NANOPAC INNOVATION LIMITED

Company No.: (ARBN 169020580)

(Incorporated in Samoa)

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2024

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Chartered Accountants (AF:001842)

Assurance and Advisory Business Services

ANNUAL REPORT

NANOPAC INNOVATION LIMITED

(ARBN 169020580)
(Incorporated in Samoa)

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2024

2024

CONTENTS

GROUP FINANCIAL HIGHLIGHTS

	As at 31.12.2024	As at 31.12.2023	As at 31.12.2022	As at 31.12.2021	As at 31.12.2020
	USD	USD	USD	USD	USD
Revenue	823,383	505,556	548,707	670,710	802,418
Profit/(Loss) Before Taxation	66,509	73,595	(168,555)	(297,466)	(240,711)
Profit/(Loss) After Taxation	61,848	61,289	(181,949)	(289,815)	(245,987)
Total Assets	7,116,712	6,696,668	6,814,130	7,064,563	6,941,695
Total Liabilities	1,726,348	1,472,806	1,735,714	1,837,009	2,059,162
Total Equity	5,390,364	5,223,862	5,078,416	5,227,554	4,882,533
Basic Earnings/(Loss) Per Share (Sen)	0.008	0.01	(0.23)	(0.37)	(0.33)

CORPORATE GOVERNANCE STATEMENT

The Board has the responsibility of ensuring that the Company is properly managed so as to protect and enhance shareholders' interests in a manner that is consistent with the Company's responsibility to meet its obligations to governance policies with which it interacts. To this end, the Board has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and nature of activities.

The main corporate governance policies are summarised as below:

1. Director's Access to Independent Advice

It is the Board's policy that any committees established by the Board should:

- Be entitled to obtain independent professional or other advice at the cost of the Company, unless the Board determines otherwise.
- Be entitled to obtain such resources and information from the Company including direct access to employees of and advisers to the Company as they might require.
- Operate in accordance with the terms of reference established by the Board.

2. Audit Board and Risk

Board representatives meet with the external auditors at least once a year. The specific activities include assessing and monitoring:

- The adequacy of the Company's internal controls and procedures to ensure compliance with all applicable legal obligations.
- The adequacy of the financial risk management processes.
- The appointment of the external auditor, any reports prepared by the external auditor and listing with the external auditor.

3. Remuneration and Management Succession

The Board in fulfilling its responsibilities to shareholders by:

- Reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders;
- Ensuring that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration;
- Maintaining a Board that has an appropriate mix of skills and experience to be an effective decision making body; and
- Ensuring that the Board is comprised of Directors who contribute to the successful to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance.

CORPORATE INFORMATION

Board of directors	:	Dato' Dr. Cheng Kok Leong Nazrulshah Bin Md Yusop Cheang Soon Siang Tan Yeang Tze *(Resigned on 23.7.2024)*
Company secretaries	:	Andrew Bristow - Australia Westco Secretaries Ltd - Samoa
Registered office - Samoa	:	c/o - Asiaciti Trust Samoa Ltd 2nd Floor, Building B SNPF Plaza Saualino Apia Samoa
Registered office - Australia	:	c/o - Dash Corporate Lawyers Pty Ltd 31 Highgate Cct Kellyville Nsw 22155 Mob: 0403192 230
Auditors	:	ACT Partners (AF: 001842) (Chartered Accountants) Wisma Chew & Co. No. 39, Jalan Kenari 17C Bandar Puchong Jaya 47100 Puchong Selangor
Nominated advisors	:	Dash Corporate Lawyers Pty Ltd 31 Highgate Cct Kellyville Nsw 2155 Mob: 0403192 230
CDI/Share registry	:	Boardroom Pty Limited Level 8, 210 George Street Sydney Nsw 2000

DIRECTORS' REPORT

The directors hereby submit their annual report together with 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 company.

There have been no significant change in the nature of this activity during the financial year.

The principal activity and other details of the Subsidiaries are disclosed in Note 9 to the financial statements.

OUR BUSINESS MODEL AND OBJECTIVE

The Company proposes to generate future income by continuing to manufacture, distribute and sell of nanotechnology products.

RESULTS

	Group USD	Company USD
Profit/(Loss) for the financial year, net of tax	61,848	(59,840)
Attributable to:-		
Non-controlling interests	91,658	-
Owners of the Company	(29,810)	(59,840)
Profit/(Loss) for the financial year	61,848	(59,840)

DIVIDENDS

No dividends were paid or declared since the end of the previous financial year and the directors do not recommend the payment of dividends for the current financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

There were no issues of shares and debentures by the Company during the financial year.

DIRECTORS' REPORT (Continued)

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

FUTURE DEVELOPMENTS AND BUSINESS STRATEGIES

The Company will pursue its investment objectives for the long-term benefit of members. This will require the continued review of the investment strategy that is in place and may from time to time require some changes to that strategy.

ENVIRONMENT ISSUES

The Company's operations are not regulated by any significant environmental regulation under the law of the Australia or elsewhere.

DIRECTORS

The directors of the Company in office at any time during the financial year or since the end of the financial year are:

1. Dato' Dr. Cheng Kok Leong, Chairman
   Board member from 7 March 2014 to date

   Qualification and Experience

   Dato' Dr. Cheng Kok Leong is the founder of Nanopac (M) Sdn. Bhd. He is currently the chief executive officer. Dato' Dr. Cheng is a technopreneur and has more than 19 years' experience in starting up and managing companies. Nanopac established the first Nanotechnology Product manufacturing plant in Malaysia. It was granted Pioneer Company status in 2004 and was recognised as one of Malaysia's fastest growing companies. Dato' Dr. Cheng was previously the CEO and co-founder of DAG Autosonic Sdn. Bhd. and Digi Sun Technologies Sdn. Bhd.

2. Mr. Nazrulshah Bin Md Yusop
   Board member from 1 July 2020 to date

   Qualification and Experience

   Mr. Nazrulshah is the Executive Director for the Company. He was previously the Director of Business Development of Arch Sdn. Bhd. He attained his Diploma in Business Administrative/Accounting at the Federal Institute of Information Technology. Mr. Nazrulshah has over ten years of experience in the trading and investment industry, during which he has filled various good knowledge and experience in business development and running a company's daily operation. He is also a person with the ability to learn fast and hardworking and has good interpersonal skills.

DIRECTORS' REPORT (Continued)

DIRECTORS (Continued)

The directors of the Company in office at any time during the financial year or since the end of the financial year are:

3. Mr. Cheang Soon Siang
   Board member from 16 August 2022 to date

   Qualification and Experience

   Mr. Cheang Soon Siang has more than 30 years' experience in the banking and financial services industry. He has extensive knowledge in corporate finance and M&A exercise. A member of International Association of Registered Financial Consultants (USA). He is the principal of a licensed Private Mutual Fund in Labuan known as Sapphire Pavilion Ltd.

DIRECTORS' INTERESTS

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

	Number of ordinary shares			
	At 1.1.2024	**Acquired**	**(Disposed)**	**At 31.12.2024**
Direct Interests				
Dato' Dr. Cheng Kok Leong	309,921,421	7,048,611	-	316,970,032

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

	Number of A Class Converting Preference Shares			
	At 1.1.2024	**Acquired**	**(Disposed)**	**At 31.12.2024**
Indirect Interests				
Dato' Dr. Cheng Kok Leong	67,994,549	-	-	67,994,549

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the financial statements or the fixed salary of a full-time employee of the Company) 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.

DIRECTORS' REPORT (Continued)

DIRECTORS' REMUNERATION

This report details the nature and amount of remuneration for each director of Nanopac Innovation Limited, and for the executives receiving the highest remuneration.

REMUNERATION POLICY

All issues in relation of both Executive Directors and Non-Executive Directors are dealt with by the Board as a whole.

The Constitution of Nanopac Innovation Limited requires approval by the shareholders in general meetings of a maximum amount for consideration in general meeting, and in determining the allocation, the Board takes account of the time demands made on Directors, together with such factors as the general level of fees paid to Directors. The amount of remuneration currently approved by shareholders for Non-Executive Directors is a maximum of US$50,000 per annum.

Non-Executive Directors hold office until such as they retire, resign or are removed from office under the terms set out in the constitution of the Company. Non-Executive Directors do not receive any performance-based remuneration.

Details of the remuneration paid to the Director of the Group was as follows:

	Group	
	2024	**2023**
	USD	**USD**
Remuneration	53,279	42,257

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been the director, officer or auditor of the Company.

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:

(a) all known bad debts have been written off and adequate allowance made for doubtful debts; and

(b) 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:

(a) that would render the amount written off for bad debts, or the amount of the allowance for doubtful debts, in the Group and in the Company inadequate to any substantial extent; or

(b) that would render the value attributed to the current assets in the Group and in the Company financial statements misleading; or

(c) 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

(d) 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.

DIRECTORS' REPORT (Continued)

OTHER STATUTORY INFORMATION (Continued)

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

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

(b) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Group and of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the 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 its obligation 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 have not been substantially affected by any items, transaction or event of a material and unusual nature nor has any such item, transaction occurred in the interval between the end of that financial year and the date of this report.

ASSOCIATES

The principal activity and other details of the Associates are disclosed in Note 10 to the financial statements.

SIGNIFICANT EVENTS DURING REPORTING DATE

The significant events during reporting date are disclosed in Note 39 to the financial statements.

AUDITORS' REMUNERATION

Total amounts paid to or receivable by the auditors as remuneration for their services as auditors are as follows:

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Auditors' remuneration				
- audit fees	6,437	6,600	3,967	3,947
- non-audit fees	918	1,096	-	-
	7,355	7,696	3,967	3,947

DIRECTOR'S REPORT (Continued)

AUDITORS

The auditors, Messrs. ACT Partners, Chartered Accountants (Malaysia) have expressed their willingness to continue in office.

Signed by the Board
in accordance with a resolution of the directors

Dato' Dr. Cheng Kok Leong
Director

Nazrulshah Bin Md Yusop
Director

Selangor Darul Ehsan, Malaysia
Dated: 2 5 MAR 2025

DIRECTORS' STATEMENT

We, *Dato' Dr. Cheng Kok Leong* and *Nazrulshah Bin Md Yusop*, being the directors of **Nanopac Innovation Limited,** do hereby state that the accompanying financial statements are drawn up in accordance with International Financial Reporting Standards ("IFRS") 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 financial year then ended.

Signed by the Board
in accordance with a resolution of the directors

Dato' Dr. Cheng Kok Leong	Nazrulshah Bin Md Yusop
Director	Director

Selangor Darul Ehsan, Malaysia
Dated: 2 5 MAR 2025

STATUTORY DECLARATION

I, *Dato' Dr. Cheng Kok Leong* being the director primarily responsible for the financial management of **Nanopac Innovation Limited,** do solemnly and sincerely declare that the accompanying financial statements for the financial year ended 31 December 2024 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared)
by the above named at Puchong)
in the state of Selangor Darul Ehsan)
on this day of 2 5 MAR 2025)
Before me:

Dato' Dr. Cheng Kok Leong
Director

PESURUHJAYA SUMPAH
No. PJS: B 678
Firdaus binti
Mohd Shariff
1.1.2025-
31.12.2027
MALAYSIA

Lot 12A, Tkt 1,
Jln BK 5A/2A,
Bandar Kinrara
47180 Puchong, Selangor.

ACT Partners
Chartered Accountants (AF:001842)

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NANOPAC INNOVATION LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **Nanopac Innovation Limited,** which comprise the consolidated statements of financial position as at 31 December 2024 of the Group and the Company, and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of the Group and the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 15 to 77.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended, in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

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

Independence and other ethical responsibilities

We are independent of the Company in accordance with the *International Ethics Standards Board for Accountants' 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.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

Wisma Chew & Co. No. 39, Jalan Kenari 17C, Bandar Puchong Jaya, 47100 Puchong, Selangor, Malaysia.
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ACT Partners
Chartered Accountants (AF:001842)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NANOPAC INNOVATION LIMITED (Continued)

Information Other than the Financial Statements and Auditors' Report Thereon (Continued)

In connection with our audit of the financial statements of the Group and the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Group and 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 Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and the Company that give a true and fair view in accordance with International Financial Reporting Standards. 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 the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and the Company, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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 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.

ACT Partners
Chartered Accountants (AF:001842)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NANOPAC INNOVATION LIMITED (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern.
- If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and 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 and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Wisma Chew & Co. No. 39, Jalan Kenari 17C, Bandar Puchong Jaya, 47100 Puchong, Selangor, Malaysia.
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ACT Partners
Chartered Accountants (AF:001842)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NANOPAC INNOVATION LIMITED (Continued)

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with NSX Listing Rules 6.10 of Section IIA and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ACT Partners	Chew Por Yan
AF: 001842	**01830/05/2025(J)**
Chartered Accountants	Chartered Accountant

Selangor Darul Ehsan, Malaysia
Dated: 25 MAR 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	2024 USD	2023 USD
Assets			
Non-current assets			
Property, plant and equipment	5	758,705	765,533
Intangible assets	7	29,877	36,317
Right-of-use assets	8	34,879	8,254
Deferred tax assets	11	154	-
Goodwill	12	1,345,848	1,368,848
Total non-current assets		2,169,463	2,178,952
Current assets			
Inventories	13	82,190	129,092
Trade receivables	14	296,144	102,271
Other receivables	15	3,032,489	3,054,395
Prepayment		211,042	-
Amount due from associates	17	24,628	21,017
Amount due from Directors	18	257,432	300,904
Tax recoverable		6,761	524
Cash and cash equivalents		1,036,563	909,513
Total current assets		4,947,249	4,517,716
Total assets		7,116,712	6,696,668
Equity and liabilities			
Capital and reserves			
Share capital	19	7,193,190	7,193,190
Reserve		81,415	124,862
Accumulated losses		(2,524,500)	(2,498,588)
Equity attributable to owners of the Company		4,750,105	4,819,464
Non-controlling interests	20	640,259	404,398
Total equity		5,390,364	5,223,862
Non-current liabilities			
Bank borrowings	21	155,186	132,608
Deferred tax liabilities	11	-	282
Total non-current liabilities		155,186	132,890

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	2024 USD	2023 USD
Current liabilities			
Trade payables	23	8,937	13,720
Other payables	24	1,476,714	1,193,807
Amount due to Directors	18	64,077	107,454
Bank borrowings	21	21,434	24,935
Total current liabilities		1,571,162	1,339,916
Total liabilities		1,726,348	1,472,806
Total equity and liabilities		7,116,712	6,696,668

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 USD	2023 USD
Continuing operations			
Revenue	25	823,383	505,556
Cost of sales		(313,879)	(159,540)
Gross profit		509,504	346,016
Other operating income		76,572	345,809
Administration expenses		(361,723)	(332,380)
Selling and marketing expenses		(8,855)	(9,839)
Other operating expenses		(118,155)	(217,019)
Impairment		(23,000)	(48,000)
Profit from operations		74,343	84,587
Finance costs	26	(7,834)	(10,992)
Profit before taxation	27	66,509	73,595
Income tax expense	28	(4,661)	(12,306)
Profit for the financial year, net of tax		61,848	61,289
Other comprehensive (loss)/income			
Foreign currency translation differences		(29,789)	84,157
Total comprehensive income for the financial year		32,059	145,446

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 USD	2023 USD
Net profit attributable to:			
Owners of the Company		(29,810)	65,685
Non-controlling interests		91,658	(4,396)
Profit for the financial year		61,848	61,289
Total comprehensive attributable to:			
Owners of the Company		(73,257)	167,350
Non-controlling interests		105,316	(21,904)
Total comprehensive income for the financial year		32,059	145,446
Earnings Per Share			
Basic earnings per share (cents)	29	0.008	0.01
Diluted earnings per share (cents)	29	0.008	0.01

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	------Attributable to owners of the Company------					
	----Non-distributable----		*Distributable*			
	Share capital USD	**Exchange translation reserve USD**	**Accumulated losses USD**	**Sub-total USD**	**Non-controlling interests USD**	**Total equity USD**
As at 1 January 2024	7,193,190	124,862	(2,498,588)	4,819,464	404,398	5,223,862
Profit for the financial year, net of tax	-	-	(29,810)	(29,810)	91,658	61,848
Other comprehensive loss for the financial year	-	(43,447)	-	(43,447)	13,658	(29,789)
Total comprehensive income for the financial year	-	(43,447)	(29,810)	(73,257)	105,316	32,059
Effect of increase in stake in a subsidiary	-	-	3,898	3,898	(3,898)	-
Non-controlling interests acquired in a subsidiary	-	-	-	-	134,443	134,443
As at 31 December 2024	7,193,190	81,415	(2,524,500)	4,750,105	640,259	5,390,364

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	-----Attributable to owners of the Company-----					
	----Non-distributable----		*Distributable*			
	Share capital USD	**Exchange translation reserve USD**	**Accumulated losses USD**	**Sub-total USD**	**Non-controlling interests USD**	**Total equity USD**
As at 1 January 2023	7,193,190	23,197	(2,564,273)	4,652,114	426,302	5,078,416
Profit for the financial year, net of tax	-	-	65,685	65,685	(4,396)	61,289
Other comprehensive income for the financial year	-	101,665	-	101,665	(17,508)	84,157
Total comprehensive income for the financial year	-	101,665	65,685	167,350	(21,904)	145,446
As at 31 December 2023	7,193,190	124,862	(2,498,588)	4,819,464	404,398	5,223,862

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 USD	2023 USD
Cash flows from operating activities			
Profit before taxation		66,509	73,595
Adjustments for:			
Amortisation of intangible assets		7,286	7,309
Depreciation of right-of-use assets		20,491	18,144
Depreciation of property, plant and equipment		41,442	41,981
Exchange difference on translation of foreign operations		65,085	(101,997)
Financial charges		7,834	10,992
Foreign exchange (gain)/loss - unrealised		(39,702)	90,493
Gain on disposal of investment properties		-	(325,746)
Gain on disposal of property, plant and equipment		(87)	-
Gain on dissolution of subsidiaries		(1,971)	(2,283)
Gain on termination of lease liabilities		(1,421)	-
Interest income		(22,934)	(2,717)
Other receivables written-off		17,769	2,305
Plant and equipment written-off		2,555	-
Provision for impairment loss of goodwill		23,000	48,000
Provision for obsolete inventories		7,306	-
Operating profit/(loss) before working capital changes		193,162	(139,924)
Decrease/(Increase) in inventories		43,070	(8,051)
(Increase)/Decrease in receivables		(268,568)	110,564
Increase in payables		206,438	15,420
Decrease in amount due to Directors		(2,957)	(36,651)
Cash generated from/(used in) operations		171,145	(58,642)
Finance cost paid		(7,834)	(10,992)
Taxation paid		(11,163)	(3,501)
Net cash generated from/(used in) operating activities		152,148	(73,135)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(16,591)	(7,635)
Interest received		22,934	2,700
Net inflows arising from dissolution of subsidiaries		1,971	2,269
Proceeds from disposal of investment properties		-	871,598
Proceeds from disposal of property, plant and equipment		88	-
Net cash generated from investing activities		8,402	868,932

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 USD	2023 USD
Cash flows from financing activities			
Repayment to associates		(2,942)	(4,439)
Repayment of lease liabilities	31 (b)	(22,939)	(21,776)
Repayment of term loans		(7,619)	(144,907)
Net cash used in financing activities		(33,500)	(171,122)
Net increase in cash and cash equivalents		127,050	624,675
Cash and cash equivalents brought forward		909,513	284,838
Cash and cash equivalents carried forward	30	1,036,563	909,513

The accompanying notes are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	2024 USD	2023 USD
Assets			
Non-current assets			
Investments in subsidiaries	9	3,338,848	3,338,871
Current assets			
Other receivables	15	2,851,433	2,851,433
Prepayments		4,076	-
Amount due from subsidiary	16	1,025,633	1,032,267
Total current assets		3,881,142	3,883,700
Total assets		7,219,990	7,222,571
Equity and liabilities			
Capital and reserves			
Share capital	19	7,193,190	7,193,190
(Accumulated losses)/Retained profits		(43,214)	16,626
Total equity		7,149,976	7,209,816
Current liabilities			
Other payables	24	5,937	12,732
Amount due to Directors	18	64,077	23
Total current liabilities		70,014	12,755
Total liabilities		70,014	12,755
Total equity and liabilities		7,219,990	7,222,571

The accompanying notes are an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 USD	2023 USD
Continuing operations			
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Other operating income		120	267
Administration expenses		(59,574)	(56,891)
Selling and distribution expenses		(65)	(97)
Other operating expenses		(321)	(434)
Loss before taxation	27	(59,840)	(57,155)
Income tax expense		-	-
Loss for the financial year, net of tax		(59,840)	(57,155)
Other comprehensive income		-	-
Loss net of tax, representing total comprehensive expenses for the financial year		(59,840)	(57,155)

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Share capital USD	Retained profits USD	Total USD
As at 1 January 2024	7,193,190	16,626	7,209,816
Total comprehensive expenses for the financial year	-	(59,840)	(59,840)
As at 31 December 2024	7,193,190	(43,214)	7,149,976
As at 1 January 2023	7,193,190	73,781	7,266,971
Total comprehensive expenses for the financial year	-	(57,155)	(57,155)
As at 31 December 2023	7,193,190	16,626	7,209,816

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	2024 USD	2023 USD
Cash flows from operating activities		
Loss before taxation	(59,840)	(57,155)
Adjustment for:		
Loss on disposal of investment in subsidiary	23	-
Operating loss before working capital changes	(59,817)	(57,155)
Increase in receivables	(4,076)	-
Decrease in amount due from subsidiary	6,634	51,302
(Decrease)/Increase in payables	(6,795)	5,853
Increase in amount due to Directors	64,054	-
Net cash generated from operating activities	-	-
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents brought forward	-	-
Cash and cash equivalents carried forward	-	-

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2024

1. GENERAL INFORMATION

The Company was incorporated in and under the laws of Samoa on 7 March 2014 and was listed on the National Stock Exchange of Australia on 23 July 2014.

The registered offices are located at Second Floor, Building B, SNPF Plaza, Saualino, Apia, Samoa and 31, Highgate Cct, Kellyville Nsw 2155, Australia.

The Company is an investment holding company. The Group is principally engaged in manufacturing, supplying and importing, exporting of nano technology products, photo catalyst power, coating solutions and chemical solutions of every description, and manufacturing, supplying, importing, exporting of engine oil products.

The financial statements have been prepared based on the currency of the primary economic environment in which the entity operates (i.e., its functional currency). The functional currency of the subsidiaries are Ringgit Malaysia (“RM”), while the presentation currency of the Group and the Company are United States Dollars (“USD”). All financial information is presented in United States Dollars, unless otherwise stated.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The financial statements of the Group and the Company have been prepared in accordance with the International Financial Reporting Standards (“IFRS”).

The financial statements have been prepared on the historical cost basis, except when indicated in the individual policy notes. The principal accounting policies adopted are set out below:

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including special purpose entity, controlled by the Company. The financial statements of subsidiaries are included in consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are measured in the Company’s statement of financial position at cost less any impairment losses. The cost of investment includes transaction cost.

(ii) Associates

The Group and the Company recognises an associate based on the criterion of significant influence. Significant influence exists when the Company has the power to participate in the financial and operating policy decisions of the investee but has no control or joint control of those policies. This is normally (though not necessarily) accomplished when the Group and the Company, directly or indirectly through associates, holds 20 per cent, or more of the voting rights of the investee.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(a) Basis of consolidation (Continued)

(ii) Associates (Continued)

When the Group's and the Company's voting rights in investee are less than 20 per cent, the Group and the Company assesses of potential voting rights that are substantive, representation on the board of directors, participation in policy making processes, material transactions between the Group and the Company and the investee, interchange of managerial personnel and provision of essential technical information.

The Group and the Company may sometimes hold an insignificant equity interest in investee to cement a trading relationship and is represented on the board of the directors of the investee. If the Group's and the Company's representation on the board of directors is solely for the purpose of protecting the value of the investment rather than participation in the policy decisions, the investee is not classified as an associate.

As no consolidated financial statements have been prepared during the financial year, the investment in Associate is accounted for using the cost.

(iii) Business combination

Business combinations are accounted for by applying the purchase method from the acquisition date, which is the date on which the Group obtains control of the acquire. The cost of business combination is aggregate of the fair values, at the date of exchange, of asset s given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquire, and any costs directly attributable to the business combination.

When the cost of the business is in excess of the Group's interest in the net fair value of the identifiable asset, liabilities and contingent liabilities recognised, the excess recognised as goodwill. When the excess is negative, a bargain purchase gain is recognised immediately in profit and loss.

The non-controlling interest in the acquiree is measured at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

(iv) Acquisition of non-controlling interests

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

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2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(a) Basis of consolidation (Continued)

(v) Loss of control

Upon the loss of control of a subsidiary, the Group recognises the difference between proceeds from the disposal of the subsidiary and its carrying amounts as of the date of disposal. If the Group retains any interest in the former subsidiary, that investment is accounted for as a financial asset from the date the entity ceases to be a subsidiary, provided that it does not become an associate or a jointly controlled entity. The carrying amount of the investment at the date that the entity ceases to be a subsidiary is regarded as the cost on initial measurement of the financial asset.

(vi) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holder of the Company, are presented in the consolidated statement of the financial position within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the financial year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have deficit balance.

(vii) Transaction eliminated on consolidated

Intra-group balances and transactions, including income, expenses and dividends, are eliminated in full in preparing the consolidated financial statements.

Unrealised profits and losses arising from the transactions with equity-accounted associates and jointly controlled entities are eliminated against the investment to the extent that there is evidence of an impairment of the asset transferred.

(b) Goodwill

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(b) Goodwill (Continued)

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised in profit or loss immediately.

In respect of equity-accounted associates, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill that forms part of the carrying amount of the equity-accounted associates.

(c) Functional and foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group and the Company are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in United States Dollar ("USD"), which is the Group's and the Company's functional and presentation currency.

(ii) Foreign currency transactions and balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

(iii) Foreign operations

Assets and liabilities of foreign operations (including any goodwill and fair value adjustments arising on acquisition) are translated to the Group's presentation currency at the exchange rates at the end of the reporting period. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity; attributed to the owners of the Company and non-controlling interests, as appropriate.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(c) Functional and foreign currencies (Continued)

(iii) Foreign operations (Continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign subsidiary, or a partial disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate and joint ventures that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that foreign operation attributable to the owners of the Company are reclassified to profit or loss as part of the gain or loss on disposal. The portion that related to non-controlling interests is derecognised but is not reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. When the Group disposes of only part of its investment in an associate and joint venture that includes a foreign operation while retaining significant influence and joint control, the proportionate share of the accumulative exchange differences is reclassified to profit or loss.

In the consolidated financial statements, when settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2 (v).

Freehold land are not depreciated but is subject to impairment test if there is any indication of impairment.

On disposal of property, plant and equipment, the differences between disposal proceeds and it carrying amount is charged or credited to the financial statements.

Property, plant and equipment are written down to recoverable amounts if the recoverable amounts are less than their carrying values. Recoverable amount is the higher of an asset's net selling price and its value in use.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(d) Property, plant and equipment (Continued)

Depreciation is provided on the straight-line method at rates required to write off the cost or valuation of the property, plant and equipment to its residual value over its estimated useful life. the principal annual rates used are as follows:

	Method	Useful life (years)
ECR self-toilet system	Straight-line	5
Electrical and fittings	Straight-line	5
Factory building	Straight-line	50
Furniture and fitting	Straight-line	5
Leasehold land	Straight-line	95 - 96
Machineries	Straight-line	5
Motor vehicles	Straight-line	5
Office equipment	Straight-line	5
Renovation	Straight-line	5
Simulator system	Straight-line	10

Fully depreciated assets are retained in the financial statements at nominal values until they are no longer in use.

(e) Impairment of non-financial assets

At each reporting date, the Group and the Company assesses whether there is any indication that the assets may be impaired. If any such indication exists, the recoverable amounts of the assets are estimated. Irrespective of whether there is any indication of impairment, an entity shall also: (a) test an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount and (b) test goodwill acquired in a business combination for impairment annually.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless it reverses a previous revaluation, in which case it is treated as a revaluation decrease.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Investment property

The Group recognises a land, building (including a floor of a building), or both land and building, including a property under construction, as an investment property if it is within the Group's business model objective of holding the property for capital appreciation, rental income or both. An investment property is recorded at cost on initial recognition. Cost of an investment property comprises purchase price plus all directly attributable costs incurred to bring the property to its present location and condition intended for use as an investment property.

Investment property whose fair value cannot be measured reliably without undue cost or effort are subsequently measured at cost less accumulated depreciation and impairment loss.

Freehold land is not depreciated but is subject to impairment test if there is any indication of impairment.

An investment property is derecognised when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the financial period in which it arises.

(g) Intangible assets

(i) Research and development

All expenditure for both research and development activities is recognised as an expense when it is incurred, unless it forms part of the cost of another recognised asset, in which case, the expenditure is capitalised in that asset.

(ii) Other intangible assets

Acquired identifiable intangible assets are recognised as an asset and initially measured at cost, which is the fair value of the consideration paid. Subsequently, intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

The amortisation method used and the estimated useful lives of the respective classes of intangible assets are as follows:

	Method	Useful life (years)
Acquired licences	Straight-line	6 - 12

(h) Investment in associates

An associate is an entity in which the Company have a long-term equity interest and where it exercises significant influence over the financial and operating policies.

Investments in associates are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the financial year if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investment includes transaction costs.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(i) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour costs and overheads, where applicable, that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

(j) Receivables

Most sales are made on the basis or normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

(k) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances, deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(l) Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

A provision is measured at the present value of the expenditures expected to be required to settle the obligation using a discount rate that reflects the time value of money and the risk that the actual outcome might differ from the estimate made. the unwinding of the discount is recognised as an interest expense.

(m) Liabilities

Payables are stated at cost, which is the fair value of the consideration to be paid in the future for goods and services received.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(n) Share capital

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividends to equity holders are recognised in the statements of changes in equity in the financial year in which they are paid or declared. Dividends on ordinary shares are recognised as liabilities when declared.

Redeemable preference shares issued are classified as equity as the preference shares bear no predetermined dividend rate and are redeemable at the discretion of the Board of Directors. The dividend on these preference shares are recognised in the statements of changes in equity in the financial year in which they are paid or declared.

(o) Related parties

A party is related to an entity if:

(i) Directly, or indirectly through one or more intermediaries, the party:

- (a) Controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
- (b) Has an interest in the entity that gives it significant influence over the entity; or
- (c) Has joint control over the entity;

(ii) the party is an associate of the entity;

(iii) the party is a joint venture in which the entity is a venturer;

(iv) the party is a member of the key management personnel of the entity or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(p) Leases

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

(ii) the consumer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

(iii) the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

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

(i) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of the lease liability. The depreciation starts from the commencement date of the lease. If the lease transfer ownership of the underlying asset to the Group or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the end of lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(p) Leases (Continued)

(i) As a lessee (Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group' incremental borrowing rate is used. Generally, the Group use their incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

(a) fixed payments, including in-substance fixed payments;

(b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

(c) amounts expected to be payable under a residual value guarantee;

(d) the exercise price under a purchase option that the Group are reasonably certain to exercise; and

(e) penalties for early termination of a lease unless the Group are reasonably certain not to early terminate the contract.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(p) Leases (Continued)

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is operating lease.

If an arrangement contains lease and non-lease components, the Group applies the applicable accounting standard to allocate the consideration in the contract based on the stand-alone selling prices.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease. The Group recognises lease payments received under operating leases as income on a straight line basis over the lease term as part of “revenue”.

(q) Borrowings

(i) Classification

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to profit or loss over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within twelve months after the end of the reporting period are included in current borrowings in the statement of financial position even though the original term was for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of the reporting period and before the financial statements are authorised for issue. Other borrowings due to be settled more than twelve months after the reporting period are included in non-current borrowings in the statement if financial position.

(ii) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

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2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(r) Revenue recognition

The Group recognise revenue from contracts with customers for the provision of goods and services based on the five-step model as set out below:

(i) Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.

(ii) Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

(iii) Determine the transaction price: The transaction price is the amount of consideration to which the Group expect to be entitled in exchange for transferring promised goods or services t a customer, excluding amounts collected on behalf of third parties.

(iv) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expect to be entitled in exchange for satisfying each performance obligation.

The Company satisfy a performance obligation and recognise revenue over time of the Company’s performance:

(i) Do not create an asset with an alternative use to the Group and have an enforceable right to payment for performance completed to-date; or

(ii) Create or enhance an asset that the customer controls as the asset is created or enhanced; or

(iii) Provide benefits that the customer simultaneously receives and consumes as the Company perform.

For performance obligations where any one of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfy a performance obligation by delivering the promised goods or services, it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

(i) Sales of goods

Revenue from the sales of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer.

(ii) Rendering of services

Revenue from rendering of services is recognised as and when the services are performed.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(r) Revenue recognition (Continued)

(iii) Rental income

Rental income is recognised on an accrual basis, unless collectability is in doubt, in which case it is recognised on a receipt basis.

(s) Income taxes

(i) Current tax

Tax expense represents the aggregate amount of current and deferred tax. Current tax is the expected amount payable in respect of taxable income for the financial year, using tax rates enacted or substantively enacted by the reporting date and any adjustments recognised for prior years' tax. When an item is recognised outside profit or loss, the related tax effect is recognised either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is recognised using the liability method, on all temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction, which is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to apply in the period in which the assets are realised or the liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised only to the extent that there are sufficient taxable temporary differences relating to the same taxable entity and the same taxation authority to offset or when it is probable that future taxable profits will be available against which the assets can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will be available for the assets to be utilised.

Deferred tax assets relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from business combination is adjusted against goodwill on acquisition or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the acquisition cost.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(t) Employee benefits

(i) Short-term employee benefits

Wages, salaries, social security contributions and bonuses are recognised as an expense in the financial year in which the associated services are rendered by employees of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when absences occur.

(ii) Defined contribution plans

Contributions payable to the defined contribution plan are recognised as a liability and an expense when the employees have rendered services to the Group.

(u) Financial instruments

Unless specifically disclosed below, the Group and the Company generally applied the following accounting policies retrospectively.

(i) Initial recognition and measurement

Financial assets or financial liabilities are recognised in the statements of financial position when, and only when, the Group and the Company becomes a party to the contractual provisions of the instrument.

A financial assets (unless it is a trade receivable without significant financing component) or a financial liabilities is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(u) Financial instruments (Continued)

(i) Initial recognition and measurement (Continued)

The Group and the Company categorise financial instruments as follows:

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group and the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(ii) Financial instrument categories and subsequent measurement

Financial assets

Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

Financial liabilities

Amortised cost

Other financial liabilities not categorised as fair value through profit or loss is subsequently measured at amortised cost using the effective interest method.

Foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(u) Financial instruments (Continued)

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Group and the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(iv) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risk and rewards of ownership of the financial assets are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(v) Impairment

(i) Financial assets

At each reporting date, the Group and the Company recognise a loss allowance for expected credit losses on a financial asset measured at amortised cost. The loss allowance is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the loss allowance is measured at an amount equal to 12-month expected credit losses. Any adjustment to the loss allowance is recognised in profit or loss as an impairment gain or loss.

Irrespective of whether there is any significant increase in credit risk since initial recognition, the loss allowance for trade receivables is always measured at an amount equal to lifetime expected credit losses using the simplified approach in accordance with the applicable accounting standard. Such lifetime expected credit losses are calculated using a provision matrix based on historical credit loss experience and adjusted for reasonable and supportable forward-looking information that is available without undue cost or effort.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(v) Impairment (Continued)

(i) Financial assets (Continued)

The expected credit losses for a credit-impaired financial asset are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The gross carrying amount of a credit-impaired financial asset is directly written off when there is no reasonable expectation of recovery.

(ii) Non-financial assets

The carrying amounts of the other assets (except for inventories and deferred tax asset) are reviewed at each reporting period to determine whether there is any indication of impairment.

If any such indication exist, and then the asset's recoverable amount is estimated. For the purpose of impairment testing, assets are grouped together into smallest group of assets that generates cash flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. (the "cash-generating unit").

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in profit or loss.

In respect of non-financial assets, impairment losses recognised in prior periods are at assessed at each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

3. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2024 reporting period. The Group's assessment of the impact of these new standards and interpretations is that they will result in no significant changes to the amount recognised or matters disclosed in the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

4. MATERIAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Intangible assets

The Group has intangible assets (other than goodwill) and the annual amortisation of intangible assets is charged to the statements of comprehensive income. The Group reviews the residual value and useful life of intangible assets at each reporting date in accordance with the accounting policy as disclosed in Note 2 (g). Changes in the residual value arising from the impairment assessment and the review of useful life could have significant impact on the results of the Group.

(ii) Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

(iii) Impairment of non-financial assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(iv) Impairment of intangible assets

This requires management to estimate the expected future cash flows, to apply a suitable discount rate to determine the present value of those cash flows. The impairment assessment could be materially affected by the changes in the assumptions and estimates used in the cash flows projection.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

4. MATERIAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Key sources of estimation uncertainty (Continued)

(v) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a loan or receivable is impaired. To determine whether there is objective evidence of impairment, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amounts of the Group and the Company's loan and receivables at the reporting date are disclosed in note to the financial statements.

In adoption of the applicable accounting standard, the Group and the Company assess on a forward-looking basis the expected credit loss associated with their debt instruments carried at amortised cost. The impairment methodology applied as disclosed in Note 2 (v) depends on whether there has been a significant increase in credit risk

(vi) Carrying value of investment in subsidiaries

Investment in subsidiaries is reviewed for impairment annually in accordance with its accounting policy whenever events or changes in circumstances indicate that the carrying values may not be recoverable.

Significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries, which involves uncertainties and are significantly affected by assumptions and judgements made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the carrying values of investment in subsidiaries.

(vii) Impairment of investment in an associate

The Group and the Company assess at each reporting date whether the carrying amount of its investment in an associate is impaired. This involves measuring the recoverable amounts which includes fair value less costs to sell and valuation techniques. Valuation techniques include the use of discounted cash flows analysis, considering the current market value indicators and recent arms-length market transactions. These estimates provide reasonable approximations to the computation of recoverable amounts. In performing discounted cash flows analysis, discount rate and growth rates used reflect, amongst others, the maturity of the business development cycle as well as the industry growth potential. The growth rates used to forecast the projected cash flows for the following year approximate the performances of the respective investments based on the latest available management accounts.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

5. PROPERTY, PLANT AND EQUIPMENT

Group	ECR self-toilet system USD	Furniture, fittings and equipment USD	Leasehold land and factory building USD	Machineries USD	Motor vehicles USD	Renovation and signboard USD	Simulator system USD	Total USD
Cost								
At 1 January 2023	54,916	138,292	796,000	76,433	160,492	243,952	317,549	1,787,634
Addition	-	2,977	-	-	-	4,658	-	7,635
Translation adjustments	(2,259)	(5,688)	(32,742)	(3,144)	(6,601)	(10,034)	(13,062)	(73,530)
At 31 December 2023	52,657	135,581	763,258	73,289	153,891	238,576	304,487	1,721,739
At 1 January 2024	52,657	135,581	763,258	73,289	153,891	238,576	304,487	1,721,739
Addition	-	6,826	-	-	-	9,765	-	16,591
Disposals	-	(409)	-	-	-	-	-	(409)
Written-off	-	(42,464)	-	-	-	(43,463)	-	(85,927)
Translation adjustments	1,492	2,774	21,619	2,076	4,359	5,667	8,625	46,612
At 31 December 2024	54,149	102,308	784,877	75,365	158,250	210,545	313,112	1,698,606

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

5. PROPERTY, PLANT AND EQUIPMENT (Continued)

Group	ECR self-toilet system USD	Furniture, fittings and equipment USD	Leasehold land and factory building USD	Machineries USD	Motor vehicles USD	Renovation and signboard USD	Simulator system USD	Total USD
Accumulated depreciation								
At 1 January 2023	54,915	134,555	96,485	76,086	160,492	240,655	190,530	953,718
Addition	-	1,571	7,759	95	-	1,997	30,559	41,981
Translation adjustments	(2,259)	(5,544)	(4,018)	(3,130)	(6,601)	(9,912)	(8,029)	(39,493)
At 31 December 2023	52,656	130,582	100,226	73,051	153,891	232,740	213,060	956,206
At 1 January 2024	52,656	130,582	100,226	73,051	153,891	232,740	213,060	956,206
Addition	-	1,563	7,734	94	-	1,424	30,627	41,442
Disposals	-	(408)	-	-	-	-	-	(408)
Written-off	-	(42,459)	-	-	-	(40,913)	-	(83,372)
Translation adjustments	1,492	2,672	3,033	2,072	4,359	5,601	6,804	26,033
At 31 December 2024	54,148	91,950	110,993	75,217	158,250	198,852	250,491	939,901

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

5. PROPERTY, PLANT AND EQUIPMENT (Continued)

Group	ECR self-toilet system USD	Furniture, fittings and equipment USD	Leasehold land and factory building USD	Machineries USD	Motor vehicles USD	Renovation and signboard USD	Simulator system USD	Total USD
Net book value								
At 31 December 2023	1	4,999	663,032	238	-	5,836	91,427	765,533
At 31 December 2024	1	10,358	673,884	148	-	11,693	62,621	758,705

The leasehold land and factory building of the Group has been pledged to a bank for borrowings as disclosed in Note 21 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

6. INVESTMENT PROPERTIES

Group	At beginning of the financial year USD	Reclassification USD	At end of the financial year USD
At cost			
Freehold land	571,405	-	571,405
Disposal	(571,405)	-	(571,405)
Total for 2023	-	-	-
Total for 2024	-	-	-

The fair value of the above investment property cannot be measured reliably without undue cost or effort, because the directors do not have relevant expertise in valuing such property and the service of an independent valuer is costly to the Group.

Freehold land has been reclassified from properties, plant and equipment for the intended purpose on capital appreciation.

7. INTANGIBLE ASSETS

	Group 2024 USD	Group 2023 USD
Acquired licenses		
Cost		
At beginning of the financial year	326,849	340,871
Translation adjustments	9,258	(14,022)
At end of the financial year	336,107	326,849
Accumulated amortisation		
At beginning of the financial year	290,532	295,421
Charge for the financial year	7,286	7,309
Translation adjustments	8,412	(12,198)
At end of the financial year	306,230	290,532
Net book value	29,877	36,317

Acquired licenses are patents in respect of exclusive ownership rights to the Republic of Korea and Malaysia territories with an initial term of 9 to 11 years commencing from 31 December 2016.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

8. RIGHT-OF-USE ASSETS

Group	Note	Cafe USD	Motor vehicles USD	Office USD	Total USD
Cost					
At 1 January 2023		86,202	24,662	-	110,864
Addition	31 (a)	6,540	-	-	6,540
Translation adjustments		(3,546)	(1,014)	-	(4,560)
At 31 December 2023		89,196	23,648	-	112,844
At 1 January 2024		89,196	23,648	-	112,844
Addition	31 (a)	40,892	-	35,469	76,361
Derecognition of expired leases		(91,723)	-	-	(91,723)
Termination		(40,892)	-	-	(40,892)
Translation adjustments		2,527	668	-	3,195
At 31 December 2024		-	24,316	35,469	59,785
Accumulated amortisation					
At 1 January 2023		65,613	24,661	-	90,274
Charge for the financial year		18,144	-	-	18,144
Translation adjustments		(2,814)	(1,014)	-	(3,828)
At 31 December 2023		80,943	23,647	-	104,590
At 1 January 2024		80,943	23,647	-	104,590
Charge for the financial year		19,914	-	577	20,491
Derecognition of expired leases		(91,723)	-	-	(91,723)
Termination		(11,635)	-	-	(11,635)
Translation adjustments		2,501	668	14	3,183
At 31 December 2024		-	24,315	591	24,906
Net book value					
At 31 December 2023		8,253	1	-	8,254
At 31 December 2024		-	1	34,878	34,879

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

9. INVESTMENT IN SUBSIDIARIES

	Company	
	2024	**2023**
	USD	**USD**
Unquoted shares, at cost		
At beginning of the financial year	3,338,871	3,338,871
Disposal in investment in subsidiary	(23)	*
At end of the financial year	3,338,848	3,338,871

* Amount less than USD1

Details of the direct subsidiary are as follows:

Name of direct subsidiary	Principal place of business	Effective equity interest 2024 %	Effective equity interest 2023 %	Principal Activities
Nanopac (M) Sdn. Bhd. *	Malaysia	100	100	- Investment holding - Production and distribution of Nano products
Nanopac Resources Sdn. Bhd. #	Malaysia	-	100	- Dissolved during the financial year

Details of the indirect subsidiaries are as follows:

Name of indirect subsidiaries	Principal place of business	Effective equity interest 2024 %	Effective equity interest 2023 %	Principal Activities
Nanopac Innovation Limited ^	Seychelles	51	51	- Production and distribution of Nano products
Nanopac Innovation (M) Sdn. Bhd. *	Malaysia	100	60	- Dormant
Nanotextile Sdn. Bhd. *	Malaysia	60	60	- Developing and promoting nanotechnology based products

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

9. INVESTMENT IN SUBSIDIARIES (Continued)

* The Subsidiaries are incorporated in Malaysia and audited by Messrs. ACT Partners (AF: 001842).

* On 11 January 2024, the Group acquired 40 ordinary shares of Nanopac Innovation (M) Sdn. Bhd., representing 40% of the issued and paid-up share capital for a total consideration of USD9.

* On 23 December 2024, the Group acquired 900,000 ordinary shares of Nanotextile Sdn. Bhd., representing 60% of the issued and paid-up share capital for a total consideration of USD201,664.

^ The audited financial statements and auditors' report of the subsidiary are not available. The management accounts have been used for the purpose of consolidation.

On 23 September 2024, Nanopac Resources Sdn. Bhd. (Company No. 202201041943 (1487640 - K)) incorporated in Malaysia was dissolved.

Summary of effect of dissolution of subsidiaries

The effect of the dissolution of subsidiaries on the financial position of the Group is shown below:

	Group At date of disposal USD
Assets and liabilities derecognised:	
Amount due to director	(1,998)
Translation adjustment	27
Total net liabilities derecognised	(1,971)
Gain on dissolution of subsidiaries	1,971
Net cash inflow from disposal of dissolution of subsidiaries	(1,971)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

10. INVESTMENT IN ASSOCIATES

	Group	
	2024	**2023**
	USD	**USD**
At cost:		
At beginning of the financial year	-	-
Acquired of subsidiary	103,446	103,446
Less: Allowance for impairment losses	(103,446)	(103,446)
At end of the financial year	-	-

	Group	
	2024	**2023**
	USD	**USD**
Allowance for impairment losses		
At beginning of the financial year	103,446	103,446
At end of the financial year	103,446	103,446

Details of the indirect associates are as follows:

Name of indirect associates	Principal place of business	Effective equity interest 2024 %	Effective equity interest 2023 %	Principal activities
Held through Nanopac (M) Sdn. Bhd.				
DNA Petrochem Sdn. Bhd.	Malaysia	49	49	- Trading in base oil
Sega Lubricant Sdn. Bhd.	Malaysia	49	49	- Trading in automotive oil

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

10. INVESTMENT IN ASSOCIATES (Continued)

The associates audited by other firm of chartered accountants.

Share of losses of associates

The associate, DNA Petrochem Sdn. Bhd. and Sega Lubricant Sdn. Bhd., has accumulated losses that exceed its contributed capital. In the Company financial statements, the investment at a cost of USD103,735 (2023: USD103,735) has been impairment to a nil amount.

The share of the loss not equity accounted for in the current financial year is USDNIL (2023: USDNIL). The cumulative amount of the share of losses of the associates not accounted for is USD31,284 (2023: USD31,284).

11. DEFERRED TAX (ASSETS)/LIABILITIES

The components and movements of deferred tax (assets)/liabilities during the financial year prior to offsetting are as follows:

	Group				
	At 1.1.2023 USD	**Recognised in profit or loss** (Note 28) **USD**	**At 31.12.2023/ 1.1.2024 USD**	**Recognised in profit or loss** (Note 28) **USD**	**At 31.12.2024 USD**
Deferred tax assets					
Unabsorbed business losses	-	-	-	(206)	(206)
Unutilised capital allowances	-	-	-	(196)	(196)
	-	-	-	(402)	(402)
Deferred tax liabilities					
Equipment	176	114	290	(31)	260
Translation adjustments	-	-	(8)	-	(12)
	176	114	282	(433)	(154)

12. GOODWILL ON CONSOLIDATION

	Group	
	2024 USD	**2023 USD**
At cost:		
At beginning of the financial year	1,368,848	1,416,848
Impairment recognised	(23,000)	(48,000)
At end of the financial year	1,345,848	1,368,848

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

12. GOODWILL ON CONSOLIDATION (Continued)

Impairment testing for cash-generating units containing goodwill

The recoverable amount of the goodwill is assessed based on its estimated value in use. The value in use was estimated by discounting the projected future cash flows to be generated from the continuing use of the unit based on the following key assumptions:

- There will be no material changes in the structure and principal activities of the subsidiary.
- There will not be any significant changes in economic conditions or other abnormal factors, which will adversely affect the operation of the subsidiary.
- Financial year ending December 2024 ("FY2024") budget was used as a base where no significant changes in profitability is anticipated in view of the current economic situation and a 2% growth from year 2025 to year 2029 has been projected in line with economic growth projected.
- Discount rate of 10% (2023: 10%) was applied on the projected cash flows in determining the recoverable amount of the above investment.

13. INVENTORIES

	Group	
	2024	**2023**
	USD	**USD**
Cost		
Nano technology products	89,679	129,092
Less: Provision for obsolete inventories	(7,306)	-
Translation adjustments	(183)	-
Total inventories	82,190	129,092
Recognised to profit or loss		
Inventories recognised as cost of sales	296,317	200,645
Provision for obsolete inventories	7,306	-

14. TRADE RECEIVABLES

	Group	
	2024	**2023**
	USD	**USD**
Trade receivables	296,144	102,271
Past due but not impaired:		
30 days past due	296,144	102,271

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

14. TRADE RECEIVABLES (Continued)

The Company's normal trade credit terms range from 30 to 60 days (2023: 30 to 60 days) Other credit terms are assessed and varied on a case-by-case basis.

Included in trade receivables of the Group are amount due from affiliated company amounted to USD1,860 (2023: USD991), which is unsecured, interest-free and repayable on demand.

15. OTHER RECEIVABLES

	Group		Company	
	2024	**2023**	**2024**	**2023**
	USD	**USD**	**USD**	**USD**
Other receivables	168,259	188,798	-	-
Amount due from affiliated companies*	2,858,572	2,857,917	2,851,433	2,851,433
Deposit	5,658	7,680	-	-
Total other receivables	3,032,489	3,054,395	2,851,433	2,851,433

* The amount due from affiliated companies is unsecured, interest-free and repayable on demand.

16. AMOUNT DUE FROM SUBSIDIARY

The amount due from subsidiary is unsecured, interest-free and repayable on demand.

17. AMOUNT DUE FROM ASSOCIATES

	Group	
	2024	**2023**
	USD	**USD**
Amount due from associates	127,297	120,858
Less: Allowance for impairment losses		
At beginning of the financial year	(99,841)	104,124
Translation adjustments	(2,828)	(4,283)
At end of the financial year	(102,669)	(99,841)
Total amount due from associates	24,628	21,017

The amount due from associates is unsecured, interest-free and repayable on demand.

18. AMOUNT DUE FROM/(TO) DIRECTORS

The amount due from/(to) Directors is unsecured, interest-bearing and has no fixed terms of repayment. The amount due from is deemed to bear interest of 5.11% to 5.40% (2023: 4.97% to 5.49%) per month.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

19. SHARE CAPITAL

	Group/Company			
	2024 No. of shares	**2024** Monetary value USD	**2023** No. of shares	**2023** Monetary value USD
Issued and fully paid				
Ordinary shares				
At beginning of the financial year	691,034,100	7,096,055	58,816,917	6,993,190
Share split	-	-	529,352,253	-
Conversion shares from "A" Converting shares	-	-	102,864,930	102,865
At end of the financial year	691,034,100	7,096,055	691,034,100	7,096,055
"A" Converting shares				
At beginning of the financial year	97,135,070	97,135	20,000,000	200,000
Share split	-	-	180,000,000	-
Conversion to ordinary shares	-	-	(102,864,930)	(102,865)
At end of the financial year	97,135,070	97,135	97,135,070	97,135
	788,169,170	7,193,190	788,169,170	7,193,190

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

"A" Converting Shares

The "A" Converting Shares are convertible automatically into ordinary shares once the Company has raised additional capital in excess of US$10,000,000 provided the holder will not hold more than 75% of the issued ordinary shares. These shares otherwise rank pari passu with ordinary shares.

PAR Value

All shares have a par value of US$0.001 (2023: US$0.001). The Company has an authorised capital of US$14,000,001.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

20. NON-CONTROLLING INTERESTS

This consists of the non-controlling interest shareholders' proportion of share capital and reserves of a subsidiary, net of their share of subsidiary's goodwill on consolidation and amortisation of goodwill charged to the non-controlling interest shareholders.

21. BORROWINGS

	Group	
	2024	**2023**
	USD	**USD**
Current		
Term loans (Secured)	13,307	15,461
Lease liabilities (Note 22)	8,127	9,474
	21,434	24,935
Non-current		
Term loans (Secured)	126,101	127,702
Lease liabilities (Note 22)	29,085	4,906
	155,186	132,608
Total borrowings		
Term loans (Secured)	139,408	143,163
Lease liabilities (Note 22)	37,212	14,380
	176,620	157,543
Maturities of borrowings (excluding lease liabilities and finance lease liabilities):		
Within one year	5,218	4,471
More than 1 year and less than 2 years	5,633	4,826
More than 2 years and less than 5 years	19,728	16,904
More than 5 years	108,829	116,962
	139,408	143,163

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

21. BORROWINGS (Continued)

The effective interest rates at reporting date for the above borrowing were as follows:

	Group	
	2024	**2023**
	USD	**USD**
Term loans	3.27%	3.27%
Lease liabilities	4.78%	4.78%

The above bank borrowings were secured by way of:

(i) The leasehold land and factory buildings of the Group;
(ii) Joint and several guarantees by certain directors of the Group; and
(iii) Corporate guarantee given by the subsidiary companies.

22. LEASE LIABILITIES

	Group	
	2024	**2023**
	USD	**USD**
At beginning of the financial year	14,380	30,886
Addition	76,361	6,540
Repayment of principal	(24,486)	(23,248)
Interest expenses recognised in profit or loss	1,547	1,335
Termination	(30,422)	-
Translation adjustment	(168)	(1,133)
At end of the financial year	37,212	14,380
Current		
Within 1 year	8,127	9,474
Non-current		
More than 1 year and less than 5 years	29,085	4,906
	37,212	14,380

23. TRADE PAYABLES

The normal trade credit terms granted to the Company range from 30 to 60 days (2023: 30 to 60 days). There is no other element of payables included in trade payables.

Included in trade payables of the Group are amount due to affiliated company amounted to USD8,403 (2023: USDNIL), which is unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

24. OTHER PAYABLES

	Group		Company	
	2024	**2023**	**2024**	**2023**
	USD	**USD**	**USD**	**USD**
Other payables	362,567	8,868	1,119	8,962
Amount due to affiliated companies*	1,104,930	1,159,108	-	-
Accruals	9,217	25,831	4,818	3,770
Total other payables	1,476,714	1,193,807	5,937	12,732

* The amount due to affiliated companies is unsecured, interest-free and repayable on demand.

25. REVENUE

	Group	
	2024	**2023**
	USD	**USD**
Revenue consists of:		
- Nano technology products and other related services	823,383	505,556
Timing of revenue recognition:		
- Point in time	823,383	505,556

26. FINANCE COSTS

	Group	
	2024	**2023**
	USD	**USD**
Interest - lease liabilities	1,547	1,335
Interest - bank borrowings	6,287	9,657
Total finance costs	7,834	10,992

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

27. PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation has been arrived at:

	Group		Company	
	2024 USD	**2023 USD**	**2024 USD**	**2023 USD**
After charging:				
Amortisation of intangible assets	7,286	7,309	-	-
Audit fees	6,437	6,600	3,967	3,947
Under provision of audit fees	-	1,281	-	1,281
Depreciation of property, plant and equipment	41,442	41,981	-	-
Depreciation of right-of-use assets	20,491	18,144	-	-
Directors' remuneration	53,279	42,257	-	-
Interest expense (Note 26)	7,834	10,992	-	-
Loss on disposal of investment in subsidiary	-	-	23	-
Other receivables written-off	17,769	2,305	-	-
Property, plant and equipment written-off	2,555	-	-	-
Provision for impairment loss of goodwill	23,000	48,000	-	-
Provision for obsolete inventories	7,306	-	-	-
Real property gain tax	-	32,407	-	-
Realised loss on foreign exchange	524	153	-	-
Rental of crane	-	332	-	-
Rental of motor vehicles	-	13,157	-	-
Staff costs	183,154	126,017	-	-
Unrealised loss on foreign exchange	-	90,493	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

27. PROFIT/(LOSS) BEFORE TAXATION (Continued)

Profit/(Loss) before taxation has been arrived at:

	Group		Company	
	2024 USD	**2023 USD**	**2024 USD**	**2023 USD**
And crediting:				
Gain on disposal of investment property	-	(325,746)	-	-
Gain on disposal of property, plant and equipment	(87)	-	-	-
Gain on dissolution of subsidiaries	(1,971)	(2,283)	-	-
Gain on termination of lease liabilities	(1,421)	-	-	-
Interest received	(22,934)	(3,044)	-	-
Realised gain on foreign exchange	(120)	-	(120)	(267)
Rental income	(10,337)	(14,736)	-	-
Unrealised gain on foreign exchange	(39,702)	-	-	-

The numbers of employees of the Group and the Company including Directors as at the end of the financial year are 24 and 4 (2023: 24 and 4).

28. INCOME TAX EXPENSE

	Group	
	2024 USD	**2023 USD**
Current income tax expense:		
- Taxes payable in Malaysia	4,080	12,192
- Under provision in prior financial year's taxation	1,024	-
Deferred tax (benefit)/expense (Note 11)	(443)	114
Total tax expense for the financial year	4,661	12,306

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

28. INCOME TAX EXPENSE (Continued)

	Group	
	2024	**2023**
	USD	**USD**
Reconciliation of tax expense:		
Profit before taxation	66,509	73,595
Tax at the statutory income tax rate	15,962	17,662
Under provision in prior financial year's taxation	1,024	-
Tax effects of expenses disallowed for tax purpose:		
- Depreciation of non-qualifying assets	1,144	1,356
- Other expenses disallowed for tax purposes	20,586	74,047
- Utilised tax assets	(33,622)	(80,873)
Deferred tax (benefit)/expense	(433)	114
Tax expense	4,661	12,306

Provision for enterprise income tax of the subsidiaries operating in Malaysia is made in accordance with the income tax law of Malaysia concerning Foreign Investment Enterprises and Foreign Enterprises. Taxation has been provided at the appropriate tax rates prevailing in Malaysia in which the Group operates on the estimated assessable profits for the financial year. These rates generally range at 24% (2023: 24%) for the reporting period.

29. EARNINGS PER SHARE

The earnings per share is calculated based on the consolidated earnings attributable to owners of the Company divided by the weighted average number of shares on issue of 788,169,170 (2023: 788,169,170) shares during the financial year.

The following table reflect the profit and share date used in the computation of diluted earnings per share from continuing operations for the financial year ended 31 December:

	Group	
	2024	**2023**
	USD	**USD**
Weighted average number of ordinary shares for the purpose of calculating dilute earnings per share	788,169,170	788,169,170
Profit for the purpose of calculating basic and diluted earnings per share	61,848	61,289
Basic earnings per share	0.008	0.01

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

30. CASH AND CASH EQUIVALENTS

	Group	
	2024	**2023**
	USD	**USD**
Cash and bank balances	341,941	255,814
Deposit placed with licensed banks*	694,622	653,699
Total cash and cash equivalents	1,036,563	909,513

* The average effective interest rate of the fixed deposits ranging from 2.50% to 2.70% (2023: 2.80% to 2.85%) per annum and the maturity period is 3 to 6 months.

The Group's cash and cash equivalents exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk were:

	Group	
	2024	**2023**
	USD	**USD**
Ringgit Malaysia ("MYR")	880,655	888,999
United States Dollar ("USD")	155,669	20,274
Euro Dollar ("EURO")	70	74
Pound Sterling ("GBP")	169	166
Total cash and cash equivalents	1,036,563	909,513

31. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of the right-of-use assets is as follows:

	Group	
	2024	**2023**
	USD	**USD**
Cost right-of-use assets purchased	76,361	6,540
Amount financed through lease liabilities	(76,361)	(6,540)
Cash disbursed for purchase of right-of-use assets	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

31. CASH FLOW INFORMATION (Continued)

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

	Group	
	Lease liabilities USD	**Total USD**
2024		
Non-current lease liabilities:		
At 1 January	4,906	4,906
Non-cash charges		
Acquisition of new leases	76,361	76,361
Transfer to current liabilities	(52,321)	(52,321)
Translation adjustment	139	139
At 31 December (a)	29,085	29,085
Current lease liabilities:		
At 1 January	9,474	9,474
Changes in financing cash flows		
Repayment of borrowing principal	(22,939)	(22,939)
Repayment of borrowing interest	(1,547)	(1,547)
Non-cash charges		
Finance charges recognised in statement of comprehensive income	1,547	1,547
Termination	(30,422)	(30,422)
Transfer from non-current liabilities	52,321	52,321
Translation adjustment	(307)	(307)
At 31 December (b)	8,127	8,127
Total liabilities [(a)+(b)]	37,212	37,212

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

31. CASH FLOW INFORMATION (Continued)

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

	Group	
	Lease liabilities USD	**Total USD**
2023		
Non-current lease liabilities:		
At 1 January	22,242	22,242
Non-cash charges		
Acquisition of new leases	6,540	6,540
Transfer to current liabilities	(18,392)	(18,392)
Translation adjustment	(5,484)	(5,484)
At 31 December (a)	4,906	4,906
Current lease liabilities:		
At 1 January	8,644	8,644
Changes in financing cash flows		
Repayment of borrowing principal	(21,913)	(21,913)
Repayment of borrowing interest	(1,335)	(1,335)
Non-cash charges		
Finance charges recognised in statement of comprehensive income	1,335	1,335
Transfer from non-current liabilities	18,392	18,392
Translation adjustment	4,351	4,351
At 31 December (b)	9,474	9,474
Total liabilities [(a)+(b)]	14,380	14,380

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

	Group	
	2024 USD	**2023 USD**
Interest paid on lease liabilities	1,547	1,335
Payment of lease liabilities	22,939	21,913
	24,486	23,248

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

32. KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel of the Group and the Company are those persons having authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the Group and the Company. The directors of the Company and the general management of the Group and the Company are considered as key management personnel of the Group and the Company.

The remuneration of key management personnel during the financial year was as follows:

	Group	
	2024	**2023**
	USD	**USD**
Short-term employee benefits		
- Salaries and other remuneration	53,279	42,257

33. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group have related party relationships with its directors, key management personal and entities within the same group of Companies.

(b) Significant related party transactions and balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	Group		Company	
	2024	**2023**	**2024**	**2023**
	USD	**USD**	**USD**	**USD**
Sales to affiliated companies	20,399	2,094	-	-
Directors' remuneration	53,279	42,257	-	-
Trade receivables	1,860	991	-	-
Amount due from affiliated companies	2,858,572	2,857,917	2,851,433	2,851,433

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

33. RELATED PARTY DISCLOSURES (Continued)

(b) Significant related party transactions and balances (Continued)

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	Group		Company	
	2024	**2023**	**2024**	**2023**
	USD	**USD**	**USD**	**USD**
Amount due from subsidiary	-	-	1,025,633	1,032,267
Amount due from associates	24,628	21,017	-	-
Trade payables	(8,403)	-	-	-
Amount due to affiliated company	(1,104,930)	(1,159,108)	-	-
Consultant fees	72,955	39,770	-	-
Professional fees	17,159	-	-	-
Purchases	8,197	-	-	-
Rental of motor vehicles	-	13,157	-	-

The directors are of the opinion that all the transactions above have been entered into the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

34. FOREIGN EXCHANGE RATE

The principal closing foreign exchange rates used (expressed on basis of one unit of foreign currency to USD equivalent) for the transaction of foreign currency balances at the statement of financial position date are as follows:

	Group/Company	
	2024	**2023**
	USD	**USD**
Hong Kong Dollar ("HKD")	7.7634	7.8091
Malaysia Ringgit ("MYR")	4.4629	4.5893
Euro Dollar ("EURO")	0.9601	0.9049
Great Britain Pound ("GBP")	0.7969	0.7852

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

35. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table sets out the financial instruments as at the reporting date:

	Carrying amount USD	Amortised costs USD
Group		
2024		
Financial assets		
Trade receivables	296,144	296,144
Other receivables, net of prepayments	3,032,489	3,032,489
Amount due from associates	24,628	24,628
Amount due from Directors	257,432	257,432
Cash and cash equivalents	1,036,563	1,036,563
	4,647,256	4,647,256
Financial liabilities		
Trade payables	8,937	8,937
Other payables	1,476,714	1,476,714
Amount due to Directors	64,077	64,077
Bank borrowings	176,620	176,620
	1,726,348	1,726,348
2023		
Financial assets		
Trade receivables	102,271	102,271
Other receivables, net of prepayments	3,054,395	3,054,395
Amount due from associates	21,017	21,017
Amount due from Directors	300,904	300,904
Cash and cash equivalents	909,513	909,513
	4,388,100	4,388,100
Financial liabilities		
Trade payables	13,720	13,720
Other payables	1,193,807	1,193,807
Amount due to Directors	107,454	107,454
Bank borrowings	157,543	157,543
	1,472,524	1,472,524

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

35. FINANCIAL INSTRUMENTS (Continued)

(a) Categories of financial instruments (Continued)

The following table sets out the financial instruments as at the reporting date:

	Carrying amount USD	Amortised costs USD
Company		
2024		
Financial assets		
Other receivables, net of prepayments	2,851,433	2,851,433
Amount due from subsidiary	1,025,633	1,025,633
	3,877,066	3,877,066
Financial liabilities		
Other payables	5,937	5,937
Amount due to Directors	64,077	64,077
	70,014	70,014
2023		
Financial assets		
Other receivables, net of prepayments	2,851,433	2,851,433
Amount due from subsidiary	1,032,267	1,032,267
	3,883,700	3,883,700
Financial liabilities		
Other payables	12,732	12,732
Amount due to Directors	23	23
	12,755	12,755

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

35. FINANCIAL INSTRUMENTS (Continued)

(b) Financial Risk Management Objectives and Policies

The Group is exposed to the financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk. The Group's and the Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's and the Company's financial performance.

Risk management is carried out by the Finance Division under policies approved by the Board of Directors. The Finance Division identifies, evaluates and hedges financial risks in close cooperation with the Groups' operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investing excess liquidity.

(i) Credit risk

The Group's and the Company's exposure to credit risk, or the risk of counterparties defaulting arises mainly from trade and other receivables. The group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

(a) Credit risk concentration profile

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

(b) Exposure of credit risk

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

(c) Assessment of impairment losses

At each reporting date, the Group and the Company assesses whether any of the financial assets at amortised cost and contract assets are credit impaired. The gross carrying amounts of financial assets are written off when there is no reasonable expectation of recovery (i.e the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact that they are still subject to enforcement activities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

35. FINANCIAL INSTRUMENTS (Continued)

(b) Financial Risk Management Objectives and Policies (Continued)

(i) Credit risk (Continued)

(d) Assessment of impairment losses

At each reporting date, the Group and the Company assesses whether any of the financial assets at amortised cost and contract assets are credit impaired. The gross carrying amounts of financial assets are written off when there is no reasonable expectation of recovery (i.e the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact that they are still subject to enforcement activities.

Trade receivables

The Group and the Company applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

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

Other receivables

Other receivables are also subject to the impairment requirements of the applicable accounting standards, the identified impairment loss was immaterial and hence, it is not provided for.

Cash and cash equivalents

The cash and cash equivalents are held with banks. As at the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These banks have low credit risks. Hence, a loss allowance is not necessary.

(ii) Liquidity risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain credit facilities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

35. FINANCIAL INSTRUMENTS (Continued)

(b) Financial Risk Management Objectives and Policies (Continued)

(ii) Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on undiscounted contractual cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

Financial liabilities	Less than 1 year USD	Between 1 to 5 years USD	More than 5 years USD	Total USD
2024				
Group				
Trade payables	8,937	-	-	8,937
Other payables	1,476,714	-	-	1,476,714
Amount due to Directors	64,077	-	-	64,077
Bank borrowings	21,434	62,260	92,926	176,620
	1,571,162	62,260	92,926	1,726,348
2023				
Group				
Trade payables	13,720	-	-	13,720
Other payables	1,193,807	-	-	1,193,807
Amount due to Directors	107,454	-	-	107,454
Bank borrowings	24,935	15,646	116,962	157,543
	1,339,916	15,646	116,962	1,472,524
2024				
Company				
Other payables	5,937	-	-	5,937
Amount due to Directors	64,077	-	-	64,077
	70,014	-	-	70,014
2023				
Company				
Other payables	12,732	-	-	12,732
Amount due to Directors	23	-	-	23
	12,755	-	-	12,755

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

36. CAPITAL RISK MANAGEMENT

The consolidated group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated group is not actively pursuing additional investments in the short term as it continues integrate and grow its existing businesses in order to maximise synergies.

The consolidated group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

37. SEGMENT REPORTING

The Group is principally engaged in the manufacturing, supplying, importing, exporting of nano technology products, photo catalyst power, coating solutions and chemical solutions of every description and manufacturing, supplying, importing and exporting of engine oil products in Malaysia. For management purposes, the Group operates in one business unit based on its services and products, and has one reportable segment.

Since most of the Group's revenue was generated in Malaysia, no geographical information is presented.

38. CONTINGENCIES AND COMMITMENTS

The Group and the Company had neither contingent liabilities/assets nor any financial commitments as at 31 December 2024.

39. SIGNIFICANT EVENTS DURING REPORTING DATE

Material litigation

Tee Chong Teck & 32 others ("the Plaintiffs") and Nanopac (M) Sdn Bhd ("the Subsidiary")

On 17 January 2020, the Plaintiffs filed the writ to Shah Alam High Court against Nanopac Innovation Limited, Nanopac (M) Sdn Bhd ("the Subsidiary"), Cheng Kok Leong, Gain Angel International Sdn Bhd, Idia Investment Limited and Farid, Wong & Wee ("the defendants").

The Plaintiff was filed on the ground of the 6 defendants conspired to cheat through misrepresentation to the 32 plaintiffs. They claimed to nullify the agreement signed with the Company and request full compensation.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS AT 31 DECEMBER 2024

39. SIGNIFICANT EVENTS DURING REPORTING DATE (Continued)

Material litigation (Continued)

Tee Chong Teck & 31 others ("the Plaintiffs") and Nanopac (M) Sdn Bhd ("the Subsidiary") (Continued)

On 3 July 2020, the Subsidiary's legal representative, SP Ng & Associates have applied to strike out the case on behalf the Subsidiary and filed to the Shah Alam High Court for remove or cancel the legal action against the Subsidiary.

The plaintiffs have not filed for any interim or summary judgement and so the matter will go for full trial.

The previously fixed case management was on 25 November 2021, and the initial full trial dates were 29 and 30 November 2021. The lawyer had to postpone the trial due to the change of the court and judge for this case.

On 21 February 2022, the trial date was fixed and postponed again due to no High Court Judge available. In March 2022, the dates have been vacated, and new trial dates have not been fixed as we have to wait for a new judge to be assigned.

The Shah Alam High Court initially fixed the full trial of the suit for 8 to 11 October 2024. However, due to one of the plaintiffs being unable to attend and requesting a postponement, the trial has now been rescheduled to 28 April 2025.

The directors after obtain advice from their solicitor strongly believes that the Subsidiary is not held responsible for the alleged claimed. Accordingly, no provision has been made with regard this matter.

40. COMPARATIVE FIGURES

No comparative figures have been reclassified to conform to current financial year's format of presentation.

41. AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements are authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 25 MAR 2025

STOCK EXCHANGE INFORMATION

The shareholders information set out below was applicable as at 20 February 2025.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of Shareholders	**Number of shares held**
1 to 1,000	1	90
1,001 to 5,000	7	14,290
5,001 to 10,000	6	46,560
10,001 to 100,000	619	38,277,420
100,001 and over	454	652,695,740
Total	1,087	691,034,100

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

No.	**Shareholder**	**No. of Shares Held**	**% Held**
1	Dato' Dr. Cheng Kok Leong	152,211,720	22.027
2	BNP Paribas Nominess Pty Ltd ACF Clearstream	95,068,484	13.757
3	Cheng Kok Leong	85,535,601	12.378
4	Nanopac Co Ltd	60,000,000	8.683
5	Mrs Choy May Chan	36,184,913	5.236
6	Lee Tai Kyu	35,572,986	5.148
7	Ms Wai Yee Chin	10,000,000	1.447
8	Cheng Kok Leong	7,048,611	1.020
9	Lim Sam Teck	3,676,660	0.532
10	Boon Kim Tek	3,477,910	0.503
11	Ho Nyuk Lam	3,308,090	0.479
12	Lai Kok Voon	3,060,690	0.443
13	Lai Yin Ting	3,000,000	0.434
14	Yong Voon Kien	3,000,000	0.434
15	Tan Pei Sin	2,863,330	0.414
16	Mr Kiem Koon Leaw	2,654,600	0.384
17	Chong Chit Jin	2,517,680	0.364
18	Chang Chu Kian	2,363,190	0.342
19	Siah Kim Keong	2,256,920	0.327
20	Poh Geok Soo	1,979,980	0.287