

**ECU WORLDWIDE (MALAYSIA) SDN. BHD.**

(Incorporated in Malaysia)

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

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## **ECU WORLDWIDE (MALAYSIA) SDN. BHD.**

(Incorporated in Malaysia)

### **DIRECTORS' REPORT**

The directors hereby submit their report together with the audited financial statements of the Company for the financial year ended 31 December 2024.

### **PRINCIPAL ACTIVITY**

The principal activity of the Company is to carry on business as shipping and forwarding agents.

There have been no significant changes to the nature of this activity during the financial year.

### **FINANCIAL RESULTS**

	<b>RM</b>
Loss for the financial year	<b><u>(1,023,673)</u></b>

### **DIVIDENDS**

No dividends have been paid or declared by the Company since the end of the previous financial year and the directors do not recommend any dividend for the current financial year.

### **RESERVES AND PROVISIONS**

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

### **ISSUES OF SHARES AND DEBENTURES**

There were no issues of shares in or debentures of the Company during the financial year.

### **SHARE OPTIONS**

There were no share options granted to any person to take up unissued shares in the Company during the financial year.

### **DIRECTORS**

The directors of the Company in office at any time during the financial year and since the end of the financial year up to the date of this report are:

Lau Lai San (resigned on 28.02.2025)  
Savio Kurian Kannampuzha  
Prasanna Hegde  
Norhana Binti Maryan (resigned on 15.04.2024)

## **DIRECTORS' REPORT (CONT'D)**

### **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 of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the Directors as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than any deemed benefit which may arise from transactions as disclosed in Note 23 (III) to the financial statements.

### **DIRECTORS' REMUNERATIONS**

The amounts of the remunerations of the directors or past directors of the Company comprising remunerations received/receivable from the Company during the financial year are as follows:

	<b>RM</b>
Directors' defined contribution plans	<b>22,490</b>
Director's other emoluments	<b>2,582</b>
Directors' salaries and bonuses	<b>634,594</b>
	<b>659,666</b>

None of the directors or past directors of the Company have received any other benefits otherwise than in cash from the Company during the financial year.

No payment has been paid to or payable to any third party in respect of the services provided to the Company by the directors or past directors of the Company during the financial year.

### **DIRECTORS' INTERESTS**

None of the directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

### **OTHER STATUTORY INFORMATION**

Before the financial statements were made out, the directors took reasonable steps:

- I. to ascertain that action had been taken in relation to the writing-off of bad debts and the making of provision for doubtful debts and had satisfied themselves that all known bad debts had been written-off and that adequate provision had been made for doubtful debts; and
- II. to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Company have been written down to an amount which the current assets might be expected so to realise.

## **DIRECTORS' REPORT (CONT'D)**

### **OTHER STATUTORY INFORMATION (CONT'D)**

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

- I. which would render the amount written-off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; or
- II. which would render the values attributed to current assets in the financial statements misleading; or
- III. which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; or
- IV. not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements misleading.

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

- I. any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- II. any contingent liability which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the Company to meet its obligations when they fall due.

In the opinion of the directors:

- I. the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- II. there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

### **HOLDING COMPANY**

The Company is a wholly-owned subsidiary of Ecuhold N.V., a company incorporated in Belgium, which is also regarded by the directors as the ultimate holding company.

## **DIRECTORS' REPORT (CONT'D)**


### **AUDITORS**

The auditors, Messrs. Baker Tilly HYT have expressed their willingness to continue in office.

The auditors' remuneration of the Company for the financial year is RM45,000.

The Company has agreed to indemnify the auditors, Baker Tilly HYT as permitted under Section 289 of the Companies Act, 2016 in Malaysia.

Signed in accordance with a resolution of the directors.

  
\_\_\_\_\_  
**PRASANNA HEGDE**  
Director  
\_\_\_\_\_  
**SAVIO KURIAN KANNAMPUZHA**  
Director

Johor Bahru

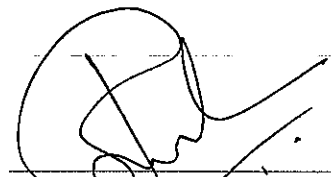
Dated: **30 MAY 2025**


**ECU WORLDWIDE (MALAYSIA) SDN. BHD.**  
(Incorporated in Malaysia)

**STATEMENT BY DIRECTORS**  
**Pursuant to Section 251 (2) of the Companies Act 2016**

In the opinion of the directors, the financial statements are drawn up in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2024 and of its financial performance and cash flows for the financial year then ended.

Signed in accordance with a resolution of the directors.

  
**PRASANNA HEGDE**  
Director

  
**SAVIO KURIAN KANNAMPUZHA**  
Director

Johor Bahru

Dated: **30 MAY 2025**

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

I, **PRASANNA HEGDE** (Passport No. Z6777582), the director primarily responsible for the financial management of **ECU WORLDWIDE (MALAYSIA) SDN. BHD.**, do solemnly and sincerely declare that the financial statements are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the  
abovenamed, **PRASANNA HEGDE**  
at Johor Bahru

on this date of **30 MAY 2025**

Before me,



  
**PRASANNA HEGDE**

**COMMISSIONER FOR OATHS** Lot 2C, Podium 2,  
Menara Ansar,  
No.65, Jalan Trus,  
80888 Ibrahim International Business Districts  
Johor

Baker Tilly HYT  
Chartered Accountants (AF 0218)  
(formerly known as  
Huang Yan Teo & Co.)  
38-02, Jalan Sri Pelangi 4,  
Taman Pelangi,  
80400 Johor Bahru, Johor,  
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info.jb@bakertilly.my  
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Registration No. 199801005158 (461285-K)

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ECU WORLDWIDE (MALAYSIA) SDN. BHD.**

(Incorporated in Malaysia)

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of ECU Worldwide (Malaysia) Sdn. Bhd., which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 10 to 35.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

#### **Basis for Opinion**

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

#### ***Independence and Other Ethical Responsibilities***

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Registration No. 199801005158 (461285-K)

**INDEPENDENT AUDITORS' REPORT (CONT'D)  
TO THE MEMBER OF ECU WORLDWIDE (MALAYSIA) SDN. BHD.**

(Incorporated in Malaysia)

**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 Company and our auditors' report thereon.

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

In connection with our audit of the financial statements of 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 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 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 Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of 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 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.

Registration No. 199801005158 (461285-K)

**INDEPENDENT AUDITORS' REPORT (CONT'D)  
TO THE MEMBER OF ECU WORLDWIDE (MALAYSIA) SDN. BHD.**

(Incorporated in Malaysia)

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of 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.

Registration No. 199801005158 (461285-K)


**INDEPENDENT AUDITORS' REPORT (CONT'D)**  
**TO THE MEMBER OF ECU WORLDWIDE (MALAYSIA) SDN. BHD.**  
(Incorporated in Malaysia)

**Other Matters**

- I. The financial statements of the Company for the financial year ended 31 December 2023 was audited by another firm of Chartered Accountants whose report thereon dated 28 June 2024 expressed an unmodified opinion on those financial statements.
- II. This report is made solely to the member of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to read "Baker Tilly", written in a cursive style.

**BAKER TILLY HYT**  
**Firm No.: AF 0218**  
**Chartered Accountants**

A handwritten signature in black ink, appearing to read "Huang Shze Jiun", written in a cursive style.

**HUANG SHZE JIUN**  
**02582/05/2026(J)**  
**Approved Company Auditor**

Dated: 30 May 2025  
Johor Bahru

**ECU WORLDWIDE (MALAYSIA) SDN. BHD.**  
(Incorporated in Malaysia)

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	<b>296,347</b>	378,751
Total non-current assets		<b>296,347</b>	378,751
<b>CURRENT ASSETS</b>			
Trade and other receivables	7	<b>3,823,313</b>	3,780,872
Amount due from related parties	8	<b>2,633,274</b>	4,914,342
Current tax assets		<b>772,560</b>	717,049
Cash and cash equivalents	9	<b>1,430,512</b>	646,144
Total current assets		<b>8,659,659</b>	10,058,407
<b>TOTAL ASSETS</b>		<b>8,956,006</b>	10,437,158
<b>EQUITY</b>			
Share capital	10	<b>600,000</b>	600,000
Retained profits	11	<b>536,789</b>	1,560,462
<b>TOTAL EQUITY</b>		<b>1,136,789</b>	2,160,462
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities	12	-	14,000
Lease liabilities	13	<b>6,697</b>	29,051
Total non-current liabilities		<b>6,697</b>	43,051
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	<b>7,196,043</b>	6,511,478
Amount due to related companies	8	<b>596,269</b>	1,704,106
Lease liabilities	13	<b>20,208</b>	18,061
Total current liabilities		<b>7,812,520</b>	8,233,645
<b>TOTAL LIABILITIES</b>		<b>7,819,217</b>	8,276,696
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,956,006</b>	10,437,158

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

**ECU WORLDWIDE (MALAYSIA) SDN. BHD.**  
(Incorporated in Malaysia)

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
Revenue	15	<b>56,868,447</b>	49,204,510
Cost of services		<u><b>(48,957,207)</b></u>	<u>(39,042,498)</u>
Gross profit		<b>7,911,240</b>	10,162,012
Other operating income		<b>77,706</b>	380,807
Administrative expenses		<b>(8,836,378)</b>	(8,551,508)
Selling and marketing expenses		<u><b>(186,278)</b></u>	<u>(215,855)</u>
(Loss)/Profit from operations		<b>(1,033,710)</b>	1,775,456
Finance costs	16	<u><b>(2,232)</b></u>	<u>(2,232)</u>
(Loss)/Profit before tax	17	<b>(1,035,942)</b>	1,773,224
Taxation	19	<u><b>12,269</b></u>	<u>(394,002)</u>
(Loss)/Profit for the financial year representing total comprehensive (loss)/income for the financial year		<u><b>(1,023,673)</b></u>	<u>1,379,222</u>

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

**ECU WORLDWIDE (MALAYSIA) SDN. BHD.**  
(Incorporated in Malaysia)

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>Note</b>	<b>Share Capital RM</b>	<b>Retained Profits RM</b>	<b>Total RM</b>
At 01 January 2023		600,000	7,471,240	8,071,240
Profit for the financial year		-	1,379,222	1,379,222
Dividends	21	-	(7,290,000)	(7,290,000)
<b>At 31 December 2023 / 01 January 2024</b>		<b>600,000</b>	<b>1,560,462</b>	<b>2,160,462</b>
<b>Loss for the financial year</b>		<b>-</b>	<b>(1,023,673)</b>	<b>(1,023,673)</b>
<b>At 31 December 2024</b>		<b>600,000</b>	<b>536,789</b>	<b>1,136,789</b>

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

**ECU WORLDWIDE (MALAYSIA) SDN. BHD.**  
(Incorporated in Malaysia)

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

	Note	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Loss)/Profit before tax		(1,035,942)	1,773,224
Adjustment for:			
Depreciation of property, plant and equipment		82,404	108,059
Reversal of impairment loss on receivables		(66,351)	(112,739)
Impairment loss on receivables		21,351	-
Unrealised loss on foreign exchange		118,305	-
Unrealised gain on foreign exchange		-	(242,656)
Interest expense		2,232	2,232
Interest income		(11,355)	(25,412)
Operating (loss)/profit before working capital changes		(889,356)	1,502,708
Changes in receivables		2,215,010	4,142,873
Changes in payables		(423,272)	372,578
Net change in operations		902,382	6,018,159
Interest paid		(2,232)	-
Interest received		-	842
Tax paid		(57,242)	(1,432,688)
Net change in operating activities		842,908	4,586,313
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		-	(101,331)
Change in fixed deposit pledged		(9,474)	-
Interest received		11,355	-
Net change in investing activities		1,881	(101,331)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of lease liabilities		(20,207)	(22,440)
Dividend paid		-	(7,290,000)
Net change in financing activities		(20,207)	(7,312,440)

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

**ECU WORLDWIDE (MALAYSIA) SDN. BHD.**  
(Incorporated in Malaysia)

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	Note	2024 RM	2023 RM
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>824,582</b>	<b>(2,827,458)</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>		<b>(49,688)</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>		<b>307,977</b>	<b>3,135,435</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	I	<b>1,082,871</b>	<b>307,977</b>

**NOTE**

**I. Cash and cash equivalents**

Cash and cash equivalents included in the statement above comprise the following amounts:

	2024 RM	2023 RM
Cash and bank balances	<b>1,082,871</b>	307,977
Fixed deposit with licensed bank	<b>347,641</b>	338,167
	<b>1,430,512</b>	646,144
Fixed deposit pledged to bank	<b>(347,641)</b>	(338,167)
	<b>1,082,871</b>	307,977

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

**ECU WORLDWIDE (MALAYSIA) SDN. BHD.**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**1. GENERAL INFORMATION**

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The registered office is located at 27-5, Menara 1MK, No 1 Jalan Kiara, Mont Kiara, 50480 Kuala Lumpur, Selangor.

The principal place of business is located at A-8-1, 8TH Floor, South Tower (Tower A) BBT OneTowers, Lebuhraya Batu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor.

The principal activity of the Company is to carry on business as shipping and forwarding agents. There have been no significant changes to the nature of this activity during the financial year.

The holding company of the Company is Ecuhold N.V., a company registered and domiciled in Belgium.

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

The financial statements were authorised for issue by the Board of Directors on declaration date.

**2. COMPLIANCE WITH FINANCIAL REPORTING STANDARDS AND THE COMPANIES ACT 2016**

The financial statements of the Company have been prepared in compliance with the Malaysian Private Entities Reporting Standard ("MPERS") issued by the Malaysian Accounting Standards Board ("MASB") and requirements of the Companies Act 2016 in Malaysia.

**3. BASIS OF PREPARATION**

The financial statements of the Company have been prepared on the historical cost basis except as otherwise stated in the financial statements.

Management has used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reported period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts. The areas involving significant judgements and estimation uncertainties are disclosed in Note 5 to the financial statements.

#### 4. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are set out below:

##### 4.1 Property, Plant and Equipment

Operating tangible assets that are used for more than one accounting period in the production and supply of goods and services, for administrative purposes are recognised as property, plant and equipment when the Company obtains control of the asset. These assets are measured on the cost model. The assets, including major spares, stand-by equipment and servicing equipment, are classified into appropriate classes based on their nature. Any subsequent replacement of a significant component in an existing asset is capitalised as a new component in the asset and the old component is derecognised.

All property, plant and equipment are initially measured at cost. For a purchased asset, cost comprises purchase price plus all directly attributable costs incurred in bringing the asset to its present location and condition for management's intended use. For a self-constructed asset, cost comprises all direct and indirect costs of construction (including provision for restoration and cost of major inspection) but excludes internal profits. For an exchange of non-monetary asset that has a commercial substance, cost is measured by reference to the fair value of the asset received. For an asset transferred from a customer or a grantor, cost is measured by reference to the fair value of the asset.

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

All property, plant and equipment are depreciated by allocating the depreciable amount of a significant component or of an item over the remaining useful life. The depreciation is provided on straight-line method so as to write off the depreciable amount of the following assets based on the depreciation rates as follows:

	<b>Rate</b>
Furniture and fittings	20 %
Motor vehicle	20 %
Office equipment	20 % - 33 %
Renovation	20 %

At the end of each reporting period, the residual values, useful lives and depreciation methods for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current period.

##### 4.2 Impairment of Non-Financial Assets

An impairment loss arises when the carrying amount of a Company's asset exceeds its recoverable amount.

At the end of each reporting date, the Company assesses whether there is any indication that a stand-alone asset or a cash-generating unit may be impaired by using external and internal sources of information. If any such indication exists, the Company estimates the recoverable amount of the asset or cash-generating unit.

#### **4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

##### **4.2 Impairment of Non-Financial Assets (Cont'd)**

If an individual asset generates independent cash inflows, it is tested for impairment as a stand-alone asset. If an asset does not generate independent cash inflows, it is tested for impairment together with other assets in a cash-generating unit, at the lowest level in which independent cash inflows are generated and monitored for internal management purposes.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and the value in use. The Company determines the fair value less costs to sell of an asset or a cash-generating unit in a hierarchy based on: (i) price in a binding sale agreement; (ii) market price traded in an active market; and (iii) estimate of market price using the best information available. The value in use is estimated by discounting the net cash inflows (by an appropriate discount rate) of the asset or unit, using reasonable and supportable management's budgets and forecasts of five years and extrapolation of cash inflows for periods beyond the five-year forecast or budget.

For an asset measured on a cost-based model, any impairment loss is recognised in profit or loss.

For a cash-generating unit, any impairment loss is allocated to the assets of the unit pro rata based on the relative carrying amounts of the assets.

The Company reassesses the recoverable amount of an impaired asset or a cash-generating unit if there is any indication that an impairment loss recognised previously may have reversed. Any reversal of impairment loss for an asset carried at a cost-based model is recognised in profit or loss, subject to the limit that the revised carrying amount does not exceed the amount that would have been determined had no impairment loss been recognised previously.

##### **4.3 Financial Instruments**

###### **I. Initial Recognition and Measurement**

The Company recognises a financial asset or a financial liability (including derivative instruments) in the statement of financial position when, and only when, an entity in the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial assets and financial liabilities are measured at fair value, which is generally the transaction price, plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

#### **4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

##### **4.3 Financial Instruments (Cont'd)**

###### **II. Derecognition of Financial Instruments**

A financial asset is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Company transfers the contractual rights to receive cash flows of the financial asset, including circumstances when the Company acts only as a collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. For this purpose, the Company considers a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate is different by 10% or more when compared with the carrying amount of the original liability.

###### **III. Subsequent Measurement of Financial Assets**

For the purpose of subsequent measurement, the Company classifies financial assets into two categories, namely: (i) financial assets at fair value through profit or loss, and (ii) financial assets at amortised cost.

After initial recognition, the Company measures investments in preference shares, ordinary shares and derivatives that are assets at their fair values by reference to the active market prices, if observable, or otherwise by a valuation technique, without any deduction for transaction costs it may incur on sale or other disposal.

Investments in debt instruments, whether quoted or unquoted, are subsequently measured at amortised cost using the effective interest method. Investments in unquoted equity instruments and whose fair value cannot be reliably measured are measured at cost.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 4.3(VII).

###### **IV. Subsequent Measurement of Financial Liabilities**

After initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

###### **V. Fair Value Measurement of Financial Instruments**

The fair value of a financial asset or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique using reasonable and supportable assumptions.

#### **4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

##### **4.3 Financial Instruments (Cont'd)**

###### **VI. Recognition of Gains and Losses**

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognised in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired, and through the amortisation process of the instrument.

###### **VII. Impairment and Uncollectibility of Financial Assets**

At the end of each reporting period, the Company examines whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Evidences of trigger loss events include: (i) significant difficulty of the issuer or obligor; (ii) a breach of contract, such as a default or delinquency in interest or principal payment; (iii) granting exceptional concession to a customer, (iv) it is probable that a customer will enter bankruptcy or other financial reorganisation, (v) the disappearance of an active market for that financial asset because of financial difficulties; or (vi) any observable market data indicating that there may be a measurable decrease in the estimated future cash flows from a group of financial assets.

For a non-current loan and receivable carried at amortised cost, the revised estimated cash flows are discounted at the original effective interest rate. Any impairment loss is recognised in profit or loss and a corresponding amount is recorded in an allowance account. Any subsequent reversal of impairment loss of the financial asset is reversed in profit or loss with a corresponding adjustment to the allowance account, subject to the limit that the reversal should not result in the revised carrying amount of the financial asset exceeding the amount that would have been determined had no impairment loss been recognised previously.

For short-term trade and other receivables, where the effect of discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due periods. A collective allowance is estimated for a class group based on the Company's experience of loss ratio in each class, taking into consideration current market conditions.

For an unquoted equity investment measured at cost less impairment, the impairment is the difference between the asset's carrying amount and the best estimate (which will necessarily be an approximation) of the amount (which might be zero) that the Company expects to receive for the asset if it were sold at the reporting date. The Company may estimate the recoverable amount using an adjusted net asset value approach.

#### **4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

##### **4.4 Share Capital and Distributions**

###### **I. Share Capital**

Ordinary shares issued that carry no put option and no mandatory contractual obligation: (i) to deliver cash or another financial asset; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company, are classified as equity instruments.

When ordinary shares and other equity instruments are issued in private placement or in a rights issue to existing shareholder, they are recorded at the issue price. For ordinary shares and other equity instruments issued in exchange for non-monetary assets, they are measured by reference to the fair values of the assets received.

When ordinary shares and other equity instruments are issued as consideration transferred in a business combination or as settlement of an existing financial liability, they are measured at fair value at the date of the exchange transaction.

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax effect.

###### **II. Distributions**

Distributions to holders of an equity instrument are debited directly in equity, net of any related income tax effect.

A dividend declared is recognised as a liability only after it has been appropriately authorised, which is the date when the Board of Directors declares an interim dividend, or in the case of a proposed final dividend, the date the shareholder of the Company approve the proposed final dividend in an annual general meeting of shareholder. For a distribution of non-cash assets to owners, the Company measures the dividend payable at the fair value of the assets to be distributed.

##### **4.5 Provisions**

The Company recognises a liability as a provision if the outflows required to settle the liability are uncertain in timing or amount.

A provision for warranty costs, restoration costs, restructuring costs, onerous contracts or lawsuit claims is recognised when the Company has a present legal or constructive obligation as a result of a past event, and of which the outflows of resources on settlement are probable and a reliable estimate of the amount can be made. No provision is recognised if these conditions are not met.

Any reimbursement attributable to a recognised provision from a counter-party (such as an insurer) is not off-set against the provision but recognised separately as an asset when, and only when, the reimbursement is virtually certain.

#### **4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

##### **4.5 Provisions (Cont'd)**

A provision is measured at the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. For a warranty provision, a probability-weighted expected outcome of the resources required to settle the obligation is applied, taking into account the Company's experience of similar transactions and supplemented with current facts and circumstances. For a restoration provision, where a single obligation is being measured, the Company uses the individual most likely outcome as the best estimate of the liability by reference to current prices that contractors would charge to undertake such obligations, and taking into account likely future events that may affect the amount required to settle an obligation. For an onerous contract, a provision is measured based on the amount by which costs to fulfil the contract exceed the benefits. For a lawsuit provision, a probability-weighted expected outcome is applied in the measurement, taking into account past court judgements made in similar cases and advice of legal experts.

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.

##### **4.6 Income Recognition**

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably.

###### **I. Revenue from services**

Revenue from freight and forwarding services are recognised upon the completion of the service rendered..

###### **II. Interest income**

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

##### **4.7 Employment Benefits**

The Company recognises a liability when an employee has provided service in exchange for employee benefits to be paid in the future and an expense when the Company consumes the economic benefits, arising from service provided by an employee in exchange for employee benefits.

###### **I. Short-Term Employee Benefits**

Wages and salaries are usually accrued and paid on a monthly basis and are recognised as expenses, unless they relate to cost of producing inventories or other assets.

Paid absences (annual leave, maternity leave, paternity leave, sick leave etc.) are accrued in each period if they are accumulating paid absences that can be carried forward, or in the case of non-accumulating paid absences, recognised as and when the absences occur.

#### **4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

##### **4.7 Employment Benefits (Cont'd)**

###### **I. Short-Term Employee Benefits (Cont'd)**

Profit sharing and bonus payments are recognised when, and only when, the Company has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

###### **II. Post-Employment Benefits - Defined Contribution Plans**

The Company makes statutory contributions to approved provident funds and the contributions made are charged to profit or loss in the period to which they relate. When the contributions have been paid, the Company has no further payment obligations.

##### **4.8 Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less and are used by the Company in the management of their short-term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value and are used by the Company in the management of their short-term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

##### **4.9 Tax Assets and Tax Liabilities**

A current tax for current and prior periods, to the extent unpaid, is recognised as a current tax liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as a current tax asset. A current tax liability (asset) is measured at the amount the entity expects to pay (recover) using tax rates and laws that have been enacted or substantially enacted by the reporting date.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from: (a) the initial recognition of goodwill; or (b) 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 profit nor taxable profit (or tax loss). The exceptions for initial recognition differences include items of property, plant and equipment that do not qualify for capital allowances and acquired intangible assets that are not deductible for tax purposes.

#### **4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

##### **4.9 Tax Assets and Tax Liabilities (Cont'd)**

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affect neither accounting profit nor tax taxable profit (or tax loss). The exceptions for the initial recognition differences include non-taxable government grants received and reinvestment allowances and investment tax allowances on qualifying property, plant and equipment.

A deferred tax asset is recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Unused tax credits do not include unabsorbed reinvestment allowances and unabsorbed investment tax allowances because the Company treats these as part of initial recognition differences.

Deferred taxes are measured using tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred taxes reflect the tax consequences that would follow from the manner in which an entity in the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities. For an investment property measured at fair value, the Company does not have a business model to hold the property solely for rental income, and hence, the deferred liability on the fair value gain is measured based on the presumption that the property is recovered through sale at the end of the reporting period.

At the end of each reporting period, the carrying amount of a deferred tax asset is reviewed, and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax to be utilised. Any such reduction will be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

A current or deferred tax is recognised as income or expense in profit or loss for the period. For items recognised directly in equity, the related tax effect is also recognised directly in equity.

##### **4.10 Borrowing Costs**

Borrowing costs of the Company include interest on loans, finance lease liabilities and interest expense of other debt instruments calculated using the effective interest method. All borrowing costs are recognised as an expense when incurred.

##### **4.11 Finance and Operating Lease**

The Company recognises a lease whenever there is an agreement, whether explicitly stated as a lease or otherwise, whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. Title may or may not eventually be transferred. All other leases that do not meet this criterion are classified as operating leases.

#### **4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

##### **4.11 Finance and Operating Lease (Cont'd)**

If an entity in the Company is a lessee, it capitalises the underlying asset and the related lease liability in a finance lease. The amount recognised at the commencement date is the fair value of the underlying leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine; if not, the lessee's incremental borrowing rate is used. Any initial direct costs of the lease are added to the amount recognised as an asset.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are classified by nature and accounted for in accordance with applicable Standard in MPERS. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the lease term and its useful life.

For operating lease, a lessee in the Company does not capitalise the underlying leased asset or recognise a lease liability. Instead, lease payments under an operating lease are recognised as an expense on the straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

##### **4.12 Foreign Currency**

###### **I. Foreign Currency ~ Foreign Currency Transactions**

The Company determines its functional currency (a currency of the primary economic environment in which the entity operates) and measures its results and financial position in that functional currency.

###### **Translation of Foreign Currency Transactions**

The transactions denominated in foreign currencies are translated and recorded at the rates of exchange prevailing at the respective dates of transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the period (i.e. the closing rates). Non-monetary items carried at fair values that are denominated in foreign currencies are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items that are measured at their historical cost amounts continue to be translated at their respective historical rates and are not retranslated.

All exchange differences arising on settled transactions and on unsettled monetary items are recognised in profit or loss in the period except for: (i) loans and advances that form part of the net investment in a foreign operation; and (ii) transactions entered into in order to hedge foreign currency risks of net investments in foreign operations.

## **5. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES**

### **5.1 Judgements and Assumptions Applied**

In the selection of accounting policies for the Company, the areas that require significant judgements and assumptions are as follows:

#### **I. Classification of Finance and Operating Lease**

The Company classifies a lease as a finance lease or an operating lease based on the criterion of the extent to which significant risks and rewards incident to ownership of the underlying asset lie. As a lessee, the Company recognises a lease as a finance lease if it is exposed to significant risks and rewards incident to ownership of the underlying asset. In applying judgements, the Company considers whether there is significant economic incentive to exercise a purchase option and any optional renewal periods. A lease is classified as a finance lease if the lease term is for at least 75% of the remaining economic life of the underlying asset, the present value of lease payments is at least 90% of the fair value of the underlying asset, or the identified asset in the lease is a specialised asset which can only be used substantially by the lessee. All other leases that do not result in a significant transfer of risks and rewards are classified as operating leases. The Company classifies a lease of land as a finance lease if the fair value of the leasehold land is 90% or more of the fair value of an equivalent freehold land or if the lease period, determined at the inception of the lease, is 50 years or more. Leases of land that do not meet any of these criteria are classified as operating leases.

### **5.2 Sources of Estimation Uncertainties**

The measurement of some assets and liabilities requires management to use estimates based on various observable inputs and other assumptions. The areas or items that are subject to significant estimation uncertainties of the Company are as follows:

#### **I. Measurement of a Provision**

The Company uses a "best estimate" as the basis for measuring a provision. Management evaluates the estimates based on the Company's historical experiences and other inputs or assumptions, current developments and future events that are reasonably possible under the particular circumstances. In the case when a provision relates to large population of customers (such as a warranty provision), a probability-weighted estimate of the outflows required to settle the obligation is used. In the case of a single estimate (such as a provision for environmental restoration costs), a referenced contractor's price or market price is used as the best estimate. If an obligation is to be settled over time, the expected outflows are discounted at a rate that takes into account the time value of money and the risk that the actual outcome might differ from the estimates made. The actual outcome may differ from the estimate made and this may have a significant effect on the Company's financial position and results.

## **5. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES (CONT'D)**

### **5.2 Sources of Estimation Uncertainties (Cont'd)**

#### **II. Determining the Value-in-Use**

In determining the value-in-use of a stand-alone asset or cash-generating unit, management uses reasonable and supportable inputs about sales, cost of sales and other expenses based upon past experience, current events and reasonably possible future developments. Cash flows are projected based on those inputs and discounted at an appropriate discount rate(s). The actual outcome or event may not coincide with the inputs or assumptions and the discount rate applied in the measurement, and this may have a significant effect on the Company's financial position and results.

#### **III. Loss Allowances of Financial Assets**

The Company recognises impairment losses for loans and receivables using the incurred loss model. Individually significant loans and receivables are tested for impairment separately by estimating the cash flows expected to be recoverable. All other loans and receivables are categorised into credit risk classes and tested for impairment collectively, using the Company's past experience of loss statistics, ageing of past due amounts and current economic trends. The actual eventual losses may be different from the allowance made and this may affect the Company's financial position and results.

#### **IV. Depreciation of Property, Plant and Equipment**

The cost of an item of property, plant and equipment is depreciated on the straight-line method or another systematic method that reflects the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment may differ from the estimates applied and this may lead to a gain or loss on an eventual disposal of an item of property, plant and equipment.

#### **V. Measurement of Income Taxes**

Significant judgement is required in determining the Company's provision for current and deferred taxes because the ultimate tax liability for the Company is uncertain. When the final outcome of the taxes payable is determined with the tax authorities, the amounts might be different for the initial estimates of the taxes payables. Such differences may impact the current and deferred taxes in the period when such determination is made. The Company will adjust for the differences as over or under-provision of current or deferred taxes in the current period in which those differences arise.

**6. PROPERTY, PLANT AND EQUIPMENT**

	<b>At 01.01.2024 RM</b>	<b>Additions RM</b>	<b>Disposals RM</b>	<b>At 31.12.2024 RM</b>
<b>Cost</b>				
Furniture and fittings	226,536	-	-	<b>226,536</b>
Motor vehicle	152,844	-	-	<b>152,844</b>
Office equipment	826,038	-	-	<b>826,038</b>
Renovation	427,834	-	-	<b>427,834</b>
	<u>1,633,252</u>	<u>-</u>	<u>-</u>	<u><b>1,633,252</b></u>

	<b>At 01.01.2024 RM</b>	<b>Current Charge RM</b>	<b>Disposals RM</b>	<b>At 31.12.2024 RM</b>
<b>Accumulated Depreciation</b>				
Furniture and fittings	223,595	1,025	-	<b>224,620</b>
Motor vehicle	71,783	16,582	-	<b>88,365</b>
Office equipment	771,410	20,584	-	<b>791,994</b>
Renovation	187,713	44,213	-	<b>231,926</b>
	<u>1,254,501</u>	<u>82,404</u>	<u>-</u>	<u><b>1,336,905</b></u>

	<b>2024 RM</b>	<b>2023 RM</b>
<b>Carrying Amount</b>		
Furniture and fittings	<b>1,916</b>	2,941
Motor vehicle	<b>64,479</b>	81,061
Office equipment	<b>34,044</b>	54,628
Renovation	<b>195,908</b>	240,121
	<u><b>296,347</b></u>	<u>378,751</u>

	<b>2024 RM</b>	<b>2023 RM</b>
Carrying amount of property, plant and equipment acquired under finance lease facilities:		
- Motor vehicle	<u><b>66,500</b></u>	<u>83,080</u>

## 7. TRADE AND OTHER RECEIVABLES

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Trade receivables (a)	<b>3,135,070</b>	2,764,253
Less: Accumulated impairment loss (b)	<b>(44,218)</b>	(89,218)
	<b>3,090,852</b>	2,675,035
Other receivables	<b>498,564</b>	825,615
Deposits	<b>173,377</b>	187,509
Prepayments	<b>60,520</b>	92,713
	<b>3,823,313</b>	3,780,872

- (a) The Company's normal trade credit term is 30 to 60 days (2023: 30 to 60 days).

The Company has no significant concentration of credit risk that may arise from the exposures to as single debtor or to group of debtors.

- (b) Receivables that are impaired

The Company's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
At 1 January	<b>89,218</b>	201,957
Charge for the financial year	<b>21,351</b>	-
Reversal of impairment losses	<b>(66,351)</b>	(112,739)
At 31 December	<b>44,218</b>	89,218

## 8. AMOUNT DUE FROM/(TO) RELATED PARTIES

The amounts due from/(to) related companies, which are mainly trade in nature, are unsecured, interest free and repayable within 60 days (2023: 60 days) from invoice date.

## 9. CASH AND CASH EQUIVALENTS

The Company's cash management policy is to use cash and bank balances to manage cash flows to ensure sufficient liquidity to meet the Company's obligations.

The components of cash and cash equivalents consist of:

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Cash and bank balances	<b>1,082,871</b>	307,977
Fixed deposit with licensed bank	<b>347,641</b>	338,167
	<b>1,430,512</b>	646,144

The fixed deposit with licensed bank is pledged as security for the bank guarantee facilities.

## 10. SHARE CAPITAL

	<b>2024</b>		<b>2023</b>	
	<b>Number of Shares Unit</b>	<b>Amount of Shares RM</b>	<b>Number of Shares Unit</b>	<b>Amount of Shares RM</b>
Issued and fully paid ordinary shares:				
At beginning and end of the financial year	<b>600,000</b>	<b>600,000</b>	600,000	600,000

## 11. RETAINED PROFITS

The retained profits of the Company are available for distributions by way of cash dividends or dividends in specie. Under the single-tier system of taxation, dividends payable to shareholder are deemed net of income taxes. There are no potential income tax consequences that would result from the payment of dividends to shareholder.

## 12. DEFERRED TAX LIABILITIES

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Balance brought forward	<b>14,000</b>	(47,000)
Recognised in comprehensive income	<b>(14,000)</b>	61,000
Balance carried forward	<b>-</b>	14,000

**12. DEFERRED TAX LIABILITIES (CONT'D)**

Movement in temporary differences during the financial year:

	01.01.2024 RM	Recognised in comprehensive income RM	31.12.2024 RM
<b>Deferred tax liabilities</b>			
Accelerated capital allowances	12,000	(12,000)	-
Other deductible expenses	2,000	(2,000)	-
	<u>14,000</u>	<u>(14,000)</u>	<u>-</u>

Details of deferred tax assets not recognised by the Company as at the end of the current financial year are disclosed in Note 20.

**13. LEASE LIABILITIES**

	2024 RM	2023 RM
Future lease payments payable:		
Not later than 1 year	19,464	22,440
Later than 1 year but not later than 5 years	<u>7,441</u>	<u>29,881</u>
Total future minimum lease payments	26,905	52,321
Less: Future finance charges	<u>-</u>	<u>(5,209)</u>
Present value of minimum lease payments	26,905	47,112
Payment due within 12 months as current	<u>(20,208)</u>	<u>(18,061)</u>
Non-current portion of lease liabilities	<u>6,697</u>	<u>29,051</u>

The effective interest rate of the lease is 4.20% (2023: 4.20%) per annum.

**14. TRADE AND OTHER PAYABLES**

	2024 RM	2023 RM
Trade payables	2,064,472	2,157,009
Non-trade payables	223,822	216,539
Accruals	<u>4,907,749</u>	<u>4,137,930</u>
	<u>7,196,043</u>	<u>6,511,478</u>

The normal credit terms granted to the Company is ranging from 30 to 45 days (2023: 30 to 45 days).

**15. REVENUE**

Revenue represents invoiced value of freight and forwarding services which are recognised upon the completion of the services rendered.

**16. FINANCE COSTS**

	<b>2024</b>	2023
	<b>RM</b>	RM
Finance lease interest	<u><b>2,232</b></u>	<u>2,232</u>

**17. (LOSS)/PROFIT BEFORE TAX**

(Loss)/Profit before tax is arrived at:

	<b>2024</b>	2023
	<b>RM</b>	RM
After charging:		
- Audit fee	<b>45,000</b>	66,217
- Depreciation of property, plant and equipment	<b>82,404</b>	108,059
- Employee benefits expenses (Note 18)	<b>4,125,042</b>	4,585,682
- Hire of office equipment	<b>27,368</b>	22,690
- Impairment loss on receivables	<b>21,351</b>	-
- Management fee	<b>2,520,651</b>	2,981,010
- Office rental	<b>233,444</b>	232,148
- Realised loss on foreign exchange	<b>92,236</b>	19,576
- Rental of parking space	<b>5,779</b>	9,875
- Rental of storage place	<b>10,664</b>	10,040
- Unrealised loss on foreign exchange	<b>118,305</b>	-
and crediting:		
- Interest income	<b>(11,355)</b>	(25,412)
- Reversal of impairment loss on receivables	<b>(66,351)</b>	(112,739)
- Unrealised gain on foreign exchange	<u><b>-</b></u>	<u>(242,656)</u>

**18. EMPLOYEE BENEFITS EXPENSES**

	<b>2024 RM</b>	<b>2023 RM</b>
Staffs' defined contribution plans	<b>359,926</b>	377,023
Staffs' employment insurance system	<b>4,253</b>	4,562
Staffs' salaries and allowances	<b>3,063,565</b>	3,493,902
Staffs' SOCSO	<b>37,632</b>	41,694
	<b>3,465,376</b>	3,917,181
Directors' defined contribution plans	<b>22,490</b>	19,584
Directors' other emoluments	<b>2,582</b>	2,644
Directors' salaries and bonuses	<b>634,594</b>	646,273
	<b>659,666</b>	668,501
	<b>4,125,042</b>	4,585,682

**19. TAXATION**

	<b>2024 RM</b>	<b>2023 RM</b>
Income tax:		
- Current year's provision	-	327,000
- Under provision in prior year	<b>1,731</b>	6,002
	<b>1,731</b>	333,002
Deferred tax:		
- Origination and reversal of temporary differences	<b>(14,000)</b>	119,000
- Over provision in prior year	-	(58,000)
	<b>(14,000)</b>	61,000
Tax (credit)/expense	<b>(12,269)</b>	394,002

The significant differences between the tax credit/expense and accounting (loss)/profit multiplied by the statutory tax rate are due to the tax effects arising from the following items:

	<b>2024 RM</b>	<b>2023 RM</b>
(Loss)/Profit before tax	<b>(1,035,942)</b>	1,773,224
Tax at Malaysian statutory tax rate of 24%	<b>(248,626)</b>	425,574
Non-deductible expenses	<b>43,007</b>	20,426
Income not subject to tax	<b>15,924</b>	-
Temporary differences not recognised	<b>175,695</b>	-
Under provision of income tax in prior year	<b>1,731</b>	6,002
Over provision of deferred tax in prior year	-	(58,000)
Tax (credit)/expense	<b>(12,269)</b>	394,002

**20. UNRECOGNISED DEFERRED TAX ASSETS**

Deferred tax assets in respect of the unabsorbed tax losses and capital allowances are only recognised to the extent sufficient to offset against the deferred tax liabilities attributable to the property, plant and equipment.

Deferred tax assets unrecognised as at the reporting date are as follow:

	<b>2024 RM</b>	<b>2023 RM</b>
Unabsorbed business losses	<b>149,963</b>	-
Unutilised capital allowances	<b>27,274</b>	-
	<b>177,237</b>	-

**21. DIVIDENDS**

	<b>2024 RM</b>	<b>2023 RM</b>
- First interim dividend for the financial year ended 31 December 2023: RM7.50 per ordinary share	-	4,500,000
- Second interim dividend for the financial year ended 31 December 2023: RM4.65 per ordinary share	-	2,790,000
	-	7,290,000

**22. CATEGORIES OF FINANCIAL INSTRUMENTS**

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

(a) Financial assets and financial liabilities measured at amortised cost (AC).

	<b>AC RM</b>	<b>Carrying Amount RM</b>
<b>2024</b>		
<b><u>Financial Assets</u></b>		
Trade and other receivables	<b>3,823,313</b>	<b>3,823,313</b>
Amount due from related parties	<b>2,633,274</b>	<b>2,633,274</b>
Cash and cash equivalents	<b>1,430,512</b>	<b>1,430,512</b>
Total financial assets	<b>7,887,099</b>	<b>7,887,099</b>
<b><u>Financial Liabilities</u></b>		
Lease liabilities	<b>26,905</b>	<b>26,905</b>
Trade and other payables	<b>7,196,043</b>	<b>7,196,043</b>
Amount due to related companies	<b>596,269</b>	<b>596,269</b>
Total financial liabilities	<b>7,819,217</b>	<b>7,819,217</b>

**22. CATEGORIES OF FINANCIAL INSTRUMENTS (CONT'D)**

	<b>AC RM</b>	<b>Carrying Amount RM</b>
2023		
<b><u>Financial Assets</u></b>		
Trade and other receivables	3,780,872	3,780,872
Amount due from related parties	4,914,342	4,914,342
Cash and cash equivalents	646,144	646,144
Total financial assets	<u>9,341,358</u>	<u>9,341,358</u>
<b><u>Financial Liabilities</u></b>		
Lease liabilities	47,112	47,112
Trade and other payables	6,511,478	6,511,478
Amount due to related companies	1,704,106	1,704,106
Total financial liabilities	<u>8,262,696</u>	<u>8,262,696</u>

**23. RELATED PARTY DISCLOSURES****I. Control Relationships**

As disclosed in Note 1, the Company's parent is Ecuhold N.V. (registered and domiciled in Belgium), which owns 100.00% of the Company's ordinary shares.

**II. Key Management Personnel Compensation**

The Company's directors and other key management personnel compensation, including compensation paid to management entities that provide key management personnel services, for the financial year ended 31 December 2024 and comparative prior financial year are as follows:

	<b>2024 RM</b>	<b>2023 RM</b>
Directors' defined contribution plans	<b>22,490</b>	19,584
Directors' other emoluments	<b>2,582</b>	2,644
Directors' salaries and bonuses	<b>634,594</b>	646,273
	<u><b>659,666</b></u>	<u>668,501</u>

**23. RELATED PARTY DISCLOSURES (CONT'D)**

III. Related Party Transaction

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Related companies		
- Management fee paid to related companies	<b>(2,520,651)</b>	(2,981,010)
- Services rendered by related companies	<b>(12,419,935)</b>	(12,639,075)
- Services rendered to related companies	<b>23,206,536</b>	17,442,853
	<b><u>8,265,950</u></b>	<b><u>1,822,768</u></b>