COMFORT GLOVES BERHAD
193701000006 (852-D)

MAKING A DIFFERENCE WHERE IT MATTERS

ANNUAL REPORT
2024

84th Annual General Meeting

Day and Date:
Monday, 26 May 2025

Time:
9.00 a.m.

Venue:
Flemington Hotel
(Hall : M1 (Ground Floor))
1, Jalan Samanea Saman,
34000 Taiping,
Perak

Scan this QR code to find out more about our Annual Report 2024 from our website

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Comfort Gloves Berhad establishes a strong connection with customers to ensure consistency of **quality precision.** We innovate solution for our wide range of quality gloves in order to consistently improve better for our customers, **progressively achieves** better position as a pre-eminent player in the glove manufacturing industry worldwide.

About Comfort Gloves Berhad

Comfort Rubber Gloves Industries Sdn. Bhd. (CRG) was established in 1993 as the glove manufacturing subsidiary of Comfort Gloves Berhad (Formerly known as Integrated Rubber Corporation Berhad (IRCB)) which is listed on the main board of Malaysia's Stock Exchange – BMSB (Bursa Malaysia Securities Berhad). Located in Taiping, Perak, CRG's factory is equipped with advanced machineries and operations that are capable of producing wide range of quality gloves. Currently, our gloves are exported to various regions of the world.

CORE VALUES

- Reliability
- Quality
- Safe

6
Plants

53
Lines

6
Billion Pieces Per Year

VISION
To be the market leader in providing safe gloves

MISSION
Making a difference where it matters

At a Glance

Financial Highlights

Revenue
RM 346.76 million
RM 325.88 million (2023)

Gross Loss
RM 34.30 million
RM 23.87 million (2023)

Loss Before Tax
RM 64.18 million
RM 47.96 million (2023)

Capital Expenditure
RM 38.86 million
RM 14.03 million (2023)

Total Assets
RM 936.02 million
RM 964.07 million (2023)

Net Cash (used in)/from operating activities
RM 54.31 million
RM 11.37 million (2023)

Sustainability Highlights

Adoption of a
Malayan Tiger
at Zoo Taiping and Night Safari

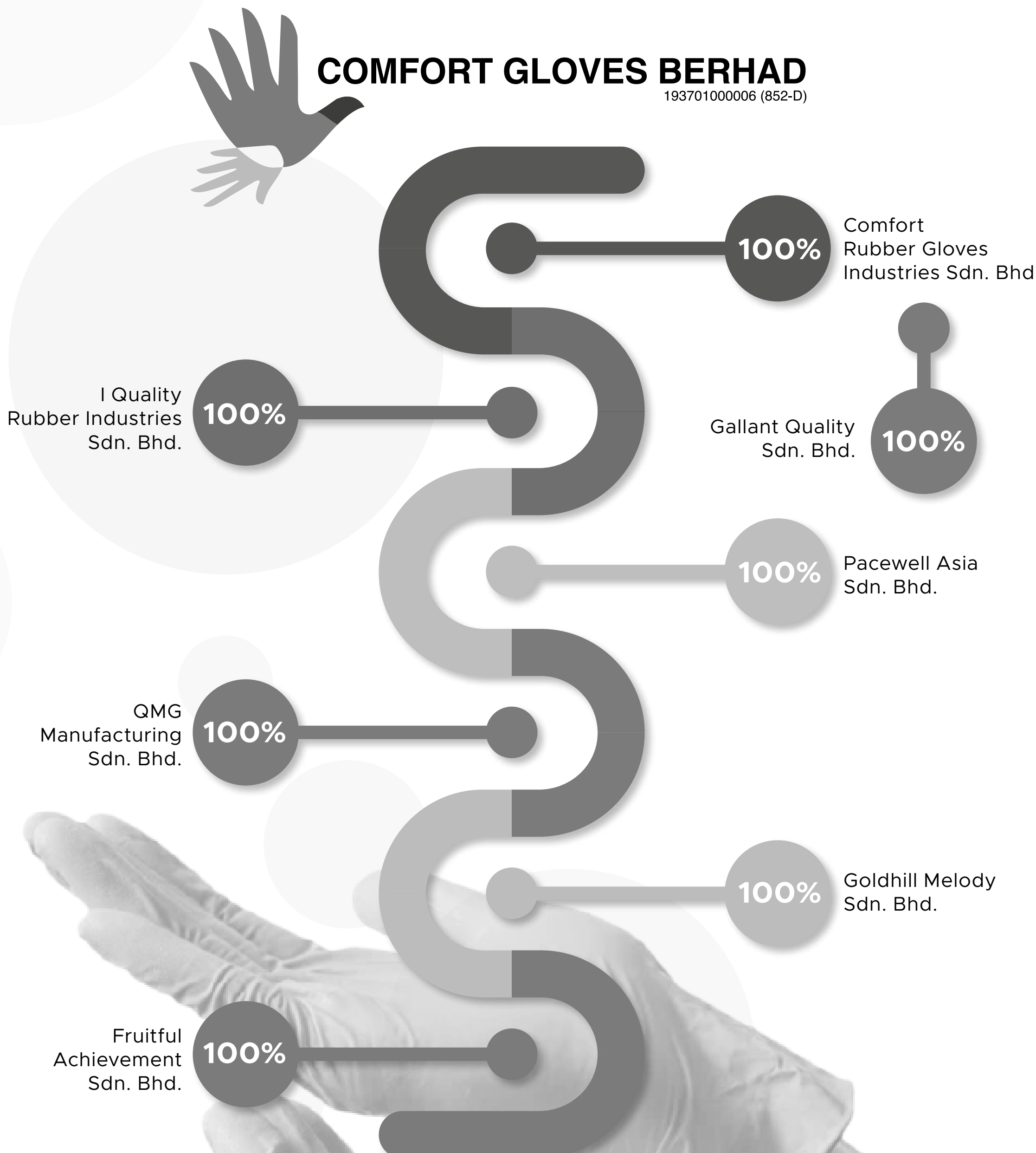
Groceries contribution to
320 Families
severely impacted by flash floods

Donation of
Personal Hygiene Items & Groceries
to the local orphanage

Implementation of
Gotong-Royong Programs
to enhance community engagement

Back-to-school contributions for
200 Students
to alleviate additional cost

Group Structure



Corporate Information

DIRECTORS

Tan Sri Dato' Lau Eng Guang
Executive Chairman

Lau Joo Yong
Executive Director cum
Group Chief Executive Officer

Lau Joo Pern
Executive Director

Chu Nyet Kim
Independent Non-Executive Director

Khoo Chie Yuan
Independent Non-Executive Director

Datuk Amnah Binti Ibrahim
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE
Chu Nyet Kim (Chairman)
Khoo Chie Yuan
Datuk Amnah Binti Ibrahim

NOMINATION COMMITTEE
Datuk Amnah Binti Ibrahim (Chairman)
Khoo Chie Yuan
Chu Nyet Kim

REMUNERATION COMMITTEE
Khoo Chie Yuan (Chairman)
Datuk Amnah Binti Ibrahim
Chu Nyet Kim

COMMITTEE TO REVIEW PRESS OR PUBLIC ANNOUNCEMENTS
Lau Joo Yong
Lau Joo Pern

PRINCIPAL BANKERS
Malayan Banking Berhad
United Overseas Bank (Malaysia) Berhad
HSBC Bank Malaysia Berhad

CORPORATE/OPERATIONAL OFFICE
Comfort Gloves Berhad
Lot 821, Jalan Matang
34750 Matang
Taiping, Perak, Malaysia
Tel No. : +605-8472 777
Fax No. : +605-8479 108
Website : www.comfortrubber.com
Email : inquiry@comfortrubber.com

SHARE REGISTRAR
Boardroom Share Registrars Sdn Bhd
[199601006647 (378993-D)]
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel No. : +603-7890 4700 (Helpdesk)
Fax No. : +603-7890 4670
Website : www.boardroomlimited.com
Email : bsr.helpdesk@boardroomlimited.com

REGISTERED OFFICE
Unit 11.07, Amcorp Tower
Amcorp Trade Centre
18, Persiaran Barat
46050 Petaling Jaya
Selangor, Malaysia
Tel No. : 017-6229303

COMPANY SECRETARY
Wong Youn Kim
(SSM PC No. 201908000410)
(MAICSA 7018778)

AUDITORS
KPMG PLT
Level 10, KPMG Tower
No.8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel No. : +603-7721 3388
Fax No. : +603-7721 3399

STOCK EXCHANGE LISTING
Main Board of Bursa Malaysia Securities Berhad
Stock Code: 2127
Stock Short Name: COMFORT

Profile of Directors

TAN SRI DATO' LAU ENG GUANG | Executive Chairman

Age 70 | Male

Malaysia

Date of Appointment
5 March 2021

Date of Last Re-Election
22 May 2023

Length of Service
(as at 25 April 2025)
4 years 1 month

Board Meeting Attended
5/5

Board Committees Memberships
N/A

Academic / Professional Qualifications

- South Australian - Matriculation

Other Directorship(s) in Public Companies and Listed Issuers

Leong Hup International Berhad

Past Directorships and/or Appointments / Working Experience:

Tan Sri Dato' Lau Eng Guang has experience and skills in manufacturing and trading of latex gloves as he is also the Executive Director in the Company's major subsidiary since year 2015. He also has over 42 years of experience and expertise in the integrated livestock industry. He is also a trustee of Lau Eng Guang Dialysis Charitable Foundation.

Family Relationship / Conflict of Interest

He is the father to Lau Joo Yong and uncle to Lau Joo Pern, who are the Executive Director cum Group Chief Executive Officer and Executive Director of the Company respectively.

He is the spouse of Puan Sri Goh Kim Kooi, who is the major shareholder of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Conviction of Offence

He has not been convicted for any offence within the past 5 years and have not been imposed any penalty by relevant regulatory bodies during the financial year.

LAU JOO YONG | Executive Director cum Group Chief Executive Officer

Age 38 | Male

Malaysia

Date of Appointment
9 September 2014 as Executive Director

Date of Appointment
31 March 2021 as Group Chief Executive Officer

Date of Last Re-Election
31 May 2022

Length of Services
(as at 25 April 2025)
10 years 7 months

Board Meeting Attended
5/5

Board Committees Memberships
N/A

Academic / Professional Qualifications

- Bachelor of Business Administration, East London University

Other Directorship(s) in Public Companies and Listed Issuers

Leong Hup International Berhad

Past Directorships and/or Appointments / Working Experience:

He was the Chief Operating Officer for Peninsular Forest Management Sdn.Bhd., a Business Development Manager for Alam Muhibah Sdn. Bhd. and a Business Development Manager for Ikatan Kanyangan Sdn. Bhd. He is also a trustee of Lau Eng Guang Dialysis Charitable Foundation.

Family Relationship / Conflict of Interest

He is the son of Tan Sri Dato' Lau Eng Guang, who is the Executive Chairman and major shareholder of the Company.

He is also the son of Puan Sri Goh Kim Kooi, who is the major shareholder of the Company.

He is the cousin of Lau Joo Pern who is the Executive Director of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Conviction of Offence

He has not been convicted for any offence within the past 5 years and have not been imposed any penalty by relevant regulatory bodies during the financial year.

Profile of Directors (Cont'd)

LAU JOO PERN | Executive Director

Age 44 | Male

Malaysia

Date of Appointment
30 January 2015 as Non-Independent Non-Executive Director

Redesignated to Executive Director
7 January 2021

Date of Last Re-Election
22 June 2021

Length of Service
(as at 25 April 2025)
10 years 3 months

Board Meeting Attended
4/5

Board Committees Memberships
N/A

Academic / Professional Qualifications
- Bachelor of Accounting and Financial Management, University of Sheffield, United Kingdom
- Fellow of the Association of Certified Accountants (FCCA)
- Member of the Malaysian Institute of Accountants (MIA)

Other Directorship(s) in Public Companies and Listed Issuers
Nil

Past Directorships and/or Appointments / Working Experience:
His experience has spanned over a period of more than 16 years and he has held managerial position with one of the Big Four International Accounting Firm. His working experience included auditing, corporate finance advisory, valuation advisory, agriculture and plantation industry.

Family Relationship / Conflict of Interest
He is a nephew of Tan Sri Dato' Lau Eng Guang, who is the Executive Chairman and major shareholder of the Company and cousin of Lau Joo Yong who is the Executive Director cum Group Chief Executive Officer of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Conviction of Offence
He has not been convicted for any offence within the past 5 years and have not been imposed any penalty by relevant regulatory bodies during the financial year.

CHU NYET KIM | Independent Non-Executive Director

Age 69 | Female

Malaysia

Date of Appointment
26 July 2022

Date of Last Re-Election
22 May 2023

Length of Services
(as at 25 April 2025)
2 years 9 months

Board Meeting Attended
5/5

Board Committees Memberships
- **Audit and Risk Management Committee, Chairman**
- **Nomination Committee, Member**
- **Remuneration Committee, Member**

Academic / Professional Qualifications
- Member of the Malaysian Institute of Accountants (MIA)
- Fellow Member of Association of Chartered Certified Accountants, United Kingdom (ACCA)
- Diploma in Accounting (Honors), Algonquin College of Applied Arts & Technology, Canada

Other Directorship(s) in Public Companies and Listed Issuers
Leong Hup International Berhad

Past Directorships and/or Appointments / Working Experience:
Ms Chu Nyet Kim worked in Deloitte Indonesia since June 1989 and retired on May 2016. Her last position before retirement was Deputy Managing Partner - Tax function Indonesia, Leader of Global Employer Services & Tax Risk Management Leader. She has been a Commissioner of PT PZ Cussons Indonesia, Jakarta, Indonesia since October 2016 and an Independent Director of Leong Hup International Berhad since August 2018.

Family Relationship / Conflict of Interest
She does not have any family relationship with any Director and/or major shareholder of the Company. She has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Conviction of Offence
She has not been convicted for any offence within the past 5 years and have not been imposed any penalty by relevant regulatory bodies during the financial year.

Profile of Directors (Cont'd)

KHOO CHIE YUAN | Independent Non-Executive Director

Age 67 | Male

Malaysia

Date of Appointment
7 January 2021

Date of Last Re-Election
22 June 2021

Length of Service
(as at 25 April 2025)
4 years 3 months

Board Meeting Attended
5/5

Board Committees Memberships
- **Audit and Risk Management Committee, Member**
- **Nomination Committee, Member**
- **Remuneration Committee, Chairman**

Academic / Professional Qualifications
- Diploma in Business Administration, Institute of Business Administration, Australia
- Diploma in General Insurance, Australian Insurance Institute
- Advanced Diploma in Accounting, International Association of Accounting Professionals
- Member of International Association of Accounting Professionals

Other Directorship(s) in Public Companies and Listed Issuers
Nil

Past Directorships and/or Appointments / Working Experience:
Mr Khoo Chie Yuan is a retiree who had worked for AmBank Group as SME Segment Senior Manager for the past 34 years before his retirement in June 2019. He has vast experience and skills in the field of sales, management and marketing in banking and finance areas.

Family Relationship / Conflict of Interest
He does not have any family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Conviction of Offence
He has not been convicted for any offence within the past 5 years and have not been imposed any penalty by relevant regulatory bodies during the financial year.

DATUK AMNAH BINTI IBRAHIM | Independent Non-Executive Director

Age 67 | Female

Malaysia

Date of Appointment
19 July 2022

Date of Last Re-Election
22 May 2023

Length of Service
(as at 25 April 2025)
2 year 9 months

Board Meeting Attended
5/5

Board Committees Memberships
- **Audit and Risk Management Committee, Member**
- **Nomination Committee, Chairman**
- **Remuneration Committee, Member**

Academic / Professional Qualifications
- STPM, Sekolah Datuk Bentara Luar Batu Pahat Johor

Other Directorship(s) in Public Companies and Listed Issuers
Nil

Past Directorships and/or Appointments / Working Experience:
Datuk Amnah Binti Ibrahim has more than 20 years working experience in the field of human resource and general affair. The last designation was Human Resource Director and General Affair Manager before she relinquished the positions in 2003. She then was appointed as Managing Director of Armada Baiduri Sdn. Bhd., a construction company with CIDB G7 License since 2003.

Family Relationship / Conflict of Interest
She does not have any family relationship with any Director and/or major shareholder of the Company. She has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Conviction of Offence
She has not been convicted for any offence within the past 5 years and have not been imposed any penalty by relevant regulatory bodies during the financial year.

Profile of Key Senior Management

LEONG WAI LEONG | Chief Financial Officer

Age 52 | **Male**

Malaysia

Date of Appointment
15 April 2022

Academic / Professional Qualifications

- A member of Malaysia Institute of Certified Public Accountants (MICPA)
- A member of Malaysia Institute of Accountants (MIA)

Other Directorship(s) in Public Companies and Listed Issuers

Nil

Working Experience:

Mr. Leong started his career as Audit Assistant for Ernst & Young in 1993. His involvement in gloves manufacturing industries started when he joined a glove manufacturing company named Asia Pacific Latex Sdn Bhd in 1998 as Account Supervisor. He was subsequently promoted as Account Executive and Corporate Affairs Manager when the company being listed on Bursa Malaysia in year 2000. After he obtained his MIA membership, he joined Carsem Semiconductor Sdn Bhd, a subsidiary of a PLC as Accountant. In year 2002, he moved to China to join a company ventured by a PLC in Malaysia named Kanzen TPCO Limited as Financial Controller. In year 2005, he joined a gloves manufacturing company, WRP Asia Pacific Sdn Bhd as Internal Audit Manager and later being promoted as the Personal Assistant to CEO and became the President of the company before he left in 2015. In year 2016, he joined Trio-Tech (M) Sdn Bhd, a subsidiary of a US PLC as Finance Manager to take charge the finance operation in Malaysia and China. In year 2020, he rejoined WRP Asia Pacific Sdn Bhd as President and he joined Comfort Gloves Berhad in year 2021 as Vice President.

Family Relationship / Conflict of Interest

He does not have any family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Conviction of Offence

He has not been convicted for any offence within the past 5 years and have not been imposed any penalty by relevant regulatory bodies during the financial year.

Chairman's Statement

DEAR OUR VALUED SHAREHOLDERS,

On behalf of the Board of Directors ("Board"), I am pleased to present the Annual Report and Audited Financial Statements of Comfort Gloves Berhad ("CGB" or "the Company") and its subsidiaries ("the Group" or "CGB Group") for the financial year ended 31 December 2024 ("FYE 2024"). While the Group faced challenges in FYE 2024 similar to those in the financial year ended 31 December 2023 ("FYE 2023"), we have continued to demonstrate resilience, adaptability and steadfast in upholding our core values.

BUSINESS ENVIRONMENT

The business environment for glove industry remains challenging in 2024, primarily driven by oversupply of gloves, heightened competition and rising production costs.

However, market conditions have shown signs of improvement in 2024 compared to 2023. This positive trend is reflected in Malaysia's rubber product export performance, with the total export of rubber gloves rising by 30.2%, from RM11.84 billion in 2023 to RM15.41 billion in 2024. This growth was mainly due to increase in global health awareness and restocking activities by distributors, which have collectively fostered a favourable backdrop for the industry.

Despite the ongoing challenges, the positive development indicate a recovery trajectory for the glove industry. With global demand remains robust and the industry adapts to evolving market dynamics, the industry is gradually regaining momentum and moving towards greater stability.

Chairman's Statement (Cont'd)

FINANCIAL PERFORMANCE

Under the improved market condition, our Group achieved a 6.4% increase in revenue, from RM325.88 million in the FYE 2023 to RM346.76 million in FYE 2024. However, our Group recorded a higher loss after tax of RM55.89 million in FYE 2024 compared to loss after tax of RM36.81 million in FYE 2023. This was primarily due to provisions for slow moving inventories, inventories written downs, refinement of inventory costing coupled with both realised and unrealised loss in foreign exchange during FYE 2024.

Despite the net loss, our Group maintained a healthy financial position as at 31 December 2024, holding cash and cash equivalents of RM57.06 million, a net assets per share of RM1.40, with current ratio at 4.13 times and a low gearing ratio at 0.06 times.

For a more detailed overview of our financial performance, please refer to the Management Discussion and Analysis section of this Annual Report.

UPHOLDING CORPORATE GOVERNANCE

Our Group remains dedicated to adhering to the best practices of corporate governance to ensure long-term business sustainability. We continue to uphold transparency, accountability and integrity across all levels of our organisation to foster confidence among our stakeholders. Our commitment to effective corporate governance practices helps us navigate through challenges, maintain ethical decision-making, and align with the evolving expectations of the business environment.

To strengthen our governance practices, our Audit Committee has been re-designated to Audit and Risk Management Committee, reinforcing the Group's commitment to enhancing risk management within the Group.

For further insights into our measures in upholding corporate governance, please refer to the Corporate Governance Overview Statement ("CG Overview Statement") of this Annual Report, as well as the Corporate Governance Report ("CG Report").

Chairman's Statement (Cont'd)

COMMITMENT TO SUSTAINABILITY

At CGB Group, sustainability is essential for long-term growth and success. This year, we have placed greater emphasis on environmental pillar within our overall sustainability strategy by introducing our own Environmental Policy and Greenhouse Gas (GHG) Emission Policy. The proactive measures in our policy aimed at engaging our employees and value chain partners, fostering a culture of environmental responsibility across the organisation and value chain. The said policy underscore our commitment to minimising our environmental impact and continuously improving our performance in alignment with global best practices.

As part of our corporate social responsibility ("CSR") initiative, we took a meaningful step to preserve the natural environment by planting 200 mangrove trees in Kuala Sepetang. This initiative helped to protect local ecosystems and combat climate change. In addition to our environmental efforts, we support local communities by providing essential groceries during important cultural and religious celebrations, including Hari Raya Aidilfitri, Chinese New Year, and Deepavali, ensuring those in need could enjoy these festive occasions like any others.

For more detailed information on our sustainability commitments and strategies, please refer to the Sustainability Statement of this Annual Report.

FUTURE PROSPECTS

Driven by increasing demand from distributors for inventory replenishment and rising hygiene awareness globally, the glove industry is showing positive signs of recovery. Global demand expected to grow by 12.0% in 2025, as forecasted in a research note issued by Kenanga Investment Bank Berhad.

Geopolitical tensions between the United States ("US") and China also contribute to this recovery. The significant tariffs imposed by the US on China-made gloves presents a valuable opportunity for our Group to increase our market share by supplying gloves to the US. By capitalising on this opportunity, we aim to enhance our competitive position, improve our financial performance, and further solidify our presence in the global market.

Looking ahead, the Group remains focused on driving sustainable growth through strategic capital investments aimed at enhancing efficiency and productivity. By optimising efficiency and improving product quality, we are well-positioned to leverage the expanding global demand and further strengthen our competitive edge.

APPRECIATION

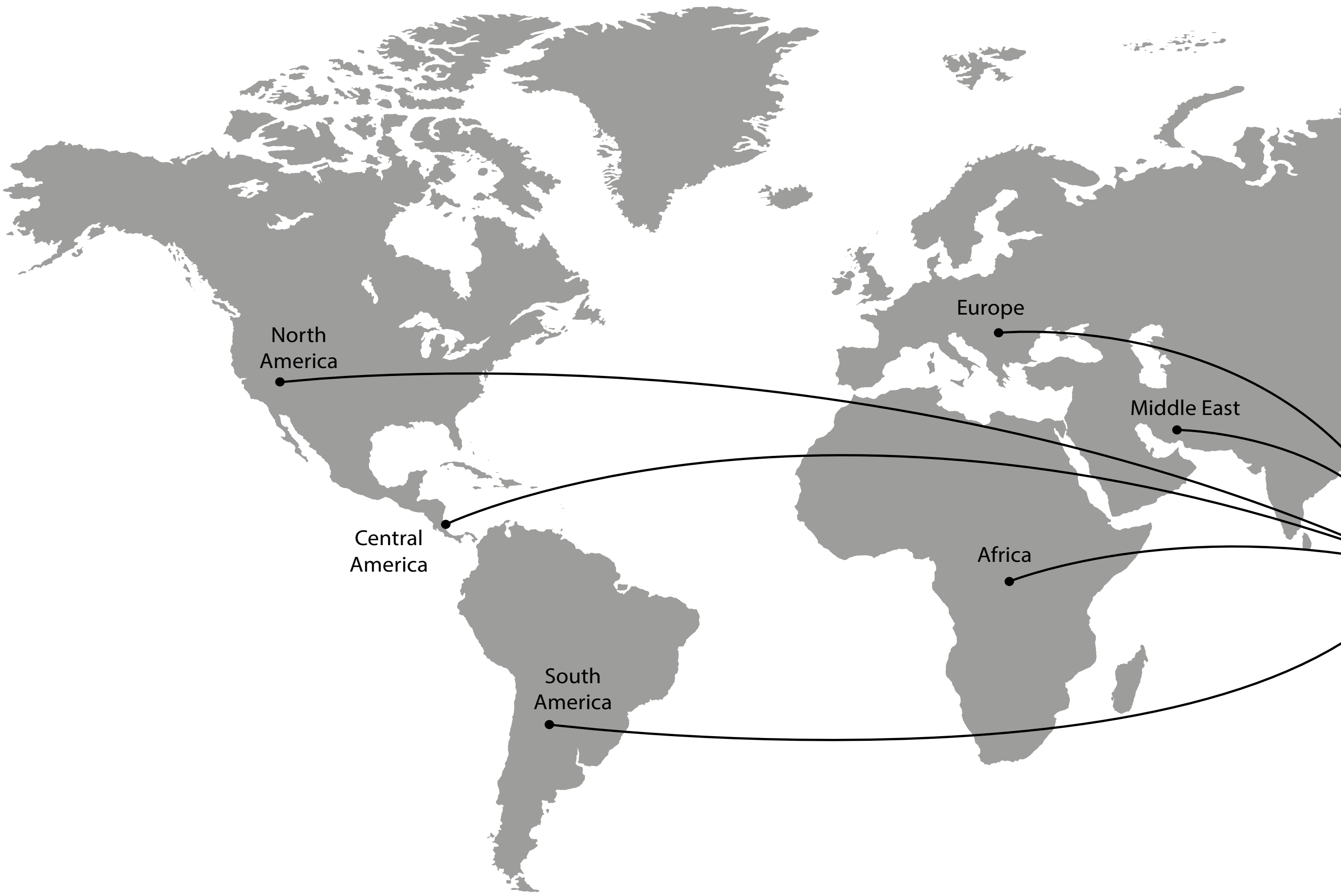
On behalf of the Board, I would like to extend my sincere gratitude to our dedicated team, shareholders, customers and business partners for your unwavering trust and support in our Group. Your commitment and confidence in our vision have been instrumental in navigating the complexities of the past year, driving us forward with resilience and determination.

As we look ahead to 2025, we remain optimistic about the opportunities and challenges that lie before us. With the ongoing support and collaboration of our entire network, we are strategically placed to seize these opportunities. Together, we will continue to strengthen our market presence while remaining steadfast in our commitment to delivering long-term value and achieving sustainable growth.

Thank you for your continued belief in our journey.

Tan Sri Dato' Lau Eng Guang
Executive Chairman
7 April 2025

Management Discussion and Analysis



THE GROUP'S BUSINESS AND OPERATIONS OVERVIEW

CGB Group has been a key player in glove industry since 1993, specialising in the manufacturing and trading of both natural and synthetic rubber gloves. The Group offers a wide range of gloves designed to meet the diverse needs of our customer base across various industries, including healthcare, food services, laboratories, and more.

"Currently, CGB Group has production lines with an annual production capacity of approximately 6 billion gloves. These facilities enable us to serve customers both locally and globally, reaching various regions around the world."

In line with our commitment to innovation, the Group remains focused on developing new products that address the evolving needs of our customers and enhance our performance. Throughout the financial year, we have invested in machinery to strengthen our manufacturing capacity and better align with the recovering market demand after the oversupply caused by pandemic-driven capacity expansion in the glove industry. This ongoing focus on innovation and investment underscores our dedication to consistently provide high-quality products and value to our customers.

Management Discussion and Analysis (Cont'd)

FINANCIAL PERFORMANCE REVIEW

The oversupply situation in the glove industry continued to pose challenges in 2024. However, this year also marked a period of recovery, especially in the second half of 2024, driven by an uptick in demand due to increase in global health awareness and restocking activities by distributors. This positive trend is further reflected in Malaysia's rubber product export performance, with total rubber glove exports increased by 30.2%, from RM11.84 billion in 2023 to RM15.41 billion in 2024.

During FYE 2024, our Group reported a total revenue of RM346.76 million, an increase of RM20.88 million, or 6.4%, compared to RM325.88 million in FYE 2023. This growth was primarily driven by higher demand from both our local and overseas customers alongside the improving market conditions especially in the second half of 2024.

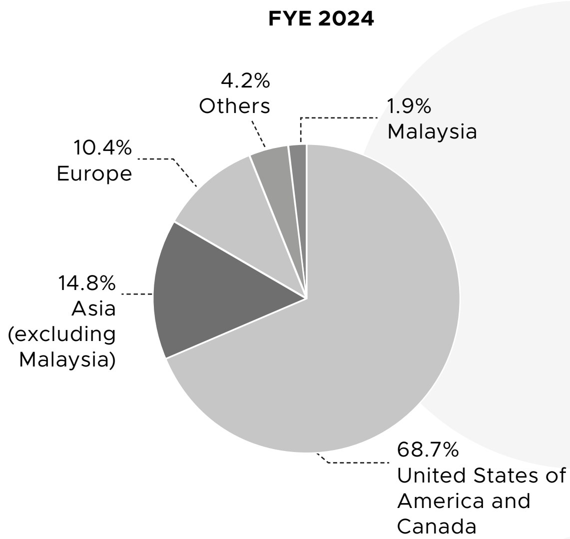
Financial Performance Review

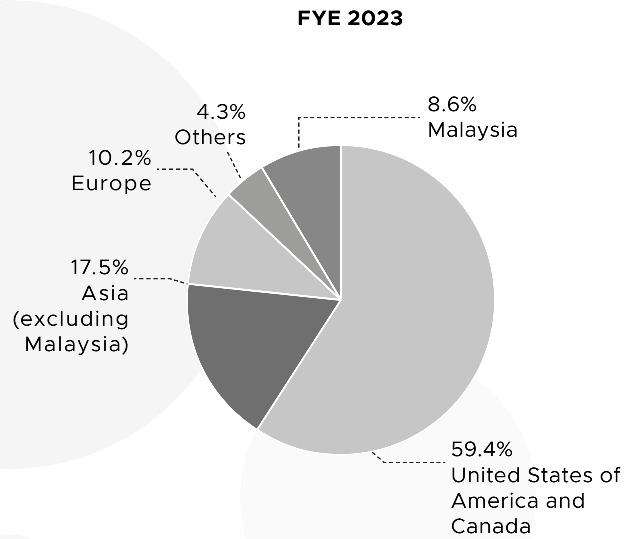
	FYE 2024	FYE 2023	Variance	
	RM'000	RM'000	RM'000	%
Revenue	**346,757**	325,883	20,874	6.4
Gross loss ("GL")	**(34,299)**	(23,869)	(10,430)	43.7
Loss before tax ("LBT")	**(64,183)**	(47,963)	(16,220)	33.8
Loss after tax ("LAT")	**(55,888)**	(36,813)	(19,075)	51.8
GL margin (%)	**(9.9)**	(7.3)	-	(2.6)
LBT margin (%)	**(18.5)**	(14.7)	-	(3.8)
LAT margin (%)	**(16.1)**	(11.3)	-	(4.8)

Management Discussion and Analysis (Cont'd)

FINANCIAL PERFORMANCE REVIEW (CONT'D)

Our revenue breakdown by geographical markets for FYE 2024 and FYE 2023 are as follows: -





Our revenue continues to be primarily derived from overseas market, which accounted for 98.1% of total revenue in FYE 2024. The United States of America and Canada remained as our main revenue contributor, generating RM238.13 million, or 68.7% of our total revenue in FYE 2024. Asia (excluding Malaysia) ranks as the second largest revenue contributor, contributing RM51.36 million, representing 14.8% of our total revenue in FYE 2024.

Despite the increase in revenue by 6.4%, our Group recorded a higher GL of RM34.30 million in FYE 2024 compared to GL of RM23.87 million in FYE 2023, resulting in a GL margin at 9.9% in FYE 2024. The increase in both GL and GL margin were mainly due to provisions for slow moving inventories and inventories written down as well as a refinement of inventory costing during the financial year.

As a result of the GL position, our Group recorded a LBT of RM64.18 million in FYE 2024, which increased by RM16.22 million or 33.8%, compared to LBT of RM47.96 million in FYE 2023. Additionally, our Group's LBT margin increased by 3.8%, from 14.7% in FYE 2023 to 18.5% in FYE 2024. The increase in both LBT and LBT margin was primarily attributable to higher expenses such as realised and unrealised loss in foreign exchange totaling RM3.97 million in FYE 2024, compared to a realised and unrealised gain in foreign exchange of RM6.26 million in FYE 2023.

Management Discussion and Analysis (Cont'd)

FINANCIAL POSITION REVIEW

	FYE 2024 RM'000	FYE 2023 RM'000	Variance RM'000	%
Non-current assets	**479,679**	476,680	2,999	0.6
Current assets	**456,342**	487,391	(31,049)	(6.4)
Total assets	**936,021**	964,071	(28,050)	(2.9)
Non-current liabilities	**11,775**	13,908	(2,133)	(15.3)
Current liabilities	**110,429**	80,458	29,971	37.3
Total liabilities	**122,204**	94,366	27,838	29.5
Equity attributable to equity holders of the Company	**813,817**	869,705	(55,888)	(6.4)
Current ratio (times)	**4.13**	6.06		
Gearing ratio (times)	**0.06**	0.05		
Net assets per share (sen)	**139.60**	149.20		

Our Group's total assets decreased by RM28.05 million or 2.9%, from RM964.07 million as at 31 December 2023 to RM936.02 million as at 31 December 2024. The decrease was primarily due to the decrease in current assets by RM31.05 million, mainly driven by the decrease in cash and cash equivalents ("CCE") by RM84.12 million, which was primarily used for working capital purposes as well as capital expenditures. The decrease was partially offset by the increase in trade receivables and inventories by RM32.78 million and RM23.40 million, respectively, resulting from higher sales orders received and increased inventory purchases towards the end of the FYE 2024.

The Group recorded an increase in total liabilities by RM27.84 million or 29.5%, from RM94.37 million as at 31 December 2023 to RM122.20 million as at FYE 2024. The increase was primarily attributable to the increase in current liabilities by RM29.97 million, mainly due to increase in trade payables by RM17.19 million, which is in line with the increase in our Group's cost of sales. The increase in current liabilities was also partially contributed by the increase in loan and borrowings by RM8.75 million, arising from higher utilisation of bill payables for working capital purposes.

Overall, our Group closed the financial year with a stable financial position, holding a CCE of RM57.06 million, a current ratio of 4.13 times and a low gearing ratio of 0.06 times as at 31 December 2024. Our Group's total equity remained solid at RM813.82million, with a net assets per share of RM1.40.

Management Discussion and Analysis (Cont'd)

CASH FLOWS REVIEW

	FYE 2024 RM'000	FYE 2023 RM'000	Variance RM'000	Variance %
Net cash (used in)/ from operating activities	**(54,312)**	11,369	(65,681)	(577.7)
Net cash used in investing activities	**(28,056)**	(13,197)	(14,859)	(112.6)
Net cash from financing activities	**1,921**	4,197	(2,276)	(54.2)
Net changes in CCE	**(80,447)**	2,368	(82,815)	(3,497.3)
Effect of exchange rate fluctuations	**(3,674)**	4,251	(7,925)	(186.4)
CCE at the beginning of the financial year	**141,182**	134,563	6,619	4.9
CCE at the end of the financial year	**57,061**	141,182	(84,121)	(59.6)

In FYE 2024, the Group recorded a net cash used in operating activities of RM54.31 million, compared to a net cash generated from operating activities of RM11.37 million in FYE 2023. This was mainly due to increase in inventories, which was driven by higher purchases of inventory towards the end of the FYE 2024 to fulfill sales orders requirements and support anticipated growth in sales. The net cash used in operating activities was also attributable to the increase in trade receivables, arising from higher sales orders received towards the end of the FYE 2024.

The Group recorded a net cash used in investing activities of RM28.06 million in the FYE 2024, primarily for the purchase of property, plant, and equipment amounting to RM38.86 million.

The Group recorded net cash generated from financing activities of RM1.92 million in the FYE 2024, mainly due to the net drawdown of bill payables by RM7.31 million. The net cash generated from financing activities was partially offset by repayment of term loans and interest expenses amounting to RM2.80 million and RM2.31 million, respectively, during the FYE 2024.

CAPITAL STRUCTURE, RESERVES AND EXPENDITURE

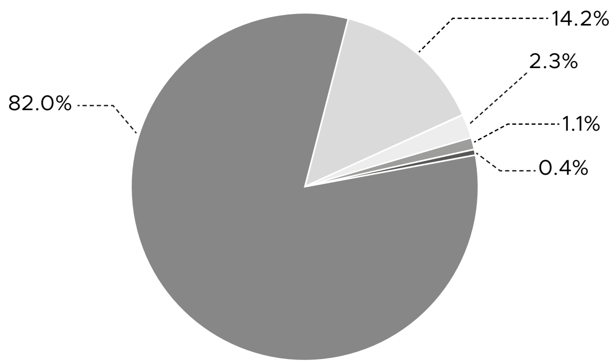
The Group finances the operations through cash generated from business activities, credit extended by trade suppliers, and banking facilities provided by financial institutions, including term loans, finance leases, and bill payables.

As at 31 December 2024, the Company's share capital amounted to RM142.99 million, consisting of 582,949,143 ordinary shares with a net assets per share of RM1.40. Barring any unforeseen circumstances, our Group shall have sufficient working capital to meet our budgeted requirements after taking into consideration our cash and cash equivalent of RM57.06 million as at 31 December 2024, current ratio of 4.13 times and a low gearing ratio of 0.06 times.

Management Discussion and Analysis (Cont'd)

CAPITAL STRUCTURE, RESERVES AND EXPENDITURE (CONT'D)

As at 31 December 2024, the Group incurred a total capital expenditure of RM38.86 million as follows: -



Capital Expenditure	RM'000
Capital work in progress	**31,852**
Plant, machinery and formers	**5,534**
Factory and office buildings	**901**
Office equipment, furniture and fittings	**409**
Others	**168**
Total	38,864

As at 31 December 2024, the Group's capital commitments are as follows: -

Capital Commitments	RM'000
Property, plant and equipment	
- approved and contracted for	20,014

This capital commitment is mainly related to ancillary facilities for the enhancement of our Group's operation.

RISKS RELATING TO OUR BUSINESS

BUSINESS COMPETITION RISK

The Group operates in a highly competitive environment, with both new and existing players competing for market share. This intense competition may lead to an oversupply of gloves in the market and press downward on selling prices. As a result, the Group faces challenges in maintaining profit margins, particularly due to aggressive pricing strategies from competitors.

To address this risk, the Group remains focused on developing new, high-quality products for our customers. Additionally, we regularly review product costing to ensure cost efficiency, enabling us to remain competitive while maintaining profitability.

Management Discussion and Analysis (Cont'd)

RISKS RELATING TO OUR BUSINESS (CONT'D)

RISK OF RISING PRODUCTION COST

The increase in the Group's production costs, arising from higher raw material costs, energy costs, and labour costs, presents challenges for the Group in maintaining profitability within a highly competitive industry.

To mitigate this risk, the Group engages a wider network of suppliers and explores alternative sourcing options. This approach not only provides access to more competitive pricing but also reduces dependency on single supply source. Additionally, we conduct regular assessments of our product costing and pricing strategies so as to ensure effective cost control and adaptability to market conditions.

RISK OF BANNING OF EXPORT

The Group is exposed to the risk of export restrictions, including potential bans on exports to United States of America and other countries in the event of inconsistent product quality.

To manage this risk, we have implemented various controls in our manufacturing processes. These include conducting water-tight testing and visual checks during quality assurance inspection, performing chemical testing on compounding and in process chemicals and conducting physical properties testing. We also carry out weekly quality performance review on barrier defect per million and visual lot acceptance rate as well as conduct regular internal quality audit to ensure our products meet the stringent quality standards.

CREDIT AND LIQUIDITY RISK

The Group faces credit risk from potential delays or non-collection of trade receivables, which could negatively affect our cash flow and working capital. Moreover, operating in a loss-making position increases the risk of insufficient working capital to meet operational and financial obligations.

To address these risks, we closely monitor credit exposure and regularly review the credit terms provided to customers to minimise exposure. We also work closely with suppliers to secure longer credit terms, reduce inventory levels to free up cash flow, and delay non-urgent capital expenditure.

Management Discussion and Analysis (Cont'd)

RISKS RELATING TO OUR BUSINESS (CONT'D)

FOREIGN CURRENCY RISK

The Group is exposed to foreign currency risk from sales and purchases that are transacted in United States Dollars ("USD"). To reduce this risk, we utilise forward exchange contracts to manage material foreign currency transactions.

PROSPECT AND OUTLOOK

As we move into 2025, the glove industry is showing encouraging signs of recovery, with an anticipation of uptick in demand. According to a research note issued by Kenanga Investment Bank Berhad dated 2 January 2025, global demand for gloves is forecasted to grow by 12.0% in 2025, mainly driven by increased inventory rebuilding from distributors and heightened hygiene awareness.

This recovery is further bolstered by the geopolitical tensions between the US and China. The US will impose tariffs on China-made gloves, with rates of 50.0% starting in 2025 and 100.0% starting in 2026. These tariffs, which will increase the price of China-made gloves, position the Group favourably to supply gloves to the US market, as US buyers are likely to seek alternative sources from other countries, including Malaysia.

Given the anticipated increase in global demand, the average selling price of Malaysian gloves is expected to rise to USD 21-23 per thousand pieces in 2025, as reported by Maybank Investment Bank Research dated 16 December 2024. This higher average selling price is also expected to help mitigate the impact of rising costs, such as the increase in Malaysia's minimum wage. By capitalising on these favourable market conditions, the Group is well-positioned to further strengthen its profitability and solidify its competitive edge in the global glove market.

Looking ahead, the Group remains steadfast on driving sustainable growth by strengthening operational capabilities and adapting to the market changes. To enhance efficiency and productivity, we have invested additional capital expenditure to support the anticipated increase in gloves demand following gradual recovery of market conditions and steady demand in key sectors. With a focus on prudent cost management, we are committed to strengthening our existing market position while also exploring new opportunities for growth and expansion in the future.

DIVIDEND

At present, the Company does not have any formal dividend policy. Any recommendation or declaration of dividend is at the discretion of the Board and subject to various factors, such as operating cashflow and capital expenditure requirements, financial performance and other factors considered relevant by the Board.

No dividend was declared or paid in FYE 2024 as the Company is currently prioritising on strengthening its business and operations in order to ensure a long-term business sustainability and growth prospect.

Sustainability Statement

OVERVIEW

Comfort Gloves Berhad ("CGB" or "the Company") and its subsidiaries (collectively, "the Group") are committed to sustainable business practices that meet present needs without compromising the ability of future generations to meet their own needs. This commitment is embedded in all Group initiatives. CGB aspires to be a leading rubber glove manufacturer, providing sustainable solutions guided by its Environmental, Social, and Governance (ESG) pillars.

REPORTING SCOPE AND PERIOD

The Board of Directors ("the Board") is pleased to present the Sustainability Statement ("Statement") for the financial year ended 31 December 2024 ("FYE 2024") to illustrate our strategic approaches in addressing sustainability challenges and opportunities. This Statement covers the period from 1 January 2024 to 31 December 2024.

FRAMEWORK AND GUIDELINES

This Statement is prepared in accordance with the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements on sustainability statements and the Sustainability Reporting Guide (3rd Edition). The United Nations Sustainable Development Goals (UNSDGs) informed the identification of our material sustainability matters and the development of the Group's sustainability strategies.

STAKEHOLDERS INPUT

As we continue our sustainability journey, we welcome your feedback to help us continuously improve our initiatives and reporting standards. Please direct any feedback, comments, or inquiries to inquiry@comfortrubber.com.

ASSURANCE STATEMENT

In strengthening the credibility of our reporting, selected parts of this Sustainability Statement have been subjected to an internal review by the Company's internal auditors. We are preparing to obtain external assurance in FY2025 in due course.

Sustainability Statement (Cont'd)

SUSTAINABILITY COMMITMENT

CGB is dedicated to utilising natural resources for impactful, sustainable projects that benefit our community. We actively collaborate with stakeholders to implement best practices and build essential social infrastructure wherever we operate.

Malaysia's 12th Plan aims to build a resilient, low-carbon, and resource-efficient economy by 2025, fostering a prosperous, inclusive, and sustainable nation. This aligns with CGB's commitment to green growth, which is integral to our operations.

On May 6, 2024, CGB implemented its Greenhouse Gas (GHG) Emissions Policy, establishing clear and measurable targets to reduce GHG emissions across all operations.

Our dedication to delivering sustainable value to our stakeholders is reflected in the Group's vision and mission:

VISION
To be the market leader in providing safe gloves

MISSION
Making a difference where it matters

OBJECTIVES
Ensure that all initiatives are sustainable
Sustainability means balancing the following: People, Profits, Planet

KEY PILLARS

Economic	Environment	Social	Governance

CROSS-CUTTING TRUSTS

Engage Stakeholders	Measure and Report	Accountable	Sustainable

Sustainability Statement (Cont'd)

SUSTAINABILITY GOVERNANCE

The Group's commitment to sustainability is deeply ingrained in our corporate governance framework. To ensure sustainability is embedded throughout our organisation, the Board of Directors and its committees have expanded their responsibilities to explicitly include sustainability considerations.

The Board actively oversees sustainability governance and provides ultimate direction for the Group's sustainability strategy. This is achieved through delegation and support from the dedicated Board of Sustainability Committee, composed of senior management. This committee develops sustainability strategies and policies for the Group.

Furthering our commitment, a Sustainability Team, led by the Chief Executive Officer, drives implementation across the organisation. This team, composed of senior and middle management, as well as department heads, ensures cross-functional collaboration and effective execution of sustainability initiatives.

The Board is committed to continuous improvement in its oversight of climate change. We recognise the evolving nature of climate-related risks and opportunities and regularly review and enhance our governance processes to ensure they remain effective and aligned with best practices and FTSE4Good expectations. This includes staying informed about the latest climate science, regulatory developments, and stakeholder expectations.

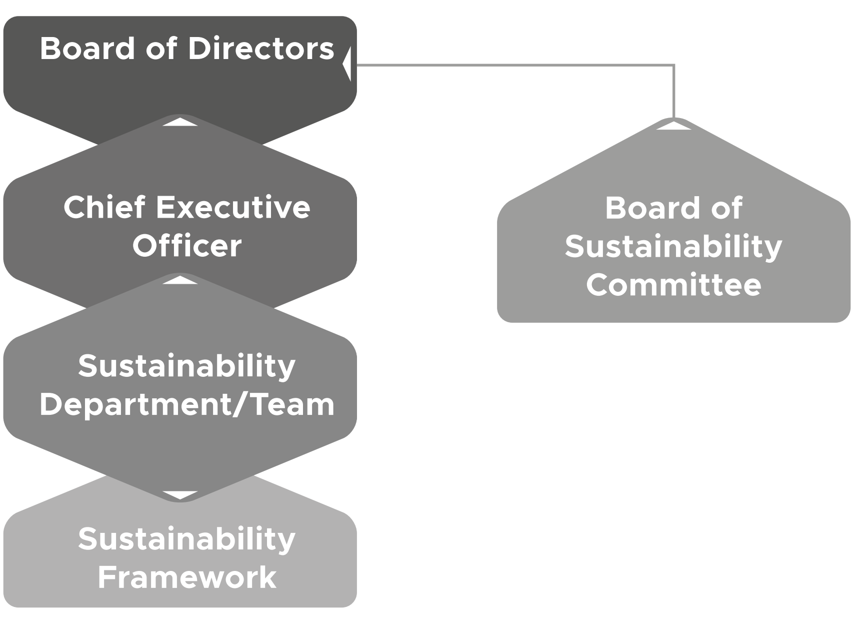


Figure 1: CGB's Sustainability Organisation Chart

Sustainability Statement (Cont'd)

STAKEHOLDERS ENGAGEMENT

Recognising that our stakeholders are vital to the long-term sustainability of our business, we prioritise building and nurturing strong relationships through open and effective communication. During the 2024 fiscal year, we engaged with key stakeholders through various channels and initiatives, as outlined below:

Stakeholder	Areas of Interest/ Objectives	Our Response	Engagement Channels	Frequency
Shareholders	• Business performance • Sustainable achievements	• Periodical updates of business and financial performance	• Annual General Meetings • Annual Reports • Quarterly announcements	• Annually • Annually • Quarterly
Employees	• Safe, secure and caring working environment	• Implementation of health and safety policies • Conduct trainings and development • Maintenance of workforce diversity, equity and inclusion	• Internal communication • Performance appraisal • Training and development programs • Feedback platforms	• Monthly • Annually • As required • As required
Customers	• Products • Pricing • Customer experience	• Offer quality products through our quality assurance control	• Marketing activities • Customer surveys	• Ongoing • Annually
Suppliers	• Relationship management • Pricing and business development	• Fair and transparent procurement practice	• Meetings • Face-to-face engagements	• Ongoing • As required
Regulators	• Compliance with laws and regulation	• Ensure conform-ance and compliance to regulatory expectations and requirements	• Consultations • Meetings • Forums • Webinars	• Ongoing • As required • As required • As required
Media	• Timely communication	• Respond in a timely manner to media enquiries	• Media interviews and releases	• As required
Local Communities	• Support community initiatives that will benefit the local areas	• Create meaningful impact through Corporate Responsibility Programs that benefit the communities and environment	• Corporate Responsibility activities • Sponsorship programs	• Ongoing • Ongoing

Sustainability Statement (Cont'd)

MATERIALITY ASSESSMENT PROCESS

Materiality assessment is essential to identify, analyse, and prioritise all relevant sustainability matters for the Group and our stakeholders. We conducted our materiality assessment for FYE 2024 using the following four-step approach:

Objectives and Scope	Identify Material Matters	Engaging with Stakeholders	Review, Validate and Prioritise
To identify the Group's sustainability scope and objectives	To identify the relevant sustainability matters which are relevant to the Group	To engage with the identified key stakeholders to understand their concerns, needs and expectations	To assess, evaluate and prioritise the identified sustainability matters in accordance with the analysis of their impacts towards the Group and various stakeholders

SUSTAINABILITY FRAMEWORK

ECONOMIC

1. Financial Performance

ENVIRONMENT

2. Waste Management & Recycling
3. Energy Management
4. Water Security
5. Climate Change
6. Managing Environmental Impact & Compliance

SOCIAL

7. Employee Health & Safety
8. Employee Working Conditions & Labour Practices
9. Empowering Local Communities
10. Supporting Human Rights
11. Diversity, Equity & Inclusion

GOVERNANCE

12. Compliance with Regulations & Standards

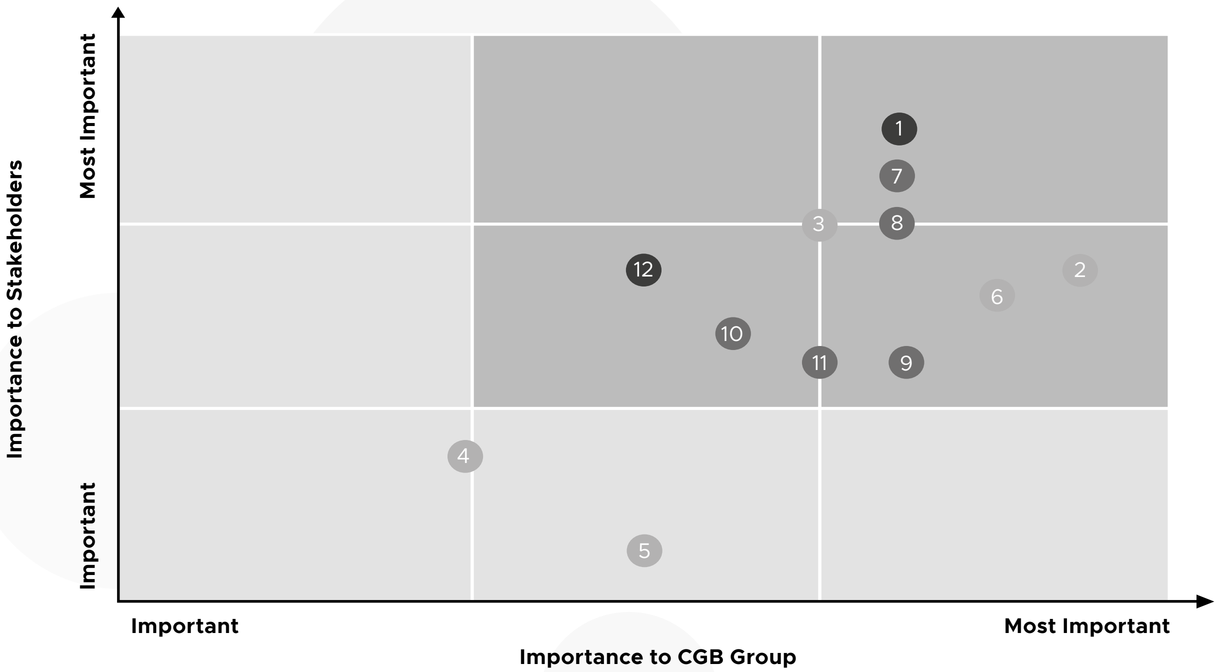
SUSTAINABILITY FRAMEWORK

Our sustainability framework aims to create value for our stakeholders through transparency and accountability, while minimising our environmental impact, empowering our employees, and contributing positively to our local communities. This framework is managed by our sustainability team. The diagram on the left illustrates the key material sustainability matters identified within this framework

Sustainability Statement (Cont'd)

MATERIALITY MATRIX

Based on our assessment, a total of twelve (12) key areas were identified considering the impacts towards the Group and stakeholders, scaling from "Important" to "Most Important", as depicted in the following Material Matrix: -



SUSTAINABILITY CHARTER

The Group recognises that sustainable business operations are crucial to meet our present needs without compromising the ability of future generations to meet theirs. We strive to embed sustainability in every initiative undertaken by the Group.

To this end, we have strategically mapped ten (10) UN Sustainable Development Goals (SDGs) that align with our material sustainability matters, and developed corresponding initiatives detailed in the following table. These initiatives are practical and proactive, with clearly defined goals and milestones that are regularly reviewed. In doing so, the Group strives to be a responsible manufacturer, valued employer, and socially responsible corporate citizen.

To monitor our sustainability performance, we have established detailed, goal-oriented checklists with benchmarks to measure our progress. This reflects our commitment to responsible stewardship of the planet's finite resources.

This Sustainability Charter guides the Board of Directors, Board of Sustainability Committee, Sustainability Department, and management in implementing sustainability strategies across the Economic, Environmental, and Social ("EES") pillars of the Group.

Sustainability Statement (Cont'd)

SUSTAINABILITY CHARTER (CONT'D)

Material Sustainability Matters	Sustainability Initiatives	UNSDGs
ECONOMIC		
• Financial Performance	• To sustain business via new products development, improve production efficiency, enhance market presence and increase asset base	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
ENVIRONMENT		
• Waste Management & Recycling • Energy Management • Water Security • Climate Change • Managing Environmental Impact and Compliance	• To adopt proper waste management and recycling practices. • Using renewable energy (Solar PV system to reduce electricity consumption). • Rainwater harvesting method to reduce reliance of potable water and invested in own raw water treatment plant converting river water into clean water for own consumption. Reuse glove manufacturing process leaching water in production, thus reducing water usage. The Group assesses its suppliers' water security risks through questionnaires or on-site audits. We track and report the percentage of suppliers who have responded to the questionnaire or participated in an audit. • Communication of Climate Change and Action to employees by using email and Whatsapp on environmental initiatives. We have Environmental Performance Monitoring Committee (EPMC) meeting every quarter to discuss about environment initiatives and project recommendations for every pollution control measure. We have environmental notice board at Main Office, one near EAC Centre and in progress to have another one at Canteen Area. • Target to reduce emissions based on Scope 1, 2 & 3 of GHG emissions. • To utilise natural resources diligently and efficiently. • To strictly comply with environmental regulations and maintain one Environmental Responsibility Program among employees on an annual basis.	6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Sustainability Statement (Cont'd)

SUSTAINABILITY CHARTER (CONT'D)

Material Sustainability Matters	Sustainability Initiatives	UNSDGs
SOCIAL		
• Employee Health & Safety • Employee Working Conditions & Labour Practices • Empowering Local Communities • Supporting Human Rights • Diversity, Equity & Inclusion	• To create a safe, healthy, diverse, and inclusive workplace. • To provide on-going training programs and employment-related assistance for employees. • To connect with and contribute to the community. • The Group is a strong advocate for human rights in accordance with Malaysian labour laws and international standards. • The Group is committed towards promoting the values of diversity to ensure that the recruitment process is based on merit and fairness. All our employees are treated with equal respect and opportunities irrespective of race, gender, age, religion, nationality, and background.	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
GOVERNANCE		
• Compliance with Regulations & Standards • Anti-Bribery and Corruption (ABAC)	• To strictly adhere to all applicable laws and regulations. • To continuously promote ethical business practices and maintain high standards of corporate governance. • All suppliers are required to comply with the Group's policies as well as the Code of Conduct and Business Ethics. • Committed to conducting our business free from any and all forms of corruption.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

CORPORATE GOVERNANCE, COMPLIANCE AND INTEGRITY HIGHLIGHTS

The Group is committed to conducting business with integrity and professionalism, essential elements of a reputable and sustainable organisation. We instill these values in our employees, who are guided by our Code of Conduct and Business Ethics ("COC") and Anti-Bribery and Corruption Policy ("ABAC") in their daily work.

The COC provides a framework of ethical principles and guidelines for all employees and directors, helping them navigate ethical challenges and fulfill their responsibilities. Our ABAC reinforces the Group's zero-tolerance stance against corruption and aligns with the Malaysian Anti-Corruption Commission ("MACC") Act 2009.

Sustainability Statement (Cont'd)

CORPORATE GOVERNANCE, COMPLIANCE AND INTEGRITY HIGHLIGHTS (CONT'D)

All new employees participate in an induction program that includes familiarisation with the Group's COC and ABAC. Additionally, all employees receive annual briefings on these guidelines, along with required practices and procedures.

All our policies are made available on the Company's website at https://comfortrubber.com/investor-relations/corporate-governance/

ANTI-BRIBERY AND CORRUPTION ("ABAC")

The Group is committed to conducting our business free from all forms of corruption and has conducted our training courses on ABAC in accordance with Section 17A of the MACC Act 2009 to equip our employees with the ABAC policy. These trainings establish the guiding principles for all employees to manage bribery and corruption risks.

	Year		
Employee Training in ABAC	**2022**	**2023**	**2024**
Number of employees participated in ABAC Training	368	151	1739
Total training hours	184	75.5	869.5
% of employees who have received training on ABAC			
a) Management		100%	100%
b) Executive		100%	100%
c) Non-executive		12.83%	100%
d) General workers		2.74%	100%
% of operations assessed for corruption-related risks		100%	100%

Up to the year FYE 2024, there are no incidents of corruption.

DATA PRIVACY AND PROTECTION

The Group is committed to protecting the privacy and confidentiality of the data of our customers and employees to ensure we manage data in accordance with high standards of data privacy. In the year 2024, we recorded zero complaints concerning breaches of privacy.

Number of substantiated complaints concerning breaches of customer and employee privacy of data loss		
2022	**2023**	**2024**
0	0	0

Sustainability Statement (Cont'd)

WHISTLEBLOWING POLICY

The Group has a Whistleblowing policy which sets out the reporting channels and procedures that allow confidential avenue for anyone to raise concerns on suspected unethical and improper behavior.

> **"Concerns can be raised via email at whistleblowing@comfortrubber.com and/or anonymous Complaint Mailbox installed at secluded locations within the factory compound."**

Upon receipt of the whistleblowing report, an investigation will be initiated, and appropriate actions will then be taken accordingly. Whistleblowers who report with good faith will be protected with confidentiality. We are pleased to highlight that we have not received any whistleblowing report during financial year and no employees have been disciplined or dismissed, nor any public cases have been brought against CGB Group and its employees due to non-compliance to the laws and regulations. Hence, no relevant fines, penalties or settlements imposed or made during the FYE 2024.

ANTI-HARASSMENT AND ABUSE

Misconduct training (FTSE4Good SLS30 Manager Training), including content related to workplace sexual harassment and bullying, is provided to all managers and Heads of Departments (HODs) annually as a refresher. This training equips managers with the knowledge and procedures necessary to effectively address and resolve incidents of misconduct, including those involving sexual harassment and bullying, in accordance with established policy.

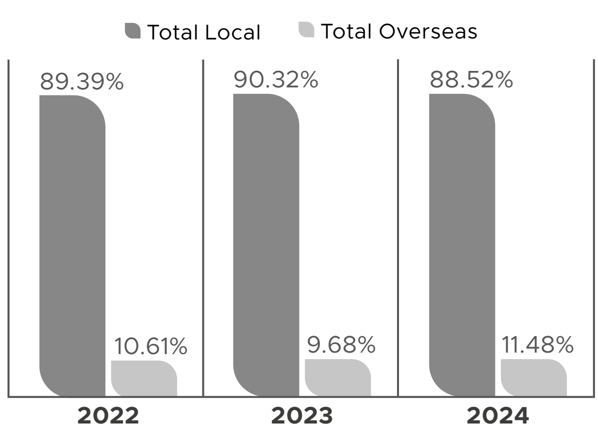
SUPPLY CHAIN MANAGEMENT

Recognising that sustainability extends throughout our operations, we prioritise suppliers who share our commitment to ethical practices, environmental responsibility, and community well-being.

Our commitment to local sourcing minimises our environmental footprint while maximising our positive impact. This approach not only enhances the quality and sustainability of our products and services but also fosters job creation and economic opportunities within our communities.

Furthermore, all suppliers must adhere to the Group's policies, including the COC. This ensures consistent business integrity across the Group, particularly in preventing bribery and corruption. This adherence to policy is a key component of our supply chain risk management strategy, designed to minimise potential legal, financial, and reputational risks. For supplier engagement, we implemented a program in 2024 that utilises questionnaires and on-site audits.

SUPPLY CHAIN (SUPPLIERS)



Sustainability Statement (Cont'd)

DISTRIBUTION, LOGISTICS AND TRANSPORTATION

We continually optimise our transportation and logistics management. The transportation of raw materials and finished products can generate significant emissions. Through dedicated efforts, we have significantly reduced distribution challenges within our operations. Our ongoing initiatives to enhance distribution efficiency include:

Optimise warehouse operations by streamlining inventory tracking, order fulfillment, and packing processes for improved accuracy.	**Enhance transportation and logistics** by utilising route planning to determine the most efficient delivery routes considering factors like traffic, distance and delivery time windows.	**Improve order fulfillment** by implementing inventory control measures to ensure optimal stock levels, minimise stockouts, and reduce carrying costs.

BUSINESS SUSTAINABILITY

The Group is principally engaged in the manufacturing and trading of nitrile and latex gloves and our long-term business strategy, with sustainability at its core, will guide us through the evolving market, ensuring resilience and shared prosperity with our stakeholders from employees and communities to governments and shareholders.

FINANCIAL PERFORMANCE

In FYE 2024, the Group recorded total revenue of RM346.757 million, a 6.4% increase from RM325.883 million in FYE 2023. This growth was primarily driven by increased orders from export and local sales. For a detailed analysis of the Group's financial performance in FYE 2024, please refer to the Management Discussion and Analysis (MD&A) section of this Annual Report.

Enhancing shareholder value remains a top priority. The Group actively pursues opportunities to improve earnings and strengthen its asset base. During FYE 2024, the Group incurred RM38.86 million on purchase of property, plant and equipment.

While strengthening our asset base, the Group will pursue strategic initiatives such as expanding our customer base, developing specialised gloves, and improving production efficiency to enhance profitability. To further increase our market presence, we will continue participating in trade shows both regionally and internationally to promote our in-house brand. We are confident that these initiatives will contribute to the Group's long-term sustainability.

Sustainability Statement (Cont'd)

CUSTOMERS, CERTIFICATION, PRODUCT QUALITY AND SAFETY

We prioritise customer satisfaction, and loyalty by providing customer-centric services, high-quality products at competitive prices.

To further enhance customer experience, we conduct an annual survey with the future goal of achieving at least 85% overall customer satisfaction. This valuable feedback allows us to better understand customer needs and expectations and continually improve our products and services.

During FY2024, our customer satisfaction rate was 81%, with our customer satisfaction survey covering three key areas: timeliness and reliability of delivery, quality of product and services, and responsiveness to customer needs.

The low scores for 'on-time delivery' led to a decline in customer satisfaction. This was primarily due to the lack of container space on some routes caused by the Red Sea crisis. The crisis also resulted in a shortage of empty containers, as repositioning them to high-volume routes took months to stabilise. Nevertheless, the company has continued to provide better product quality and service to its customers, resulting in a 20% reduction in customer complaints compared to FY2023.

To remain competitive and attract new customers with increasingly high expectations, we prioritise achieving certifications that demonstrate our commitment to quality and customer satisfaction. The standards and accreditation that we have are:

Sustainability Statement (Cont'd)

CUSTOMERS, CERTIFICATION, PRODUCT QUALITY AND SAFETY

CGB participated in the 2023 and 2024 CDP, the world's most extensive collection of self-reported environmental data. We achieved a "C" for Climate Change both years, while Water Security score improved from "C-" in 2023 to "B-" in 2024. We have also been awarded the Worldwide Responsible Accredited Production Gold, dedicating to maintaining full compliance with WRAP's 12 Principles, ensuring that our operations uphold the highest standards of ethical and social responsibility.

CDP Disclosure 2024

Worldwide Responsible Accredited Production (WRAP) GOLD Certification

CGB is proud to announce the successful implementation and certification of its Environmental Management Systems (EMS) in accordance with ISO 14001:2015. This achievement was validated by the British Standards Institution (BSI).

Furthermore, CGB was included in the FTSE4Good Bursa Malaysia ("F4GBM") Index and FTSE4Good Bursa Malaysia Shariah ("F4GBMS") Index effective December 23, 2024. The F4GBM Index measures the performance of public listed companies ("PLCs") demonstrating strong ESG practices and good liquidity.

Separately, the F4GBMS Index tracks the constituents in the F4GBM that are Shariah-compliant, in accordance with the Shariah Advisory Council ("SAC") screening methodology. Both indices are reviewed semi-annually in June and December, against established, globally recognised criteria used by FTSE Russell.

At CGB, safety, quality, and reliability are fundamental to our sustainable business model. These values are meticulously integrated into every stage of the product lifecycle, from concept and design to manufacturing and production.

Our unwavering commitment to safety and quality is underpinned by robust quality management systems and standards. This commitment resulted in a year with lesser safety incidents, exceeding the expectations of both customers and regulatory bodies.

Sustainability Statement (Cont'd)

ENVIRONMENTAL FOOTPRINT

WASTE MANAGEMENT AND RECYCLING

The Group's manufacturing activities inevitably generate scheduled wastes as follow:

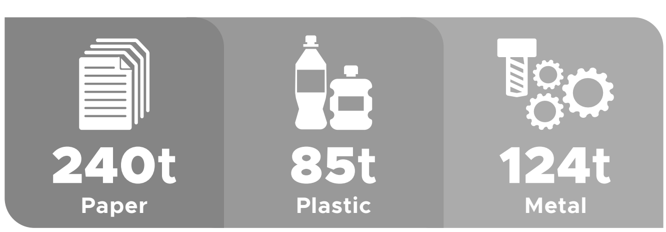
SW 321	(Rubber or latex wastes or sludge containing organic solvents or heavy metals)
SW 204	(Sludges containing one or several metals including chromium, copper, nickel, zinc, lead, cadmium, aluminium, tin, vanadium and beryllium)
SW 409	(Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes)
SW 110	(Waste from electrical and electronic assemblies containing components such as accumulators, mercury-switches, glass from cathode-ray tubes and other activated glass or polychlorinated biphenyl-capacitors, or contaminated with cadmium, mercury, lead, nickel, chromium, copper, lithium, silver, manganese or polychlorinated biphenyl)

Apart from the scheduled wastes above, the Group also generates waste water and chlorine emissions from operations.

To ensure proper scheduled waste management, all such waste is stored in designated areas with proper labeling and declared in the Department of Environment's (DOE) Electronic Scheduled Waste Information System (eSWIS) before disposal. All scheduled waste is disposed through licensed scheduled waste contractors within 180 days from generation. Furthermore, all sludge undergoes treatment before disposal to minimise water contamination. We also collect unused batteries and capacitors in appropriate containers before disposal to prevent soil and water pollution.

The Group promotes recycling in our operations, wherever possible and appropriate. In this regard, we have been collecting and processing waste materials into new products through our recycling and reuse program. In FYE 2024, we have recycled a total of 240 tonnes of paper and 85 tonnes of plastics. In addition, 124 tonnes of metal are also recycled.

We are pleased to report that we have successfully achieved our target of increasing domestic waste recycling volume and improving conversion costs by 15% within FYE 2024. This accomplishment demonstrates our commitment to efficient and sustainable waste management.

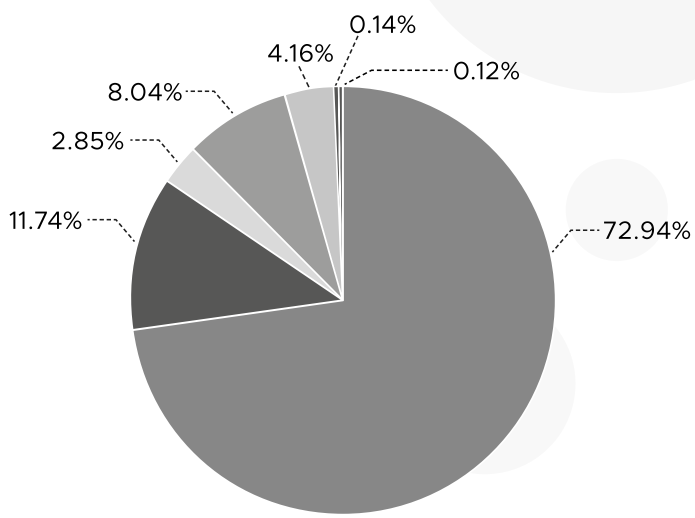


Sustainability Statement (Cont'd)

WASTE MANAGEMENT AND RECYCLING (CONT'D)

Type of waste	tonnes	%
Scheduled waste	2,184.08	72.94%
General waste	351.52	11.74%
Recycle plastic	85.24	2.85%
Recycle paper	240.85	8.04%
Recycle metal	124.51	4.16%
Recycle canvas	4.27	0.14%
Reuse canvas	3.73	0.12%
Total	**2,994.20**	**100%**

TYPE OF WASTE



To promote recycling and reduce disposal costs, our Compounding Department began separating the outer canvas-like layer and middle transparent plastic layer from flexi bags in July 2022. This initiative continued throughout FYE 2024. Now, only the innermost layer, contaminated with NBR latex, is disposed of as SW 409 waste. The canvas-like and transparent plastic layers are reused or sold to scrap collectors. This has significantly reduced generation of scheduled waste and our flexi bag disposal costs. The organisation has reused and recycled all of the canvas recovered from NBR latex shipping containers in year 2024.

The Group's Environmental, Health and Safety ("EHS") Department has been tasked to oversee waste management, chemical handling, spillage and disposal. The Sustainability Department is constantly reviewing and enhancing our waste management system to ensure greater durability towards the goal of sustainability.

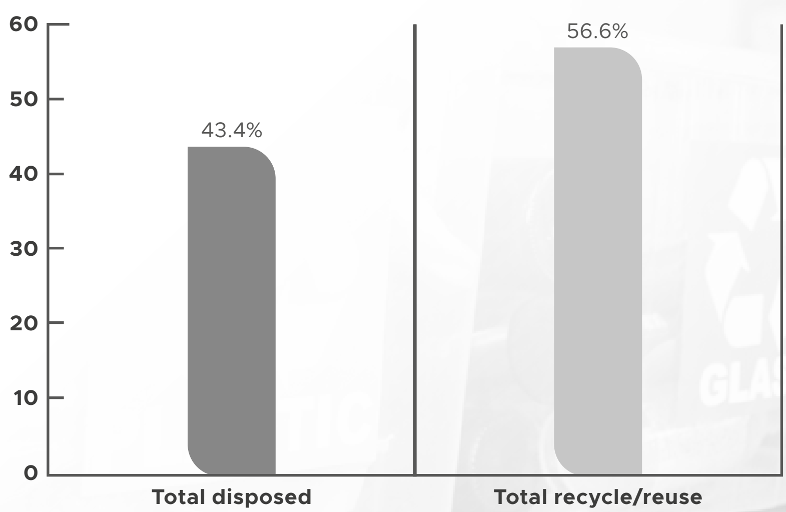
Sustainability Statement (Cont'd)

WASTE MANAGEMENT AND RECYCLING (CONT'D)

Furthermore, we have implemented a program to reuse hollow pipes for various purposes throughout the factory, such as covering drainpipes and constructing safety cages for forklifts. This initiative has generated cost savings of RM89,845.00, demonstrating our commitment to resource efficiency and waste reduction.

Month in Year 2024	Price per unit (RM)	Reused of Hollow Pipes (Qty)	Total savings (RM)
January	**35.00**	266	9,310.00
February	**35.00**	230	8,050.00
March	**35.00**	244	8,540.00
April	**35.00**	294	10,290.00
May	**35.00**	274	9,590.00
June	**35.00**	244	8,540.00
July	**35.00**	151	5,285.00
August	**35.00**	151	5,285.00
September	**35.00**	151	5,285.00
October	**35.00**	151	5,285.00
November	**35.00**	151	5,285.00
December	**35.00**	260	9,100.00
	TOTAL	**2567**	**89,845.00**

GENERAL WASTE COMPOSITION YEAR 2024

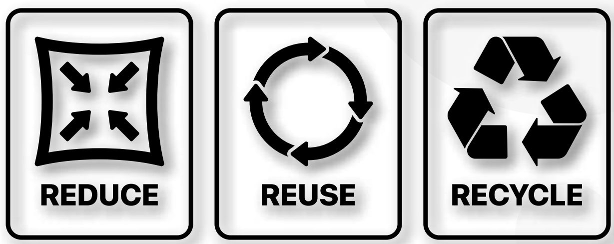


Sustainability Statement (Cont'd)

WASTE MANAGEMENT AND RECYCLING (CONT'D)

The Group demonstrates a strong commitment to sustainable practices, evidenced by our 56.6% recycling and reuse rate. This significant achievement reflects our dedication to minimising our environmental impact. As for the 43.4%, due to the nature of our manufacturing process, some materials become contaminated or degraded, making them challenging to recycle through conventional methods. This is a common challenge in the medical and protective equipment manufacturing sector.

We ensure adherence to all regulatory requirements for safe and responsible waste management, and we are actively researching and investing in solutions to further minimise this portion of our waste.



ENERGY MANAGEMENT

The Group is committed to the efficient use of resources and energy to minimise environmental impact and promote sustainability. We have implemented initiatives to reduce electricity consumption, such as adopting energy-efficient lighting and equipment. While these initiatives have improved our energy efficiency, increased production output resulted in a 30% rise in total electricity consumption in FYE 2024.

As of December 31, 2024, the Group's total energy consumption was 20,791 MWh. In line with our commitment to reduce our environmental footprint, we successfully reduced gas usage in our production by approximately 5% last year. This was achieved by replacing Infrared (IR) burners with more efficient PT burners and installing new boilers that optimise gas consumption. These initiatives not only contribute to a greener environment but also reduce the Group's overall operating costs. We will continue to identify and implement further energy-saving measures in the coming year.

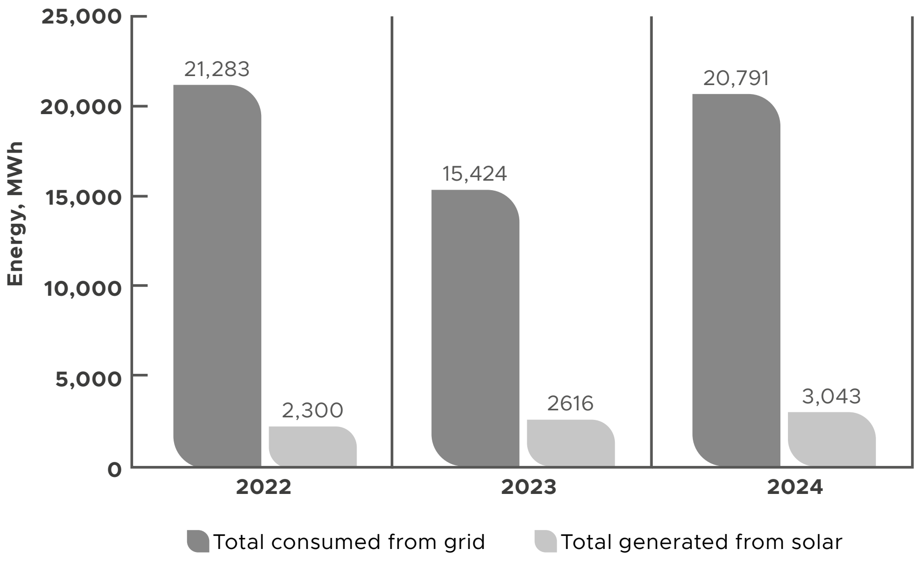
Furthermore, the 2.3MWp solar photovoltaic ("PV") system installed on our factory rooftop generated 3,043MWh of green energy annually, meeting 15% of our total electricity consumption. This system has significantly reduced our carbon footprint, preventing at least 1,000 tonnes of carbon dioxide ("CO2") emissions in FYE 2024.

Sustainability Statement (Cont'd)

ENERGY MANAGEMENT (CONT'D)


2.3MWp Solar PV system on the rooftop of factory

TOTAL ENERGY MIX YEAR 2024



Sustainability Statement (Cont'd)

WATER SECURITY

Recognising the importance of responsible water management for our manufacturing operations, the Group is committed to minimising our water footprint and protecting this precious resource. In FYE 2024, our total water consumption was 2,029 megaliters.

We have implemented various initiatives to reduce water consumption, including investing in our own raw water treatment plant, converting river water into clean water for our own consumption and harvesting rainwater.

These efforts have resulted in the treatment of 1,508 megaliters of water. However, increased production output led to higher water consumption compared to 2023. Our rainwater harvesting system, with a total tank capacity of 180m³, collected 22 megaliters of rainwater.

Our wastewater undergoes a comprehensive treatment process before discharge, ensuring compliance with environmental regulations. We continually monitor our water usage and discharge to identify areas for improvement and ensure the sustainability of our operations. We engage with our suppliers to assess their water security risks via questionnaires and on-site audits. The percentage of suppliers responding or participating is tracked and reported. The Group audited 14 key suppliers, representing over 55% of total order deliveries (by volume, not value). This approach prioritises delivery frequency, as some suppliers with high purchase values have lower delivery numbers.

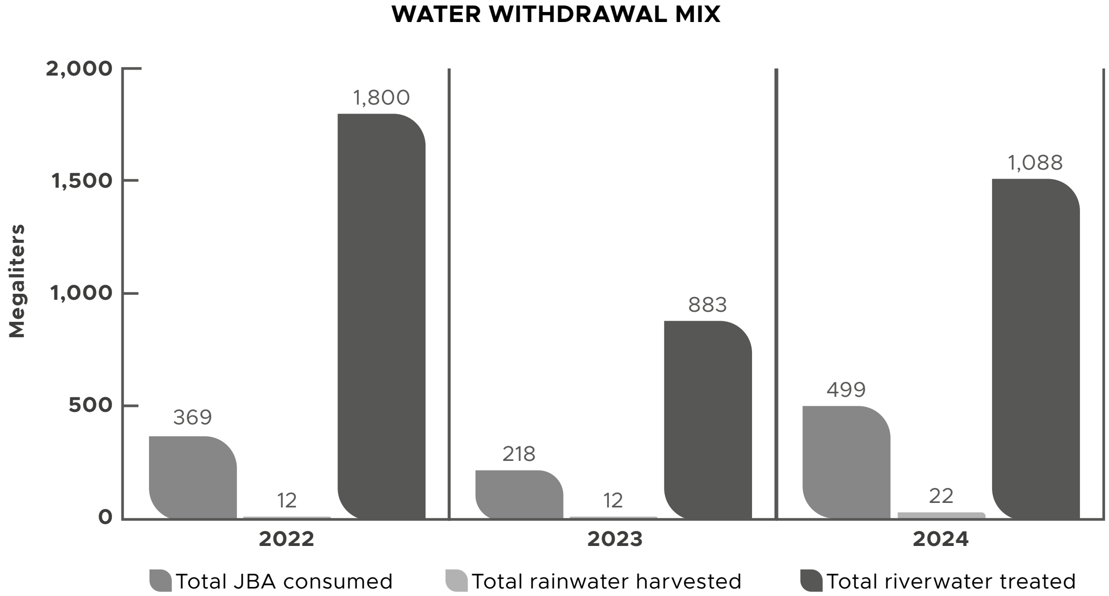
The company recognises the critical importance of water security. Water-related risks, including water scarcity, flooding, droughts, and deteriorating infrastructure, pose significant threats to ecosystems, human health, and economies. The Group's location, characterised by high average rainfall and proximity to the seashore, makes it particularly vulnerable to flash floods. Commencing the year 2023 to 2024, the Group invested RM2,000,000.00 in a flood mitigation project with Aquarius Engineering Consultants Sdn. Bhd. to address this risk.


Rainwater Harvesting

According to the World Resources Institute ("WRI"), our region is currently considered low water stress, making certain water risk mitigation measures presently *not applicable*. Nevertheless, we acknowledge the projected increase to high water stress by 2030. Consequently, our risk assessment and planning process proactively addresses this future potential, allowing us to develop and implement appropriate measures in advance.

Sustainability Statement (Cont'd)

WATER SECURITY (CONT'D)



CLIMATE CHANGE

The Group acknowledges the impact of climate change and actively seeks opportunities to mitigate its effects. We recognise that greenhouse gas (GHG) emissions contribute to climate change.

Since 2023, we have been monitoring our carbon emissions across Scope 1, 2, and 3, encompassing both direct and indirect emissions. Direct emissions originate from our controlled operations, while indirect emissions arise from purchased electricity and our value chain (Scope 3). In FYE 2024, we expanded our Scope 3 assessment to include new categories within our upstream fuel and energy related activities, upstream transportation and distribution, and business travel in addition to employee commuting.

We have implemented several initiatives to reduce our environmental impact, including localising raw material supplies, installing solar panels, and upgrading our gas burner system. These actions directly contribute to a reduction in GHG emissions.

Our corporate sustainability plan and reporting framework are evolving to incorporate commitments aligned with the Science Based Targets initiative (SBTi). To further strengthen our GHG emissions calculations, we have also enrolled in Bursa Malaysia's Centralised Sustainability Intelligence (CSI) program. Our established short to medium term decarbonisation targets for Scope 1, 2, and 3 emissions are detailed below.

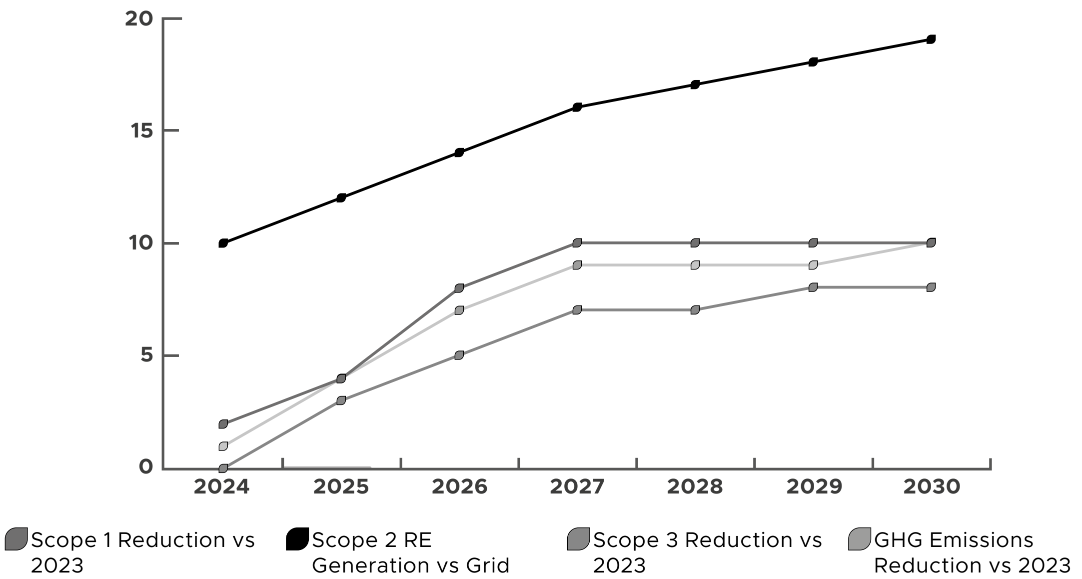
The pursuit of deep decarbonisation pathways are not without risk. Potential challenges include failure to achieve the necessary reductions in net greenhouse gas emissions and the occurrence of adverse environmental impacts, such as habitat destruction resulting from the widespread deployment of renewable energy technologies.

Sustainability Statement (Cont'd)

CLIMATE CHANGE (CONT'D)

Category	2024	2025	2026	2027	2028	2029	2030
Scope 1 Reduction vs 2023	2%	4%	8%	10%	10%	10%	10%
Scope 2 RE Generation vs Grid	10%	12%	14%	16%	17%	18%	19%
Scope 3 Reduction vs 2023	0%	3%	5%	7%	7%	8%	8%
GHG Emissions Reduction vs 2023	1%	4%	7%	9%	9%	9%	10%

SET OF MEASURES TO REDUCE CARBON EMISSION



To achieve decarbonisation target, the company has formulated a set of measures to reduce carbon emission for each category:

Scope 1 - EV forklift, burner upgrade
Scope 2 - Installation of solar panels to generate electricity
Scope 3 - Upstream transportation and distribution - localising raw material supply; sourcing sustainable material or material produced from sustainable resources.

Sustainability Statement (Cont'd)

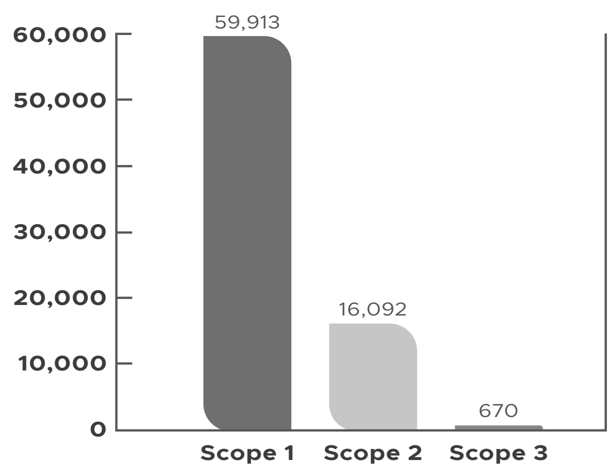
CLIMATE CHANGE (CONT'D)

SBTi is a corporate climate action organisation that enables companies and financial institutions worldwide to play their part in combating the climate crisis. They develop standards, tools and guidance which allow companies to set greenhouse gas GHG emissions reductions targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at latest.

The Group embarked on its SBTi journey via the enrollment of Supplier LOCT program in October 2024. We are committed to setting SBTi-validated targets within two years of the program's commencement, by October 2026. The badges below are the roadmap of the program enrolled by the Group.

For FYE 2024, we have monitored and recorded Scope 1, 2 & 3 emission data as per the chart below:

GHG EMISSIONS YEAR 2024 (tCO2e)



GHG Emissions	Emission (%)	Year 2024
Scope 1 emissions (tCO2e)	78%	59,913
Scope 2 emissions (tCO2e)	21%	16,092
Scope 3 emissions (tCO2e)	1%	670
TOTAL GHG Emissions (tCO2e)	**100%**	**76,675**

Sustainability Statement (Cont'd)

CLIMATE CHANGE (CONT'D)

- Scope 1 emissions: Direct - Company fleet, Diesel, Refrigerants, Generators, equipment owned in which fuel is combusted (tCO2e).
- Scope 2 emissions: Indirect - Purchase Electricity/Electricity consumption (Indirect emissions from purchase electricity consumption).
- Scope 3 emissions: Indirect – Business Travel and Employee Commute (tCO2e).

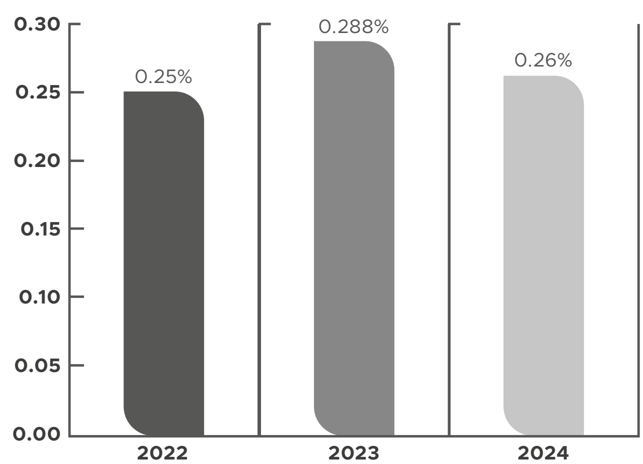
The Company is committed to decarbonising its future capital expenditures ("CAPEX"). This commitment will be reflected in all future CAPEX decisions, prioritising investments that reduce our carbon footprint. For example, we plan to phase out gas-burning forklifts in favour of electric models and invest in more energy-efficient electric motors for our operations.

HUMAN CAPITAL

EMPLOYEE HEALTH & SAFETY

Our Health and Safety Policy prioritises a safe and secure work environment for all employees, adhering to the highest industry standards to prevent workplace injuries. We firmly believe that employee health and safety is essential to the company's success and hence the total number of employees trained on health and safety standards is 1,572.

HEALTH AND SAFETY PERFORMANCE



Lost-Time Injuries Frequency Rate (LTIF) of Employee

Year	2022	2023	2024
Number of work-related injuries	10	10	9
Number of fatalities	0	0	0
Total number of staff	1,703	1,464	1,504*

*1,504 is the total number of staff of FYE 2024

Sustainability Statement (Cont'd)

EMPLOYEE WORKING CONDITIONS & LABOUR PRACTICES

Recognising that employee learning and development are vital to our success, the Group provides continuous training opportunities to enhance employee knowledge and skills. The Group has a comprehensive policy, Training Procedures' via document no: PM-IMS-044 addressing employee personal development training, including details on the types of training offered and the employee groups eligible to participate.

As a manufacturing company, we prioritise training related to safety and environmental practices. In FYE 2024, we conducted several training programs, including:

- Basic Occupational First Aid, CPR and AED Training
- Natural Gas Safety Training
- ISO14001:2015 Internal Training

Other training programs include:
- Business Writing Essential (for employees' personal growth)
- GHG Emissions Workshop
- 'Halal' Executive Training

“Looking ahead, we plan to expand our training offerings to further inspire our employees and drive performance excellence. We recognise that training programs also serve as valuable platforms for interaction and team building, fostering a more engaged and motivated work environment.”

Furthermore, we prioritise the well-being of our employees. Our Employee Assistance Counter (EAC) provides support with various matters, including housing, transportation, financial services, and passport/permit renewals. We believe in treating all employees with respect and providing equal opportunities for success in a supportive work environment. To that end, we provide our foreign employees residing near the factory with comfortable accommodation and amenities, including kitchens, mini-marts, laundry service, transportation and an in-house clinic.

TRAINING & DEVELOPMENT HIGHLIGHTS IN FYE 2024	
Total Expenditure	RM 203,420.00
Employees Participated	1,061 (External Trainings) 21,494 (Internal Trainings)
Total Training Hours	8,263 (External Trainings) 14,359 (Internal Trainings)
External Training Hours Per Employee (Average)	7.8 hours

Sustainability Statement (Cont'd)

EMPLOYEE WORKING CONDITIONS & LABOUR PRACTICES (CONT'D)

The Company has taken action to address labour issues, including a) Prevention of child labour b) Prevention of forced labour c) Mechanisms to allow employee representatives to engage with company management. The company established a workers committee to enable foreign workers to share their feedback or concerns, who are elected by the workers themselves to represent all nationalities. Local workers are free to join the union. Monthly meetings are being held between management representatives and workers' representatives (union or workers committee), or 12 times a year.

At CGB, we recognise that our employees are our most valuable asset. We are dedicated to fostering a supportive and rewarding work environment, and a key part of that commitment is providing a comprehensive benefits package designed to enhance your health, financial security, and overall quality of life. We have carefully curated these benefits to meet the diverse needs of our team.

EMPLOYEES BENEFITS PACKAGE

Sustainability Statement (Cont'd)

SUPPORTING HUMAN RIGHTS

The Group is committed to upholding human rights throughout its operations. We believe that robust human rights practices, combined with fair and ethical treatment, enhance productivity and foster a positive working culture. We adhere to all applicable laws and regulations, including but not limited to the Malaysia Employment Act 2022. The Group also maintains a policy of adherence to statutory minimum wage requirements and maximum allowable working hours. Our company's labour standards policy is communicated globally to employees and translated into relevant languages. Multilingual worker reviews are conducted to ensure understanding.

In this respect, we provide induction training on social compliance policy and human rights matters to the employee upon his/her joining with the Group. As for our annual target for complaints concerning human rights violations, we endeavor to achieve zero substantiated complaints. For the financial year ended 31 December 2024, the Group did not receive any complaints concerning human rights violations and labour standards non-compliance.

The Group has a Freedom of Association & Collective Bargaining procedure where we ensure that our employees have the right to freely join or form union/other workers' committee allowed by law. The union or workers' committee has the freedom to independently recruit their members among our facility employees, on a voluntary basis, for the set up. Union leader or other representative board should be freely elected by union member without any interference from our facility management.

DIVERSITY, EQUITY AND INCLUSION

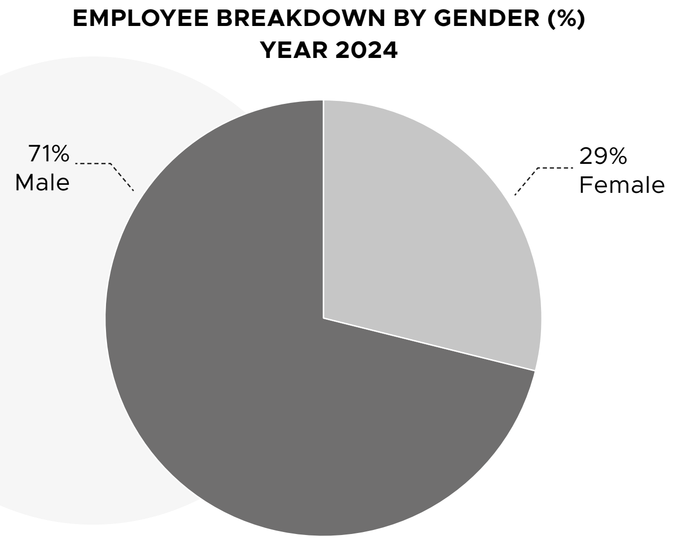
The Group cultivates a dynamic and inclusive workforce that values diversity in cultural backgrounds, skills, experiences, gender, age, and religion. We believe that this diverse environment fosters creativity, enhances productivity, and drives business growth and sustainability.

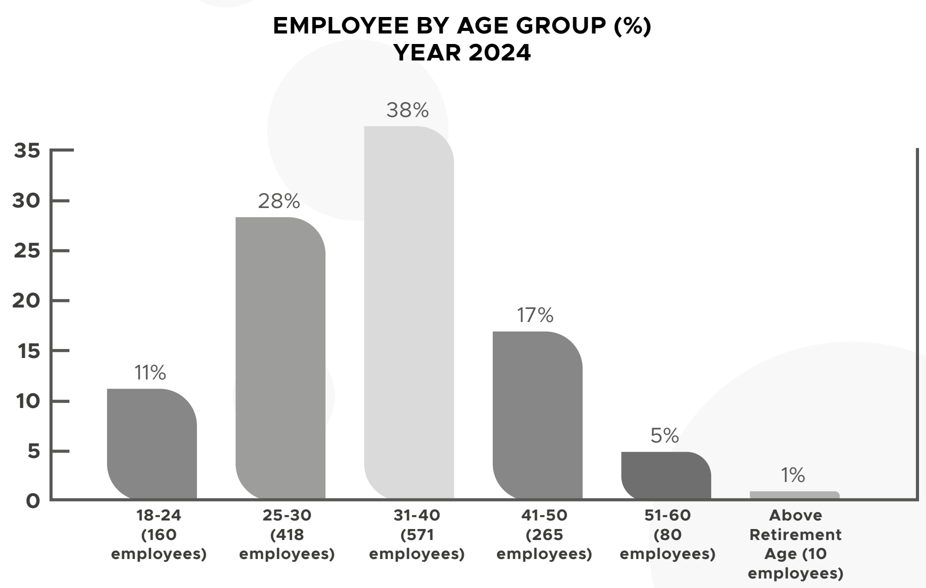
The Group is committed to promoting diversity and equity throughout our recruitment process. Candidate selection is based solely on merit and fairness. All employees are treated with equal respect and afforded equal opportunities, regardless sex, race, ethnic origin, colour, gender, nationality, religion, age, maternity status, marital status, disability, sexual orientation, HIV/AIDS status, union membership, political orientation and etc.

We recognise that employee retention is vital to the Group's long-term sustainability. While our average monthly employee turnover rate reduced by 0.6%, from 1.8% in FYE 2023 to 1.2% in FYE 2024, we are committed to strengthening our recruitment and retention strategies to build a stable and sustainable workforce. All employees within the Group hold permanent positions and not contractors or temporary staff.

Sustainability Statement (Cont'd)

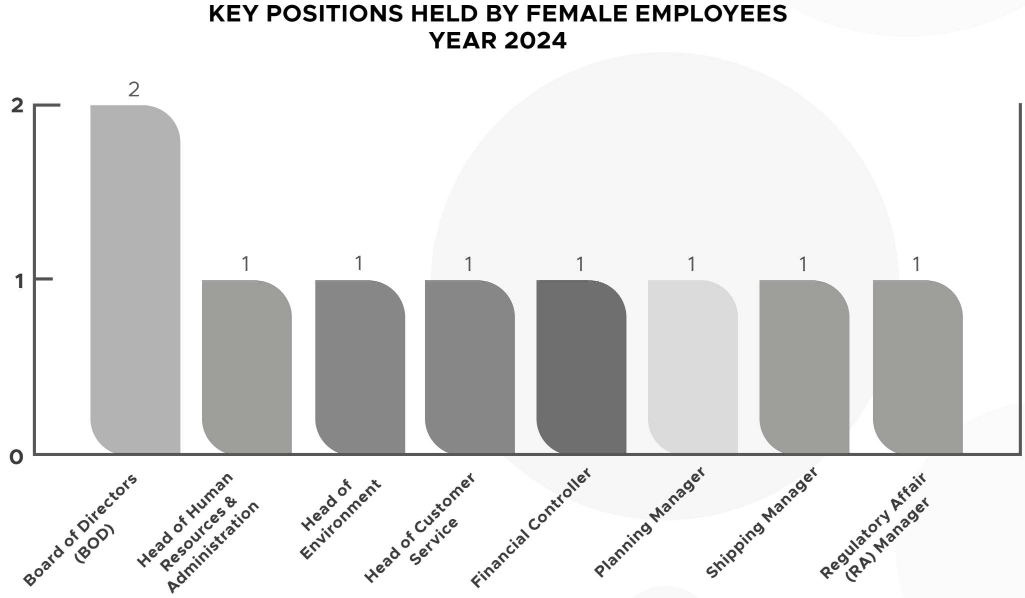
DIVERSITY, EQUITY AND INCLUSION (CONT'D)

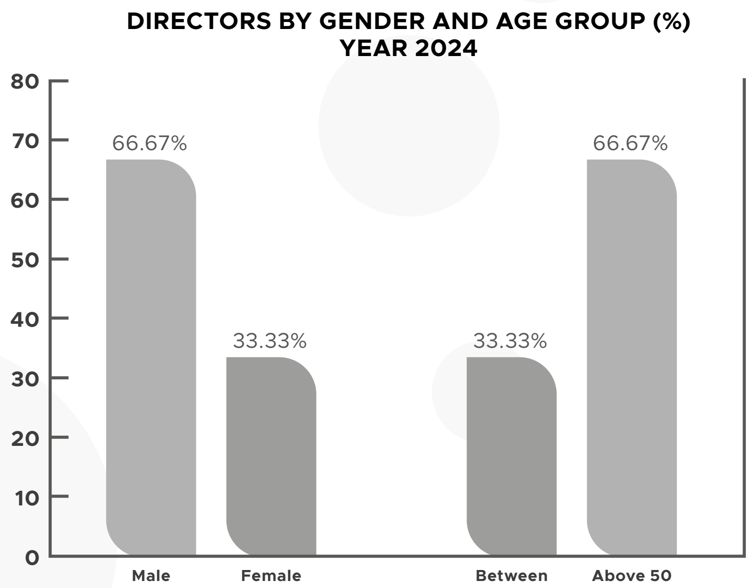




Sustainability Statement (Cont'd)

DIVERSITY, EQUITY AND INCLUSION (CONT'D)





Sustainability Statement (Cont'd)

SOCIAL OUTREACH

CONTRIBUTING TO COMMUNITY DEVELOPMENT

The Group is committed to supporting the community, a principle reflected in our policies and initiatives, and a key indicator for FTSE4Good. We actively engage with the local community and strive to make a positive social impact through various means. These include traditional outreach activities like donation drives and sponsorships of green technology and safety awareness programs. Crucially, we also invest in skills development and employment through apprenticeship programs (targeting 6 apprentices annually and participation in recruitment fairs. These combined efforts demonstrate our commitment to community development.

CGB's corporate social responsibility (CSR) initiatives are guided by the following principles:

Family and Community Well-being: Championing initiatives that support family and community welfare.

Sustainable Legacy: Designing CSR programs that deliver enduring benefits.

Community Impact: Prioritising projects that create a positive and lasting impact on the local community.

The Comfort Squad, a CSR committee made up of employees from various levels and departments. This committee meets regularly to plan, execute and monitor the progress of CSR initiatives, ensuring accountability throughout the process. The Comfort Squad has fostered a positive rapport with the community and collaborated effectively with other agencies.

Sustainability Statement (Cont'd)

CONTRIBUTING TO COMMUNITY DEVELOPMENT (CONT'D)

We are delighted to share that we have carried out more than twelve (12) community aid programs, assisting and positively impacting over 3,430 individuals during FYE 2024. These CSR initiatives include, but are not limited to:

- Adoption of a Malayan Tiger at Zoo Taiping and Night Safari, providing crucial support to help conserve this endangered species from extinction.
- Contribution of groceries to 320 underprivileged households during the festive season.

- Emergency flood aid provided to 13 underprivileged families severely impacted by flash floods.
- Support for uniformed agencies' programs in the district's inter-agency sports championships.
- Donations of personal hygiene items and groceries to the local orphanage.
- Implementation of gotong-royong programs and sponsorships to enhance community engagement and support development within the local community.
- Back-to-school contributions made for 200 students, including those in Primary 1 and Form 1 to alleviate additional costs associated with starting school in both grades.
- A fire safety awareness program was held with pre-schoolers, featuring a demonstration by Bomba and Penyelamat Malaysia to educate them about fire dangers and safety measures.

- A hand hygiene awareness program was organised for pre-schoolers, including interactive activities facilitated by the Comfort CSR Squad to emphasise the importance of proper handwashing.

- The Home Reading Corner Competition, organised in partnership with the Perak State Education Office, encouraged the local community to foster literacy and a love for reading within households.

Sustainability Statement (Cont'd)

CONTRIBUTING TO COMMUNITY DEVELOPMENT (CONT'D)

- The District Level Action Song Primary School Competition was conducted as part of our Environmental Ecosystem and Community Awareness Program to engage students and raise awareness about environmental issues through creative expression.

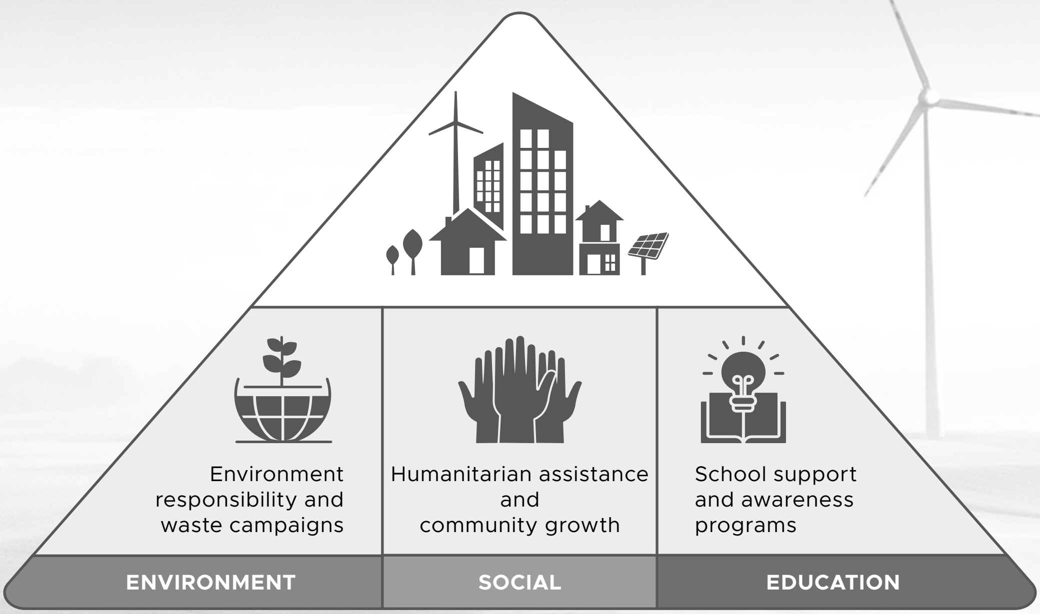
- Contributions to schools included the installation of water coolers for safe drinking water at schools and air conditioning units for the interactive learning centre and school library to create a comfortable and conducive learning environment.

- As part of our Environmental Ecosystem and Community Awareness Program, we planted 200 mangrove trees to enhance the coastal ecosystem and improve the health of the mangrove shoreline at Kuala Sepetang.

Sustainability Statement (Cont'd)

CONTRIBUTING TO COMMUNITY DEVELOPMENT (CONT'D)

In FYE 2024, we invested a total of RM100,000 in community programs which were allocated according to the (3) focus areas below:



Sustainability Statement (Cont'd)

MOVING FORWARD

The rubber gloves industry plays a vital role in supporting global health, a fact underscored by the unprecedented demand experienced during the COVID-19 pandemic. As a leading manufacturer in this essential industry, we recognise our responsibility to our employees, our community, and the world. We are committed to fostering employee development and creating a workplace where aspirations can be realised. Our dedication to operational efficiency and waste reduction reflects our commitment to environmental stewardship. Furthermore, we adhere to the highest international standards for rubber glove production, exceeding both Malaysian regulatory requirements and global best practices.

Sustainability Statement (Cont'd)

SUSTAINABILITY PERFORMANCE DATA TABLE

This ESG Performance Data Table was generated from Bursa Malaysia's ESG Reporting Platform and is included in this Sustainability Report as mandated by Bursa Malaysia's enhanced sustainability reporting requirements within the Main Market Listing Requirements.

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive/Technical Staff	Percentage	100.00
General Workers	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	88.52
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	2,994.20
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	458.60 *
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	2,535.60 *
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	20,791.20
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	1,608.450000 *
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	59,912.67
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	16,092.39
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	669.99 *
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.26
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,572
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	2,249 *
Executive	Hours	3,218 *
Non-executive/Technical Staff	Hours	3,717 *
General Workers	Hours	13,439 *
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	1
Executive	Number	8
Non-executive/Technical Staff	Number	40
General Workers	Number	166
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	70.97
Management Above 50	Percentage	29.03
Executive Under 30	Percentage	18.97
Executive Between 30-50	Percentage	67.24
Executive Above 50	Percentage	13.79

Internal assurance | External assurance | No assurance | (*)Restated

Sustainability Statement (Cont'd)

SUSTAINABILITY PERFORMANCE DATA TABLE (CONT'D)

Indicator	Measurement Unit	2024
Non-executive/Technical Staff Under 30	Percentage	35.93 *
Non-executive/Technical Staff Between 30-50	Percentage	46.88
Non-executive/Technical Staff Above 50	Percentage	17.19
General Workers Under 30	Percentage	33.52 *
General Workers Between 30-50	Percentage	63.52
General Workers Above 50	Percentage	2.96
Gender Group by Employee Category		
Management Male	Percentage	58.06
Management Female	Percentage	41.94
Executive Male	Percentage	32.76
Executive Female	Percentage	67.24
Non-executive/Technical Staff Male	Percentage	55.73
Non-executive/Technical Staff Female	Percentage	44.27
General Workers Male	Percentage	75.60
General Workers Female	Percentage	24.40
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	66.67
Female	Percentage	33.33
Under 30	Percentage	0.00
Between 30-50	Percentage	33.33
Above 50	Percentage	66.67
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	100,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3,430

Internal assurance | External assurance | No assurance | (*)Restated

Sustainability Statement (Cont'd)

BURSA MALAYSIA SUSTAINABILITY REPORTING CONTENT INDEX

Bursa's Common Sustainability Matters	Bursa's Common Sustainability Indicators	Page
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category	30
	Percentage of operations assessed for corruption-related risks	30
	Confirmed incidents of corruption and action taken	30
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed Issuer	53
	Total number of beneficiaries of the investment in communities	51
Diversity	Percentage of employees by gender and age group, for each employee category	48
	Percentage of directors by gender and age group	49
Energy Management	Total Energy Consumption	38-39
Health and Safety	Number of work-related fatalities	44
	Lost-Time Injury Frequency (LTIF)	44
	Number of employees trained on health and safety standards	44
Labour practices and standards	Total hours of training by employee category	45
	Percentage of employees that are contractors or temporary staff	47
	Total no. of employee turnover by employee category	47
	Number of substantiated complaints concerning human rights violations	47
Supply chain management	Percentage of spending on local suppliers	31
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	30
Water	Total volume of water used	40-41
Waste management	Total waste generated, and a breakdown of the following: i. total waste diverted from disposal (tonnes) ii. total waste directed to disposal (tonnes)	35-38
Emissions management	Scope 1 emissions in tonnes (Co2e)	41-44
	Scope 2 emissions in tonnes (Co2e)	41-44
	Scope 3 emissions in tonnes (Co2e) (at least for the categories of business travel and employee commuting)	41-44

EVENT HIGHLIGHTS

200 Mangrove Trees Planting and Ecosystem Sustainability CSR Environmental Program

Perasmian with Yb Ong, Ppd Lms, Gm

Mangrove Planting

Action Song 2024 Champion

Chinese New Year CSR 2024

ERT HAZMAT Training 2024

Fire Safety Awareness CSR Program with Bomba Taiping And Pre School 2024

Pre School Csr Hand Hygiene Awareness Program

Gloves Contribution To Kkm Taiping

Recruitment Program 2024

IRGCE 2024

Tanam Pokok at Zoo Taiping 2024

Corporate Governance Overview Statement

INTRODUCTION

The Board of Directors recognises the importance of adopting high standard of corporate governance throughout the Company and the Group as a fundamental part of discharging its responsibilities to protect and enhance stakeholders' value and to continue delivering sustainable performance. Pursuant to Paragraph 15.25 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board is pleased to present the Group's application of the principles as set out in the Malaysian Code of Corporate Governance 2021 ("MCCG");

A. Board Leadership and Effectiveness;
B. Effective Audit and Risk Management;
C. Integrity in corporate reporting and meaningful relationships with stakeholders.

This Corporate Governance Overview Statement should be read together with Corporate Governance Report 2024, both available on the Company's website at https://comfortrubber.com/.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Principal Responsibilities of the Board

The Group is led by an experienced and dynamic Board of Directors ("the Board") who is responsible for the long term success of the Group and delivery of sustainable value to its stakeholders. The Board plays a pivotal role in the stewardship of the Group and ultimately enhancing the shareholders' value.

The Board is responsible for the Group's overall strategy direction and objectives while exercising oversight on management, its acquisition and divestment policies, major capital expenditure, establishing goals and monitoring the achievement of the goals through strategic action plans and careful deployment of the Group's assets and resources and the consideration of significant financial commitments. The Board monitors the decisions and actions of the Executive Directors to ensure that all are in sync towards better performance of the Group and act in accordance with the Group's governance assurance framework.

Board Charter

The Board has established clear functions reserved for the Board and those delegated to Management in the Board Charter (the "Charter") which serves as a reference point for the Board's activities. The Charter provides guidance for Directors and Management on the responsibilities of the Board, its Committees and requirements of Directors which are subject to periodical review to ensure consistency with the Board's strategic intent as well as relevant standards of corporate governance. The Charter is available at the Company's website at https://comfortrubber.com/.

In promoting good governance practices and in order to enhance transparency and accountability, the Board has established and put in place the following policies and procedures, full details of which will be made available on the Company's website:

- Code of Conduct and Ethics
- Whistleblowing Policy and Procedures
- Anti-Bribery and Corruption Policy
- Related Party Transaction
- Conflict of Interest Policy
- Diversity Policy

Corporate Governance Overview Statement (Cont'd)

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

Board Charter (Cont'd)

The Board reviews the Board Charter as and when required to keep up to date with changes in Bursa Malaysia Securities Berhad's (Bursa Securities) Listing Requirements, other regulations and best practices and ensure its effectiveness and relevance to Board's objective and make necessary amendments to ensure in line with the needs of the Company and compliance with the regulations.

Board Composition and Independence

The Board currently comprises six (6) members, comprising three (3) Independent Non-Executive Directors (INED) and three (3) Executive Directors, whereby 2 INED are woman directors. This complies with Paragraph 15.02(1) of the Bursa Securities Listing Requirement and also the Board Charter of having at least one-third (1/3) of the Board members as Independent Non-Executive Directors and also 1 woman director.

The presence of three (3) INED fulfills an important role in corporate accountability and also to provide an independent and unbiased views, advice and judgment on issues of strategy, performance, resource utilisation and standards of conduct, all of which are vital to the Group. The mixture of technical, industry expertise, entrepreneurial, financial, and business skills of the Directors also enhances the effectiveness of the Board. In addition, the Independent Directors play a crucial role in the exercise of independent assessment and objective participation in Board deliberations and decision-making processes.

In adherence to the prescription of Practice 1.4 of the MCCG 2021, the Chairman of the Board is not a member of the Board Committees and neither is he invited to the Board Committees.

Based on the Board's annual review of its size and composition, it was concluded that the Board of 6 members as at 31 December 2024 was appropriate and adequate to effectively govern the organisation and comprises a mixture of businessmen and professionals with wide financial and commercial experience.

Qualified and Competent Company Secretary

The Board is supported by qualified and competent Company Secretary who plays a vital role in advising the Board in relation to the Company's Constitution, Board policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations. The Company Secretary constantly keeps herself abreast of the evolving capital market environment, regulatory changes and developments in corporate governance by attending the relevant training programmes/conferences.

The Board has direct access to the advice and services of the Company Secretary who is responsible to the Board for ensuring that all governance matters and Board procedures are in compliance with the applicable laws and regulations. This includes updating the Board on the MMLR, circulars from Bursa Securities, other legal and regulatory developments, and their impact on the Group and its business.

Gender Diversity Policy

In accordance with the Board Charter and Diversity Policy, the Board requires having at least one (1) female Director. As at 31 December 2024, the Board of Directors comprises two female members namely Datuk Amnah Binti Ibrahim and Chu Nyet Kim. The Board recognised the value of female members of the Board and the female Directors form 33% of the Board. In adherence to the prescription of Practice 5.9 of the MCCG 2021, the board comprises at least 30% women directors.

Corporate Governance Overview Statement (Cont'd)

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

Foster Commitment

Paragraph 15.06 of MMLR provides that directors of listed company may not hold more than five (5) directorships in listed companies. None of the Board members of Comfort Gloves Berhad serves in more than five (5) listed companies.

Roles and Responsibilities of the Board

The positions of the Chairman and Group Chief Executive Officer are held by different individuals. The roles of the Chairman and the Group Chief Executive Officer are distinct and segregated with responsibilities clearly drawn out to ensure a balance of power and authority. The Chairman is responsible for instilling good corporate governance practices, leadership and effectiveness of the Board, ensuring the Board carries out its responsibilities in the best interest of the Company and that all key issues are disclosed in a timely manner. The Chairman is also tasked with facilitating active discussion and participation by all the Directors. Whilst the Executive Director cum Group Chief Executive Officer is primarily responsible for managing the Group's day-to-day operations and with his expert and intimate knowledge of the business of the Group, he is able to efficiently practice "hands on" management in his specific areas of responsibilities.

In addition, to ensure the effective discharge of its functions and responsibilities, the Board delegates the day-to-day management of the Group's business to the Management and has set and approved business authority limits which set out relevant matters. These authority limits are reviewed and revised as and when required, to ensure an optimum structure for efficient and effective decision-making in the Group.

The Non-Executive Directors are credible professionals of caliber, who play key supporting roles by contributing their knowledge, guidance and experience towards making independent judgments on issues of strategies, performance, resources and standards of conduct. The Executives and Non-Executive Directors together ensure that the strategies proposed by the management are fully discussed and examined and the long-term interests of the shareholders, employees, suppliers and customers are taken into account.

The Company has also formalised a set of ethical standards through a code of conduct, which is subject to periodical review, to ensure Directors practice ethical, businesslike and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

Where any conflict of interest arises, it is a mandatory practice for the director concerned to declare his/her interest and abstain from the decision-making process.

Key matters which are reserved for the Board's approval are as follows:

- Monitor financial performance including approval of annual and interim financial reports;
- Overseeing the conduct of the business of the Group;
- Approval of material acquisitions, and disposal of undertaking and properties or any significant which exceeds the authority limits delegated to the Board of Directors or management;
- Changes to the management and control structure within the Company and its subsidiaries;
- Any matters and/or transactions that fall within the ambit of the Board pursuant to the Companies Act 2016, the MMLR and the Company's Constitution;
- Internal Control System;
- Succession planning for senior management;
- Assume responsibility for good corporate governance including Environmental Sustainability Governance matters and Risk Management matters.

Corporate Governance Overview Statement (Cont'd)

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

Roles and Responsibilities of the Board (Cont'd)

The Board also delegates and confers some of its authorities and discretion to the Executive Directors as well as relevant Board Committees. The Board Committees are entrusted by the Board with specific responsibilities to oversee the Group's affairs, with authority to act on behalf of the Board in accordance with their respective Terms of Reference ("TOR"). Any key issues and decisions arising from the Board Committees will be reported and tabled to the Board for approval, if required.

Board Meetings

The Board meets five (5) times a year on a scheduled basis with additional meetings held when specific urgent or important matters are required to be considered and decided between the scheduled meetings.

A total of five (5) Board Meetings were held during the financial period under review and the details of attendance of the Directors at the Board Meetings are as follows:

Name of Directors	Number of Meetings Attended
Tan Sri Dato' Lau Eng Guang *Executive Chairman*	5 of 5
Lau Joo Yong Executive Director cum Group Chief Executive Officer (Group CEO)	5 of 5
Lau Joo Pern Executive Director	4 of 5
Khoo Chie Yuan Independent Non-Executive Director	5 of 5
Datuk Amnah Binti Ibrahim Independent Non-Executive Director	5 of 5
Chu Nyet Kim Independent Non-Executive Director	5 of 5

Access to Information and Advice

The Board has a formal schedule of matters reserved specifically for its decision. The Board is supplied with information in a timely manner and appropriate quality to enable them to discharge their duties. Board papers providing financial and corporate developments, quarterly financial reports and minutes of the previous meetings are circulated five (5) business days prior to the Board Meetings to give the Directors time to peruse the issues to be discussed at the Board Meetings. The Directors have full access to all staff for any information they require on the Group's affairs and to the advice and services of the Company Secretary, independent professional advisers, and internal/external auditors in appropriate circumstances at the Company's expense, if required.

The Secretary discharges the duty of ensuring proper filing of all requisite documents and obtaining all the necessary information from the Directors, both for the Company's own records and for meeting statutory requirements and regulatory obligations. The Secretary also highlights all issues that ought to be brought to the Board's attention. All resolutions are recorded and confirmed at the next Board meeting and all Board members would ensure the Minutes of Meetings accurately reflect the deliberations and decision of the Board, including any directors abstained from voting or deliberating on a particular matter.

The Directors are notified of any corporate announcements released to Bursa Securities. They are also notified of the impending restriction in dealing with the securities of the Company at least thirty (30) days before the targeted release date of the quarterly financial results announcement.

Corporate Governance Overview Statement (Cont'd)

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

Recruitment or Appointment of Directors

The Board adheres to its Fit & Proper Policy for the appointment and re-election of Directors as required by the Bursa Securities Listing Requirements, with the aim of strengthening board independence, quality and diversity. These include the review of skills, experience and strength in the qualities necessary for the discharge of responsibilities in an effective and competent manner. Other factors considered by the NC include the candidates' ability to commit sufficient time to Board matters, and the ability to satisfy the test of independence taking into account the candidate's character, integrity and professionalism. Diversity of the Board's composition is also important to facilitate optimal decision-making by harnessing different insights and perspectives.

Re-Appointment and Re-Election of Directors

In accordance with the Constitution of the Company, all directors who are appointed by the Board are subject to re-election at the first opportunity after their appointment and at least one third of the remaining directors are subject to re-election by rotation at each Annual General Meeting ("AGM"). The Constitution also provides that all directors shall retire at least once in three (3) years. However, retiring Directors are eligible for re-election in accordance with its Constitution.

Where any Director is required to retire from office, the NC reviews the composition of the Board and decides whether to recommend such Director for election taking into account the Director's attendance at their respective meetings, participation, contribution and time commitment. Upon its evaluation in accordance with its Fit and Proper Policy, the NC will make recommendation on the proposal to the Board for approval and the Board makes the final decision on the proposed appointment/re-election to be presented to shareholders for approval.

Continuous Directors' Training

The Board acknowledges the importance of continuous education and training broaden one's perspective and to keep abreast with the current and future developments in the industry and global markets, regulatory updates as well as management strategies to enhance the Board's skill and knowledge in discharging their duties. The Board has undertaken an assessment of the training needs of each Director.

All Directors receive updates from time to time, on relevant laws and regulations to enhance their business acumen and skills to meet the changing commercial challenges. The Directors have participated in conferences, seminars and training programmes and during the FYE 2024, the following training programmes and seminars were attended by the Directors:

Name of Directors	Trainings or Seminars Attended
Tan Sri Dato' Lau Eng Guang	• In-house training: Talks on Indonesian Taxation • Mandatory Accreditation Programme Part II: Leading for Impact • Incident and Crisis Management for Social Media • Effective Risk Management by ISO 31000 • In-house training: Talks on Vietnam Taxation
Lau Joo Yong	• Incident and Crisis Management for Social Media • Effective Risk Management by ISO 31000

Corporate Governance Overview Statement (Cont'd)

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

Continuous Directors' Training (Cont'd)

Name of Directors	Trainings or Seminars Attended
Lau Joo Pern	• Appeal and dispute resolution proceedings • Effective Risk Management by ISO 31000 • Incident and Crisis Management for Social Media
Khoo Chie Yuan	• Incident and Crisis Management for Social Media • Effective Risk Management by ISO 31000
Chu Nyet Kim	• PZ Cussons Indonesia in-house e-learning: Raising cybersecurity awareness through phishing simulations • Deloitte Indonesia Transfer Pricing webinar: Implementation of Arm's length principle for transactions influenced by the special relationship • MIA webinar: Appeals and dispute resolution proceedings • ICDM Webinar: Mandatory Accreditation Programme Part II; Leading For Impact • Effective Risk Management by ISO 31000 • Incident and crisis management for social media • RSM Vietnam tax seminar on Vietnam Taxation • MIA Webinar: Effective Tax Appeals, Procedures, Latest Case Laws, and Director's Liability • MIA MFRS Webinar: Good Communication in Financial Reports and the Preparation for MFRS 18
Datuk Amnah Binti Ibrahim	• Mandatory Accreditation Programme Part II: Leading for Impact • Incident and Crisis Management for Social Media • Effective Risk Management by ISO 31000

The Board will continue to evaluate and determine the training needs of Directors on a continuous basis.

The Company Secretary also circulated from time to time the relevant guidelines on statutory and regulatory requirements to the Directors. The External Auditors also highlighted changes to the Malaysian Financial Reporting Standards and legislation that affect the Company's financial statement during the financial year.

Committees Established by the Board

The Board is assisted by the following Sub-Committees in the discharge of its duties and responsibilities:

Audit and Risk Management Committee

Nomination Committee

Remuneration Committee

Committee for the review of press releases or public acnnouncements

Corporate Governance Overview Statement (Cont'd)

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

Audit and Risk Management Committee ("ARMC")

The ARMC assists the Board in its oversight of the Company's financial statements and reporting in fulfilling its fiduciary responsibilities relating to internal controls, financial and accounting records and policies as well as financial reporting practices of the Group. The ARMC comprises three (3) Independent Non-Executive Directors. The ARMC is chaired by an INED, Madam Chu Nyet Kim.

Details of the composition and the activities of the ARMC during the financial year are set out under the Audit and Risk Management Committee Report.

Nomination Committee ("NC")

The members of the Nomination Committee during the financial year, comprised of Independent Non-Executive Directors, as follows:

Name of Directors	
Datuk Amnah Binti Ibrahim	Chairman, INED
Khoo Chie Yuan	Member, INED
Chu Nyet Kim	Member, INED

The role of the NC is set out in its TOR and available on the Company's website.

The objective of the NC is to ensure an appropriate structure for management succession and development and an effective process for director selection and tenure. The Board has established a nomination process of board members to facilitate and provide a guide for the NC to identify, evaluate, select and recommend to the Board the candidate to be appointed as a Director of the Company.

During the FYE 2024, one meeting was held and undertook the following activities:

a. Reviewed the performance of the Directors who are due for re-election/re-appointment at the next AGM via the fit and proper assessment;

b. Assessed the independence of the Independent Directors;

c. Reviewed the mix of skills, independence, experience and other qualities of the Board;

d. Reviewed the terms of office and performance of the Audit and Risk Management Committee and each of its members annually to determine whether the Audit and Risk Management Committee and its members have carried out their duties in accordance with the terms of reference;

e. Reviewed the annual assessment of the effectiveness of the Board, Board committees and individual directors annually using a set of customised self-assessment questionnaires to be completed by each Director; with the following criteria: -

Corporate Governance Overview Statement (Cont'd)

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

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

e. Reviewed the annual assessment of the effectiveness of the Board, Board committees and individual directors annually using a set of customised self-assessment questionnaires to be completed by each Director; with the following criteria: - (Cont'd)

Audit and Risk Management Committee

- **Committee and Governance Structure**
- **Skills and Competencies**
- **Meeting Administration and Meeting Conduct**
- **Board Communication**

Board of Directors

- **Board Mix and Composition**
- **Quality of Information and Decision Making**
- **Board's Relationship with the Management**
- **Board Activities**
- **Board Chairman's role and responsibilities**
- **ESG issues**

The NC upon its assessment carried out was satisfied:

- the current size and existing composition of the Board were sufficient and well balanced, catered effectively to the scope of the Group's operations and there was appropriate mix of knowledge, skills, attributes and core competencies in the Board.
- the Independent Non-Executive Directors comply with the definition of Independent Non-Executive Directors as defined in the Listing Requirements;
- the Directors are able to devote sufficient time commitment to their roles and responsibilities as Directors of the Company, as none of them hold more than 5 directorships in public listed companies; and
- the results of the self-assessment by Directors and Board's effectiveness were tabled to the Board for review and deliberation.

Corporate Governance Overview Statement (Cont'd)

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

Remuneration Committee ("RC")

The members of the Remuneration Committee during the financial year, comprised of Independent Non-Executive and Directors, as follows:

Name of Directors	
Khoo Chie Yuan	Chairman, Independent Non-Executive Director
Datuk Amnah Binti Ibrahim	Member, Independent Non-Executive Director
Chu Nyet Kim	Member, Independent Non-Executive Director

The objective of the RC is to review and recommend to the Board a formal and transparent policy on executive remuneration and fix the remuneration packages of individual directors and approve employee compensation and benefits programs.

The RC assessed the appropriateness of Directors' and executives' remuneration on an annual basis, based on overall employment market conditions and the capacity of the Company's financial standing.

One meeting was held during the FYE under review and all committee members attended the meeting. The TOR of RC is available on the Company's website.

Committee for the Review of Press Releases or Public Announcements

The Committee for the review of press releases or public announcements, comprising the Group Chief Executive Officer, Lau Joo Yong and the Executive Director, Lau Joo Pern, who are responsible for making timely dissemination of information to the shareholders and investing public and ensuring that the information released is factual, clear, accurate and not false or misleading.

DIRECTORS' REMUNERATION

The Level and Make-up of Remuneration

The Company's framework on Directors' remuneration has the underlying objectives of attracting and retaining Directors needed to manage the Group successfully. In the case of Executive Directors, their remuneration is linked to their level of responsibilities, experience and contribution to the Group performance. For the Non-Executive Directors, the level of remuneration reflects the expertise, experience, skills and level of responsibilities undertaken by them.

The Company has adopted the principle recommended by the Code whereby the level of remuneration of the Directors is sufficient to attract and retain the Directors needed to manage the Group successfully. In the case of Executive Directors, their remuneration is linked to their level of responsibilities, experience, contribution and, individual as well as Group performance. For the Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by them.

Corporate Governance Overview Statement (Cont'd)

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

DIRECTORS' REMUNERATION (CONT'D)

The Level and Make-up of Remuneration (Cont'd)

The details of the remuneration of the Directors (on named basis) for the financial year ended 31 December 2024 are as follows:

The Group

(RM)	Salary	Bonus	Fee	Defined Contribution	Benefits-in- kind	Other Emoluments	Total
Executive Director							
Tan Sri Dato' Lau Eng Guang	2,800,008	-	-	532,788	28,000	-	3,360,796
Lau Joo Yong	2,400,000	-	-	457,217	23,950	-	2,881,167
Lau Joo Pern	400,800	-	-	77,369	-	-	478,169
Non-Executive Director							
Chu Nyet Kim	-	-	120,000	-	-	22,000	142,000
Khoo Chie Yuan	-	-	115,000	-	-	22,000	137,000
Datuk Amnah Binti Ibrahim	-	-	115,000	-	-	22,000	137,000

The Company

(RM)	Salary	Bonus	Fee	Defined Contribution	Benefits-in- kind	Other Emoluments	Total
Executive Director							
Tan Sri Dato' Lau Eng Guang	-	-	-	-	-	-	-
Lau Joo Yong	-	-	-	-	-	-	-
Lau Joo Pern	-	-	-	-	-	-	-
Non-Executive Director							
Chu Nyet Kim	-	-	120,000	-	-	22,000	142,000
Khoo Chie Yuan	-	-	115,000	-	-	22,000	137,000
Datuk Amnah Binti Ibrahim	-	-	115,000	-	-	22,000	137,000

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Risk Management and Internal Control

The Board, with the assistance of the ARMC, continue to review the risk management framework and assess the various types of risks which might have an impact on the profitable operation of the Group's business. This includes operational, market, legal and environmental risks. The key features of the risk management framework are set out in the Statement on Risk Management and Internal Control of the Annual Report.

In accordance with the Code and the Main Market Listing Requirements of Bursa Securities, the Board has established an internal audit function which reports directly to the Audit and Risk Management Committee. The function is currently outsourced to an independent professional firm. The Audit and Risk Management Committee also undertook an annual assessment of the quality of the internal auditor based on an assessment questionnaire, and no material issue and major deficiency had been noted which pose a high risk to the overall system of internal control under review.

Assessment of Suitability and Independence of External Auditors (EA)

The ARMC is responsible for the annual assessment of the competency and independence of the external auditors. In its assessment, the ARMC considers several factors, which include the caliber, reputation and resources of the firm, staff experience and professionalism, audit scope, communication, independence (which includes the review of the external auditors annual Transparency Report) and the level of non-audit services to be rendered. Having assessed their performance and independence, the ARMC recommended their re-appointment to the Board, upon which the shareholders' approval will be sought at the AGM.

The external auditors are required to declare their independence annually to the ARMC as specified by the By-Laws issued by the MIA.

A statement by the Directors on their responsibilities in preparing the financial statements is set out on this Annual Report.

Relationship with Auditors

The Board has established a formal and transparent arrangement to meet the EA's professional requirements. The EA has continued to highlight to the Audit and Risk Management Committee and Board of Directors matters that require the Board's attention.

The Audit and Risk Management Committee also had private sessions with the EA without the presence of any executive of the Group at least twice a year. Liaison and unrestricted communication exist between the ARMC and the EA. The ARMC obtains reasonable assurance on the effectiveness of the internal control system through annual independent appraisal by the EA. The EA are invited to attend the Company's AGM.

Corporate Governance Overview Statement (Cont'd)

PRINCIPAL C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Board is committed to providing shareholders, investors and all other stakeholders with accurate, useful and timely information about the Company, its business and its activities. The Company has regularly communicated with shareholders and investors in conformity with the disclosure requirements.

Conduct of General Meetings

All general meetings of the Company serve as the principal forum for shareholders to have direct access to the Board and provide the opportunity for shareholders to raise questions pertaining to issues related to the Annual Report, Audited Financial Statements, corporate developments, resolutions being proposed and the businesses of the Group.

The AGM remains the principal forum for communication and dialogue with shareholders. The AGM provides the opportunity for interaction amongst Shareholders, Directors and Management, where the shareholders are at liberty to raise questions on the AGM agenda. They will be given the opportunity to seek clarification on any matters pertaining to the Company's affairs and performance as the Directors and the representatives of the external Auditors will be present to answer any questions that they may have.

The Company despatches Annual Report to all shareholders of the Company which includes the notice of AGM, which notice is also advertised in the newspaper and released via Bursa Link. In line with good Corporate Governance practice, the Notice of the AGM was issued at least 28 days before the date of the AGM.

During the virtual AGM held on 27 May 2024, the Board encouraged shareholders to participate in the question-and-answer session at the AGM. The Board has ensured that each item of special business included in the notice of the AGM is accompanied by a full explanation of the effects of the proposed resolution. All the Directors (as well as the Chair of the respective Board Committee), Chief Financial Officer and the External Auditors were in attendance to respond to shareholders' queries. Questions raised by those attending online were duly answered by the Executive Chairman. The Minutes of the AGM (including all the questions raised by shareholders and answers thereto) were published on the Company's website within 30 days after the completion of the meeting.

Poll Voting

As stipulated in the MMLR, voting of all resolutions at general meetings shall be carried by way of poll. In addition, the Company appointed scrutineers to validate the votes cast at the AGM.

Compliance with the Code

The Group has complied with the Principles of Corporate Governance as contained in the Code except for the following exception that, in the opinion of the Directors, adequately suit the circumstances:

- Practice 8.2 on the board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits-in-kind and other emoluments in bands of RM50,000.

The explanation for departure is further disclosed in the CG Report.

The CG Overview Statement together with the CG Report was approved by the Board of Directors of Comfort Gloves Berhad on 7 April 2025.

Audit and Risk Management Committee Report

The Board of Directors ("the Board") of Comfort Gloves Berhad ("CGB" or "the Company") is pleased to present the Audit and Risk Management Committee ("ARMC") Report for the financial year ended 31 December 2024 ("FYE 2024") in compliance with Paragraph 15.15 of the Main LR of Bursa Malaysia.

In performing their duties and discharging their responsibilities, the ARMC is guided by its Board Charter and also its Terms of Reference ("TOR") which are available on the Company's website at https://comfortrubber.com/.

1. COMPOSITION AND ATTENDANCE

The ARMC comprised three members of the Board, all of whom are Independent Non-Executive Directors ("INEDs") who satisfy the test of independence under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and have complied with Paragraph 15.09(1) of the Bursa Securities Listing Requirements ("LR").

The ARMC Chairman, Chu Nyet Kim, is a member of Malaysian Institute of Accountants ("MIA") and is not the Chairman of the Board. Accordingly, the Company complies with the requirement of Paragraph 15.09(c) (i) of the Bursa Securities LR and in line with the Practice 9.1 under the Malaysian Code on Corporate Governance 2021 ("MCCG").

All members of the ARMC are financially literate and are able to analyse and interpret financial statements in order to effectively discharge their duties and responsibilities as members of ARMC.

The Nomination Committee ("NC") reviews the terms of office of the ARMC members and assesses the performance of the ARMC and its members through an annual effectiveness evaluation. The NC is satisfied that the ARMC and its members discharged their functions, duties and responsibilities in accordance with the ARMC's TOR, supporting the Board in ensuring the Group upholds appropriate Corporate Governance standards.

<u>Meetings</u>

The Company Secretaries attended all the Meetings of the ARMC held during the financial year. Minutes of each ARMC Meeting were recorded and tabled for confirmation at the next ARMC meeting and subsequently presented to the Board for notation. The Chief Financial Officer ("CFO") and other members of the Board and employees also attended the Meetings upon invitation of the ARMC.

The CFO will brief the ARMC on specific issues arising from the audit reports or any matters of interest. The ARMC Chairman presented to the Board the Committee's recommendation to approve the annual and quarterly financial statements and any significant concern as and when raised by the External Auditors ("EA") or Internal Auditors ("IA"). The ARMC Chairman also conveyed to the Board matters of significant concern as and when raised by the EA or IA in the respective quarterly presentations.

Audit and Risk Management Committee Report (Cont'd)

1. COMPOSITION AND ATTENDANCE (CONT'D)

The ARMC convened a total of five (5) meetings during the FYE 2024 and the details of the ARMC members and meeting attendance are as follows:

Audit Committee Members	Designation	Number of Meetings Attended
Chu Nyet Kim (Independent Non-Executive Director)	Chairman	5 of 5
Khoo Chie Yuan (Independent Non-Executive Director)	Member	5 of 5
Datuk Amnah Binti Ibrahim (Independent Non-Executive Director)	Member	5 of 5

The EA were in attendance at two meetings during the FYE 2024. The discussions between the ARMC and EA without the presence of the Group Executives were also held. During the Meetings, the ARMC enquired on the Management's cooperation with the EA, their sharing of information and the proficiency and adequacy of resources in financial reporting functions.

2. SUMMARY OF ACTIVITIES

During the financial year, the ARMC carried out its duties as set out in the TOR. The key activities performed by the ARMC during the FYE 2024 were as follows:

(a) External Audit

Reviewed with the EA the results of the audit and management's responses to their audit findings, including corrective actions taken by the management on outstanding audit issues highlighted in the previous audit.

(i) Met with the EA, Messrs KPMG PLT ("KPMG") twice without the presence of management including the Group CEO and CFO to discuss issues requiring attention/ significant matters arising from the audit. The EA did not have any areas of major concern to highlight to the ARMC and they have received full co-operation from the management.

KPMG provided assurance that they were and had been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements, including the By-Laws (on Professional Ethics, Conduct and Practice) of the MIA and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ('IESBA Code').

(ii) Reviewed the audit fee and non-audit fee for the financial year and recommended the audit fee to the Board for approval.

Audit and Risk Management Committee Report (Cont'd)

2. SUMMARY OF ACTIVITIES (CONT'D)

(a) External Audit (Cont'd)

(iii) Reviewed prior to the commencement of the audit, the EA's scope of work and the Audit Planning Memorandum of the EA, including reporting responsibilities and deliverables, audit approach, scope and audit and non-audit fees for statutory audits of the Group financial statement and their proposed fees for the statutory audit.

(b) Financial Reporting

(i) reviewed all the unaudited Quarterly Financial Statements, ensure compliance with the Companies Act 2016, Bursa Securities LR, applicable accounting standards and other legal and regulatory requirements prior to recommending them to the Board for approval for announcement to Bursa Securities. In discharging this role, the ARMC deliberated with the officers of the Group and EA on the following matters:

- change in accounting policies and its implementation;
- significant and unusual events arising from audit;
- going concern assumption;
- compliance with accounting standards and other legal requirement;
- adequacy of impairment loss made on trade receivables; and
- Significant judgement made by the Management.

(ii) reviewed the audited financial statements of the Company and Group with the EA to ensure compliance with the provisions of the Companies Act 2016 and the applicable accounting standards prior to submission to the Board for approval.

(iii) to safeguard the integrity of information, the CFO had given assurance to the ARMC that:

- appropriate accounting policies had been adopted and applied consistently;
- the going concern basis applied in the Annual Financial Statements was appropriate;
- prudent judgements and reasonable estimates had been made in accordance with the requirements set out in the MFRS;
- the Audited Financial Statement and Quarterly consolidated financial statements did not contain material misstatements and gave a true and fair view of the financial position of the Group and its subsidiaries.

(c) Internal Audit

(i) reviewed and approved the Group's internal audit plan, including the audit areas, audit scopes and audit approach;

(ii) reviewed and deliberated on the internal audit reports from the Internal Auditor and management's response to the recommendations and presented the reports to the Board of Directors;

Audit and Risk Management Committee Report (Cont'd)

2. SUMMARY OF ACTIVITIES (CONT'D)

(c) Internal Audit (Cont'd)

(iii) reviewed the corrective actions taken on the audit findings to ensure that actions have been taken in a timely and effective manner. The ARMC was satisfied with the Internal Auditors' performance for the financial year ended 31 December 2024 covering the business processes/ audit areas as detailed in the Statement on Risk Management and Internal Control; and

(iv) carried out an annual review of the performance of the Internal Auditors, including an assessment of their suitability and independence in performing their obligations, which is performed via a formal evaluation form. In its assessment, the ARMC considered several factors, which include the caliber, reputation and resources of the firm, staff experience and professionalism and audit scope.

The Internal Auditors provided written assurance on 19 March 2025to the ARMC that in accordance with the terms of all relevant professional and regulatory requirements, they had been independent throughout the audit engagement for 2024.

(d) Related Party Transactions and Conflict of Interest

Considered the transactions with related parties and/or interested persons to ensure they were transacted on an arm's length basis and within the limits prescribed under the Main Market Listing Requirements.

The ARMC also reviewed and monitored all conflict of interest situations that arose, persisted or may arise within the Group during the year. This included measures taken to resolve, eliminate, or mitigate such conflicts.

In line with the ARMC's TOR and Listing Requirements, there was 1 conflict of interest situation which arose during FYE 2024 that required the ARMC to resolve, eliminate or mitigate such conflicts. The transaction was deemed to have occurred within the ordinary course of business and at arm's length.

(e) Annual Report

(i) reviewed the Statement on Risk Management and Internal Control and recommended to the Board for approval and inclusion in the Annual Report;

(ii) presented the ARMC Report to the Board for approval and inclusion in the Annual Report.

(f) Whistle Blowing/Anti-Bribery and Corruption cases

Ensured that the Group's Whistleblowing Policy and Anti-Bribery and Corruption Policy were actively implemented with appropriate actions taken whenever reports were received. There was no reporting of whistle-blowing nor bribery and corruption cases for the FYE 2024.

Audit and Risk Management Committee Report (Cont'd)

2. SUMMARY OF ACTIVITIES (CONT'D)

(g) Transition from Audit Committee to Audit and Risk Management Committee

During the financial year 2025 , the Company undertook a revision of the name of its Audit Committee to Audit and Risk Management Committee ("ARMC") to better reflect the Committee's expanded responsibilities, which now include oversight of the Company's risk management framework and practices.

In line with this change, the Terms of Reference of the Audit Committee were reviewed and updated to incorporate the additional scope of risk management oversight. The revised document is now referred to as the Terms of Reference of the Audit and Risk Management Committee.

3. GROUP INTERNAL AUDIT FUNCTION

The internal audit function of the Group has been outsourced to Resolve IR Sdn. Bhd., a professional internal audit service provider reports directly to the ARMC and assists the Board in reviewing the adequacy and integrity of the internal control systems to manage risk exposures over key processes within the Group.

The role of the internal audit function is to support the ARMC by providing it with independent and objective reports on the adequacy, integrity and effectiveness of the system of internal control and the extent of compliance with the procedures and by recommending ways to rectify shortfall and improve the existing control environment in relation to the Group's operations. It submits its findings and recommendations to the ARMC and senior management of the Group.

The Internal Audit Function of the Group is disclosed under Effective Audit and Risk Management in the Corporate Governance Overview Statement.

The cost incurred for the Internal Audit function of the Group for the FYE 2024 was RM35,000 .

Statement on Risk Management and Internal Control

INTRODUCTION

In accordance with Paragraph 15.26(b) of Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors ("Board") of Comfort Gloves Berhad ("CGB" or "the Company") is pleased to present the Statement on Risk Management and Internal Control ("Statement"). This Statement outlines the main features of the risk management and internal control systems implemented across CGB and its subsidiaries ("CGB Group" or "the Group") for the FYE 2024.

This Statement is prepared in line with the Malaysian Code on Corporate Governance ("MCCG") and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

BOARD RESPONSIBILITIES

The Board acknowledges its responsibility for maintaining a sound risk management and internal control system across the Group to safeguard shareholders' investments, stakeholders' interests, and protect the Group's assets. Supported by the Audit Committee ("AC"), the Board reviews the adequacy and effectiveness of the Group's risk management and internal control system on a regular basis.

Nevertheless, given the inherent limitations in any risk management and internal control system, the risk management and internal control system is designed to manage the Group's risks to an acceptable tolerance level, rather than to eliminate the risks of failure, in order to pursue the Group's business objectives. As a result, the risk management and internal control system can only provide reasonable but not absolute assurance against any material financial misstatements, fraud, losses and unforeseen events.

RISK MANAGEMENT SYSTEM

The Group regards risk management as an essential element of its business operations and corporate governance. In order to ensure effective risk management, the Group has implemented an ongoing process for managing key risks to pursue the Group's business objectives. The Group has in place an Integrated Management System ("IMS") Procedure Manual – Risk Management, which is prepared in accordance with the ISO 14971:2019+A11:2021, an international risk management standard for the medical device industry.

Statement on Risk Management and Internal Control (Cont'd)

RISK MANAGEMENT SYSTEM (CONT'D)

The key features of the Group's risk management process are illustrated as follows: -

Step 1 Risk Analysis	Identify potential hazards and evaluate their associated risk levels.
Step 2 Risk Evaluation	Assess the identified risks against the risk acceptability criteria. Each identified risk is evaluated based on its likelihood of occurrence and potential impact.
Step 3 Risk Reduction and Control	Implement appropriate measures to reduce the identified risks to the acceptable levels. Document the results of all risk management activities and maintain them in Risk Management File, which serves as the primary record for the Risk Management Plan, Risk Management Report and any other relevant supporting documentation.
Step 4 Evaluation of Overall Residual Risk	Evaluate and record any residual risks remaining after the implementation of control measures in the Risk Management File. Additional control measures shall be applied if the residual risks exceed the Group's risk acceptability criteria.
Step 5 Risk Management Review	Conduct an annual review of the adequacy of the Risk Management File by collecting, compiling, and reviewing data from production and post-production activities to determine if the Risk Management Plan needs to be updated.

Whilst the Board assumes the ultimate responsibility for overseeing the Group's risk management system, the Board is supported by the AC and Top Management, who in turn are supported by the Risk Management Team, comprising representatives from various departments. The Risk Management Team plays a pivotal role in ensuring the effectiveness of the risk management framework and is responsible for the following key roles: -

- To develop and implement Risk Management Plan;
- To review the implementation and completeness of Risk Management File;
- To collect production and post-production information;
- To maintain and update the Risk Management File;
- To recommend suitable risk controls measures; and
- To monitor risk control measures in place.

Statement on Risk Management and Internal Control (Cont'd)

RISK MANAGEMENT SYSTEM (CONT'D)

On 21 Feb 2024, the Management prepared and presented the Group's Risk Assessment Report for the FYE 2024. Amongst others, the key risks identified during the financial year, together with the relevant control in place, are as follows: -

No.	Risk Identified	Controls in Place
1.	Compliance of regulation on the minimum standards of housing accommodations and amenities	• Obtaining Certification of Accommodation ("COA") from the relevant authorities while currently holding a temporary occupational approval for the staff hostel.
2.	Safety of machineries	• Regular inspection and maintenance of machineries. • Provide information and training to all employees. • Implement safe operating procedures.
3.	Risk of fire	• Ensure a safe workplace and good housekeeping. • Implement emergency response plan and fire drill exercises. • Install fire-fighting equipment such as fire extinguishers, sprinklers and hose reel systems. • Ensure fire alarms and detectors are tested regularly. • Insurance coverage by fire insurance policy.
4.	Export ban due to inconsistent product quality	• Perform water-tight testing and visual inspections as part of quality assurance checks. • Perform lab chemical testing on compounding chemicals and in-process chemicals. • Perform physical properties testing such as tensile strength evaluations. • Regularly review quality performance metrics on barrier defects per million and visual lot acceptance rates. • Conduct internal audits to ensure compliance with quality standards.
5.	Export ban due to social responsibility requirement and human rights	• Perform Sedex Members Ethical Trade Audit ("SMETA") Annual Social Compliance review, focusing on four (4) key pillars: business ethics, human rights, health and safety and environmental.
6.	Shortage of raw materials	• Expand the "Approved Vendors" list for key chemicals and raw materials. • Establish a safety buffer stock for these supplies, ensuring at least two weeks' inventory. • Implement a tracking plan for all critical chemicals and raw materials.

Statement on Risk Management and Internal Control (Cont'd)

RISK MANAGEMENT SYSTEM (CONT'D)

No.	Risk Identified	Controls in Place
7.	Reduction in customer demand	• Sourcing new customers for existing product portfolio. • Develop new products based on customer's requirements.
8.	Increase in input cost	• Expand the "Approved Vendors" list. • Review product costing regularly, pass on the price increase to customers as much as possible.
9.	Inadequacy in working capital	• Proper planning of capital expenditures and deferred non-urgent capital expenditures. • Closely monitor credit exposure for credit terms given to customer terms. • Negotiating longer credit terms from suppliers. • Reduce inventory levels to improve cash flow efficiency.
10.	Business competition risk	• Develop new products to differentiate the Group from competitors. • Review product costing regularly to ensure cost efficiency. • Improve non-quantitative services for customers.

INTERNAL CONTROL SYSTEM

Internal controls are essential to ensuring the effective operation of the Group's risk management system. Therefore, the Group places a strong emphasis on maintaining effective internal control measures to enhance operational efficiency and uphold high standards of corporate governance across all business functions.

For the FYE 2024, the Group implemented the following key internal controls: -

(i) Terms of Reference are established and clearly outlined to ensure Board Committees fulfil their duties;

(ii) The management organisational structure, with clear reporting lines of accountability and authority is well-defined and documented to advocate the segregation of duties and delegation of authorities;

(iii) Several company policies, including the Code of Conduct, Anti-Bribery & Corruption, Conflict of Interest and Whistleblowing policies are in place, to provide guidance for employees and stakeholders on ethical business practices. These policies are made available on the Company's website for public reference;

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL CONTROL SYSTEM (CONT'D)

(iv) A Fit and Proper Policy to guide the Nomination Committee in evaluating appointments and reappointments of Directors;

(v) Standard operating policies and procedures are implemented across the Group to ensure consistency in internal procedures in alignment with the Group's business objectives; and

(vi) The Group's quality management system is accredited with ISO 9001:2015, ISO 13485:2016 and EN ISO 13485:2016 under the scope of "manufacture of non-sterile powdered and powder free natural latex & nitrile examination gloves".

INTERNAL AUDIT FUNCTION AND ITS ACTIVITIES

In accordance with Paragraph 15.27 of the MMLR, the internal function of the Group has been outsourced to Resolve IR Sdn Bhd ("Resolve") to support the Board and the AC in providing an independent assessment on the overall adequacy, efficiency and effectiveness of the Group's risk management and internal control system.

The internal audit was conducted by a team of six (6) internal auditors, including the Chief Executive Officer (CEO), a Director, a Manager, two (2) Senior Consultants, and an Associate Consultants from Resolve. To ensure the audit process was carried out effectively, the Internal Auditor conducted interviews with Management and was granted access to internal documents and resources.

During the financial year under review, the Internal Auditor has conducted two (2) internal audit reviews as part of the internal audit plan approved by the AC: -

Internal Audit Coverage Area	Coverage Period
Production Planning and Management	Quarter 2, FYE 2024
Human Resource Management (including health and safety compliances)	Quarter 4, FYE 2024

Following the completion of the internal audit engagement, the audit findings and recommendations for improvement were discussed with Senior Management. The Internal Auditor presented the internal audit reports during scheduled AC meetings, detailing the audit findings, potential implications, recommendations for enhancements and Management's responses along with action plans. Management is responsible for implementing corrective actions to address the identified weaknesses. The Internal Auditor will conduct a follow-up review to ensure that all recommendations and corrective actions have been implemented within the specified timeframe and will report these outcomes to the AC.

Based on the internal audit reviews conducted in FYE 2024, the Board is satisfied that there were no significant weaknesses were identified in the internal control system that could have a material impact, and would require a separate disclosure in the Company's Annual Report.

The total cost incurred for the outsourced internal audit function of the Group for FYE 2024 amounted to RM35,000.

Statement on Risk Management and Internal Control (Cont'd)

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditor have reviewed this Statement 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 ("MIA") for inclusion in the annual report of the Company for the FYE 2024, and reported to the Board that nothing has come to their attention that cause them to believe that the Statement intended to be included in this annual report, in all material respects: -

(a) 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

(b) is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' 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 thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

MANAGEMENT'S ASSURANCE

The Board has received reasonable assurance from the Group's CEO that the Group's risk management and internal control systems is operating adequately and effectively in all material respects. The Board is also satisfied that nothing has come to their attention that may render the financial results and information provided to be false or misleading in any material way.

CONCLUSION

The Board acknowledges that the Group's risk management and internal control systems shall be continuously improved to ensure they align with the business growth and the dynamic business environment. Consequently, the Board, together with the Board Committees and Management, strives to maintain and enhance the Group's risk management and internal control systems on an ongoing basis.

For the FYE 2024, no significant internal control deficiencies or material weaknesses resulting in material losses, contingencies, or uncertainties would require separate disclosure in this Annual Report. The Board holds the opinion that the current system is satisfactory and sufficient to safeguard shareholders' investments, stakeholders' interests and protect the Group's assets.

This Statement was approved by the Board on 7 April 2025.

Additional Compliance Information

Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad for the financial year ended 31 December 2024.

Details of the Recurrent Related Party Transactions ("RRPT")

There was no RRPT during the financial year.

Utilisation of Proceeds Raised from Corporate Proposals

There were no proceeds raised from any corporate proposal during the financial year ended 31 December 2024.

Imposition of Sanctions/Penalties

There were no material public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year.

Auditors' Remuneration

The auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2024 is as follows:

	Group RM	Company RM
Audit Fees	285,000	125,000
- KPMG PLT		
Non-Audit Fees*		
- KPMG PLT	15,000	15,000
- Local affiliate of KPMG PLT	218,100	83,716
	518,100	2237,716

Note
* The non-audit fees comprised mainly fees to KPMG PLT and its affiliates to review the regulatory reporting, tax compliance and tax advisory works.

Material Contracts and Contract Relating to Loan awarded to Directors, Chief Executive and Major Shareholders

There were no material contracts and contracts relating to loans entered into by the Company and its subsidiaries which involve the Directors, Chief Executive who is not a director and major shareholders entered into since the end of the previous financial year.

Directors' Responsiblity Statement

The Directors are required by the Companies Act 2016 to prepare financial statements of the Company and the Group which will give a true and fair view of the state of affairs at the end of the financial year and of their results and cash flows for the financial year then ended.

In preparing the financial statements, the Directors have:

- selected appropriate accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been allowed and made a statement to that effect in the financial statements, subject to any material departures being disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016 and the applicable approved accounting standards in Malaysia.

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

The Board is satisfied that in preparing the financial statements of the Company and the Group as at 31 December 2024, the Company and Group have used appropriate accounting policies and applied them consistently and prudently.

Financial Statements

Directors' Report
for the year ended 31 December 2024

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

Principal activities

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

Subsidiaries

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

Results

	Group RM	Company RM
(Loss)/Profit for the year attributable to:		
Owners of the Company	(55,888,257)	3,160,846

Reserves and provisions

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

Dividend

No dividend was paid during the year and the Directors do not recommend any final dividend to be paid for the financial year under review.

Directors of the Company

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

Lau Joo Yong^
Lau Joo Pern^
Khoo Chie Yuan
Tan Sri Dato' Lau Eng Guang^
Datuk Amnah binti Ibrahim^
Chu Nyet Kim

^ Directors of the Company and certain subsidiaries

Directors' Report (Cont'd)
for the year ended 31 December 2024

Directors of the 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 this report are as follows:

Lau Joo Kien Brian
Ng Kwee Kuan
Jessica Natrah binti Abdullah Seer Singh

Directors' interests in shares

The interests and deemed interest in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests 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 1.1.2024	**Bought**	**Sold**	**At 31.12.2024**
Direct interests in the Company				
Tan Sri Dato' Lau Eng Guang	13,507,000	-	-	13,507,000
Datuk Amnah binti Ibrahim	350,000	-	-	350,000
Indirect interests in the Company				
Tan Sri Dato' Lau Eng Guang #	128,200,050	-	-	128,200,050

	Number of warrants			
	At 1.1.2024	**Bought**	**Sold**	**At 31.12.2024**
Indirect interests in the Company				
Tan Sri Dato' Lau Eng Guang #	16,852,500	-	-	16,852,500

Shares and warrants held through spouse, children and Keen Setup Sdn. Bhd.

By virtue of his interest in the shares of the Company, Tan Sri Dato' Lau Eng Guang is also deemed interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

Other than as stated above, none of the other Directors in office at 31 December 2024 had any interest in ordinary shares or debentures of the Company and its related corporations during the financial year.

Directors' Report (Cont'd)
for the year ended 31 December 2024

Directors' benefits

Since the end of the previous financial period, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) 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.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 December 2024 are as follows:

	From the Company RM	From subsidiary companies RM
Directors of the Company:		
Fees and other emoluments	350,000	-
Remuneration	66,000	7,349,826
Estimated money value of any other benefits	-	51,950
	416,000	7,401,776

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, apart from the issuance of the warrants by the Company.

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

During the financial year, the total amount of insurance effected for Directors and Officers of the Company and its subsidiaries is RM8,150,508. There is no indemnity given to or insurance effected for auditors of the Company.

Directors' Report (Cont'd)
for the year ended 31 December 2024

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.

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 other than disclosed in Note 29 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 December 2024 has 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.

Directors' Report (Cont'd)
for the year ended 31 December 2024

Auditors

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

The auditors' remuneration of the Group and of the Company during the year are RM285,000 and RM125,000 respectively. Details of the auditors' remuneration are set out in Note 20 to the financial statements.

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

....
Lau Joo Yong
Director

....
Lau Joo Pern
Director

Kuala Lumpur

Date: 7 April 2025

Statements of Financial Position
as at 31 December 2024

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Assets					
Property, plant and equipment	3	415,792,676	418,044,234	16,056,491	17,141,672
Intangible assets		22,211	22,211	-	-
Right-of-use assets	4	16,579,898	15,294,057	-	-
Investment properties	5	26,421,848	26,421,848	-	-
Investment in subsidiaries	6	-	-	287,578,917	202,730,005
Deferred tax assets	7	20,862,444	6,898,121	-	1,217,020
Other receivables	8	-	-	-	75,350,000
Other investments	9	-	10,000,000	-	10,000,000
Total non-current assets		479,679,077	476,680,471	303,635,408	306,438,697
Inventories	10	108,695,254	85,294,681	-	-
Trade and other receivables	8	90,361,829	57,510,346	11,082,048	18,080,463
Prepayments		2,440,387	2,676,378	-	-
Tax recoverable		90,310,929	95,180,004	718,007	718,007
Other investments	9	107,472,677	105,546,837	25,950,265	26,211,317
Cash and cash equivalents	11	57,061,272	141,182,301	32,525,012	19,339,750
Total current assets		456,342,348	487,390,547	70,275,332	64,349,537
Total assets		936,021,425	964,071,018	373,910,740	370,788,234
Equity					
Share capital	12.1	142,985,383	142,985,383	142,985,383	142,985,383
Treasury shares	12.2	(5,511,616)	(5,511,616)	(5,511,616)	(5,511,616)
Other reserves	12.3	11,319,230	11,319,230	11,319,230	11,319,230
Revaluation reserve	12.4	30,278,026	31,862,097	4,562,789	4,867,054
Retained earnings		634,746,123	689,050,309	219,633,867	216,168,756
Total equity		813,817,146	869,705,403	372,989,653	369,828,807

Statements of Financial Position (Cont'd)
as at 31 December 2024

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Liabilities					
Loan and borrowings	13	7,706,348	9,028,164	-	-
Provision for restoration	14	2,719,987	2,588,487	-	-
Deferred tax liabilities	7	1,348,682	2,290,922	15,455	-
Total non-current liabilities		11,775,017	13,907,573	15,455	-
Loan and borrowings	13	42,090,110	33,337,218	-	-
Trade and other payables	15	65,233,248	44,410,909	905,632	959,427
Contract liabilities	16	2,666,330	2,709,915	-	-
Derivative financial liabilities		439,574	-	-	-
Total current liabilities		110,429,262	80,458,042	905,632	959,427
Total liabilities		122,204,279	94,365,615	921,087	959,427
Total equity and liabilities		936,021,425	964,071,018	373,910,740	370,788,234

The notes on pages 100 to 162 are an integral part of the financial statements.

Statements of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2024

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Revenue	17	346,756,835	325,882,923	2,273,155	2,610,192
Cost of sales		(381,055,685)	(349,751,783)	-	-
Gross (loss)/profit		(34,298,850)	(23,868,860)	2,273,155	2,610,192
Other income		5,287,345	7,359,061	1,559,993	1,830,995
Selling and marketing expenses		(4,142,184)	(4,543,452)	-	-
Administrative expenses		(35,195,504)	(26,300,179)	(4,543,488)	(4,533,544)
Net loss on impairment of financial instruments		(353,042)	(5,568,661)	-	-
Results from operating activities		(68,702,235)	(52,922,091)	(710,340)	(92,357)
Finance income	18	6,832,449	7,090,517	5,103,661	6,101,156
Finance costs	19	(2,313,502)	(2,130,933)	-	-
(Loss)/Profit before tax	20	(64,183,288)	(47,962,507)	4,393,321	6,008,799
Taxation	21	8,295,031	11,149,634	(1,232,475)	2,264,019
(Loss)/Profit for the year		(55,888,257)	(36,812,873)	3,160,846	8,272,818
Other comprehensive (expense)/ income, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Revaluation of lands and buildings	22	-	14,615,586	-	244,299
Total comprehensive (expense)/ income for the year		(55,888,257)	(22,197,287)	3,160,846	8,517,117
(Loss)/Profit attributable to:					
Owners of the Company		(55,888,257)	(36,812,873)	3,160,846	8,272,818
Total comprehensive (expense)/ income attributable to:					
Owners of the Company		(55,888,257)	(22,197,287)	3,160,846	8,517,117
Loss per ordinary share (sen)					
Basic	23	(9.65)	(6.36)		
Diluted	23	(9.65)	(6.36)		

The notes on pages 100 to 162 are an integral part of the financial statements.

Statements of Changes in Equity

for the year ended 31 December 2024

	Attributable to owners of the Company					
	Non-distributable				Distributable	
Group	**Share capital RM**	**Treasury shares RM**	**Other reserve RM**	**Revaluation reserve RM**	**Retained profit RM**	**Total equity RM**
At 1 January 2023	142,985,383	(5,368,042)	11,319,230	17,921,859	725,187,834	892,046,264
Loss for the year	-	-	-	-	(36,812,873)	(36,812,873)
Revaluation of lands and buildings	-	-	-	14,615,586	-	14,615,586
Realisation of revaluation reserve	-	-	-	(675,348)	675,348	-
Total comprehensive expense for the year	-	-	-	13,940,238	(36,137,525)	(22,197,287)
Shares repurchased	-	(143,574)	-	-	-	(143,574)
Transactions with owners for the year	-	(143,574)	-	-	-	(143,574)
At 31 December 2023/1 January 2024	142,985,383	(5,511,616)	11,319,230	31,862,097	689,050,309	869,705,403
Loss for the year	-	-	-	-	(55,888,257)	(55,888,257)
Realisation of revaluation reserve	-	-	-	(1,584,071)	1,584,071	-
Total comprehensive expense for the year	-	-	-	(1,584,071)	(54,304,186)	(55,888,257)
At 31 December 2024	142,985,383	(5,511,616)	11,319,230	30,278,026	634,746,123	813,817,146
	Note 12.1	Note 12.2	Note 12.3	Note 12.4		

Statements of Changes in Equity (Cont'd)

for the year ended 31 December 2024

	Attributable to owners of the Company					
	Non-distributable				Distributable	
	Share capital	Treasury shares	Other reserve	Revaluation reserve	Retained profit	Total equity
Company	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
At 1 January 2023	142,985,383	(5,368,042)	11,319,230	4,821,378	207,697,315	361,455,264
Profit for the year	-	-	-	-	8,272,818	8,272,818
Revaluation surplus	-	-	-	244,299	-	244,299
Realisation of revaluation reserve	-	-	-	(198,623)	198,623	-
Total comprehensive income for the year	-	-	-	45,676	8,471,441	8,517,117
Shares repurchased	-	(143,574)	-	-	-	(143,574)
Transactions with owners for the year	-	(143,574)	-	-	-	(143,574)
At 31 December 2023/1 January 2024	142,985,383	(5,511,616)	11,319,230	4,867,054	216,168,756	369,828,807
Profit for the year	-	-	-	-	3,160,846	3,160,846
Realisation of revaluation reserve	-	-	-	(304,265)	304,265	-
Total comprehensive income for the year	-	-	-	(304,265)	3,465,111	3,160,846
At 31 December 2024	142,985,383	(5,511,616)	11,319,230	4,562,789	219,633,867	372,989,653
	Note 12.1	Note 12.2	Note 12.3	Note 12.4		

The notes on pages 100 to 162 are an integral part of the financial statements.

Statements of Cash Flows

for the year ended 31 December 2024

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Cash flows from operating activities					
(Loss)/Profit before tax		(64,183,288)	(47,962,507)	4,393,321	6,008,799
Adjustments for:					
Net loss on impairment of financial assets		353,042	5,568,661	-	-
Depreciation of right-of-use assets	4	755,962	407,213	-	-
Impairment of right-of-use assets		271,945	-	-	-
Interest expense		2,313,502	2,130,933	-	-
Interest income		(6,832,449)	(7,090,517)	(5,103,661)	(6,101,156)
Net fair value loss on derivatives		439,574	-	-	-
Net fair value (gain)/loss on other investments		(224,180)	(899,913)	380,459	(270,130)
Property, plant and equipment:					
- loss/(gain) on disposal		979	(51,054)	-	-
- depreciation	3	39,709,078	44,798,370	1,085,181	948,845
- impairment	3	-	444,860	-	-
- written off		1,397,581	-	-	-
Net recognition/(reversal) of inventories written down		10,841,780	(7,041,546)	-	-
Unrealised loss/(gain) on foreign exchange		1,382,822	(6,272,116)	7	-
Operating (loss)/profit before working capital changes		(13,773,652)	(15,967,616)	755,307	586,358
Changes in working capital:					
Inventories		(34,242,353)	31,431,268	-	-
Receivables		(29,700,714)	8,595,746	88,542	(46,306)
Prepayments		235,991	40,854	(73,959)	-
Payables		20,492,139	(11,174,937)	(53,795)	(31,138)
Net payment to subsidiaries	(c)	-	-	983,832	(1,558,584)
Provision		131,500	2,588,487	-	-
Contract liabilities		(43,585)	(2,087,922)	-	-
Cash (used in)/from operations		(56,900,674)	13,425,880	1,699,927	(1,049,670)

Statements of Cash Flows (Cont'd)

for the year ended 31 December 2024

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Cash (used in)/from operations (Cont'd)		(56,900,674)	13,425,880	1,699,927	(1,049,670)
Income tax paid		(1,801,887)	(6,423,719)	-	(33,330)
Income tax refunded		59,430	325	-	-
Interest received		4,330,789	4,366,111	685,342	389,795
Net cash (used in)/from operating activities		(54,312,342)	11,368,597	2,385,269	(693,205)
Cash flows from investing activities					
Purchase of property, plant and equipment		(38,863,530)	(14,034,400)	-	(36,000)
Proceeds from disposal of property, plant and equipment		7,450	87,300	-	-
Additions to other investments		(1,701,660)	(1,974,407)	(119,407)	(110,399)
Transfer of funds from other investments		10,000,000	-	10,000,000	-
Interest income from other investments		2,501,660	2,724,406	919,407	860,399
Interest income from a subsidiary		-	-	-	4,850,962
Net cash (used in)/from investing activities		(28,056,080)	(13,197,101)	10,800,000	5,564,962
Cash flows from financing activities					
Repurchase of treasury shares		-	(143,574)	-	(143,574)
Net changes in bill payables		7,306,519	9,285,106	-	-
Repayment of term loans		(2,796,000)	(2,796,000)	-	-
Repayment of lease liability	(a)	(275,683)	(17,808)	-	-
Interest paid		(2,313,502)	(2,130,933)	-	-
Net cash from/(used in) financing activities		1,921,334	4,196,791	-	(143,574)

Statements of Cash Flows (Cont'd)

for the year ended 31 December 2024

		Group		Company	
	Note	2024	2023	2024	2023
		RM	RM	RM	RM
Net (decrease)/increase in cash and bank balances		(80,447,088)	2,368,287	13,185,269	4,728,183
Effect of exchange rate fluctuations		(3,673,941)	4,251,317	(7)	-
Cash and bank balances at beginning of the year		141,182,301	134,562,697	19,339,750	14,611,567
Cash and bank balances at end of the year	11	57,061,272	141,182,301	32,525,012	19,339,750

(a) Cash outflows for leases as a lessee

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Included in net cash from operating activities				
Payment relating to short-term lease	(915,789)	(1,126,861)	-	-
Payment relating to low-value assets	(71,819)	(48,448)	-	-
	(987,608)	(1,175,309)	-	-
Included in net cash used in financing activities				
Repayment of lease liability	(275,683)	(17,808)	-	-
Interest paid in relation to lease liability	(122,758)	(35,947)	-	-
Total cash outflows for leases	(1,386,049)	(1,229,064)	-	-

Statements of Cash Flows (Cont'd)

for the year ended 31 December 2024

(b) Reconciliation of movements of liabilities to cash flows arising from financing activities

	Term loans	Bill payables	Lease liabilities	Total liabilities from financing activities
	RM	RM	RM	RM
Group				
At 1 January 2023	12,988,194	21,704,566	1,002,522	35,695,282
Acquisition of new lease liabilities	-	-	690,814	690,814
Net changes from financing cash flow	(2,796,000)	9,285,106	(17,808)	6,471,298
Foreign exchange movement	-	(492,012)	-	(492,012)
At 31 December 2023/ 1 January 2024	10,192,194	30,497,660	1,675,528	42,365,382
Acquisition of new lease liabilities	-	-	2,313,748	2,313,748
Net changes from financing cash flow	(2,796,000)	7,306,519	(275,683)	4,234,836
Foreign exchange movement	-	882,492	-	882,492
At 31 December 2024	7,396,194	38,686,671	3,713,593	49,796,458

(c) Non-cash transactions

Investing activities

During the financial year, the Company converted the outstanding balances with a subsidiary amounted to RM84,848,912 to capital contribution as disclosed in Note 6.1 to the financial statements.

The notes on pages 100 to 162 are an integral part of the financial statements.

Notes to the Financial Statements

Comfort Gloves 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 principal place of business and registered office of the Company are as follows:

Principal place of business
Lot. 821, Jalan Matang
34750 Matang
Taiping
Perak Darul Ridzuan

Registered office
Unit 11.07, Amcorp Tower
Amcorp Trade Centre
18, Persiaran Barat
46050 Petaling Jaya
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the year ended 31 December 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 year ended 31 December 2024 do not include other entities.

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

These financial statements were authorised for issue by the Board of Directors on 7 April 2025.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting 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.

Notes to the Financial Statements (Cont'd)

1. Basis of preparation (Cont'd)

(a) Statement of compliance (Cont'd)

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

MFRS Accounting Standards, 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*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements - Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

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

MFRS Accounting Standards, 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*

Notes to the Financial Statements (Cont'd)

1. Basis of preparation (Cont'd)

(a) Statement of compliance (Cont'd)

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

- from the annual period beginning on 1 January 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.

- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.

- from the annual period beginning on 1 January 2027 for the amendments that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the abovementioned accounting standards, amendments and interpretations are not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Company except for MFRS 18 *Presentation and Disclosure in Financial Statements.*

MFRS 18 introduces new requirements on presentation within the statements of profit or loss, including specified totals and subtotals. It also requires disclosure of management defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements and the notes. In addition, there are consequential amendments to MFRS 107 *Statement of Cash Flows*.

The amendments will have an impact on the Group's and on the Company's presentation of statements of profit or loss and other comprehensive income, statements of cash flows and additional disclosures in the notes to financial statements but not on the measurement or recognition of any items in the Group's and the Company's financial statements.

The Group and the Company are currently assessing the impact of MFRS 18 and plan to adopt the new standard on the required effective date.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

The 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.

Notes to the Financial Statements (Cont'd)

1. Basis of preparation (Cont'd)

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards 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) Expected credit loss for trade receivables

Allowance for doubtful debts is made by an allowance matrix to measure expected credit losses ("ECLs") of trade receivables. A considerable amount of judgement is required in assessing the loss rates, which are based on actual credit loss experience. The Group also considers differences between (a) economic conditions during the year 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. 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.

(ii) Valuation of inventories

The cost of inventories comprises the cost of purchase of raw materials, direct labour, plus conversion costs such as variable and fixed overheads. The cost allocation process involves multiple inputs and Group's judgement is required to estimate the cost of finished goods and work-in-progress which comprise the cost of raw materials, direct labour and the appropriate allocation of overheads based on normal production capacity.

The Group write down the inventories based on the assessment of their estimated net realisable value. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The assessment requires judgement in determining the level of inventories written down.

Notes to the Financial Statements (Cont'd)

1. Basis of preparation (Cont'd)

(d) Use of estimates and judgements (Cont'd)

(iii) Impairment of property, plant and equipment

The Group reviews the property, plant and equipment for impairment when there is an indication of impairment. The recoverable amount of property, plant and equipment is assessed by reference to the value in use of the property, plant and equipment. Value in use is the present value of the projected future cash flows derived from the property, plant and equipment discounted with appropriate discount rates. The discounted cash flow method involves the use of estimated future results and a set of assumptions to reflect the income and cash flows. Significant judgement is also required to determine the discount rates to be applied in deriving the present value of the projected future cash flows.

(iv) Revaluation of property, plant and equipment and right-of-use assets

Certain properties of the Group held under property, plant and equipment and right-of-use assets are reported at revalued amounts which are based on valuations performed by independent professional valuers. The valuers used judgement in determining the factors used in the valuation process and have also applied judgement in estimating prices for not readily observable external parameters by reference to the selling prices of recent transactions and asking prices of similar properties of nearby locations and where necessary, adjusting for tenure, location, size, market trends and others. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuations.

2. Changes in material accounting policies

2.1 Supplier finance arrangements

The Group has adopted amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*. The amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangements on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk.

The Group participates in a supply chain financing arrangement for which the new disclosures will apply. The new disclosures are disclosed in Note 15.

Notes to the Financial Statements (Cont'd)

3. Property, plant and equipment

Group	Freehold land	Factory and office buildings	Infrastructure	Plant machinery and formers	Motor vehicles	Office equipment, furniture and fittings	Capital work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM
Cost/valuation								
At 1 January 2023	32,515,838	73,497,737	6,739,396	383,942,894	5,211,630	12,494,428	70,907,654	585,309,577
Additions	-	1,942,486	62,687	4,942,986	-	473,412	6,612,829	14,034,400
Transfer	-	526,418	58,400	20,401,741	-	909,110	(21,895,669)	-
Revaluation (deficit)/ surplus	(390,093)	17,932,273	-	-	-	-	-	17,542,180
Elimination of accumulated depreciation on revaluation	-	(18,109,579)	-	-	-	-	-	(18,109,579)
Disposal	-	-	-	-	(228,069)	-	-	(228,069)
At 31 December 2023/ 1 January 2024	32,125,745	75,789,335	6,860,483	409,287,621	4,983,561	13,876,950	55,624,814	598,548,509
Additions	-	900,908	23,450	5,534,137	144,440	408,820	31,851,775	38,863,530
Transfer	-	5,772,728	3,427,181	20,091,527	-	102,635	(29,394,071)	-
Disposal	-	-	-	-	(171,950)	-	-	(171,950)
Written off	-	(846,967)	-	(1,871,669)	-	-	-	(2,718,636)
At 31 December 2024	32,125,745	81,616,004	10,311,114	433,041,616	4,956,051	14,388,405	58,082,518	634,521,453

3. Property, plant and equipment (Cont'd)

Group	Freehold land	Factory and office buildings	Infrastructure	Plant machinery and formers	Motor vehicles	Office equipment, furniture and fittings	Capital work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM
Depreciation and impairment								
At 1 January 2023								
Accumulated depreciation	-	14,033,324	2,323,022	128,464,436	1,696,176	7,045,489	-	153,562,447
Depreciation for the year	-	4,098,175	672,702	37,745,027	641,316	1,641,150	-	44,798,370
Impairment loss	115,745	329,115	-	-	-	-	-	444,860
Elimination of accumulated depreciation on revaluation	-	(18,109,579)	-	-	-	-	-	(18,109,579)
Disposal	-	-	-	-	(191,823)	-	-	(191,823)
At 31 December 2023/ 1 January 2024								
Accumulated depreciation	-	21,920	2,995,724	166,209,463	2,145,669	8,686,639	-	180,059,415
Accumulated impairment	115,745	329,115	-	-	-	-	-	444,860
	115,745	351,035	2,995,724	166,209,463	2,145,669	8,686,639	-	180,504,275
Depreciation for the year	-	5,520,113	770,069	31,308,450	615,360	1,495,086	-	39,709,078
Disposal	-	-	-	-	(163,521)	-	-	(163,521)
Written off	-	(383,308)	-	(937,747)	-	-	-	(1,321,055)

Notes to the Financial Statements (Cont'd)

3. Property, plant and equipment (Cont'd)

Group	Freehold land	Factory and office buildings	Infrastructure	Plant machinery and formers	Motor vehicles	Office equipment, furniture and fittings	Capital work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM
Depreciation and impairment (Cont'd)								
At 31 December 2024								
Accumulated depreciation	-	5,158,725	3,765,793	196,580,166	2,597,508	10,181,725	-	218,283,917
Accumulated impairment	115,745	329,115	-	-	-	-	-	444,860
	115,745	5,487,840	3,765,793	196,580,166	2,597,508	10,181,725	-	218,728,777
Carrying amounts								
At 1 January 2023	32,515,838	59,464,413	4,416,374	255,478,458	3,515,454	5,448,939	70,907,654	431,747,130
At 31 December 2023/ 1 January 2024	32,010,000	75,438,300	3,864,759	243,078,158	2,837,892	5,190,311	55,624,814	418,044,234
At 31 December 2024	32,010,000	76,128,164	6,545,321	236,461,450	2,358,543	4,206,680	58,082,518	415,792,676

3. Property, plant and equipment (Cont'd)

Company	Freehold land RM	Factory and office buildings RM	Infrastructure RM	Motor vehicles RM	Office equipment, furniture and fittings RM	Capital work-in-progress RM	Total RM
Cost/valuation							
At 1 January 2023	6,900,000	13,494,352	266,563	300,417	55,000	-	21,016,332
Additions	-	-	-	-	36,000	-	36,000
Revaluation (deficit)/surplus	(560,000)	984,604	-	-	-	-	424,604
Elimination of accumulated depreciation on revaluation	-	(3,988,956)	-	-	-	-	(3,988,956)
At 31 December 2023/ 1 January 2024/ 31 December 2024	6,340,000	10,490,000	266,563	300,417	91,000	-	17,487,980
Depreciation							
At 1 January 2023	-	3,104,239	159,916	117,664	4,600	-	3,386,419
Depreciation for the year	-	884,717	26,656	30,042	7,430	-	948,845
Elimination of accumulated depreciation on revaluation	-	(3,988,956)	-	-	-	-	(3,988,956)
At 31 December 2023/ 1 January 2024	-	-	186,572	147,706	12,030	-	346,308
Depreciation for the year	-	1,023,721	18,739	30,041	12,680	-	1,085,181
At 31 December 2024	-	1,023,721	205,311	177,747	24,710	-	1,431,489

Notes to the Financial Statements (Cont'd)

3. Property, plant and equipment (Cont'd)

Company	Freehold land RM	Factory and office buildings RM	Infrastructure RM	Motor vehicles RM	Office equipment, furniture and fittings RM	Capital work-in-progress RM	Total RM
Carrying amounts							
At 1 January 2023	6,900,000	10,390,113	106,647	182,753	50,400	-	17,629,913
At 31 December 2023/ 1 January 2024	6,340,000	10,490,000	79,991	152,711	78,970	-	17,141,672
At 31 December 2024	6,340,000	9,466,279	61,252	122,670	66,290	-	16,056,491

Notes to the Financial Statements (Cont'd)

3. Property, plant and equipment (Cont'd)

3.1 Assets pledged as security

Freehold land, factory and office buildings of the Group with total carrying amount of RM27,670,414 (2023: RM28,380,000) have been pledged as security to secure term loans and credit facilities of the Group as disclosed in Note 13 to the financial statements.

3.2 Capital work-in-progress

The Group's capital work-in-progress represents capital expenditures incurred for buildings, plant and machinery in the course of construction.

3.3 Revaluation of freehold lands, factory and office buildings

The freehold lands, factory and office buildings have been revalued by external independent valuers in December 2023.

Valuation process applied by the Group and the Company

Fair value of the freehold lands, factory and office buildings have been derived using the market approach method and the cost approach method. The market approach method being comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for location, accessibility, visibility, time, terrain, size, present market trends and other differences. The cost approach method being the Depreciated Replacement Cost (DRC) of the buildings and other improvements.

Had the revalued assets been carried at historical cost less accumulated depreciation, the net carrying amount of the revalued assets that would have been included in the financial statements at end of the financial period would be as follows:

Group	Cost RM	Accumulated depreciation RM	Net carrying amount RM
2024			
Freehold lands	21,115,838	-	21,115,838
Factory and office buildings	79,970,934	(26,584,038)	53,386,896
	101,086,772	(26,584,038)	74,502,734
2023			
Freehold lands	21,115,838	-	21,115,838
Factory and office buildings	74,144,266	(24,367,018)	49,777,248
	95,260,104	(24,367,018)	70,893,086

Notes to the Financial Statements (Cont'd)

3. Property, plant and equipment (Cont'd)

3.3 Revaluation of freehold lands, factory and office buildings (Cont'd)

Valuation process applied by the Group and the Company (Cont'd)

	Cost RM	Accumulated depreciation RM	Net carrying amount RM
Company			
2024			
Freehold land	3,300,000	-	3,300,000
Factory and office buildings	12,382,753	(5,351,929)	7,030,824
	15,682,753	(5,351,929)	10,330,824
2023			
Freehold land	3,300,000	-	3,300,000
Factory and office buildings	12,382,753	(4,728,557)	7,654,196
	15,682,753	(4,728,557)	10,954,196

3.4 Impairment of property, plant and equipment

During the current and prior financial year, property, plant and equipment was tested for impairment due to impairment indicators resulted by lower utilisation rate of gloves production.

Management used the value in use method to determine the recoverable amount of the assets.

The following describes each key assumption on which management has based its cash flows projection to undertake impairment testing of property, plant and equipment:

(i) Projected revenue and budgeted gross profit margin are determined based on the management's estimate on the industry trends for the average selling price of gloves and past performances of the Group.

(ii) Growth rate between 5% to 10% (2023: 5% to 11%) for the first 5 years is determined based on the management's estimate on the industry trends and past performances of the Group, and assume to remain constant thereafter.

(iii) An average pre-tax discount rate of 15.21% (2023: 14.42%) was applied in determining the recoverable amount of the assets.

Notes to the Financial Statements (Cont'd)

3. Property, plant and equipment (Cont'd)

3.4 Impairment of property, plant and equipment (Cont'd)

The abovementioned impairment testing did not give rise to impairment losses on the property, plant and equipment.

Sensitivity to changes in key assumptions

The sensitivity test indicated that changes in the pre-tax discount rate used in the value-in-use calculation will result in the recoverable amount to equal to the corresponding carrying amounts of property, plant and equipment, assuming no change in other variables, is as follows:

Increase in pre-tax discount rate	0.3%

3.5 Property, plant and equipment subject to operating lease

The Company leases some of its factory buildings to subsidiaries for a period of twelve months. Subsequent renewals are negotiated with the subsidiaries.

These leases do not include residual value guarantees.

The following are recognised in profit or loss:

	2024 RM	2023 RM
Company		
Lease income	1,560,000	1,560,000

The operating lease payments to be received are as follows:

	2024 RM	2023 RM
Company		
Less than one year	1,560,000	1,560,000
Total undiscounted lease payments	1,560,000	1,560,000

Notes to the Financial Statements (Cont'd)

3. Property, plant and equipment (Cont'd)

3.6 Material accounting policy information

(i) Recognition and measurement

Freehold land, factory and office buildings are measured at valuation less any accumulated depreciation and any accumulated impairment losses. Other items of plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The Group and the Company revalue its freehold land, factory and office buildings every five (5) years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value. Additions subsequent to their revaluation are stated in the financial statements at costs until the next revaluation exercise.

Surpluses arising from revaluation are dealt with in the revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss. When revalued assets are sold, the amounts included in the revaluation surpluses reserve are transferred to retained earnings.

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

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

(ii) Depreciation

The estimated depreciation annual rates for the current and comparative periods are as follows:

• Factory and office buildings	5%
• Infrastructure	10%
• Plant, machinery and formers	5% - 50%
• Motor vehicles	10% - 16%
• Office equipment, furniture and fittings	8% - 50%

Notes to the Financial Statements (Cont'd)

4. Right-of-use assets

Group	**Leasehold lands RM**
Cost/Valuation	
At 1 January 2023	14,712,355
Addition	690,814
Revaluation surplus	1,760,713
Elimination of accumulated depreciation on revaluation	(1,864,069)
At 31 December 2023/1 January 2024	15,299,813
Addition	2,313,748
At 31 December 2024	17,613,561
Depreciation and impairment	
At 1 January 2023	1,462,612
Depreciation for the year	407,213
Elimination of accumulated depreciation on revaluation	(1,864,069)
At 31 December 2023/1 January 2024	5,756
Depreciation for the year	755,962
Impairment loss	271,945
At 31 December 2024	
Accumulated depreciation	761,718
Accumulated impairment	271,945
	1,033,663
Carrying amounts	
At 1 January 2023	13,249,743
At 31 December 2023/1 January 2024	15,294,057
At 31 December 2024	16,579,898

4. Right-of-use assets (Cont'd)

The Group's leasehold lands have lease term ranging from 204 to 442 months. The leasehold land with carrying amount of RM13,355,263 (2023: RM13,750,000) has been pledged as security to secure bill payables facility of the Group as disclosed in Note 13 to the financial statements.

4.1 Revaluation of leasehold land

The leasehold lands have been revalued by an external independent valuer and management in December 2023.

Valuation process applied by the Group

Fair value of the leasehold lands have been derived using the market approach method and income approach method. The market approach method being comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for location, accessibility, visibility, time, terrain, size, present market trends and other differences. The income approach method is derived from discounted income stream whereby the rental per square meter and discount rate are used.

4.2 Material accounting policy information

(i) Definition of a lease

At inception or on reassessment of a contract that contains a lease component, the Group allocate 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 are a lessee, they have elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Recognition and initial measurement

Leasehold lands are measured at valuation less any accumulated depreciation and any accumulated impairment losses.

The Group revalues its leasehold lands every five (5) years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value. Additions subsequent to their revaluation are stated in the financial statements at costs until the next revaluation exercise.

Notes to the Financial Statements (Cont'd)

4. Right-of-use assets (Cont'd)

4.2 Material accounting policy information (Cont'd)

(ii) Recognition and initial measurement (Cont'd)

Surpluses arising from revaluation are dealt with in the revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss. When revalued assets are sold, the amounts included in the revaluation surpluses reserve are transferred to retained earnings.

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 recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

5. Investment properties

Group	**Freehold land** **RM**
Cost	
At 31 December 2023/1 January 2024/31 December 2024	26,421,848

Investment properties comprise of freehold lands that are held for capital appreciation purposes.

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2024 **RM**	**2023** **RM**
Direct operating expenses:		
- non-income generating investment properties	3,197	3,197

5. Investment properties (Cont'd)

5.1 Fair value information

Fair value of investment properties are categorised as follows:

Group	RM
Level 3	
Freehold land	27,100,000

Valuation process applied by the Group

Fair value of the freehold land has been derived using the sales comparison method. The sales comparison method being comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for location, accessibility, visibility, time, terrain, size, present market trends and other differences.

5.2 Material accounting policy information

Investment properties which are owned are measured initially and subsequently at cost.

6. Investment in subsidiaries

	Note	Company 2024 RM	Company 2023 RM
Unquoted shares, at cost		213,586,007	213,586,007
Add: Capital contribution	6.1	84,848,912	-
Less: Impairment loss		(10,856,002)	(10,856,002)
		287,578,917	202,730,005

Notes to the Financial Statements (Cont'd)

6. Investment in subsidiaries (Cont'd)

Details of the subsidiaries are as follows:

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest 2024 %	2023 %
Comfort Rubber Gloves Industries Sdn. Bhd.	Malaysia	Manufacturing and trading of latex gloves	100	100
I Quality Rubber Industries Sdn. Bhd.	Malaysia	Dormant	100	100
Pacewell Asia Sdn. Bhd.	Malaysia	Trading of latex gloves	100	100
QMG Manufacturing Sdn. Bhd.	Malaysia	Dormant	100	100
Fruitful Achievement Sdn. Bhd.	Malaysia	Dormant	100	100
Goldhill Melody Sdn. Bhd.	Malaysia	Investment holding, property development and construction	100	100
Subsidiaries of Comfort Rubber Gloves Industries Sdn. Bhd.				
Gallant Quality Sdn. Bhd.	Malaysia	Trading of latex gloves	100	100

6.1 Capital contributions are advances to a subsidiary which are unsecured, interest free and repayment of the advances is at the discretion of the subsidiary. As these advances are, in substance, a part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment loss.

6.2 Material accounting policy information

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

7. Deferred tax assets/(liabilities)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2024	2023	2024	2023	2024	2023
Group	RM	RM	RM	RM	RM	RM
Property, plant and equipment	-	82,604	(44,472,546)	(35,257,435)	(44,472,546)	(35,174,831)
Investment properties	-	-	(496,446)	(496,446)	(496,446)	(496,446)
Unutilised tax losses	16,234,619	12,681,750	-	-	16,234,619	12,681,750
Unutilised capital allowances	40,229,225	24,994,307	-	-	40,229,225	24,994,307
Unutilised reinvestment allowances	2,074,772	667,166	-	-	2,074,772	667,166
Others	6,767,648	1,935,253	(823,510)	-	5,944,138	1,935,253
Tax assets/(liabilities)	65,306,264	40,361,080	(45,792,502)	(35,753,881)	19,513,762	4,607,199
Set off of tax	(44,443,820)	(33,462,959)	44,443,820	33,462,959	-	-
Net tax assets/(liabilities)	20,862,444	6,898,121	(1,348,682)	(2,290,922)	19,513,762	4,607,199
Company						
Property, plant and equipment	-	82,604	(906,829)	(984,276)	(906,829)	(901,672)
Unutilised tax losses	891,374	2,118,692	-	-	891,374	2,118,692
Tax assets/(liabilities)	891,374	2,201,296	(906,829)	(984,276)	(15,455)	1,217,020
Set off of tax	(891,374)	(984,276)	891,374	984,276	-	-
Net tax assets/(liabilities)	-	1,217,020	(15,455)	-	(15,455)	1,217,020

7. Deferred tax assets/(liabilities) (Cont'd)

Movement in temporary differences during the financial year

Group	At 1.1.2023 RM	Recognised in profit or loss (Note 21) RM	Deferred tax liabilities arising from revaluation of lands and buildings (Note 22) RM	At 31.12.2023/ 1.1.2024 RM	Recognised in profit or loss (Note 21) RM	At 31.12.2024 RM
Property, plant and equipment	(30,860,155)	372,631	(4,687,307)	(35,174,831)	(9,297,715)	(44,472,546)
Investment properties	(496,446)	-	-	(496,446)	-	(496,446)
Unutilised tax losses	6,427,255	6,254,495	-	12,681,750	3,552,869	16,234,619
Unutilised capital allowances	13,005,725	11,988,582	-	24,994,307	15,234,918	40,229,225
Unutilised reinvestment allowances	651,040	16,126	-	667,166	1,407,606	2,074,772
Others	8,522,996	(6,587,743)	-	1,935,253	4,008,885	5,944,138
	(2,749,585)	12,044,091	(4,687,307)	4,607,199	14,906,563	19,513,762
Company						
Property, plant and equipment	(866,694)	145,327	(180,305)	(901,672)	(5,157)	(906,829)
Unutilised tax losses	-	2,118,692	-	2,118,692	(1,227,318)	891,374
	(866,694)	2,264,019	(180,305)	1,217,020	(1,232,475)	(15,455)

Notes to the Financial Statements (Cont'd)

8. Trade and other receivables

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Non-current					
Non-trade					
Amount owing by a subsidiary	(a)	-	-	-	75,350,000
Current					
Trade					
Trade receivables		94,183,936	61,433,731	-	-
Less: Impairment loss		(5,814,043)	(5,846,909)	-	-
	(b)	88,369,893	55,586,822	-	-
Non-trade					
Other receivables		139,248	174,332	73,959	88,542
Amount owing by subsidiaries	(c)	-	-	10,899,089	17,882,921
Deposits		1,852,688	1,749,192	109,000	109,000
		1,991,936	1,923,524	11,082,048	18,080,463
Total (current)		90,361,829	57,510,346	11,082,048	18,080,463
Total (non-current and current)		90,361,829	57,510,346	11,082,048	93,430,463

(a) In the previous year, non-current amount owing by a subsidiary represents advances to a subsidiary which are unsecured, subject to interest at 6.19 % (2023: 6.19%) per annum. The advances were fully converted as capital contribution during the year.

(b) Trade receivables are non-interest bearing and the normal trade credit terms range from 30 to 120 days (2023: 30 to 120 days). Other credit terms are assessed and approved on a case-by-case basis.

(c) The current amount owing by subsidiaries is unsecured, interest free, repayable on demand and is expected to be settled by cash.

Notes to the Financial Statements (Cont'd)

9. Other investments

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Non-current				
Investment in trust fund	-	10,000,000	-	10,000,000
Current				
Investment in unit trusts	107,472,677	105,546,837	25,950,265	26,211,317
	107,472,677	115,546,837	25,950,265	36,211,317

9.1 Material accounting policy information

The Group and the Company elect to present subsequent changes in the fair value of other investments through profit or loss.

10. Inventories

	Group 2024 RM	Group 2023 RM
At cost		
Finished goods	27,379,940	18,039,288
Work in progress	62,689,087	58,152,281
Raw materials	16,559,372	7,403,189
Packing materials	1,160,813	854,702
Chlorination chemicals	23,306	53,568
Consumables	131,788	153,438
Rights to recover returned goods	750,948	638,215
	108,695,254	85,294,681

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year are RM196,950,265 (2023: RM188,268,187).

10.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

Notes to the Financial Statements (Cont'd)

11. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash on hand and bank balances	47,061,272	89,781,596	22,525,012	19,339,750
Deposits placed with licensed banks	10,000,000	51,400,705	10,000,000	-
	57,061,272	141,182,301	32,525,012	19,339,750

12. Share capital and reserves

12.1 Share capital

	Group and Company			
	2024		2023	
	Number of shares	Amount RM	Number of shares	Amount RM
Issued and fully paid shares with no par value classified as equity instruments:				
At 1 January/31 December	582,949,143	142,985,383	582,949,143	142,985,383

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

12.2 Treasury shares

During the financial year, there is no repurchased of ordinary shares from the open market made by the Company.

The total 582,949,143 issued and fully paid ordinary shares as at 31 December 2024, 3,949,200 are held as treasury shares by the Company. As at 31 December 2024, the number of outstanding ordinary shares in issue and fully paid is therefore 578,999,943 ordinary shares.

Notes to the Financial Statements (Cont'd)

12. Share capital and reserves (Cont'd)

12.3 Other reserves

	Group and Company	
	2024	2023
	RM	RM
Other reserve	11,319,230	11,319,230

Other reserve arising from the excess of the capital reduction over the accumulated losses of the Company in year 2011.

12.4 Revaluation reserves

The revaluation reserve represents the surplus on revaluation of freehold land, factory and office buildings of the Group and of the Company, net of deferred tax.

12.5 Warrants

On 29 June 2021, the Company issued 174,132,762 free warrants on the basis of three (3) free warrant for every ten (10) existing ordinary shares. The warrants are constituted by a Deed Poll dated 10 June 2021 and were listed on Bursa Malaysia Securities Berhad on 6 July 2021.

The main feature of the warrants are as follows:

i) each warrant will entitle its registered holder during the exercise year to subscribe for one (1) new ordinary share at the exercise price, which has been fixed at RM2.30 per share, subject to adjustment in accordance with the provisions of the Deed Poll.

ii) the warrants are valid for exercise for a year of five (5) years from the issue date, and may be exercised at any time on or after the issue date, until the expiry date on 26 June 2026. Any warrants not exercised by its expiry date shall thereafter lapse and cease to be valid.

There were no warrants exercised during the financial year. As at 31 December 2024, there are 174,132,762 (2023: 174,132,762) warrants which remained unexercised.

12. Share capital and reserves (Cont'd)

12.6 Employee Share Options Scheme ("ESS")

At an extraordinary general meeting held on 18 May 2021, the Company's shareholders approved the establishment of an ESS of not more than 15% of the total number of Issued Shares of the Company (excluding treasury shares, if any) at any one time during the duration of the ESS for eligible Employees and Directors of the Company (excluding subsidiary companies which are dormant)

The salient features of the ESS scheme are, inter alia, as follows:

(i) The maximum number of shares grant and ESS option which may be made available under the ESS shall not exceed 15% of the total number of issued shares of the Group (excluding treasury shares, if any) during the duration of the ESS year.

(ii) Any Directors (including non-executive Directors) or employee of a company in the Group (excluding the subsidiaries which are dormant), who have attained the age of 18 years and hold the designated job grade or rank/position of a non-dormant company within the Group at the Offer Date will be eligible for consideration and selection as a Participant by the ESS Committee.

(iii) The aggregate maximum number of shares grant and ESS option that may be granted to a selected person will be determined entirely at the discretion of the ESS Committee, provided that certain criteria to be met as stipulated in ESS.

(iv) The Company has, on 2 July 2021 ("Effective Date"), implemented the ESS. The ESS will be in force for a year of 5 years and may be extended for up to another 5 years immediately from the expiry of the first 5 years, but will not in aggregate exceed 10 years from the Effective Date.

(v) A participant who is an eligible non-executive director must not sell, transfer or assign the shares obtained through the exercise of ESS within one (1) year from the date of the offer. No other retention year unless stipulated in the offer.

(vi) The option price shall not be at a discount of more than 10% (or such discount as the relevant authorities shall permit) from the 5-day weighted average market price of the shares of the preceding the date of offer.

(vii) The option granted to eligible person will lapse when they are no longer in employment with the Group, in bankruptcy or any circumstances prescribed by the ESS Committee.

(viii) A Grantee shall not be entitled to any dividends, rights, allotments and/or other distribution declared, made or paid to shareholders on this unexercised Options.

There were no ESS allotted to the eligible Directors and Employees of the Company during the financial year.

Notes to the Financial Statements (Cont'd)

13. Loans and borrowings

		Group	
	Note	2024 RM	2023 RM
Non-current			
Term loans		4,600,194	7,396,194
Lease liabilities		3,106,154	1,631,970
		7,706,348	9,028,164
Current			
Term loans		2,796,000	2,796,000
Bill payables		38,686,671	30,497,660
Lease liabilities		607,439	43,558
		42,090,110	33,337,218
Total loans and borrowings			
Term loans	(a)	7,396,194	10,192,194
Bill payables	(b)	38,686,671	30,497,660
Lease liabilities	(c)	3,713,593	1,675,528
		49,796,458	42,365,382

(a) Term loan

Term loan of a subsidiary of RM7,396,194 (2023: RM10,192,194) bears interest at 4.85% to 4.95% (2023: 4.53% - 4.90%) per annum and is repayable by monthly principal instalments of RM233,000 together with interest accrued over four years commencing from full release of the term loan and is secured as follows:

(i) Legal charge over the freehold land, factory and office building of a subsidiary as disclosed in Note 3.1 to the financial statements; and
(ii) Corporate guarantee by the Company.

Notes to the Financial Statements (Cont'd)

13. Loans and borrowings (Cont'd)

(b) Bill payables

The bill payables bear interest at 3.6% to 5.19% (2023: 3.49% to 6.23%) per annum and are secured as follows:

(i) Legal charge over the freehold land, factory and office building of a subsidiary as disclosed in Note 3.1 to the financial statements;
(ii) Legal charge over the leasehold land of a subsidiary as disclosed in Note 4 to the financial statements; and
(iii) Corporate guarantee by the Company.

(c) Lease liabilities

	Group	
	2024	**2023**
	RM	**RM**
Not later than one year	607,439	43,559
Later than one year and not later than five years	1,761,775	219,965
Later than five years	1,344,379	1,412,004
	3,713,593	1,675,528

14. Provision for restoration

	Site Restoration
	RM
Group	
At 1 January 2023/31 December 2023/1 January 2024	2,588,487
Provisions made during the year	131,500
At 31 December 2024	2,719,987
2024	
Non-current	2,719,987
Current	-
	2,719,987

Site restoration

Provisions were made during the financial year ended 31 December 2023 in respect of a subsidiary's obligation to reinstate lands to condition prior to tenancy by the end of the lease period.

Notes to the Financial Statements (Cont'd)

15. Trade and other payables

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Current					
Trade					
Trade payables	(a)	35,308,128	18,570,818	-	-
Supply chain financing	(b)	1,985,521	1,531,160	-	-
		37,293,649	20,101,978	-	-
Non-trade					
Other payables	(c)	8,318,783	8,800,344	14,825	56,661
Accruals		19,620,816	15,508,587	890,807	902,766
		27,939,599	24,308,931	905,632	959,427
		65,233,248	44,410,909	905,632	959,427

(a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 days to 90 days (2023: 30 days to 90 days) from the date of invoice.

(b) Supply chain financing agreement (SCF) is an arrangement where the participating suppliers may elect to receive early payment of their invoices from a financial institution. Under this arrangement, the financial institution agrees to pay amounts to a participating supplier in respect of invoices owed by the Group and receives settlement from the Group at a later date. The principal purpose of this programme is to facilitate efficient payment processing and enable the willing suppliers to sell their receivables due from the Group to the financial institution before their due date. From the Group's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating and the Group does not incur any additional interest towards the financial institution on the amounts due to the suppliers.

15. Trade and other payables

(b) Supplier chain financing agreement (Cont'd)

Group	Total SCF trade payables RM	Not yet paid by finance provider RM	Paid by finance provider RM
At 31 December 2023/1 January 2024	2,560,680	1,029,520	1,531,160
At 31 December 2024	3,407,461	1,421,940	1,985,521

Range of payment due dates (after invoice date):

	Trade payables that are part of SCF	Comparable trade payables that not are part of SCF
As at 31 December 2023/1 January 2024/ 31 December 2024	0 - 90 days	30 - 90 days

The payments to the financial institution are included within operating cash flows because they continue to be part of the normal operating cycle of the Group. The payments to a supplier by the bank are considered non-cash transactions and amount to RM12,961,541 (2023: RM11,099,365).

(c) Other payable are unsecured and non-interest bearing. Included in other payables is an amount due to a Director totalling RM289,768 (2023: RM289,768) which is unsecured, interest-free, repayable upon demand and are expected to be settled by cash.

Notes to the Financial Statements (Cont'd)

16. Contract liabilities

	Group 2024 RM	Group 2023 RM
Refund liabilities	953,805	1,259,132
Consideration received in advance	1,712,525	1,450,783
	2,666,330	2,709,915

Contract liabilities are recognised for the expected refund to customers on the products returned and advance consideration received from customers. The consideration received in advance is expected to be recognised as revenue within a year.

Significant changes in contract balances:

	Group Contract liabilities (Increase)/Decrease 2024 RM	Group Contract liabilities (Increase)/Decrease 2023 RM
Revenue recognised that was included in contract liabilities at the beginning of the year	1,450,783	3,040,021
Increase due to consideration received from customers, but revenue not recognised	(1,712,525)	(1,450,783)

17. Revenue

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Revenue from contracts with customers				
Sales of latex gloves	346,756,835	325,882,923	-	-
Other revenue				
Management fee	-	-	2,273,155	2,610,192
	346,756,835	325,882,923	2,273,155	2,610,192
Timing of revenue recognition:				
At a point in time	346,756,835	325,882,923	-	-

Notes to the Financial Statements (Cont'd)

17. Revenue (Cont'd)

Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Obligation to returns or refunds
Sales of latex gloves	Revenue is recognised when control is transferred to the customers based on the delivery/ shipping terms.	Average credit term of 30 to 120 days.	The Group allows returns/refunds in exceptional circumstances only.

There were no variable element in consideration and warranties given to the customers.

18. Finance income

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Interest income of financial assets that are measured at amortised cost:				
Interest income from fixed deposits	4,330,789	4,366,111	685,342	389,795
Interest income from loan to subsidiary	-	-	3,498,912	4,850,962
Interest income of financial assets that are measured at fair value through profit or loss:				
Distribution from other investments	2,501,660	2,724,406	919,407	860,399
	6,832,449	7,090,517	5,103,661	6,101,156

Notes to the Financial Statements (Cont'd)

19. Finance costs

	Group 2024 RM	Group 2023 RM
Interest expense of financial liabilities that are not at fair value through profit or loss		
- bank overdrafts	414	-
- bill payables	1,754,901	1,543,591
- lease liability	122,758	35,947
- term loans	435,429	551,395
	2,313,502	2,130,933

20. (Loss)/Profit before tax

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
(Loss)/Profit before tax is arrived at after charging/(crediting):					
Auditors' remuneration					
Audit fees					
- KPMG PLT		285,000	243,000	125,000	115,000
Non-audit fees					
- KPMG PLT		15,000	15,000	15,000	15,000
- Local affiliate of KPMG PLT		218,100	137,200	83,716	84,700

Notes to the Financial Statements (Cont'd)

20. (Loss)/Profit before tax (Cont'd)

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
(Loss)/Profit before tax is arrived at after charging/ (crediting): (Cont'd)					
Material expenses/(income)					
Loss/(Gain) on foreign exchange:					
- realised		2,589,765	17,828	-	-
- unrealised		1,382,822	(6,272,116)	7	-
Net fair value loss on derivatives		439,574	-	-	-
Net fair value (gain)/loss on other investments		(224,180)	(899,913)	380,459	(270,130)
Property, plant and equipment:					
- net loss/(gain) on disposal		979	(51,054)	-	-
- depreciation	3	39,709,078	44,798,370	1,085,181	948,845
- impairment loss		-	444,860	-	-
- written off		1,397,581	-	-	-
Right-of-use assets:					
- depreciation	4	755,962	407,213	-	-
- impairment loss		271,945	-	-	-
Directors' remuneration	20.1	7,765,826	8,376,793	416,000	453,245
Personnel expenses (excluding key management personnel):					
- salaries, wages, bonuses and allowances		51,136,126	49,271,652	1,521,117	1,601,742
- defined contribution plan		2,508,133	2,697,774	187,710	203,692
Insurance recovery		(104,975)	(603)	-	-
Net recognition/(reversal) of inventories written down		10,841,780	(7,041,546)	-	-
Expenses arising from leases					
Expenses relating to short-term leases		915,789	1,126,861	-	-
Expenses relating to low-value assets		71,819	48,448	-	-
Net loss on impairment of financial instruments:					
Financial assets at amortised cost					
Trade receivables		353,042	5,568,661	-	-

Notes to the Financial Statements (Cont'd)

20. (Loss)/Profit before tax (Cont'd)

20.1 Directors' remuneration

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Executive directors:				
Salaries and other emoluments	6,095,736	6,578,529	-	-
Defined contribution plan	1,158,090	1,245,659	-	-
	7,253,826	7,824,188	-	-
Non-executive directors:				
Fees	350,000	449,360	350,000	350,000
Other emoluments	162,000	103,245	66,000	103,245
	512,000	552,605	416,000	453,245
Total directors' remuneration	7,765,826	8,376,793	416,000	453,245
Benefit-in-kind	51,950	51,950	-	-

21. Taxation

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Current tax expense				
Current year	726,237	1,377,132	-	-
Under/(Over) provision in prior year	5,885,295	(482,675)	-	-
	6,611,532	894,457	-	-
Deferred tax				
Current year	(15,725,492)	(16,154,479)	1,232,475	(2,264,019)
Under provision in prior year	818,929	4,110,388	-	-
	(14,906,563)	(12,044,091)	1,232,475	(2,264,019)
	(8,295,031)	(11,149,634)	1,232,475	(2,264,019)

Notes to the Financial Statements (Cont'd)

21. Taxation (Cont'd)

Reconciliation of tax (credit)/expense

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
(Loss)/Profit before tax	(64,183,288)	(47,962,507)	4,393,321	6,008,799
Income tax calculated using Malaysian tax rate of 24%	(15,403,989)	(11,511,003)	1,054,397	1,442,112
Non-deductible expenses	2,016,696	1,350,890	435,234	276,936
Non-taxable income	(1,287,299)	(517,455)	(33,600)	(31,200)
Utilisation of previously unrecognised tax losses and capital allowance	(127,472)	(1,687,848)	(127,472)	(1,687,848)
Crystallisation of deferred tax liability on revaluation of property	(195,845)	(213,268)	(96,084)	(62,723)
Tax benefit arising from previously unrecognised deferred tax assets	-	(2,201,296)	-	(2,201,296)
Effect of deferred tax recognised	(1,346)	2,633	-	-
Under provision in prior year	6,704,224	3,627,713	-	-
	(8,295,031)	(11,149,634)	1,232,475	(2,264,019)

The Group have ongoing court hearing as disclosed in Note 29.

22. Total comprehensive (expense)/income for the year

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Items that will not be reclassified subsequently to profit or loss					
Revaluation of lands and buildings					
Before tax		-	19,302,893	-	424,604
Tax expense	7	-	(4,687,307)	-	(180,305)
Net of tax		-	14,615,586	-	244,299

23. Loss per ordinary share

Basic earnings per ordinary share

The calculation of basic loss per ordinary share at 31 December 2024 and 31 December 2023 were based on the loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	2024 RM	2023 RM
Loss for the year attributable to owners of the Company	(55,888,257)	(36,812,873)
Weighted average number of ordinary shares outstanding		
Issued ordinary shares at the beginning of the year	578,999,943	579,349,843
Effect of treasury shares held	-	(294,985)
Weighted average number of ordinary shares (basic)	578,999,943	579,054,858
Basic loss per ordinary share (sen)	(9.65)	(6.36)

Diluted earnings per ordinary share

Diluted earnings per share are based on the profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The diluted earnings per ordinary share is the same as basic earnings per ordinary share as the exercise price of warrants is higher than the average market price of the ordinary shares during the financial year.

Notes to the Financial Statements (Cont'd)

24. Operating segments

General information

The information reported to the Group's chief operating decision maker to make decisions about resources to be allocated and for assessing their performance is based on the business segments of the Group. The Group's operating segments are as follows:

Segments	Products and services
Manufacturing	Manufacturing and trading of latex gloves.
Investment holding	Investment holding and provision of management services.
Trading	Trading of latex gloves.
Others	Dormant subsidiaries.

Measurement of reportable segments

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements.

Segment profit

Segment performance is used to measure performance as Group's chief operating decision maker believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss in the consolidated financial statements.

Segment assets

The total of segment asset is measured based on all assets of a segment.

Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment.

Geographical information

Revenue and non-current assets information on the basis of geographical segments information are based on the geographical location of customers and assets respectively. The amounts of non-current assets do not include financial instruments and deferred tax assets.

24. Operating segments (Cont'd)

	Manufacturing RM	Investment holding RM	Trading RM	Others RM	Inter-segment eliminations RM	Notes	Total RM
2024							
Revenue							
Revenue from external customers	341,138,939	-	5,617,896	-	-		346,756,835
Inter-segment revenue	3,719,865	2,273,155	-	-	(5,993,020)	A	-
Total revenue	344,858,804	2,273,155	5,617,896	-	(5,993,020)		346,756,835
Results							
Interest income	2,335,066	5,103,661	2,892,558	76	(3,498,912)		6,832,449
Interest expense	(5,812,414)	-	-	-	3,498,912		(2,313,502)
Property, plant and equipment:							
- depreciation	(38,616,946)	(1,085,181)	(6,951)	-	-		(39,709,078)
- loss on disposal	(979)	-	-	-	-		(979)
- written off	(1,397,581)	-	-	-	-		(1,397,581)
Depreciation of right-of-use assets	(755,962)	-	-	-	-		(755,962)
Net loss on impairment of financial instruments	(353,042)	(380,459)	-	-	-		(733,501)
Net recognition of inventory written down	(10,841,780)	-	-	-	-		(10,841,780)
Net fair value gain on other investments	604,639	-	-	-	-		604,639
Unrealised foreign exchange gain/ (loss)	912,635	(7)	(2,293,786)	(1,664)	-		(1,382,822)
Segment profit/(loss) before tax	29,222	4,393,321	(531,485)	(774,346)	(67,300,000)	B	(64,183,288)
Deferred tax credit/(expense)	15,263,947	(1,232,475)	875,091	-	-		14,906,563
Income tax credit/(expense)	(3,390,547)	-	(3,220,985)	-	-		(6,611,532)
(Loss)/Profit for the financial year	11,902,622	3,160,846	(2,877,379)	(774,346)	(67,300,000)	B	(55,888,257)
Assets							
Additions to non-current assets	38,863,530	-	-	-	-		38,863,530
Segment assets	813,374,384	373,910,739	15,394,274	21,839,363	(288,497,335)	C	936,021,425
Liabilities							
Segment liabilities	122,661,527	921,087	2,674,916	8,279,498	(12,332,749)	D	122,204,279

24. Operating segments (Cont'd)

	Manufacturing RM	Investment holding RM	Trading RM	Others RM	Inter-segment eliminations RM	Notes	Total RM
2023							
Revenue							
Revenue from external customers	214,203,353	-	111,679,570	-	-		325,882,923
Inter-segment revenue	105,328,404	2,610,192	-	-	(107,938,596)	A	-
Total revenue	319,531,757	2,610,192	111,679,570	-	(107,938,596)		325,882,923
Results							
Interest income	2,578,068	6,101,156	3,262,174	81	(4,850,962)		7,090,517
Interest expense	(6,981,895)	-	-	-	4,850,962		(2,130,933)
Property, plant and equipment:							
- depreciation	(43,842,573)	(948,845)	(6,952)	-	-		(44,798,370)
- impairment loss	(444,860)	-	-	-	-		(444,860)
Depreciation of right-of-use assets	(407,213)	-	-	-	-		(407,213)
Net loss on impairment of financial instruments	(5,568,661)	-	-	-	-		(5,568,661)
Net reversal of inventory written down	7,041,546	-	-	-	-		7,041,546
Net fair value gain on other investments	629,783	270,130	-	-	-		899,913
Unrealised foreign exchange gain	545,581	-	5,714,108	12,427	-		6,272,116
Segment (loss)/profit before tax	(30,044,150)	6,008,799	11,341,009	(268,165)	(35,000,000)	B	(47,962,507)
Deferred tax credit/(expense)	11,482,705	2,264,019	(1,702,633)	-	-		12,044,091
Income tax credit/(expense)	200,000	-	(1,094,439)	(18)	-		(894,457)
(Loss)/Profit for the financial year	(18,361,445)	8,272,818	8,543,937	(268,183)	(35,000,000)	B	(36,812,873)
Assets							
Additions to non-current assets	14,689,214	36,000	-	-	-		14,725,214
Segment assets	772,141,939	370,788,234	85,580,467	21,625,491	(286,065,053)	C	964,071,078
Liabilities							
Segment liabilities	178,180,616	959,427	2,683,730	7,291,280	(94,749,438)	D	94,365,615

Notes to the Financial Statements (Cont'd)

24. Operating segments (Cont'd)

Notes	Nature of eliminations to arrive at amounts reported to the consolidated financial statements
A	Inter-segment revenues are eliminated on consolidation;
B	Inter-segment expenses and other operating income are eliminated on consolidation;
C	Inter-segment assets are eliminated on consolidation; and
D	Inter-segment liabilities are eliminated on consolidation.

Geographical information

	Revenue RM	Non-current assets RM
2024		
Malaysia	6,675,949	479,679,397
United States of America and Canada	238,129,401	-
Asia (excluding Malaysia)	51,355,957	-
Europe	36,134,068	-
Others	14,461,460	-
	346,756,835	479,679,397
2023		
Malaysia	28,173,977	476,680,471
United States of America and Canada	193,508,307	-
Asia (excluding Malaysia)	57,146,707	-
Europe	33,129,725	-
Others	13,924,207	-
	325,882,923	476,680,471

Major customers

Major customers' information are revenues from transactions with a single external customer amounting to 10% or more of the Group's revenue. A group of entities known to a reporting entity to be under common control shall be considered a single customer.

The following is a major customer with revenue equal or more than 10% of the Group's total revenue:

	Revenue		Segment
	2024 RM	2023 RM	
Customer A	131,177,726	68,701,850	Manufacturing
Customer A	-	57,021,772	Trading
	131,177,726	125,723,622	

25. Financial instruments

25.1 Categories of financial instruments

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

(i) Amortised cost ("AC")
(ii) Fair value through profit or loss ("FVTPL").

Group	Carrying amount RM	AC RM	FVTPL RM
2024			
Financial assets			
Trade and other receivables	90,361,829	90,361,829	-
Other investments	107,472,677	-	107,472,677
Cash and cash equivalents	57,061,272	57,061,272	-
	254,895,778	147,423,101	107,472,677
Financial liabilities			
Loan and borrowings	(46,082,865)	(46,082,865)	-
Trade and other payables	(65,233,248)	(65,233,248)	-
	(111,316,113)	(111,316,113)	-
2023			
Financial assets			
Trade and other receivables	57,510,346	57,510,346	-
Other investments	115,546,837	-	115,546,837
Cash and cash equivalents	141,182,301	141,182,301	-
	314,239,484	198,692,647	115,546,837
Financial liabilities			
Loan and borrowings	(40,689,854)	(40,689,854)	-
Trade and other payables	(44,410,909)	(44,410,909)	-
	(85,100,763)	(85,100,763)	-

Notes to the Financial Statements (Cont'd)

25. Financial instruments (Cont'd)

25.1 Categories of financial instruments (Cont'd)

Company	Carrying amount RM	AC RM	FVTPL RM
2024			
Financial assets			
Other receivables	11,082,048	11,082,048	-
Other investments	25,950,265	-	25,950,265
Cash and cash equivalents	32,525,012	32,525,012	-
	69,557,325	43,607,060	25,950,265
Financial liabilities			
Other payables	(905,632)	(905,632)	-
2023			
Financial assets			
Other receivables	93,430,463	93,430,463	-
Other investments	36,211,317	-	36,211,317
Cash and cash equivalents	19,339,750	19,339,750	-
	148,981,530	112,770,213	36,211,317
Financial liabilities			
Other payables	(959,427)	(959,427)	-

25. Financial instruments (Cont'd)

25.2 Net gains or losses arising from financial instruments

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Net gains/(losses) on:				
Financial assets at amortised cost	1,217,852	4,857,118	4,184,247	5,240,757
Financial assets at fair value through profit or loss	2,286,268	3,354,190	538,948	860,399
	3,504,120	8,211,308	4,723,195	6,101,156
Financial liabilities at amortised cost	(3,403,436)	(1,893,165)	-	-
	(3,403,436)	(1,893,165)	-	-

25.3 Financial risks management

The Group and the Company have exposure to the following risks from their financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

25.4 Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group are exposed to credit risk from its trade and other receivables and deposits with banks. The Company's exposure to credit risk arises principally from advances to subsidiaries, deposits with banks and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no changes as compared to prior periods.

Notes to the Financial Statements (Cont'd)

25. Financial instruments (Cont'd)

25.4 Credit risk (Cont'd)

Trade receivables

Risk management objectives, policies and processes for managing the risk

The carrying amount of trade receivables are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. Any credit exceeding those limits require approval from the management. The Group have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults before the Group's standard payment and delivery terms and conditions are offered.

Trade receivables are monitored on an ongoing basis to mitigate risk of bad debts. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

At each reporting date, the Group assess whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determine 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 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 is represented by the carrying amounts in the statement of financial position.

25. Financial instruments (Cont'd)

25.4 Credit risk (Cont'd)

Trade receivables (Cont'd)

Concentration of credit risk

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	Group			
	2024		2023	
	RM	%	RM	%
By country:				
Malaysia	37,382,651	42%	31,179,761	57%
United States of America and Canada	40,295,178	46%	17,291,702	31%
Asia (excluding Malaysia)	6,992,081	8%	4,602,053	8%
Others	3,699,983	4%	2,513,306	4%
	88,369,893	100%	55,586,822	100%

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manage its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances.

The Group applies the simplified approach to provide for expected credit losses ("ECLs") prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

The Group does not hold collateral as security.

25. Financial instruments (Cont'd)

25.4 Credit risk (Cont'd)

Trade receivables (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

The following table provides information about the exposure to credit risk and ECLs for trade receivables which are grouped together as they are expected to have similar risk nature.

Group	Gross carrying amount RM	Loss allowance RM	Net balance RM
2024			
Current (not past due)	61,565,093	-	61,565,093
1 - 30 days past due	13,668,544	-	13,668,544
31 - 60 days past due	9,195,217	-	9,195,217
61 - 90 days past due	3,864,333	-	3,864,333
More than 90 days past due	76,706	-	76,706
	88,369,893	-	88,369,893
Credit Impaired			
Individually impaired	5,814,043	(5,814,043)	-
	94,183,936	(5,814,043)	88,369,893
2023			
Current (not past due)	37,502,736	-	37,502,736
1 - 30 days past due	12,727,332	-	12,727,332
31 - 60 days past due	3,578,717	-	3,578,717
61 - 90 days past due	109,784	-	109,784
More than 90 days past due	1,668,253	-	1,668,253
	55,586,822	-	55,586,822
Credit Impaired			
Individually impaired	5,846,909	(5,846,909)	-
	61,433,731	(5,846,909)	55,586,822

Notes to the Financial Statements (Cont'd)

25. Financial instruments (Cont'd)

25.4 Credit risk (Cont'd)

Trade receivables (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

The movements in the allowance for impairment in respect of trade receivables during the year are shown below.

Group	Trade receivables Credit Impaired RM
Balance at 1 January 2023	419,538
Net remeasurement of loss allowance	5,568,661
Amounts written off	(141,290)
Balance at 31 December 2023/1 January 2024	5,846,909
Net remeasurement of loss allowance	353,042
Amounts written off	(385,908)
Balance at 31 December 2024	5,814,043

For financial year ended 31 December 2024, the Group is not subjected to any significant credit risk exposure to any single counterparty or a group of counterparties having similar characteristics except for 41% of the Group's trade receivables were due from Customer A.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. 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. These banks and 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, it is not provided for.

Notes to the Financial Statements (Cont'd)

25. Financial instruments (Cont'd)

25.4 Credit risk (Cont'd)

Other receivables

Credit risks on other receivables are mainly arising from deposits paid. These deposits will be received at the end of each lease terms. 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. As at the end of the reporting period, the Group and the Company did not recognise any allowance for impairment losses.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiary. The Company monitors the ability of the subsidiary to service their loans on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM12,890,759 (2023: RM29,748,144) represents financial bank guarantee given to a subsidiary as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiary's secured loans.

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 bank 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, the Company did not recognise any provision in respect of financial guarantee.

25. Financial instruments (Cont'd)

25.4 Credit risk (Cont'd)

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 or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Generally, the Company considers loans and advances to subsidiaries have 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 subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. 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;
- The subsidiary's loan or advance is overdue for more than 90 days; 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.

In current year, the Company did not recognise any allowance for impairment losses on amount due from subsidiaries.

Notes to the Financial Statements (Cont'd)

25. Financial instruments (Cont'd)

25.5 Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group and the Company also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

25. Financial instruments (Cont'd)

25.5 Liquidity risk (Cont'd)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount RM	Contractual interest rate per annum %	Contractual cash flows	Less than 1 year RM	2 - 5 years RM	More than 5 years RM
2024						
Non-derivative financial liabilities						
Loan and borrowings						
- Term loan	7,396,194	4.85 - 4.95	7,867,798	3,081,796	4,786,002	-
- Bill payables	38,686,671	3.60 - 6.49	39,086,122	39,086,122	-	-
- Lease liabilities	3,713,593	3.47 - 5.19	4,608,770	750,000	2,121,318	1,737,452
Trade and other payables	65,233,248	-	65,233,248	65,233,248	-	-
	115,029,706		116,795,938	108,151,166	6,907,320	1,737,452
2023						
Non-derivative financial liabilities						
Loan and borrowings						
- Term loan	10,192,194	4.53 - 4.90	11,081,556	3,213,758	7,867,798	-
- Bill payables	30,497,660	3.49 - 6.23	30,875,202	30,875,202	-	-
- Lease liability	1,675,528	3.47 - 6.19	2,477,612	117,600	493,440	1,866,572
Trade and other payables	44,410,909	-	44,410,909	44,410,909	-	-
	86,776,291		88,845,279	78,617,469	8,361,238	1,866,572

25. Financial instruments (Cont'd)

25.5 Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

	Carrying amount RM	Discount rate	Contractual cash flows	Less than 1 year RM	2 - 5 years RM	More than 5 years RM
Company						
2024						
Non-derivative financial liabilities						
Other payables	905,632	-	905,632	905,632	-	-
Financial guarantee contracts #	-	-	12,890,759	12,890,759	-	-
	905,632		13,796,391	13,796,391	-	-
2023						
Non-derivative financial liabilities						
Other payables	959,427	-	959,427	959,427	-	-
Financial guarantee contracts #	-	-	29,748,144	29,748,144	-	-
	959,427		30,707,571	30,707,571	-	-

\# *The Company has given corporate guarantee to financial institutions on credit facilities granted to a subsidiary. The potential exposure of the financial guarantee contract is equivalent to the outstanding amount of the banking facilities of the said subsidiary.*

Notes to the Financial Statements (Cont'd)

25. Financial instruments (Cont'd)

25.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's and the Company's financial position or cash flows. The Group's and the Company's exposure to other price risk is insignificant.

25.6.1 Currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's and the Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's and the Company's operating activities (when sales, purchases and borrowings that are denominated in a foreign currency).

Risk management objectives, policies and processes for managing the risk

The Group's and the Company's practice is to hedge all material foreign currency exposures arising from its transactions and balances using derivative instruments that have maturity years that match the corresponding maturity years of the hedged items. In addition, the Group and the Company also take advantage of any natural effects of its foreign currencies revenues and expenses by maintaining current accounts in foreign currencies.

Exposure to foreign currency risk

The Group's principal foreign currency exposures relates mainly to United States Dollar ("USD").

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group's entities) risk, based on carrying amounts as at the end of the reporting period are as follows:

Group	**2024** **RM**	**2023** **RM**
Trade receivables	88,027,701	55,546,847
Cash and cash equivalents	2,003,670	91,611,499
Trade and other payables	(16,446,025)	(6,003,098)
	73,585,346	141,155,248

25. Financial instruments (Cont'd)

25.6 Market risk (Cont'd)

25.6.1 Currency risk (Cont'd)

Currency risk sensitivity analysis

A 1% (2023: 1%) strengthening of Ringgit Malaysia against the following currency at the end of the reporting period would have increased/(decreased) post-tax profit or loss and equity by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting year. The analysis assumes that all other variables, in particular profit rates, remain constant.

	Profit or loss/Equity	
Group	**2024**	**2023**
	RM	**RM**
USD	(559,249)	(1,072,780)

A 1% (2023: 1%) weakening of Ringgit Malaysia against the above currency at the end of the reporting period would have had equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remained constant.

25.6.2 Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments as a result of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from their long-term loans and borrowings with floating interest rates.

The Group is presently enjoying competitive interest rates which are reviewed and negotiated on a yearly basis.

25. Financial instruments (Cont'd)

25.6 Market risk (Cont'd)

25.6.2 Interest rate risk (Cont'd)

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting year was:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	RM	**RM**	**RM**	**RM**
Fixed rate instruments				
Financial assets	10,000,000	51,400,705	10,000,000	78,350,000
Financial liabilities	(3,713,593)	(1,675,528)	-	-
	6,286,407	49,725,177	10,000,000	78,350,000
Floating rate instruments				
Financial liabilities	(46,082,865)	(40,689,854)	-	-
	(46,082,865)	(40,689,854)	-	-

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does 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 year would not affect profit or loss.

Notes to the Financial Statements (Cont'd)

25. Financial instruments (Cont'd)

25.6 Market risk (Cont'd)

25.6.2 Interest rate risk (Cont'd)

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the end of the reporting year would have increased/(decreased) post-tax profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss/Equity	
	100 bp Increase RM	100 bp Decrease RM
Group		
2024		
Financial liabilities	(350,230)	350,230
	(350,230)	350,230
2023		
Financial liabilities	(309,243)	309,243
	(309,243)	309,243

25.7 Fair value information

The carrying amounts of cash and cash equivalents, liquid investments, short-term receivables and payables and variable loans and borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The carrying amounts of the floating rate borrowings approximate fair values 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 year.

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 statement of financial position.

25. Financial instruments (Cont'd)

25.7 Fair value information (Cont'd)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Group	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
2024										
Financial assets										
Other investments										
- unit trusts	-	107,472,677	-	107,472,677	-	-	-	-	107,472,677	107,472,677
2023										
Financial assets										
Other investments										
- unit trusts	-	105,546,837	-	105,546,837	-	-	-	-	105,546,837	105,546,837
- trust fund	-	-	10,000,000	10,000,000	-	-	-	-	10,000,000	10,000,000

25. Financial instruments (Cont'd)

25.7 Fair value information (Cont'd)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Company	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
2024										
Financial assets										
Other investments										
- unit trusts	-	25,950,265	-	25,950,265	-	-	-	-	25,950,265	25,950,265
2023										
Financial assets										
Other investments										
- unit trusts	-	26,211,317	-	26,211,317	-	-	-	-	26,211,317	26,211,317
- trust fund	-	-	10,000,000	10,000,000	-	-	-	-	10,000,000	10,000,000
Amount due from a subsidiary	-	-	-	-	-	-	78,359,042	78,359,042	78,359,042	78,350,000

Notes to the Financial Statements (Cont'd)

25. Financial instruments (Cont'd)

25.7 Fair value information (Cont'd)

Level 2 fair value

Other investments - unit trusts

The fair value of unit trusts are based on the net asset value obtained from licensed financial institutions.

Level 3 fair value

Other investments - trust fund

The fair value of trust fund is approximate the trust capital as the investments made are safeguarded with assets of equal value.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year (31 December 2023: no transfer in either directions).

Level 3 fair value

Financial instrument not carried at fair value

Type	Description of valuation technique and input used
Amount due from a subsidiary	Discounted cash flow using a rate based on current market rate of deposits of the Group at reporting date.

Notes to the Financial Statements (Cont'd)

26. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group manages its capital structure by monitoring the capital and net debt on an ongoing basis.

No changes were made in the objectives, policies and processes during the financial year ended 31 December 2024 and 31 December 2023.

		Group	
	Note	**2024**	**2023**
		RM	**RM**
Loans and borrowings	13	49,796,458	42,365,382
Total debts		49,796,458	42,365,382
Less: Cash and cash equivalents	11	(57,061,272)	(141,182,301)
Net debt		(7,264,814)	(98,816,919)
Total equity attributable to the owners of the Company		813,817,146	869,705,403
Capital and net debts		871,785,580	815,299,393
Gearing ratio		-	-

27. Commitments

Capital commitments

The Group has made commitments for the following capital expenditures:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	RM	**RM**	**RM**	**RM**
Property, plant and equipment				
Contracted but not provided for	20,014,150	3,587,730	-	-

Notes to the Financial Statements (Cont'd)

28. Related parties

Significant related party transactions

The key management personnel include all the Directors of the Company and key management personnel compensation is shown below.

Related party transactions have been entered into in the normal course of business under negotiated 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 8 and Note 15.

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Subsidiaries				
Comfort Rubber Gloves Industries Sdn. Bhd.				
Management fees	-	-	2,125,788	2,341,234
Rental income	-	-	960,000	960,000
Interest income	-	-	3,498,912	4,850,962
Gallant Quality Sdn. Bhd.				
Management fees	-	-	147,367	268,958
Rental income	-	-	600,000	600,000
Key management personnel (Note 20.1)				
Directors' remuneration	7,765,826	8,376,793	416,000	453,245
Short term employee benefits	51,950	51,950	-	-
	7,817,776	8,428,743	416,000	453,245

29. Contingencies

i) Tax litigation

In February 2024, two subsidiaries of the Company have received an additional income tax assessment for prior years from the Inland Revenue Board ("IRB") imposing an additional net income tax of RM13.6 million and related penalty of RM85.7 million. The additional assessment was arising from the IRB's decision to adjust the subsidiaries tax basis period for the years of assessment 2021 and 2022.

All necessary approvals on the determination of tax basis period have already been obtained from IRB previously. The Group has obtained a legal advice and based on the legal advice, both the subsidiaries do not admit to any liability on the additional income tax assessment imposed by IRB and have filed a judicial review against the Director General Inland Revenue in High Court and appeal to Special Commissioners of Income Tax.

In view of court process is still ongoing and as allowed under paragraph 92 of MFRS 137, Provisions, Contingent Liabilities and Contingent Assets, the Group is not in a position to disclose any further information on grounds that it can be prejudicial to the outcome of the court process.

ii) Labour Union litigation

The Group is defending an action brought by third party related to the disagreement on renewal of union contract. In view of court process is still ongoing and as allowed under paragraph 92 of MFRS 137, Provisions, Contingent Liabilities and Contingent Assets, the Group is not in a position to disclose any further information on grounds that it can be prejudicial to the outcome of the court process.

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 162 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, 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 at 31 December 2024 and of their financial performance and cash flows for the year then ended.

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

....

Lau Joo Yong
Director

....

Lau Joo Pern
Director

Kuala Lumpur

Date: 7 April 2025

Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Leong Wai Leong, the officer primarily responsible for the financial management of Comfort Gloves Berhad, do solemnly and sincerely declare that the financial statements set out on pages 91 to 162 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 Leong Wai Leong, NRIC: 731201-08-5215 (MIA CA: 21611) at Taiping in the State of Perak Darul Ridzuan on 7 April 2025.

....
Leong Wai Leong

Before me:

Commissioner for Oath

Independent Auditors' Report

to the members of Comfort Gloves Berhad
(Registration No. 193701000006 (852-D))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Comfort Gloves Berhad, which comprise the statements of financial position as at 31 December 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 financial year ended 31 December 2024, and notes to the financial statements, including material accounting policy information, as set out on pages 91 to 162.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year ended 31 December 2024 in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting 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 *ByLaws (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 period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report (Cont'd)

to the members of Comfort Gloves Berhad
(Registration No. 193701000006 (852-D))
(Incorporated in Malaysia)

Key Audit Matters (Cont'd)

Impairment assessment of property, plant and equipment

Refer to Note 1 (d)(iii) – Use of estimates and judgements, Note 3.4 – Impairment of property, plant and equipment and Note 3.6 – Material accounting policy information.

The key audit matter

As at 31 December 2024, the carrying amount of the property, plant and equipment of the Group was RM415,792,676, which represented 44% of the Group's total assets.

MFRS 136 *Impairment of Assets,* requires an entity to assess at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, management shall estimate the recoverable amount of the asset.

There were indications that the carrying amounts of the Group's property, plant and equipment may be impaired due to lower utilisation rate of gloves production.

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Made inquiries of management regarding the indicators they have assessed as possible indicators of impairment for relevant cash-generating unit and inspected management's assessment;

- Evaluated the key assumptions such as projected revenue, growth rates and profit margins used by management by considering the past trends and expected future market demand;

- Engaged KPMG corporate finance specialist to evaluate the discount rate used to determine the present value of the cash flow; and

- Evaluated the adequacy of the Group's disclosures in the financial statements concerning those key assumptions to which the outcome of the impairment assessment is most sensitive.

Valuation of inventories

Refer to Note 1 (d)(ii) – Use of estimates and judgements and Note 10 – Inventories.

Independent Auditors' Report (Cont'd)

to the members of Comfort Gloves Berhad
(Registration No. 193701000006 (852-D))
(Incorporated in Malaysia)

Key Audit Matters (Cont'd)

The key audit matter

As at 31 December 2024, the carrying amount of inventories held by the Group was RM108,695,254, of which RM27,379,940 were finished goods and RM62,689,087 was work in progress.

Inventories were measured at the lower of cost and net realisable value. The valuation of finished goods and work in progress involves multiple inputs and the Group's judgement was required to estimate the cost of finished goods and work in progress which comprise the cost of raw materials, direct labour and the appropriate allocation of overheads based on normal production capacity.

The Group writes down the inventories based on the assessment of their estimated net realisable value. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The assessment requires judgement in determining the level of inventories written down.

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Obtained an understanding of the inventories valuation policy, production processes and types of costs included in the valuation of finished goods and work in progress;
- Tested on sampling basis the cost of raw materials, direct labour and overhead costs to suppliers' invoices and other relevant supporting documents;
- Assessed the basis used by the Group for the allocation of production costs and overheads for the purpose of inventory valuation based on normal production capacity; and
- Evaluated the Group's assessment of the net realisable value of finished goods and work in progress and compared the carrying amount on sampling basis against the selling price subsequent to period end.

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.

Independent Auditors' Report (Cont'd)

to the members of Comfort Gloves Berhad
(Registration No. 193701000006 (852-D))
(Incorporated in Malaysia)

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 MFRS Accounting 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.

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.

Independent Auditors' Report (Cont'd)

to the members of Comfort Gloves Berhad
(Registration No. 193701000006 (852-D))
(Incorporated in Malaysia)

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

- 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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 period 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.

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

Ooi Eng Siong
Approval Number: 03240/02/2026 J
Chartered Accountant

Petaling Jaya, Selangor

Date: 7 April 2025

List of Properties Held
At 31 December 2024

Location	Tenure	Area (Hectares)	Year Lease Expiry	Description/ Existing Use	Net Book/ Revalued Value (RM)	Age of Building (Years)	Year of Acquisition
PERAK DARUL RIDZUAN							
G.M. 530, Lot No. 821 Mukim Jebong District Larut & Matang Perak	Freehold	2.26	-	Single storey factory building with an adjacent double-storey office/ factory building currently used for production of powdered natural rubber gloves	16,662,410	29	1993
GM 1723, Lot No. 6858 Jebong District Larut & Matang Perak	Freehold	2.46	-	Three storey factory building and warehouse use	21,259,016	12	1999
				Single storey factory building occupied for offline chlorination processes	4,481,878		
G.M. 1461, Lot No. 1874 Simpang Mukim Asam Kumbang Larut & Matang, Perak	Freehold	2.43	-	Double storey detached office block with an annexed single storey factory building currently used for production of gloves	16,065,677	24	2010
GM 1725, Lot No. 6860, Jebong District Larut & Matang Perak	Freehold	3.4	-	Single storey factory building with an adjacent double-storey office/ factory building currently used for production of gloves	26,425,208	5	2015
				Building occupied for chemical store	47,427	7	2018

List of Properties Held (Cont'd)

At 31 December 2024

Location	Tenure	Area (Hectares)	Year Lease Expiry	Description/ Existing Use	Net Book/ Revalued Value (RM)	Age of Building (Years)	Year of Acquisition
PERAK DARUL RIDZUAN (CONT'D)							
GM 1726, Lot No. 6861, Jebong District Larut & Matang, Perak	Freehold	0.55	-	Industrial land	1,197,779	-	2015
PN00271977, Lot No. 312712, Mukim Sungai Terap Kinta, Perak.	Leasehold for 54 years	15.75	2058	Industrial land	13,355,263	-	2018
Geran 80472, Lot No. 1244, Mukim Sungai Limau, Daerah Larut & Matang, Perak.	Freehold	1.582	-	Hostel Building	4,476,978	4	2020
Geran 80519, Lot No. 1291, Mukim Sungai Limau, Daerah Larut & Matang, Perak.	Freehold	1.875	-	Former Warehoue and hostel building	3,829,502	4	2020
GM 200, Lot No. 722, Jebong District Larut & Matang, Perak	Freehold	2.5068	-	Agricultural Land	4,330,000	-	2021
GM 1475, Lot No. 1852, Mukim Asam Kumbang, Larut & Matang, Perak	Freehold	1.3076	-	Single storey factory building with an adjacent single storey gloves warehouse	9,362,287	3	2021

List of Properties Held (Cont'd)
At 31 December 2024

Location	Tenure	Area (Hectares)	Year Lease Expiry	Description/ Existing Use	Net Book/ Revalued Value (RM)	Age of Building (Years)	Year of Acquisition
JOHOR DARUL TAKZIM							
GM 4479, Lot No. 4148, Jalan Ismail, Muar, Johor	Freehold	0.8549	-	Investment properties	3,677,636	-	2022
GM 2076, Lot No. 10722, Jalan Salleh, Muar, Johor	Freehold	1.435	-	Investment properties	6,173,128	-	2022
GM 4475, Lot No. 4139, Jalan Bakariah, Muar, Johor	Freehold	0.9156	-	Investment properties	3,938,757	-	2022
GM 4477, Lot No. 4143, Jalan Bakariah, Muar, Johor	Freehold	2.0892	-	Investment properties	8,987,386	-	2022
GM 4478, Lot No. 4144, No. 239A, 239B, Jalan Ismail, Muar, Johor	Freehold	0.8473	-	Investment properties	3,644,942	-	2022
TOTAL					147,915,273		

Statistics on Shareholdings

As at 26 March 2025

Issued and Fully Paid-Up Capital	:	578,999,943
Ordinary Shares	:	(Excluding 3,949,200 Treasury Shares)
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share

	No. of Holders		Total No. of Holders		No. of Shares		Total No. of Shares	
Size of Holdings	**Malaysian**	**Foreign**	**No.**	**%**	**Malaysian**	**Foreign**	**No.**	**%**
1 to 99	375	23	398	1.82	10,862	798	11,660	0.00
100 to 1,000	5,894	126	6,020	27.47	3,784,319	60,266	3,844,585	0.66
1,001 to 10,000	11,008	104	11,112	50.70	49,494,222	447,824	49,942,046	8.63
10,001 to 100,000	3,854	51	3,905	17.82	115,059,032	1,938,330	116,997,362	20.21
100,001 to 28,949,997 (*)	458	21	479	2.19	304,784,983	14,119,307	318,904,290	55.08
28,949,998 and above (**)	1	0	1	0.00	89,300,000	0	89,300,000	15.42
Total	**21,590**	**325**	**21,915**	**100.00**	**562,433,418**	**16,566,525**	**578,999,943**	**100.00**

Remark

* Less than 5% of issued shares

** 5% and above of issued shares

Statistics on Shareholdings (Cont'd)

As at 26 March 2025

Directors' Shareholdings

No.	Name of Directors	Direct Interest (A)	%	Indirect Interest (B)	%	Total Interest (A+B)	%
1	Tan Sri Dato' Lau Eng Guang	13,507,000	2.333	*128,200,050	22.142	141,707,050	24.474
2	Lau Joo Yong	-	-	-	-	-	-
3	Lau Joo Pern	-	-	-	-	-	-
4	Khoo Chie Yuan	-	-	-	-	-	-
5	Datuk Amnah Binti Ibrahim	350,000	0.060	-	-	350,000	0.060
6	Chu Nyet Kim	-	-	-	-	-	-

Note:

* Deemed interested by virtue of his shareholding in Keen Setup Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 as well as the shareholding of his spouse and children in the Company pursuant to Section 59(11)(c) of the Companies Act 2016.

Substantial Shareholdings

According to the Register of Substantial Shareholders required to be kept under Section 144 of the Companies Act 2016, the following are the substantial shareholders of the Company:-

No.	Name of Substantial Shareholders	Direct Interest (A)	%	Indirect Interest (B)	%	Total Interest (A+B)	%
1	Keen Setup Sdn Bhd	104,300,000	18.014	-	-	104,300,000	18.014
2	Tan Sri Dato' Lau Eng Guang	13,507,000	2.333	*#128,200,050	22.142	141,707,050	24.474
3	Puan Sri Goh Kim Kooi	175,000	0.030	#104,300,000	18.014	104,475,000	18.044

Note:

* Deemed interested by virtue of his shareholding in Keen Setup Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 as well as the shareholding of his spouse and children in the Company pursuant to Section 59(11)(c) of the Companies Act 2016.

\# Deemed interested by virtue of his/her shareholding in Keen Setup Sdn. Bhd. pursuant to the Section 8 of the Companies Act 2016

Statistics on Shareholdings (Cont'd)
As at 26 March 2025

LIST OF TOP 30 HOLDERS - ORDINARY SHARES

NO.	NAME	HOLDINGS	%
1	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR KEEN SETUP SDN BHD (PB)	89,300,000	15.423
2	LAU TUANG NGUANG	17,811,600	3.076
3	LAU GEOK HONG	14,959,050	2.584
4	PANDUAN JITU SDN BHD	13,385,625	2.312
5	MELATI ANGSANA SDN BHD	12,500,000	2.159
6	WARISAN DIPRIMA SDN BHD	12,500,000	2.159
7	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH OPPORTUNITIES FUND (50154 TR01)	12,045,500	2.080
8	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KEEN SETUP SDN BHD	8,000,000	1.382
9	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAU ENG GUANG	7,727,000	1.335
10	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	7,157,050	1.236
11	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KEEN SETUP SDN BHD	7,000,000	1.209
12	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (KENANGA ESG)	6,417,900	1.108
13	IMPIAN SEMARAK SDN BHD	6,120,000	1.057
14	LAU JOO HAN	5,275,000	0.911
15	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAU JOO KIEN BRIAN	5,100,000	0.881
16	LAU JOO PING	4,489,900	0.775

Statistics on Shareholdings (Cont'd)

As at 26 March 2025

LIST OF TOP 30 HOLDERS - ORDINARY SHARES (CONT'D)

NO.	NAME	HOLDINGS	%
17	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAU ENG GUANG	4,180,000	0.722
18	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR CEMPAKA MADU SDN BHD (PB)	4,008,200	0.692
19	YEO YEE TENG	3,500,000	0.604
20	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SEOW HOON HIN	3,078,900	0.532
21	YEO YEE TENG	3,000,000	0.518
22	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR POH SENG KIAN (TJJ/KEN)	2,940,000	0.508
23	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAU JOO KIEN BRIAN (7001639)	2,500,000	0.432
24	CITIGROUP NOMINEES (TEMPATAN) SDN BHD UBS AG SINGAPORE FOR NORMAH BINTI MOHAMAD ARIP	2,488,300	0.430
25	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR QUEK MOOI KHENG (CCTS)	2,410,000	0.416
26	TE HOW LIANG	2,346,200	0.405
27	LEE YOKE HEAN	2,200,000	0.380
28	RHB NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ROBERT WING-YEE SNASHALL	2,147,800	0.371
29	WONG CHEE KUAN	2,011,100	0.347
30	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WONG JUN FAI (MY2727)	2,000,000	0.345

Analysis of Warrant B Holdings

As at 26 March 2025

Class of Securties	:	Warrant B
No. of Outstanding Warrant B	:	174,132,762
Voting Rights	:	One vote per Warrant B in respect of a meeting of Warrant B Holders

	No. of Holders		Total No. of Holders		No. of Warrants		Total No. of Warrants	
Size of Holdings	**Malaysian**	**Foreign**	**No.**	**%**	**Malaysian**	**Foreign**	**No.**	**%**
1 to 99	3,765	104	3,869	21.28	189,389	5,498	194,887	0.11
100 to 1,000	8,045	113	8,158	44.87	3,660,729	39,667	3,700,396	2.13
1,001 to 10,000	4,824	63	4,887	26.88	14,630,512	206,117	14,836,629	8.52
10,001 to 100,000	1,023	20	1,043	5.74	32,370,520	695,388	33,065,908	18.99
100,001 to 8,706,638 (*)	219	3	222	1.22	106,083,217	501,725	106,584,942	61.21
8,706,639 and above (**)	1	0	1	0.01	15,750,000	0	15,750,000	9.04
Total	**17,877**	**303**	**18,180**	**100.00**	**172,684,367**	**1,448,395**	**174,132,762**	**100.00**

Remark

* Less than 5% of issued warrants

** 5% and above of issued warrants

Directors' Shareholdings

No.	**Name of Directors**	**Direct Interest (A)**	**%**	**Indirect Interest (B)**	**%**	**Total Interest (A+B)**	**%**
1	Tan Sri Dato' Lau Eng Guang	-	-	*16,852,500	9.678	*16,852,500	9.678
2	Lau Joo Yong	-	-	-	-	-	-
3	Lau Joo Pern	-	-	-	-	-	-
4	Khoo Chie Yuan	-	-	-	-	-	-
5	Datuk Amnah Binti Ibrahim	-	-	-	-	-	-
6	Chu Nyet Kim	-	-	-	-	-	-

Note:

* Deemed interested by virtue of his shareholding in Keen Setup Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 as well as the shareholding of his spouse in the Company pursuant to Section 59(11)(c) of the Companies Act 2016.

Analysis of Warrant B Holdings (Cont'd)
As at 26 March 2025

LIST OF TOP 30 HOLDERS

NO.	NAME	HOLDINGS	%
1	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR KEEN SETUP SDN BHD (PB)	15,750,000	9.045
2	SEOW HOON HIN	7,204,900	4.138
3	PANDUAN JITU SDN BHD	4,015,687	2.306
4	MELATI ANGSANA SDN BHD	3,750,000	2.154
5	WARISAN DIPRIMA SDN BHD	3,750,000	2.154
6	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MAK KOK LEONG	3,555,500	2.042
7	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH BOON POH (008)	2,814,200	1.616
8	OOI HAI KEN	2,400,000	1.378
9	SEOW HOON HIN	2,373,940	1.363
10	RINA RAHAYU BINTI MD LATAR	2,107,200	1.210
11	TOH CHIN CHONG	2,060,000	1.183
12	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOK YOON LIM	2,059,480	1.183
13	ROSWADI BIN ROSMAN	1,887,200	1.084
14	IMPIAN SEMARAK SDN BHD	1,836,000	1.054
15	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SEOW HOON HIN	1,730,000	0.993
16	TEH HOCK AUN	1,621,500	0.931
17	WOON JAN SENG	1,493,000	0.857
18	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TING HUA KUOK (ET)	1,400,050	0.804

Analysis of Warrant B Holdings (Cont'd)

As at 26 March 2025

LIST OF TOP 30 HOLDERS (CONT'D)

NO.	NAME	HOLDINGS	%
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD LIM KOK PEING	1,205,500	0.692
20	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR BEH HAN QI	1,113,800	0.640
21	TEE LAY JING	1,053,000	0.605
22	CHAN THYE THIAN	1,000,000	0.574
23	LEE MEE KUEN	1,000,000	0.574
24	ER KOON HONG	995,300	0.572
25	WONG PANG NAM	968,200	0.556
26	KOK YOON LIM	925,620	0.532
27	MOGANARAJU A/L PERIANAN	900,000	0.517
28	NG YU FONG	860,000	0.494
29	HAN KOK HOONG	851,300	0.489
30	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR OOI TEE CHEOW	850,000	0.488

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 84th Annual General Meeting ("AGM") of Comfort Gloves Berhad ("**CGB**" or "**Company**") will be conducted physically for the purpose of considering and if thought fit, passing with or without modifications the resolutions set out in this notice:

Day and Date	:	Monday, 26 May 2025
Time	:	9.00 a.m.
Venue	:	**Flemington Hotel** **(Hall : M1 (Ground Floor))** 1, Jalan Samanea Saman, 34000 Taiping, Perak

AGENDA

As ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon. **(Please refer to Note 1)**

2. To approve the payment of Directors' Fees of RM350,000 in respect of the financial year ended 31 December 2024. **(Ordinary Resolution 1)**

3. To approve the payment of Directors' Benefits (excluding Directors' Fees) to Non-Executive Directors up to an amount of RM102,000 from the 84th AGM until the next AGM of the Company. **(Ordinary Resolution 2)**

4. To re-elect the following Directors who retired by rotation pursuant to Article 18.4(a) of the Company's Constitution.

   4.1 Lau Joo Yong **(Ordinary Resolution 3)**
   4.2 Chu Nyet Kim **(Ordinary Resolution 4)**

5. To re-appoint Messrs KPMG PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 5)**

As **SPECIAL BUSINESS**, to consider and, if thought fit, pass the following Resolutions: -

6. **AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTION 75 AND SECTION 76 OF THE COMPANIES ACT 2016** **(Ordinary Resolution 6)**

   "THAT pursuant to Section 75 and Section 76 of the Companies Act 2016 ("Act"), the Directors be and are hereby empowered to allot and issue shares in the Company at any time and from time to time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the Constitution of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issuance.

Notice of Annual General Meeting (Cont'd)

THAT pursuant to Section 85 of the Act, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of new shares pursuant to this Mandate.

AND THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND 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 AGM of the Company."

7. **PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY** **(Ordinary Resolution 7)**

"That, subject to the Companies Act 2016, the provisions of the Company's Constitution, the Main Market 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") provided that:

a) the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares does not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at any point in time of purchase;
b) the maximum funds to be allocated by the Company pursuant to the Proposed Share Buy Back shall not exceed the total retained earnings of the Company at the time of purchase; and
c) upon completion of the purchase by the Company its own ordinary shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manners:
    i) cancel all the ordinary shares so purchased; and/or
    ii) retain the ordinary shares so purchased as treasury shares; and/or
    iii) retain part thereof as treasury shares and cancel the remainder;
    iv) in any other manner as may be prescribed by applicable law and/or the regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force.

Notice of Annual General Meeting (Cont'd)

That any authority conferred by this resolution may only continue to be in force until:

i) the conclusion of the next AGM 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 AGM 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;

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 Companies Act 2016, the provisions of the Constitution of the Company and the Main Market Listing Requirements and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities."

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

FURTHER NOTICE IS HEREBY GIVEN THAT only members whose names appear on the Record of Depositors as at 19 May 2025 shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.

By Order of the Board
WONG YOUN KIM
SSM PC No.: 201908000410
(MAICSA 7018778)
Company Secretary

Date: 25 April 2025

Notice of Annual General Meeting (Cont'd)

Explanatory Notes:

1) Agenda 1 - To receive the Audited Financial Statements

Agenda 1 is meant for discussion only in accordance with Section 340 (1) (a) of the Companies Act 2016 and does not require shareholders' approval. Hence, Agenda 1 will not be put forward for voting.

2) Ordinary Resolutions 1 and 2 – Payment of Directors' Fee and Payment of Directors' Benefits

Section 230 (1) of the Companies Act 2016 provides amongst others, that "fee" of the directors and "any benefits" payable to directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for these payments in two separate resolutions as follows:

Resolution 1: Payment of Directors' Fees

The Directors' fees include fees payable to the Chairman and members of the Board.

Resolution 2: Payment of Directors' Benefits

The Directors' benefits (excluding Directors' Fees) comprise the Meeting Allowances payable to the members of the Board and are calculated based on the current composition of the Board and Board Committees and the number of meetings scheduled for the Board and Board Committees and includes all benefits payable to the Directors, such as meeting allowances, committees' fees, etc.

Based on the Remuneration Committee's recommendation, the Board decided that the Directors' fees and Directors' Benefits shall remain unchanged as follows:

Description	Non-Executive Directors / Members (FYE 2023 per annum per director)	Non-Executive Directors / Members (FYE 2024 per annum per director)
Directors' Fee - Board of Directors	RM75,000	RM75,000
Directors' Fee - Board Committees Chairman of Audit and Risk Management Committee Members of Audit and Risk Management Committee	RM25,000 RM15,000	RM25,000 RM15,000
Chairman of Nomination Committee Members of Nomination Committee	RM15,000 RM10,000	RM15,000 RM10,000
Chairman of Remuneration Committee Members of Remuneration Committee	RM15,000 RM10,000	RM15,000 RM10,000
Description	**Non-Executive Directors / Members**	
Meeting Allowance for Directors' Meeting and Board Committees	RM1,500 per meeting	
Travelling Allowance per director	RM500 per trip (2 ways)	

Notice of Annual General Meeting (Cont'd)

Explanatory Notes: (Cont'd)

3) Ordinary Resolutions 3 and 4 – Re-election of Directors

Lau Joo Yong and Chu Nyet Kim who retire in accordance with Article 18.4(a) of the constitution are standing for re-election as Directors of the Company and being eligible have offered themselves for re-election.

The Board has via the Nomination Committee conducted an assessment on the effectiveness and contributions of the said retiring Directors including their skills, experience and strength in qualities and time commitment and has recommended for them to be re-elected to the Board.

4) Ordinary Resolution 5 - Appointment of Auditors

The Audit and Risk Management Committee ("ARMC") had carried out an assessment of the suitability and independence of the External Auditors, Messrs KPMG PLT and was satisfied with the suitability of Messrs KPMG PLT based on the quality of audit, performance, competency, and sufficiency of resources the external audit team provided to the Group. The ARMC in its assessment also found Messrs KPMG PLT to be sufficiently objective and independent.
The Board therefore approved the ARMC 's recommendation on the re-appointment of Messrs KPMG PLT as External Auditors of the Company for the financial year ending 31 December 2025 to be put forward for the shareholders' approval at the 84th AGM.

5) Ordinary Resolution 6 - Authority to Allot and Issue Shares in General Pursuant to Section 75 and Section 76 of the Companies Act 2016

The Ordinary Resolution proposed under item 6 if passed, will empower the Directors of the Company, from the date of the above AGM until the next AGM to allot and issue shares in the Company up to and not exceeding in total ten percent (10%) of the issued share capital of the Company ("Share Mandate"). This Share Mandate will expire at the conclusion of the next AGM of the Company, unless revoked or varied at a general meeting.

With this Share Mandate, the Company will be able to raise capital from the equity market in a shorter period of time compared to a situation without the Share Mandate. The Share Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding future investment projects, working capital and/or acquisitions, or strategic opportunities involving equity deals, which may require the allotment and issuance of new shares without making a pre-emptive offer to existing shareholders. In addition, any delay arising from and cost involved in convening an Extraordinary General Meeting ("EGM") to approve such issuance of shares should be eliminated. The Company will have to seek shareholders' approval at an EGM to be convened in the event that the proposed issuance of shares exceeds the 10% threshold contained in the Share Mandate.

At the Annual General Meeting held on 27 May 2024, the Directors of the Company were granted a general mandate by the members of the Company to issue and allot shares in the Company up to and not exceeding 10% of the total number of issued shares of the Company. Up to the date of Notice, the Company did not issue any new shares pursuant to this mandate obtained and accordingly no proceeds were raised.

Notice of Annual General Meeting (Cont'd)

Explanatory Notes: (Cont'd)

6) Ordinary Resolution 7 - Proposed Renewal of Share Buy-Back Authority

The Ordinary Resolution 7 proposed, if passed, will empower the Directors to purchase the Company's shares through Bursa Malaysia Securities Berhad up to 10% of the issued shares of the Company. Details of the Proposed Share Buy-Back are set out in the Share Buy-Back Statement of the Company, which is sent out together with the Annual Report 2024.

Notes :

1) Pursuant to Paragraph 8.29A of the Listing Requirements, voting at the general meeting will be conducted by poll rather than a show of hands. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

2) A member (other than an exempt authorised nominee) entitled to attend and vote at the Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him. A proxy must be 18 years and above and need not be a member of the Company.

3) Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

4) Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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 but the proportion of holdings to be represented by each proxy must be specified.

5) The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.

The instrument appointing a proxy must be deposited at the office of the Share Registrar of our Company, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time appointed for holding the Meeting or adjourned Meeting either by hand, post, electronic mail to bsr.helpdesk@boardroomlimited.com or fax +603-7890 4670, otherwise the instrument of proxy should not be treated as valid.

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Form of Proxy

COMFORT GLOVES BERHAD
Registration No. 193701000006 (852-D)
(Incorporated in Malaysia)

No. of Shares held	
CDS A/C No.	
Shareholder Telephone No.	

I/We, ____________________________________ NRIC No. / Registration No. ____________________
(Name of Shareholder as per NRIC)

of ____
(Full Address)

being a member(s) of Comfort Gloves Berhad, hereby appoint the following person(s):

Proxy	Full Name (in Block Letters) NRIC/Passport No.	Tel. No.	NRIC/Passport No.	No. of shares	%
1					
	Email:				
2					
	Email:				

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 84th Annual General Meeting of the Company to be held on Monday, 26 May 2025 or at any adjournment thereof in the manner indicated below in respect of the following Resolutions:

Ordinary Business	Ordinary Resolution	For	Against
The payment of Directors' Fees	1		
The payment of Directors' Benefits to Non-Executive Directors	2		
The re-election of Lau Joo Yong as Director	3		
The re-election of Chu Nyet Kim as Director	4		
The re-appointment of Messrs KPMG PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Directors to fix their remuneration.	5		
Special Business			
Authority to Allot and Issue Shares	6		
Proposed Renewal of Share Buy Back Authority	7		

Please indicate with (√) or (X) how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Date:

____
Signature of Shareholder / Common Seal

NOTES:
1. Only members whose names appear on the Record of Depositors as at 19 May 2025 shall be entitled to attend the Annual General Meeting or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.
2. A member (other than an exempt authorised nominee) entitled to attend and vote at the Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him. A proxy must be 18 years and above and need not be a member of the Company.
3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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 but the proportion of holdings to be represented by each proxy must be specified.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.
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7. Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements, all resolutions set out in the Notice of AGM will be put to vote on a poll.
8. Personal Data Privacy – By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company hereby agree and consent that any of your personal data in our possession shall be processed by us in accordance with the Personal Data Protection Act 2010. Further, you hereby warrant that relevant consent has been obtained by you for us to process any third party's personal data in accordance with the said Act.

Fold this flap for sealing

Then fold here

Affix
Stamp

The Share Registrar
COMFORT GLOVES BERHAD
[Registration No.193701000006 (852-D)]

11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan,
Malaysia.

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COMFORT GLOVES BERHAD
193701000006 (852-D)

Lot 821, Jalan Matang,
34750 Matang, Taiping, Perak Darul Ridzuan.

www.comfortrubber.com