscoring our commitment to proactive risk management. We are pleased to report that there were no confirmed incidents of corruption, and no violations of our Anti-Bribery Policy were reported. Additionally, there were no whistleblowing cases related to bribery and corruption, nor were there any substantiated complaints concerning breaches of customer privacy or losses of customer data over the financial years ended March 31, 2022, 2023, and 2024.

Our continuous efforts in promoting ethical business practices and maintaining a robust anti-bribery framework reflect our unwavering dedication to conducting business with integrity and transparency. Moving forward, we aim to achieve zero incidents of corruption and zero substantiated complaints concerning breaches of customer privacy and losses of customer data in the coming year, demonstrating our proactive stance on governance and risk management.



**The actions of establishing policies, procedures and controls to combat corruption is in line with Goal 16 of SDG, “peace, justice and strong institutions”, with the objective of reducing corruption and bribery in all their forms.**

## Towards a Sustainable Future

This year marks a significant milestone as we transition to BM GreenTech, a name that reflects our commitment to pioneering green technology solutions. As one of the leaders in sustainable innovation, we continue to empower industries to adopt environmentally responsible practices and enhance operational efficiencies through our innovative products.

Our dedication to sustainability is unwavering. By integrating BM GreenTech solutions, our customers not only achieve their environmental goals but also contribute to a cleaner and more sustainable future. Together, we are forging a greener path, where every decision and action aligns with our vision of environmental stewardship and responsibility.

As we look ahead, our focus remains on developing and expanding our portfolio of green technologies. These advancements not only address current challenges but also inspire others to join us on this journey towards sustainability.

Let’s embrace the opportunities of today to create a sustainable tomorrow. Together, we can make a meaningful difference and shape a brighter future for all.



# Sustainability Statement

## Performance Data Table from Bursa Malaysia's ESG Reporting Platform

Indicator	Measurement Unit	2024
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	5,082.00
<b>Bursa (Emissions management)</b>		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	976.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	579.00
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	22.220000
<b>Bursa (Waste management)</b>		
Bursa C10(a) Total waste generated	Metric tonnes	472.13
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	342.32
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	147.81
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	4.60
Management Between 30-50	Percentage	74.70
Management Above 50	Percentage	20.70
Executive Under 30	Percentage	39.90
Executive Between 30-50	Percentage	56.10
Executive Above 50	Percentage	4.00
Non-executive Under 30	Percentage	47.70
Non-executive Between 30-50	Percentage	43.40
Non-executive Above 50	Percentage	8.90
Gender Group by Employee Category		
Management Male	Percentage	63.20
Management Female	Percentage	36.80
Executive Male	Percentage	68.70
Executive Female	Percentage	31.30
Non-executive Male	Percentage	80.60
Non-executive Female	Percentage	19.40
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	83.30
Female	Percentage	16.70
Under 30	Percentage	0.00
Between 30-50	Percentage	33.30
Above 50	Percentage	66.70
Bursa C6(a) Total hours of training by employee category		
Management	Hours	2,465
Executive	Hours	4,211
Non-executive	Hours	2,295
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	4
Executive	Number	53
Non-executive	Number	42

# Sustainability Statement

Indicator	Measurement Unit	2024
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	61.00
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	1
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	2.17
Bursa C5(c) Number of employees trained on health and safety standards	Number	189
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	72.50
<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	13,350.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	5
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

# Sustainability Statement

## INTERNAL AUDIT LIMITED ASSURANCE STATEMENT

QL Resources Berhad's Group Internal Audit Department, was engaged by BM Greentech Berhad to provide limited assurance on selected common indicators included in the Sustainability Statement 2024.

### Conclusion

Based on our review, nothing has come to our attention that would lead us to believe that the below listed 21 common indicators included in the Sustainability Statement 2024, are not represented, in all material respects, in a fairly accurate manner.

Matters	Common Indicators	Ref	UOM	Final Outcome
Anti-corruption	Anti-corruption training	C1(a)	% of employees	100%
	Corruption-related risks assessment	C1(b)	% of operations	100%
	Corruption incidents	C1(c)	No. of incidents	Nil
Community/Society	Investment in the community	C2(a)	RM	RM 13,350
	Beneficiaries of the investment	C2(b)	No. of beneficiaries	5 schools
Diversity	Employees' diversity by gender and age group	C3(a)	% of employees	<b>Gender group</b> Male 73.5% Female 26.5%  <b>Management</b> Male 63.2% Female 36.8%  <b>Executive</b> Male 68.7% Female 31.3%  <b>Non-Executive</b> Male 80.6% Female 19.4%  <b>Age group</b> Under 30 37.9% 30 to 50 53.1% Over 50 9.0%  <b>Management</b> Under 30 4.6% 30 to 50 74.7% Over 50 20.7%  <b>Executive</b> Under 30 39.9% 30 to 50 56.1% Over 50 4.0%  <b>Non-Executive</b> Under 30 47.7% 30 to 50 43.4% Over 50 8.9%
				Directors' diversity by gender and age group
Energy Management	Energy consumption	C4(a)	Gigajoules (GJ)	18,296 GJ (Equivalent to 5,082 MW)
Health & Safety	Number of work-related fatalities	C5(a)	No. of fatalities	1
	Lost time incidents	C5(b)	Frequency rate	2.17 per million hours
	Health & safety training	C5(c)	No. of employees	189

# Sustainability Statement

Matters	Common Indicators	Ref	UOM	Final Outcome
Labour Practices & Standards	Employee training hours	C6(a)	No. of hours	Management 2,465 hrs Executive 4,211 hrs Non-Executive 2,295 hrs
	Contract / temporary employees	C6(b)	% of employees	61%
	Employee turnover	C6(c)	No. of employee	Management 4 Executive 53 Non-Executive 42
	Human rights violations	C6(d)	No. of complaints	Nil
Supply Chain Management	Spending on local suppliers	C7(a)	% of spending	72.5%
Data Privacy & Security	Breaches of customer privacy and losses of customer data	C8(a)	No. of complaints	Nil
Water	Water consumption	C9(a)	Megalitres	22.218 ML
Waste Management	Waste management	C10(a)	MT	Non-Hazardous 463.47 MT Hazardous 8.66 MT
Emissions Management	Scope 1 emissions	C11(a)	tCO <sup>2</sup> e	976 tCO <sup>2</sup> e
	Scope 2 emissions	C11(b)	tCO <sup>2</sup> e	579 tCO <sup>2</sup> e

## Procedures Adopted

The review procedures applied primarily comprises process evaluation, documentary reviews & sampling test on data. Internal auditors selected samples of the 21 common indicators across the six (6) in-scope entities within the Group to:

- Assess the adequacy of procedures pertaining to the data collection, submission and consolidation as well as the internal controls therein.
- Review appropriateness of formulas & also accuracy of the mathematical calculation that derived the concluded common indicators to be reported in the Sustainability Statement 2024.

## Scope of Work and Limitation

- The review on the 21 common indicators covers only data collected for one (1) financial year i.e. financial year ended 31 March 2024. The review does not carry out any procedures with respect to earlier periods.
- The review does not carry out any procedures with respect to any other elements included in the Sustainability Statement 2024 and, therefore, do not express any opinion thereon.
- The review did not examine any of the underlying financial information, analysis, commentary, opinion, commitment and future plans expressed in the Sustainability Statement.
- The review involved performance of limited substantive testing on a sampling basis by inspecting documents, reports, data capture forms and invoices.

*QL Resources Berhad's  
Group Internal Audit Department*

25<sup>th</sup> June 2024

# Corporate Governance Overview Statement

The Board of Directors (“Board”) of BM GreenTech presents this Statement to provide an overview of the Company’s application of the Principles set out in the Malaysian Code on Corporate Governance 2021 (“MCCG”) for the financial year under review and up to the date of this Statement.

The Board recognises the importance of implementing high standards of corporate governance in the Company and its subsidiaries for discharging its duties and responsibilities at the best interest of its shareholders and stakeholders. In adopting corporate governance practices, the Board is ever mindful in making its business decisions where amongst the key considerations are transparency, accountability, ethical culture, sustainability and financial performance.

This Corporate Governance (“CG”) Overview Statement, which was approved by the Board, shall be read together with the Corporate Governance Report 2024 (“CG Report”) of the Company which provides the details on how the Company has applied, or departed from, each CG practice. The CG Report is available on the Company’s website at [www.bmgreentech.com](http://www.bmgreentech.com).

**Principle A:**

## Board Leadership and Effectiveness

### I. Board Responsibilities

The Company is led by a Board who is responsible for the overall business direction of the Group. The Board provides stewardship to the Company and oversees the conduct of the business affairs of the Group’s operations and performance in achieving long term values to shareholders as well as other stakeholders of the Group.

The Company has established a Board Charter, to serve as a source of reference and primary guide to the Board and Senior Management as it sets out the roles, functions, composition, operation and processes of the Board and seeks to ensure that all Board members are fully aware of their duties and responsibilities. This also enables the Board to function effectively and with proper accountability. The Board Charter has outlined matters reserved for the Board’s deliberation and decision. This is to ensure that the powers and direction of the Company are vested in the Board.

The Board Charter is accessible on the Company’s website at [www.bmgreentech.com](http://www.bmgreentech.com).

To assist in the discharge of its stewardship role, the Board has delegated and conferred some of its authorities and powers to its Committees, namely the Audit Committee, Nomination Committee and Remuneration Committee. The demarcation of roles and responsibilities of the Board, Board Committees, Chairman and Group Managing Director, is summarised as follows:

**BOARD**

Responsible for the overall business direction and conduct of the Group’s business.

**BOARD CHAIRMAN**

Responsible for leadership of the Board, by ensuring effective conduct of the Board and effective communication with shareholders and stakeholders.

**AUDIT COMMITTEE (“AC”)**

Oversees matters relating to financial reporting, external audit, internal audit, related party transactions, conflict of interest situations and risk management.

**NOMINATION COMMITTEE (“NC”)**

Oversees matters pertaining to the structure, size and composition of the Board and Board Committees, including identifying and nominating candidates to fill Board/Board Committee vacancies and the annual evaluation of the Board, Board Committees and individual Directors.

**REMUNERATION COMMITTEE (“RC”)**

Reviews and recommends to the Board the remuneration of Directors and Senior Management to align with the long-term objectives, business strategy and performance of the Group.

**GROUP MANAGING DIRECTOR**

Responsible for ensuring efficiency and effectiveness of the Group’s operations, implementing policies, strategies and decisions adopted by the Board and highlighting material and relevant matters to the attention of the Board in an accurate, comprehensive and timely manner.

# Corporate Governance Overview Statement

The Board is led by Dr. Chia Song Kun, a Non-Independent Non-Executive Director, whereas the Group Managing Director position is held by Mr. Chia Lik Khai. The Group Managing Director shall undertake the role and function of Group Managing Director of BM GreenTech Group. There is a clear separation between the Chairman's role and the Group Managing Director's role to ensure a division of responsibilities and a balance of power, control and authority.

Whilst Dr. Chia Song Kun focuses on providing overall leadership to the Board, the Independent Audit Committee Chairman, namely Mr. Ng Swee Weng, provides checks and balances by leading the Audit Committee to independently oversees and scrutinises the Group's financial reporting and related matters, external and internal audits, related party transactions, including any conflict of interest situations and system of internal controls and risk management.

The Nomination Committee is chaired by an Independent Director, Mr. Ng Swee Weng, to lead the Nomination Committee to objectively and independently perform its duties, including overseeing matters pertaining to the structure, size and composition of the Board and Board Committees, identifying and nominating candidates to fill Board and Board Committee vacancies, conducting the annual evaluation of the Board, Board Committees and individual Directors, assessing the retiring directors to be re-elected at the Company's annual general meetings and overseeing Directors' training needs and succession planning.

The Board remains committed to conducting its business in accordance with the highest standards of business ethics and in compliance with all the relevant laws, rules and regulations. The Company has established a Code of Ethics which sets out the standards of conduct expected from the Directors and employees of the Group, to ensure an ethical culture and high standards of behaviour are cultivated and promoted at all levels of the Group.

To further fortify the Group's governance framework, a Whistleblower Policy has been formalised to enable internal and external stakeholders of the Group to raise in confidentiality any concerns relating to wrongful activities or possible breaches of laws within the Group. The Company's Code of Ethics and Whistleblower Policy are accessible on the Company's website at [www.bmgreentech.com](http://www.bmgreentech.com).

The Board members have unrestricted access to the Company Secretaries who provide sound governance advice to the Board, particularly on Corporate Governance issues and compliance with the relevant laws and regulatory requirements and policies and procedures.

The Board is committed to devoting sufficient time and effort in carrying out their duties and responsibilities, which include attending Board and Board Committee meetings. Details of the attendance of the Directors in office during the financial year under review are as follows:-

Directors	Designation	Meeting Attendance			
		Board	AC	NC	RC
Dr. Chia Song Kun	Non-Independent Non-Executive Chairman	6/6	5/5	2/2	4/4
Chia Lik Khai	Group Managing Director	6/6	-	-	-
Chia Seong Fatt	Alternate Director to Chia Lik Khai	6/6	-	-	-
Gan Chih Soon	Executive Director	6/6	-	-	-
Tee Seng Chun	Alternate Director to Gan Chih Soon	6/6	-	-	-
Ng Swee Weng	Independent Non-Executive Director	6/6	5/5	2/2	4/4
Datuk Wira Roslan Bin AB Rahman <sup>1</sup>	Independent Non-Executive Director	2/2	2/2	-	1/1
Koh Ee Huei <sup>2</sup>	Independent Non-Executive Director	2/2	2/2	-	1/1
Rina Meileene Binti Adam <sup>3</sup>	Independent Non-Executive Director	4/4	3/3	1/1	-
Adrian Chair Yong Huang <sup>4</sup>	Independent Non-Executive Director	5/5	4/4	2/2	3/3
Ho Cheok Yuen <sup>5</sup>	Independent Non-Executive Director	4/4	3/3	1/1	2/2

Note:

- Datuk Wira Roslan Bin AB Rahman appointed as an Independent Non-Executive Director and a member of the Audit Committee, Remuneration Committee and Nomination Committee on 17 November 2023.*
- Ms. Koh Ee Huei appointed as an Independent Non-Executive Director and a member of the Audit Committee, Remuneration Committee and Nomination Committee on 17 November 2023.*
- Ms. Rina Meileene Binti Adam retired as Independent Non-Executive Director and a member of Audit Committee and Nomination Committee on 25 August 2023.*
- Mr. Adrian Chair Yong Huang retired as Independent Non-Executive Director, Chairman of Nomination Committee and a member of Audit Committee and Remuneration Committee on 17 November 2023.*
- Mr. Ho Cheok Yuen ceased as Independent Non-Executive Director and a member of Audit Committee, Nomination Committee and Remuneration Committee with his demise on 27 September 2023.*

# Corporate Governance Overview Statement

The Board acknowledges the importance of continuous education and training programmes for its members to enable the effective discharge of its responsibilities and to be apprised on the changes to regulatory requirements and the impact of such regulatory requirements on the Group. The Company Secretaries circulate to the Board the relevant guidelines on statutory and regulatory requirements and any changes thereto and brief the Board on the updates at Board meetings.

Through the Nomination Committee's annual evaluation of the Board, Board Committees and individual Directors, the Board also assessed the training needs of the Directors. During the financial year under review, the Directors attended various training programme, seminars, workshops, conferences and briefings on topics relevant to the industry and their roles. The details of which are as follows:-

Organisers	Training programmes, briefings, seminars, workshops and conferences attended
<b>Malaysian Institute of Accountants</b>	<ul style="list-style-type: none"> <li>• MIA International Accountants Conference 2023</li> </ul>
<b>Bursa Malaysia</b>	<ul style="list-style-type: none"> <li>• Advocacy Session for Directors and CEOs of Main Market Listed Issuers</li> <li>• Management of Cyber Risk (by Ernst &amp; Young)</li> </ul>
<b>Audit Oversight Board of Securities Commission Malaysia</b>	<ul style="list-style-type: none"> <li>• Oversight of Auditors of Public Listed Companies</li> </ul>

## II. Board Composition

The Board consists of (6) members, comprising two (2) Executive Directors, one (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors. This fulfils the MCCG's recommendation that at least half the Board comprises Independent Directors. The Independent Directors provide unbiased and independent judgment in ensuring that the strategies proposed by the Management are fully and objectively deliberated, challenged and examined, taking into account the interests of shareholders and other stakeholders of the Company. They are essential for protecting the interests of minority shareholders and make significant contributions to the Board's decision making by bringing in the quality of detached impartiality.

The assessment of the independence of each of the Independent Directors is undertaken annually according to the criteria as prescribed by the MCCG and the Listing Requirements.

The Board recognises that diverse professional backgrounds, skills and extensive experience and knowledge are pivotal towards the Group's performance, financial or otherwise. The current Board members possess a diverse range of skills and experience, including, amongst others, in the areas of boiler designing and manufacturing, business, finance, accountancy, auditing, law, education, agro-food, manufacturing and electrical, mechanical and agricultural engineering.

During FY2024, the Nomination Committee assessed and considered the Board candidates' experience, knowledge, professionalism, personality, competency, integrity, independence, and time commitment as well as criteria set by the Directors' Fit and Proper Policy.

After evaluating the candidates, Nomination Committee recommended the proposed appointment of Datuk Wira Roslan Bin AB Rahman and Ms. Koh Ee Huei as Independent Non-Executive Directors arising from the change in the composition of the Board, including the retirement of Ms. Rina Meileene Binti Adam on 25 August 2023, the demise of Mr. Ho Cheok Yuen on 27 September 2023, and the retirement of Mr. Adrian Chair Yong Kuang on 17 November 2023. The Board has subsequently approved the appointment of Datuk Wira Roslan Bin AB Rahman and Ms. Koh Ee Huei as Independent Non-Executive Directors effective from 17 November 2023.

# Corporate Governance

## Overview Statement

The NC was satisfied that Datuk Wira Roslan Bin AB Rahman and Ms. Koh Ee Huei were suitable candidates based on their assessment and fulfilment of the criteria outlined in the Company's Fit and Proper Policy without the need for external independent sources.

The Board, through the Nomination Committee, conducts an annual evaluation of the Board and Board Committees, to determine if the Board and Board Committees have the right composition, adequate information in decision making and have effectively discharged their duties and responsibilities. The individual Directors also undertook a self and peer-assessment of their performance during the financial year under review. Through these assessments, the Board is satisfied that the Board, Board Committees and individual Directors are functioning effectively and collectively possess adequate knowledge and skills to meet the Company's needs.

A summary of key activities undertaken by the Nomination Committee in discharging its duties during the financial year under review is set out below:-

- Reviewed the mix of skills, integrity, competencies, experience, time commitment, contribution and other qualities required of the Board;
- Assessed the performance and effectiveness of the Board, Board Committees and individual Directors;
- Reviewed the composition of the Board and Board Committees;
- Reviewed the performance of the Audit Committee, Nomination Committee and Remuneration Committee and its members;
- Assessed the independence of the Independent Directors where their tenure to serve on the Board shall not exceed a cumulative term limit of nine (9) years;
- Assessed the training needs of the Directors;
- Assessed the Directors who are due for retirement and re-election at the Company's forthcoming AGM;
- Assessed the target and measures on gender diversity on the Board;
- Reviewed the Group's human capital development and talent management plan, including succession planning; and
- Evaluated the proposed candidates for appointment as Directors of the Company.

### III. Re-election of Directors

In accordance to the Company's Constitution, one-third of the Directors or if their number is not three or multiples of three, then the number nearest to one-third shall retire from office by rotation, and are eligible for re-election at each annual general meeting ("AGM").

Retiring Directors are selected on the basis of those who have been longest in office since their last re-election. Additional Directors appointed during the interval between two AGMs are also subject to retirement, and are eligible for re-election at the following AGM.

The Nomination Committee and Board of the Company have considered the annual performance assessment together with the fit and proper criteria set out in the Company's Fit and Proper Policy, for the retiring Directors namely, Datuk Wira Roslan Bin AB Rahman, Ms. Koh Ee Huei and Mr. Chia Lik Khai ("Retiring Directors"); and collectively agreed that they met the criteria of character, experience, integrity, competence and time required to effectively discharge their roles as Directors.

The Board approved the Nomination Committee's recommendation that the Retiring Directors are eligible to stand for re-election at the AGM.

The Retiring Directors had abstained from deliberation and decision on their own eligibility and suitability to stand for re-election at the relevant Nomination Committee and Board meetings.

There are no Independent Directors who have served on the Board for nine (9) years.



# Corporate Governance Overview Statement

## IV. Remuneration

The Remuneration Committee is tasked to review and recommend the remuneration of the Directors and Senior Management for Board's approval. The criteria for determining the appropriate level of remuneration for Executive Directors and Senior Management includes the complexity of the Group's business and the individual's performances and responsibilities. In the case of Non-Executive Directors, the level of remuneration reflects the experience, expertise, level of responsibilities and time commitment undertaken by the respective Non-Executive Director.

The Board has adopted a remuneration policy for Directors and Senior Management of the Company that aimed to attract, motivate and retain individuals of high calibre and talent to drive the Company's business goals and strategies in the long-term. The Remuneration Policy is available on the Company's website at [www.bmgreentech.com](http://www.bmgreentech.com).

The Directors are required to abstain from deliberating and voting on their own remuneration at Board and/or Remuneration Committee Meetings.

The aggregate remuneration of Directors received from the Company and on Group basis for the financial year ended 31 March 2024 is as follows:-

Directors	Fees	Salaries	Bonuses	Other allowances/ emoluments	Benefits in-kind	Total
<b>Group (in RM)</b>						
<b>Non-Executive Director</b>						
Dr. Chia Song Kun	108,000	-	-	14,000	-	122,000
Ng Swee Weng	96,000	-	-	14,000	-	110,000
Datuk Wira Roslan Bin AB Rahman <sup>(1)</sup>	31,267	-	-	4,000	-	35,267
Koh Ee Huei <sup>(2)</sup>	31,267	-	-	4,000	-	35,267
Rina Meileene Binti Adam <sup>(3)</sup>	35,000	-	-	10,000	-	45,000
Adrian Chair Yong Huang <sup>(4)</sup>	56,000	-	-	12,000	-	68,000
Ho Cheok Yuen <sup>(5)</sup>	67,838 <sup>(5)</sup>	-	-	31,027 <sup>(5)</sup>	-	98,865 <sup>(5)</sup>
<b>Executive Director<sup>(6)</sup></b>						
Chia Lik Khai	-	496,140	81,290	76,230	-	653,660
Gan Chih Soon	-	591,990	96,530	128,146	17,400	834,066
Tee Seng Chun	-	539,150	89,560	83,080	17,400	729,190
Chia Seong Fatt	36,000 <sup>(7)</sup>	-	-	-	-	36,000
<b>Company (in RM)</b>						
<b>Non-Executive Director</b>						
Dr. Chia Song Kun	108,000	-	-	14,000	-	122,000
Ng Swee Weng	96,000	-	-	14,000	-	110,000
Datuk Wira Roslan Bin AB Rahman <sup>(1)</sup>	31,267	-	-	4,000	-	35,267
Koh Ee Huei <sup>(2)</sup>	31,267	-	-	4,000	-	35,267
Rina Meileene Binti Adam <sup>(3)</sup>	35,000	-	-	10,000	-	45,000
Adrian Chair Yong Huang <sup>(4)</sup>	56,000	-	-	12,000	-	68,000
Ho Cheok Yuen <sup>(5)</sup>	67,838 <sup>(5)</sup>	-	-	31,027 <sup>(5)</sup>	-	98,865 <sup>(5)</sup>

# Corporate Governance Overview Statement

## Notes:

- (1) *Datuk Wira Roslan Bin AB Rahman appointed as an Independent Non-Executive Director and a member of Audit Committee, Remuneration Committee and Nomination Committee on 17 November 2023.*
- (2) *Ms. Koh Ee Huei appointed as an Independent Non-Executive Director and a member of the Audit Committee, Remuneration Committee and Nomination Committee on 17 November 2023.*
- (3) *Ms. Rina Meileene Binti Adam retired as Independent Non-Executive Director and a member of Audit Committee and Nomination Committee on 25 August 2023.*
- (4) *Mr. Adrian Chair Yong Huang retired as Independent Non-Executive Director, Chairman of Nomination Committee and a member of Audit Committee and Remuneration Committee on 17 November 2023.*
- (5) *Mr. Ho Cheok Yuen passed away on 27 September 2023. His fees and meeting allowance have been converted from Singapore Dollar to Ringgit Malaysia as shown above based on the monthly average exchange rate.*
- (6) *Salaries, bonuses, etc. for Executive Directors derived only from subsidiary.*
- (7) *This refers to Director's fee paid to Mr. Chia Seong Fatt, in his capacity as Director of the Company's subsidiary, Boilermech Sdn Bhd.*

The position of the top three (3) Senior Management of the Group is occupied by the three (3) Executive Directors of the Company, namely Mr. Chia Lik Khai, Mr. Gan Chih Soon and Mr. Tee Seng Chun. Details of their remuneration are as disclosed above. The 4th Senior Management personnel is Mr. Yong Hua Kong, the Managing Director of BM TEK Sdn Bhd (formerly known as Teknologi Enviro-Kimia (M) Sdn Bhd), the 60.23% owned subsidiary of the Company. His remuneration (comprising salary, benefits-in-kind and other emoluments) for the financial year ended 31 March 2024 which is provided herewith in bands of RM50,000 falls within the range of RM650,001 to RM700,000. The 5th Senior Management personnel is Mr. Leong Yew Cheong, the Director of Boilermech Sdn Bhd, the 100% owned subsidiary of the Company. His remuneration (comprising salary, benefits-in-kind and other emoluments) for the financial year ended 31 March 2024 which is provided herewith in bands of RM50,000 falls within the range of RM300,001 to RM350,000.

## Principle B:

## Effective Audit and Risk Management

### I. Audit Committee

The Board has established an Audit Committee to oversee matters relating to financial reporting, external and internal audit, internal controls, risk management, related party transactions and conflicts of interest situations.

The Audit Committee comprises four (4) members, of whom three (3) members, including the Audit Committee Chairman, are Independent Non-Executive Directors and one (1) member who is a Non-Independent Non-Executive Director. The requirements for the Audit Committee to consist of at least three (3) members, all of whom shall be non-executive with majority being Independent Directors and the requirement for the Audit Committee Chairman to be an Independent Director are set out in the Audit Committee's Terms of Reference.

The Audit Committee brings to the Board an independent and objective approach that safeguards the integrity of the Company's financial reporting, which includes ensuring the independence and quality of audit activities which are key to providing objective assurance to the Audit Committee in forming the basis for their recommendations to the Board.

The Audit Committee has also adopted a policy that requires a former partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee and such policy has been incorporated in the Audit Committee's Terms of Reference.

In the annual assessment on the suitability, objectivity and independence of the external auditors, the Audit Committee is guided by the factors as prescribed under Paragraph 15.21 of the MMLR.

The performance of the Audit Committee and its members is evaluated annually by the Nomination Committee and the results are reported to the Board. The evaluation covers key aspects such as the members' independence and discharge of their duties under the Audit Committee's Terms of Reference. Based on the assessment for the financial year ended 31 March 2024, the Board was satisfied with the performance of the Audit Committee and its members. As disclosed earlier in this Statement, the Audit Committee members have attended various training programmes and seminars to broaden their knowledge and keep abreast with the relevant development and changes in laws, regulations, internal control systems and risk environment in which the Group operates.

# Corporate Governance Overview Statement

## II. Risk Management and Internal Control Framework

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

The Board, through the Audit Committee, oversees the risk management matters of the Group, which include identifying, analysing, evaluating, managing, monitoring, treating and mitigating significant risks across the Group. In this respect, the Audit Committee and Board are assisted by the Risk Management Unit (“RMU”), a Management level working committee established to ensure the implementation of an effective management system and to review the adequacy and integrity of the Group’s internal control and management information system.

Further information on the Group’s risk management and internal control framework, as well as the activities carried out during the financial year under review and reporting processes can be referred to in the Statement on Risk Management and Internal Control of this Annual Report.

## III. Anti-Bribery and Anti-Corruption Policy

The Board has established an Anti-Bribery and Anti-Corruption Framework together with relevant Policies and Procedures in-line with the five (5) principles promulgated by the Guidelines on Adequate Procedures issued by the Prime Minister’s Department pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

Through the Anti-Bribery and Anti-Corruption Policy, the Group communicates its stance and controls in combating bribery and corruption in its business operations to its Directors, employees, suppliers and business associates. The Anti-Bribery and Anti-Corruption Policy is accessible on the Company’s website at [www.bmgreentech.com](http://www.bmgreentech.com).

## IV. Insider Trading

In efforts to prevent insider trading in the listed securities of BM GreenTech and to maintain the confidentiality of price sensitive information, the Board has adopted an Insider Trading Code. The Insider Trading Code contains general guidelines for all Directors and employees of BM GreenTech Group to avoid falling foul of insider trading laws and regulations. The Board is not aware of any incidence of insider trading in FY2024 and during the period from 1 April 2023 up to the last practicable date for this statement.

### Principle C:

## Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

### I. Engagement with Stakeholders

The Board recognises the importance of being transparent and accountable to the Company’s stakeholders. The Board provides clear, comprehensive and timely information to stakeholders via various disclosures and announcements, including the quarterly and annual financial results which provide investors with up-to-date financial information of the Group. All the announcements and other information about the Company are available on the Company’s website which shareholders, investors and the public may access via [www.bmgreentech.com](http://www.bmgreentech.com).

### II. Conduct of General Meetings

The Annual General Meeting (“AGM”), which is the principal forum for shareholders dialogue, allows shareholders to review the Group’s performance via the Company’s Annual Report and pose questions to the Board for clarification. Shareholders are encouraged to participate in deliberations at the AGM and seek clarification where needed. During the last AGM held on 25 August 2023, the Chairman provided ample time for the question and answer sessions. All the Directors together with the Group Managing Director and Management were present to respond to all queries raised.

In compliance with Practice 12.1 of the MCCG, Notice of the Company’s forthcoming 14<sup>th</sup> AGM to be held on 12 September 2024 shall be issued at least 28 days prior to the AGM date to allow shareholders sufficient time to review the Company’s Annual Report and explanatory notes supporting the resolutions proposed.

The Board deliberated, reviewed and approved this Corporate Governance Overview Statement on 4 July 2024.

# Other Disclosure Requirements

## 1. Audit and Non-Audit Fees

The amount of audit fees and non-audit fees paid or payable to the external auditors for the financial year ended 31 March 2024 (“financial year”) are as follows:

	Group (RM)	Company (RM)
Audit fees	397,678	123,955
Non-audit fees	5,500	5,500

## 2. Material contracts involving directors, chief executive who is not a director and major shareholders for the financial year

There were no material contracts entered into during the financial year by the Group involving directors’ or major shareholders’ interests. The Company does not have a chief executive who is not a director.

## 3. Material contracts relating to loans involving directors, chief executive who is not a director and major shareholders for the financial year

There were no contracts relating to loans involving directors’ or major shareholders’ interest.

## 4. Recurrent Related Party Transactions (RRPT) of a Revenue or Trading Nature

The shareholders had earlier approved the RRPT as set out in the circular dated 26 July 2023 during the Company’s Annual General Meeting held on 25 August 2023.

The Company had announced on 4 July 2024 that the Company is seeking its shareholders’ approval for the Proposed Renewal of Shareholders’ Mandate for existing RRPT Mandate at the Company’s forthcoming 14<sup>th</sup> Annual General Meeting. The details of the RRPT entered into or to be entered by the Group with related parties are included in the Circular to Shareholders dated 30 July 2024 that is available on the company’s website at [www.bmgreentech.com](http://www.bmgreentech.com).

Details of the aggregate value of the RRPT made during the financial year are set out as below:-

Related parties	Nature of relationship	Nature of transaction	Aggregate value of RRPT for the financial year (RM’000)
QL Resources Berhad (“QL”) Group and BM GreenTech Group <sup>(1)</sup>	QL is the ultimate holding company of BM GreenTech	Provision of engineering solutions and materials in relation to bio-energy systems and water treatment activities; and provision of photovoltaic system (solar power system) to QLB group of companies	17,701
EITA Resources Berhad (“EITA”) Group and BM GreenTech Group <sup>(2)</sup>	A substantial shareholder of EITA is connected to directors of BM GreenTech Group	Purchase of boiler equipment, electronic equipment and maintenance services from EITA Group	1,570

## Other Disclosure Requirements

Related parties	Nature of relationship	Nature of transaction	Aggregate value of RRPT for the financial year (RM'000)
Primem Group and BM GreenTech Group <sup>(3)</sup>	A substantial shareholder of Primem Pte Ltd ("Primem") is a director of a subsidiary of BM GreenTech	Purchase of materials from Primem Group	-
MB Group and BM GreenTech Group <sup>(4)</sup>	Substantial shareholders of MB Group are connected to the Directors of BM GreenTech	Provision of engineering solutions and materials in relation to bio-energy systems and water treatment activities; and provision of photovoltaic system (solar power system) to MB Group	70

**Notes:**

- (1) Dr. Chia Song Kun and Mr. Chia Seong Fatt are deemed as "Interested Directors" and "Interested Major Shareholders" by virtue of their respective substantial shareholdings in QL Resources Berhad ("QL"), which held through CBG (L) Pte Ltd via CBG (L) Foundation and Farsathy Holdings Sdn Bhd respectively. QL is the ultimate holding company of BM GreenTech, held through its wholly-owned subsidiary QL Green Resources Sdn Bhd. ("QLGR"). In addition, Mr. Chia Lik Khai is deemed as an "Interested Director" by virtue of his directorship in BM GreenTech, QLGR and QL.
- (2) Mr. Chia Seong Fatt is deemed interested in EITA, held through Ruby Technique Sdn Bhd via his and his spouse's beneficial interest in Farsathy Holdings Sdn Bhd.
- (3) Mr. Yong Hua Kong, a Director of TEK, is deemed as an "Interested Director" by virtue of his substantial shareholdings in Primem.
- (4) MB Group refers to M.B. Agriculture (Sabah) Sdn Bhd and M.B. Agriculture (Sandakan) Sdn Bhd. Both M.B. Agriculture (Sabah) Sdn Bhd and M.B. Agriculture (Sandakan) Sdn Bhd are held by Imbangan Lestari Sdn Bhd (77.67%) and Farsathy Holdings Sdn Bhd (22.33%) respectively. Imbangan Lestari Sdn Bhd is a wholly-owned subsidiary of CBG (L) Foundation, an entity where Dr. Chia Song Kun and person(s) connected to him have interests; Mr. Chia Seong Fatt is deemed interested in M.B. Agriculture (Sabah) Sdn Bhd and M.B. Agriculture (Sandakan) Sdn Bhd via his and his spouse's beneficial interest in Farsathy Holdings Sdn Bhd.

# Audit Committee Report

The Audit Committee comprises the following members:

Name	Designation	Directorship
Mr. Ng Swee Weng	Chairman	Independent Non-Executive Director
Dr. Chia Song Kun	Member	Non-Independent Non-Executive Director
Datuk Wira Roslan Bin AB Rahman <sup>1</sup>	Member	Independent Non-Executive Director
Ms. Koh Ee Huei <sup>2</sup>	Member	Independent Non-Executive Director
Ms. Rina Meileene Binti Adam <sup>3</sup>	Member	Independent Non-Executive Director
Mr. Adrian Chair Yong Huang <sup>4</sup>	Member	Independent Non-Executive Director
Mr. Ho Cheok Yuen <sup>5</sup>	Member	Independent Non-Executive Director

The Secretary to the Committee is the Company Secretary.

## Attendance at Meetings

During the financial year ended 31 March 2024 (“financial year”), the Audit Committee had convened five (5) meetings, attended by the members as follows:-

Name	Meeting Attendance
Mr. Ng Swee Weng	5/5
Dr. Chia Song Kun	5/5
Datuk Wira Roslan Bin AB Rahman <sup>1</sup>	2/2
Ms. Koh Ee Huei <sup>2</sup>	2/2
Ms. Rina Meileene Binti Adam <sup>3</sup>	3/3
Mr. Adrian Chair Yong Huang <sup>4</sup>	4/4
Mr. Ho Cheok Yuen <sup>5</sup>	3/3

Notes:

- Datuk Wira Roslan Bin AB Rahman appointed as an Independent Non-Executive Director and Member of Audit Committee on 17 November 2023.*
- Ms. Koh Ee Huei appointed as an Independent Non-Executive Director and Member of Audit Committee on 17 November 2023.*
- Ms. Rina Meileene Binti Adam retired as Independent Non-Executive Director and a Member of Audit Committee on 25 August 2023.*
- Mr. Adrian Chair Yong Huang retired as Independent Non-Executive Director and Member of Audit Committee on 17 November 2023.*
- Mr. Ho Cheok Yuen ceased as an Independent Non-Executive Director and a Member of the Audit Committee with his demise on 27 September 2023.*

# Audit Committee Report

## Summary of Works

The main activities undertaken by the Audit Committee during the financial year were as follows:

1. Reviewed the quarterly unaudited financial results and the audited financial statements before submission to the Board of Directors ("Board") for consideration and approval. Members of Senior Management were invited to attend meetings of the Audit Committee to brief and furnish the Audit Committee members with the relevant information and clarification pertaining to the quarterly unaudited financial results and the audited financial statements. The Audit Committee would ensure the financial statements of the Group complied with the requirements of the Companies Act 2016 and the applicable financial reporting standards. The External Auditors were also invited to attend Audit Committee meetings to update the Audit Committee members on the changes in major accounting policies and its subsequent implementation and to answer questions raised by the Audit Committee members during their meetings. The Audit Committee also deliberated on the audit opinion to be rendered by the External Auditors and the key audit matters to be reported.
2. Reviewed the related party transactions entered into by the Group, including the policies and procedures for reviewing recurrent related party transactions of a revenue or trading nature, to ensure that the transactions were fair and reasonable, not detrimental to the minority shareholders and were in the best interest of the Company.
3. Reviewed the operational and financial monitoring by Management of the subsidiaries of the Group.
4. Reviewed the External Auditors' audit plan for the financial year which comprised their scope of audit, audit methodology and timetable, areas of focus and fraud risk assessment prior to the commencement of their annual audit.
5. Reviewed the results of the audit and the Audit Report with the External Auditors.
6. Evaluated the External Auditors' independence, objectivity, effectiveness, performance, technical competency, sufficiency of resources, terms of engagement and reasonableness of audit fees, including taking into consideration the provision of audit and non-audit services by the External Auditors.
7. Reviewed the internal audit plan to ensure adequate scope and comprehensive coverage on the activities of the Group.
8. Reviewed the internal audit reports of the Group, which outlined the audit findings and recommendations for improvements on reported weaknesses to ensure that management action plans are taken to improve the systems of internal control based on the Internal Auditors' recommendations.
9. Reviewed the Group's internal control systems and principal risks identified by Management and Management's plans to manage these risks, including the adequacy of the Group's overall control environment and controls in selected areas representing significant financial and business risks.
10. Reviewed the Anti-Bribery and Corruption Policy and the Whistleblower Policy and Procedures by assessing the Group's existing governance, risk management, internal control systems and practices on prevention of corruption before recommendation to the Board for approval.
11. Reviewed the appropriateness of the proposed final dividend for the financial year, and recommended to the Board accordingly.
12. Reviewed the Board's statements on compliance with the Malaysian Code on Corporate Governance, Audit Committee Report and Statement on Risk Management and Internal Control for inclusion in the annual report.

# Audit Committee Report

During the financial year, the Audit Committee had conducted the meetings with the External Auditors without the presence of the Executive Directors or Management, which allowed the auditors to discuss any issues arising from their audit assignment or any other matter which the External Auditors wished to raise. There were no concerns from the external auditors and they conveyed that they had been receiving full cooperation from managers and staff.

At the Audit Committee (“AC”) Meeting held on 28 May 2024, the Committee reviewed the performance and independence of the external auditors. AC was satisfied with the suitability of the external auditors based on the quality of service and sufficiency of resources they provided to BM GreenTech Group. The AC also considered the information in the Annual Transparency Report presented by the external auditors with reference to the Guidance of MCCG for re-appointment of auditors. Upon completing its review, AC recommended to the Board for approval on the re-appointment as external auditors of BM GreenTech Group.

The Audit Committee Report for the financial year ended 31 March 2024 was prepared and presented by the Audit Committee to the Board for approval on 4 July 2024.

## Internal Audit

The Group engaged an independent professional firm to provide internal audit services with the view of providing assurance to the Board on the adequacy of the Group’s internal control systems to safeguard the Group’s assets. The internal audit function reports directly to the Audit Committee. This function also serves as an avenue to improve current policies and procedures via the recommendation of the Internal Auditors.

The Audit Committee also reviewed the adequacy of the scope, functions, resources and competency of the internal audit functions and assessed the performance of the Internal Auditors in terms of their technical competencies and the manpower resources sufficiency and they have the necessary authority to carry out their work. The Audit Committee is of the opinion that the outsourced professional firm is independent and able to objectively carry out its role as internal auditors.

During the financial year ended 31 March 2024, the Internal Auditors had focused on the processes on certain areas of the Group: Boilermech Sdn Bhd – Project Management and Production Management; had reviewed and assessed the adequacy of the internal controls systems in the subsidiary company.

The Internal Auditors had issued their reports on the above to the Audit Committee detailing their findings and recommendations and Management’s responses to the findings and recommendations.

The total expenses incurred for the internal audit function was RM48,000 for financial year ended 31 March 2024 (RM60,000 for FY2023).

## Terms of Reference

The performance of the Audit Committee was assessed annually through self-evaluation and Nomination Committee had reviewed the results of such assessments before recommending them to the Board. The Board was satisfied that the Audit Committee has discharged its duties and responsibilities in accordance with the Terms of Reference of the Audit Committee.

The Terms of Reference of the Audit Committee is published on the Company’s website at [www.bmgreentech.com](http://www.bmgreentech.com).



# Statement on Risk Management and Internal Control

Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires the Board of Directors of a listed issuer to include in its Annual Report a statement about the state of risk management and internal control of the listed issuer as a group. Accordingly, the Board of Directors (“Board”) of BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad) (“BM GreenTech” or “Company”) is pleased to provide the following statement which outlines the nature and scope of BM GreenTech and its subsidiaries (“Group”)’s risk management and internal control systems for the financial year ended 31 March 2024.

## Board’s Responsibility

The Board acknowledges its responsibility in maintaining a sound and robust system of risk management and internal control to safeguard shareholders’ investments and the Group’s assets. The Board is assisted by the Audit Committee to oversee and monitor the effectiveness of the Group’s risk management system. The Audit Committee meets on a quarterly basis, where principal risks identified and action plans to address the risks will be highlighted by the Risk Management Unit, a Management Committee. The Audit Committee then reports the same to the Board.

The Board and the Audit Committee have received assurance from the Executive Committee that the Group’s risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management and internal control systems of the Group.

In view of the limitations inherent in any system of risk management and internal control, the Board is aware that the system is designed to manage, rather than to eliminate, the risk of failure to achieve the Group’s corporate objectives. Accordingly, the system can only provide reasonable, but not absolute, assurance against material misstatement or loss.

## Risk Management and Internal Control Structure

Risk management and internal controls are regarded as an integral part of the Group’s business management processes. Some of the key elements of the Group’s risk management and internal control system are as follows:

- **Organisation structure**

The Group has established an organisational structure with formally defined lines of responsibility and delegation of authority, augmented by hierarchical reporting culminating in the Board. The organisational structure enables each department to focus on the respective roles and responsibilities assigned to them and enhances operational efficiency and effectiveness.

- **Code of Ethics**

The Group has a formalised Code of Ethics to provide a behavioral framework which sets out the Group’s standards of integrity, acceptable conduct and behavior. The Code of Ethics is communicated to all employees of the Group.

- **Policies and Procedures**

The Group has established policies and procedures for the Group’s core business units, which are clearly communicated to all relevant parties. These policies and procedures are reviewed and updated from time-to-time to adapt to the changing business environment.

# Statement on Risk Management and Internal Control

- **Business performance monitoring**

Business performance is monitored periodically, focusing on both financial and operational results. The Group's annual business plan and budget for all major business units is reviewed and approved by the Board. This plan sets out the key business objectives of the respective business units, the major risks and opportunities in the operations and ensuing action plans.

The Board receives Management's reports on business performance, which include action plans to address areas of concerns, if any. The Audit Committee assists the Board in reviewing quarterly financial results, which are approved by the Board before the same is announced to the regulators and the public.

The Managing Director and his fellow Executive Directors are actively involved in the day-to-day running of the major businesses, including having regular discussions with Senior Management personnel on operational issues.

The internal controls of the Group are further supported by formalised limits of authority for the various committees and personnel as designated. Support functions such as Finance and Internal Audit also play a vital role in the overall control and risk management processes of the Group. Matters beyond the formalised limits of authority for Management are referred upward to the Board for approval.

## Enterprise Risk Management ("ERM") Framework and Policy

The Board has established an ERM Framework and Policy to guide in the identification, assessment, evaluation, treatment and monitoring of principal risks to safeguard shareholders' investments and the Group's assets. The ERM framework is guided by the ISO 31000:2018. The ERM processes are as follows:

- **Risk identification**

This process involves the identification of key risks that could have a material negative impact on the Group's ability to achieve its objectives. During this process, risks are considered from both strategic and operational perspectives, as well as through various sources such as business operations, internal and external audit findings, customer complaints and incidents occurred.

- **Risk rating**

Risks identified are then assessed and ranked based on the severity of consequences and likelihood of occurrence, giving different risk rating to each identified risk. This allows risks to be prioritised and resources to be effectively used in managing the principal risks identified.

- **Risk treatment**

Risk treatment process includes actions, measures and strategies undertaken by Management to bring principal risks to an acceptable rating level. The implementation of risk treatment plans are generally the responsibility of the risk owners and risk delegates.

- **Risk monitoring**

Principal risks identified are monitored by risk owners and risk delegates to ensure the risk ratings remain relevant and that controls that have been put in place remain effective and adequate amidst changing circumstances and business environment. Any changes will be reported, and appropriate action plans will be devised with a view to realign the risk rating to an acceptable level.

The Group adopts a decentralised approach to risk management, whereby all employees take ownership and accountability for risks at their respective levels. The process of risk management and treatment is the responsibilities of the Heads of Department.

# Statement on Risk Management and Internal Control

## Internal Audit Function

The Group outsourced the internal audit function to an independent professional firm, which provides the Board, through the Audit Committee, with assurance on the adequacy and effectiveness of the Group's system of risk management and internal control.

The outsourced internal audit function adopts a risk based approach that focuses on the core activities of the Group for the purpose of identifying areas to be audited on a prioritised basis, vis-à-vis the business risks inherent in the core businesses concerned. The internal audit plan is tabled and approved by the Audit Committee. Action plans are taken by Management to address the observations raised in the internal audit reports, which are presented by the internal auditors to the Audit Committee and subsequently reported upward to the Board. The outsourced internal audit function also follows up on the status of Management's action plans on internal audit observations.

The costs incurred for the internal audit function in respect of the financial year ended 31 March 2024 amounted to approximately RM48,000.

## Review of the Statement on Risk Management and Internal Control

In accordance with Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's External Auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants for inclusion in the Company's Annual Report for the financial year ended 31 March 2024, and reported to the Board that nothing has come to their attention that caused them to believe that the statement intended to be included in this Annual Report, in all material respects:-

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

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

## Conclusion

The Board is of the view that the Group's risk management and internal control systems during the financial year under review up to the date of approval of this statement is adequate and effective to safeguard shareholders' investments, the Group's assets and the interests of customers, regulators and employees.

The Board is of the view that there were no material losses incurred by the Group during the financial year ended 31 March 2024 as a result of weaknesses in internal controls. The Group continues to take the necessary measures to strengthen the risk management processes and internal control environment of the Group.

This Statement on Risk Management and Internal Control was approved by the Board on 4 July 2024.

# Statement of Directors' Responsibilities

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which have been made out in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2024 and of their financial performance and cash flows for the financial year then ended.

In preparing those financial statements, the Directors have:

- selected appropriate accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- ensured applicable accounting standards have been followed;
- prepared financial statements on a going concern basis.

The Directors are responsible for ensuring proper accounting records are kept, which disclose with reasonable accuracy at any time the financial position of the Group and of the Company.

The Directors are also responsible for safeguarding the assets of the Group and of the Company by taking reasonable steps for the prevention and detection of fraud and other irregularities.

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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 March 2024.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding, whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

## CHANGE OF NAME

On 28<sup>th</sup> August 2023, the Company has changed its name from Boilermech Holdings Berhad to BM GreenTech Berhad.

## ULTIMATE HOLDING COMPANY

The Company is a subsidiary of QL Resources Berhad, of which is incorporated in Malaysia and regarded by the Directors as the Company's ultimate holding company, during the financial year and until the date of this report.

## SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

## RESULTS

	Group RM	Company RM
Profit for the year attributable to:		
Owners of the Company	33,637,537	9,225,610
Non-controlling interests	1,901,927	-
	35,539,464	9,225,610

## RESERVES AND PROVISIONS

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

## DIVIDENDS

Since the end of the previous financial year, the Company declared a final single tier dividend of 1.75 sen per ordinary share totalling approximately RM9,030,000 in respect of the financial year ended 31 March 2023 on 25 July 2023 and paid on 13 September 2023.

A final single tier dividend has been recommended by the Directors in respect of the financial year ended 31 March 2024 of 2.25 sen per ordinary share totalling approximately RM11,610,000 subject to the approval of the members at the forthcoming Annual General Meeting of the Company.

# Directors' Report

## DIRECTORS OF THE COMPANY

Directors who served during the financial year until the date of this report are:

Dr. Chia Song Kun  
 Chia Lik Khai  
 Gan Chih Soon  
 Ng Swee Weng  
 Datuk Wira Roslan Bin Abdul Rahman (Appointed on 17 November 2023)  
 Koh Ee Huei (Appointed on 17 November 2023)  
 Chia Seong Fatt (Alternate to Chia Lik Khai)  
 Tee Seng Chun (Alternate to Gan Chih Soon)  
 Ho Cheek Yuen (Demised on 27 September 2023)  
 Rina Meileene Binti Adam (Retired on 25 August 2023)  
 Adrian Chair Yong Huang (Retired on 17 November 2023)

## LIST OF DIRECTORS OF SUBSIDIARIES

Pursuant to Section 253(2) of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office during the financial year and up to the date of the report is as follows:

Benja Boonyakitsombat  
 Chia Khek Ping  
 Hii Hiong Swee  
 Law Chee Wong  
 Leong Jit Min  
 Leong Yew Cheong  
 Liu Chuan Yew  
 Yong Hua Kong

## DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the ordinary shares of the Company and of its related companies (other than wholly-owned subsidiaries) of those who were Director at financial year end (including the interest of the spouse and children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			At 31.3.2024
	At 1.4.2023	Bought	Sold	
<b>Shareholdings in the Company which Directors have direct interests:</b>				
Dr. Chia Song Kun	400,000	-	-	<b>400,000</b>
Chia Lik Khai	500,000	-	-	<b>500,000</b>
Gan Chih Soon	20,674,140	-	-	<b>20,674,140</b>
Chia Seong Fatt	200,000	-	-	<b>200,000</b>
Tee Seng Chun	13,633,140	-	-	<b>13,633,140</b>

# Directors' Report

## DIRECTORS' INTERESTS IN SHARES (CONTINUED)

	Number of ordinary shares			At 31.3.2024
	At 1.4.2023	Bought	Sold	
<b>Shareholdings in the Company which Directors have deemed interests:</b>				
Dr. Chia Song Kun	271,263,106	-	-	<b>271,263,106</b>
Tee Seng Chun	3,520,000	-	-	<b>3,520,000</b>
<b>Shareholdings in the ultimate holding company which Directors have direct interests:</b>				
Dr. Chia Song Kun	1,316,250	-	-	<b>1,316,250</b>
Chia Lik Khai	3,075,200	236,400	(510,000)	<b>2,801,600</b>
Chia Seong Fatt	390,000	-	-	<b>390,000</b>
<b>Shareholdings in the ultimate holding company which Directors have deemed interests:</b>				
Dr. Chia Song Kun	1,002,895,571	574,600	(1,573,900)	<b>1,001,896,271</b>
Chia Lik Khai	285,480	-	-	<b>285,480</b>
Gan Chih Soon	32,760	-	-	<b>32,760</b>
Chia Seong Fatt	289,861,079	521,400	(1,573,900)	<b>288,808,579</b>

By virtue of his interest in the shares of the Company, Dr. Chia Song Kun is also deemed interested in the shares of all subsidiaries disclosed in Note 6 to the financial statements to the extent that the Company has an interest.

None of the other Directors holding office at 31 March 2024 had any interest in the shares of the Company and of its related companies during the financial year.

## DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown in Directors' remuneration below and fixed salaries as full-time employee of the ultimate holding company and/or related companies) 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.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.



# Directors' Report

## DIRECTORS' REMUNERATION

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

	Group RM	Company RM
Fees	461,372	425,372
Remuneration	2,271,143	89,027
Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	34,800	-
	2,767,315	514,399

## ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company during the financial year.

There were no debentures issued during the financial year.

## OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

## INDEMNITY AND INSURANCE COSTS

The Directors and certain officers of the Group and of the Company are covered by Directors and Officers Liability Insurance for any liability incurred in the discharge of their duties. The insurance premium paid during the financial year amounted to approximately RM18,000.

There was no indemnity given to, or insurance effected for auditors of the Company during the financial year.

## OTHER STATUTORY INFORMATION

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

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

# Directors' Report

## OTHER STATUTORY INFORMATION (CONTINUED)

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

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

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

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 March 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

## SUBSEQUENT EVENTS

- (i) On May 30, 2024, the subsidiary of the Company, PT Boilermech had received a Notice of Tax Underpaid Assessment (Surat Ketetapan Pajak Kurang Bayar ("SKPKB")) for Corporate Income Tax ("CIT") and Tax Collection Letter (Surat Tagihan Pajak ("STP")) for Value Added Tax ("VAT") for the financial year ended 31 March 2022. Additional assessment on CIT and VAT amounting to Rp17,085,367,544 (equivalent to RM5,161,500) and Rp1,526,936,679 (equivalent to RM461,300), respectively, has been paid by PT Boilermech on June 14, 2024.

After consultation with a local tax agent, management is of the view that there are grounds for disagreement on the additional assessments including the imposition of penalties. Management has appointed a local tax agent to assist on this matter.

# Directors' Report

## SUBSEQUENT EVENTS (CONTINUED)

- (ii) On 18 June 2024, the Company had executed a legally binding term sheet with the shareholders of Plus Xnergy Holdings Sdn Bhd ("PXH") in respect of the proposed acquisition of the entire equity interest in PXH comprising 66,600,000 ordinary shares in PXH for a purchase consideration of RM110,000,000. The purchase consideration shall be satisfied entirely by way of issuance and allotment of 81,481,482 consideration shares at an issue price of RM1.35 per share subject to satisfactory due diligence and the relevant approvals in the following manner:
- a) 48,888,889 consideration shares, equivalent to approximately 60% of the total consideration shares, shall be issued and allotted to the vendors within 30 days from the completion of conditional share sale agreement; and
  - b) the remaining 32,592,593 consideration shares, equivalent to approximately 40% of total consideration shares, shall be issued and allotted to trustee company as a security for profit guarantee of RM44,000,000 over 4 years provided by PXH.

Inter-conditional to the acquisition in PXH, the Company shall also undertake a proposed special issuance of new shares at issue price of RM1.35 per share to immediate holding company, QL Green Resources Sdn Bhd, a subsidiary of QL Resources Berhad with the aim to maintain QL's shareholdings in the Company to above 50% of the equity interest in BMG upon completion of the Proposed Acquisition.

## AUDITORS' REMUNERATION

Auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2024 were as follows:

	<b>Group RM</b>	<b>Company RM</b>
Audit fees		
- KPMG in Malaysia	262,900	71,650
- Overseas affiliates of KPMG in Malaysia	52,305	52,305
- Other auditors	82,473	-
Non-audit fees		
- KPMG in Malaysia	5,500	5,500
	<b>403,178</b>	<b>129,455</b>

# Directors' Report

## AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

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

**Chia Lik Khai**  
Director

**Gan Chih Soon**  
Director

Date: 9 July 2024

# Statements of Financial Position

As at 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>ASSETS</b>					
Property, plant and equipment	3	88,207,703	90,461,037	10,948,012	11,098,157
Investment properties	4	5,625,929	5,734,190	-	-
Intangible assets	5	5,831,378	5,831,378	-	-
Investments in subsidiaries	6	-	-	80,038,012	81,130,813
Deferred tax assets	7	8,855,033	3,089,923	-	-
Trade receivables	8	3,246,283	5,160,082	-	-
<b>Total non-current assets</b>		<b>111,766,326</b>	110,276,610	<b>90,986,024</b>	92,228,970
Inventories	9	68,360,872	64,511,129	-	-
Contract assets	10.1	43,640,966	52,993,018	-	-
Contract costs	10.2	1,862,706	849,869	-	-
Current tax assets		587,325	3,551,180	113,021	215,928
Trade and other receivables	8	107,791,772	95,655,295	15,626,790	11,418,450
Prepayments	11	7,421,544	13,493,849	48,036	30,334
Derivative financial assets	12	74,921	-	-	-
Cash and cash equivalents	13	78,088,478	50,028,572	1,094,777	3,938,980
<b>Total current assets</b>		<b>307,828,584</b>	281,082,912	<b>16,882,624</b>	15,603,692
<b>Total assets</b>		<b>419,594,910</b>	391,359,522	<b>107,868,648</b>	107,832,662
<b>EQUITY</b>					
Share capital		51,600,000	51,600,000	51,600,000	51,600,000
Reserves		209,941,240	185,280,518	56,080,815	55,885,205
<b>Equity attributable to owners of the Company</b>	14	<b>261,541,240</b>	236,880,518	<b>107,680,815</b>	107,485,205
<b>Non-controlling interests</b>		<b>15,176,054</b>	14,011,908	-	-
<b>Total equity</b>		<b>276,717,294</b>	250,892,426	<b>107,680,815</b>	107,485,205

# Statements of Financial Position

As at 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>LIABILITIES</b>					
Loans and borrowings	15	<b>2,489,938</b>	2,869,749	-	-
Lease liabilities		<b>520,552</b>	385,587	-	-
Employee benefits	16	<b>482,933</b>	386,233	-	-
Deferred tax liabilities	7	<b>1,356,661</b>	1,519,396	<b>116,681</b>	249,719
<b>Total non-current liabilities</b>		<b>4,850,084</b>	5,160,965	<b>116,681</b>	249,719
Loans and borrowings	15	<b>650,389</b>	671,888	-	-
Lease liabilities		<b>412,582</b>	330,010	-	-
Trade and other payables	17	<b>66,966,002</b>	63,433,135	<b>71,152</b>	97,738
Contract liabilities	10.1	<b>65,170,758</b>	70,518,131	-	-
Derivative financial liabilities	12	<b>31,280</b>	-	-	-
Current tax liabilities		<b>4,796,521</b>	352,967	-	-
<b>Total current liabilities</b>		<b>138,027,532</b>	135,306,131	<b>71,152</b>	97,738
<b>Total liabilities</b>		<b>142,877,616</b>	140,467,096	<b>187,833</b>	347,457
<b>Total equity and liabilities</b>		<b>419,594,910</b>	391,359,522	<b>107,868,648</b>	107,832,662

The notes on pages 101 to 158 are an integral part of these financial statements.

# Statements of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Revenue</b>	18	<b>440,303,299</b>	377,684,178	<b>9,117,259</b>	4,837,944
Cost of sales		<b>(349,947,334)</b>	(318,516,888)	-	-
<b>Gross profit</b>		<b>90,355,965</b>	59,167,290	<b>9,117,259</b>	4,837,944
Other income		<b>2,127,614</b>	1,594,000	<b>378,537</b>	323,747
Administrative expenses		<b>(33,005,404)</b>	(27,256,577)	<b>(905,647)</b>	(972,267)
Distribution expenses		<b>(5,074,221)</b>	(4,124,447)	-	-
Other expenses		<b>(7,073,090)</b>	(8,980,388)	<b>(225,442)</b>	(170,144)
<b>Results from operating activities</b>	19	<b>47,330,864</b>	20,399,878	<b>8,364,707</b>	4,019,280
Finance costs	20	<b>(301,376)</b>	(190,780)	<b>(8,822)</b>	-
Finance income	21	<b>821,840</b>	657,543	<b>1,094,417</b>	1,277,018
<b>Profit before tax</b>		<b>47,851,328</b>	20,866,641	<b>9,450,302</b>	5,296,298
Tax expense	22	<b>(12,311,864)</b>	(4,708,826)	<b>(224,692)</b>	(278,159)
<b>Profit for the year</b>		<b>35,539,464</b>	16,157,815	<b>9,225,610</b>	5,018,139
<b>Other comprehensive income/(expense), net of tax</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Remeasurement of defined benefit liability		<b>8,263</b>	(776)	-	-
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Cash flow hedge		<b>(218,423)</b>	(75,121)	-	-
Foreign currency translation differences for foreign operations		<b>263,345</b>	197,927	-	-
		<b>44,922</b>	122,806	-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>53,185</b>	122,030	-	-
<b>Total comprehensive income for the year</b>		<b>35,592,649</b>	16,279,845	<b>9,225,610</b>	5,018,139
<b>Profit attributable to:</b>					
Owners of the Company		<b>33,637,537</b>	14,081,025	<b>9,225,610</b>	5,018,139
Non-controlling interests		<b>1,901,927</b>	2,076,790	-	-
<b>Profit for the year</b>		<b>35,539,464</b>	16,157,815	<b>9,225,610</b>	5,018,139
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		<b>33,690,722</b>	14,203,055	<b>9,225,610</b>	5,018,139
Non-controlling interests		<b>1,901,927</b>	2,076,790	-	-
<b>Total comprehensive income for the year</b>		<b>35,592,649</b>	16,279,845	<b>9,225,610</b>	5,018,139
<b>Basic and diluted earnings per ordinary share (sen)</b>	23	<b>6.52</b>	2.73		

The notes on pages 101 to 158 are an integral part of these financial statements.

# Consolidated Statement of Changes In Equity

For the year ended 31 March 2024

Group	Note	Attributable to owners of the Company		Distributable		Total equity RM				
		Share capital RM	Merger deficit RM	Hedging reserve RM	Translation reserve RM		Defined benefit reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM
<b>At 1 April 2022</b>		51,600,000	(21,809,998)	75,121	(341,963)	16,846	207,901,551	237,441,557	15,584,360	253,025,917
Cash flow hedge		-	-	(75,121)	-	-	-	(75,121)	-	(75,121)
Foreign currency translation differences for foreign operations		-	-	-	197,811	116	-	197,927	-	197,927
Remeasurement of defined benefit liability		-	-	-	-	(776)	-	(776)	-	(776)
Total other comprehensive (expense)/ income for the year		-	-	(75,121)	197,811	(660)	-	122,030	-	122,030
Profit for the year		-	-	-	-	-	14,081,025	14,081,025	2,076,790	16,157,815
<b>Total comprehensive income for the financial year</b>		-	-	(75,121)	197,811	(660)	14,081,025	14,203,055	2,076,790	16,279,845
Distributions to owners of the Company		-	-	-	-	-	(9,030,000)	(9,030,000)	-	(9,030,000)
- Dividend to owners of the Company	24	-	-	-	-	-	-	-	(553,336)	(553,336)
- Dividend to non-controlling interests		-	-	-	-	-	-	-	-	-
<b>Total transactions with owners of the Company</b>		-	-	-	-	-	(9,030,000)	(9,030,000)	(553,336)	(9,583,336)
<b>Changes in ownership interests in a subsidiary</b>	29	-	-	-	-	16,186	207,218,482	236,880,518	(3,095,906)	(8,830,000)
<b>At 31 March 2023</b>		51,600,000	(21,809,998)	-	(144,152)	16,186	207,218,482	236,880,518	14,011,908	250,892,426

Note 14.1

Note 14.2

Note 14.3

Note 14.4

Note 14.5



# Consolidated Statement of Changes In Equity

For the year ended 31 March 2024

Group	Note	Attributable to owners of the Company				Distributable			Non-controlling interests	Total equity
		Share capital	Merger deficit	Hedging reserve	Translation reserve	Defined benefit reserve	Retained earnings	Total		
		RM	RM	RM	RM	RM	RM	RM	RM	
<b>At 1 April 2023</b>		51,600,000	(21,809,998)	-	(144,152)	16,186	207,218,482	236,880,518	14,011,908	250,892,426
Cash flow hedge		-	-	(218,423)	-	-	-	(218,423)	-	(218,423)
Foreign currency translation differences for foreign operations		-	-	-	263,292	53	-	263,345	-	263,345
Remeasurement of defined benefit liability		-	-	-	-	8,263	-	8,263	-	8,263
Total other comprehensive (expense)/ income for the year		-	-	(218,423)	263,292	8,316	-	53,185	-	53,185
Profit for the year		-	-	-	-	-	33,637,537	33,637,537	1,901,927	35,539,464
<b>Total comprehensive income for the financial year</b>		-	-	(218,423)	263,292	8,316	33,637,537	33,690,722	1,901,927	35,592,649
Distributions to owners of the Company		-	-	-	-	-	(9,030,000)	(9,030,000)	-	(9,030,000)
- Dividend to owners of the Company	24	-	-	-	-	-	-	-	(737,781)	(737,781)
- Dividend to non-controlling interests		-	-	-	-	-	-	-	-	-
<b>Total transactions with owners of the Company</b>		-	-	-	-	-	(9,030,000)	(9,030,000)	(737,781)	(9,767,781)
<b>At 31 March 2024</b>		51,600,000	(21,809,998)	(218,423)	119,140	24,502	231,826,019	261,541,240	15,176,054	276,717,294
		Note 14.1	Note 14.2	Note 14.3	Note 14.4	Note 14.5	Note 14.5			

The notes on pages 101 to 158 are an integral part of these financial statements.

# Statement of Changes in Equity

For the year ended 31 March 2024

Company	Note	Attributable to owners of the Company		
		Non-distributable	Distributable	Total equity
		Share capital RM	Retained earnings RM	
<b>At 1 April 2022</b>		51,600,000	59,897,066	111,497,066
<b>Profit and total comprehensive income for the year</b>		-	5,018,139	5,018,139
<i>Distribution to owners of the Company</i>				
- Dividend to owners of the Company	24	-	(9,030,000)	(9,030,000)
<b>Total transactions with owners of the Company</b>		-	(9,030,000)	(9,030,000)
<b>At 31 March 2023/1 April 2023</b>		<b>51,600,000</b>	<b>55,885,205</b>	<b>107,485,205</b>
<b>Profit and total comprehensive income for the year</b>		-	<b>9,225,610</b>	<b>9,225,610</b>
<i>Distribution to owners of the Company</i>				
- Dividend to owners of the Company	24	-	(9,030,000)	(9,030,000)
<b>Total transactions with owners of the Company</b>		-	(9,030,000)	(9,030,000)
<b>At 31 March 2024</b>		<b>51,600,000</b>	<b>56,080,815</b>	<b>107,680,815</b>

Note 14.1

# Statements of Cash Flows

For the year ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before tax		47,851,328	20,866,641	9,450,302	5,296,298
<i>Adjustments for:</i>					
Depreciation of:					
- property, plant and equipment	3	5,371,529	5,172,821	150,145	150,144
- investment properties	4	108,261	108,260	-	-
Dividend income		-	-	(9,117,259)	(4,837,944)
Employee benefits	16	143,926	89,673	-	-
Fair value gain on derivatives		(262,064)	-	-	-
Finance costs	20	301,376	190,780	8,822	-
Finance income	21	(821,840)	(657,543)	(1,094,417)	(1,277,018)
Gain on disposal of property, plant and equipment		(142,739)	(87,000)	-	-
Gain on termination of lease contracts		(175)	(727)	-	-
(Gain)/Loss on unrealised foreign exchange		(480,685)	428,517	(310,211)	(151,353)
Income distribution on liquid investments		(432,375)	(475,405)	(60,206)	(172,296)
Inventories written down		698,874	335,291	-	-
Inventories written off		30,292	20,909	-	-
Property, plant and equipment written off	3	1,372	44,366	-	-
Net impairment loss on:					
- contract assets		80,908	41,736	-	-
- financial assets		2,120,522	2,398,808	43,727	20,000
<b>Operating profit/(loss) before changes in working capital</b>					
		54,568,510	28,477,127	(929,097)	(972,169)
Changes in working capital:					
Inventories		(4,456,010)	(17,677,844)	-	-
Trade and other receivables and prepayments		(5,617,501)	(31,003,501)	(16,764)	(52,168)
Contract assets		9,292,544	(1,319,865)	-	-
Contract costs		(1,012,837)	225,008	-	-
Trade and other payables, including derivatives		3,482,610	22,399,351	(22,775)	4,483
Contract liabilities		(5,849,003)	18,733,255	-	-
<b>Cash generated from/(used in) operations</b>					
		50,408,313	19,833,531	(968,636)	(1,019,854)

# Statements of Cash Flows

For the year ended 31 March 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash generated from/(used in) operations (continued)</b>		<b>50,408,313</b>	19,833,531	<b>(968,636)</b>	(1,019,854)
Interest paid		<b>(33,819)</b>	(28,601)	-	-
Employee benefit paid		<b>(39,283)</b>	(118,347)	-	-
Tax paid		<b>(10,804,702)</b>	(7,009,803)	<b>(254,823)</b>	(118,666)
<b>Net cash from/(used in) operating activities</b>		<b>39,530,509</b>	12,676,780	<b>(1,223,459)</b>	(1,138,520)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Acquisition of non-controlling interest	29	-	(8,830,000)	-	(8,830,000)
Acquisition of property, plant and equipment	(i)	<b>(2,035,130)</b>	(1,225,157)	-	-
Advances to subsidiaries		-	-	<b>621,503</b>	1,840,660
Change in pledged deposits		<b>(5,067)</b>	(3,370)	-	-
Dividends received		-	-	<b>5,117,259</b>	10,837,944
Interest received		<b>652,808</b>	487,950	<b>1,619,110</b>	359,490
Income distribution on liquid investments		<b>432,375</b>	475,405	<b>60,206</b>	172,296
Proceeds from disposal of property, plant and equipment		<b>241,197</b>	87,000	-	-
<b>Net cash (used in)/from investing activities</b>		<b>(713,817)</b>	(9,008,172)	<b>7,418,078</b>	4,380,390
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Dividends paid to:					
- non-controlling interests		<b>(737,781)</b>	(553,336)	-	-
- owners of the Company		<b>(9,030,000)</b>	(9,030,000)	<b>(9,030,000)</b>	(9,030,000)
Interest paid		<b>(185,986)</b>	(162,179)	<b>(8,822)</b>	-
Repayment of:					
- term loans		<b>(443,789)</b>	(437,659)	-	-
- hire purchase liabilities		<b>(245,421)</b>	(394,636)	-	-
Payment of lease liabilities	(iii)	<b>(426,132)</b>	(322,748)	-	-
<b>Net cash used in financing activities</b>		<b>(11,069,109)</b>	(10,900,558)	<b>(9,038,822)</b>	(9,030,000)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>27,747,583</b>	(7,231,950)	<b>(2,844,203)</b>	(5,788,130)
Effect of exchange rate fluctuations on cash held		<b>307,256</b>	(234,310)	-	-
Cash and cash equivalents at 1 April 2023/2022		<b>49,838,893</b>	57,305,153	<b>3,938,980</b>	9,727,110
<b>Cash and cash equivalents at 31 March</b>	(ii)	<b>77,893,732</b>	49,838,893	<b>1,094,777</b>	3,938,980

# Statements of Cash Flows

For the year ended 31 March 2024

## NOTES TO THE STATEMENTS OF CASH FLOWS

### i) Acquisition of property, plant and equipment

During the financial year, the Group made the following cash payments to acquire property, plant and equipment:

	Group	
	2024 RM	2023 RM
Acquisition of property, plant and equipment	2,616,841	1,932,322
Right-of-use assets addition	(293,811)	(200,965)
Acquired by means of financing	(287,900)	(506,200)
Cash outflows on acquisition of property, plant and equipment	2,035,130	1,225,157

### ii) Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances		35,680,122	28,021,131	27,555	21,765
Deposits placed with licensed banks		16,993,006	15,234,679	-	-
Liquid investments		25,415,350	6,772,762	1,067,222	3,917,215
	13	78,088,478	50,028,572	1,094,777	3,938,980
Less: Pledged deposits	13.1	(194,746)	(189,679)	-	-
		77,893,732	49,838,893	1,094,777	3,938,980

### iii) Cash outflows for leases as a lessee

	Note	Group	
		2024 RM	2023 RM
<b>Included in net cash from operating activities:</b>			
Payment relating to short-term leases	19	411,817	498,479
Payment relating to leases of low-value assets	19	55,370	65,857
Interest paid in relation to lease liabilities	20	33,819	28,601
		501,006	592,937
<b>Included in net cash from financing activities:</b>			
Payment of lease liabilities		426,132	322,748
<b>Total cash outflows for leases</b>		<b>927,138</b>	<b>915,685</b>

# Statements of Cash Flows

For the year ended 31 March 2024

## NOTES TO THE STATEMENT OF CASH FLOWS (CONTINUED)

### iv) Reconciliations of movement of liabilities to cash flows arising from financing activities

Group	At 1 April 2022		Net changes from financing cash flows		At 31 March 2023/ 1 April 2023		Net changes from financing cash flows		At 31 March 2024			
	RM	RM	Additions	Remeasurement	Termination of lease contracts	RM	RM	Additions	Remeasurement	Termination of lease contracts	RM	RM
Term loans	3,291,502	(437,659)	-	-	-	2,853,843	(443,789)	-	-	-	2,410,054	-
Hire purchase liabilities	576,230	(394,636)	506,200	-	-	687,794	(245,421)	287,900	-	-	730,273	-
Lease liabilities	737,760	(322,748)	200,965	117,952	(18,332)	715,597	(426,132)	293,811	358,077	(8,219)	933,134	-
Total liabilities from financing activities	4,605,492	(1,155,043)	707,165	117,952	(18,332)	4,257,234	(1,115,342)	581,711	358,077	(8,219)	4,073,461	-

The notes on pages 101 to 158 are an integral part of these financial statements.

# Notes to the Financial Statements

BM GreenTech Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the registered office and principal place of business of the Company are as follows:

**Registered office**

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

**Principal place of business**

Lot 875, Jalan Subang 8  
Taman Perindustrian Subang  
47620 Subang Jaya  
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”). The financial statements of the Company as at and for the financial year ended 31 March 2024 do not include other entities.

The Company is principally engaged in the business of investment holding, whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

On 28<sup>th</sup> August 2023, the Company has changed its name from Boilermech Holdings Berhad to BM GreenTech Berhad.

The immediate and ultimate holding companies are QL Green Resources Sdn Bhd and QL Resources Berhad respectively. Both companies are incorporated in Malaysia. The ultimate holding company is listed on the Main Market of Bursa Malaysia Securities Berhad.

These financial statements were authorised for issue by the Board of Directors on 9 July 2024.

## 1. BASIS OF PREPARATION

### (a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

# Notes to the Financial Statements

## 1. BASIS OF PREPARATION (CONTINUED)

### (a) Statement of compliance (continued)

#### (i) FINANCIAL REPORTING STANDARDS ADOPTED DURING THE YEAR

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) that applicable had been adopted by the Group and the Company from 1 April 2023:

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

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

Amendments to MFRS 101 requires the disclosure of ‘material’, rather than ‘significant’, accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group’s accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in Note 2 to the financial statements.

#### (ii) FINANCIAL REPORTING STANDARDS ISSUED AND YET TO EFFECTIVE DURING THE YEAR

The following accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

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

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

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

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*



# Notes to the Financial Statements

## 1. BASIS OF PREPARATION (CONTINUED)

### (a) Statement of compliance (continued)

#### (ii) FINANCIAL REPORTING STANDARDS ISSUED AND YET TO EFFECTIVE DURING THE YEAR (continued)

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*

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

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

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 April 2024 for those amendments that are effective for annual periods beginning on or after 1 January 2024, except for the amendments to MFRS 16, MFRS 107 and MFRS 7 which are not applicable to the Group and the Company;
- from the annual period beginning on 1 April 2025 for those amendments that are effective for annual periods beginning on or after 1 January 2025; and
- from the annual period beginning on 1 April 2027 for the accounting standard that is effective for annual periods beginning on or after 1 January 2027.

The initial application of the abovementioned accounting standards, interpretations and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Company.

### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured based on measurement basis stated below:

Items	Measurement bases
Derivative financial instruments	Fair value
Financial assets at FVTPL	Fair value

# Notes to the Financial Statements

## 1. BASIS OF PREPARATION (CONTINUED)

### (c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency. All financial information is presented in RM, unless otherwise stated.

### (d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

#### (i) Note 3 - extension options and incremental borrowing rate in relation to leases

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

#### (ii) Note 5 - impairment of intangible assets

The Group performs annual impairment assessment on goodwill. The impairment is measured by comparing the carrying amount of an asset with its recoverable amount. The recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use. Determining the value-in-use of an assets requires an estimation of the future cash flows expected to arise from the cash generating units to which goodwill has been allocated and a suitable discount rate.

#### (iii) Note 9 - allowance for slow-moving inventories and write-down of inventories to net realisable value

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

# Notes to the Financial Statements

## 1. BASIS OF PREPARATION (CONTINUED)

### (d) Use of estimates and judgements (continued)

- (iv) Note 8, Note 10 and Note 26.4 - impairment of trade receivables and contract assets

The Group uses the simplified approach to estimate a lifetime expected credit loss ("ECLs") allowance for trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts.

A considerable amount of judgement is required in assessing the loss rates, which are based on the payment profiles of past sales and the historical credit loss. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables and contract assets. If the financial conditions of the customers with which the Group deals were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

- (v) Note 18 - revenue from construction contracts

The Group recognises revenue from construction contracts by reference to the construction progress using the input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. The Group measures the performance of construction work done by comparing actual work costs incurred with the estimated total costs required to complete the construction. Significant judgements are required to estimate the total contract costs to complete. In making these estimates, the Group relied on the work of specialists and on past experience of completed projects. A change in the estimates will directly affect the revenue to be recognised.

## 2. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by the Group entities, unless otherwise stated.

### (a) Basis of consolidation

#### (i) Subsidiaries

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

#### (ii) Acquisitions of non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transaction between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

# Notes to the Financial Statements

## 2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (a) Basis of consolidation (continued)

#### (iii) Acquisitions from entities under common controls

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for using book value accounting as occur and the comparatives are not restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any resulting gain/loss is recognised directly in equity. The differences between the cost of acquisition and the nominal value of the shares acquired are taken to merger reserve (or adjusted against any suitable reserve in the case of debit differences).

### (b) Financial instruments

#### (i) Regular way purchase or sale of financial assets

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date or settlement date accounting in the current year.

Trade date accounting refers to:

- (a) the recognition of an asset to be received and the liability to pay for it on the trade date; and
- (b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Settlement date accounting refers to:

- (a) the recognition of an asset to be received by the Group or the Company; and
- (b) derecognition of an asset and recognition of any gain or loss on disposal on the day that is delivered by the Group or the Company.

Any change in the fair value of the asset to be received during the period between the trade date and the settlement date is accounted in the same way as it accounts for the acquired asset.

Generally, the Group or the Company applies trade date accounting unless otherwise stated for the specific class of asset.

#### (ii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

# Notes to the Financial Statements

## 2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (b) Financial instruments (continued)

#### (ii) Financial guarantee contracts (continued)

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 to the principles of MFRS 15, *Revenue from Contracts with Customers*.

Liabilities arising from financial guarantees are presented together with other provisions.

### (c) Property, plant and equipment

#### (i) Recognition and measurement

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

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

#### (ii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

Buildings and improvements	10 - 58 years
Furniture, fittings, and office equipment	5 - 10 years
Machinery	4 - 10 years
Motor vehicles	5 years
Renovation	10 years

### (d) Leases

#### (i) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

# Notes to the Financial Statements

## 2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (d) Leases (continued)

#### (ii) Depreciation

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

#### (iii) Recognition exemption

##### As a lessee

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### (e) Intangible assets

#### (i) Goodwill

Goodwill arising on business combinations is measured at cost less any accumulated impairment losses.

#### (ii) Amortisation

Goodwill with indefinite useful lives are not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired.

### (f) Investment properties

#### Investment properties carried at cost

#### (i) Recognition and measurement

Investment properties are measured at cost less any accumulated depreciation and any accumulated impairment losses, consistent with the accounting policy for property, plant and equipment as stated in Note 2(c).

#### (ii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives, consistent with the accounting policy for property, plant and equipment as stated in Note 2(c). Freehold land is not depreciated.

### (g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of raw materials and other consumables are measured based on the weighted average cost and first-in first-out method respectively. In the case of work-in-progress and certain finished goods, cost comprises materials and other direct charges.

# Notes to the Financial Statements

## 2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (h) Contract cost

The Group recognises a contract cost that relate directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group will be used in satisfying performance obligations in the future and it is expected to be recovered.

These contract costs are measured at cost less any accumulated impairment. Contract costs are amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in the profit and loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

### (i) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

#### Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data associated with similar products or services.

### (j) Revenue

#### Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring product or services to customer, excluding amounts collected on behalf of third party. The Group or the Company recognises revenue when it transfers control over a product or services to a customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group or the Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided as the Group or the Company performs;
- (b) the Group's or the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) the Group's or the Company's performance does not create an asset with an alternative use and the Group or the Company has an enforceable right to payment for performance completed to date.

# Notes to the Financial Statements

## 3. PROPERTY, PLANT AND EQUIPMENT

Group	Property, plant and equipment					Right-of-use assets					Total RM	
	Land RM	Buildings and improvements RM	Furniture, fittings and office equipment RM	Machinery RM	Motor vehicles RM	Renovation RM	Subtotal RM	Leasehold land RM	Premises RM	Subtotal RM		
<b>Cost</b>												
At 1 April 2022	18,601,055	27,066,944	8,063,473	15,425,321	9,961,863	2,205,758	81,324,414	50,462,106	1,006,647	51,468,753	132,793,167	
Additions	-	-	592,442	262,165	869,519	7,231	1,731,357	-	200,965	200,965	1,932,322	
Disposals	-	-	-	-	(333,175)	-	(333,175)	-	-	-	(333,175)	
Derecognition	-	-	-	-	-	-	-	-	(57,580)	(57,580)	(57,580)	
Written off	-	-	(27,818)	(29,300)	(343,011)	-	(400,129)	-	-	-	(400,129)	
Remeasurement	-	-	-	-	-	-	-	-	117,952	117,952	117,952	
Effect of movements in exchange rates	121,304	23,600	1,910	29,626	2,452	954	179,846	-	-	-	179,846	
At 31 March/1 April 2023	<b>18,722,359</b>	<b>27,090,544</b>	<b>8,630,007</b>	<b>15,687,812</b>	<b>10,157,648</b>	<b>2,213,943</b>	<b>82,502,313</b>	<b>50,462,106</b>	<b>1,267,984</b>	<b>51,730,090</b>	<b>134,232,403</b>	
Additions	-	-	725,924	190,240	1,393,233	13,633	2,323,030	-	293,811	293,811	2,616,841	
Disposals	-	-	(765)	(266,061)	(415,270)	-	(682,096)	-	-	-	(682,096)	
Derecognition	-	-	-	-	-	-	-	-	(46,108)	(46,108)	(46,108)	
Written off	-	-	(407,931)	(55,830)	-	-	(463,761)	-	-	-	(463,761)	
Remeasurement	-	-	-	-	-	-	-	-	358,077	358,077	358,077	
Effect of movements in exchange rates	181,956	35,400	3,493	47,577	3,678	1,246	273,350	-	-	-	273,350	
At 31 March 2024	<b>18,904,315</b>	<b>27,125,944</b>	<b>8,950,728</b>	<b>15,603,738</b>	<b>11,139,289</b>	<b>2,228,822</b>	<b>83,952,836</b>	<b>50,462,106</b>	<b>1,873,764</b>	<b>52,335,870</b>	<b>136,288,706</b>	



# Notes to the Financial Statements

### 3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Property, plant and equipment				Right-of-use assets				Total RM		
	Land RM	Buildings and improve- ments equipment RM	Furniture, and fitting and office Machinery RM	Motor vehicles RM	Renovation RM	Subtotal RM	Leasehold land RM	Premises RM		Subtotal RM	
<b>Accumulated depreciation</b>											
At 1 April 2022	374,821	6,706,868	5,104,916	10,185,050	8,239,821	1,447,957	32,059,433	6,972,212	281,221	7,253,433	39,312,866
Depreciation for the year	-	786,109	705,585	1,641,656	715,873	188,872	4,038,095	806,332	328,394	1,134,726	5,172,821
Disposals	-	-	-	-	(333,175)	-	(333,175)	-	-	-	(333,175)
Derecognition	-	-	-	-	-	-	-	-	(39,975)	(39,975)	(39,975)
Written off	-	-	(23,470)	(29,300)	(302,993)	-	(355,763)	-	-	-	(355,763)
Effect of movements in exchange rates	2,559	876	819	8,674	1,516	148	14,592	-	-	-	14,592
At 31 March/ 1 April 2023	<b>377,380</b>	<b>7,493,853</b>	<b>5,797,850</b>	<b>11,806,080</b>	<b>8,321,042</b>	<b>1,636,977</b>	<b>35,423,182</b>	<b>7,778,544</b>	<b>569,640</b>	<b>8,348,184</b>	<b>43,771,366</b>
Depreciation for the year	-	776,768	762,725	1,649,604	769,713	176,700	4,135,510	806,331	429,688	1,236,019	5,371,529
Disposals	-	-	(765)	(170,103)	(412,770)	-	(583,638)	-	-	-	(583,638)
Derecognition	-	-	-	-	-	-	-	-	(38,064)	(38,064)	(38,064)
Written off	-	-	(406,559)	(55,830)	-	-	(462,389)	-	-	-	(462,389)
Effect of movements in exchange rates	3,838	1,192	689	13,945	2,341	194	22,199	-	-	-	22,199
At 31 March 2024	<b>381,218</b>	<b>8,271,813</b>	<b>6,143,940</b>	<b>13,243,696</b>	<b>8,680,326</b>	<b>1,813,871</b>	<b>38,534,864</b>	<b>8,584,875</b>	<b>961,264</b>	<b>9,546,139</b>	<b>48,081,003</b>
<b>Carrying amounts</b>											
At 1 April 2022	18,226,234	20,360,076	2,958,557	5,240,271	1,722,042	757,801	49,264,981	43,489,894	725,426	44,215,320	93,480,301
At 31 March/ 1 April 2023	18,344,979	19,596,691	2,842,157	3,881,732	1,836,606	576,966	47,079,131	42,683,562	698,344	43,381,906	90,461,037
At 31 March 2024	<b>18,523,097</b>	<b>18,854,131</b>	<b>2,806,788</b>	<b>2,360,042</b>	<b>2,458,963</b>	<b>414,951</b>	<b>45,417,972</b>	<b>41,877,231</b>	<b>912,500</b>	<b>42,789,731</b>	<b>86,207,703</b>

# Notes to the Financial Statements

## 3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

<b>Company</b>	<b>Right-of-use asset Leasehold land RM</b>
<b>Cost</b>	
At 1 April 2022/31 March 2023/1 April 2023/31 March 2024	<b>12,299,309</b>
<b>Accumulated depreciation</b>	
At 1 April 2022	<b>1,051,008</b>
Depreciation for the year	<b>150,144</b>
At 31 March/1 April 2023	<b>1,201,152</b>
Depreciation for the year	<b>150,145</b>
At 31 March 2024	<b>1,351,297</b>
<b>Carrying amount</b>	
At 1 April 2022	<b>11,248,301</b>
At 31 March/1 April 2023	<b>11,098,157</b>
At 31 March 2024	<b>10,948,012</b>

The Group leases office premise and staff hostel used in its operations that run between 2 years to 5 years (2023: 2 years to 5 years), with an option to renew the leases upon expiry. Leasehold land of the Group has a lease period between 47 years to 82 years (2023: 47 years to 82 years).

### Motor vehicles under hire purchase arrangements

Included in property, plant and equipment of the Group are assets acquired under hire purchase arrangements with the net carrying amount of RM1,000,406 (2023: RM650,858).

### Security

Land, buildings, and leasehold land of the Group with total carrying amount of RM3,646,028 (2023: RM3,729,598) are pledged to licensed banks as security for banking facilities granted to the Group (see Note 15).

### Land in Indonesia

Land in Indonesia, with a carrying amount of RM17,693,098 (2023: RM17,514,979) is regulated under Hak Guna Bangunan ("HGB") and can be renewed indefinitely at a minimal cost if certain conditions are met. The Group assessed the conditions and concluded that the possibility of non-renewal of the usage rights of the land is remote. Hence, the Group exercised significant judgement and concluded that the land is in substance a purchase of rights which meet the definition of property, plant and equipment regardless of whether the legal title transfers.

# Notes to the Financial Statements

## 4. INVESTMENT PROPERTIES

Group	Land and buildings RM
<b>Cost</b>	
At 1 April 2022/31 March 2023/1 April 2023/31 March 2024	<b>6,941,327</b>
<b>Accumulated depreciation</b>	
At 1 April 2022	<b>1,098,877</b>
Depreciation for the year	<b>108,260</b>
At 31 March/1 April 2023	<b>1,207,137</b>
Depreciation for the year	<b>108,261</b>
At 31 March 2024	<b>1,315,398</b>
<b>Carrying amounts</b>	
At 1 April 2022	<b>5,842,450</b>
At 31 March/1 April 2023	<b>5,734,190</b>
At 31 March 2024	<b>5,625,929</b>

### Security

The investment properties of the Group are pledged to licensed banks as security for banking facilities granted to the Group (see Note 15).

### Operating lease

The investment properties of the Group are leased to third parties. The lease income from the investment properties does not include any contingent element. The following are recognised in profit or loss:

	Group	
	2024 RM	2023 RM
Lease income	<b>227,450</b>	202,080
Direct operating expenses for income generating investment properties	<b>82,640</b>	75,436

The operating lease payments to be received are as follows:

	Group	
	2024 RM	2023 RM
Less than one year	<b>277,700</b>	198,750
Between one and five years	<b>308,600</b>	317,000
Total undiscounted lease payments	<b>586,300</b>	515,750

# Notes to the Financial Statements

## 4. INVESTMENT PROPERTIES (CONTINUED)

### Fair value information

Fair value of investment properties are categorised as follows:

	Group	
	2024 RM	2023 RM
Land and buildings	6,303,000	6,303,000

### Level 3 fair value

Level 3 fair values of land and buildings are estimated by Directors by making reference to the recent transactions and asking price of comparable properties in close proximity and adjusted for differences in key attributes such as property size and bargain discount. The significant unobservable inputs include adjustments to price per square feet ranging from RM418 to RM755 (2023: RM418 to RM755) of comparable properties and the discount factors.

## 5. INTANGIBLE ASSETS

Group	Goodwill RM
<b>Cost</b>	
At 1 April 2022/At 31 March 2023/1 April 2023/31 March 2024	5,831,378
<b>Carrying amount</b>	
At 1 April 2022/At 31 March 2023/1 April 2023/31 March 2024	5,831,378

### Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions as follows:

	Group	
	2024 RM	2023 RM
Water treatment segment	3,931,378	3,931,378
Solar energy segment	1,900,000	1,900,000
	5,831,378	5,831,378

# Notes to the Financial Statements

## 5. INTANGIBLE ASSETS (CONTINUED)

### Impairment testing for cash-generating units containing goodwill (continued)

The recoverable amounts of the cash-generating units (operating divisions) were based on value in use, determined by discounting pre-tax cash flow projections based on the financial budgets approved by management covering a period of 5 (2023: 5) years. The recoverable amounts of the above cash-generating units are higher than their carrying amounts.

The key assumptions used in the determination of the recoverable amounts are as follows:

- The average revenue growth rates included in the cash flow projections for the years 2025 to 2029 (2023: years 2024 to 2028) approximated 17% and 25% (2023: 20% and 25%) for water treatment and solar energy segment respectively; and
- Pre-tax discount rates of 17% and 17% (2023: 17% and 17%) were applied in determining the recoverable amount for water treatment and solar energy segment respectively. The discount rates were estimated based on the specific risk relating to the relevant cash generating unit.

The Directors believe that there is no reasonably possible change in the above key assumptions applied that would materially cause the respective cash-generating unit's carrying amount to exceed its recoverable amount.

## 6. INVESTMENTS IN SUBSIDIARIES

	Note	Company	
		2024 RM	2023 RM
Unquoted shares, at costs	6.1	59,075,888	58,775,888
Less: Impairment losses		(1,000,000)	(1,000,000)
		58,075,888	57,775,888
Amount due from a subsidiary	6.2	21,962,124	23,354,925
		80,038,012	81,130,813

6.1 During current financial year, the Company subscribed for 300,000 new ordinary shares in Tera VA Sdn. Bhd. by way of capitalisation of amount owing from Tera VA Sdn. Bhd. amounted to RM300,000.

During the previous financial year, the Company acquired the remaining 40% equity interest in Tera VA Sdn. Bhd. for a total consideration of RM8,830,000. The information of this acquisition was disclosed in Note 29 to the financial statements.

6.2 The amount due from a subsidiary is subject to an interest rate of 4.0% (2023: 4.0%) per annum and the repayment is neither planned nor likely to occur in the foreseeable future.

# Notes to the Financial Statements

## 6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of company	Principal place of business/Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Boilermech Sdn. Bhd.	Malaysia	Engaged in the business of manufacturing, repairing and servicing of boilers.	100	100
BM Green Energy Sdn. Bhd. (formerly known as Boilermech Cleantech Sdn. Bhd.)	Malaysia	Engaged in the business of dealing and installation of green solar power energy products and producing integrated biomass electric power generation system.	100	100
Zenith Index Sdn. Bhd.	Malaysia	Engaged in the business of manufacturing bio-energy systems.	100	100
Boilermech Oretch Sdn. Bhd.	Malaysia	Engaged in the business of supplying and installation of power generation system from solar or other renewable energy.	100	100
PT Boilermech ("PTBM")# and its subsidiary	Indonesia	Engaged in trading services especially in repairing, servicing, installation and commissioning of biomass boilers.	100	100
PT Boilermech Manufacturing Indonesia ("PTBMI")#	Indonesia	Engaged in the business of manufacturing, repairing and servicing of boilers.	100	100
BM TEK Sdn. Bhd. ("TEK") (formerly known as Teknologi Enviro-Kimia (M) Sdn. Bhd.) and its subsidiaries	Malaysia	Engaged in the businesses of general trader and contractor of water treatment chemicals and equipment and investment holdings.	60.23	60.23
BM WaterTEK Sdn. Bhd. (formerly known as T.E.K. Water Sdn. Bhd.)	Malaysia	Supplier of water treatment chemical and related accessories.	60.23	60.23
BM BioTEK Sdn. Bhd. (formerly known as TEK Biotechnology Sdn. Bhd.)	Malaysia	Management services, technical consultancy service, project management, laboratory testing, trading and engineering works.	48.18	48.18
T.E.K. Greencare Sdn. Bhd.	Malaysia	Inactive	60.23	60.23
Tera VA Sdn. Bhd. ("TERA")	Malaysia	Engaged in the business of dealing and installation of green solar power energy products and electrical equipment.	100	100

# Subsidiaries audited by another firm of accountants.

All other subsidiaries are audited by KPMG.

# Notes to the Financial Statements

## 6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

### Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	← 2024 →	
	TEK RM	Total RM
NCI percentage of ownership interest and voting interest	39.77%	
Carrying amount of NCI	15,176,054	15,176,054
Total comprehensive income allocated to NCI	1,901,927	1,901,927
<b>Summarised financial information before intra-group elimination</b>		
<b>As at 31 March</b>		
Non-current assets	14,327,214	
Current assets	34,443,643	
Non-current liabilities	(4,193,775)	
Current liabilities	(8,226,768)	
Net assets	36,350,314	
<b>Year ended 31 March</b>		
Revenue	50,447,324	
Profit for the year	4,540,592	
Total comprehensive income	4,540,592	
Cash flows from operating activities	4,232,507	
Cash flows used in investing activities	(357,043)	
Cash flows used in financing activities	(2,840,207)	
Net increase in cash and cash equivalents	1,035,257	
Dividend paid to NCI	(737,781)	

# Notes to the Financial Statements

## 6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

### Non-controlling interests in subsidiaries (continued)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows (continued):

	← 2023 →		Total RM
	TEK RM	TERA RM	
NCI percentage of ownership interest and voting interest	39.77%	-	
Carrying amount of NCI	14,011,908	-	14,011,908
Total comprehensive income allocated to NCI	1,885,374	191,416	2,076,790
<b>Summarised financial information before intra-group elimination</b>			
<b>As at 31 March</b>			
Non-current assets	13,802,467	-	
Current assets	35,427,632	-	
Non-current liabilities	(4,473,272)	-	
Current liabilities	(11,092,067)	-	
Net assets	33,664,760	-	
<b>Year ended 31 March</b>			
Revenue	48,013,693	-	
Profit for the year	4,389,011	-	
Total comprehensive income	4,389,011	-	
Cash flows from operating activities	4,108,876	-	
Cash flows used in investing activities	(100,347)	-	
Cash flows used in financing activities	(2,389,946)	-	
Net increase in cash and cash equivalents	1,618,583	-	
Dividend paid to NCI	(553,336)	-	



# Notes to the Financial Statements

## 7. DEFERRED TAX ASSETS/(LIABILITIES)

### Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM
<b>Group</b>						
Property, plant and equipment	345,610	303,867	(3,159,794)	(3,326,500)	(2,814,184)	(3,022,633)
Trade receivables	2,069,808	1,638,601	-	-	2,069,808	1,638,601
Other temporary differences	8,493,030	3,204,278	(250,282)	(249,719)	8,242,748	2,954,559
Tax assets/(liabilities)	10,908,448	5,146,746	(3,410,076)	(3,576,219)	7,498,372	1,570,527
Set off of tax	(2,053,415)	(2,056,823)	2,053,415	2,056,823	-	-
Net tax assets/(liabilities)	8,855,033	3,089,923	(1,356,661)	(1,519,396)	7,498,372	1,570,527
<b>Company</b>						
Other temporary differences	-	-	(116,681)	(249,719)	(116,681)	(249,719)
Net tax liabilities	-	-	(116,681)	(249,719)	(116,681)	(249,719)

### Movement in temporary differences during the year

Group	At 1 April 2023 RM	Recognised in profit or loss (Note 22) RM	Recognised in other comprehensive income RM	Effect of movements in exchange rate RM	At
					31 March 2024 RM
Property, plant and equipment	(3,022,633)	208,449	-	-	(2,814,184)
Trade receivables	1,638,601	431,207	-	-	2,069,808
Other deductible temporary differences	2,954,559	5,294,326	(2,331)	(3,806)	8,242,748
	1,570,527	5,933,982	(2,331)	(3,806)	7,498,372

Group	At 1 April 2022 RM	Recognised in profit or loss (Note 22) RM	Recognised in other comprehensive income RM	Effect of movements in exchange rate RM	At 31 March 2023/ 1 April 2023 RM
Property, plant and equipment	(3,426,048)	403,415	-	-	(3,022,633)
Trade receivables	1,162,912	475,689	-	-	1,638,601
Other deductible temporary differences	1,962,226	991,024	219	1,090	2,954,559
	(300,910)	1,870,128	219	1,090	1,570,527

# Notes to the Financial Statements

## 7. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

### Movement in temporary differences during the year (continued)

Company	At 1 April 2023 RM	Recognised in profit or loss (Note 22) RM	At 31 March 2024 RM
Other deductible temporary differences	(249,719)	133,038	(116,681)

Company	At 1 April 2022 RM	Recognised in profit or loss (Note 22) RM	At 31 March 2023/ 1 April 2023 RM
Other deductible temporary differences	(49,864)	(199,855)	(249,719)

### Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2024 RM	2023 RM
Tax losses carry forward	886,400	1,890,700
Unabsorbed capital allowances carry forward	200	200
Trade receivables	918,600	1,108,600
Other deductible temporary differences	649,200	338,400
	<b>2,454,400</b>	3,337,900

The tax losses of subsidiaries in Malaysia of approximately RM886,400 (2023: RM861,000) can be carried forward up to 10 (2023: 10) consecutive years of assessment under the tax legislation in Malaysia, which will expire between years 2028 to 2034 (2023: years 2028 to 2033) whereas the tax loss of a subsidiary in Indonesia of approximately RM Nil (2023: RM1,029,700) can be carried forward up to 5 (2023: 5) consecutive years of assessment under the tax legislation in Indonesia, which will expire between years Nil (2023: 2025 to 2027).

The unabsorbed capital allowances carry forward do not expire under current tax legislation.

Deferred tax assets have not been recognised in respect of the above items because it is not probable that future taxable profit will be available against which the Group entities can utilise the benefits therefrom.

# Notes to the Financial Statements

## 8. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current</b>					
<b>Trade</b>					
Trade receivables		126,694	900,561	-	-
Amount due from a related company	8.2	3,119,589	4,259,521	-	-
		<b>3,246,283</b>	5,160,082	-	-
<b>Current</b>					
<b>Trade</b>					
Trade receivables	8.1	102,832,271	88,053,177	-	-
Amounts due from related companies	8.2	3,365,916	5,255,521	-	-
		<b>106,198,187</b>	93,308,698	-	-
<b>Non-trade</b>					
Amounts due from subsidiaries	8.3	-	-	7,536,443	7,325,827
Dividend receivable		-	-	8,000,000	4,000,000
Other receivables		1,018,220	1,838,921	89,347	91,623
Deposits		575,365	507,676	1,000	1,000
		<b>1,593,585</b>	2,346,597	<b>15,626,790</b>	11,418,450
		<b>107,791,772</b>	95,655,295	<b>15,626,790</b>	11,418,450
		<b>111,038,055</b>	100,815,377	<b>15,626,790</b>	11,418,450

8.1 Included in trade receivables of the Group are retention sums of RM4,060,350 (2023: RM4,507,273) which are unsecured, interest free and are expected to be collected within periods ranging from 6 months to 12 months (2023: 6 months to 12 months).

Included in trade receivables of the Group are the following amounts due from related parties:

	Group	
	2024 RM	2023 RM
With companies in which certain Directors and/or person(s) connected to them have interests	14,915	7,182
Directors of the Group and of the Company	47,000	-
	<b>61,915</b>	7,182

# Notes to the Financial Statements

## 8. TRADE AND OTHER RECEIVABLES (CONTINUED)

8.2 The amounts due from related companies of the Group are subject to normal trade terms.

8.3 The amounts due from subsidiaries of the Company are unsecured, interest free and repayable on demand, except for an amount due from a subsidiary of RM7,475,252 (2023: RM7,325,827) which is subject to an interest rate of 4.0% (2023: 4.0%) per annum and repayable on demand.

## 9. INVENTORIES

	Group	
	2024 RM	2023 RM
At cost:		
Raw materials and consumables	52,117,974	51,717,900
Work-in-progress	2,358,304	1,449,872
Goods in transit	6,846,972	4,193,078
Finished goods	4,000,042	4,664,888
	<b>65,323,292</b>	62,025,738
At net realisable value:		
Raw materials and consumables	3,029,762	2,454,075
Work-in-progress	7,818	31,316
	<b>3,037,580</b>	2,485,391
	<b>68,360,872</b>	64,511,129
Recognised in profit or loss		
Inventories recognised as costs of sales	<b>179,875,005</b>	143,236,520

## 10. CONTRACT WITH CUSTOMERS

### 10.1 Contract assets/(liabilities)

	Group	
	2024 RM	2023 RM
Contract assets	43,640,966	52,993,018
Contract liabilities	<b>(65,170,758)</b>	(70,518,131)

The contract assets primarily relate to the Group's right to consideration for work completed on construction contracts but not yet billed as at the reporting date. The amount will be billed on achievement of billing milestones as per the contracts, typically within 12 months (2023: 12 months) and is subject to normal trade terms.

# Notes to the Financial Statements

## 10. CONTRACT WITH CUSTOMERS (CONTINUED)

### 10.1 Contract assets/(liabilities) (continued)

The contract liabilities are made up of:

- i) advance billings of RM61,500,047 (2023: RM68,626,845) made to customers for construction contracts, for which revenue is recognised over time during the construction period. The contract liabilities are expected to be recognised as revenue over a period of 12 months (2023: 12 months); and
- ii) advance billings of RM3,670,711 (2023: RM1,891,286) made to customers for their purchases of goods, for which revenue is recognised at a point in time when the goods are delivered or services are rendered and accepted by customers. The contract liabilities are expected to be recognised as revenue within next 12 months (2023: 12 months).

Movement in contract assets and contract liabilities balances which related to construction contracts during the year are as follows:

	Group	
	2024 RM	2023 RM
At 1 April 2023/2022	(15,633,827)	1,377,239
Revenue recognised during the year	342,993,645	311,450,432
Billings to customers during the year	(344,662,336)	(328,694,816)
Others	(556,563)	233,318
At 31 March	(17,859,081)	(15,633,827)

### 10.2 Contract costs

	Group	
	2024 RM	2023 RM
Costs to fulfil contracts	1,862,706	849,869

Cost to fulfil a contract comprises of costs incurred in construction and installation contracts that are used to fulfil the contracts in future. These costs are to be recognised in profit or loss over the term of the specific contract it relates to, consistent with the pattern of recognition of the associated revenue.

## 11. PREPAYMENTS

Included in prepayments of the Group is advance consideration paid to suppliers for purchase of materials amounting to approximately RM6,668,894 (2023: RM12,854,000).

# Notes to the Financial Statements

## 12. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

Group	2024			2023		
	Nominal value RM	Assets RM	Liabilities RM	Nominal value RM	Assets RM	Liabilities RM
Derivatives used for hedging						
- Forward exchange contracts	<b>26,609,759</b>	<b>74,921</b>	<b>(31,280)</b>	-	-	-
	<b>26,609,759</b>	<b>74,921</b>	<b>(31,280)</b>	-	-	-

Forward exchange contracts are used to manage the foreign currency exposures arising from the Group's receivables and payables denominated in currencies other than the functional currencies of Group entities. Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity.

## 13. CASH AND CASH EQUIVALENTS

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances		<b>35,680,122</b>	28,021,131	<b>27,555</b>	21,765
Deposits placed with licensed banks	13.1	<b>16,993,006</b>	15,234,679	-	-
Liquid investments	13.2	<b>25,415,350</b>	6,772,762	<b>1,067,222</b>	3,917,215
		<b>78,088,478</b>	50,028,572	<b>1,094,777</b>	3,938,980

13.1 Included in the deposits placed with licensed banks of the Group is RM194,746 (2023: RM189,679) pledged as securities for banking facilities granted to the Group.

13.2 The liquid investments represent investment in unit trust funds which primarily invests in money market instruments. The Directors regard the liquid investments as cash and cash equivalents in view of its high liquidity and insignificant risk of changes in value.

# Notes to the Financial Statements

## 14. CAPITAL AND RESERVES

### 14.1 Share capital

	Group and Company			
	Amount 2024 RM	Number of shares 2024	Amount 2023 RM	Number of shares 2023
<b><i>Issued and fully paid shares with no par value classified as equity instruments:</i></b>				
Ordinary shares				
At beginning/end of year	<b>51,600,000</b>	<b>516,000,000</b>	51,600,000	516,000,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

### 14.2 Merger deficit

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

### 14.3 Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred.

### 14.4 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM.

### 14.5 Defined benefit reserve

The defined benefit reserve arose from the remeasurement of the defined benefit plans.

# Notes to the Financial Statements

## 15. LOANS AND BORROWINGS

	Note	Group	
		2024 RM	2023 RM
<b>Non-current</b>			
Term loans	15.1	<b>1,957,269</b>	2,408,684
Hire purchase liabilities	15.2	<b>532,669</b>	461,065
		<b>2,489,938</b>	2,869,749
<b>Current</b>			
Term loans	15.1	<b>452,785</b>	445,159
Hire purchase liabilities	15.2	<b>197,604</b>	226,729
		<b>650,389</b>	671,888
		<b>3,140,327</b>	3,541,637

### 15.1 The term loans of the Group are secured by:

- (i) A legal charge over certain properties and investment properties of the Group (see Note 3 and Note 4);
- (ii) A corporate guarantee by the Company; and
- (iii) A joint and several guarantee of certain Directors of a subsidiary.

### 15.2 Hire purchase liabilities are payable as follows:

Group	2024			2023		
	Future minimum hire purchase payments RM	Interest RM	Present value of minimum hire purchase payments RM	Future minimum hire purchase payments RM	Interest RM	Present value of minimum hire purchase payments RM
Less than one year	<b>227,985</b>	<b>(30,381)</b>	<b>197,604</b>	254,846	(28,117)	226,729
Between one and five years	<b>572,782</b>	<b>(40,113)</b>	<b>532,669</b>	501,674	(40,609)	461,065
	<b>800,767</b>	<b>(70,494)</b>	<b>730,273</b>	756,520	(68,726)	687,794



# Notes to the Financial Statements

## 16. EMPLOYEE BENEFITS

The Group's net obligation in respect of defined benefit plans arises from its subsidiaries in Indonesia, which is determined based on the latest actuarial valuation by an independent actuary dated 28 March 2024 (2023: 1 March 2023).

The following table summarises the components of net employee benefits expense recognised in the statement of profit of loss and other comprehensive income and in the statement of financial position as employee benefits:

	Group	
	2024 RM	2023 RM
<b>a. Expense recognised in profit or loss</b>		
Current service cost	95,644	79,018
Past service cost	(17,660)	-
Interest on obligation	26,659	2,568
Payment during the year	39,283	8,087
Net benefit expense	<b>143,926</b>	89,673
<b>b. Present value of defined benefit obligations</b>		
Net benefit expense	<b>482,933</b>	386,233
<b>c. Present value of defined benefit obligations</b>		
Defined benefit obligations at 1 April 2023/2022	<b>386,233</b>	411,069
Current service cost and interest	<b>143,926</b>	89,673
Payment during the year	<b>(39,283)</b>	(118,347)
Others	<b>(7,943)</b>	3,838
Defined benefit obligations at 31 March	<b>482,933</b>	386,233

The principal actuarial assumptions used in determining the defined benefit cost at end of reporting period are as follows:

Calculation method	: Projected Unit Credit
Normal pension age	: 55 years (2023: 55 years)
Annual salary increment (estimated)	: 5.0% (2023: 5.0%)
Annual discount rate	: 6.8% - 6.9% (2023: 7.0% - 7.1%)
Mortality level	: Indonesian Mortality Table ("TMI") 4 (2019) with improvement
Disability level	: 10% from mortality level (2023: 10%)
Resignation level	: 10% at age 25 years and linearly reduce until 0% at normal retirement age (2023: 10% at age 25 years and linearly reduce until 0% at normal retirement age)

The Group's management believes that the accrued employee benefits as of the financial year end is sufficient to meet the requirement of the law in Indonesia.

# Notes to the Financial Statements

## 17. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Trade</b>					
Trade payables		<b>43,550,814</b>	55,011,014	-	-
<b>Non-trade</b>					
Other payables		<b>1,872,303</b>	1,928,344	<b>25,458</b>	7,107
Amount due to a subsidiary	17.1	-	-	-	3,811
Amounts due to related companies	17.2	-	11,884	-	-
Accrued expenses	17.3	<b>21,542,885</b>	6,481,893	<b>45,694</b>	86,820
		<b>23,415,188</b>	8,422,121	<b>71,152</b>	97,738
		<b>66,966,002</b>	63,433,135	<b>71,152</b>	97,738

17.1 The amount due to a subsidiary was unsecured, interest free and repayable on demand.

17.2 The amounts due to related companies were unsecured, interest free and repayable on demand.

17.3 Included in accrued expenses of the Group is provision for warranties amounting to RM12,877,800 (2023: RM3,100,522), relating to products sold and services rendered. The provision is based on estimates made from historical warranty data associated with similar products and services.

## 18. REVENUE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Revenue from contracts with customers</b>	<b>440,303,299</b>	377,684,178	-	-
<b>Other revenue</b>				
- Dividend income	-	-	<b>9,117,259</b>	4,837,944
	<b>440,303,299</b>	377,684,178	<b>9,117,259</b>	4,837,944

# Notes to the Financial Statements

## 18. REVENUE (CONTINUED)

### 18.1 Disaggregation of revenue

Group	Reportable segments													
	Bio-Energy				Water Treatment				Solar Energy				Total	
	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM		
<b>Primary geographical markets</b>														
Malaysia	105,522,288	117,977,988	49,223,687	46,842,410	64,595,799	37,630,578	219,341,774	202,450,976						
Indonesia	203,486,095	161,430,644	867,605	941,383	-	-	204,353,700	162,372,027						
Other countries	16,251,793	12,631,275	356,032	229,900	-	-	16,607,825	12,861,175						
	<b>325,260,176</b>	<b>292,039,907</b>	<b>50,447,324</b>	<b>48,013,693</b>	<b>64,595,799</b>	<b>37,630,578</b>	<b>440,303,299</b>	<b>377,684,178</b>						
<b>Major products and services lines</b>														
Construction contracts	316,232,025	280,896,558	26,761,620	26,631,874	-	3,922,000	342,993,645	311,450,432						
Sales of goods and services	9,028,151	11,143,349	23,685,704	21,381,819	64,595,799	33,708,578	97,309,654	66,233,746						
	<b>325,260,176</b>	<b>292,039,907</b>	<b>50,447,324</b>	<b>48,013,693</b>	<b>64,595,799</b>	<b>37,630,578</b>	<b>440,303,299</b>	<b>377,684,178</b>						
<b>Timing and recognition</b>														
Over time	316,232,025	280,896,558	26,761,620	26,631,874	-	3,922,000	342,993,645	311,450,432						
At a point in time	9,028,151	11,143,349	23,685,704	21,381,819	64,595,799	33,708,578	97,309,654	66,233,746						
	<b>325,260,176</b>	<b>292,039,907</b>	<b>50,447,324</b>	<b>48,013,693</b>	<b>64,595,799</b>	<b>37,630,578</b>	<b>440,303,299</b>	<b>377,684,178</b>						

# Notes to the Financial Statements

## 18. REVENUE (CONTINUED)

### 18.2 Nature of goods and services

#### Construction contracts

Revenue from construction contracts is recognised over time as and when the costs are incurred using the input method. These contracts would meet the no alternative use and the Group have rights to payment for work performed. The billings made by the Group for revenue from construction contracts are based on agreed milestone, with general payment terms of 30 days (2023: 30 days) from invoice date or on instalment term.

Transaction price is computed based on the price specified in the contract. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Generally, the Group is required to fulfil warranty obligation over a defect liability period ranging from 3 months to 5 years (2023: 3 months to 5 years) from the date of completion.

#### Sales of goods and services

Revenue from sale of goods and services is recognised when the goods are delivered or services are rendered and accepted by customers at their premises, or recognised when the control of the goods have transferred to the customer. Generally, payment terms for revenue from customers ranging from 30 days to 90 days (2023: 30 days to 90 days) from invoice date or cash term. For the supply of solar products and services to customers, the Group is required to fulfil warranty obligation over a period of up to 5 years (2023: up to 5 years) from the date of completion.

### 18.3 Transaction price allocated to the remaining performance obligations

The following table shows revenue from performance obligations for contracts with duration of more than 1 year, that are unsatisfied (or partially unsatisfied) at the reporting date.

	Group	
	2024 RM	2023 RM
Within 1 year	218,060,801	238,652,545
More than 1 year	73,935,239	82,636,419
	<b>291,996,040</b>	<b>321,288,964</b>

The amount disclosed above does not include variable considerations which are constrained.

# Notes to the Financial Statements

## 19. RESULTS FROM OPERATING ACTIVITIES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Results from operating activities is arrived at after charging/(crediting):</b>				
Auditors' remuneration:				
Audit fees				
- KPMG in Malaysia	262,900	250,425	71,650	68,250
- Overseas affiliates of KPMG in Malaysia	52,305	-	52,305	-
- Other auditors	82,473	75,327	-	-
Non-audit fees				
- KPMG in Malaysia	5,500	5,250	5,500	5,250
<b>Material expenses/(income):</b>				
Depreciation of:				
- property, plant and equipment	5,371,529	5,172,821	150,145	150,144
- investment properties	108,261	108,260	-	-
Fair value gain on derivatives	(262,064)	-	-	-
Gain on disposal of property, plant and equipment	(142,739)	(87,000)	-	-
Gain on termination of lease contracts	(175)	(727)	-	-
Loss/(Gain) on foreign exchange:				
- realised	662,530	2,370,237	23,451	(98)
- unrealised	(480,685)	428,517	(310,211)	(151,353)
Income distribution on liquid investments	(432,375)	(475,405)	(60,206)	(172,296)
Inventories written down	698,874	335,291	-	-
Inventories written off	30,292	20,909	-	-
Net impairment loss on:				
- contract assets	80,908	41,736	-	-
- financial assets	2,120,522	2,398,808	43,727	20,000
Property, plant and equipment written off	1,372	44,366	-	-
Personnel expenses (including key management personnel):				
- wages, salaries and others	42,140,190	33,590,372	514,399	579,968
- contributions to state plans	4,023,063	3,405,938	-	-
- expenses related to defined benefit plans	143,926	89,673	-	-
<b>Expenses arising from leases</b>				
Expenses relating to short-term leases	411,817	498,479	-	-
Expenses relating to leases of low-value assets	55,370	65,857	-	-

# Notes to the Financial Statements

## 20. FINANCE COSTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expense of financial liabilities that are carried at amortised cost:				
- revolving credits	<b>23,864</b>	15,000	<b>8,822</b>	-
- term loans	<b>129,343</b>	125,677	-	-
- hire purchase liabilities	<b>32,779</b>	21,502	-	-
- others	<b>81,571</b>	-	-	-
Interest expense on lease liabilities	<b>33,819</b>	28,601	-	-
	<b>301,376</b>	190,780	<b>8,822</b>	-

## 21. FINANCE INCOME

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest income of financial assets calculated using the effective interest method that are at amortised cost:				
- deposits placed with licensed banks	<b>652,808</b>	487,950	<b>5,514</b>	1,359
- subsidiaries	-	-	<b>1,088,903</b>	1,275,659
- others	<b>169,032</b>	169,593	-	-
	<b>821,840</b>	657,543	<b>1,094,417</b>	1,277,018

# Notes to the Financial Statements

## 22. TAX EXPENSE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Current tax expense</b>				
Current year	<b>18,147,876</b>	6,621,346	<b>358,149</b>	78,304
Under/(Over) provision in prior year	<b>97,970</b>	(42,392)	<b>(419)</b>	-
	<b>18,245,846</b>	6,578,954	<b>357,730</b>	78,304
<b>Deferred tax expense</b>				
Origination and reversal of temporary differences	<b>(6,000,172)</b>	(1,753,781)	<b>(133,038)</b>	199,855
Under/(Over) provision in prior year	<b>66,190</b>	(116,347)	-	-
	<b>(5,933,982)</b>	(1,870,128)	<b>(133,038)</b>	199,855
Total tax expense	<b>12,311,864</b>	4,708,826	<b>224,692</b>	278,159
<b>Reconciliation of tax expense</b>				
Profit before tax	<b>47,851,328</b>	20,866,641	<b>9,450,302</b>	5,296,298
Income tax calculated using Malaysian tax rate of 24% (2023: 24%)	<b>11,484,319</b>	5,007,994	<b>2,268,072</b>	1,271,112
Tax exempt income	<b>(196,744)</b>	(219,833)	<b>(2,278,991)</b>	(1,238,807)
Non-deductible expenses	<b>1,303,281</b>	471,229	<b>236,030</b>	245,854
Utilisation previously unrecognised deferred tax assets	<b>(212,040)</b>	(404,736)	-	-
Effect of tax rates in foreign jurisdictions	<b>(231,112)</b>	12,911	-	-
Under/(Over) provided in prior year	<b>164,160</b>	(158,739)	<b>(419)</b>	-
Total tax expense	<b>12,311,864</b>	4,708,826	<b>224,692</b>	278,159

## 23. EARNINGS PER ORDINARY SHARE

### Basic and diluted earnings per ordinary share

The calculation of basic and diluted earnings per ordinary share is based on the profit for the year attributable to the owners of the Company of RM33,637,537 (2023: RM14,081,025) and the number of ordinary shares in issue during the year.

	Group	
	2024	2023
Number of ordinary shares at 31 March	<b>516,000,000</b>	516,000,000
Basic and diluted earnings per ordinary share (sen)	<b>6.52</b>	2.73

# Notes to the Financial Statements

## 24. DIVIDENDS

Dividends recognised by the Company:

	Sen per share	Total amount RM	Date of payment
<b>2024</b>			
Final 2023	1.75	9,030,000	13 September 2023
<b>2023</b>			
Final 2022	1.75	9,030,000	14 September 2022

A final single tier dividend has been recommended by the Directors in respect of the financial year ended 31 March 2024 of 2.25 sen per ordinary share totalling approximately RM11,610,000 subject to the approval of the members at the forthcoming Annual General Meeting of the Company.

## 25. OPERATING SEGMENTS

The Group's resources allocation is assessed in accordance to the business performance and requirement of the respective business segments as reviews and determined by the Chief Operating Decision Maker ("CODM") whom are the Managing Directors of the Group. Hence, segment information is presented by business segment that the Group operates in. The format of the business segment is based on the Group's operation management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Expenses which are common and may not be directly allocated to the respective operating segments are allocated to the respective segments based on the relative size of each segment.

Segment capital expenditure is the total costs incurred during the period to acquire property, plant and equipment and investment properties.

### **Business Segments**

The Group comprises of the following main business segments:

Bio-energy	Manufacturing, installation and technical support of bio-energy systems (which involve the generation of energy from bio-based materials), technical support and trading of related parts and accessories.
Water treatment	Installation and technical support of water treatment equipment and trading of related chemicals.
Solar energy	Installation of solar photovoltaic systems, technical support and trading of related parts and accessories.

The inter-segment transactions have been entered into in the normal course of business and are based on normal trade terms.



# Notes to the Financial Statements

## 25. OPERATING SEGMENTS (CONTINUED)

	Bio-Energy		Water Treatment		Solar Energy		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023
	RM	RM	RM	RM	RM	RM	RM	RM
<b>Business segments</b>								
Revenue from external customers	325,260,176	292,039,907	50,447,324	48,013,693	64,595,799	37,630,578	440,303,299	377,684,178
Segment profit before tax	33,383,497	13,541,165	6,095,329	5,884,833	8,372,502	1,440,643	47,851,328	20,866,641
<i>Included in the measurement of segment profit before tax are:</i>								
Inter-segment revenue	1,193,622	945,298	-	-	8,400	2,200	1,202,022	947,498
Fair value gain on derivatives	262,064	-	-	-	-	-	262,064	-
Finance income	408,860	273,399	203,920	199,160	209,060	184,984	821,840	657,543
Finance costs	(15,222)	(1,277)	(202,156)	(184,439)	(83,998)	(5,064)	(301,376)	(190,780)
Depreciation	(4,210,607)	(4,110,391)	(963,128)	(914,672)	(306,055)	(256,018)	(5,479,790)	(5,281,081)
Net reversal/(impairment loss) on:								
- contract assets	(80,908)	(41,736)	-	-	-	-	(80,908)	(41,736)
- financial assets	(1,484,209)	(1,695,117)	40,943	44,276	(677,256)	(747,967)	(2,120,522)	(2,398,808)
Inventories written down	(552,778)	(307,952)	(38,441)	(27,339)	(107,655)	-	(698,874)	(335,291)
Inventories written off	(7,795)	(13,462)	(22,497)	(7,447)	-	-	(30,292)	(20,909)
<i>Not included in the measurement of segment profit before tax but provided to CODM:</i>								
Tax expense	(8,549,452)	(2,855,468)	(1,554,737)	(1,495,822)	(2,207,675)	(357,536)	(12,311,864)	(4,708,826)
<b>Segment assets</b>	<b>336,136,511</b>	<b>320,379,543</b>	<b>52,624,930</b>	<b>53,080,974</b>	<b>30,833,469</b>	<b>17,899,005</b>	<b>419,594,910</b>	<b>391,359,522</b>
<b>Segment liabilities</b>	<b>116,862,565</b>	<b>117,811,367</b>	<b>12,343,240</b>	<b>15,484,835</b>	<b>13,671,811</b>	<b>7,170,894</b>	<b>142,877,616</b>	<b>140,467,096</b>
<i>Included in the measurement of segment assets are:</i>								
Additions to non-current assets other than financial instruments and deferred tax assets	1,279,418	566,506	1,324,739	1,131,549	370,761	352,219	2,974,918	2,050,274

# Notes to the Financial Statements

## 25. OPERATING SEGMENTS (CONTINUED)

### Geographical segments

The Group's business operates in two geographical areas: Malaysia and Indonesia.

In presenting information on the basis of geographical segments, segment revenue is based on the country in which the entities within the Group are located. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments and deferred tax assets.

	Group	
	2024 RM	2023 RM
<b>Revenue from external customers</b>		
Malaysia	<b>361,670,618</b>	326,938,330
Indonesia	<b>78,632,681</b>	50,745,848
	<b>440,303,299</b>	377,684,178
<b>Non-current assets</b>		
Malaysia	<b>77,022,813</b>	78,647,959
Indonesia	<b>22,642,197</b>	23,378,646
	<b>99,665,010</b>	102,026,605

### Major customers

There were no major customers with revenue equal to or more than 10% of the Group's total revenue for the years ended 31 March 2024 and 31 March 2023.

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS

### 26.1 Categories of financial instruments

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

- i) Amortised cost (“AC”);
- ii) Fair value through profit or loss (“FVTPL”); and
- iii) Derivatives used for hedging.

2024	Carrying amount RM	AC RM	FVTPL RM	Derivatives used for hedging RM
<b>Financial assets</b>				
<b>Group</b>				
Derivative financial assets	74,921	-	-	74,921
Trade and other receivables	111,038,055	111,038,055	-	-
Cash and cash equivalents	78,088,478	52,673,128	25,415,350	-
	<b>189,201,454</b>	<b>163,711,183</b>	<b>25,415,350</b>	<b>74,921</b>
<b>Company</b>				
Amount due from a subsidiary	21,962,124	21,962,124	-	-
Trade and other receivables	15,626,790	15,626,790	-	-
Cash and cash equivalents	1,094,777	27,555	1,067,222	-
	<b>38,683,691</b>	<b>37,616,469</b>	<b>1,067,222</b>	<b>-</b>
<b>Financial liabilities</b>				
<b>Group</b>				
Loans and borrowings	3,140,327	3,140,327	-	-
Derivative financial liabilities	31,280	-	-	31,280
Trade and other payables (excluding provision of warranties)	54,088,202	54,088,202	-	-
	<b>57,259,809</b>	<b>57,228,529</b>	<b>-</b>	<b>31,280</b>
<b>Company</b>				
Trade and other payables	71,152	71,152	-	-

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.1 Categories of financial instruments (continued)

2023	Carrying amount RM	AC RM	FVTPL RM	Derivatives used for hedging RM
<b>Financial assets</b>				
<b>Group</b>				
Derivative financial assets	-	-	-	-
Trade and other receivables	100,815,377	100,815,377	-	-
Cash and cash equivalents	50,028,572	43,255,810	6,772,762	-
	150,843,949	144,071,187	6,772,762	-
<b>Company</b>				
Amount due from a subsidiary	23,354,925	23,354,925	-	-
Trade and other receivables	11,418,450	11,418,450	-	-
Cash and cash equivalents	3,938,980	21,765	3,917,215	-
	38,712,355	34,795,140	3,917,215	-
<b>Financial liabilities</b>				
<b>Group</b>				
Loans and borrowings	3,541,637	3,541,637	-	-
Derivative financial liabilities	-	-	-	-
Trade and other payables (excluding provision of warranties)	60,332,613	60,332,613	-	-
	63,874,250	63,874,250	-	-
<b>Company</b>				
Trade and other payables	97,738	97,738	-	-

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.2 Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Recognised in profit and loss</b>				
Net (losses)/gains on:				
Financial assets at AC	<b>(1,053,059)</b>	(3,832,969)	<b>1,025,773</b>	1,408,469
Financial liabilities at AC	<b>(613,454)</b>	(869,228)	<b>302,856</b>	-
Financial assets at FVTPL	<b>432,375</b>	475,405	<b>60,206</b>	172,296
Derivatives used for hedging	<b>262,064</b>	-	<b>-</b>	-
	<b>(972,074)</b>	(4,226,792)	<b>1,388,835</b>	1,580,765
<b>Recognised in other comprehensive income</b>				
Derivatives used for hedging	<b>(218,423)</b>	(75,121)	<b>-</b>	-
	<b>(1,190,497)</b>	(4,301,913)	<b>1,388,835</b>	1,580,765

### 26.3 Financial risk management

The Group and the Company have exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

### 26.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from advances to subsidiaries and financial guarantees given to banks for credit facilities granted to certain subsidiaries. There are no significant changes as compared to prior periods.

#### Trade receivables and contract assets

*Risk management objectives, policies and processes for managing the risk*

Credit risk is controlled by the application of credit approvals, limits and monitoring procedures. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not have any significant exposure to any individual counterparty. The Group has credit policy in place to ensure that transactions are conducted with creditworthy counterparty. The Group uses aging analysis to monitor the credit quality of receivables.

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.4 Credit risk (continued)

#### Trade receivables and contract assets (continued)

*Risk management objectives, policies and processes for managing the risk (continued)*

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

*Concentration of credit risk*

The exposure of credit risk for trade receivables and contract assets as at the end of the reporting period by geographic region was:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Malaysia	<b>93,018,978</b>	96,586,355
Indonesia	<b>55,380,862</b>	53,577,035
Others	<b>4,685,596</b>	1,298,408
	<b>153,085,436</b>	151,461,798

*Recognition and measurement of impairment loss*

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances.

The Group would assess any receivables with financial difficulties for credit impairments on their risk of loss individually.

The Group uses an allowance matrix to measure expected credit losses ("ECL") of trade receivables. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency.

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.4 Credit risk (continued)

#### Trade receivables and contract assets (continued)

*Recognition and measurement of impairment loss (continued)*

Loss rates are based on payment profiles of past sales and the historical credit loss experience over the past four years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

Group	Gross carrying amount RM	Loss allowance RM	Net balance RM
<b>2024</b>			
Current (not past due)	54,997,828	-	54,997,828
1-30 days past due	17,651,926	(8,148)	17,643,778
31-60 days past due	9,629,005	(6,747)	9,622,258
61-90 days past due	7,126,488	(258,825)	6,867,663
91-120 days past due	6,363,735	(231,806)	6,131,929
More than 120 days past due	20,952,973	(6,771,959)	14,181,014
	<b>116,721,955</b>	<b>(7,277,485)</b>	<b>109,444,470</b>
<b>Credit impaired</b>			
Individually impaired	6,264,371	(6,264,371)	-
Trade receivables	122,986,326	(13,541,856)	109,444,470
Contract assets	44,803,390	(1,162,424)	43,640,966
	<b>167,789,716</b>	<b>(14,704,280)</b>	<b>153,085,436</b>
<b>2023</b>			
Current (not past due)	57,027,785	(91,742)	56,936,043
1-30 days past due	16,351,516	(566,921)	15,784,595
31-60 days past due	5,832,643	(217,218)	5,615,425
61-90 days past due	4,034,076	(178,105)	3,855,971
91-120 days past due	3,366,197	(136,707)	3,229,490
More than 120 days past due	18,167,589	(5,120,333)	13,047,256
	<b>104,779,806</b>	<b>(6,311,026)</b>	<b>98,468,780</b>
<b>Credit impaired</b>			
Individually impaired	5,148,351	(5,148,351)	-
Trade receivables	109,928,157	(11,459,377)	98,468,780
Contract assets	54,074,534	(1,081,516)	52,993,018
	<b>164,002,691</b>	<b>(12,540,893)</b>	<b>151,461,798</b>

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.4 Credit risk (continued)

#### Trade receivables and contract assets (continued)

*Recognition and measurement of impairment loss (continued)*

There are trade receivables where the Group has not recognised any loss allowance as the trade receivables are supported by collateral such as agreed instalment plan and other credit enhancement in managing exposure to credit risk.

The movements in the allowance for impairment in respect of trade receivables and contract assets during the year are shown below.

Group	Trade receivables		Contract assets RM	Total RM
	Lifetime ECL RM	Credit impaired RM		
<b>Balance at 1 April 2022</b>	(5,145,564)	(4,043,867)	(1,039,780)	(10,229,211)
Amounts written off	130,293	-	-	130,293
Net remeasurement of loss allowance	(1,294,958)	(1,103,850)	(41,736)	(2,440,544)
Translation difference	(797)	(634)	-	(1,431)
<b>Balance at 31 March 2023/ 1 April 2023</b>	(6,311,026)	(5,148,351)	(1,081,516)	(12,540,893)
Amounts written off	126,003	-	-	126,003
Net remeasurement of loss allowance	(1,004,502)	(1,116,020)	(80,908)	(2,201,430)
Translation difference	(87,960)	-	-	(87,960)
<b>Balance at 31 March 2024</b>	<b>(7,277,485)</b>	<b>(6,264,371)</b>	<b>(1,162,424)</b>	<b>(14,704,280)</b>

#### Cash and cash equivalents

The cash and cash equivalents are held with banks, financial institutions and other financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks, financial institutions and other financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, not provided for.

#### Other receivables

Credit risk on other receivables is mainly arising from sundry receivables. As at the end of the reporting period, the maximum exposure to credit risk on other receivables is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses as the Group is of the view that the loss allowance is immaterial.



# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.4 Credit risk (continued)

#### Financial guarantees

*Risk management objectives, policies and processes for managing the risk*

The Company provides corporate guarantee to a bank in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their borrowings on an ongoing basis.

*Exposure to credit risk, credit quality and collateral*

The maximum exposure to credit risk amounts to RM17,773,284 (2023: RM14,464,818) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans and banking facilities.

*Recognition and measurement of impairment loss*

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligation to the financial institution in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment and hence no allowance for impairment losses was recognised by the Company.

#### Inter-company loans and advances

*Risk management objectives, policies and processes for managing the risk*

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

*Exposure to credit risk, credit quality and collateral*

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

Loans and advances provided are not secured by any collateral to supported by any other credit enhancements.

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.4 Credit risk (continued)

#### Inter-company loans and advances (continued)

##### *Recognition and measurement of Impairment losses*

Generally, the Company considers loans and advances to subsidiaries is of low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when:

- the subsidiary is unlikely to repay its loan or advance to the Company in full; or
- the subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these loans and advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' loan and advances.

Company	Gross carrying amount RM	Loss allowance RM	Net balance RM
<b>2024</b>			
Low credit risk	29,498,567	-	29,498,567
Credit impaired	3,503,727	(3,503,727)	-
	<b>33,002,294</b>	<b>(3,503,727)</b>	<b>29,498,567</b>
<b>2023</b>			
Low credit risk	30,680,752	-	30,680,752
Credit impaired	3,460,000	(3,460,000)	-
	<b>34,140,752</b>	<b>(3,460,000)</b>	<b>30,680,752</b>

Company	Lifetime ECL RM
<b>Balance at 1 April 2022</b>	3,440,000
Net remeasurement of loss allowance	20,000
<b>Balance at 31 March/1 April 2023</b>	3,460,000
Net remeasurement of loss allowance	43,727
<b>Balance at 31 March 2024</b>	<b>3,503,727</b>

# Notes to the Financial Statements

## **26. FINANCIAL INSTRUMENTS (CONTINUED)**

### **26.5 Liquidity risk**

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due. The Company can also demand repayment of advances/dividends from subsidiaries to meet its ability as and when fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.5 Liquidity risk (continued)

#### Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount RM	Contractual interest/ Discount rate %	Contractual undiscounted cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
<b>2024</b>							
<b>Non-derivative financial liabilities</b>							
Term loans	2,410,054	4.52 – 5.25	2,741,269	562,904	512,298	1,301,570	364,497
Hire purchase liabilities	730,273	2.10 – 4.50	800,767	227,985	195,348	377,434	-
Trade and other payables	54,088,202	-	54,088,202	54,088,202	-	-	-
Lease liabilities	933,134	3.77 – 5.01	992,150	445,050	317,500	229,600	-
	<b>58,161,663</b>		<b>58,622,388</b>	<b>55,324,141</b>	<b>1,025,146</b>	<b>1,908,604</b>	<b>364,497</b>
<b>Derivative financial liabilities</b>							
Forward exchange contracts (gross settled):							
Outflow	31,280	-	26,534,838	26,534,838	-	-	-
Inflow	(74,921)	-	(26,578,479)	(26,578,479)	-	-	-
	<b>(43,641)</b>	-	<b>(43,641)</b>	<b>(43,641)</b>	-	-	-

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.5 Liquidity risk (continued)

#### Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments: (continued)

Group	Carrying amount RM	Contractual interest/ Discount rate %	Contractual undiscounted cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
<b>2023</b>							
<b>Non-derivative financial liabilities</b>							
Term loans	2,853,843	4.27 - 5.07	3,334,603	573,981	560,323	1,394,348	805,951
Hire purchase liabilities	687,794	2.10 - 3.45	756,520	254,846	163,473	338,201	-
Trade and other payables	60,332,613	-	60,332,613	60,332,613	-	-	-
Lease liabilities	715,597	3.73 - 4.44	752,500	352,200	248,800	151,500	-
	64,589,847		65,176,236	61,513,640	972,596	1,884,049	805,951

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.5 Liquidity risk (continued)

#### Maturity analysis (continued)

Company	Carrying amount RM	Contractual interest/ Discount rate %	Contractual undiscounted cash flows RM	Under 1 year RM
<b>2024</b>				
<b>Non-derivative financial liabilities</b>				
Trade and other payables	71,152	-	71,152	71,152
Financial guarantees	-	-	17,773,284	17,773,284
	<b>71,152</b>		<b>17,844,436</b>	<b>17,844,436</b>
<b>2023</b>				
<b>Non-derivative financial liabilities</b>				
Trade and other payables	97,738	-	97,738	97,738
Financial guarantees	-	-	14,464,818	14,464,818
	<b>97,738</b>		<b>14,562,556</b>	<b>14,562,556</b>

### 26.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's and the Company's financial position or cash flows.

#### 26.6.1 Currency risk

The Group and the Company are exposed to foreign currency risk arising from transactions that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily US Dollars ("USD"), Euro ("EUR"), Indonesian Rupiah ("IDR") and Renminbi ("RMB").

The management does not view the exposure to other currencies to be significant.

#### *Risk management objectives, policies and processes for managing the risk*

The Group's and the Company's foreign exchange management policies are to minimise exposures arising from currency movements. The Group monitors currency movements closely and may enter forward foreign currency contracts to limit its exposure when the needs arise.

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.6 Market risk (continued)

#### 26.6.1 Currency risk (continued)

##### *Exposure to foreign currency risk*

The Group's and the Company's main exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period are as follows:

Group	Denominated in			
	IDR RM	USD RM	EUR RM	RMB RM
<b>2024</b>				
Trade and other receivables	-	6,160,831	32,896	855
Cash and cash equivalents	-	6,498,372	4,539,556	(547,874)
Trade and other payables	(500,769)	(794,753)	-	-
Derivative financial assets/(liabilities)	-	33,960	40,961	(31,280)
<b>Net exposure</b>	<b>(500,769)</b>	<b>11,898,410</b>	<b>4,613,413</b>	<b>(578,299)</b>
<b>2023</b>				
Trade and other receivables	-	5,224,255	520	-
Cash and cash equivalents	-	11,856,237	92,098	-
Trade and other payables	(394,071)	(2,257,774)	-	(3,390,146)
<b>Net exposure</b>	<b>(394,071)</b>	<b>14,822,718</b>	<b>92,618</b>	<b>(3,390,146)</b>

Company	Denominated in IDR	
	2024 RM	2023 RM
Amount due from a subsidiary	21,962,124	23,354,925

##### *Currency risk sensitivity analysis*

A 1.50% (2023: 1.50%) strengthening of the RM against the following currencies at the end of the reporting period would have increased/(decreased) equity/ post-tax profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.6 Market risk (continued)

#### 26.6.1 Currency risk (continued)

Currency risk sensitivity analysis (continued)

	Equity/Profit or loss	
	2024 RM	2023 RM
<b>Group</b>		
IDR	5,709	4,492
USD	(135,642)	(168,979)
EUR	(52,593)	(1,056)
RMB	6,593	38,648
<b>Company</b>		
IDR	(250,368)	(266,246)

A 1.50% (2023: 1.50%) weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

#### 26.6.2 Interest rate risk

The Group's fixed rate borrowing are exposed to a risk of change in their fair values due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

*Risk management objectives, policies and processes for managing the risk*

In managing interest rate risk, the Group and the Company maintain a balanced portfolio of fixed and floating rate instruments. All interest rate exposures are monitored and managed by the Group and the Company on a regular basis.

*Exposure to interest rate risk*

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Fixed rate instruments</b>				
Financial assets	16,993,006	15,234,679	29,437,376	30,680,752
Financial liabilities	(730,273)	(687,794)	-	-
Lease liabilities	(933,134)	(715,597)	-	-
	15,329,599	13,831,288	29,437,376	30,680,752



# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.6 Market risk (continued)

#### 26.6.2 Interest rate risk (continued)

*Exposure to interest rate risk (continued)*

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Floating rate instruments</b>				
Financial assets	61,095,472	34,793,893	1,094,777	3,938,980
Financial liabilities	(2,410,054)	(2,853,843)	-	-
	<b>58,685,418</b>	31,940,050	<b>1,094,777</b>	3,938,980

*Interest rate risk sensitivity analysis*

- (a) Fair value sensitivity analysis for fixed rate instruments

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

- (b) Cash flow sensitivity analysis for variable rate instruments

A change of 50 basis points (“bp”) in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss			
	50 bp increase 2024 RM	50 bp decrease 2024 RM	50 bp increase 2023 RM	50 bp decrease 2023 RM
<b>Group</b>				
Floating rate instruments	223,005	(223,005)	121,372	(121,372)
<b>Company</b>				
Floating rate instruments	4,160	(4,160)	14,968	(14,968)

### 26.7 Hedging activities

#### 26.7.1 Cash flow hedge

The Group entered into forward exchange contracts as hedges for sales and purchases denominated in foreign currencies.

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.8 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables approximate their fair values due to the relatively short-term nature of these financial instruments.

The carrying amounts of the floating rate borrowings and long-term advances to subsidiaries approximate fair value as they are subject to variable interest rates which in turn approximate the current market interest rates for similar loans at the end of the reporting period.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM	Carrying amount RM
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
	RM	RM	RM	RM	RM	RM	RM	RM		
<b>2024</b>										
<b>Financial assets</b>										
Trade receivables	-	-	-	-	-	-	3,246,283	3,246,283	3,246,283	3,246,283
Liquid investments	25,415,350	-	-	25,415,350	-	-	-	-	25,415,350	25,415,350
Derivative financial assets	-	74,921	-	74,921	-	-	-	-	74,921	74,921
	25,415,350	74,921	-	25,490,271	-	-	3,246,283	3,246,283	28,736,554	28,736,554
<b>Financial liabilities</b>										
Term loans	-	-	-	-	-	-	2,410,054	2,410,054	2,410,054	2,410,054
Hire purchase liabilities	-	-	-	-	-	-	730,273	730,273	730,273	730,273
Derivative financial liabilities	-	31,280	-	31,280	-	-	-	-	31,280	31,280
	-	31,280	-	31,280	-	-	3,140,327	3,140,327	3,171,607	3,171,607

## Notes to the Financial Statements

### 26. FINANCIAL INSTRUMENTS (CONTINUED)

#### 26.8 Fair value information (continued)

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM	Carrying amount RM
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
	RM	RM	RM	RM	RM	RM	RM	RM		
<b>2023</b>										
<b>Financial assets</b>										
Trade receivables	-	-	-	-	-	-	5,160,082	5,160,082	5,160,082	5,160,082
Liquid investments	6,772,762	-	-	6,772,762	-	-	-	6,772,762	6,772,762	6,772,762
	6,772,762	-	-	6,772,762	-	-	5,160,082	11,932,844	11,932,844	11,932,844
<b>Financial liabilities</b>										
Term loans	-	-	-	-	-	-	2,853,843	2,853,843	2,853,843	2,853,843
Hire purchase liabilities	-	-	-	-	-	-	687,794	687,794	687,794	687,794
	-	-	-	-	-	-	3,541,637	3,541,637	3,541,637	3,541,637
<b>Company</b>										
<b>2024</b>										
<b>Financial assets</b>										
Amount owing from a subsidiary	-	-	-	-	-	-	21,962,124	21,962,124	21,962,124	21,962,124
Liquid investments	1,067,222	-	-	1,067,222	-	-	-	1,067,222	1,067,222	1,067,222
	1,067,222	-	-	1,067,222	-	-	21,962,124	23,029,346	23,029,346	23,029,346
<b>2023</b>										
<b>Financial assets</b>										
Amount owing from a subsidiary	-	-	-	-	-	-	23,354,925	23,354,925	23,354,925	23,354,925
Liquid investments	3,917,215	-	-	3,917,215	-	-	-	3,917,215	3,917,215	3,917,215
	3,917,215	-	-	3,917,215	-	-	23,354,925	27,272,140	27,272,140	27,272,140

# Notes to the Financial Statements

## 26. FINANCIAL INSTRUMENTS (CONTINUED)

### 26.8 Fair value information (continued)

#### Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2023: no transfer in either direction).

#### Level 1 fair value

The fair values of liquid investments are their last quoted bid prices at the end of the reporting period.

#### Level 2 fair value

##### *Derivatives*

The fair value of forward exchange contracts are based on the market price obtained from licensed financial institutions.

#### Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

#### Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Term loans, hire purchase liabilities, trade receivables, amount due from subsidiaries	Discounted cash flow using a rate based on the current market rate of borrowing of the Group at the reporting date.

## 27. CAPITAL MANAGEMENT

The Group and the Company define capital as the total equity and debt. The objective of the Group's and of the Company's capital management are to maintain an optimal capital structure and ensuring funds availability to support business operations and maximises shareholders value. The Group and the Company monitor debts to equity ratio to ensure compliance with management policies as well as maintaining shareholders' confidence in the management.

# Notes to the Financial Statements

## 28. RELATED PARTIES

### Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.

The Group and the Company have related party relationship with its subsidiaries and key management personnel.

### Significant related party transactions

Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are shown below. The balances related to the below transactions are shown in Notes 6, 8 and 17.

	Group	
	2024 RM	2023 RM
With companies in which certain Directors and/or person(s) connected to them have interests:		
Purchases	1,855,009	1,810,328
Sales	(70,200)	(43,200)
Progress billings	-	(186,550)
With companies in which certain Directors of certain subsidiaries and person(s) connected to them have interests:		
Purchases	31,162	476,744
Sales	(6,551)	-
Related companies		
Purchases	165,220	-
Sales	(1,637,876)	(1,854,154)
Progress billings	(8,998,646)	(7,929,954)
Key management personnel		
Progress billings	(60,820)	(118,520)

# Notes to the Financial Statements

## 28. RELATED PARTIES (CONTINUED)

### Significant related party transactions (continued)

	Company	
	2024 RM	2023 RM
Subsidiaries		
Dividend income	<b>(9,117,259)</b>	(4,837,944)
Finance income	<b>(1,088,903)</b>	(1,275,659)

The key management personnel compensation are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<u>Directors of the Company</u>				
- Fees	<b>461,372</b>	518,555	<b>425,372</b>	482,555
- Remuneration	<b>2,271,143</b>	2,444,654	<b>89,027</b>	97,413
- Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	<b>34,800</b>	50,300	-	-
	<b>2,767,315</b>	3,013,509	<b>514,399</b>	579,968
<u>Directors of the subsidiaries</u>				
- Remuneration	<b>3,111,154</b>	2,406,096	-	-
- Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	<b>27,968</b>	6,888	-	-
	<b>3,139,122</b>	2,412,984	-	-
	<b>5,906,437</b>	5,426,493	<b>514,399</b>	579,968

## 29. ACQUISITION OF NON-CONTROLLING INTERESTS

During the previous financial year, the Company had acquired the remaining 40% equity interest of Tera VA Sdn. Bhd. for a total consideration of RM8,830,000 and increased its ownership from 60% to 100%. The total consideration consists of the following:

- Cash consideration of RM4,630,000; and
- Retention sum of RM4,200,000 paid to the solicitor as a security for profit guarantee provided by the vendor.

The Company recognised a decrease in non-controlling interests of RM3,095,906 and a decrease in retained earnings of RM5,734,094.

# Notes to the Financial Statements

## 29. ACQUISITION OF NON-CONTROLLING INTERESTS (CONTINUED)

The following summaries the effect of changed in the equity interest in Tera VA Sdn. Bhd. that is attributable to owners of the Company:

	<b>2023</b>
	<b>RM</b>
Equity interest at 1 April 2022	4,356,736
Effect of increase of Company's ownership interest	3,095,906
Share of comprehensive income during the year	944,796
Equity interest at 31 March 2023	8,397,438

### Net cash outflow arising from acquisition of non-controlling interests

	<b>2023</b>
	<b>RM</b>
Net assets acquired from non-controlling interests	(3,095,906)
Surplus of total purchase consideration against the carrying amount of non-controlling interests acquired	(5,734,094)
Cash outflow on acquisition of the remaining interests in TERA	(8,830,000)

## 30. SUBSEQUENT EVENTS

- (i) On May 30, 2024, the subsidiary of the Company, PT Boilermech had received a Notice of Tax Underpaid Assessment (Surat Ketetapan Pajak Kurang Bayar ("SKPKB")) for Corporate Income Tax ("CIT") and Tax Collection Letter (Surat Tagihan Pajak ("STP")) for Value Added Tax ("VAT") for the financial year ended 31 March 2022. Additional assessment on CIT and VAT amounting to Rp17,085,367,544 (equivalent to RM5,161,500) and Rp1,526,936,679 (equivalent to RM461,300), respectively, has been paid by PT Boilermech on June 14, 2024.

After consultation with a local tax agent, management is of the view that there are grounds for disagreement on the additional assessments including the imposition of penalties. Management has appointed a local tax agent to assist on this matter.

# Notes to the Financial Statements

## 30. SUBSEQUENT EVENTS (CONTINUED)

- (ii) On 18 June 2024, the Company had executed a legally binding term sheet with the shareholders of Plus Xenergy Holdings Sdn Bhd (“PXH”) in respect of the proposed acquisition of the entire equity interest in PXH comprising 66,600,000 ordinary shares in PXH for a purchase consideration of RM110,000,000. The purchase consideration shall be satisfied entirely by way of issuance and allotment of 81,481,482 consideration shares at an issue price of RM1.35 per share subject to satisfactory due diligence and the relevant approvals in the following manner:
- a) 48,888,889 consideration shares, equivalent to approximately 60% of the total consideration shares, shall be issued and allotted to the vendors within 30 days from the completion of conditional share sale agreement; and
  - b) the remaining 32,592,593 consideration shares, equivalent to approximately 40% of total consideration shares, shall be issued and allotted to trustee company as a security for profit guarantee of RM44,000,000 over 4 years provided by PXH.

Inter-conditional to the acquisition in PXH, the Company shall also undertake a proposed special issuance of new shares at issue price of RM1.35 per share to immediate holding company, QL Green Resources Sdn Bhd, a subsidiary of QL Resources Berhad with the aim to maintain QL’s shareholdings in the Company to above 50% of the equity interest in BMG upon completion of the Proposed Acquisition.



# Statement by **Directors**

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

In the opinion of the Directors, the financial statements set out on pages 91 to 158 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2024 and of their financial performance and cash flows for the financial year then ended.

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

**Chia Lik Khai**

Director

**Gan Chih Soon**

Director

Date: 9 July 2024

# Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Tan Ee Ming, the officer primarily responsible for the financial management of BM GreenTech Berhad, do solemnly and sincerely declare that the financial statements set out on pages 91 to 158 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Tan Ee Ming, MIA Membership No. 17251, at Subang Jaya in the State of Selangor on 9 July 2024.

**Tan Ee Ming**

Before me:

# Independent Auditors' Report

TO THE MEMBERS OF BM GREENTECH BERHAD (formerly known as Boilermech Holdings Berhad)  
(Registration No: 201001013463 (897694 - T)) (Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of BM GreenTech Berhad, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 91 to 158.

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 March 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' 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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### 1. Revenue from construction contracts

Refer to Note 1(d) – Use of estimates and judgements, Note 2(j) – Material accounting policy: Revenue from contracts with customers and Note 18 – Revenue.

##### **The key audit matter**

A significant proportion of the Group's revenue was derived from construction contracts with customers which was recognised over a period of time in accordance with MFRS 15, Revenue from Contracts with Customers. For the financial year ended 31 March 2024, construction contract revenue amounted to RM343 million representing approximately 78% of the Group's revenue.

We have identified revenue from construction contracts as a key audit matter as it involved the use of significant judgements made by the Group in estimating the stage of completion, in assessing the changes in scope and consequential revised contract price and evaluating the ability of the Group to deliver goods and services according to the agreed timeline. Revenues and profits for the year may deviate significantly on account of any changes in such judgements and estimates.

# Independent Auditors' Report

TO THE MEMBERS OF BM GREENTECH BERHAD (formerly known as Boilermech Holdings Berhad)

(Registration No: 201001013463 (897694 - T)) (Incorporated in Malaysia)

## Key Audit Matters (continued)

### 1. Revenue from construction contracts (continued)

#### How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Evaluated the design and implementation of and tested the operating effectiveness of key controls over the recognition of revenue from construction contract;
- For selected projects,
  - agreed contract value to signed agreements and approved variation orders;
  - read the key clauses of the signed contracts, correspondences and minutes of meeting with customers to identify relevant contractual terms covering damages and variation orders and determined whether these were considered in accordance with the requirements of MFRS 15;
  - performed site visits and held discussions with project teams to gauge the reasonableness of the Group's estimation of stage of completion of physical contract work performed;
  - compared prior and/or current year budgets and actual costs incurred and enquired with the Group on any material variances identified;
  - tested the estimated costs to complete by agreeing key forecast costs assumptions to documents such as letters of award, approved purchase orders, sub-contractors' claims and invoices;
  - recomputed the percentage of completion; and
  - assessed if there were any delays in delivery and/or any potential issues which would result in exposure to Liquidated Ascertained Damages.
- Agreed the construction costs incurred during the year on a sample basis to the contractors' progress claims, suppliers' invoices and relevant supporting documents; and
- Assessed the adequacy of the presentation and disclosures in the financial statements.

### 2. Impairment of trade receivables and contract assets

Refer to Note 1(d) – Use of estimates and judgements, Note 8 – Trade and other receivables, Note 10 – Contract assets and Note 26.4 – Financial Instruments : Credit risks – Trade receivables and contract assets.

#### The key audit matter

As at 31 March 2024, the carrying amounts of the Group's trade receivables and contract assets amounted to RM109 million and RM44 million respectively, representing approximately 26% and 10% respectively of the Group's total assets.

The Group assesses impairment of trade receivables both individually and collectively at each reporting date.

The Group's accounting policy with respect of impairment of financial assets and contract assets is covered through Expected Credit Losses ("ECL") method which involves a simplified approach to estimate the loss allowance at an amount equal to lifetime expected credit loss using individual receivables or homogenous group of receivables with similar credit risk characteristics. The Group also assess any receivables with financial difficulties on an individual basis based on their credit risk.

We have identified impairment of trade receivables and contract assets as a key audit matter because the assessment of impairment and calculation of the impairment allowance under ECL method were highly judgemental and there was a significant degree of judgement applied in assessing credit risk, loss rates, customers' payment behaviour pattern and other relevant risk characteristics.

# Independent Auditors' Report

TO THE MEMBERS OF BM GREENTECH BERHAD (formerly known as Boilermech Holdings Berhad)

(Registration No: 201001013463 (897694 - T)) (Incorporated in Malaysia)

## Key Audit Matters (continued)

### 2. Impairment of trade receivables and contract assets (continued)

#### How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Evaluated the design and implementation of key controls in credit control cycle and the revenue and billings cycle;
- Engaged with management and project managers and reviewed the correspondences with customers of selected projects to ascertain if the projects have any potential delays in delivery which may affect the recoverability of the contract assets and assessed the adequacy of provision for foreseeable losses;
- Tested the accuracy of age bracket in the trade receivables ageing report, by checking to the invoices, on a sample basis;
- Assessed on a sample basis, the recoverability of trade receivables and contract assets by testing the receipts of cash after year end and reviewing the historical payment trend;
- Assessed adequacy of the allowance for ECL by comparing our expectations against the loss allowance made by the Group; and
- Assessed the adequacy of the presentation and disclosure on expected credit loss and relevant credit risks of trade receivables and contract assets.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

#### 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 annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

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

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, 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 BM GREENTECH BERHAD (formerly known as Boilermech Holdings Berhad)

(Registration No: 201001013463 (897694 - T)) (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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

# Independent Auditors' Report

TO THE MEMBERS OF BM GREENTECH BERHAD (formerly known as Boilermech Holdings Berhad)  
(Registration No: 201001013463 (897694 - T)) (Incorporated in Malaysia)

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' 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 6 to the financial statements.

## OTHER MATTER

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

**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants

Petaling Jaya

9 July 2024

**Ow Peng Li**  
Approval Number: 02666/09/2025 J  
Chartered Accountant

# List of Properties

as at 31 March 2024

Owner Company	Location	Tenure of lease	Land area or built up area	Existing use	Approximate age of buildings	Book Value 31 March 2024 RM'000	Net Value 31 March 2024 RM'000	Date of last revaluation
1. Boilermech Sdn Bhd	Lot 875, Jalan Subang 8, Taman Perindustrian Subang, 47620 Subang Jaya, Selangor.	99 years, expiring on 2 September 2068	Land area: 20,407 square meter Built up area: 10,004 square meter	Corporate and administrative office & factory	27 years	15,507	15,507	30 August 2010
2. Boilermech Sdn Bhd	Lot 873, Jalan Subang 8, Taman Perindustrian Subang, 47620 Subang Jaya, Selangor.	99 years, expiring on 12 October 2061	Land area: 14,163 square meter Built up area: 9,304 square meter	Factory & warehouse	27 years	15,279	15,279	6 September 2012
3. Boilermech Sdn Bhd	Lot 169438 held under Mukim Klang, Klang, Selangor.	99 years, expiring on 24 February 2097	Land area: 44,517 square meter	Vacant Industrial Land	N/A	10,948	10,948	9 June 2014
4. BM GreenTech Berhad	Lot 169438 held under Mukim Klang, Klang, Selangor.	99 years, expiring on 24 February 2097	Land area: 44,517 square meter	Vacant Industrial Land	N/A	10,948	10,948	9 June 2014
5. BM TEK Sdn Bhd	Lot 1508, Jalan Taman Hui Sing, 93350 Kuching, Sarawak.	60 years, expiring on 27 March 2072	Land area: 1,590 square meter Built up area: 1,221 square meter	Office	13 years	5,056	5,056	28 December 2020
6. BM TEK Sdn Bhd	Lot 3681, Block 32, Kemena Land District, Jalan Sungai Nyigu, 97000 Bintulu, Sarawak.	60 years, expiring on 19 October 2059	Land area: 1,077 square meter Built up area: 489 square meter	Warehouse	24 years	772	772	5 January 2016
7. BM TEK Sdn Bhd	Lot 2359, Block 32, Kemena Land District, Jalan Sungai Nyigu, 97000 Bintulu, Sarawak.	60 years, expiring on 7 April 2057	Land area: 7,809 square meter	Vacant Industrial Land	N/A	2,008	2,008	5 January 2016



# List of Properties

as at 31 March 2024

Owner Company	Location	Tenure of lease	Land area or built up area	Existing use	Approximate age of buildings	Book Value 31 March 2024 RM'000	Net Value 31 March 2024 RM'000	Date of last revaluation
8. BM WaterTEK Sdn Bhd	No. 66, Jalan Mutiara Emas 7/5, Taman Mount Austin, 81100 Johor Bahru, Johor.	Freehold	Land area: 362 square meter Built up area: 312 square meter	Office and warehouse	31 years	836	836	8 January 2016
9. BM WaterTEK Sdn Bhd	No. 68, Jalan Mutiara Emas 7/5, Taman Mount Austin, 81100 Johor Bahru, Johor.	Freehold	Land area: 362 square meter Built up area: 312 square meter	Office and warehouse	31 years	937	937	8 January 2016
10. BM WaterTEK Sdn Bhd	No. 27, Jalan Austin Perdana 2/25, Taman Austin Perdana, 81100 Johor Bahru, Johor.	Freehold	Land area: 123 square meter Built up area: 117 square meter	Office	15 years	835	835	8 January 2016
11. BM WaterTEK Sdn Bhd	No. 29, Jalan Austin Perdana 2/25, Taman Austin Perdana, 81100 Johor Bahru, Johor.	Freehold	Land area: 123 square meter Built up area: 117 square meter	Office	15 years	835	835	8 January 2016
12. PT Boilermech Manufacturing Indonesia	No.43, Jalan Siwalanpanji, Siwalanpanji, Buduran, Sidoarjo, 61252 Jawa Timur, Indonesia.	Expiring on 24 September 2048	Land area: 11,929 square meter Built up area: 8,395 square meter	Office, factory & warehouse	12 years	6,172	6,172	25 July 2017
13. PT Boilermech Manufacturing Indonesia	Jalan Beta III, Kawasan Industri Maspion, Manyarsidomukti, Manyar, Gresik, 61151, Jawa Timur, Indonesia.	Expiring on 24 September 2044 Expiring on 26 March 2049	Land area: 15,555 square meter Land area: 10,324 square meter	Vacant Industrial Land	N/A	14,747	14,747	14 August 2018

# Shareholders' Analysis Report

as at 28 June 2024

Issued and paid-up capital : RM51,600,000 divided into 516,000,000 ordinary shares  
 Types of shares : Ordinary shares  
 Voting rights : One vote per ordinary share

## SHAREHOLDERS BY SIZE OF HOLDINGS

Holdings	No. of Holders	Total Holdings	%
Less than 100	15	262	0.00
100 – 1,000	356	220,356	0.04
1,001 – 10,000	1,409	7,879,300	1.53
10,001 – 100,000	1,030	36,526,500	7.08
100,001 to less than 5% of issued shares	284	173,944,652	33.71
5% and above of issued shares	3	297,428,930	57.64
	3,097	516,000,000	100.00

## DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct	%	Indirect	%
Dr. Chia Song Kun	400,000	0.08	272,217,806 <sup>(1)</sup>	52.76
Chia Lik Khai	500,000	0.10	-	-
Chia Seong Fatt	200,000	0.04	-	-
Gan Chih Soon	20,674,140	4.01	-	-
Tee Seng Chun	13,633,140	2.64	3,520,000 <sup>(2)</sup>	0.68
Datuk Wira Roslan Bin AB Rahman	-	-	-	-
Ng Swee Weng	-	-	-	-
Koh Ee Huei	-	-	-	-

Notes:

<sup>(1)</sup> Deemed interested by virtue of shares held by QL Green Resources Sdn Bhd ("QLGR") via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, which is substantial shareholder of QL Resources Berhad ("QL"), the holding company of QLGR, as well as his and his spouse's interest in Song Bak Holdings Sdn Bhd.

<sup>(2)</sup> Deemed interested via his spouse's shareholdings in the Company.

# Shareholders' Analysis Report

as at 28 June 2024

## SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct	%	Indirect	%
QL Green Resources Sdn Bhd	271,263,106	52.57	-	-
Dr. Chia Song Kun	400,000	0.08	272,217,806 <sup>(1)</sup>	52.76
QL Resources Berhad	-	-	271,263,106 <sup>(2)</sup>	52.57
CBG (L) Foundation	-	-	271,263,106 <sup>(3)</sup>	52.57
CBG (L) Pte Ltd	-	-	271,263,106 <sup>(4)</sup>	52.57
Leong Yew Cheong	26,165,824	5.07	4,000,000 <sup>(5)</sup>	0.78

Notes:

<sup>(1)</sup> Deemed interested by virtue of shares held by QL Green Resources Sdn Bhd ("QLGR") via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, which is a substantial shareholder of QL Resources Berhad ("QL"), the holding company of QLGR, as well as his and his spouse's interest in Song Bak Holdings Sdn Bhd.

<sup>(2)</sup> Deemed interested by virtue of its wholly-owned subsidiary, QLGR, pursuant to Section 8 of the Companies Act 2016.

<sup>(3)</sup> Deemed interested by virtue of being the holding company of CBG (L) Pte Ltd, which is a substantial shareholder of QL, the holding company of QLGR.

<sup>(4)</sup> Deemed interested by virtue of its substantial shareholdings in QL, the holding company of QLGR, pursuant to Section 8 of the Companies Act 2016.

<sup>(5)</sup> Deemed interested via his daughter's shareholdings in the Company.

## SHARES HELD IN RELATED CORPORATION

### QL RESOURCES BERHAD (ULTIMATE HOLDING COMPANY) DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct	%	Indirect	%
Dr. Chia Song Kun	1,316,250	0.054	1,001,896,271 <sup>(1)</sup>	41.168
Chia Lik Khai	2,801,600	0.115	285,480 <sup>(2)</sup>	0.012
Gan Chih Soon	-	-	32,760 <sup>(2)</sup>	0.001
Chia Seong Fatt	390,000	0.016	288,808,579 <sup>(3)</sup>	11.867

Notes:

<sup>(1)</sup> Deemed interested via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, Song Bak Holdings Sdn. Bhd., his and his spouse's indirect interest in Ruby Technique Sdn. Bhd. ("RT") and Pelita Global Sdn Bhd ("PG") as well as his spouse's and children's shares in QL pursuant to Section 8 of the Act.

<sup>(2)</sup> Indirect interest via his spouse's shares in QL.

<sup>(3)</sup> Deemed interested via his and his spouse's beneficial interest in Farsathy Holdings Sdn Bhd, his and his spouse's indirect interest in RT and PG as well as his spouse's and children's shares in QL.

# Shareholders' Analysis Report

as at 28 June 2024

## TOP THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	Shareholdings	%
1.	QL Green Resources Sdn Bhd	180,763,636	35.03
2.	QL Green Resources Sdn Bhd	90,499,470	17.54
3.	Leong Yew Cheong	26,165,824	5.07
4.	Gan Chih Soon	20,674,140	4.01
5.	Tee Seng Chun	13,633,140	2.64
6.	Wong Poon Han	6,000,372	1.16
7.	RHB Nominees (Tempatan) Sdn Bhd Malaysian Trustees Berhad (Pledged Securities Account for Leong Jit Min)	6,000,000	1.16
8.	Law Chee Wong	5,200,000	1.01
9.	HSBC Nominees (Tempatan) Sdn Bhd (HSBC (M) Trustee Bhd for Singular Value Fund)	4,315,700	0.84
10.	Laura Lorraine Leong Pei-Pei	4,000,000	0.78
11.	Liu & Chia Holdings Sdn Bhd	3,692,100	0.72
12.	Lim See Pek	3,653,000	0.71
13.	Hong Yuet Ngan	3,500,000	0.68
14.	Liu Fui Yee	3,470,100	0.67
15.	Liu Fui Moy	2,872,000	0.56
16.	Alliance Group Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Wong Wai Kong (7003764))	2,400,000	0.47
17.	Too Chin Kiong	2,300,000	0.45
18.	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Tan Seow Li (E-KLG))	2,280,000	0.44
19.	AllianceGroup Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chuah Kang Boon (6000945))	2,134,400	0.41
20.	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chuah Kang Boon (E-BSA/BBT))	2,064,000	0.40
21.	Alliance Group Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lim Hung Thiam (7000997))	1,752,000	0.34
22.	UOBM Nominees (Asing) Sdn Bhd UOB Asset Management (Malaysia) Berhad (For FWD Strategic Fund)	1,700,000	0.33
23.	Lian Boon Tiam	1,460,000	0.28
24.	Yong Yew San	1,410,000	0.27
25.	Yong Hua Kong	1,370,000	0.27
26.	Wong Wai Kong	1,350,000	0.26
27.	Liu Loy Tai	1,303,400	0.25
28.	Alliance Group Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Puang Let Cheah (8060818))	1,217,400	0.24
29.	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chia Siang Eng (E-TWU))	1,142,000	0.22
30.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. (Pledged Securities Account for Puah Guan Sang) (PUA0432C)	1,130,000	0.22
		399,452,682	77.41

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the 14<sup>th</sup> Annual General Meeting of the Company will be held at Zamrud Room, The Saujana Hotel Kuala Lumpur, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 12 September 2024 at 10.00 a.m. to transact the following businesses:

## AGENDA

### As Ordinary Business

- |     |   |  |
|-----|---|--|
| 1.  | To receive the Statutory Financial Statements for the financial year ended 31 March 2024 together with the Reports of the Directors and Auditors thereon.   | <b>Refer to Explanatory Note 1</b>                   |
| 2.  | To approve the payment of a final single tier dividend of 2.25 sen per ordinary share amounting to RM11,610,000 for the financial year ended 31 March 2024.   | <b>Resolution 1<br/>Refer to Explanatory Note 2</b>  |
| 3.  | To re-elect the following Directors who retired by rotation in accordance with the Company's Constitution and who being eligible, offer themselves for re-election:-  | <b>Refer to Explanatory Note 3</b>                   |
|     | (a) Mr. Chia Lik Khai [Clause 76(3)]  | <b>Resolution 2</b>                                  |
|     | (b) Datuk Wira Roslan Bin AB Rahman [Clause 78]   | <b>Resolution 3</b>                                  |
|     | (c) Ms. Koh Ee Huei [Clause 78]   | <b>Resolution 4</b>                                  |
| 4.  | To approve the payment of Director's fee of Dr. Chia Song Kun amounting to RM9,000 per month for the period commencing from the conclusion of the 14 <sup>th</sup> Annual General Meeting ("AGM") until the next AGM of the Company.                  | <b>Resolution 5<br/>Refer to Explanatory Note 4</b>  |
| 5.  | To approve the payment of Director's fee of Mr. Ng Swee Weng amounting to RM8,000 per month for the period commencing from the conclusion of the 14 <sup>th</sup> Annual General Meeting ("AGM") until the next AGM of the Company.                   | <b>Resolution 6<br/>Refer to Explanatory Note 4</b>  |
| 6.  | To approve the payment of Director's fee of Datuk Wira Roslan Bin AB Rahman amounting to RM7,000 per month for the period commencing from the conclusion of the 14 <sup>th</sup> Annual General Meeting ("AGM") until the next AGM of the Company.    | <b>Resolution 7<br/>Refer to Explanatory Note 4</b>  |
| 7.  | To approve the payment of Director's fee of Ms. Koh Ee Huei amounting to RM7,000 per month for the period commencing from the conclusion of the 14 <sup>th</sup> Annual General Meeting ("AGM") until the next AGM of the Company.                    | <b>Resolution 8<br/>Refer to Explanatory Note 4</b>  |
| 8.  | To approve the payment of Director's fee of Mr. Chia Seong Fatt amounting to RM3,000 per month for the period commencing from the conclusion of the 14 <sup>th</sup> Annual General Meeting ("AGM") until the next AGM of the Company.                | <b>Resolution 9<br/>Refer to Explanatory Note 4</b>  |
| 9.  | To approve the payment of the following Directors' benefits to the Non-Executive Directors ("NED") of the Company for the period commencing from conclusion of the 14 <sup>th</sup> Annual General Meeting ("AGM") until the next AGM of the Company: | <b>Resolution 10<br/>Refer to Explanatory Note 4</b> |
|     | (a) Meeting allowance of RM2,000 per Malaysian NED per meeting day.   |  |
| 10. | To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.   | <b>Resolution 11<br/>Refer to Explanatory Note 5</b> |

# Notice of Annual General Meeting

## As Special Business:

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

11. **Authority to Issue Shares and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016** **Resolution 12**  
**Refer to Explanatory Note 6**
- “THAT, subject to the Companies Act 2016, the Constitution of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals from Bursa Securities and other relevant governmental/regulatory authorities, if applicable, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes and to such persons whomsoever the Directors may, in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10 percent (10%) of the total number of issued shares (excluding treasury shares) for the time being, AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities, AND FURTHER THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company or at the expiring of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless revoked or varied by ordinary resolution of the Company at a general meeting.”
12. **Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature** **Resolution 13**  
**Refer to Explanatory Note 7**
- “THAT subject to the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), approval be and is hereby given to the Company and its subsidiary(ies) to enter into recurrent related party transactions of a revenue or trading nature with the related parties (“Recurrent Related Party Transactions”) as set out in Section 2.2 of the Circular to the Shareholders dated 30 July 2024 (“the Circular”), subject further to the following:
- (i) the Recurrent Related Party Transactions are entered into in the ordinary course of business on terms not more favourable to the related parties than those generally available to the public, and the Recurrent Related Party Transactions are undertaken on arms’ length basis and are not to the detriment of the minority shareholders of the Company;
  - (ii) the disclosure is made in the annual report of the breakdown of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the shareholders’ mandate during the financial year, amongst others, based on the following information:
    - (a) the type of Recurrent Related Party Transactions made; and
    - (b) the names of the related parties involved in each type of Recurrent Related Party Transactions made and their relationship with the Company;

# Notice of Annual General Meeting

- (iii) the shareholders' mandate is subject to annual renewal and this shareholders' mandate shall only continue to be in full force until:
  - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM, at which this shareholders' mandate will lapse, unless by a resolution passed at the said AGM, such authority is renewed;
  - (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
  - (c) revoked or varied by resolution passed by the shareholders in general meeting;
 whichever is the earlier;

AND THAT the Directors of the Company be authorised to complete and do all such acts and things as they may consider expedient or necessary (including executing such documents as may be required) to give effect to the Recurrent Related Party Transactions contemplated and/ or authorised by this Ordinary Resolution;

AND THAT, the estimates given to the Recurrent Related Party Transactions specified in Section 2.2 of the Circular being provisional in nature, the Directors and/or any of them be and are hereby authorised to agree to the actual amount or amounts thereof provided always that such amount or amounts comply with the procedures set out in Section 2.4 of the Circular."

**13. Proposed Renewal of Share Buy-Back Authority of up to Ten Percent (10%) of the Total Number of Issued Shares of the Company**

**Resolution 14**  
**Refer to Explanatory Note 8**

"THAT, subject to the Companies Act 2016 ("Act"), the provisions of the Company's Constitution, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount 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 interests of the Company ("the Proposed Share Buy-Back Authority") provided that:

- (a) the aggregate number of shares purchased does not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase(s);
- (b) the maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy-Back Authority shall not exceed the aggregate of the retained profits of the Company based on its latest audited financial statements and/or the latest management account (where applicable) available at the time of the purchase(s);
- (c) upon completion of the purchase(s) by the Company of its own shares, the Directors of the Company be and are hereby authorised to:
  - (a) cancel all or part of the shares so purchased;
  - (b) retain all or part of the shares so purchased;
  - (c) distribute the treasury shares as share dividends to the Company's shareholders for the time being;
  - (d) transfer the treasury shares, or any part thereof as purchase consideration and/or for the purposes of or under an employees' share scheme;
  - (e) resell the treasury shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; or
  - (f) sell, transfer or otherwise use the treasury shares for such other purpose pursuant to Section 127 of the Act.

# Notice of Annual General Meeting

THAT any authority conferred by this resolution may only continue to be in force until:

- (i) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next annual general meeting after that date is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders in 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 of Bursa Securities and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares) in accordance with the Act, the provisions of the Constitution of the Company and the Listing Requirements and/or guidelines of Bursa Securities and all other relevant government and/or regulatory authorities.”

14. To transact any other business for which due notice shall have been given.



# Notice of Annual General Meeting

## NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

**NOTICE IS ALSO HEREBY GIVEN THAT** subject to the approval of Members at the 14<sup>th</sup> Annual General Meeting of the Company to be held on 12 September 2024, a final single tier dividend of 2.25 sen per ordinary share for the financial year ended 31 March 2024, will be paid on 30 September 2024 to Depositors whose names appear in the Record of Depositors of the Company on 18 September 2024.

A Depositor shall qualify for entitlement only in respect of:

- (a) Securities transferred into the Depositor's securities account before 4:30 p.m. on 18 September 2024 in respect of transfers; and
- (b) Securities bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

**TAN BEE HWEЕ** (SSM PC No. 202008001497/MAICSA 7021024)  
**SOO SIEW PENG** (SSM PC No. 202008001646/MAICSA 7063110)  
Company Secretaries

Date: 30 July 2024

## NOTES:-

1. For the purposes of determining a member who shall be entitled to attend and vote at the forthcoming 14<sup>th</sup> Annual General Meeting ("AGM") of the Company, the Company shall be requesting the Record of Depositors as at 5 September 2024. Only a depositor whose name appears on the Record of Depositors as at 5 September 2024 shall be entitled to attend and vote at the meeting as well as for appointment of proxy(ies) to attend, speak and vote on his/her stead.
2. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a Member of the Company and a Member may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy.
3. A Member of the Company may appoint not more than two (2) proxies to attend the same meeting. Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
4. Where a Member or the authorised nominee appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.
5. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act, 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of subsection 25A(1) of Central Depositories Act.
6. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited by hand at or by facsimile transmission to 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 or alternatively, their Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote and in default the instrument of proxy shall not be treated as valid.
7. If the Proxy Form is signed under the hand of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under Authorisation Document which is still in force, no notice of revocation having been received". If the Proxy Form is signed under the attorney duly appointed under a Power of Attorney, it should be accompanied by a statement reading "signed under Power of Attorney which is still in force, no notice of revocation having been received". A copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed with the Proxy Form.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (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:
  - (i) In hard copy form  
In the case of an appointment made in hard copy form, this proxy form must be deposited with the Share Registrar of the Company at 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 or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - (ii) By electronic form  
The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIIH Online.

# Notice of Annual General Meeting

9. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
10. Last date and time for lodging this proxy form is **Tuesday, 10 September 2024 at 10.00 a.m.**
11. In the case of a corporation, the instrument appointing a proxy or proxies must be in accordance with the corporation's constitution.
12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
  - a. Identity card (NRIC) (Malaysia), or
  - b. Police report (for loss of NRIC)/ Temporary NRIC (Malaysian), or
  - c. Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's Share Registrar office earlier.

## **Explanatory Notes on Ordinary Business/Special Business:**

### **1. Item 1 of the Agenda**

#### **To receive the Statutory Financial Statements for the Financial Year Ended 31 March 2024**

This Agenda item is meant for discussion only as the provision of Sections 248(2) and 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Statutory Financial Statements. Hence, this Agenda item is not put forward for voting.

### **2. Resolution 1 – Dividend Payment**

With reference to Section 131 of the Companies Act 2016, a company may only make a distribution to the shareholders out of profits of the Company available if the Company is solvent. On 28 May 2024, the Board had considered the amount of dividend and decided to recommend the same for the shareholders' approval. The Directors of the Company are satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within 12 months immediately after the distribution is made on 30 September 2024 in accordance with the requirements under Section 132(2) and (3) of the Companies Act 2016.

### **3. Resolution 2 to 4 - Re-election of Directors**

Pursuant to Clause 76(3) and 78 of the Constitution of the Company, Mr. Chia Lik Khai, Datuk Wira Roslan Bin AB Rahman and Ms. Koh Ee Huei are due for retirement as Directors of the Company and being eligible, have offered themselves for re-election at this AGM. Details of the Retiring Directors are set out in the Board of Directors' profile of the Annual Report 2024.

The Board has through the Nomination Committee, considered the assessment of the Retiring Directors as well as their adherence to fit and proper criteria as set out in the Directors' Fit and Proper Policy and collectively agreed that they meet the criteria of character, experience, integrity, competence and time required to effectively discharge their respective roles as Directors, as prescribed by Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"). The Retiring Directors who are Independent Non-Executive Directors, have also provided their confirmation that they fulfil the independence criteria prescribed by the MMLR.

### **4. Resolutions 5 to 10 - Payment of Directors' Fees and Benefits**

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors, and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at the general meeting.

The amounts of Directors' fees tabled for approval is based on the current composition of the Board which currently has 4 Non-Executive Directors ("NED"). The total amount of Directors' fees for the estimated period is RM372,000. There has been no revision to the Directors' fees previously approved by the shareholders at the 13<sup>th</sup> AGM of the Company held on 25 August 2023.

The proposed payment of Directors' fees for the Ordinary Resolutions 5, 6, 7 and 8 comprising Director's fees and Board Committee's fees. Whereas, Ordinary Resolution 9 comprising Director's fee payable to Chia Seong Fatt in his capacity as Director of the Company's subsidiary, Boilermech Sdn Bhd amounting to RM36,000 for the estimated period.

The proposed Directors' benefits for the Ordinary Resolution 10 comprise of meeting allowance to the NED for their attendance at Board and Board Committee meeting(s) per meeting day. The total amount of meeting allowance based on the estimated meetings scheduled for the estimated period is RM64,000.

# Notice of Annual General Meeting

## 5. **Resolution 11 – Re-appointment of Auditors**

The Board had, at its meeting held on 28 May 2024, approved the AC's recommendation that shareholders' approval be sought at the 14<sup>th</sup> AGM on the re-appointment of KPMG PLT as the auditors of the Company, as set out under Resolution 11. The Board is satisfied with the suitability of KPMG PLT based on the quality of audit, performance, competency and sufficiency of resource that KPMG PLT had provided to BM GreenTech Group. KPMG PLT have indicated their willingness to be re-elected as auditors of the Company.

## 6. **Resolution 12 - Authority to Issue Shares and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

The Ordinary Resolution 12 is proposed to seek for a renewal of the general mandate for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016. If passed, it will empower the Directors of the Company from the date of the 14<sup>th</sup> AGM until the next AGM to allot and issue shares in the Company up to an amount not exceeding in total 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 at a general meeting, expire at the next AGM of the Company.

The Company has not issued any new shares under the general mandate for the issuance of new ordinary shares which was approved at the 13<sup>th</sup> AGM of the Company held on 25 August 2023 (hence, no proceeds were raised therefrom) and which will lapse at the conclusion of the 14<sup>th</sup> AGM.

The above renewal of the general mandate sought will enable the Directors of the Company to issue and allot shares, including but not limited to further placing of shares for purpose of funding investment(s), working capital and/or acquisitions, at any time to such persons in their absolute discretion without convening a general meeting as it would be both costs and time consuming to organise a general meeting.

## 7. **Resolution 13 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The Ordinary Resolution 13 is proposed and if passed, will enable the Company and/or its subsidiary company(ies) to enter into recurrent transactions involving the interest of Related Parties, which are necessary for the Group's day-to-day operations and undertaken at arm's length, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company.

## 8. **Resolution 14 – Proposed Renewal of Share Buy-Back Authority of up to Ten Percent (10%) of the Total Number of Issued Shares of the Company**

The proposed resolution, if passed, will empower the Directors to purchase the Company's shares through Bursa Malaysia Securities Berhad up to 10% of the total number of issued shares of the Company. This authority unless revoked or varied by the Company at a general meeting will expire at the conclusion of the next annual general meeting of the Company or within which the next annual general meeting after the date is required by law to be held, whichever occurs first. For further information, please refer to Part B of the Statement to Shareholders dated 30 July 2024.

# Statement Accompanying Notice of 14<sup>th</sup> Annual General Meeting

## Ordinary Resolution 2

1. The Director who retires pursuant to Clause 76(3) of the Constitution of the Company and being eligible to offer himself for re-election at the 14<sup>th</sup> Annual General Meeting (“AGM”) is Mr. Chia Lik Khai (“Retiring Director”).

The profile of the Retiring Director who is standing for re-election as per Agenda item 3(a) of the Notice of 14<sup>th</sup> AGM is as follows:

Name : Chia Lik Khai  
Directorate : Group Managing Director  
Nationality : Malaysian  
Age : 45  
Gender : Male  
Date of Appointment : 26 October 2010 (Re-designated as Group Managing Director on 1 September 2022)  
Length of Tenure  
(as at 31 March 2024) : 13 years 5 months

### Qualification

Mr. Chia Lik Khai graduated from the MBA program of Wharton Business School, University of Pennsylvania, United States where he focused on Entrepreneurship and Corporate Finance. He also received his Master of Science and Bachelor of Science in Electrical Engineering from University of Michigan, Ann Arbor, United States. His graduate studies specialised in Communication Integrated Circuits design and advanced semiconductor.

### Directorship/ Relevant Appointments (Other than BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad))

Mr. Chia Lik Khai is also an Executive Director in QL Resources Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad and QL Green Resources Sdn Bhd, being the ultimate and immediate holding company of BM GreenTech respectively.

### Relevant Experience

Mr. Chia Lik Khai was appointed to the Board on 26 October 2010 as an Executive Director and re-designated as Deputy Managing Director on 25 February 2015 before his position held as Joint Managing Director since 1 March 2021. Mr. Chia Lik Khai has served as Group Managing Director since 1 September 2022.

Prior to 2009, he was with McKinsey & Company in Shanghai, where he was an affiliate of the Global Energy & Materials and High-Tech practice. During his tenure there, he focused on serving global clients in renewable energy, consumer products and high-tech sectors on strategy, mergers and acquisitions as well as sales and marketing.

He also possesses extensive management experience in high-tech telecommunications and internet commerce. He spent eight (8) years in the semiconductor industry with Agilent and Avago Technologies in Silicon Valley, where he assumed multiple roles as R&D staff, new product manager and marketing manager. He subsequently joined QL Resources Berhad as Group Corporate Development Director and was appointed as the Executive Director of a few subsidiaries of QL in 2009. Mr. Chia Lik Khai is instrumental in implementing and executing business strategies and plans of BM GreenTech Group. He is committed to drive the Group business towards a fully integrated sustainable environmental solution provider across all its business segments i.e., bio-energy, water treatment and solar energy solution.

Mr. Chia Lik Khai is a shareholder of the Company. He is the son of Dr. Chia Song Kun and the nephew to Mr. Chia Seong Fatt. He has no conflict of interest with the Company. He has no conviction for any offences (except for traffic offences, if any) within the past five (5) years and there were no public sanctions or penalties imposed on him by the relevant regulatory bodies during the financial year under review.

The Board hereby supports and recommends the re-election of Mr. Chia Lik Khai as the Group Managing Director of the Company for the shareholders' approval.

# Statement Accompanying Notice of 14<sup>th</sup> Annual General Meeting

## Ordinary Resolution 3

2. The Director who retires pursuant to Clause 78 of the Constitution of the Company and being eligible to offer himself for re-election at the 14<sup>th</sup> Annual General Meeting (“AGM”) is Datuk Wira Roslan AB Rahman (“Retiring Director”).

The profile of the Retiring Director who is standing for re-election as per Agenda item 3(b) of the Notice of 14<sup>th</sup> AGM is as follows:

Name : Datuk Wira Roslan AB Rahman  
 Directorate : Independent Non-Executive Director  
 Nationality : Malaysian  
 Age : 67  
 Gender : Male  
 Date of Appointment : 17 November 2023  
 Length of Tenure  
 (as at 31 March 2024) : 4 months

### Qualification

Datuk Wira Roslan graduated from the Brighton Technical College, England where he focused on Ordinary National Diploma in Engineering. He also received his Bachelor of Science in Electrical Engineering from the University of Southampton, England.

### Directorship/ Relevant Appointments (Other than BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad))

Datuk Wira Roslan is also an Independent Non-Executive Director of Malakoff Corporation Berhad and Varia Berhad (formerly known as Stella Holdings Berhad).

### Relevant Experience

Datuk Wira Roslan was appointed as an Independent Non-Executive Director of the Company on 17 November 2023.

He is an engineer who has vast experience in the electricity supply industry with over 42 years of service in the Tenaga Nasional Berhad (“TNB”), the national utility company. He has been involved in various management capacities at TNB, where he leveraged his extensive knowledge of the industry to transform and modernise the electricity generation and power distribution systems. He has also collaborated with the Ministry of Energy and Natural Resources and the Energy Commission on various energy-related issues.

His exposure in customer service and commercial aspects of TNB has enabled him to successfully coordinate efforts with Malaysia Investment Development Authority (MIDA) in facilitating the supply of electricity for big investments and Foreign Direct Investment (FDIs). He has also worked with other important stakeholders such as Federation of Malaysian Manufactures (FMM) and Federation of Malaysian Consumers Association (FOMCA).

Datuk Wira Roslan was the spokesperson for TNB while serving as the Chief Corporate Office. His major role was to monitor and advise the Chief Executive Officer and Board of Directors on corporate communication related matters. His strong industrial relations skills had helped him to enhance the work culture, improve the harmony with the unions and employees, and build constructive relationships with various stakeholders.

In the international front, Datuk Wira Roslan represented the national utility company in various roles, namely as Country Coordinator in Head of ASEAN Power Utility (HAPUA) and Association of Energy Supply Industry of East Asia and Asia Pacific (AESIEAP).

His last position as the Chief Regulatory and Stakeholder Management Officer saw him working closely with the Ministry of Energy and Natural Resources (KETSA) and Energy Commission (EC) on various energy-related issues for the benefit of the country. His service with TNB was extended beyond his retirement age for 6 years due to his invaluable services.

Datuk Wira Roslan does not hold any shares in the Company. He has no family relationship with any Director and/or major shareholder of the Company and does not have any business or other relationship which could pose a conflict of interest with the Company or interfere with exercise of his judgment in the Company. He acts in the best interest of the Company.

The Board hereby supports and recommends the re-election of Datuk Wira Roslan as the Independent Non-Executive Director of the Company for the shareholders’ approval.

# Statement Accompanying Notice of 14<sup>th</sup> Annual General Meeting

## Ordinary Resolution 4

3. The Director who retires pursuant to Clause 78 of the Constitution of the Company and being eligible to offer herself for re-election at the 14<sup>th</sup> Annual General Meeting (“AGM”) is Ms. Koh Ee Huei (“Retiring Director”).

The profile of the Retiring Director who is standing for re-election as per Agenda item 3(c) of the Notice of 14<sup>th</sup> AGM is as follows:

Name : Koh Ee Huei  
Directorate : Independent Non-Executive Director  
Nationality : Malaysian  
Age : 42  
Gender : Female  
Date of Appointment : 17 November 2023  
Length of Tenure  
(as at 31 March 2024) : 4 months

### Qualification

Ms. Koh Ee Huei holds a Bachelor of Science in Civil Engineering and a Master of Science in Civil Engineering (Transportation) from Purdue University, West Lafayette.

### Directorship/ Relevant Appointments (Other than BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad))

Ms. Koh Ee Huei does not hold any directorship in any other public companies and listed companies.

### Relevant Experience

Ms. Koh Ee Huei was appointed as an Independent Non-Executive Director of the Company on 17 November 2023.

Ms. Koh Ee Huei was formerly a partner of McKinsey & Company since 2017, having joined the firm in 2008. She focused on the areas of infrastructure, energy, sustainability, and economic development on topics relating to strategy and transformation, investment feasibility studies and due diligences, and regulatory reforms.

She has worked extensively with public, private, government-linked, and government-linked investment companies across Malaysia and Southeast Asia. In her role, she also led McKinsey talent development initiatives across Southeast Asia including learning programme, optimising the people experience and managing recruitment for the Kuala Lumpur office.

Currently, she serves as the Head of the GEAR-uP Programme Secretariat at the Ministry of Finance, Malaysia. Prior to McKinsey, Ms. Koh was a Business Development Manager at YTL Power International Bhd (2006-2008) where she supported the evaluation of investments in the power and telecommunications sector. She previously worked as an analyst at BinaFikir Sdn Bhd (2005-2006), where she supported projects on restructuring the public transport system.

Ms. Koh Ee Huei does not hold any shares in the Company. She has no family relationship with any Director and/or major shareholder of the Company and does not have any business or other relationship which could pose a conflict of interest with the Company or interfere with exercise of her judgment in the Company. She acts in the best interest of the Company.

The Board hereby supports and recommends the re-election of Ms. Koh Ee Huei as the Independent Non-Executive Director of the Company for the shareholders' approval.

# Proxy Form



## BM GREENTECH BERHAD

(formerly known as Boilermech Holdings Berhad)  
Registration No. 201001013463 (897694-T)  
(Incorporated in Malaysia)

I/We \_\_\_\_\_  
(Full name in block)

NRIC/Passport/Company No.: \_\_\_\_\_ No.: Mobile Phone No.: \_\_\_\_\_

CDS Account No.: \_\_\_\_\_ Number of Shares Held: \_\_\_\_\_

Address: \_\_\_\_\_

being a member of **BM GREENTECH BERHAD** (formerly known as Boilermech Holdings Berhad) [201001013463 (897694-T)], hereby appoint:-

1) Name of proxy: \_\_\_\_\_ NRIC/Passport No.: \_\_\_\_\_  
(Full name in block)

Address: \_\_\_\_\_  
Number of Shares Represented: \_\_\_\_\_

2) Name of proxy: \_\_\_\_\_ NRIC/Passport No.: \_\_\_\_\_  
(Full name in block)

Address: \_\_\_\_\_  
Number of Shares Represented: \_\_\_\_\_

or failing him, the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the 14<sup>th</sup> Annual General Meeting of the Company to be held at Zamrud Room, The Saujana Hotel Kuala Lumpur, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 12 September 2024 at 10.00 a.m. or any adjournment thereof, and to vote as indicated below:

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of a final single tier dividend of 2.25 sen per ordinary share amounting to RM11,610,000 for the financial year ended 31 March 2024.		
2.	To re-elect Mr. Chia Lik Khai as Director.		
3.	To re-elect Datuk Wira Roslan Bin AB Rahman as Director.		
4.	To re-elect Ms. Koh Ee Huei as Director.		
5.	To approve the payment of Director's fee of Dr. Chia Song Kun amounting to RM9,000 per month for the period commencing from the conclusion of the 14 <sup>th</sup> Annual General Meeting ("AGM") until the next AGM of the Company.		
6.	To approve the payment of Director's fee of Mr. Ng Swee Weng amounting to RM8,000 per month for the period commencing from the conclusion of the 14 <sup>th</sup> AGM until the next AGM of the Company.		
7.	To approve the payment of Director's fee of Datuk Wira Roslan Bin AB Rahman amounting to RM7,000 per month for the period commencing from the conclusion of the 14 <sup>th</sup> AGM until the next AGM of the Company.		
8.	To approve the payment of Director's fee of Ms. Koh Ee Huei amounting to RM7,000 per month for the period commencing from the conclusion of the 14 <sup>th</sup> AGM until the next AGM of the Company.		
9.	To approve the payment of Director's fee of Mr. Chia Seong Fatt amounting to RM3,000 per month for the period commencing from the conclusion of the 14 <sup>th</sup> AGM until the next AGM of the Company.		
10.	To approve the payment of Directors' benefits comprising meeting allowance of RM2,000 per Malaysian Non-Executive Director ("NED") per meeting day for the period commencing from the conclusion of the 14 <sup>th</sup> AGM until the next AGM of the Company.		
11.	To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
12.	Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
13.	To approve the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
14.	To approve the Proposed Renewal of Share Buy-Back Authority of up to Ten Percent (10%) of the Total Number of Issued Shares of the Company.		

Please indicate with "X" how you wish your vote to be cast. In the absence of specific instruction, your Proxy will vote or abstain as he/she thinks fit.

Signed (and sealed) this \_\_\_\_\_ day of \_\_\_\_\_ 2024

\*Signature(s): \_\_\_\_\_  
Member

- \* **Manner of execution:**
- (a) If you are an individual member, please sign where indicated.
  - (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
  - (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
    - (i) at least two (2) authorised officers, of whom one shall be a director; or
    - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated

Notes:-

1. For the purposes of determining a member who shall be entitled to attend and vote at the forthcoming 14<sup>th</sup> Annual General Meeting (“AGM”) of the Company, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 5 September 2024. Only a depositor whose name appears on the Record of Depositors as at 5 September 2024 shall be entitled to attend the meeting or appoint a proxy to attend, speak and vote on his/her stead.
2. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a Member of the Company and a Member may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy.
3. A Member of the Company may appoint not more than two (2) proxies to attend the same meeting. Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
4. Where a Member or the authorised nominee appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”) which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
6. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited by hand at or by facsimile transmission to 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 or alternatively, their Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote and in default the instrument of proxy shall not be treated as valid.
7. If the Proxy Form is signed under the hand of an officer duly authorised, it should be accompanied by a statement reading “signed as authorised officer under Authorisation Document which is still in force, no notice of revocation having been received”. If the Proxy Form is signed under the attorney duly appointed under a Power of Attorney, it should be accompanied by a statement reading “signed under Power of Attorney which is still in force, no notice of revocation having been received”. A copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed with the Proxy Form.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
  - (i) In hard copy form

In the case of an appointment made in hard copy form, this proxy form must be deposited with the Share Registrar of the Company at 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 or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - (ii) By electronic form

The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIIH Online.
9. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
10. Last date and time for lodging this proxy form is **Tuesday, 10 September 2024 at 10.00 a.m.**
11. In the case of a corporation, the instrument appointing a proxy or proxies must be in accordance with the corporation’s constitution.
12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
  - a. Identity card (NRIC) (Malaysian), or
  - b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
  - c. Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company’s Share Registrar office earlier.







**BM GREENTECH BERHAD**

(Formerly known as Boilermech Holdings Berhad)  
Registration No. 201001013463 (897694-T)

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