

ILB GROUP BERHAD

ANNUAL REPORT 2023



199101019353 (229690-K)

No. 6, Jalan Sungai Buloh 27/101A, Seksyen 27, 40400 Shah Alam, Selangor Darul Ehsan  
Tel +603-5614 2555 Fax +603-5614 3848



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# Annual Report 2023

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Tang Ming Yng

Chairman (Note 1)  
Executive Director

### Tang Weihann

Chief Executive Officer (Note 2)  
Executive Director

### Tee Tuan Sem

Non-Independent Non-Executive Director  
(Note 3)

### Datuk Karownikaran @ Karunikaran Ramasamy

Chairman (Note 4)  
Non-Independent Non-Executive Director

### Makoto Takahashi

Chief Executive Officer (Note 5)  
Executive Director

### Wan Azfar bin Dato' Wan Annuar

Independent Non-Executive Director

### Dato' Wan Hashim bin Wan Jusoh

Independent Non-Executive Director

### Soh Eng Hooi

Independent Non-Executive Director

### Jamilah binti Kamal

Independent Non-Executive Director

## Notes

1. Appointed as Executive Chairman with effect from 5 February 2024
2. Appointed as Chief Executive Officer with effect from 1 April 2024
3. Re-designated as Non-Independent Non-Executive Director with effect from 31 March 2024
4. Retired as Non-Independent Non-Executive Chairman with effect from 5 February 2024
5. Retired as Chief Executive Officer & Executive Director with effect from 31 March 2024

## AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman

**Soh Eng Hooi**

Member

**Wan Azfar bin Dato' Wan Annuar**  
**Dato' Wan Hashim bin Wan Jusoh**

## NOMINATION AND REMUNERATION COMMITTEE

Chairman

**Wan Azfar bin Dato' Wan Annuar**

Member

**Soh Eng Hooi**  
**Dato' Wan Hashim bin Wan Jusoh**

## COMPANY SECRETARY

### Wong Youn Kim

MAICSA 7018778  
SSM PC No. 201908000410

### Ching Chun Keong

MAICSA 7073630  
SSM PC No. 202308000092

## REGISTERED OFFICE

No. 6, Jalan Sungai Buloh 27/101A  
Seksyen 27, 40400 Shah Alam  
Selangor Darul Ehsan

Tel : 03-5614 2555

Fax : 03-5614 3848

Email : investorrelation@ilb.com.my

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia  
Securities Berhad  
Stock Code: 5614

## SHARE REGISTRAR

### Boardroom Share Registrars Sdn Bhd

11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan

Tel : 03-7890 4700 (Helpdesk)

Fax : 03-7890 4670

Email : bsr.helpdesk@boardroomlimited.com

## AUDITORS

### Messrs Baker Tilly Monteiro Heng PLT

LLP0019411-LCA & AF 0117  
Chartered Accountants  
Level 10, Tower 1, Avenue 5  
Bangsar South City  
59200 Kuala Lumpur

## SOLICITORS

### Messrs Kadir, Andri & Partners

Suite A-38-8, Level 38  
Menara UOA Bangsar  
No. 5, Jalan Bangsar Utama 1  
59000 Kuala Lumpur

## PRINCIPAL BANKERS

### Malayan Banking Berhad

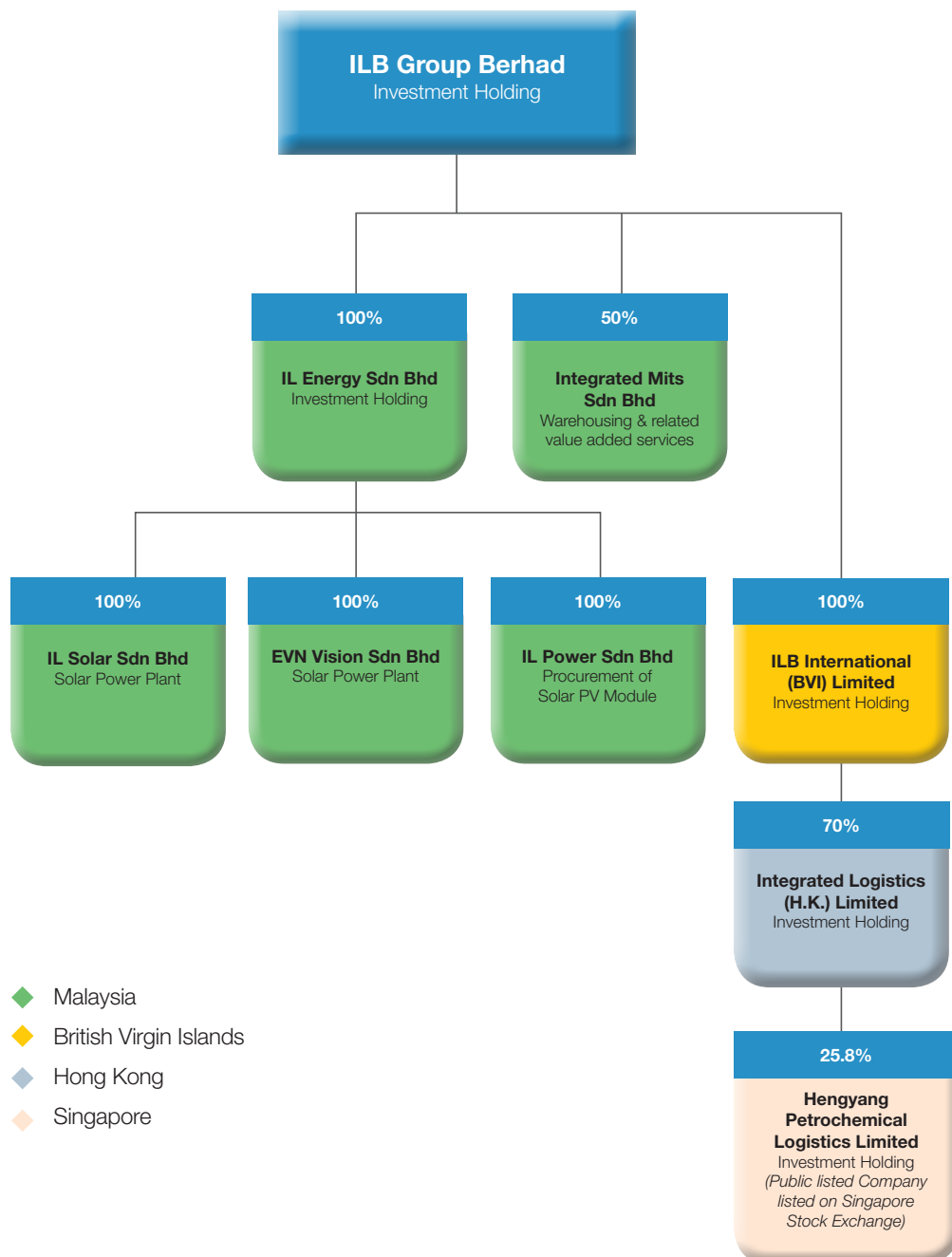
66, Jalan USJ10/1B  
UEP Subang Jaya  
47620 Subang Jaya  
Selangor Darul Ehsan

### RHB Bank Berhad

47 & 49, Jalan USJ 10/1  
UEP Subang Jaya  
47620 Petaling Jaya  
Selangor Darul Ehsan

# CORPORATE STRUCTURE

AS AT 31 DECEMBER 2023



- ◆ Malaysia
- ◆ British Virgin Islands
- ◆ Hong Kong
- ◆ Singapore



## GROUP FINANCIAL HIGHLIGHTS

	2019	2020	2021	2021 (Restated)	2022	2022 (Restated)	2023
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Turnover	25,791	12,592	14,761	14,761	16,275	16,275	<b>46,181</b>
Profit/(Loss) before taxation	14,056	50,825	13,011	13,011	(1,554)	(1,369)	<b>747</b>
Net Profit Attributable to Shareholders	15,282	34,453	8,322	8,322	169	299	<b>198</b>
Paid-up Capital	225,671	225,671	225,671	225,671	225,671	225,671	<b>225,671</b>
Total Assets	358,558	309,226	299,233	304,591	288,886	294,469	<b>263,004</b>
Shareholders' Funds	180,130	214,792	219,473	224,831	217,812	223,395	<b>224,121</b>
Net Earnings Per Share (sen)	8.1	18.2	4.4	4.4	0.1	0.2	<b>0.1</b>
Net Assets Per Share After Non-Controlling Interests (RM)	0.95	1.14	1.16	1.18	1.05	1.07	<b>1.08</b>
Gross Dividend (%)	–	2.5	–	–	–	–	<b>–</b>
Share Price as at 31 Dec (RM)	0.425	0.560	0.375	0.375	0.460	0.460	<b>0.740</b>

# Chairman's Statement

***Dear Valued Shareholders,***

*On behalf of the Board of Directors, I am pleased to present the Annual Report and the Audited Financial Statements of the Group and the Company for the financial year ended 31 December 2023.*





## CHAIRMAN'S STATEMENT

### BUSINESS REVIEW

The Group's operating segment is solar energy and related businesses.

For the current financial year ended 31 December 2023 ("FYE 2023"), the Group posted revenue of RM46.18 million which was 183.8% higher than the revenue of RM16.27 million for the corresponding period in the preceding year ("FYE 2022") from continuing operations.

The higher revenue from the solar energy & related business segment of the Group's operations in Malaysia is from the effort of the team in securing new solar rooftop projects and other related projects. Gross profit ("GP") is slightly higher at RM4.46 million, compared to the GP of RM4.23 million in prior year mainly attributed to our projects during current year mainly consist of procurement of Solar PV module which carry a lower GP margin and offset by higher GP margin from construction revenue.

The Group's gearing ratio has also improved as compared to year 2022. The lower gearing will act as an enabler for the Group to implement its strategic expansion plans in solar renewable energy projects.

Despite the challenging economic situation, the Group's solar energy business, both the installed 11MWac capacity solar plants in Penang and Kedah, owned and operated by the Group were minimally affected.

### MOVING FORWARD

Moving ahead, the Group will actively invest and implement projects which complement the government's initiatives to reduce carbon footprint.

The government is working towards variety of national initiatives to reduce greenhouse gases by 45% by 2030 and achieve net-zero by 2050. Furthermore, the government has also revised the country's 2050 renewable energy mixed target from 40% to 70%.

The slew of renewable energy ("RE") initiatives and programmes announced by the government on 26 January 2024 has further brightened the outlook of the RE sector in Malaysia. To recap, the Energy Transition and Public Utilities Ministry unveiled a cumulative 2.8-gigawatt ("GW") of new RE quotas and 400 megawatt-hour of battery energy storage system (BESS) pilot project.

These included the continuation of the net energy metering (NEM) programme with additional quotas of 400-megawatt ("MW"); fifth bidding cycle of the Large-Scale Solar programme with quotas of 2GW; and low carbon energy generation programme of 400MW to be undertaken for non-solar energy such as wind, mini-hydro, biogas, biomass and hydrogen, among others.

Globally, we are witnessing an ongoing worldwide energy shortage, environmental crisis and rising energy costs. Along with this, we see rising concern for climate change and sustainability, and increased ESG considerations.

In a rapid evolving and competitive environment, we remain highly committed to continuously strengthening synergies on our focus in renewable energy industry. With the Group's proven track record in implementing and operating solar projects coupled with the improved cashflow, we are well positioned to scale up our solar businesses to generate higher sustainable earnings for the Group.

### APPRECIATION AND ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I wish to thank and express our deepest appreciation to the management team and our employees, for their tremendous efforts and contribution during this challenging time. Last but certainly not least, I would like to express our appreciation to our valued customers, business partners, bankers, government departments and agencies, shareholders & stakeholders for their continuing support to the Group. With this continuous support from all parties, we will dedicate our efforts to improve profitability and enhance shareholders' value.

### TANG MING YNG

Chairman

# MANAGEMENT DISCUSSION AND ANALYSIS

## CORPORATE OVERVIEW

The Group's resilient performance for the financial year ended 31 December 2023 was mainly driven by the steady growth in Solar Photovoltaic ("PV") industry. Propelled by our desire to grow the renewable energy industry, we seek to expand our operations leveraging on the deeply rooted experience backed by long established track records. The Group is currently operating a total capacity of 11MWac of solar plants in Malaysia and will pursue and commit to increase its investment in the solar renewable energy business with the objective to increase its market share in this industry.

## FINANCIAL PERFORMANCE REVIEW

Financial Year Ended 31 December			
RM million	2023	2022 (Restated)	Changes
Revenue	46.18	16.27	183.8%
Gross Profit	4.46	4.23	5.4%
Profit/(Loss) Before Taxation	0.75	(1.37)	154.7%

For the current financial year ended 31 December 2023 ("FYE 2023"), the Group posted revenue of RM46.18 million which was 183.8% higher than the revenue of RM16.27 million for the corresponding period in the preceding year ("FYE 2022") from continuing operations. The higher revenue from the solar energy & related business segment of the Group's operations in Malaysia is from the effort of the team in securing new solar rooftop projects and other related projects. Gross profit ("GP") is slightly higher at RM4.46 million, compared to the GP of RM4.23 million in prior year mainly attributed to our projects during current year mainly consist of procurement of Solar PV module which carry a lower GP margin and offset by higher GP margin from construction revenue.

Group's profit before tax from continuing operation for FYE 2023 was RM0.75 million as compared to RM1.37 million loss recorded in FYE 2022. The net increase of RM2.12 million was mainly due to the following:-

	2023 (RM'million)
Net increase in profit (inclusive of finance income/cost)	2.18
Increased in value from Investment in Associate	7.42
Decreased in gain from dissolution of a subsidiary	(7.49)
<b>Net increase in profit before tax</b>	<b>2.12</b>

The Group net profit from continuing operations attributable to shareholders for FYE 2023 was RM0.20 million compared to its preceding year profit of RM0.30 million.

The earnings per share decreased to 0.1 sen in FYE 2023 from 0.2 sen in FYE 2022.





## MANAGEMENT DISCUSSION AND ANALYSIS

### CHALLENGES TO OPERATING ACTIVITIES

One major operational challenge faced by the Group is the increasing competitive market over the recent years and continuous evolution of the industry. The Group faces competition from both local and international competitors, which resulted in competitive pricing in the market. To overcome these challenges by emphasizing on the quality of the solar PV system offered at an attractive price. To achieved that, our Group implement effective procurement system which include bulk purchase of solar PV modules and ensuring availability of sufficient labour to execute projects through regular meetings with customers and contractors to discuss on the project schedule and implement plans accordingly.

Adequate working capital for procurement is essential to prevent any disruption in project progress due to insufficient of funds. The Group's internal funds and available banking facilities has enabled the Group to procure the necessary materials required efficiently.

In addition, the Group is actively approaching public and private entities to secure solar energy projects through the Supply Agreement with Renewable Energy to increase its revenue levels in this solar renewable energy business segment.

### BUSINESS RISKS

The Group has charted its growth in solar industry while remains cognisant of its risk factors and continues to closely monitor its financial, business, operational and strategic risks. The Group has identified and put in place mitigation initiatives to mitigate the risks identified.

The business nature of solar industry is subjected to various regulations and policies set by the authorities. As part of the mitigation initiative, the team constantly monitor for updates through local authorities' official platforms as well as engage with the relevant business associations for latest development.

In addition, the nature of solar PV Engineering, Procurement, Construction and Commissioning ("EPCC") works is project based and therefore, posing a risk that we may not be able to sustain our continued business growth unless we continue to secure numerous EPCC solar PV projects. To minimize the risk exposure, our Group consistently explores to venture into Power Purchase Agreement projects with the aim to sustain long-term recurring revenue stream.

### MOVING FORWARD

The government is working towards variety of national initiatives to reduce greenhouse gases by 45% by 2030 and achieve net-zero by 2050. Furthermore, the government has also revised the country's 2050 renewable energy mixed target from 40% to 70%.

The slew of renewable energy ("RE") initiatives and programmes announced by the government on 26 January 2024 has further brightened the outlook of the RE sector in Malaysia. To recap, the Energy Transition and Public Utilities Ministry unveiled a cumulative 2.8-gigawatt ("GW") of new RE quotas and 400 megawatt-hour of battery energy storage system (BESS) pilot project.

These included the continuation of the net energy metering (NEM) programme with additional quotas of 400-megawatt ("MW"); fifth bidding cycle of the Large-Scale Solar programme with quotas of 2GW; and low carbon energy generation programme of 400MW to be undertaken for non-solar energy such as wind, mini-hydro, biogas, biomass and hydrogen, among others.

The Group will continue to put in effort to reap the business opportunities in the solar photovoltaics industry in Malaysia to achieve growth in revenue and net profit. At the same, improve sustainability/environmental, social and governance (ESG).

The management would like to express their gratitude to the Board of Directors, shareholders, clients, business partners, contractors and financiers for their support.



# SUSTAINABILITY STATEMENT

## INTRODUCTION

ILB Group Berhad (a holding company) is a renewable energy champion that provides alternative source to energy generation mainly through solar power. Having its root in the logistics and warehousing business, the Group has transitioned from warehousing business into the renewable energy industry to support the national agenda to focus on renewable energy for generation of electricity.

With an aspiration of becoming a leading industrial player, we are delighted to disclose the overview of the Economic, Environmental and Social (“EES”) material matters relevant to our Group and the steps taken to address the matters. Sustainability has been a matter of utmost importance to us as it challenges our capabilities and explore our potential in the business operation while demonstrating prudence and care for the environment and stakeholders. Our contributions reflect our sincere efforts in striving to improve our stakeholders’ lives economically and socially in a healthy environment besides technological advancement.

The following pictorial summarises the alignment of our operational activities to our Group’s sustainability focus areas that contributes to the achievement of our vision and mission:



Our vision is to provide excellent sustainable energy as an alternate source of energy and our mission is to improve the quality of life through the utilisation of solar energy and the improved environment resulting from the reliance on sustainable energy. We progress towards achievement of our vision and mission by identifying sustainability focus areas. The sustainability focus areas are addressed through the material matters that drives goal setting to address the individual matters that contributes to the achievement of our vision and mission. The operational mechanism depicts our action plan to deploy appropriate tools, standards, and policies to achieve targets derived from the material matters.



## SUSTAINABILITY STATEMENT

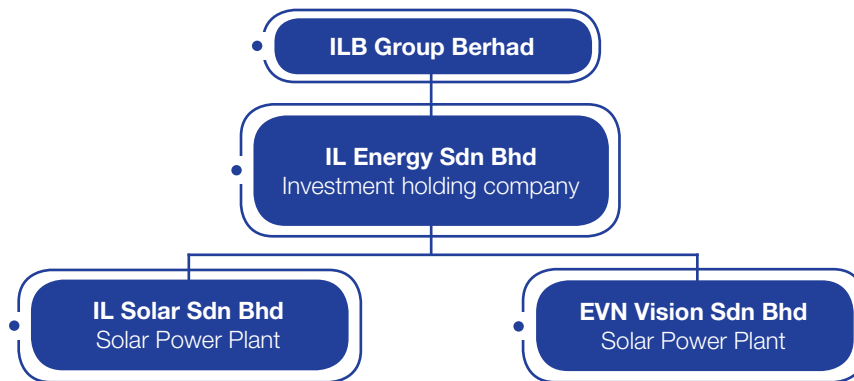
### Reporting Standards

This Sustainability Statement has been prepared in accordance with the following sustainability guidelines, standards and frameworks as follows:

- Practice Note 9 of the Main Market Listing Requirements
- Sustainability Reporting Guide, 3<sup>rd</sup> Edition
- Global Reporting Initiative (“GRI”), 2021
- Malaysia Code of Corporate Governance, Updated April 2021

### Reporting Scope

This Sustainability Statement covers the sustainability activities and performance for the financial period from 1 January 2023 to 31 December 2023 and covers ILB Group Berhad’s solar renewable energy division based in Malaysia as it is the primary business activity of the Group.



The IL Solar Sdn Bhd is a 10 Mvac Solar Power plant in Bukit Kayu Hitam. A power purchase agreement with TNB was signed in March 2017 for supplying energy to Tenaga Nasional Berhad (TNB) for a 21 years term.

EVN Vision Sdn Bhd is a 1 Mvac Solar Power Plant in Seberang Perai, Penang. A power purchase agreement was signed in June 2015 for supplying energy to Tenaga Nasional Berhad (TNB) for a 21 years term.

### Feedback

We value your feedback on this Report and any matters described herein. Inquiries, comments and suggestions regarding the content of this Report may be emailed to us to [marketing@ilb.com.my](mailto:marketing@ilb.com.my).

# SUSTAINABILITY STATEMENT

## OUR APPROACH TO SUSTAINABILITY

### Sustainability Governance

We have a devoted line of leadership that strive to attain our sustainability goals. The focus remains on managing the day-to-day activities integrated with sustainability practices in the supervision of committed leaders motivated to create value for the Group and the stakeholders by achieving the sustainability goals.



The Board of Directors had met five (5) times in a meeting for FY2023 on quarterly basis. The Board had reviewed and approved changes in internal management practices, updates on Environmental, Social, Governance (ESG) matters, review of audit outcomes, potential business opportunities and reviewed performance of the Group every quarter for example, information on energy generation, projects in pipeline, financial statements, policies, employee trainings, community engagement activities and other matters.

The Management Committee had met eight (8) times in a meeting for FY2023 every two months once or on ad-hoc basis to review and monitor implementation progress of sustainability plans and strategies for the year (covered in detail in the "Market Presence" section). The Committee reviews and approves budget for insurance coverage package for employees, financial analysis for ongoing projects, repair and maintenance work at solar farm site, amendment in employee handbook, and changes to internal practices.

The Operational Management held informal divisional meetings to address arising matters. The teams meet on ad-hoc basis to address updates and progress at the divisional level.



## SUSTAINABILITY STATEMENT

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Sustainability Governance (Cont'd)

##### Policies Good Governance

ILB Group Berhad has implemented policies to guide the internal stakeholders in carrying out daily business activities. Following are the policies, but not limited to, supporting the Group's goal of upholding highest ethical standards, excellence in leadership and enhancement of relationship with external stakeholders through loyalty, trust and integrity emulated in the business practices:



**Anti- Bribery and Anti-Corruption  
Policy**



**Whistleblowing  
Policy**



**Code of Ethics  
for Company Directors**



**Procurement  
Policy**



**Quality, Health, Safety &  
Environmental (QHSE) Policy**



**Human Resources &  
Employee Policy Handbook**

# SUSTAINABILITY STATEMENT

## OUR APPROACH TO SUSTAINABILITY (CONT'D)

### Stakeholders Management

Our relationship with our stakeholders is crucial to sustain our business operations as various stakeholders play differentiated roles to support our business continuity. We strive to align our organisational practices with the needs of our stakeholders by engaging with them. The following engagement channels have enabled us to address the unique interests of our stakeholders and respond to their needs with our enhanced business practices:

Stakeholders	Engagement Channels	Frequency	Areas of Interest	Our Response
<b>Shareholders &amp; Investors</b>	<ul style="list-style-type: none"> <li>Financial announcement and reporting</li> <li>Meetings and briefings</li> <li>Corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> </ul>	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Regulatory compliance</li> <li>Corporate governance</li> <li>Ethical business conduct</li> <li>Internal Control and risk management</li> </ul>	<ul style="list-style-type: none"> <li>Emphasis on strong anti-bribery and corruption policy and practices</li> <li>Monitoring and management of sustainability performance and targets</li> <li>Emphasis on market presence through on-going, medium and long term plans</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Quality and performance assessment</li> <li>Progress meetings and updates</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Periodically</li> </ul>	<ul style="list-style-type: none"> <li>Quality of service</li> <li>Product development and innovation</li> </ul>	<ul style="list-style-type: none"> <li>Emphasis on quality of product and service through attentive customer service and provision of quality products for affordable price</li> </ul>
<b>Vendors &amp; Suppliers</b>	<ul style="list-style-type: none"> <li>Supplier performance evaluations</li> <li>Meetings and discussions</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Ad-hoc</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable and fair procurement practices</li> <li>Anti-bribery and corruption awareness</li> </ul>	<ul style="list-style-type: none"> <li>Ensure due diligence assessment and fulfilment of assessment criteria</li> <li>Emphasis on anti-bribery and corruption policy</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Performance appraisals</li> <li>Operational meetings and discussions</li> <li>Occupational safety meetings</li> <li>Trainings</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Periodically</li> <li>Ad-hoc</li> </ul>	<ul style="list-style-type: none"> <li>Employee health and safety</li> <li>Career development and advancement</li> <li>Communication and engagement</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to Occupational Safety and Health Act 1994</li> <li>Provide opportunity for training when need arises to support employee advancement</li> <li>Organisation of employee engagement activities &amp; participation in community engagement activities</li> </ul>
<b>Government Regulators</b>	<ul style="list-style-type: none"> <li>Meetings and consultations</li> <li>Training programmes and dialogue</li> <li>Audit and verification</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Ad-hoc</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Approvals and permits</li> <li>Standards and certifications</li> </ul>	<ul style="list-style-type: none"> <li>Adherence to governmental laws, regulations and requirements</li> <li>Adherence to environmental laws</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>General meetings</li> <li>Media announcements</li> <li>Annual report</li> <li>Group website</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Ad-hoc</li> </ul>	<ul style="list-style-type: none"> <li>Community wellbeing</li> <li>Community investment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Continued community engagement activities</li> </ul>



# SUSTAINABILITY STATEMENT

## OUR APPROACH TO SUSTAINABILITY (CONT'D)

### Sustainability Material Matters

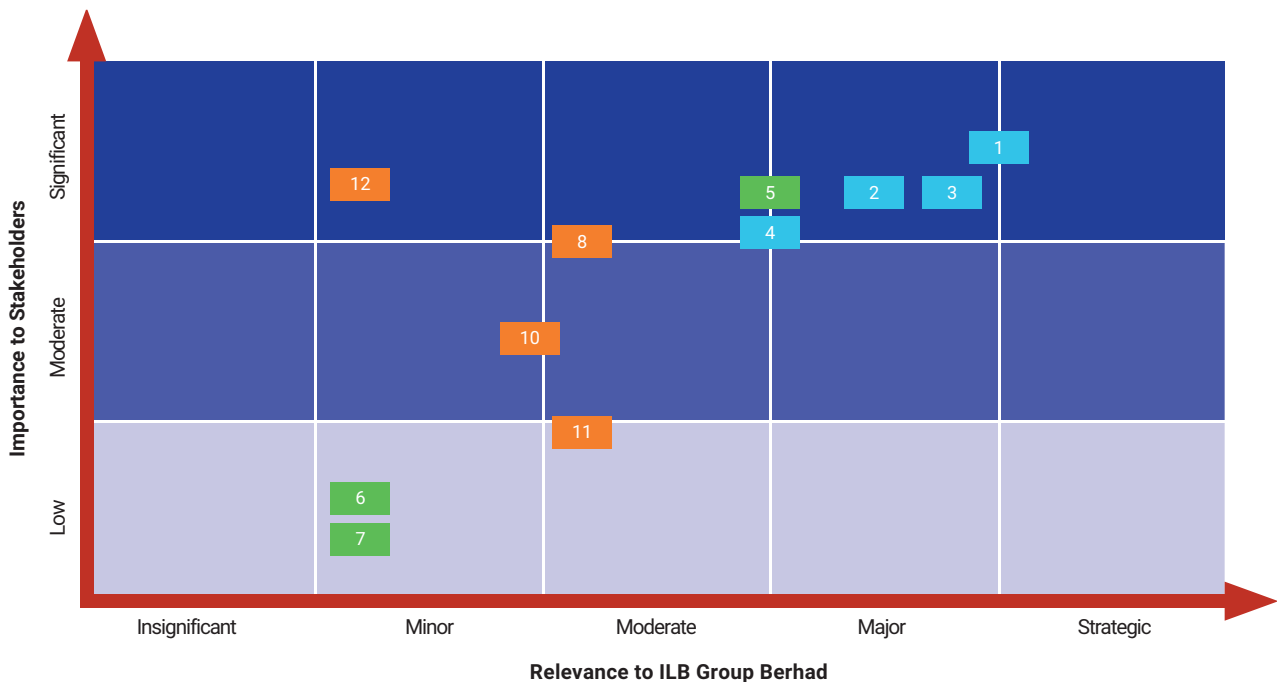
The most important sustainability matters to the Group are identified by assessing the internal and external risks matched against the stakeholders' areas of interest. Following is the process used to determine the material matters:



We have monitored our business environment and re-assessed our organisational goals and strategies in the year 2023. After the annual materiality matters assessment had been completed by the Management Committee, it was concluded that the materiality matter “Financial Performance” is no longer a priority to the Group as the financial performance is a reflection or result of how other materiality matters such as the “Market Presence”, “Product and Service Quality”, “Procurement” and “Environmental Compliance” are managed. Thus, “Financial Performance” was removed as a material matter and the Group’s focus and effort shall be invested in other crucial materiality matters that will contribute to the financial performance.

The Group had also decided to list “Energy Management” and “Water Management” as prioritised materiality matters to comply by the mandatory requirement by Bursa Malaysia on the disclosures related to energy and water consumption. The revised materiality matters were approved by the Board of Directors. The Group had not listed “Waste Management” as one of the prioritised material matters as “Waste Management” material matter is not applicable for the Group.

The pictorial below reflects the sustainability matters and its significance to the business and stakeholders of ILB Group Berhad:



## SUSTAINABILITY STATEMENT

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Sustainability Material Matters (Cont'd)

Economic	Environment	Social
1. Market Presence	5. Environmental Compliance	8. Diversity and Equal Opportunity
2. Anti-Bribery and Anti-Corruption	6. Energy Management	9. Occupational Health and Safety
3. Product and Service Quality	7. Water Management	10. Labour Practices and Standards
4. Procurement		11. Cybersecurity
		12. Local Communities

#### FY2023 Performance Overview and Targets for FY2024

The following table summarises our performance for FY2023 and our targets for FY2024:

Material Topic	FY2023 Performance	FY2024 Target
<b>Market Presence</b>	<ul style="list-style-type: none"> <li>Market representation less than 1%</li> </ul>	<ul style="list-style-type: none"> <li>To enhance our market presence by capturing more customers through enhanced marketing efforts</li> </ul>
<b>Anti-Bribery and Anti-Corruption</b>	<ul style="list-style-type: none"> <li>Zero cases of bribery and corruption</li> </ul>	<ul style="list-style-type: none"> <li>Zero cases of bribery and corruption</li> </ul>
<b>Product and Service Quality</b>	<ul style="list-style-type: none"> <li>Zero customer complaints regarding service and products</li> <li>Generated 18,382,172 kW/h energy through solar farm, 11,765 tonnes of carbon dioxide avoided and achieved 15,993 acres reduction of forest required to offset carbon dioxide from the atmosphere</li> </ul>	<ul style="list-style-type: none"> <li>Zero customer complaints regarding service and products</li> </ul>
<b>Procurement</b>	<ul style="list-style-type: none"> <li>69% proportion of spending on local suppliers</li> </ul>	<ul style="list-style-type: none"> <li>To enhance proportion of spending on local suppliers</li> </ul>
<b>Environmental Compliance</b>	<ul style="list-style-type: none"> <li>Zero non-compliance to environmental laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Zero non-compliance to environmental laws and regulations</li> </ul>
<b>Energy Management</b>	<ul style="list-style-type: none"> <li>Reduced energy consumption by 1.6% (121,141 kW/h) through installation of Solar Photovoltaic System (SPS)</li> </ul>	<ul style="list-style-type: none"> <li>To minimise wastage of energy</li> </ul>
<b>Water Management</b>	<ul style="list-style-type: none"> <li>Slight increase by 27% (784 M<sup>3</sup>) in water consumption</li> </ul>	<ul style="list-style-type: none"> <li>To minimise wastage of water</li> </ul>





## SUSTAINABILITY STATEMENT

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### FY2023 Performance Overview and Targets for FY2024 (Cont'd)

The following table summarises our performance for FY2023 and our targets for FY2024: (Cont'd)

Material Topic	FY2023 Performance	FY2024 Target
<b>Diversity and Equal Opportunity</b>	<ul style="list-style-type: none"> <li>Ratio of male to female employees is 75%:25%</li> </ul>	<ul style="list-style-type: none"> <li>To maintain a diverse group of skilled and experienced employees.</li> </ul>
<b>Occupational Health and Safety</b>	<ul style="list-style-type: none"> <li>Recorded zero fatality, accidents, injuries and Lost Time Incident Rate (LTIR)</li> </ul>	<ul style="list-style-type: none"> <li>Zero fatality, accidents, injuries and Lost Time Incident Rate (LTIR)</li> </ul>
<b>Labour Practices and Standards</b>	<ul style="list-style-type: none"> <li>Achieved 36 total training hours</li> <li>Reduced total turnover to 4 employees and replaced lost employees with 6 new hires</li> <li>Zero complaints pertaining to human rights</li> </ul>	<ul style="list-style-type: none"> <li>To enhance the total hours of training by employee</li> <li>To minimise employee turnover, preferably with no turnover</li> <li>To maintain zero complaints pertaining to human rights</li> </ul>
<b>Cybersecurity</b>	<ul style="list-style-type: none"> <li>Zero cases of data leakage and privacy compromise</li> </ul>	<ul style="list-style-type: none"> <li>To maintain zero number of substantiated complaints concerning breaches of customer privacy and losses of customer data</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>Contributed RM7,080.00 for community engagement activities</li> </ul>	<ul style="list-style-type: none"> <li>To record higher amount invested in the community where the target beneficiaries are external to the listed issuer compared to FY 2023</li> </ul>

### Sustainability Highlights for FY2023



**Zero cases** of corruption and bribery



**Reduced** energy consumption by **1.6%**



**Zero fatalities** and **accidents** at workplace



**Generated 18,382,172 kW/h** energy through **solar farm**



**Zero** cases of non-compliance to **environmental laws**



Contributed **RM7,080** for community



## SUSTAINABILITY STATEMENT

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Risk, Opportunities and Management Approach

We assess our risks and opportunities to analyse the potential threats and use our strengths to identify and seize the opportunities to manage the risks. Following are the risks and opportunities identified based on the material matters and our action plan:

Material Topics	Risks	Opportunities	Impact to the Key Stakeholders	Management Approach
<b>Market Presence</b>	<ul style="list-style-type: none"> <li>Market positioning challenge</li> </ul>	<ul style="list-style-type: none"> <li>Innovation opportunities</li> <li>Increase brand value</li> </ul>	<ul style="list-style-type: none"> <li>Shareholder and Investor</li> <li>Customers</li> </ul>	<ul style="list-style-type: none"> <li>Perform market research on a regular basis to identify gaps for innovation</li> </ul>
<b>Anti-Bribery and Anti-Corruption</b>	<ul style="list-style-type: none"> <li>Integrity risk</li> </ul>	<ul style="list-style-type: none"> <li>Increased governance compliance</li> </ul>	<ul style="list-style-type: none"> <li>Shareholder and Investor</li> <li>Employees</li> <li>Customers</li> </ul>	<ul style="list-style-type: none"> <li>Anti-corruption training for employees</li> <li>Implement ILB limit of authority policy to maintain balance and check process</li> <li>Conduct risk assessment annually on susceptible departments such as procurement and sales and marketing and carry out mitigating plans</li> </ul>
<b>Product and Service Quality</b>	<ul style="list-style-type: none"> <li>Critical equipment breakdown</li> <li>Natural disaster and fire accidents</li> </ul>	<ul style="list-style-type: none"> <li>Competitive advantage through excellent quality assurance practices and establish relationship with experienced contractors</li> </ul>	<ul style="list-style-type: none"> <li>Customers</li> </ul>	<ul style="list-style-type: none"> <li>Maintain preventive maintenance schedule</li> <li>Maintain stock of important spare parts</li> <li>Daily quality control inspection</li> <li>Maintain preventive measures for fire accidents and common natural disaster</li> </ul>
<b>Procurement</b>	<ul style="list-style-type: none"> <li>Non-performing contractors</li> </ul>	<ul style="list-style-type: none"> <li>Widen network of suppliers to ensure continued supply of products and services</li> </ul>	<ul style="list-style-type: none"> <li>Vendors &amp; Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Partnership with various suppliers for sustained supply of products and services</li> <li>Continue practice of annual supplier evaluation</li> </ul>
<b>Environmental Compliance</b>	<ul style="list-style-type: none"> <li>Safety, health &amp; environmental risk</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to environmental laws and regulations increases credibility</li> </ul>	<ul style="list-style-type: none"> <li>Government Regulators</li> <li>Local Communities</li> <li>Employees</li> <li>Vendors &amp; Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Awareness on safety &amp; health laws, environmental and legal requirements through trainings</li> <li>Safety and health inspections at work areas</li> </ul>
<b>Energy Management</b>	<ul style="list-style-type: none"> <li>Environmental risk</li> </ul>	<ul style="list-style-type: none"> <li>Cost saving benefits</li> <li>Reliance on solar generated energy</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders &amp; Investors</li> <li>Customer</li> <li>Vendors &amp; Supplier</li> <li>Employees</li> <li>Government Regulators</li> </ul>	<ul style="list-style-type: none"> <li>Usage of solar generated energy to reduce cost and lower environmental risk</li> </ul>



## SUSTAINABILITY STATEMENT

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Risk, Opportunities and Management Approach (Cont'd)

Material Topics	Risks	Opportunities	Impact to the Key Stakeholders	Our Response
<b>Water Management</b>	<ul style="list-style-type: none"> <li>Environmental risk</li> </ul>	<ul style="list-style-type: none"> <li>Cost saving benefits</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders &amp; Investors</li> <li>Customer</li> <li>Vendors &amp; Supplier</li> <li>Employees</li> <li>Government Regulators</li> </ul>	<ul style="list-style-type: none"> <li>Create awareness on water conservation in the Group</li> </ul>
<b>Diversity and Equal Opportunity</b>	<ul style="list-style-type: none"> <li>Legal risks</li> <li>Loss of key staff</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced Human Resources practices</li> <li>Experienced and motivated workforce</li> <li>Brand and reputation enhancement</li> </ul>	<ul style="list-style-type: none"> <li>Employees</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing market study to recruit best fit employees with relevant experience</li> <li>Ongoing employee engagement programs to understand employees' needs</li> </ul>
<b>Occupational Health and Safety</b>	<ul style="list-style-type: none"> <li>Employee negligence</li> <li>Lack of safety awareness and knowledge</li> <li>Non-compliance to health and safety laws</li> </ul>	<ul style="list-style-type: none"> <li>Increase employees' awareness and knowledge concerning safety matters</li> </ul>	<ul style="list-style-type: none"> <li>Employees</li> </ul>	<ul style="list-style-type: none"> <li>Create safety awareness through Group's Quality, Health, Safety and Environment ("QHSE") policy</li> </ul>
<b>Labour Practices and Standards</b>	<ul style="list-style-type: none"> <li>Technology landscape risk</li> <li>Loss of key staff</li> </ul>	<ul style="list-style-type: none"> <li>Increase productivity through training and knowledge transfer</li> </ul>	<ul style="list-style-type: none"> <li>Employees</li> </ul>	<ul style="list-style-type: none"> <li>Relevant trainings are provided to staff for knowledge and exposure enhancement</li> </ul>
<b>Cybersecurity</b>	<ul style="list-style-type: none"> <li>Cybersecurity threat</li> </ul>	<ul style="list-style-type: none"> <li>Increase in cybersecurity awareness and compliance</li> </ul>	<ul style="list-style-type: none"> <li>Customers</li> <li>Shareholder and Investor</li> <li>Vendors &amp; Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing engagement of professional IT team that takes care of data and cyber security</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>Unawareness of community to the Group's noble courses for sustainable future</li> </ul>	<ul style="list-style-type: none"> <li>Establish good relationship with local community</li> </ul>	<ul style="list-style-type: none"> <li>Local Communities</li> </ul>	<ul style="list-style-type: none"> <li>Participation in community programmes</li> </ul>

# SUSTAINABILITY STATEMENT



## 1.1 ECONOMIC

The Group gives unwavering attention and efforts to build financial value as it contributes to the economic growth of the nation and create value for our stakeholders. Creation of strong market presence ensures building of financial value through continuous generation of profit.

### Market Presence

Our focus is to create awareness concerning the importance of renewable energy and how the growth of renewable energy industry could benefit the nation and the environment in the long term. The awareness that is created could support our national goal to transition to usage of renewable energy. Currently, our market representation is less than 1% as the energy capacity supported is in smaller scale. However, we are consistently working towards the goal of establishing a powerful presence in Malaysia through our upcoming strategic plans.

We believe our strategic plans for business operation and expansion will improve our presence in the market.

### Anti-Bribery and Anti-Corruption

ILB Group Berhad strictly prohibits all forms of bribery and corruption in all our business practices. We take a zero-tolerance approach towards such misconduct and seek to always uphold highest ethical standards to safeguard the Group's longstanding good reputation.

The Group had implemented the following measures to eradicate bribery and corruption:

- Anti-Bribery and Corruption policy was updated on year 2020 to include provision relating to Section 17A of the MACC Act (Amendment) 2018 which came into effect on 1 June 2020 where ILB included the Corporate Liability concept. The Anti-Bribery and Corruption policy is made available to employees and stakeholders in our website.
- Corruption risk assessment is done annually for all operating departments that deals with tender management, projects and general procurement; and sales and marketing function. The last corruption risk assessment report was approved as at 31 December 2023 by the Chief Executive Officer and Chief Financial Officer.
- The Group's activities in regards to anti-bribery and corruption management is to be reported to the Audit & Risk Management Committee every quarter covering updates such as anti-bribery and corruption training, risk assessment, declaration of conflict of interest by Directors and employees, acknowledgement of corruption policies by suppliers and partners and other on-going efforts to eradicate corruption.
- No gift policy is practiced in the Group to completely eradicate any form of corruption and favouritism.
- The Board of Directors and employees make declaration on conflict of Interest that is renewed annually. The last declaration exercise was carried out from February to May 2023.
- All newly registered approved suppliers are subject to due diligence assessment and are required to declare acknowledgement of ILB Group Berhad's Anti-Bribery and Corruption policy, Anti-Bribery and Corruption Code of Conduct Policy and Whistleblowing policy.
- The Human Resources & Employee Policy Handbook and Code of Ethics for Company Directors outlines the ethical standards to be displayed by employees and Directors and cover subjects related to conflict of interest and corruption.
- Annual training on Anti-Bribery and Anti-Corruption is held in the Group. For FY2023, the annual training on Anti-Bribery and Anti-Corruption was held on 30 June 2023 for Executive and Non-Executive employees as part of internal training. The second session was held on 28 November 2023 for all level of employees by external trainers.



## SUSTAINABILITY STATEMENT

### Anti-Bribery and Anti-Corruption (Cont'd)

Following is the number of employees who were given Anti-Bribery and Corruption training from FY2021 to FY2023:

Employee Category	FY2023	% of Employees Received Training	FY2022	% of Employees Received Training	FY2021	% of Employees Received Training
Management	13	100%	13	100%	13	100%
Executive	13	100%	12	100%	9	100%
Non-Executive	10	100%	9	100%	9	100%

The Anti-Bribery & Anti-Corruption policy is published in the Group's website, accessible at: [https://www.ilb.com.my/Attachments/ILB\\_Anti-Bribery\\_And\\_Corruption\\_Policy.pdf](https://www.ilb.com.my/Attachments/ILB_Anti-Bribery_And_Corruption_Policy.pdf)

The Group recorded zero cases of bribery and corruption as at 31 December 2023, 31 December 2022, 31 December 2021.

### Whistleblowing Policy

The Whistleblowing Policy was established to encourage all stakeholders of the Group to raise their concerns and further disclose any misconduct or unethical behaviours occurring within the organisation. We assure that fitting disciplinary action towards confirmed perpetrators shall be taken and the confidentiality of the whistleblowers will be protected as far as practicality of the case investigation allows.

The Whistleblowing policy is published in the Group's website, accessible at [https://www.ilb.com.my/Attachments/whistle\\_blowing\\_policy.pdf](https://www.ilb.com.my/Attachments/whistle_blowing_policy.pdf)

Following are the channels to direct the reports:

By email: [edwardtang@ilb.com.my](mailto:edwardtang@ilb.com.my)

By post: Mark Strictly Confidential  
ILB Group Berhad  
No. 6, Jalan Sungai Buloh 27/101A  
Seksyen 27, 40400 Shah Alam  
Selangor Darul Ehsan, Malaysia

**Attention: Executive Chairman**

By email: [enghooisoh@gmail.com](mailto:enghooisoh@gmail.com)

By Post: Mark Strictly Confidential  
ILB Group Berhad  
No. 6, Jalan Sungai Buloh 27/101A  
Seksyen 27, 40400 Shah Alam  
Selangor Darul Ehsan, Malaysia

**Attention: Chairman – Audit & Risk Management Committee**

Reports received against the management shall be brought to the attention of the Executive Chairman or to the Chairman of Audit & Risk Management Committee (ARMC).

The Group recorded zero complaints in relation to unethical business practices or suspicious corruption or unethical behaviour as at 31 December 2023, 31 December 2022, 31 December 2021.



## SUSTAINABILITY STATEMENT

### Product and Service Quality

The 1 Mvac solar power plant in Seberang Perai, Penang secured the approval from Sustainable Energy Development Authority Malaysia (SEDA) for the set-up and operation of power plant under the Feed-in Tariff (FIT) program. The 10 Mvac solar power plant in Bukit Kayu Hitam was awarded the development of the 10.0 MW large scale solar PV plant under the Energy Commission's 1st Large Scale Solar Photovoltaic Plant (LSS) program.

The following table summarizes our achievements by year-on-year basis:

	Solar Energy Generated (kW/h)	Carbon Dioxide Emission Avoided (Tonnes)	Reduction of Forest Required to Offset Carbon Dioxide from the Atmosphere (Acres)
FY2023	18,382,172	11,765	15,993
FY2022	18,126,299	11,601	15,770
FY2021	19,224,251	12,304	16,725
<b>TOTAL</b>	<b>55,732,722</b>	<b>35,670</b>	<b>48,488</b>

Source: Malaysia Green Attribute Tracking System

The increase in generation of solar energy for FY2023 compared to FY2022 was due to more favorable weather that boost solar energy generation.

We believe that service quality plays an important role to introduce solar power as an alternative reliable source to generate electricity nationwide because stability in supply of power creates confidence in customers to transition from conventional non-renewable to renewable source of energy. Thus, our goal in maintaining service quality stems from this idea of continued service with zero to limited downtime. This goal is achieved through regular maintenance of our solar power plants by outsourced service contractors. The contractors monitor activities of the power plants on weekly basis and resolve any issues identified immediately. Besides that, an annual maintenance service is conducted to ensure the systems are functioning to its ultimate potential.

The Group has established a Standard Operating Procedure (SOP) for handling complaints. As at 31 December 2023, 2022 and 2021, no complaints have been received from customers.

Our commitment to create awareness concerning solar power as an alternative source of energy to our communities is a challenging, ongoing journey. We aspire to change the perception of people regarding solar power energy through our excellence in service and introduce solar power as one of the main sources of electricity generation in Malaysian homes.



## SUSTAINABILITY STATEMENT

### Procurement

Procurement is an important activity in the Group as responsible decision need to be made to source for cost effective products and services to ensure financial sustenance. We strive to source products and services within Malaysia to maintain cost effectiveness and maximise efficiency by cutting down waiting time for the products and services purchased.

The total number of approved vendors (both local and overseas) as at 31 December 2023, 31 December 2022, 31 December 2021 are as follows:

Types	FY2023		FY2022		FY2021	
	Amount (RM)	Proportion of Spending	Amount (RM)	Proportion of Spending	Amount (RM)	Proportion of Spending
Local Suppliers	22,790,955.99	69%	2,933,086.41	100%	2,371,563.30	26%
Overseas Suppliers	10,330,452.54	31%	Nil	0%	6,795,656.30	74%
<b>TOTAL</b>	<b>33,121,408.53</b>	<b>100%</b>	<b>2,933,086.41</b>	<b>100%</b>	<b>9,167,219.60</b>	<b>100%</b>

The total amount of purchase in FY2023 had increased in comparison to FY2022. The purchase of solar panels and its related parts and procurement related to maintenance services at the solar farm contributed largely to the higher amount of expenditure. The proportion of spending on local suppliers are 69% and 31% on overseas suppliers. The Group sources for products and services based on the availability of the products in local market. Products are sourced from overseas suppliers in absence of its availability in the local market. Besides that, quality of products and competitive pricing are crucial criteria in consideration of purchase decision to maximise value for money and reliability of products.

The procurement policy that came into effect on 4 January 2022 drives the procurement process at ILB Group Berhad. The policy ensures transparency, informed decision making and efficiency in procurement management.

The Group ensures continuous supply of materials and services that are good in quality and obtained with competitive pricing through careful assessment of suppliers against the following criteria:

- Job knowledge of supplier providing service and products
- Reliability of service which ensures timely customer service
- Quality of product and services
- Competitive pricing

Suppliers and contractors with satisfactory service are registered as approved vendors. The suppliers and vendors are. Newly registered approved suppliers are subject to due diligence assessment and are required to declare acknowledgement of ILB Group Berhad's Anti-Bribery and Corruption policy, Anti-Bribery and Corruption Code of Conduct Policy and Whistleblowing policy. Moreover, the suppliers and vendors undergo annual assessment on the same criteria listed above when they are engaged for procurement of products and services. The assessments are carried out by the respective departments that engage the vendor. The evaluation is verified and approved by the Head of Department, Chief Financial Officer and the Project Director or the Executive Director.

# SUSTAINABILITY STATEMENT



## 1.2 ENVIRONMENTAL

Preservation and conservation of the environment is the ultimate goal of the Group as the Group's mission is to protect the environment and improve the quality of life by creating awareness towards alternative sources to substitute natural resources. We seek to reduce our carbon footprint through effective management of resources and through compliance to legal requirements that press for preservation of the environment. Being in the renewable energy industry, we have the sense of duty to lead by example by demonstrating proactive measures in saving the environment through mindful usage of resources.

### Climate Change and Task Force on Climate Related Financial Disclosures ("TCFD")

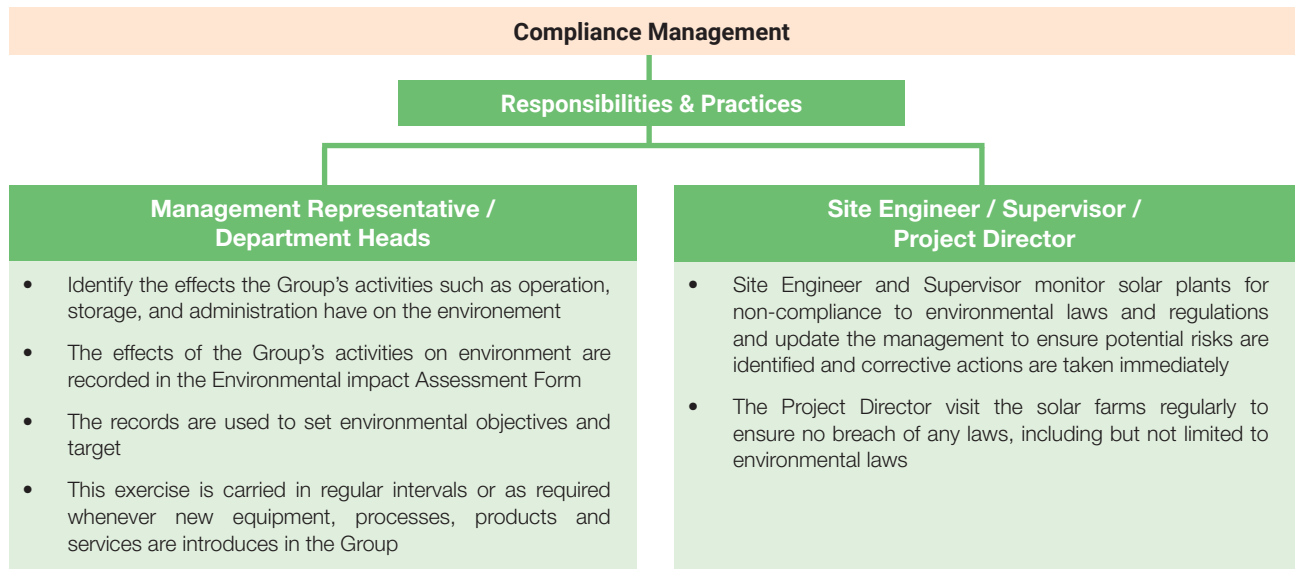
Climate change is the main factor that had revolutionised the business focus of ILB Group Berhad from warehousing to solar power plant. The global attention to address climate change created a gap for innovation and business opportunity that the Group seized. Furthermore, climate plays a crucial role in electric generation through solar power. For example, continuous rain significantly impacts our performance in energy generation as solar power is derived from the intensity of the radiation of sunlight. We are continuously assessing the changes in climate in Malaysia, the implications, and the risks it has on our business operation. We also acknowledge that the Group is also subject to leaving carbon footprints through its operation. Thus, the Group is working on establishing the data on scope 1, 2 and 3 carbon emission.

We acknowledge the mandatory requirement to comply by the TCFD standard and we assure our stakeholders that we are working towards establishing necessary data to disclose the relevant information needed for complete compliance. We target to disclose the relevant information by FY2025.

### Environmental Compliance

Compliance to laws and regulations not limited to environmental laws are important to us to ensure smooth operation of the business. The Quality, Health, Safety and Environmental (QHSE) policy that came into effect in March 2020 outlines the standards on quality, health, safety, and environmental performance provides structure to the practices within the organisation. Operational practices governed by the policy ensures unified effort in compliance to relevant laws and regulations.

Besides that, continuous monitoring and recording had ensured compliance to environmental laws and regulations. The responsibilities borne by management members in compliance effort is as follows:







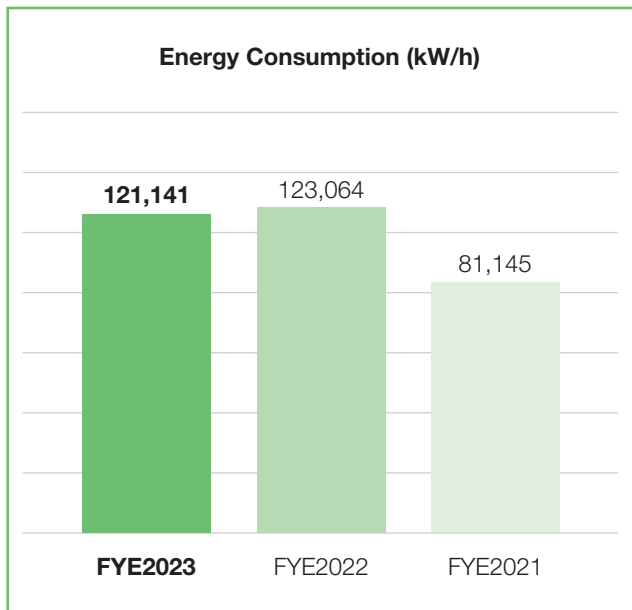
# SUSTAINABILITY STATEMENT

## Environmental Compliance (Cont'd)

Effective policy, procedures and practices had contributed to our success of maintaining 100% compliance to uphold the highest standards and performance. In FY2023, we have complied with all relevant environmental regulations and no sanctions resulting from non-compliance for our operations (FY2021: Nil, FY2022: Nil).

## Energy Management

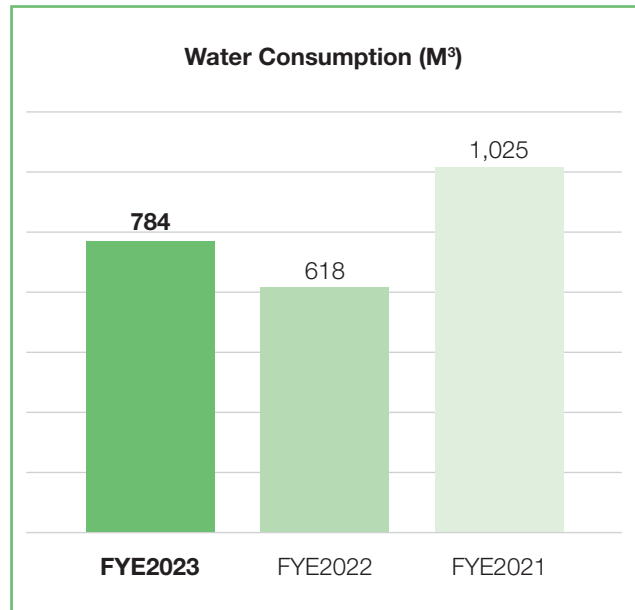
The usage of electricity is very minimal for the Group as it is utilized mostly for operation of office premise. Following is the consumption of energy at the Group as at 31 December 2023, 31 December 2022, 31 December 2021:



The consumption for FY2022 increased rapidly when compared to FY2021 because the Group practiced work from home during the COVID-19 season in 2021. The workforce resumed work at office in 2022 that increased the consumption of energy. However, there was a decrease by 1.6% in consumption for FY2023 when compared to FY2022 because the Group had installed Solar Photovoltaic System (SPS) for its own consumption of energy as part of the Group's initiative to shift dependence on renewable energy source. The solar panel system was energized from 11 May 2023 onwards and contributed to saving of RM9,318.66 (62%) on total energy expenses for FY2023 in comparison to FY2022.

## Water Management

The water consumption at the Group is mainly at the office premise that contributes to lower level of consumption. Following is the consumption of water at the Group as at 31 December 2023, 31 December 2022, 31 December 2021:



The water consumption for FY2022 had decreased with comparison to FY2021 and the consumption increased slightly by 27% for FY2023. The noticeable drop in water consumption in FY2022 is attributed to the group's efforts in creating awareness amongst the employees on conservation of water. The Group creates awareness through internal communication such as circulation of internal memo and included as part of the routine staff briefing.

## SUSTAINABILITY STATEMENT



### 1.3 SOCIAL

We strive to create a safe workplace and a good learning ground for our employees to promote wellbeing and career advancement. Besides that, we encourage the workforce to participate in community engagement activities to nurture the habit of giving and participate in the Group's noble course of caring for the community.

#### Diversity and Equal Opportunity

Diversity and equal opportunity are crucial to the sustainability of our business as employees contribute to the smooth operation of the business through various skills and knowledge. We value and respect unique perspectives, experiences and backgrounds of our employees and are committed to creating a workplace that is inclusive and welcoming to people of all age, gender, nationality, and religion. A total of 36 people were employed at the Group as at 31 December 2023.

No contractors or temporary staff was employed at ILB Group Berhad.

#### Gender Diversity

Gender diversity is important to balance a diverse workforce with differing skills and talents. Female employees are recruited for administration jobs and male employees are recruited for technical skills and experience. The gender ratio of male to female employees for FY2023 is 75%:25%.

The following tables show the gender diversity at the Group as at 31 December 2023, 31 December 2022, 31 December 2021:

Gender	FY2023					
	Female			Male		
	Management	Executive	Non-Executive	Management	Executive	Non-Executive
<b>No. of Employees</b>	4 (44%)	3 (34%)	2 (22%)	9 (33%)	10 (37%)	8 (30%)
<b>Total</b>	9 (25%)			27 (75%)		
<b>Total Number of Employees</b>	36					

Gender	FY2022					
	Female			Male		
	Management	Executive	Non-Executive	Management	Executive	Non-Executive
<b>No. of Employees</b>	4 (44%)	3 (33%)	2 (23%)	9 (36%)	9 (36%)	7 (28%)
<b>Total</b>	9 (35%)			25 (65%)		
<b>Total Number of Employees</b>	34					

Gender	FY2021					
	Female			Male		
	Management	Executive	Non-Executive	Management	Executive	Non-Executive
<b>No. of Employees</b>	3 (44%)	2 (28%)	2 (28%)	10 (42%)	7 (29%)	7 (29%)
<b>Total</b>	7 (23%)			24 (77%)		
<b>Total Number of Employees</b>	31					



## SUSTAINABILITY STATEMENT

### Diversity and Equal Opportunity (Cont'd)

#### Age Diversity

As the Group is in the renewable energy industry that goes through various technological transition, age diversity is important to balance and maintain diverse experience and knowledge that drives innovative ideas in the Group. People of various age categories will be able to share different ideas that contribute to advancement of the Group and facilitate knowledge sharing among the employees.

The following table show the age diversity at the Group as at 31 December 2023, 31 December 2022, 31 December 2021:

Employee Category	Employees by Age Group	FY2023	FY2022	FY2021
<b>Management</b>	Below 30 years old	1 (8%)	1 (8%)	1 (8%)
	30-50 years old	3 (23%)	3 (23%)	2 (15%)
	Above 50 years old	9 (69%)	9 (69%)	10 (77%)
<b>Executive</b>	Below 30 years old	6 (46%)	5 (42%)	3 (33%)
	30-50 years old	5 (38%)	5 (42%)	4 (44%)
	Above 50 years old	2 (16%)	2 (16%)	2 (23%)
<b>Non-Executive</b>	Below 30 years old	1 (10%)	1 (11%)	1 (11%)
	30-50 years old	7 (70%)	5 (56%)	7 (78%)
	Above 50 years old	2 (20%)	3 (33%)	1 (11%)

#### Gender and Age Diversity in the Board of Directors (BOD)

Gender	FY2023	FY2022	FY2021
Male	5 (71%)	5 (71%)	5 (83%)
Female	2 (29%)	2 (29%)	1 (17%)
<b>Total</b>	<b>7</b>	<b>7</b>	<b>6</b>

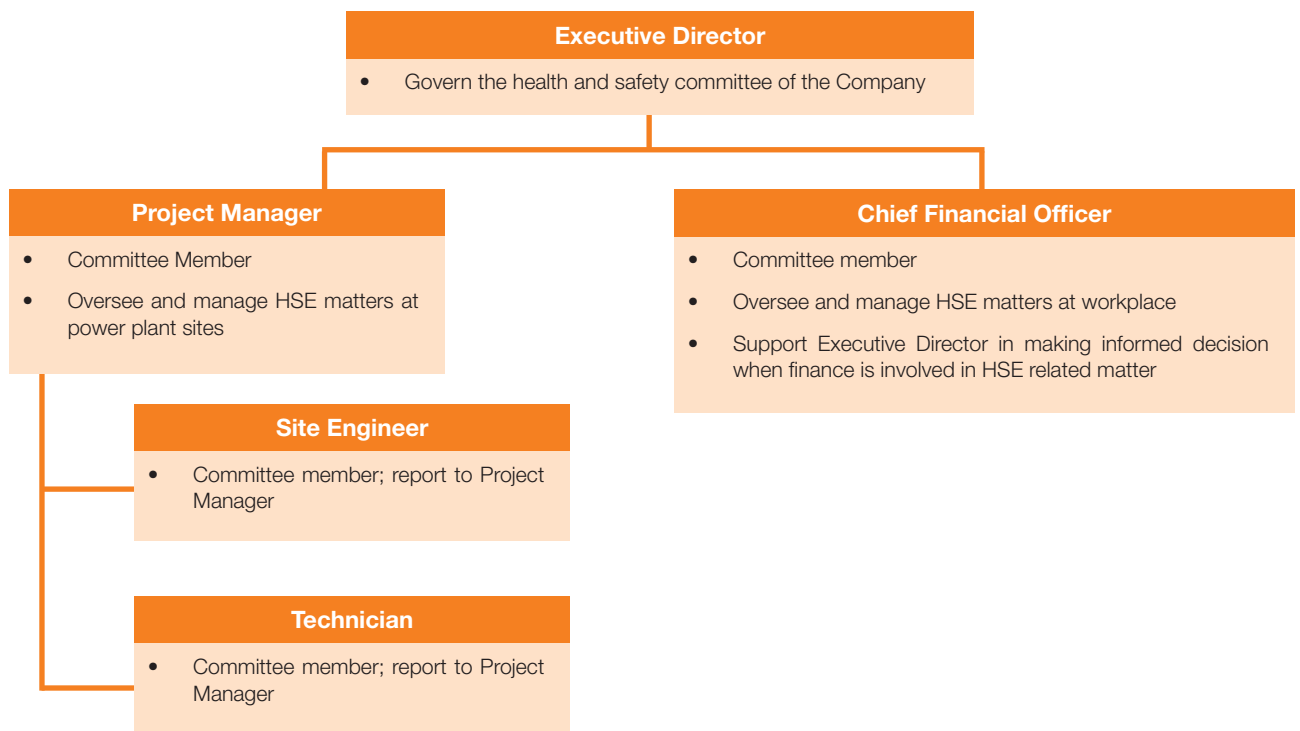
	Below 30 years old	30-50 years old	Above 50 years old
FY2023	0 (0%)	0 (0%)	7 (100%)
FY2022	0 (0%)	0 (0%)	7 (100%)
FY2021	0 (0%)	0 (0%)	6 (100%)

The ratio of male board member to female board members for FY2023 is 71%:29%. The board predominantly consist of male members as the industry of the Group involves technical knowledge, skill and experience. Besides that, the age of board members are above 50 years old as older members have larger advisory capacity supported by their knowledge and experience in the field and industry. The Group strives to maintain balance and diversity in the board given that the members fulfil the criteria and qualification as prescribed in the Directors' Fit and Proper policy established at the Group on 27 May 2022.

## SUSTAINABILITY STATEMENT

### Occupational Health and Safety

A safe work environment ensures wellbeing of employees, eliminates work disruption, and enhances work quality in the Group. ILB Group Berhad has an established Health, Safety and Environment (HSE) Committee. The following chart illustrates the flow of reporting and roles of members:



The HSE Committee's efforts are supported by the Quality, Health, Safety and Environment ("QHSE") policy that was enforced on March 2020. The policy provides comprehensive guideline on health and safety standards and practices. Following are the objectives of the policy:



Protect the safety and wellbeing of employees, environment and properties of the Group



Ensure compliance to laws and regulation and to address non-compliance



Emergency response to safety & health matters



## SUSTAINABILITY STATEMENT

### Occupational Health and Safety (Cont'd)

Following are the ongoing efforts taken to avoid health and safety mishaps at the Group:

- Stringent work Standard Operating Procedures (SOP) to be adhered to at work sites
- Monitoring at work site by supervisors
- Safety briefings are conducted on monthly basis to reiterate the need to comply by the work SOP and usage of Personal Protection Equipment (PPE) at work site
- Safety inspection on work sites is conducted semi-annually
- Fire drill is conducted annually to train employees for fire emergencies

The following table shows the number of employees that were given training on health and safety standards:

Year	FY2023	FY2022	FY2021
<b>Number of employees</b>	18	11	11

New employees joining the Group are given safety and health briefing, work instructions, awareness on health compliance matters and introduction to the QHSE policy during the annual induction session. This organised health and safety management system has contributed to our achievement of recording zero occupational accidents, injuries and fatality for FY2023 (FY2021: Nil; FY2022: Nil). Thus, the Lost Time Incident Rate (LTIR) was also recorded zero from FY2021 to FY2023.

We are continuously working to develop mindful culture concerning health and safety matters in the Group through our health and safety briefings and provision of guideline through QHSE policy and procedures. With these efforts in place, we believe we will continue to demonstrate excellence in workforce wellness.

### Labour Practices and Standards

#### Training and Development

We are committed to promote continuous improvement through training and development. Training and development help to motivate and maintain high level of competency among employees that improves the overall operation of the Group. Training opportunities are identified through employee appraisal activity that takes place annually. Employees receive review and feedback on their job performance from their superior, set goals for the upcoming year, and get information on career development within the organisation. Training and development opportunities are explored based on the learning needed by the employee due to introduction of new technical know-how, update in business operations and requirement by legislation.

The following table shows the total training hours achieved by the Group as at 31 December 2023, 31 December 2022, 31 December 2021:

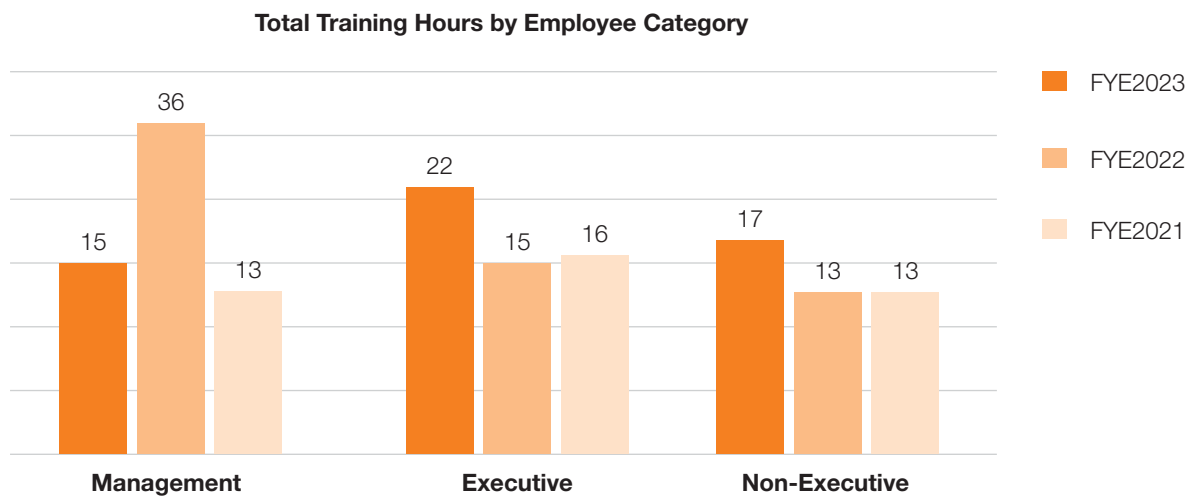
Year	Total Hours of Training	Average Training Hours Per Employee
FY2023	54	1.50
FY2022	64	1.83
FY2021	42	1.35

## SUSTAINABILITY STATEMENT

### Labour Practices and Standards (Cont'd)

#### Training and Development (Cont'd)

The total training hours by employee category as at 31 December 2023, 31 December 2022, 31 December 2021:



The total training hour for FY2023 was 36 which is 44% lower compared to FY2022. The difference was caused by the shorter hours of training conducted for each session. The training topic covered during FY2023 was on Anti-Bribery and Corruption. We are looking forward to identifying more training opportunities for our employees to enrich their knowledge and skills for the upcoming years to create agility and resilience in our workforce in this time of rapid technological and demographical change.

#### Turnover

The table below shows the turnover rate at the Group by employee category as at 31 December 2023, 31 December 2022, 31 December 2021:

Management Level	FY2023	Percentage	FY2022	Percentage	FY2021	Percentage
Management	2	50%	4	33%	2	50%
Executive	1	25%	1	8%	0	0%
Non-Executive	1	25%	7	59%	2	50%
<b>Total Turnover</b>	<b>4</b>	<b>100%</b>	<b>12</b>	<b>100%</b>	<b>4</b>	<b>100%</b>



## SUSTAINABILITY STATEMENT

### Labour Practices and Standards (Cont'd)

#### Employee Retention

As we strive to infuse sustainability measures in the social aspect of our operation, we believe employee retention plays a key role in supporting our sustainability goals. For example, key employees with specialised knowledge and skills contribute immeasurably to the sustained operation of the business that ensure smooth delivery of service to customers. Besides that, employee retention saves cost and provides competitive advantage financially and experience wise that are primal for sustainable business operation. Following are the benefits provided to our employees as an initiative to retain them:

- Group Hospitalisation & Surgical Plan
- Group Personal Accident Insurance
- Exam / Study Leave
- Annual Leave
- Congratulatory Leave
- Maternity Leave
- Paternity Leave
- Compassionate Leave
- Prolonged Illness Benefits
- Outpatient Medical & Dental Benefits

We acknowledge that one of the best practices to retain employees is to hear their concerns and opinions. We have an established channel to handle employee grievances where employee may approach their immediate superiors to address their concerns and feedback regarding job and the workplace. The matters that are unresolved within three days shall be reported to the Grievance Committee by the employee concerned. The Grievance Committee is comprised of the Executive Director, Chief Financial Officer and the Risk & Corporate Governance Manager.

Employee engagement activities are organised in the Group to increase bonding and appreciate the employees' diverse background. Employee activities also provide opportunities for open communication that aids in employee retention. For FY2023, the Group had organised lunch for festive celebrations:



Lunch Hari Raya Celebration



## SUSTAINABILITY STATEMENT

### Labour Practices and Standards (Cont'd)

#### New Hires

The table below show the number of new hires at the Group by employee category as at 31 December 2023, 31 December 2022, 31 December 2021:

Management Level	FY2023	Percentage	FY2022	Percentage	FY2021	Percentage
Management	2	33%	6	50%	4	50%
Executive	0	0%	3	25%	1	12%
Non-Executive	4	67%	3	25%	3	38%
<b>Total Turnover</b>	<b>6</b>	<b>100%</b>	<b>12</b>	<b>100%</b>	<b>8</b>	<b>100%</b>

#### Human Rights

We pledge to safeguard the safety and wellbeing of our employees by providing safe working environment, non-discriminative internal practices and equal opportunity for progress and development. We ensure that clean working environment is provided to employees and all necessity rights are given to employees such as medical leaves, lunch breaks and annuals leaves. The Group recorded zero complaints and cases in regards to violation of human rights as at 31 December 2023, 31 December 2022, 31 December 2021.

#### Cybersecurity

Cybersecurity threats are becoming rampant and pose a risk to all organisations that have IT infrastructure in place. These threats come in various forms and can cause serious consequences for businesses such as data breaches, financial losses, and damage to the Group's reputation.

The cyber security systems deployed protects the Group's internet access, email system and server. The Group takes cybersecurity seriously and had established various protection measures in place by engaging a professional IT service provider. Following are the measures and maintenance practices in place to protect the privacy of data and to defend against malicious cyber-attacks:

- Utilisation of custom email host for email services that eliminate chances of scammers that impersonate the Group and scam potential customers
- Change of password for email services are managed through system admin that blocks intruders from changing passwords and taking over the email account
- The IT system is equipped with firewall, anti-virus and anti-malware software to block harmful intrusions
- Anti-virus system is updated and scanning of systems are carried out on timely manner as prompted by the software
- Resigned employees are required to return their laptops and their email accounts are blocked with immediate effect upon departure
- The IT consultants monitor the filtered phishing, malware emails and anti-spam system on daily basis. The IT consultants will prompt the user once they detect any irregularities

The Group has recorded zero cyber-attacks and no incidents of system patch up due to cyber-attack have taken place in the past. In FY2023, we have recorded zero cases relating to breaches of data or complaints from external stakeholders (FY2021 and FY2022: Nil).





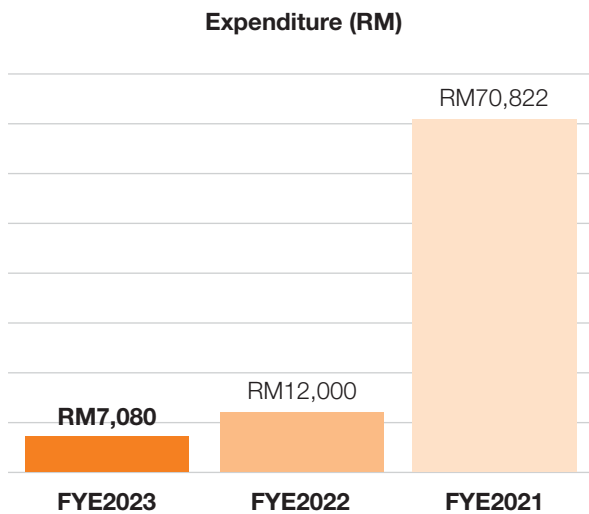
## SUSTAINABILITY STATEMENT

### Local Communities

We are committed to carrying out engagement activities with local communities to demonstrate our care for the wellbeing of the society and promote unity among people from all walks of life. The following table shows the list of community engagement activities participated by the Group for FY2023:

	List of Activities for FY2023	Expenditure (RM)
1	Contribution to Old Folks Home – Rumah Orang-Orang Tua Seri Setia	2,000.00
2	Program Kutip Sampah dan Riadah by SMK Nilai Impian Supported by Malaysian Green Technology and Climate Change Corporation	2,500.00
3	Contribution to Orphanage Home – Rumah Jalanan Kasih	2,580.00
	<b>TOTAL</b>	<b>7,080.00</b>

The following graph shows the expenses for community engagement activities on year-on-year basis:



The contribution for community activities in FY2023 was lower by 41% compared to FY2022. However, we are looking forward to organising more charitable activities for the benefit of the needy and enriching programs for the community in the year to come.

### Going Forward

Our aim remains as to practice sustainable measures in all operations of the Group to ensure longevity of the business, create awareness concerning conservation of nature and development of constructive community. We acknowledge that these goals require ongoing effort such as expansion of business to promote solar energy as a source of electricity generation, collaboration with various parties to introduce better services and technology, enhancement of internal processes to reduce potential carbon footprint cause by the Group's operation and development of well-trained workforce to support these sustainability goals.

Moving forward, our efforts will be directed towards enhancing our internal processes and operations through continuous monitoring and recording of our progress for analysis and improvement. We are thrilled to create a momentum of change through our business that will bring forth positive impact nationally and globally.



## SUSTAINABILITY STATEMENT

Indicator	Measurement Unit	2023
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive/Technical Staff	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	7,080.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	8.00
Management Between 30-50	Percentage	23.00
Management Above 50	Percentage	69.00
Executive Under 30	Percentage	46.00
Executive Between 30-50	Percentage	38.00
Executive Above 50	Percentage	16.00
Non-executive/Technical Staff Under 30	Percentage	10.00
Non-executive/Technical Staff Between 30-50	Percentage	70.00
Non-executive/Technical Staff Above 50	Percentage	20.00
Gender Group by Employee Category		
Management Male	Percentage	69.23
Management Female	Percentage	30.77
Executive Male	Percentage	76.93
Executive Female	Percentage	23.07
Non-executive/Technical Staff Male	Percentage	80.00
Non-executive/Technical Staff Female	Percentage	20.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	71.43
Female	Percentage	28.57
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	121.14
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	18
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	13
Executive	Hours	14
Non-executive/Technical Staff	Hours	9
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	2
Executive	Number	1
Non-executive/Technical Staff	Number	1
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	69.00
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	0.784000

Internal assurance

External assurance

No assurance

(\*)Restated



## BOARD OF DIRECTORS' PROFILES

### TANG MING YNG, 46

Executive Chairman (Appointed with effect from 5 February 2024)

Executive Director

Malaysian | Male

**Mr Tang Ming Yng** was appointed as Executive Chairman on 5 February 2024. He graduated from University of Western Australia with Bachelor of Science in Agriculture specializing in Genetics and Plant Breeding.

With a global perspective, the entrepreneurial-minded, Mr Tang has more than 25 years experiences in helping Agromate Groups overall development and implementation of strategies and policies in its operations ranging from importing, manufacturing, warehousing, trading and distribution of fertilisers throughout the nation as well as globally across Asia Pacific, Africa, Middle East and Europe.

Holding the belief that society should thrive alongside with the company's business expansion, Mr Tang strives to actively participate in the various initiatives towards uplifting lives, alleviating poverty, supporting the needy as well as helping the communities to flourish through education and sports.

Mr Tang does not have any interest in the securities of the Company or its subsidiaries. Mr Tang is the elder brother of Mr Tang Weihann, the Chief Executive Officer of ILB Group and does not have any family relationship with any other Director and/or major shareholder of the Company.

As Mr Tang was appointed as Executive Chairman on 5 February 2024, he did not attend any of the six Board Meetings held during the Financial Year Ended 31 December 2023.

### TANG WEIHANN, 38

Chief Executive Officer

Executive Director

Malaysian | Male

**Mr Tang Weihann** was appointed as Chief Executive Officer on 1 April 2024. He graduated from Monash University in Melbourne with a Bachelor of Commerce majoring in both accounting and finance and is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and Certified Public Accountants Australia.

Mr Tang Weihann has more than 15 years of accounting, banking and finance experiences. He began his career with Messrs Ernst & Young Malaysia and covered clientele from plantations, oil and gas and retail industries, subsequently he joined RHB Investment Bank Berhad, in-charge of mergers and acquisitions, valuation and financial advisory assignments and participated in Kulim (Malaysia) Berhad divestment in New Britian Palm Oil Limited. He has since been involved in managing investments portfolios and finance operations of various private entities.

Mr Tang Weihann sits on the Board of Golden Land Berhad as Non-Independent Non-Executive Director. He serves as the Member of the Audit & Risk Management Committee, Nomination Committee and Remuneration Committee of Golden Land Berhad.

Mr Tang Weihann does not have any interest in the securities of the Company or its subsidiaries. He is the younger brother of Mr Tang Ming Yng, the Executive Chairman of ILB Group and does not have any family relationship with any other Director and/or major shareholder of the Company.

As Mr Tang Weihann was appointed as Chief Executive Officer on 1 April 2024, he did not attend any of the six Board Meetings held during the Financial Year Ended 31 December 2023.



## BOARD OF DIRECTORS' PROFILES

### TEE TUAN SEM, 72

Non-Executive Non-Independent Director

Malaysian | Male

**Mr Tee Tuan Sem** was appointed to the Board on 9 June 1992. He is a member of the Malaysian Institute of Accountants and a Fellow of the Chartered Association of Certified Accountants. He joined Tet O Chong & Co., an established firm of public accountants, in 1976, and joined Integrated Forwarding & Shipping Berhad as Chief Accountant in 1981. He was promoted to the position of Finance Director of the Company in 1998 and subsequently appointed as the Chief Executive Officer in 2001. He was re-designated to Executive Vice Chairman on 1 January 2023 and subsequently re-designated as Non-Independent Non-Executive Director on 1 April 2024. He does not hold any other directorships of public companies.

Mr Tee has a direct interest of 14,682,675 ordinary shares in the Company. He also has an indirect interest of 381,931 ordinary shares in the Company held through his wife, Yang Chiew Bi. Mr Tee does not have any family relationship with any other Director and/or major shareholder of the Company.

Mr Tee attended all six Board Meetings held during Financial Year Ended 31 December 2023.

### WAN AZFAR BIN DATO' WAN ANNUAR, 74

Independent Non-Executive Director

Malaysian | Male

**En Wan Azfar bin Dato' Wan Annuar** was appointed to the Board as an Executive Director on 17 September 2001. He resigned as an Executive Director on 26 March 2003 but remained as a Non-Independent Non-Executive Director and was subsequently redesignated as an Independent Non-Executive Director on 19 August 2015. A Naval Officer by training, having been through Britannia Royal College, Dartmouth, United Kingdom and HMS Mercury, Royal Navy's School of Maritime Operations, Petersfield, United Kingdom, he has some 16 years service at sea and ashore. His military appointments included 2 warship commands, staff duties at the Ministry of Defence, Kuala Lumpur, Naval Headquarters in Singapore and as Naval Attache at the Malaysian High Commission, London. After leaving the Royal Malaysian Navy, he joined Malayan United Industries Berhad group of companies and pioneered the hotel division.

En Wan Azfar currently serves as the Chairman of the Nomination & Remuneration Committee on 8 March 2021 and he is also a member of the Audit & Risk Management Committee. He does not hold any directorships of other public companies.

En Wan Azfar does not have any interest in the securities of the Company or its subsidiaries. He does not have any family relationship with any other Director and/or major shareholder of the Company.

En Wan Azfar attended all six Board Meetings held during Financial Year Ended 31 December 2023.



## BOARD OF DIRECTORS' PROFILES

### DATO' WAN HASHIM BIN WAN JUSOH, 66

Independent Non-Executive Director

Malaysian | Male

**Dato' Wan Hashim bin Wan Jusoh** was appointed to the Board on 1 October 2017 as an Independent Non-Executive Director.

Dato' Wan Hashim obtained his Bachelor Degree of Science (Hons) in 1981 in Resource Economy from Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia). He joined Malaysia Investment Development Authority ("MIDA") in the same year as Assistant Director. Throughout most of his 36-years career with MIDA, he was responsible for the promotion and coordination of foreign and domestic investments and was also assigned to MIDA Los Angeles, Boston and New York. Dato' Wan Hashim was promoted to Executive Director in 2011 taking the leadership for five industry divisions namely the Electronic, ICT and Electrical, Transport Technology, Machinery and Equipment, and Textile and Non-Metallic Mineral. He became the Deputy CEO III of MIDA in July 2014 taking charge of the Strategic Planning and Investment Eco-System Development roles of MIDA and retired on the 24 September 2017 after a long-distinguished career with MIDA.

Dato' Wan Hashim is a member of the Audit & Risk Management Committee and the Nomination & Remuneration Committee. He sits on the Board of AYS Ventures Berhad as an Independent Non-Executive Director and UWC Berhad as an Independent Non-Executive Chairman.

Dato' Wan Hashim does not have any interest in the securities of the Company and its subsidiaries. He does not have any family relationship with any other Director and/or major shareholder of the Company.

Dato' Wan Hashim attended all six Board Meetings held during Financial Year Ended 31 December 2023.

### SOH ENG HOOI, 55

Independent Non-Executive Director

Malaysian | Female

**Ms Soh Eng Hooi** was appointed to the Board as an Independent Non-Executive Director on 15 May 2018. She was also appointed as a member of the Audit & Risk Management Committee (ARMC) on 15 May 2018 and subsequently re-designated as the Chairman of ARMC on 1 January 2019. Ms Soh was appointed as a member of the Nomination & Remuneration Committee on 8 March 2021.

Ms Soh graduated from University of Malaya with a Bachelor of Accounting (Honours) in 1994. Ms Soh is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. Ms Soh started her career with Arthur Andersen & Co. Kuala Lumpur and was a partner in Baker Tilly Kuala Lumpur before she founded E H Soh & Partners, an accounting firm, in 2015.

Ms Soh serves as an Independent Non-Executive Director of MN Holdings Berhad and Warisan TC Holdings Berhad. She does not have any interest in the securities of the Company and has no family relationship with any other Director and/or major shareholder of the Company.

Ms Soh attended all six Board Meetings held during Financial Year Ended 31 December 2023.



## BOARD OF DIRECTORS' PROFILES

### JAMILAH BINTI KAMAL, 62

Non-Executive Non-Independent Director

Malaysian | Female

**Puan Jamilah Binti Kamal** was appointed to the Board on 1 March 2022 as an Independent Non-Executive Director.

Puan Jamilah obtained her BA Honours in Economics in 1985 from Carleton University, Ottawa, Ontario Canada. She started her career in 1985 with Tenaga Nasional Berhad (TNB) in various departments, from the commercial department to marketing & distribution division. From the year 2000 to 2014, Puan Jamilah was seconded to Malaysian Industrial Development Authority (MIDA) as TNB's representative to deal with matters related to electricity supply to existing and potential, local and foreign investors and participated in Trade and Investment missions abroad organised by MIDA, led by the minister of Ministry of International Trade & Industry (MITI) to major investment cities in Europe, United Kingdom, United States of America & Australia.

Puan Jamilah became the General Manager/Head of Regulatory & Stakeholder Management in the year 2014. She was instrumental in shaping favourable regulatory outcomes & produced insightful industry and energy analyses to ensure TNB's strategic advantage & business sustainability, working closely with Government agencies such as MIDA, Energy Commission, Ministry of Energy, Economic Planning Unit, and industry players such as FMM, MICCI, AMCHAM, MISIF, FOMCA and C & CA. She was involved in the program for the implementation of Advanced Metering Infrastructure (AMI)/Smart Meters for 11 months before her retirement in January 2022, after a long and distinguished career with TNB.

Puan Jamilah sits on the Board of JF Technology Berhad as an Independent Non-Executive Director.

Puan Jamilah has a direct interest of 10,000 ordinary shares in the Company. She does not have any family relationship with any other Director and/or major shareholder of the Company.

Puan Jamilah attended all six Board Meetings held during Financial Year Ended 31 December 2023.

#### Notes

1. None of the Directors have entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company.
2. None of the Directors have any convictions for any offences within the past 5 years other than traffic offences.
3. None of the Directors have any public sanctions & penalties imposed by any regulatory bodies during the financial year 2022.



## GROUP MANAGEMENT PROFILE

### TOH WOAN FEI, 44

Chief Financial Officer

Malaysian | Female

**Ms Toh Woan Fei** is the Chief Financial Officer of ILB and its subsidiaries. Ms Toh joined the Group on 1 December 2023. She graduated with a Bachelor of Commerce from La Trobe University, Australia in 2001 and is a Registered Chartered Accountant with the Malaysian Institute of Accountants (MIA).

### CHING CHUN KEONG, 29

Company Secretary

Malaysian | Male

**Mr Ching Chun Keong** was appointed as the Company Secretary of ILB and its subsidiaries on 1 July 2023. He graduated with a Bachelor of Corporate Administration Tunku Abdul Rahman University of Management and Technology and was certified as a Chartered Secretary and Chartered Governance Professional by the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). He has obtained the Practising Certificate awarded by Companies Commission of Malaysia which qualify him to act as Company Secretary.

### TEE JIA JIE, 32

Executive Director of Solar Division

Malaysian | Male

**Mr Tee Jia Jie** is an Executive Director of IL Energy Sdn Bhd, IL Solar Sdn Bhd, EVN Vision Sdn Bhd and IL Power Sdn Bhd, all wholly-owned solar division subsidiaries of the Company. He graduated with a BSC (Hons) in Economics from Cardiff Metropolitan University with a Postgraduate in International Commercial Law from Cardiff University.



## GROUP MANAGEMENT PROFILE

### TEOH SIEW TATT, 47

Project Director Solar Division

Malaysian | Male

**Mr Teoh Siew Tatt** holds a Master of Business Administration in Engineering Management and a Bachelor of Engineering in Automotive Engineering from Coventry University in United Kingdom. Mr Teoh joined the group in September 2015 and has more than 19 years of experience in the project management field and was promoted to Project Director with effect from 1<sup>st</sup> January 2022.

### MOHD KHAIRUL NIZAM BIN MD RADZI, 40

Chargeman of Solar Division

Malaysian | Male

**Mr Mohd Khairul Nizam bin Md Radzi** holds a Diploma in Electrical Engineering from Politeknik Tunku Sultanah Bahiyah Kulim, Kedah. He has competency in B4 33kV from the Malaysia Energy Commission (Suruhanjaya Tenaga). Mr Khairul joined IL Solar Sdn Bhd in 2017 and has 13 years of experience in Electrical Testing, Commissioning, Operations and maintenance of Gas power plants and Renewable energy power plants.

#### Notes

None of the Group's Management:

1. Hold any directorships of other public companies.
2. Have any family relationship with any director &/or major shareholder of the Company, apart from Tee Jia Jie, who is the son of Mr. Tee Tuan Sem, the Non-Independent Non-Executive Director of the Company.
3. Have entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company.
4. Have any convictions for any offences and public sanctions & penalties imposed by any regulatory bodies other than traffic offences within the past five years.





# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Malaysian Code of Corporate Governance defines corporate governance as: “the process and structure used to direct and manage the business and affairs of the company towards promoting business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value, whilst taking into account the interests of the other stakeholders.”

The Board of Directors (“Board”) remains committed to subscribe to the principles of good corporate governance that is central to the effective operation of the Group and to ensure the highest standards of accountability and transparency. The Board supports the Corporate Governance Framework and continues to improve existing practices and achieve the objectives of the Group.

The Board is pleased to set out below the manner in which the Group has applied the three main principles in the Malaysian Code on Corporate Governance (“MCCG 2021”) known as Board Leadership and Effectiveness (Principal A), Effective Audit and Risk Management (Principal B) and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders (Principal C) throughout the Financial Year Ended 31 December 2023 (“FYE 2023”).

The details of the Group’s application for each practice set out in the MCCG 2021 during the FYE 2023 are disclosed in the Corporate Governance Report (“CG Report”). A copy of the CG Report is available on the Group’s website at <https://www.ilb.com.my/investor-relations/ir-corporate-governance/> and announcement on the website of Bursa Malaysia Securities Berhad.

## PRINCIPAL A - BOARD LEADERSHIP AND EFFECTIVENESS

### I. Board Responsibilities

**Every company is headed by a board, which assumes responsibility for the company’s leadership and is collectively responsible for meeting the objectives and goals of the company.**

Currently, the Company has an experienced Board comprising one (1) Executive Chairman, one (1) Chief Executive Officer & Executive Director (“CEO”), one (1) Non-Independent Non-Executive Director and four (4) Independent Non-Executive Directors.

The Board of Directors is primarily responsible for charting and reviewing the strategic direction of the Group and delegates the implementation of these directions to the management. The independent non-executive directors are considered independent of any business or other relationship or circumstances that could interfere with the execution of their independent judgement and decision making in the best interests of the Company.

The responsibilities of the Board are inclusive of but not limited to:

- i. Charting the strategic direction and setting out short term and long-term plans for the Group.
- ii. Promoting ethical and best corporate governance culture in the Group.
- iii. Monitoring and reviewing compliance with internal control policies and risk management systems.
- iv. Monitoring compliance with relevant laws & regulations and accounting standards within the corporate and business environment.
- v. Overseeing and reviewing business operations within a systematic and controlled environment.
- vi. Monitoring the financial performance of the Group.
- vii. Appointing and determining the remuneration, duration and terms of appointment of the Executive Directors.
- viii. Assessing the performance of and developing the succession plan for the Executive Directors.

The Independent Non-Executive Directors of the Company play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience toward the formulation of policies and in the decision-making process. The Board structure ensures that no individual or group of individuals dominates the Board’s decision-making process. Although all the Directors have equal responsibility for the Company and the Group’s operations, the role of the Independent Directors are particularly important in ensuring that the strategies proposed by the Executive Directors are deliberated on and have taken into account the interest, not only of the Company, but also that of the shareholders, employees, customers, suppliers and the community.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board had appropriately delegated specific tasks to two (2) Board Committees; namely Audit & Risk Management Committee (“ARMC”) and Nomination & Remuneration Committee (“NRC”). All the Board Committees have their own terms of reference and have the authority to act on behalf of the Board within the authority as layout in the terms of reference and to report to the Board with the necessary recommendation. Both of the Board Committees are chaired by an Independent Non-Executive Director and comprise of all Independent Non-Executive Director.

To ensure balance of power and authority, accountability and independent decision making, the roles of the Chairman and CEO are distinct and separated.

The Company has a clear distinction and separation of roles between the Chairman and the CEO, with clear division of responsibilities. The Board of Directors is headed by Mr Tang Ming Yng, the Executive Chairman, who has broad exposure and extensive experience in the sales, marketing and corporate management. As Chairman, he plays a vital role in leading and guiding the Board, and also serves as the communication point between the Board and the CEO.

The Board has delegated to the CEO, Mr Tang Weihann, the authority and responsibility for implementing policies, strategies and decisions adopted by the Board. The CEO and the management team are responsible for implementing the plans chartered out and the day to day management of the Group, with clear authority delegated by the Board.

The Chairman is not a member of all Board Committee, and he will not be invited and participate in any of the Board Committees’ meetings.

The Board is guided by a Board Charter which sets out the principles governing the Board of Directors of the Company and adopts the principles of good governance and practice in accordance with applicable laws, rules and regulations in Malaysia.

The Board will review the Board Charter and make changes wherever necessary. The Board Charter is published on the Company’s corporate website at <https://www.ilb.com.my/investor-relations/ir-corporate-governance/>.

A formal Whistleblowing Policy has been established and published on the Company’s corporate website at <https://www.ilb.com.my/investor-relations/ir-corporate-governance/> to assist in ensuring that the Group’s business and operations are conducted in an ethical, moral and legal manner. The Whistleblowing Policy is designed to encourage employees or external parties to disclose suspected malpractice or misconduct and to provide protection to employees or external parties who report allegations of such practices.

In line with the new provision, Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018), the Board has approved an Anti-Bribery and Anti-Corruption Policy which was published on the Company’s corporate website at <https://www.ilb.com.my/investor-relations/ir-corporate-governance/>. The policy sets out the Group’s overall position to prevent bribery and corruption practices in relation to its business activities.

The Group had adopted a Directors’ Fit and Proper Policy to ensure that individuals of high calibre who possess the right blend of qualifications, expertise, track record, competency and integrity are appointed on the Boards of Directors of the Group. All candidates to be appointed to the Boards of Directors of ILB Group, including those seeking re-election/re-appointment, shall undergo a review of fit and properness by the Board in accordance with the Directors’ Fit and Proper Policy. The Directors’ Fit and Proper Policy is available on the Company’s website, <https://www.ilb.com.my/investor-relations/ir-corporate-governance/>.

The Board is supported by qualified and competent Company Secretaries who are responsible for ensuring that the Company’s constitutions, procedures, policies and regulations are complied with. Also ensuring that, all obligations required by the regulatory and under the Listing requirements are fulfilled in a timely manner.

The Board is regularly updated and advised by the Company Secretaries on any new statutory and regulatory requirements in relation to their duties and responsibilities. The Board recognises that the Company Secretaries are suitably qualified and capable of carrying out the duties required. The Board is satisfied with the service and support rendered by the Company Secretaries in discharge of its functions.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

None of the directors of the Company hold more than five directorships of listed companies as provided under paragraph 15.06 of the Main Market Listing Requirements.

The Board is supported by the Management Committee (“MC”), comprising Executive Directors and the management team. MC manages the sustainability policy, initiatives, targets as well as monitoring the effectiveness and performance of related initiatives.

To further strengthen the sustainability initiatives, MC communicates the Group’s sustainability direction to Environmental, Social and Governance Working Group (“ESG Working Group”). ESG Working Group comprises of appointed representatives of various divisions, who are responsible to identify, manage, and analyse sustainability categories, as well as ESG risks, and organise, implement and monitor sustainability efforts. The ESG Working Group executes and implements the initiatives and report their operational activities in a variety of ways, including monthly reports, project progress reports, safety and health reports, etc.

While we anticipate that our key stakeholders are increasingly interested to evaluate how we have managed and embraced ESG agendas, our Board delegated the ESG Working Group to elevate ILB Group’s sustainability efforts in line with the latest Code of Corporate Governance updated in year 2022. The ESG Working Group is expected to take on the challenging role and be the subject matter expert on ESG sustainability matters, climate risks and ILB’s business sustainability issues.

We recognise the value of interacting with our stakeholders since their feedbacks are critical in keeping our sustainability activities on track with our goal to achieving stakeholders’ expectations while reinforcing our relationships with them. At ILB, we communicate with our stakeholders through a variety of channels to identify and prioritise concerns.

As a responsible organisation, we focus on sustainable expansion of our commercial activities. We have always prioritised environmental issues and complied with applicable laws and regulations in order to reduce negative environmental effect.

The nature of ILB’s subsidiary, which generates electricity as its main business function, encourages a beneficial environmental effect. This is because solar energy is turned from the sun into electrical energy, which is the cleanest and most abundant renewable energy source accessible. We formulate our strategy and align our policies to promote green technology as it is our Government of Malaysia’s initiative for greener economy.

At ILB, we recognise that climate change is the single biggest health threat facing humanity, and we are responding to the health harms caused by the unfolding crisis. Undeniably, it impacted our business in terms of both risks and opportunities and affected our operations, services, goals and business strategy. Recognising the importance, we are currently compiling more relevant data and information to address the climate change and undertake the risk as part of our risk assessment.

At ILB, we periodically review and update our sustainability material matters we face and captured the input from our stakeholders, whom we collaborate in engaging and assessing the magnitude of risks and opportunities, shape our strategy and discuss our resources allocation in relation to ESG topics. The discussion is also facilitated by selective Heads of Department and key management staff. Following that, the sustainability matters were assessed based on their relevance to the stakeholders and the Group’s business.

Our methodology is still driven by the Bursa Malaysia Sustainability Reporting Guidelines and Toolkits, which include compilation and mapping material matters to a materiality matrix.

The yearly Board of Directors’ Evaluations (“BOD Evaluations”) have been performed by all Directors are as follows:-

- Individual Directors’ Evaluation Form;
- Board ESG and Sustainability Evaluation Form;
- Independent Directors’ Self-Assessment Checklist;
- Board Skills Matrix Form;
- Board and Board Committee Evaluation Form; and
- ARMC Evaluation Form.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Based on the summary of the abovementioned BOD Evaluations assessment, it was concluded that :-

- a) The Board was well-balanced after taking into account the Board members' wide experience and exposure in various fields, i.e. commercial, financial, technical, corporate and legal, their diverse skill and qualities.
- b) The Company had an effective Board and each of the Directors possessed their own qualities, skills, expertise and experience in discharging their functions effectively as expected from each of them.
- c) All the Independent Directors also provided confirmation, either verbally or written, in respect of their independence respectively.

The Board meets on a quarterly basis with additional meetings being convened when necessary to address urgent matters. All the Directors have complied with the minimum attendance requirements as stipulated by the Main Market Listing Requirements of Bursa Malaysia. The Board met on six occasions during the year ended 31 December 2023 and the details of attendance at Board Meetings is set out below.

	Number of Meetings Attended	Total Number of Meetings
<b>Non-Independent Non-Executive Chairman</b> Datuk Karownikaran @ Karunikaran Ramasamy <i>(Retired on 5 February 2024)</i>	6	6
<b>Executive Vice Chairman</b> Tee Tuan Sem	6	6
<b>Independent Non-Executive Directors</b> Wan Azfar Bin Dato' Wan Annuar Dato' Wan Hashim bin Wan Jusoh Soh Eng Hooi Jamilah binti Kamal	6 6 6 6	6 6 6 6
<b>Executive Directors</b> Makoto Takahashi <i>(Retired on 31 March 2024)</i>	6	6

All new appointees to the Board are given an introduction to familiarise themselves with the Group's operations so as to assist them in discharging their duties and responsibilities. They are required to attend the Mandatory Accreditation Programme by Bursa Malaysia and thereafter to continually upgrade their knowledge and exposure through in-house training programmes as well as courses conducted by external parties.

The Board oversees the training needs of its Directors. Directors are regularly updated on the Group's businesses and the competitive and regulatory environment in which they operate. Directors are encouraged to visit the Group's operating centres to have an insight into the Group's various operations which would assist the Board to make effective decisions relating to the Group.

The Directors recognise the importance of continuing development by attending conferences, briefings and workshops to update their knowledge and enhance their skills. All Directors are encouraged to attend various external professional programmes relevant and useful in contributing to the effective discharge of their duties as Directors. In this respect, in-house briefings by External Auditors, solicitors and/or Management are organised from time to time to update Directors on relevant statutory and regulatory requirements and the Group's business and operational practices.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Training programmes and seminars attended by the Directors of the Company during the FYE 2023 are as follows:

Name of Directors	Date	Seminar / Training Course Title
<b>Dato' Wan Hashim bin Wan Jusoh</b>	22 May 2023	Consultation Talk: How ESG and Climate Change affect the Solar Power Generation Industry by Steven Lee, ESG Associates Sdn Bhd
	28 November 2023	Anti-Corruption Training for Directors by Chong Ki Keong, Amethyst Destiny Sdn Bhd
<b>Wan Azfar bin Dato' Wan Annuar</b>	22 May 2023	Consultation Talk: How ESG and Climate Change affect the Solar Power Generation Industry by Steven Lee, ESG Associates Sdn Bhd
	28 November 2023	Anti-Corruption Training for Directors by Chong Ki Keong, Amethyst Destiny Sdn Bhd
<b>Soh Eng Hooi</b>	26 January 2023	Warisan TC Holdings Berhad ("WTCH") / Tan Chong Motor Holdings Berhad ("TCMH"): New Employment Act (Amendment 2022)
	22 May 2023	How ESG and Climate Change Affect the Solar Power Generation Industry - ESG Associates Sdn Bhd
	27 June 2023	WTCH / TCMH: Code of Business Conduct & Ethics (CBCE) (Yearly Refresher Training)
	18 September 2023	TC iTech Sdn Bhd: Cybersecurity Awareness Training 2023 for Directors (Yearly Refresher Training)
	20 November 2023	MIA Blended Learning Series: Key MFRS Standards - Underlying principles and applications
	27 November 2023	Securities Commission Malaysia: Invitation to the SC's Audit Oversight Board Conversation with Audit Committees
	27 November 2023	WTCH Group Compliance Department: 2023 Anti-Bribery Anti-Corruption, Fraud Prevention and Special Complaint Online Training (Yearly Refresher Training)
	28 November 2023	Anti-Corruption Training for Directors - Amethyst Destiny Sdn Bhd
	4 December 2023	MIA Webinar Series: Audit Evidence and Sampling
	19 December 2023	MIA Webinar Series: The IFRS S1 and S2: Reporting, Management and Value Creation
	<b>Jamilah Binti Kamal</b>	22 May 2023
28 November 2023		Anti-Corruption Training for Directors by Chong Ki Keong, Amethyst Destiny Sdn Bhd



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Name of Directors	Date	Seminar / Training Course Title
Tee Tuan Sem	22 May 2023	Consultation Talk: How ESG and Climate Change affect the Solar Power Generation Industry by Steven Lee, ESG Associates Sdn Bhd
	6 July 2023	Listed Entity Director Programme – Board Dynamics by Singapore Institute of Directors
	11 July 2023	Listed Entity Director Programme – Stakeholder Engagement by Singapore Institute of Directors
	28 November 2023	Anti-Corruption Training for Directors by Chong Ki Keong, Amethyst Destiny Sdn Bhd

### II Board Composition

#### **Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.**

The Non-Executive Directors are not employees of the Company and do not participate in the day to day management of the Company. All four (4) Independent Non-Executive Directors are independent directors and are able to express their views without any constraint. This strengthens the Board which benefits from the independent views expressed before any decisions are taken. Should any director have an interest in any matter under deliberation, he is required to disclose his interest and abstain from participating in discussions on the matter. The NRC has reviewed the performance of the independent directors and is satisfied that they have discharged their responsibilities in an independent manner.

The Constitution of the Company provides that all Directors of the Company shall retire from office at least once every three years but shall be eligible for re-election. At least one third of the Directors for the time being, or if their number is not a multiple of three, then the number nearest to one-third, shall retire from office at each Annual General Meeting (“AGM”). A retiring Director shall be eligible for re-election. This provides an opportunity for shareholders to renew their mandates.

The MCG 2021 stipulates that the tenure of an Independent Director of the Company should not exceed a cumulative term of nine years. An Independent Director may continue to serve the Board subject to re-designation as a Non-Independent Director. In the event the Board intends to retain the Independent Director after serving a cumulative term of nine years, justification should be provided and shareholders’ approval will be sought through a two-tier voting process.

As Encik Wan Azfar bin Dato’ Wan Annuar would have served as Independent Non-Executive Director (“INED”) for more than 9 years since his re-designation on 19 August 2015. Following the annual assessment, the Board intends to retain En Wan Azfar bin Dato’ Wan Annuar as INED and will seek shareholders’ approval at the forthcoming AGM.

Key justifications to recommend Encik Wan Azfar bin Dato’ Wan Annuar’s continuance as INEDs are as follows:

- (a) He has actively participated in Board deliberation, provide objectively in decision-making and possess sufficient self-esteem and confidence to stand up with an independent voice of the Board.
- (b) He has exercised due care during his tenure and carried out his professional duties in the best interest of the Company and shareholders.
- (c) He had not developed, established or maintained any significant relationship which could impair his independence as INED, with the Executive Directors and major shareholders other than normal engagements and interactions on a professional level consistent and expected of them to carry out his duties as INED or member of the Board Committees.
- (d) He has contributed sufficient time and efforts in attending meetings of the Board and Board Committees.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The NRC had reviewed and assessed the independence of INEDs and their tenure of service. The NRC is satisfied that the INEDs of the Company continue to demonstrate independence through their engagement in meetings by bringing objective and independent judgement to decisions taken by the Board. The INEDs of the Company had also devoted sufficient time and attention to the Group's affairs.

The Board acknowledges the importance of age, nationality, professional background & gender diversity and recognises the benefits that such diversity can bring. The NRC considers diversity generally when making appropriate appointments to the Board, taking into account relevant skills, ethnicity, age, experience and knowledge. Notwithstanding the challenges in achieving the appropriate level of diversity on the Board, the Company will work towards addressing this as and when vacancies arise and suitable candidates are identified. The Company's primary responsibility in new appointments to the Board and management must always be to select the best candidates available.

In its selection for Board appointment, the Board believes in, and provides equal opportunity to candidates who have the skills, experience, core competencies and other qualities regardless of gender.

The Board currently has two (2) female director. With the current composition, the Board is of the view that its members have the necessary knowledge, experience and competence to enable them to discharge their duties and responsibilities effectively.

The recruitment or promotion to the Board or senior management role will be based on skills, competencies, knowledge, experience and contribution.

Details of the Directors seeking re-election are set out in the Directors Profiles section, their shareholdings in the Company, position & relationship and details of attendance at Board Meetings are set out in the annual report.

Based on the assessment and evaluation conducted by the NRC, the retiring Directors met the performance criteria required of an effective and a high-performance Board.

The Board of Directors, taking into the recommendation of NRC, supported the retiring Directors of their re-election as Director at the AGM of the Company.

### III Remuneration

**The level and composition of remuneration of directors and senior management take into account the Company's desire to attract and retain the right talent in the board and senior management to drive the Company's long-term objectives. The remuneration policies and decisions are made through a transparent and independent process.**

The Company's NRC reviews the remuneration of the Board and Senior Management from time to time with a view to ensure the Company offers fair compensation and is able to attract and retain talent who can add value to the Company. Fees paid to Non-Executive Directors are tabled at the Company's AGM for approval.

**Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the Company's performance.**

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Details of the Directors' remuneration comprising remuneration received from the Company and its subsidiaries in the financial year ended 31 December 2023 are as follows:

### Company

	RM'000					
	Salaries	Fees	Bonus	Other Remuneration	Benefits and Benefits-in-kind	Total
<b>Non-Executive Directors</b>						
Datuk Karownikaran @ Karunikaran Ramasamy <i>(Retired on 5 February 2024)</i>	–	108	–	3	1	112
Wan Azfar bin Dato' Wan Annuar	–	60	–	7	1	68
Dato' Wan Hashim bin Wan Jusoh	–	60	–	7	–	67
Soh Eng Hooi	–	90	–	6	4	100
Jamilah binti Kamal	–	60	–	3	4	67
<b>Executive Directors</b>						
Tee Tuan Sem	600	–	–	72	80	752
Makoto Takahashi <i>(Retired on 31 March 2024)</i>	480	–	–	1	70	551
<b>Total</b>	<b>1,080</b>	<b>378</b>	<b>–</b>	<b>99</b>	<b>160</b>	<b>1,717</b>

### Group

	RM'000					
	Salaries	Fees	Bonus	Other Remuneration	Benefits and Benefits-in-kind	Total
<b>Non-Executive Directors</b>						
Datuk Karownikaran @ Karunikaran Ramasamy <i>(Retired on 5 February 2024)</i>	–	108	–	3	1	112
Wan Azfar bin Dato' Wan Annuar	–	70	–	8	1	79
Dato' Wan Hashim bin Wan Jusoh	–	70	–	7	–	77
Soh Eng Hooi	–	90	–	6	4	100
Jamilah binti Kamal	–	70	–	4	4	78
<b>Executive Directors</b>						
Tee Tuan Sem	600	–	–	72	80	752
Makoto Takahashi <i>(Retired on 31 March 2024)</i>	480	–	–	1	70	551
<b>Total</b>	<b>1,080</b>	<b>408</b>	<b>–</b>	<b>101</b>	<b>160</b>	<b>1,749</b>





## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Details of the remuneration of the top Senior Management (including salary, bonus, benefits-in-kind and other emoluments) in each successive band of RM50,000 during the financial year ended 31 December 2023, are as follows:

Range of Remuneration (RM)	Name of Top Senior Management
200,001 - 250,000	Toh Woan Fei, Tee Jia Jie and Teoh Siew Tatt

### PRINCIPAL B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I Audit & Risk Management Committee (ARMC)

**There is an effective and independent ARMC. The Board is able to objectively review the ARMC's findings and recommendations. The Company's financial statements is a reliable source of information.**

The ARMC oversees the integrity of the financial statements, compliance with relevant accounting standards and the Group's risk management and internal controls. The ARMC had five meetings during financial year ended 31 December 2023 and comprises:-

- i. Soh Eng Hooi (Chairman)
- ii. Wan Azfar bin Dato' Wan Annuar
- iii. Dato' Wan Hashim bin Wan Jusoh

The Board strives to provide true and fair financial reporting of the Group's performance in the audited financial statements and quarterly financial reports, in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 2016 ("Act").

The ARMC exercises professional oversight of the integrity of the financial reports before presenting the financial statements to the Board for approval. The ARMC also represented to the Board with support and clarifications from the external auditors that the financial statements & reports presented are in compliance with applicable approved accounting standards in Malaysia and the provisions of the Act to give a true and fair view of the Group's performance and financial position.

The Board has a formal and transparent relationship with the external auditors. The ARMC recommends to the Board on the appointment of the external auditors which is subject to the approval of shareholders at the AGM whilst their remuneration is determined by the Board. The role of the ARMC is further set out in their Report. The Board has private sessions and dialogues through the Committee with the external auditors, in the absence of the executive directors and the management. For the year under review, there was two such dialogue session with the external auditors.

It is the practice of the ARMC to conduct annual assessment of the external auditor. Areas of assessment include among others, the external auditors' objectivity and independence, size and competency of the audit team, audit strategy, audit reporting, partner involvement and audit fees. In support of the assessment on independence, the external auditors provide the ARMC with assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. Premised on the assessment result, the ARMC will make recommendation to the Board for re-appointment of external auditors accordingly. During the financial year, the amount of non-statutory audit fees paid to external auditors was RM20,500, being the fee for services rendered in reviewing the Statement of Risk Management and Internal Control, reviewing the Company's quarterly report and performed Agreed-upon procedures on Renovation and Refurbishment Costs in relation to the Income Tax (Cost of Renovation and Refurbishment of Business Premise)(Amendment) Rules 2021.

The ARMC comprises of all Independent Non-Executive Directors and at least one member fulfills qualifications prescribed by Bursa via paragraph 15.09(1)(c) and paragraph 7.1 of Practice Note 13 of the Main Market Listing Requirements.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### II Risk Management and Internal Control Framework

**The Company makes informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives. The Board is provided with a reasonable assurance that adverse impact arising from a foreseeable future event or situation on the Company's objectives is mitigated and managed.**

The ARMC oversees the Group's risk management and internal control.

ILB has in place its established Risk Management Policy, which reflects the framework for Enterprise-wide Risk Management and Internal Control System. Such framework states the Company's tolerance level for risk, and process in place to identify, assess and monitor key business risks arising from the existing environment and foreseeable future event in achieving the Company's corporate objectives, safeguarding the Company's assets, as well as shareholders' investments/interest (excluding associates and jointly controlled entities).

The Board has the ultimate responsibility for reviewing and approving the Company's risk framework, risk profile and related policies. Relevant internal control systems are implemented for the day to day operations of the Group. The independent professional service provider, Tricor Axcelasia Sdn Bhd ("Tricor Axcelasia"), have an independent reporting on risk management and internal controls to the ARMC. The framework is continually monitored by Tricor to ensure it is responsive to the changes in the Group's Corporate Structure and is authorised to conduct independent audits of all the departments and offices within the group. It reports its internal audit findings to the ARMC on a half-yearly basis.

The ARMC reviews, deliberates, and evaluates the effectiveness and efficiency of the internal control systems in the organisation which are designed to manage and mitigate rather than eliminate risks in achieving the Company's corporate objectives, safeguarding the company's assets as well as investors interests.

**Company has an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.**

The Board is assisted by ARMC in the oversight of risk management and internal control system of the Group and supported by the Executive Directors and senior management of the Group in the implementation of the Board's policies & procedures on risk management and internal control. Tricor Axcelasia provides independent internal audit services to the core business of the Group and adopts a risk-based approach and prepares its audit strategy and plan based on the risk assessment of the business units of the Group.

The Board is cognisant of the fact that they are responsible for the adequacy and effectiveness of the Group's Risk Management and Internal Control System. The Board recognises the importance of good corporate governance and is committed to maintain a sound system of internal controls and risk management. This includes the establishment of an appropriate control environment and risk management framework, processes and structures, and a continuous review of the adequacy and integrity of the said systems to safeguard shareholders' investment and the Group's assets. The Board is pleased to provide the following statement, which outlines the nature and scope of risk management and internal controls of the Group during the year.

The Statement on Risk Management and Internal Control furnished on the Annual Report provides an overview on the state of internal controls within the Group, in an effort to manage risk.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### I Communication with Stakeholders

**There is continuous communication between the Company and stakeholders to facilitate mutual understanding of each other's objectives and expectations. Stakeholders are able to make informed decisions with respect to the business of the Company, its policies on governance, the environment and social responsibility.**

The Board believes that a constructive and effective investor relationship is essential in enhancing shareholder value and recognises the importance of timely dissemination of information to shareholders or stakeholders.

The Board monitors all price sensitive information potentially required to be released to Bursa Malaysia and makes material announcements to Bursa Malaysia in a timely manner. In line with best practices, the Board strives to disclose price sensitive information to the public as soon as practicable through Bursa, the media and the Company's website.

Price sensitive information is defined as any information that on becoming generally available would tend to have a material effect on the market price of the Company's listed securities. The Company Secretaries are responsible to compile such information for the approval of the Board soonest possible and release such information to the market as stipulated by Bursa Malaysia.

Apart from the provisions relating to the "closed period" for dealing in the Company's shares, the directors and senior management privy to price sensitive information are prohibited from dealing in the shares of the Company until such information is publicly available. The Company's website at [www.ilb.com.my](http://www.ilb.com.my) is regularly updated and provides relevant information on the Company which is accessible to the public to make informed decisions.

#### II Conduct of General Meetings

**Shareholders are able to participate, engage the Board and senior management effectively and make informed voting decisions at general meetings.**

The AGM is the principal forum for dialogue and interaction with the shareholders. The Board is committed to provide shareholders with comprehensive and timely information about the Group's activities and performance to enable investors make informed decisions. Shareholders are encouraged to attend General Meetings and use the opportunity to ask questions on resolutions being proposed and, on the progress, performance and future prospects of the company.

The Chairman and Board members, with the assistance of senior management and external auditors, where appropriate, are responsible to respond and provide explanations on matters raised. In accordance with the recommendations of the MCGG 2021, the Company gives its shareholders at least 28 days prior notice of the AGM of the Company.

Information on the Group's activities is provided in the Circulars, Annual Report and Financial Statements which are despatched to shareholders. The Company also encourages shareholders and investors to access online the Company's Annual report and up to date announcements, which are made available at the Bursa Malaysia website and the Company's own website.

Investors and the public who wish to contact the Group on any enquiry, comment or proposal can channel them through e-mail or contact the following persons:-

Name	Contact No.	E-mail address
Ching Chun Keong, Company Secretary	03-5614 2555	investorrelation@ilb.com.my
Tee Jia Jie, Executive Director, Solar Division	03-5614 2555	investorrelation@ilb.com.my

All resolutions set out in the notice of general meetings will be carried out by poll voting. The Board makes an announcement of the detailed results showing the number of votes cast for and against on each resolution at general meetings to facilitate greater shareholder participation.



## OTHER DISCLOSURES

### 1. UTILISATION OF PROCEEDS

There was no corporate proposal to raise funds during the financial year 2023.

### 2. AUDIT FEES AND NON-AUDIT FEES

For financial year 2023, the amount of audit fees and non-audit fees paid or payable by the Group and the Company to the External Auditors are as follows:

	<b>Group (RM)</b>	<b>Company (RM)</b>
Audit Fees	252,253	118,000
Non-Audit Fees	20,500	20,500

### 3. MATERIAL CONTRACTS

There were no material contracts entered into by the Group which involved directors and/or major shareholders' interests during the financial year 2023.

### 4. VARIANCE IN RESULTS

There was no material variance between the results for the financial year 2023 and the unaudited results previously announced by the Company. The Company did not release any profit estimate, forecast or projections during the financial year.

### 5. OPTIONS, WARRANTS AND CONVERTIBLE SECURITIES

There was neither issuance, conversion nor exercise of Options, Warrants and Convertible Securities during the financial year 2023.

### 6. RELATED PARTY TRANSACTION AND RECURRENT RELATED PARTY TRANSACTION

There were neither Related Party Transaction nor Recurrent Related Party Transaction entered into by the Company and Group which involved directors and/or major shareholders' interests during the financial year 2023.



# AUDIT & RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of the Group is pleased to present the Audit & Risk Management Committee (“ARMC”) Report for the financial year ended (“FYE”) 31st December 2023.

## MEMBERSHIP

The ARMC of the Group comprises the following members:

### Chairperson

Soh Eng Hooi

*Independent Non-Executive Director*

### Members

Wan Azfar bin Dato’ Wan Annuar

*Independent Non-Executive Director*

Dato’ Wan Hashim bin Wan Jusoh

*Independent Non-Executive Director*

The ARMC comprises three (3) Non-Executive Directors during FYE 31st December 2023, all of whom are Independent Directors. The Chairperson of ARMC, Ms. Soh Eng Hooi is a Member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.

The composition of the ARMC and the qualification of the members comply with Paragraph 15.09 (1) of the Main Market Listing Requirement of Bursa Securities (“MAIN LR”).

The Committee carries out its duties and responsibilities in accordance with its Terms of Reference which is available on the Company’s website at <https://www.ilb.com.my>.

ARMC has the authority to investigate any matter within its Terms of Reference. In this regard, ARMC has full and unrestricted access to any information pertaining to the Group, co-operation from Management, direct communication channels with the external and internal auditors and reasonable resources to enable it to discharge its functions appropriately.

## MEETINGS AND MINUTES

During the FYE 31st December 2023, the ARMC held a total of five (5) meetings. The Company Secretary was in attendance during the meetings and the Chief Financial Officer, Internal Auditors, External Auditors and other senior management personnel, where necessary, were invited to the meetings to deliberate on matters within their purview.

Minutes of each ARMC meeting were recorded and tabled for confirmation at the following ARMC meeting. After each ARMC meeting, the ARMC Chairperson reported on matters deliberated to the Board for their notation including matters of significant concern as and when raised by the External Auditors or Internal Auditors. Matters reserved for Board approvals are tabled at Board meetings. Upon Board’s approval, the decisions made are forwarded to the management for their actions. ARMC may also take action by way of circular resolutions in lieu of convening a formal meeting.

The details of attendance of the ARMC members are as follows:

Committee Members Attendance	Meeting
Soh Eng Hooi	5/5
Wan Azfar bin Dato’ Wan Annuar	5/5
Dato’ Wan Hashim bin Wan Jusoh	5/5



# AUDIT & RISK MANAGEMENT COMMITTEE REPORT

## SUMMARY OF ACTIVITIES OF THE ARMC

The ARMC's activities for the financial year under review comprise the followings:-

### 1. Financial Reporting

- In overseeing the Group's financial reporting processes, ARMC reviewed and discussed the Group's unaudited quarterly financial results and final draft audited financial statements with the management and external auditors at the ARMC meetings, to ensure compliance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 2016, as well as discussing the performance of the Group, before presentation to the Board for consideration and approval.
- Reviewed and discussed on the impact of any changes/adoption of new accounting standards, auditing and regulatory requirements to the Group's financial reporting processes.
- Reviewed and assessed the adequacy of the processes and controls in place for effective and efficient financial reporting and that reasonable judgement and estimates had been made in accordance with the requirements set out in the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 2016.

### 2. Related Party Transaction ("RPT")

- Reviewed the RPT that may arise within the Company and its Group and apprised the Board that there were no significant RPT situations which arose within the Company or the Group, including any transaction, procedure or course of conduct that raised questions of the Management's integrity during the financial year.

### 3. External Audit

- Reviewed and discussed with the external auditors, prior to the commencement of audit, audit planning which include matters pertaining to the audit service team, scope of the work, significant risks and areas of key audit focus, materiality assessment, technical updates, independent policies and procedures, timeline, fraud responsibilities etc.
- Reviewed and discussed with external auditors on major audit findings arising from the external audit and resolution of the findings, including key audit matters and control weaknesses raised by the external auditors.
- Met with the external auditors without the presence of executive Board members and management personnel.
- Reviewed the audit fees before recommending to the Board for approval.
- Reviewed the competency, resource capacity, objectivity, professionalism and the independence of the external auditors. ARMC undertakes to review the independence and suitability of the external auditors in the provision of non-audit services to the Company and the Group. In considering the nature and scope of non-audit services and related fees, ARMC will need to satisfy that they were not likely to impair their independence. Baker Tilly Monteiro Heng PLT has also given their independence assurance throughout their audit works for FY2023. Pursuant thereto, ARMC has recommended to the Board for the re-appointment of Baker Tilly Monteiro Heng PLT as external auditors of the Company at the forthcoming Annual General Meeting based on the competency, resource capacity, objectivity, professionalism and the independence of the external auditors.

### 4. Internal Audit

- Reviewed and approved the internal audit plan for year 2023/2024 from the outsourced internal audit service provider, Tricor Axcelasia Sdn Bhd ("Outsourced IA") to ensure that the scope of the internal audit on the operations of the Group is adequate and major risk areas are covered accordingly in line with the latest development of the Group and the business environment.



## AUDIT & RISK MANAGEMENT COMMITTEE REPORT

### 4. Internal Audit (continued)

- Discussed and reviewed the internal audit reports presented by Outsourced IA on a half yearly basis. ARMC considered major findings and areas required improvements highlighted by Outsourced IA and responses from management thereto, including follow-up on status of actions taken by Management to address issues raised in previous internal audit.
- Reviewed the independence, competency, performance and effectiveness of the internal audit function.

### 5. Risk Management

- Assisted the Board in overseeing and reviewing the Risk Management Policy, which reflects the framework for Enterprise-wide Risk Management and Internal Control System. Such framework which is based on guidelines of ISO 31000 states the Company's tolerance level for risk and process in place to identify, assess and monitor key business risks arising from the existing environment and foreseeable future events.
- Reviewed Group's risk management process including the process in identifying, evaluating, approving and reporting risk and monitoring conflict of interest situations and transactions and the key consideration to be taken in reviewing the related party transactions or conflict of interest situation.
- Oversaw the risk management process of the Group with the support from the Executive Directors and senior management of the Group in the implementation of the Board's policies & procedures on risk management.

### 6. Others

- Reviewed the following prior to recommending to the Board for approval for inclusion in this Annual Report:
  - o the Statement on Risk Management and Internal Control; and
  - o Audit & Risk Management Committee Report.

## INTERNAL AUDIT FUNCTION

The Group's internal audit function is carried out by Outsourced IA, an outsourced service provider, which reports directly to the ARMC on its activities based on internal audit plans as approved by ARMC. Its principal function is to undertake regular and systematic review of the internal control system within the Group so as to provide independent assurance on the adequacy and effectiveness of governance, risk management and internal control processes.

On a half-yearly basis, Outsourced IA presented their audit reports which included their findings and recommendations for improvements to the ARMC for review and deliberation. The ARMC evaluated the adequacy of the responses, actions and measures taken/to be taken by the management within the required timeframe in resolving the audit issues reported. Outsourced IA also carried out follow-up reviews to monitor the implementation of the said actions plans and measures reported to the ARMC. The ARMC Chairperson then briefed the Board on the internal audit reports on any major findings.

During the year under review, Outsourced IA had performed internal control review on the Group's operations in respect on Financial Management and Procurement Management.

The total cost incurred by the engaging Outsourced IA relating to Internal Audit function for the FYE 2023 amounted to RM30,243.22.



## NOMINATION & REMUNERATION COMMITTEE (“NRC”)

The Board, through the NRC, ensures that it recruits to the Board only individuals of sufficient calibre, knowledge and experience to fulfil the duties of a Director appropriately.

The NRC consists of three (3) Independent Non-Executive Directors and its Chairman is an Independent Non-Executive Director appointed by the Board.

The NRC comprise of the following during the financial year ended 31 December 2023:

Wan Azfar bin Dato’ Wan Annuar	- Chairman / Independent Non-Executive Director
Dato’ Wan Hashim bin Wan Jusoh	- Member / Independent Non-Executive Director
Soh Eng Hooi	- Member / Independent Non-Executive Director

### OBJECTIVES

- (a) Ensure an appropriate balance of experience and abilities on the Board.
- (b) Propose and recommend suitable candidates to the Board and to fill the seats on Board committees, guided by ILB Fits and Proper Policy.
- (c) Review the composition and effectiveness of the Board and the Board Committees in terms of the required mix of skills, expertise, attributes and core competencies of the Directors as well as the contribution of each individual Director on an annual basis.
- (d) Recommend to the Board the framework on terms of employment and elements of remuneration of the Executive Directors.
- (e) Review the terms of office and performance of the Committee annually.
- (f) Review and recommend to the Board the annual bonus and salary increment of the Executive Directors and the remuneration of the Non-Executive Directors.

### COMPOSITION

The Terms of the Nominating Committee provides that the Board shall appoint members to the Nominating Committee from amongst its members. The Nominating Committee shall comprise exclusively of Non-Executive Directors with at least three (3) members. Majority of the members of the Nominating Committee shall be independent. The Chairman of the Nominating Committee shall be an Independent Non-Executive Director appointed by the Board.

In the absence of the Nominating Committee Chairman, the remaining members present shall elect one of them to chair the meeting.

### RESPONSIBILITIES

- (a) Ensure an appropriate balance of experience and abilities on the Board.
- (b) Review from time to time the size, structure and composition of the Board.
- (c) Assessment of the independence of directors who have served for a cumulative term of more than nine years, and make appropriate recommendations to the Board.
- (d) Consider candidates for appointment, whether as Executive or Non-Executive Directors.
- (e) Make recommendations to the Board on the re-appointment of Non-Executive Directors at the end of their term.
- (f) Advise the Board on the issue of succession planning.
- (g) Annual Performance Assessment of the Board of Directors.
- (h) Recommend to the Board a competitive compensation and remuneration package for Executive Directors in order to attract talent and experience needed for the continued progress of the Group.
- (i) Recommend to the Board a competitive remuneration package for Non-Executive Directors who have the necessary skills and experience to bring independent judgement to bear on the issues of strategy, performance and resources for the success of the Group.
- (j) Review and recommend annual compensation and reward for all Directors. A Director should abstain from discussion on his/her own remuneration.





## NOMINATION & REMUNERATION COMMITTEE (“NRC”)

### AUTHORITY

The Committee is authorised by the Board to act on all matters within its terms of reference and other matters as may be approved by the Board from time to time.

### REPORTING

In discharging the above responsibilities, the Committee shall report to the Board on :-

- (a) The effectiveness of the present size of the Board of Directors.
- (b) The effectiveness of the composition of the Board of Directors and the mix of Executive and Non-Executive Directors.
- (c) The existence of, or potential conflicts of interest involving the Board members.
- (d) The contribution of individual Directors in decision making at the Board level.
- (e) A continuous education program for Board members to upgrade their skills and enhance their effectiveness.

### MEETINGS

- (a) Meetings of the Committee shall be held as and when necessary but at least twice a year.
- (b) The Committee shall be provided with sufficient resources to undertake its duties. It shall have access to the services of the Company Secretary including assisting in planning the committee's work, drawing up meeting agendas, maintenance of minutes, collection and distribution of information and provision of any necessary logistical support.
- (c) The meetings of the Committee shall be transparent, with all proceedings recorded and actions documented.

### ACTIVITIES OF NRC

The NRC met three times during the financial year to deliberate on the following:

- (a) Reviewed the remuneration of Executive Directors and Key Senior Management;
- (b) Facilitated the resignation and appointment of Chief Financial Officer;
- (c) Reviewed the Directors' Fit and Proper Policy;
- (d) Reviewed the current Board structure, size and composition with an aim to achieving a balance of views on the Board;
- (e) Reviewed and assess the effectiveness of the Board as a whole, the various Board Committees as well as the contribution of each individual Director;
- (f) Reviewed the level of independence of Independent Directors; and
- (g) Discussed on the annual retirement by rotation and re-election of Directors at the forthcoming Annual General Meeting.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Board is cognisant of the fact that it is responsible for the adequacy and effectiveness of the Group's system of Risk Management and Internal Control. The Board recognises the importance of good corporate governance and is committed to maintaining a sound system of internal controls and risk management. The Board is pleased to provide the following statement, which outlines the nature and scope of risk management and internal controls of the Group during the financial year under review pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

## BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility to maintain a sound risk management and internal control system as well as reviewing its adequacy and effectiveness and to put in sufficient safeguards to manage the Group's risks in order to safeguard shareholders' investment and the Group's assets. However, due to the inherent limitations in any system of risk management and internal control, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives. Thus, the system of internal control put in place can only provide reasonable but would not be an absolute assurance against material misstatements or loss. The significant areas covered by the Group's system of internal control are financial, organisational, operational, compliance and information technology controls.

The Board does not review risk management and internal control systems of its associates as the Board does not have direct control over their operations. Notwithstanding the above, the Group's interest is served through representation on the board of the associates and review of the management accounts and enquiries thereon.

## RISK MANAGEMENT

The Board is assisted by Audit & Risk Management Committee ("ARMC") in the oversight of risk management and internal control system of the Group and supported by the Executive Directors and senior management personnel of the Group in implementation of the Board's policies and procedures on risk management and internal control.

The Group has established an enterprise-wide risk management framework based on the guidelines in ISO 31000 to manage risks affecting its business and operations. The Board, with its ARMC and recommendations from the outsourced internal audit service provider, Tricor Axcelasia Sdn Bhd ("Outsourced IA"), have established processes for identifying, evaluating and managing the significant risks faced by the core business of the Group. These processes have been in place for the year under review and up to the date of approval of this statement for inclusion in the annual report.

The internal audit personnel assigned by Outsourced IA are free from any relationships or conflicts of interest, which could impair their objectivity and independence pursuant to the written declaration made by them.

In line with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018), the Board has approved an Anti-Bribery and Anti-Corruption Policy. The policy sets out the Group's overall measures to prevent bribery and corruption practices in relation to its business activities.

## INTERNAL CONTROL

The Group has an established internal control structure and is committed to maintaining the structure to ensure effective control over the Group's business operations and to safeguard the value and security of the Group's assets. Some of the key elements of the structure are:

- Organizational structure defining lines of responsibility, delegation of authority, segregation of duties and information flow. Besides ARMC and Nomination and Remuneration Committees, the Board is supported by Management Committee operationally. These committees convene periodically to meet its strategic business agenda thus ensuring that the Board, properly apprised, maintains effective supervision over the entire operations.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTERNAL CONTROL (CONTINUED)

- Policies, procedures and standards have been established within the Group, periodically reviewed and updated by the management in accordance with changes in the operating environment. These standards and procedures include obtaining authority for major transactions and ensuring compliance with laws and regulations that have significant financial implications. Procedures are also in place to ensure that assets are subject to proper physical controls and comply with safety requirements.
- The annual budget is prepared for the Group. The Board of Directors review and approve the annual budget.
- Management Committee conduct regular management meetings with management teams and reviews financial and operational reports in order to monitor the performance and profitability as well as operational issues including internal control matters and risk management.
- Management accounts are prepared on a monthly basis and the actual performance compared with the budgets. Quarterly accounts are prepared and reported to the Board on a quarterly basis based on actual performance compared with last year same quarter and with explanation of any major variances.
- The ARMC, Nomination and Remuneration Committee have been established with defined terms of reference.
- ARMC reviews the quarterly financial results, audited financial statements, the Group's risk profile and internal control issues identified internally and by the Outsourced IA. The ARMC also monitors the implementation of the recommendations, if any, proposed by the Outsourced IA and External Auditors.

### INTERNAL AUDIT

During the year under review, the Board has engaged an Outsourced IA to provide independent internal audit services to the core business of the Group. The Outsourced IA adopts a risk-based approach and prepares its audit strategy and plan based on the risk assessment of the Group. Scheduled internal audits are carried out based on the annual audit plan approved by the ARMC. On a half yearly basis, the Outsourced IA presents to the ARMC's internal audit report which summarises audit findings and recommendations with respect to the system of internal control and control weaknesses; as well as the effectiveness of the implementation of these recommendations.

The Outsourced IA's engagement director in charge of the Group's Internal audit is Mr. Chang Ming Chew. He is a Certified Internal Auditor and holds a Certification in Risk Management Assurance from the Institute of Internal Auditors Malaysia. He is a member of the Association of Chartered Certified Accountants (UK) and member of Malaysian Institute of Accountants.

The Outsourced IA had assisted the Board by independently evaluating and improving the effectiveness of the system of internal controls and performed internal audit on the Group's operations in respect on evaluating and improving the effectiveness of the systems of internal controls on Financial Management and Procurement Management during the financial year ended 31 December 2023.

### CONCLUSION

The Board is of the view that there were no material losses that resulted from weaknesses in the system of risk management and internal control. Moreover, the Board has received assurance from the Chief Executive Officer and the Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group. The Board is of the view that the risk management and internal control system, which is in place for the financial year under review and up to the date of this Statement, is adequate to achieve the Group's business objectives.

This statement is made in accordance with the resolution of the Board of Directors.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this statement pursuant to paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and have reported that nothing has come to their attention that causes them to believe that the contents of this Statement intended to be included in the annual report are not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is the Statement factually inaccurate.

Their review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagement other than Audits or Reviews of Historical Financial Information & Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants.



# STATEMENT OF DIRECTORS RESPONSIBILITIES

IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The Directors are required by the Companies Act, 2016 (“the Act”) to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and the results and cash flow of the Group and of the Company for the financial year. As required by the Act and the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, the financial statements have been prepared in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Act.

In preparing those financial statements, the Company’s Directors have:

- adopted suitable accounting policies and applied them consistently;
- made judgements and estimates that are prudent and reasonable; and
- ensured applicable approved accounting standards have been followed.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act, 2016. The Directors are also responsible for the assets of the Company and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# FINANCIAL STATEMENTS

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## DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries include operating solar power plant, procurement of solar photovoltaic ("PV") module and investment holding.

There have been no significant changes in the nature of these activities during the financial year.

### RESULTS

	<b>Group RM</b>	<b>Company RM</b>
Profit/(Loss) for the financial year, net of tax	521,402	(4,952,454)
Attributable to:		
Owners of the Company	197,733	(4,952,454)
Non-controlling interests	323,669	–
	<b>521,402</b>	<b>(4,952,454)</b>

### DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 December 2023.

### RESERVES OR PROVISIONS

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

### BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that there were no known bad debts and that no allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render it necessary to write off any bad debts or to make any allowance for doubtful debts in the financial statements of the Group and of the Company.



## DIRECTORS' REPORT

### CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had 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 which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

### VALUATION METHODS

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

### CONTINGENT AND OTHER LIABILITIES

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

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

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

### CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

### ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

### AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and the Company during the financial year are RM272,753 and RM138,500 respectively.

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





## DIRECTORS' REPORT

### ISSUE OF SHARES OR DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

### TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

As at 31 December 2023, the Company held 6,125,175 treasury shares out of its 195,025,503 issued and paid-up ordinary shares. Such treasury shares are held at a carrying amount of RM4,797,033. Further details are disclosed in Note 20 to the financial statements.

### DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Tee Tuan Sem*	
Dato' Wan Hashim bin Wan Jusoh*	
Wan Azfar bin Dato' Wan Annuar*	
Soh Eng Hooi	
Jamilah binti Kamal*	
Tang Ming Yng	(Appointed on 5 February 2024)
Tang Weihann	(Appointed on 1 April 2024)
Datuk Karownikaran @ Karunikaran Ramasamy	(Retired on 5 February 2024)
Makoto Takahashi*	(Retired on 31 March 2024)

\* Directors of the Company and certain subsidiaries

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Mong Tak Yeung, David	
Tee Jia Jie	
Teoh Siew Tatt	(Appointed on 1 March 2023)
Tang Kin Chung	(Appointed on 28 December 2023)
Tam Poon Wah	(Resigned on 28 December 2023)



## DIRECTORS' REPORT

### DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	At 1.1.2023	Number of ordinary shares		At 31.12.2023
		Bought	Sold	
<b>Interests in the Company</b>				
<b>Direct interests:</b>				
Makoto Takahashi	14,303,990	–	(14,303,990)	–
Tee Tuan Sem	32,639,373	–	(17,956,698)	14,682,675
Jamilah Binti Kamal	–	10,000	–	10,000
<b>Indirect interest:</b>				
Tee Tuan Sem *	381,931	–	–	381,931

\* Shares held through spouse

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

### DIRECTORS' BENEFITS

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.

The directors' benefits of the Group and of the Company were as follows:

	2023	
	Group RM	Company RM
<b>Directors of the Company</b>		
Executive directors:		
- Salaries and other emoluments	1,153,486	1,153,486
Non-executive directors:		
- Fees	408,000	378,000
- Other emoluments	27,500	26,000
	435,500	404,000
	1,588,986	1,557,486
<b>Directors of subsidiaries</b>		
- Salaries and other emoluments	472,524	–
	2,061,510	1,557,486



## DIRECTORS' REPORT

### DIRECTORS' BENEFITS (continued)

The monetary value of benefits-in-kind (which were not included in the above directors' remuneration) of the Group and of the Company received by certain directors of the Company amounted to RM151,025 (2022: RM95,225) and RM151,025 (2022: RM95,225) respectively.

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

### INDEMNITY TO DIRECTORS AND OFFICERS

Every director and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under the Companies Act 2016 in which relief is granted to him by the court in respect of any negligence, default, breach of duty or breach of trust.

During the financial year, no indemnity was given to or insurance effected for, any director or officer of the Company.

### SUBSIDIARIES

The details of the Company's subsidiaries are as follows:

Name of company	Country of incorporation	Principal activities	Effective equity interest	
			2023	2022
IL Energy Sdn. Bhd.	Malaysia	Investment holding	100%	100%
ILB International (BVI) Limited <sup>@</sup>	British Virgin Islands	Investment holding	100%	100%
<b>Subsidiaries of IL Energy Sdn. Bhd.</b>				
EVN Vision Sdn. Bhd.	Malaysia	Solar power plant	100%	100%
IL Solar Sdn. Bhd.	Malaysia	Solar power plant	100%	100%
IL Power Sdn. Bhd.	Malaysia	Procurement of solar PV module	100%	100%
<b>Subsidiaries of ILB International (BVI) Limited</b>				
Integrated Logistics (H.K.) Limited <sup>@</sup>	Hong Kong	Investment holding	70%	70%

<sup>@</sup> Audited by an independent member firm of Baker Tilly International.

The available auditors' reports on the accounts of the subsidiaries did not contain any qualification.



## DIRECTORS' REPORT

### AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

### TANG MING YNG

Director

### TANG WEIHANN

Director

Date: 15 April 2024



# STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 RM	Group 2022 RM (Restated)	2023 RM	Company 2022 RM
Revenue	5	46,180,835	16,275,083	–	–
Direct operating costs		(41,723,420)	(12,041,175)	–	–
<b>Gross profit</b>		4,457,415	4,233,908	–	–
Other income		6,241,504	1,963,427	2,427,873	1,939,324
Administrative expenses		(6,773,813)	(7,987,210)	(4,811,286)	(5,767,079)
Other expenses		(1,553,972)	(2,324,308)	(961,646)	(820,309)
		(2,086,281)	(8,348,091)	(3,345,059)	(4,648,064)
<b>Operating profit/(loss)</b>		2,371,134	(4,114,183)	(3,345,059)	(4,648,064)
Finance income		2,922,948	3,372,302	2,753,748	3,262,978
Finance costs		(5,771,920)	(1,915,806)	(4,431,462)	(574,813)
Gain on dissolution of subsidiaries		–	7,487,923	–	–
Reversal of impairment/ (Impairment loss) on interest in an associate		4,961,387	(9,443,600)	–	–
Share of results of associates		(3,736,956)	3,244,401	–	–
<b>Profit/(Loss) before tax</b>	6	746,593	(1,368,963)	(5,022,773)	(1,959,899)
Income tax (expense)/credit	7	(225,191)	(836,745)	70,319	(345,916)
<b>Profit/(Loss) for the financial year</b>		521,402	(2,205,708)	(4,952,454)	(2,305,815)
<b>Other comprehensive income/(loss), net of tax</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Revaluation gain on freehold land		–	9,905,727	–	670,220
Share of other comprehensive income of an associate		–	225,000	–	–
Fair value (loss)/gain of other investment at fair value through other comprehensive income		(30,000)	30,000	(30,000)	30,000
		(30,000)	10,160,727	(30,000)	700,220



## STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM	2022 RM (Restated)	2023 RM	2022 RM
<b>Other comprehensive income/(loss), net of tax (continued)</b>					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign operations		498,428	(6,415,581)	–	–
Reclassification adjustment of foreign exchange translation reserve upon dissolution of subsidiaries		–	(7,487,923)	–	–
		498,428	(13,903,504)	–	–
<b>Other comprehensive income/(loss) for the financial year</b>		468,428	(3,742,777)	(30,000)	700,220
<b>Total comprehensive income/(loss) for the financial year</b>		989,830	(5,948,485)	(4,982,454)	(1,605,595)
<b>Profit/(Loss) attributable to:</b>					
Owners of the Company		197,733	298,716	(4,952,454)	(2,305,815)
Non-controlling interests		323,669	(2,504,424)	–	–
		521,402	(2,205,708)	(4,952,454)	(2,305,815)
<b>Total comprehensive income/(loss) attributable to:</b>					
Owners of the Company		725,771	(1,435,635)	(4,982,454)	(1,605,595)
Non-controlling interests		264,059	(4,512,850)	–	–
		989,830	(5,948,485)	(4,982,454)	(1,605,595)
<b>Earnings per share attributable to owners of the Company</b>					
Basic/Diluted (sen)	8	0.105	0.158		

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



# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	31.12.2023 RM	Group 31.12.2022 RM (Restated)	1.1.2022 RM (Restated)	2023 RM	Company 2022 RM
<b>ASSETS</b>						
<b>Non-current assets</b>						
Property, plant and equipment	9	142,295,610	141,413,827	134,517,222	7,726,724	7,794,456
Intangible assets	10	1,816,604	1,946,361	2,076,118	–	–
Investment in subsidiaries	11	–	–	–	119,471,771	125,160,647
Interest in associates	12	47,288,455	46,215,942	59,540,425	9,507,500	9,507,500
Other investment	13	270,000	300,000	270,000	270,000	300,000
Receivables	15	–	–	3,228,830	–	–
<b>Total non-current assets</b>		<b>191,670,669</b>	<b>189,876,130</b>	<b>199,632,595</b>	<b>136,975,995</b>	<b>142,762,603</b>
<b>Current assets</b>						
Inventories	14	850,604	823,904	–	–	–
Tax assets		327,365	71,600	30,000	257,819	–
Receivables	15	9,840,541	9,909,168	17,019,380	13,641,545	8,000,996
Contract assets	17	9,207	8,607	1,877,113	–	–
Deposits, cash and bank balances	18	60,305,347	93,779,461	86,032,409	52,834,613	61,834,503
<b>Total current assets</b>		<b>71,333,064</b>	<b>104,592,740</b>	<b>104,958,902</b>	<b>66,733,977</b>	<b>69,835,499</b>
<b>TOTAL ASSETS</b>		<b>263,003,733</b>	<b>294,468,870</b>	<b>304,591,497</b>	<b>203,709,972</b>	<b>212,598,102</b>



## STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	31.12.2023 RM	Group 31.12.2022 RM (Restated)	1.1.2022 RM (Restated)	2023 RM	Company 2022 RM
<b>EQUITY AND LIABILITIES</b>						
<b>Equity attributable to owners of the Company</b>						
Share capital	19	225,670,706	225,670,706	225,670,706	225,670,706	225,670,706
Treasury shares	20	(4,797,033)	(4,797,033)	(4,797,033)	(4,797,033)	(4,797,033)
Reserves	21	3,247,577	2,521,806	3,957,441	(35,021,002)	(30,038,548)
		224,121,250	223,395,479	224,831,114	185,852,671	190,835,125
<b>Non-controlling interests</b>		9,497,066	9,233,007	21,190,591	–	–
<b>TOTAL EQUITY</b>		233,618,316	232,628,486	246,021,705	185,852,671	190,835,125
<b>Non-current liabilities</b>						
Term loans	22	18,502,389	23,337,794	46,842,646	487,949	1,099,354
Deferred tax liabilities	23	2,333,743	2,212,718	995,085	74,469	74,469
<b>Total non-current liabilities</b>		20,836,132	25,550,512	47,837,731	562,418	1,173,823
<b>Current liabilities</b>						
Term loans	22	4,837,443	24,518,379	4,808,448	613,443	20,294,379
Tax liabilities		142,860	201,460	287,060	–	59,000
Payables	24	3,252,369	11,568,236	5,636,553	16,681,440	235,775
Contract liabilities	17	316,613	1,797	–	–	–
<b>Total current liabilities</b>		8,549,285	36,289,872	10,732,061	17,294,883	20,589,154
<b>TOTAL LIABILITIES</b>		29,385,417	61,840,384	58,569,792	17,857,301	21,762,977
<b>TOTAL EQUITY AND LIABILITIES</b>		263,003,733	294,468,870	304,591,497	203,709,972	212,598,102

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





# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Equity attributable to owners of the Company		Share capital RM	Treasury shares RM	Total reserves RM	Accumulated losses RM	Fair value reserve RM	Foreign exchange translation reserve			Revaluation reserve RM	Other reserve RM	Non-controlling interests RM
	Total equity RM	RM						RM	RM	RM			
<b>Restated balance as at 1 January 2023</b>	232,628,486	223,395,479	225,670,706	(4,797,033)	2,521,806	(20,324,577)	30,000	(2,549,063)	15,489,027	9,876,419	9,233,007		
<b>Total comprehensive income for the financial year</b>													
Profit for the financial year	521,402	197,733	-	-	197,733	197,733	-	-	-	-	-	323,669	
<b>Other comprehensive income/(loss) for the financial year</b>													
Exchange differences on translation of foreign operations	498,428	558,038	-	-	558,038	-	-	558,038	-	-	-	(59,610)	
Fair value loss of other investment at fair value through other comprehensive income	(30,000)	(30,000)	-	-	(30,000)	-	(30,000)	-	-	-	-	-	
Total other comprehensive income/(loss)	468,428	528,038	-	-	528,038	-	(30,000)	558,038	-	-	-	(59,610)	
<b>Total comprehensive income/(loss) for the financial year</b>	989,830	725,771	-	-	725,771	197,733	(30,000)	558,038	-	-	-	264,059	
<b>At 31 December 2023</b>	233,618,316	224,121,250	225,670,706	(4,797,033)	3,247,577	(20,126,844)	-	(1,991,025)	15,489,027	9,876,419	9,497,066		

## STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Note	Equity attributable to owners of the Company		Share capital RM	Treasury shares RM	Total reserves RM	Accumulated losses RM	Fair value reserve RM	Foreign exchange translation reserve			Other reserve RM	Non-controlling interests RM
		Total equity RM	RM						RM	RM	RM		
<b>At 1 January 2022</b>		240,663,405	219,472,814	225,670,706	(4,797,033)	(1,400,859)	(20,623,293)	-	9,346,015	-	9,876,419	21,190,591	
Effect of restatement	33	5,358,300	5,358,300	-	-	5,358,300	-	-	-	5,358,300	-	-	
Restated balance as at 1 January 2022		246,021,705	224,831,114	225,670,706	(4,797,033)	3,957,441	(20,623,293)	-	9,346,015	5,358,300	9,876,419	21,190,591	
<b>Total comprehensive (loss)/income for the financial year</b> (Loss)/Profit for the financial year, as restated		(2,205,708)	298,716	-	-	298,716	298,716	-	-	-	-	(2,504,424)	
<b>Other comprehensive (loss)/income for the financial year</b>													
Exchange differences on translation of foreign operations, as restated	33	(6,415,581)	(4,407,155)	-	-	(4,407,155)	-	-	(4,407,155)	-	-	(2,008,426)	
Reclassified to profit or loss upon dissolution of subsidiaries		(7,487,923)	(7,487,923)	-	-	(7,487,923)	-	-	(7,487,923)	-	-	-	
Revaluation gain on freehold land, as restated	33	9,905,727	9,905,727	-	-	9,905,727	-	-	-	9,905,727	-	-	
Share of other comprehensive income of an associate, as restated	33	225,000	225,000	-	-	225,000	-	-	-	225,000	-	-	
Fair value gain of other investment at fair value through other comprehensive income		30,000	30,000	-	-	30,000	-	30,000	-	-	-	-	
Total other comprehensive (loss)/income		(3,742,777)	(1,734,351)	-	-	(1,734,351)	-	30,000	(11,895,078)	10,130,727	-	(2,008,426)	
Total comprehensive (loss)/income for the financial year, carried forward		(5,948,485)	(1,435,635)	-	-	(1,435,635)	298,716	30,000	(11,895,078)	10,130,727	-	(4,512,850)	



**STATEMENTS OF CHANGES IN EQUITY**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Total equity RM	Equity attributable to owners of the Company RM	Share capital RM	Treasury shares RM	Total reserves RM	Reserves					Non-controlling interests RM	
						Accumulated losses RM	Fair value reserve RM	Foreign exchange translation reserve RM	Revaluation reserve RM	Other reserve RM		
Total comprehensive (loss)/income for the financial year, brought forward	(5,948,485)	(1,435,635)	-	-	(1,435,635)	298,716	30,000	(11,895,078)	10,130,727	-	-	(4,512,850)
<b>Transaction with owners</b>												
Dividends paid to non-controlling interests, representing total transaction with owners	(7,444,734)	-	-	-	-	-	-	-	-	-	-	(7,444,734)
<b>Restated balance as at 31 December 2022</b>	232,628,486	223,395,479	225,670,706	(4,797,033)	2,521,806	(20,324,577)	30,000	(2,549,063)	15,489,027	9,876,419	-	9,233,007

**STATEMENTS OF CHANGES IN EQUITY**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023



Company	Total equity RM	Share capital RM	Treasury shares RM	Total reserves RM	Accumulated losses RM	Fair value reserve RM	Revaluation reserve RM
<b>At 1 January 2022</b>	192,440,720	225,670,706	(4,797,033)	(28,432,953)	(28,432,953)	-	-
<b>Total comprehensive loss for the financial year</b> Loss for the financial year	(2,305,815)	-	-	(2,305,815)	(2,305,815)	-	-
<b>Other comprehensive income for the financial year</b>							
Revaluation gain on freehold land	670,220	-	-	670,220	-	-	670,220
Fair value gain of other investment at fair value through other comprehensive income	30,000	-	-	30,000	-	30,000	-
Total other comprehensive income	700,220	-	-	700,220	-	30,000	670,220
<b>Total comprehensive (loss)/income for the financial year</b>	(1,605,595)	-	-	(1,605,595)	(2,305,815)	30,000	670,220
<b>At 31 December 2022</b>	190,835,125	225,670,706	(4,797,033)	(30,038,548)	(30,738,768)	30,000	670,220
<b>Total comprehensive loss for the financial year</b> Loss for the financial year	(4,952,454)	-	-	(4,952,454)	(4,952,454)	-	-
<b>Other comprehensive loss for the financial year</b>							
Fair value loss of other investment at fair value through other comprehensive loss, representing total other comprehensive loss	(30,000)	-	-	(30,000)	-	(30,000)	-
<b>Total comprehensive loss for the financial year</b>	(4,982,454)	-	-	(4,982,454)	(4,952,454)	(30,000)	-
<b>At 31 December 2023</b>	185,852,671	225,670,706	(4,797,033)	(35,021,002)	(35,691,222)	-	670,220

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



# STATEMENTS OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	2023 RM	Group 2022 RM (Restated)	2023 RM	Company 2022 RM
Note				
<b>Cash flows from operating activities</b>				
Profit/(Loss) before tax:	746,593	(1,368,963)	(5,022,773)	(1,959,899)
Adjustments for:				
Amortisation of intangible assets	129,757	129,757	-	-
Depreciation of property, plant and equipment	4,165,807	4,593,623	187,150	725,149
Gain on disposal of property, plant and equipment	(78,299)	-	-	-
Gain on dissolution of subsidiaries	11(a) -	(7,487,923)	-	-
Impairment loss on property, plant and equipment	589,826	405,757	-	405,757
Interest expense	5,771,920	1,915,806	4,431,462	574,813
Interest income	(2,922,948)	(3,372,302)	(2,753,748)	(3,262,978)
Property, plant and equipment written off	3	130	3	130
(Reversal of impairment)/ Impairment loss on interest in an associate	(4,961,387)	9,443,600	-	-
Reversal of provision for employee benefits	(23,716)	(4,002)	(19,312)	(5,387)
Share of results of associates	3,736,956	(3,244,401)	-	-
Waiver of amount owing to a corporate shareholder	(3,397,512)	-	-	-
Unrealised (gain)/loss on foreign exchange	(685,395)	402,422	(685,395)	402,422
<b>Operating profit/(loss) before working capital changes</b>				
	3,071,605	1,413,504	(3,862,613)	(3,119,993)
Changes in working capital:				
Contract assets	(600)	1,868,506	-	-
Contract liabilities	314,816	1,797	-	-
Inventories	(26,700)	(823,904)	-	-
Receivables	(4,689,294)	(832,271)	791,238	(1,924,529)
Payables	(9,506,726)	(1,313,635)	66,864	(338,796)
Net cash (used in)/generated from operations	(10,836,899)	313,997	(3,004,511)	(5,383,318)
Interest paid	(5,771,920)	(1,915,806)	(4,431,462)	(574,813)
Tax paid	(418,531)	(846,948)	(246,500)	(317,916)
Net cash used in operating activities	(17,027,350)	(2,448,757)	(7,682,473)	(6,276,047)



## STATEMENTS OF CASH FLOWS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Note	Group		Company	
	2023 RM	2022 RM (Restated)	2023 RM	2022 RM
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(4,005,732)	(1,469,753)	(119,421)	(87,588)
Changed in pledged cash and bank account	48	-	-	-
Withdrawal/(Placement) of deposits with licensed banks	25,143,223	(27,338,265)	23,246,745	(25,272,334)
Cash received from third party receivables	8,155,433	12,338,547	6,955,058	11,758,547
Proceeds from winding-up of subsidiaries	-	-	3	-
Proceeds from disposal of property, plant and equipment	78,300	-	-	-
Acquisition of subsidiaries	-	-	-	(3)
Advances to subsidiaries	-	-	(7,697,972)	(1,142,846)
Interest received	2,922,948	3,372,302	2,753,748	3,262,978
Net cash from/(used in) investing activities	32,294,220	(13,097,169)	25,138,161	(11,481,246)
<b>Cash flows from financing activities</b>				
Repayments of term loans	(24,505,841)	(4,802,921)	(20,292,341)	(578,921)
Repayments to associates	(54,687)	-	(54,687)	-
Advances from a subsidiary	-	-	16,780,400	-
Net cash used in financing activities	(24,560,528)	(4,802,921)	(3,566,628)	(578,921)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(9,293,658)	(20,348,847)	13,889,060	(18,336,214)
<b>Cash and cash equivalents at the beginning of the financial year</b>	42,122,460	61,713,673	16,501,895	34,819,764
Effects of exchange rates changes on cash and cash equivalents	962,815	757,634	357,795	18,345
<b>Cash and cash equivalents at the end of the financial year</b>	33,791,617	42,122,460	30,748,750	16,501,895



## STATEMENTS OF CASH FLOWS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(a) Purchase of property, plant and equipment

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Cash payments	4,005,732	1,469,753	119,421	87,588
Other payables	1,631,688	–	–	–
	5,637,420	1,469,753	119,421	87,588

(b) Reconciliation of liabilities arising from financing activities:

	Note	1.1.2022 RM	Cash flows RM	Non-cash foreign exchange movement RM	31.12.2022 RM
<b>Group</b>					
Term loans	22	51,651,094	(4,802,921)	1,008,000	47,856,173
<b>Company</b>					
Term loans	22	20,964,654	(578,921)	1,008,000	21,393,733

	Note	1.1.2023 RM	Cash flows RM	Non-cash foreign exchange movement RM	31.12.2023 RM
<b>Group</b>					
Amount owing to an associate	25	109,374	(54,687)	–	54,687
Term loans	22	47,856,173	(24,505,841)	(10,500)	23,339,832
		47,965,547	(24,560,528)	(10,500)	23,394,519
<b>Company</b>					
Amount owing to a subsidiary	25	–	16,780,400	(327,600)	16,452,800
Amount owing to an associate	25	109,374	(54,687)	–	54,687
Term loans	22	21,393,733	(20,292,341)	–	1,101,392
		21,503,107	(3,566,628)	(327,600)	17,608,879



## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(c) Total cash outflows for leases

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
<b>Included in net cash from operating activities:</b>					
Payments relating to short-term leases	6	777,365	775,755	656,242	656,242
Payments relating to lease of low value assets	6	13,824	11,000	13,824	11,000
		<hr/>	<hr/>	<hr/>	<hr/>
		791,189	786,755	670,066	667,242

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





# NOTES TO THE FINANCIAL STATEMENTS

## 1. CORPORATE INFORMATION

ILB Group Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and the principal place of business of the Company is located at No. 6, Jalan Sungai Buloh 27/101A, Seksyen 27, 40400 Shah Alam, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries include operating solar power plant, procurement of solar photovoltaic (“PV”) module and investment holding. There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 April 2024.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

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

### 2.2 Adoption of new MFRS and amendments to MFRSs

The Group and the Company have adopted the following applicable new MFRS and amendments to MFRSs for the current financial year:

#### New MFRS

MFRS 17	Insurance Contracts
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#### Amendments to MFRSs

MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 112	Income Taxes

The adoption of the above new MFRS and amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies, except as discussed below:

#### **Amendments to MFRS 101 Presentation of Financial Statements**

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements.

Accordingly, the Group and the Company disclosed their material accounting policy information in these financial statements. However, the amendments did not result in changes to the accounting policies of the Group and of the Company.



## NOTES TO THE FINANCIAL STATEMENTS

### 2. BASIS OF PREPARATION (continued)

#### 2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

<u>Amendments to MFRSs</u>		<b>Effective for financial periods beginning on or after</b>
MFRS 7	Financial Instruments: Disclosures	1 January 2024
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 16	Leases	1 January 2024
MFRS 101	Presentation of Financial Statements	1 January 2024
MFRS 107	Statements of Cash Flows	1 January 2024
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

**2.3.1** The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. The initial application of the applicable new MFRS and amendments/improvements to MFRSs is not expected to have material impact to the current and prior periods financial statements.

#### 2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

#### 2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

#### 3.1 Basis of consolidation

##### (a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

##### (b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.



## NOTES TO THE FINANCIAL STATEMENTS

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

#### 3.1 Basis of consolidation (continued)

##### (c) Associate

Investment in associates is accounted for in the consolidated financial statements of the Group using the equity method.

#### 3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries and associates are measured at cost less any accumulated impairment losses.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

#### 3.3 Foreign currency operations

The assets and liabilities of foreign operations denominated in the functional currency different from the presentation currency, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions.

Exchange differences arising on the translation are recognised in other comprehensive income. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

#### 3.4 Revenue and other income

##### (a) Sales of electricity

Revenue from sale of electricity is recognised over time as the customers simultaneously received and consumed the benefits provided by the Group's performance.

A receivable is recognised when the Group has a right to invoice as the consideration is unconditional other than the passage of time before the payment is due.

##### (b) Sales of solar photovoltaic ("PV") module

Revenue from sale of solar PV module is recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.



## NOTES TO THE FINANCIAL STATEMENTS

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

#### 3.4 Revenue and other income (continued)

##### (c) Construction contracts

The Group designs, supplies, installs and commissions a solar PV module system under contracts with customers. Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method).

Billings are made with a credit term of 45 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group becomes entitled to invoice customers based on achieving a series of performance-related milestones.

The Group recognised a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing of billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group recognises a contract liability for the difference.

##### (d) Operation and maintenance (“O&M”) of solar energy system

Within their activities of design, supply, install and commission a solar PV module system, the Group provides maintenance services of 2 years to customers for workmanship defects, performance monitoring and on-site support and repair services to ensure optimal operation of solar energy system installation.

The O&M is a distinct service to the customer in addition to the assurance that the product complies with agreed-upon specifications. The revenue is recognised over the period the maintenance services are provided.

##### (e) Rental income

Rental income is recognised on a straight-line basis over the term of the lease.

##### (f) Interest income

Interest income is recognised using the effective interest method.

#### 3.5 Deferred tax

When the non-depreciable asset (freehold land) is measured using the revaluation model in MFRS 116, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date regardless of the basis of measuring the carrying amount of that asset.

Accordingly, if the tax law specifies a tax rate applicable to the taxable amount derived from the sale of an asset that differs from the tax rate applicable to the taxable amount derived from using an asset, the former rate is applied in measuring the deferred tax liability or asset related to a non-depreciable asset.



## NOTES TO THE FINANCIAL STATEMENTS

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

#### 3.6 Financial instruments

##### Financial assets – subsequent measurement and gains and losses

###### Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount 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.

###### Debt instruments at fair value through other comprehensive income

The Group and the Company subsequently measure these assets at fair value. Interest income calculated under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

##### Financial liabilities – subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost or fair value through profit or loss.

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

#### 3.7 Property, plant and equipment

Property, plant and equipment (other than freehold land and office building) are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land and office building are measured at fair value, based on valuations by external independent valuers, less accumulated depreciation on office building and any accumulated impairment losses recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the freehold land and office building does not differ materially from the carrying amount.

Freehold land have an unlimited useful life and therefore is not depreciated. Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

All other property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	<b>Useful lives (years)</b>
Office building	50
Office renovation	5
Equipment, furniture and fittings	3 – 5
Motor vehicles	5
Solar photovoltaic	10 – 21



## NOTES TO THE FINANCIAL STATEMENTS

### 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

#### (a) Investment in associates

The Group assesses impairment of investment in associates whenever the events or changes in circumstances indicate that the carrying amount of investment in associates may not be recoverable i.e. the carrying amount of the asset is more than the recoverable amount. The Group uses its judgement to evaluate the adequacy of impairment of investment in associates.

The carrying amounts of the Group's investment in associates is disclosed in Note 12.

#### (b) Construction contract revenue

The Group recognised construction contract revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by reference to the proportion of construction costs incurred for work performed to date bear to the estimated total costs for each project (input method).

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the construction costs incurred, the estimated total construction revenue and costs, as well as the recoverability of the construction projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events. In making the judgement, the Group evaluates by relying on the work of specialists.

The amount of construction contract revenue recognised during the financial year is disclosed in Note 5.

### 5. REVENUE

	2023 RM	Group	2022 RM
<b>Revenue from contract customers:</b>			
<b>Over time:</b>			
Construction contracts	6,769,973		2,145,538
Operation and maintenance ("O&M")	8,755		83,816
Sales of electricity	8,500,880		8,368,279
	15,279,608		10,597,633
<b>At a point in time:</b>			
Sales of solar PV module	30,901,227		5,677,450
	46,180,835		16,275,083



## NOTES TO THE FINANCIAL STATEMENTS

### 6. PROFIT/(LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit/(loss) before tax:

		Group		Company	
	Note	2023 RM	2022 RM (Restated)	2023 RM	2022 RM
Amortisation of intangible assets	10	129,757	129,757	–	–
Auditors' remuneration					
- statutory audit:					
- Baker Tilly Monteiro Heng PLT		151,000	131,000	118,000	100,000
- Member firms of Baker Tilly International		101,253	92,165	–	–
- non statutory audit:					
- Baker Tilly Monteiro Heng PLT		19,000	18,000	19,000	18,000
- Member firms of Baker Tilly International		1,500	–	1,500	–
Depreciation of property, plant and equipment	9	4,165,807	4,593,623	187,150	725,149
Directors' remuneration	6(a)	2,061,510	1,734,188	1,557,486	1,431,286
Expenses relating to short-term lease		777,365	775,755	656,242	656,242
Expenses relating to low value assets		13,824	11,000	13,824	11,000
Gain on disposal of property, plant and equipment		(78,299)	–	–	–
Gain on dissolution of subsidiaries		–	(7,487,923)	–	–
(Reversal of impairment loss)/Impairment loss on interest in an associate	12	(4,961,387)	9,443,600	–	–
Impairment loss on property, plant and equipment		589,826	405,757	–	405,757
Interest expense on:					
- term loans		5,771,920	1,915,806	4,431,462	574,813
Interest income on:					
- deposits, cash and bank balances		(2,292,480)	(1,484,441)	(2,123,280)	(1,375,117)
- financial asset measured at amortised cost		(630,468)	(1,887,861)	(630,468)	(1,887,861)

## NOTES TO THE FINANCIAL STATEMENTS

### 6. PROFIT/(LOSS) BEFORE TAX (continued)

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit/(loss) before tax: (continued)

Note	Group		Company	
	2023 RM	2022 RM (Restated)	2023 RM	2022 RM
Loss/(Gain) on foreign exchange:				
- realised	753,325	1,243,716	957,758	(260,283)
- unrealised	(685,395)	402,422	(685,395)	402,422
Property, plant and equipment written off	3	130	3	130
Rental income on:				
- warehouse buildings	(1,687,478)	(1,679,041)	(1,687,478)	(1,679,041)
- land	-	(21,600)	-	-
Reversal of provision for employee benefits	(23,716)	(4,002)	(19,312)	(5,387)
Waiver of amount owing to a corporate shareholder	(3,397,512)	-	-	-
Staff costs:				
- salaries and others	1,457,741	1,691,729	725,071	867,842
- contribution to defined contribution plans	158,624	160,549	76,293	69,738

(a) The remuneration of the directors are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Executive directors:				
- salaries and other emoluments	1,153,486	1,033,286	1,153,486	1,033,286
Non-executive directors:				
- fees	408,000	368,000	378,000	368,000
- other emoluments	27,500	30,000	26,000	30,000
	435,500	398,000	404,000	398,000
	1,588,986	1,431,286	1,557,486	1,431,286
<b>Directors of the subsidiaries</b>				
- salaries and other emoluments	472,524	302,902	-	-
Total directors remuneration	2,061,510	1,734,188	1,557,486	1,431,286

The monetary value of benefits-in-kind (which were not included in the above directors' remuneration) of the Group and of the Company received by certain directors of the Company amounted to RM151,025 (2022: RM95,225) and RM151,025 (2022: RM95,225) respectively.





## NOTES TO THE FINANCIAL STATEMENTS

### 7. INCOME TAX EXPENSE/(CREDIT)

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Statements of comprehensive income</b>				
<b>Current income tax:</b>				
Taxation in Malaysia:				
- Current income tax charge	385,955	490,600	165,000	349,000
- Adjustment in respect of prior years	(281,789)	(42,384)	(235,319)	(3,084)
	104,166	448,216	(70,319)	345,916
Taxation outside of Malaysia:				
- Adjustment in respect of prior years	–	271,532	–	–
	104,166	719,748	(70,319)	345,916
<b>Deferred tax (Note 23)</b>				
- Origination of temporary differences	121,025	92,159	–	–
- Adjustment in respect of prior years	–	24,838	–	–
	121,025	116,997	–	–
Income tax expense/(credit) recognised in profit or loss	225,191	836,745	(70,319)	345,916

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2022: 24%) of the estimated assessable profit for the financial year.

Tax expense for other jurisdiction is calculated at the rate prevailing in the jurisdiction.

## NOTES TO THE FINANCIAL STATEMENTS

### 7. INCOME TAX EXPENSE/(CREDIT) (continued)

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's income tax expense/(credit) are as follows:

	Group		Company	
	2023 RM	2022 RM (Restated)	2023 RM	2022 RM
Profit/(Loss) before tax	746,593	(1,368,963)	(5,022,773)	(1,959,899)
Tax at the Malaysian statutory income tax rate of 24%	179,182	(328,551)	(1,205,466)	(470,376)
Different tax rate in other country	(885,415)	632,250	–	–
Tax effects arising from:				
- non-taxable income	(1,312,195)	(2,845,590)	(315,807)	(515,555)
- non-deductible expenses	2,086,050	2,687,864	1,686,273	1,317,131
Share of results of associates	615,892	521,558	–	–
Utilisation of deferred tax assets not recognised in prior financial years	(233,313)	(188,637)	–	–
Deferred tax assets not recognised during the financial year	56,779	103,865	–	17,800
Adjustment in respect of prior years:				
- current tax	(281,789)	229,148	(235,319)	(3,084)
- deferred tax	–	24,838	–	–
Income tax expense/(credit)	225,191	836,745	(70,319)	345,916

### 8. EARNINGS PER SHARE

#### Basic earnings per ordinary share

Basic earnings per share is based on the profit for the financial year attributable to owners of the Company divided by the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	2023 RM	2022 RM (Restated)
Profit attributable to owners of the Company:	197,733	298,716
Weighted average number of ordinary shares for basic earnings per share (unit)	188,900,328	188,900,328
Basic earnings per share attributable to owners of the Company (sen)	0.105	0.158

#### Diluted earnings per share

The diluted earnings per share of the Company for the financial years ended 31 December 2023 and 31 December 2022 are same as the basic earnings per share of the Group as the Company has no dilutive potential ordinary shares.



## NOTES TO THE FINANCIAL STATEMENTS

### 9. PROPERTY, PLANT AND EQUIPMENT

Group 2023	Freshhold land RM	Office building RM	Office renovation RM	Equipment, furniture and fittings RM	Motor vehicles RM	Solar photovoltaic RM	Capital work-in- progress RM	Total RM
<b>Cost/Valuation</b>								
At 1 January 2023	77,035,927	2,677,561	1,974,381	1,366,909	868,529	80,176,157	1,360,500	165,459,964
Additions	-	-	-	46,869	138,706	655,241	4,796,604	5,637,420
Disposal	-	-	-	-	(110,787)	-	-	(110,787)
Written off	-	-	-	(6,097)	-	-	-	(6,097)
Reclassification	-	-	-	-	-	1,360,500	(1,360,500)	-
At 31 December 2023	77,035,927	2,677,561	1,974,381	1,407,681	896,448	82,191,898	4,796,604	170,980,500
<b>Accumulated depreciation</b>								
At 1 January 2023	-	305,831	1,871,670	1,154,504	868,526	19,439,849	-	23,640,380
Depreciation charge for the financial year	-	45,369	74,038	96,379	13,870	3,936,151	-	4,165,807
Disposal	-	-	-	-	(110,786)	-	-	(110,786)
Written off	-	-	-	(6,094)	-	-	-	(6,094)
At 31 December 2023	-	351,200	1,945,708	1,244,789	771,610	23,376,000	-	27,689,307
<b>Impairment losses</b>								
At 1 January 2023	-	405,757	-	-	-	-	-	405,757
Impairment loss during the financial year	-	-	-	-	-	-	589,826	589,826
At 31 December 2023	-	405,757	-	-	-	-	589,826	995,583
<b>Carrying amount:</b>								
At cost	-	-	28,673	162,892	124,838	58,815,898	4,206,778	63,339,079
At valuation	77,035,927	1,920,604	-	-	-	-	-	78,956,531
At 31 December 2023	77,035,927	1,920,604	28,673	162,892	124,838	58,815,898	4,206,778	142,295,610

## NOTES TO THE FINANCIAL STATEMENTS

### 9. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2022	Freehold land RM	Office building RM	Office renovation RM	Equipment, furniture and fittings RM	Motor vehicles RM	Solar photovoltaic RM	Capital work-in- progress RM	Total RM
<b>Cost/Valuation</b>								
At 1 January 2022	66,029,565	2,677,561	1,937,781	1,254,169	868,529	80,176,157	640,000	153,583,762
Adjustments on revaluation	11,006,362	-	-	-	-	-	-	11,006,362
Additions	-	36,600	-	132,653	-	-	1,300,500	1,469,753
Written off	-	-	-	(19,913)	-	-	-	(19,913)
Reversal	-	-	-	-	-	-	(580,000)	(580,000)
At 31 December 2022	77,035,927	2,677,561	1,974,381	1,366,909	868,529	80,176,157	1,360,500	165,459,964
<b>Accumulated depreciation</b>								
At 1 January 2022	-	258,161	1,483,503	913,284	811,013	15,600,579	-	19,066,540
Depreciation charge for the financial year	-	47,670	388,167	261,003	57,513	3,839,270	-	4,593,623
Written off	-	-	-	(19,783)	-	-	-	(19,783)
At 31 December 2022	-	305,831	1,871,670	1,154,504	868,526	19,439,849	-	23,640,380
<b>Impairment losses</b>								
At 1 January 2022	-	-	-	-	-	-	-	-
Impairment loss during the financial year	-	405,757	-	-	-	-	-	405,757
At 31 December 2022	-	405,757	-	-	-	-	-	405,757
<b>Carrying amount</b>								
At cost	-	-	102,711	212,405	3	60,736,308	1,360,500	62,411,927
At valuation	77,035,927	1,965,973	-	-	-	-	-	79,001,900
At 31 December 2022	77,035,927	1,965,973	102,711	212,405	3	60,736,308	1,360,500	141,413,827



## NOTES TO THE FINANCIAL STATEMENTS

### 9. PROPERTY, PLANT AND EQUIPMENT (continued)

<b>Company 2023</b>	<b>Freehold land RM</b>	<b>Office building RM</b>	<b>Office renovation RM</b>	<b>Equipment, furniture and fittings RM</b>	<b>Motor vehicles RM</b>	<b>Solar photovoltaic RM</b>	<b>Total RM</b>
<b>Cost/Valuation</b>							
At 1 January 2023	5,600,000	2,677,561	1,974,381	1,187,872	757,743	-	12,197,557
Additions	-	-	-	9,400	-	110,021	119,421
Written off	-	-	-	(6,097)	-	-	(6,097)
At 31 December 2023	5,600,000	2,677,561	1,974,381	1,191,175	757,743	110,021	12,310,881
<b>Accumulated depreciation</b>							
At 1 January 2023	-	305,831	1,871,670	1,062,102	757,741	-	3,997,344
Depreciation charge for the financial year	-	45,369	74,038	61,325	-	6,418	187,150
Written off	-	-	-	(6,094)	-	-	(6,094)
At 31 December 2023	-	351,200	1,945,708	1,117,333	757,741	6,418	4,178,400
<b>Impairment loss</b>							
At 1 January 2023/31 December 2023	-	405,757	-	-	-	-	405,757
<b>Carrying amount</b>							
At cost	-	-	28,673	73,842	2	103,603	206,120
At valuation	5,600,000	1,920,604	-	-	-	-	7,520,604
At 31 December 2023	5,600,000	1,920,604	28,673	73,842	2	103,603	7,726,724

## NOTES TO THE FINANCIAL STATEMENTS

### 9. PROPERTY, PLANT AND EQUIPMENT (continued)

Company 2022	Freehold land RM	Office building RM	Office renovation RM	Equipment, furniture and fittings RM	Motor vehicles RM	Total RM
<b>Cost/Valuation</b>						
At 1 January 2022	4,855,311	2,677,561	1,937,781	1,156,797	757,743	11,385,193
Adjustments on revaluation	744,689	-	-	-	-	744,689
Additions	-	-	36,600	50,988	-	87,588
Written off	-	-	-	(19,913)	-	(19,913)
At 31 December 2022	5,600,000	2,677,561	1,974,381	1,187,872	757,743	12,197,557
<b>Accumulated depreciation</b>						
At 1 January 2022	-	258,161	1,483,503	850,086	700,228	3,291,978
Depreciation charge for the financial year	-	47,670	388,167	231,799	57,513	725,149
Written off	-	-	-	(19,783)	-	(19,783)
At 31 December 2022	-	305,831	1,871,670	1,062,102	757,741	3,997,344
<b>Impairment loss</b>						
At 1 January 2022	-	-	-	-	-	-
Impairment loss during the financial year	-	405,757	-	-	-	405,757
At 31 December 2022	-	405,757	-	-	-	405,757
<b>Carrying amount</b>						
At cost	-	-	102,711	125,770	2	228,483
At valuation	5,600,000	1,965,973	-	-	-	7,565,973
At 31 December 2022	5,600,000	1,965,973	102,711	125,770	2	7,794,456



## NOTES TO THE FINANCIAL STATEMENTS

### 9. PROPERTY, PLANT AND EQUIPMENT (continued)

- (a) The carrying amount of property, plant and equipment pledged to the financial institutions as securities for term loans facilities (Note 22) are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Freehold land	49,135,927	49,135,927	5,600,000	5,600,000
Office building	1,920,604	1,965,973	1,920,604	1,965,973
Solar photovoltaic	51,599,537	53,066,030	–	–
	102,656,068	104,167,930	7,520,604	7,565,973

- (b) The net carrying amount of these property, plant and equipment had no revaluation been made are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Freehold land	65,558,299	65,558,299	4,855,311	4,855,311
Office building	2,303,514	2,358,087	2,303,514	2,358,087

- (c) Fair value information

The freehold land and office building of the Group and the Company were revalued by external independent valuers, having appropriate recognised professional qualification. The valuations are based on sales comparison method.

The fair value of freehold land and office building of the Group and of the Company are categorised as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>Group</b>				
<b>31 December 2023</b>				
Freehold land	–	–	77,035,927	77,035,927
Office building	–	–	1,920,604	1,920,604
	–	–	78,956,531	78,956,531
<b>31 December 2022</b>				
Freehold land	–	–	77,035,927	77,035,927
Office building	–	–	1,965,973	1,965,973
	–	–	79,001,900	79,001,900

## NOTES TO THE FINANCIAL STATEMENTS

### 9. PROPERTY, PLANT AND EQUIPMENT (continued)

#### (c) Fair value information (continued)

The fair value of freehold land and office building of the Group and of the Company are categorised as follows:  
(continued)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>Company</b>				
<b>31 December 2023</b>				
Freehold land	–	–	5,600,000	5,600,000
Office building	–	–	1,920,604	1,920,604
	–	–	7,520,604	7,520,604
<b>31 December 2022</b>				
Freehold land	–	–	5,600,000	5,600,000
Office building	–	–	1,965,973	1,965,973
	–	–	7,565,973	7,565,973

#### Level 3 fair value

The valuation techniques used in the determination of fair values within Level 3 was based on sales comparison approach. The value of the property, plant and equipment was determined by comparing current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for accessibility, amenities, time element, size, shape, improvements, and other differences.

#### Valuation processes applied by the Group

The fair value of property, plant and equipment is determined by external independent valuers, Rahim & Co International Sdn. Bhd. and Henry Butcher Malaysia (Kedah) Sdn. Bhd., in which both are the members of the Board of Valuers, Appraisers and Estate Agents Malaysia with appropriate recognised professional qualifications.

#### Highest and best use

In estimating the fair value of the property, plant and equipment, the highest and best use of the property, plant and equipment is their current use.





## NOTES TO THE FINANCIAL STATEMENTS

### 10. INTANGIBLE ASSETS

	2023 RM	Group 2022 RM
<b>Customer contract Cost</b>		
At 1 January/31 December	2,724,904	2,724,904
<b>Accumulated amortisation</b>		
At 1 January	778,543	648,786
Amortisation charge for the financial year	129,757	129,757
At 31 December	908,300	778,543
<b>Carrying amount</b>		
At 31 December	1,816,604	1,946,361

The fair value of intangible assets is attributable to customer contract arising from the acquisition of a subsidiary in the previous financial years. The acquired subsidiary was granted a feed-in approval by Sustainable Energy Development Authority Malaysia pursuant to the Renewable Energy Act 2011.

A Renewable Energy Power Purchase Agreement was entered into with Tenaga Nasional Berhad with effective period of 21 years commencing from the Feed-in Tariff ("FIT") commencement.

The amortisation of intangible assets of the Group amounting to RM129,757 (2022: RM129,757) are included in administrative expenses.

### 11. INVESTMENT IN SUBSIDIARIES

	2023 RM	Company 2022 RM
<b>Unquoted shares, at cost</b>		
At beginning of the financial year	22,816,198	22,816,195
Additions	–	3
Less: Voluntary winding-up	(3)	–
At end of the financial year	22,816,195	22,816,198
Loans that are part of net investments	96,655,576	102,344,449
	119,471,771	125,160,647

Loans that are part of net investments represent amount owing by subsidiaries which are non-trade in nature, unsecured and interest-free. The settlement of these amounts is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as long-term source of capital to the subsidiaries. As the amount is, in substance, part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment losses, if any.



## NOTES TO THE FINANCIAL STATEMENTS

## 11. INVESTMENT IN SUBSIDIARIES (continued)

Details of the subsidiaries are as follows:

Name of company	Country of incorporation	Principal activities	Effective equity interest	
			2023	2022
IL Energy Sdn. Bhd.	Malaysia	Investment holding	100%	100%
ILB International (BVI) Limited <sup>@</sup>	British Virgin Islands	Investment holding	100%	100%
ILB Properties Sdn. Bhd. <sup>#</sup>	Malaysia	Dormant	–	100%
Telaga Prospek Sdn. Bdn. <sup>#</sup>	Malaysia	Dormant	–	100%
<b>Subsidiaries of IL Energy Sdn. Bhd.</b>				
EVN Vision Sdn. Bhd.	Malaysia	Solar power plant	100%	100%
IL Solar Sdn. Bhd.	Malaysia	Solar power plant	100%	100%
IL Power Sdn. Bhd.	Malaysia	Procurement of solar PV module	100%	100%
<b>Subsidiaries of ILB International (BVI) Limited</b>				
Integrated Logistics (H.K.) Limited <sup>@</sup>	Hong Kong	Investment holding	70%	70%

<sup>@</sup> Audited by an independent member firm of Baker Tilly International.

<sup>#</sup> The subsidiaries are consolidated using unaudited management financial statements as its has been placed under Member's Voluntary Winding-up pursuant to Section 308(4) of the Companies Act 1965 in Malaysia. Further details of the Member's Voluntary Winding-up are disclosed in Note 11(b) and Note 11(c).

**(a) Dissolution of subsidiaries****2022**

On 17 June 2022, ISH Group (BVI) Limited ("ISH Group (BVI)") has received the Certificate of Dissolution from the Registrar of Corporation Affairs, British Virgin Islands and completed on 30 June 2022.

On 15 August 2022, ISH Logistics Group Limited ("ISH Logistics") has received the Certificate of Dissolution from the Registrar of Companies, Cayman Islands. On 26 September 2022, the application for the Members' Voluntary Winding up of ISH Logistics has been completed.

Below are the effect of the dissolution of ISH Logistics and ISH Group (BVI) on financial position of the Group:

	<b>2022</b>
	<b>RM</b>
Net assets as at date of dissolution	–
Cumulative exchange gain in respect of the net assets of the dissolved subsidiaries reclassified from equity to profit or loss upon dissolution	7,487,923
Gain on dissolution of subsidiaries	7,487,923



## NOTES TO THE FINANCIAL STATEMENTS

### 11. INVESTMENT IN SUBSIDIARIES (continued)

#### (b) Incorporation of ILB Properties Sdn. Bhd.

On 28 June 2022, the Company had incorporated a 100% owned subsidiary namely ILB Properties Sdn. Bhd. with an issued and paid up share capital of RM2. On 2 November 2022, the Company has made an application to dissolve the subsidiary and it is completed on 10 February 2023.

#### (c) Acquisition of Telaga Prospek Sdn. Bhd.

On 19 July 2022, the Company acquired 1 ordinary share representing 100% of the issued and paid-up capital of Telaga Prospek Sdn. Bhd. for a total cash consideration RM1. On 5 November 2022, the Company has made an application to dissolve the subsidiary and it is completed on 10 February 2023.

(i) Fair value of identifiable asset acquired and liability recognised:

	<b>2022 RM</b>
<b>Asset</b>	
Cash in hand	1
<hr/>	
Fair value of consideration transferred	1
<hr/>	

(ii) Effects of acquisition on cash flows:

	<b>2022 RM</b>
Fair value of consideration transferred	1
Less: cash and cash equivalent of a subsidiary acquired	(1)
<hr/>	
Net cash outflows on acquisition	-
<hr/>	

#### (d) Non-controlling interests

The financial information of the Group's subsidiaries that have non-controlling interests ("NCI") are as follows:

	<b>Integrated Logistics (H.K.) Limited RM</b>
<b>2023</b>	
NCI percentage of ownership interest and voting interest	30%
Carrying amount of NCI	9,497,066
<hr/>	
Loss allocated to NCI	323,669
<hr/>	



## NOTES TO THE FINANCIAL STATEMENTS

## 11. INVESTMENT IN SUBSIDIARIES (continued)

## (d) Non-controlling interests (continued)

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

	Integrated Logistics (H.K.) Limited RM	ISH Logistics Group Limited RM	Total RM
<b>2022</b>			
NCI percentage of ownership interest and voting interest	30%	—*	
Carrying amount of NCI	9,233,007	—	9,233,007
Loss allocated to NCI	(2,504,295)	(129)	(2,504,424)

\* Dissolved on 30 June 2022, refer to Note (a).

The summarised financial information (before intra-group elimination) of the Group's subsidiaries that have NCI as at the end of each reporting period are as follows:

	Integrated Logistics (H.K.) Limited RM
<b>2023</b>	
<b>Assets and liabilities</b>	
Non-current assets	32,843,902
Current assets	1,935,982
Non-current liabilities	—
Current liabilities	(3,122,999)
Net assets	31,656,885
<b>Results</b>	
Revenue	—
Profit for the financial year	1,078,896
Total comprehensive loss	(454,854)
<b>Cash flows information</b>	
Cash flows used in operating activities	(23,192,928)
Cash flows from investing activities	1,985
Cash flows used in financing activities	—
Net decrease in cash and cash equivalents	(23,190,943)



## NOTES TO THE FINANCIAL STATEMENTS

### 11. INVESTMENT IN SUBSIDIARIES (continued)

#### (d) Non-controlling interests (continued)

The summarised financial information (before intra-group elimination) of the Group's subsidiaries that have NCI as at the end of each reporting period are as follows: (continued)

	<b>Integrated Logistics (H.K.) Limited RM (Restated)</b>	<b>ISH Logistics Group Limited RM</b>
<b>2022</b>		
<b>Assets and liabilities</b>		
Non-current assets	31,780,787	–
Current assets	24,541,604	–
Non-current liabilities	–	–
Current liabilities	(25,545,700)	–
Net assets	30,776,691	–
<b>Results</b>		
Revenue	–	–
Loss for the financial year	(8,347,650)	(428)
Total comprehensive loss	(17,733,647)	(428)
<b>Cash flows information</b>		
Cash flows from operating activities	22,861,030	–
Cash flows from investing activities	19,491	–
Cash flows from financing activities	–	–
Net increase in cash and cash equivalents	22,880,521	–
Dividends paid to NCI	–	7,444,734

## NOTES TO THE FINANCIAL STATEMENTS

### 12. INTEREST IN ASSOCIATES

	31.12.2023 RM	Group 31.12.2022 RM (Restated)	1.1.2022 RM (Restated)	Company 2023 RM	2022 RM
Unquoted shares, at cost					
At 1 January/31 December	4,394,800	4,394,800	4,394,800	9,507,500	9,507,500
<hr/>					
Share of results					
<b>Group's share of profit or loss</b>					
At 1 January	4,456,791	4,422,797	4,390,036	–	–
Additions	9,398	33,994	32,761	–	–
At 31 December	4,466,189	4,456,791	4,422,797	–	–
<b>Group's share of other comprehensive income</b>					
At 1 January	5,583,300	5,358,300	5,358,300	–	–
Additions	–	225,000	–	–	–
At 31 December	5,583,300	5,583,300	5,358,300	–	–
	14,444,289	14,434,891	14,175,897	9,507,500	9,507,500
<hr/>					
Quoted shares outside Malaysia, at cost					
At 1 January/31 December	66,096,686	66,096,686	66,096,686	–	–
Less: Accumulated impairment losses					
At 1 January	(59,816,091)	(50,372,491)	(65,233,958)	–	–
Additions	–	(9,443,600)	–	–	–
Reversal	4,961,387	–	14,861,467	–	–
At 31 December	(54,854,704)	(59,816,091)	(50,372,491)	–	–
Share of results					
At 1 January	24,909,063	21,698,656	25,640,946	–	–
Additions	(3,746,354)	3,210,407	(3,942,290)	–	–
At 31 December	21,162,709	24,909,063	21,698,656	–	–
Exchange differences	439,475	591,393	7,941,677	–	–
	32,844,166	31,781,051	45,364,528	–	–
	47,288,455	46,215,942	59,540,425	9,507,500	9,507,500
<hr/>					
Market value:					
Quoted shares outside Malaysia	32,844,166	31,781,051	45,364,528		



## NOTES TO THE FINANCIAL STATEMENTS

### 12. INTEREST IN ASSOCIATES (continued)

Details of the associates are as follows:

Name of company	Country of incorporation	Principal activities	Effective equity interest	
			2023	2022
Integrated Mits Sdn. Bhd.	Malaysia	Warehousing and related value added services	50%	50%
<b>Interest held through Integrated Logistics (H.K.) Limited</b>				
Hengyang Petrochemical Logistics Limited #	Singapore	Investment holding	18.1%	18.1%

# Audited by auditors other than Baker Tilly Monteiro Heng PLT.

(a) Fair value information

As at 31 December 2023, the fair value of Hengyang Petrochemical Logistics Limited, which is listed on Singapore Exchange Limited, was RM32,844,166 (2022: RM31,781,051) based on the quoted market price available on the stock exchange, which has been categorised within Level 1 of the fair value hierarchy.

(b) The financial statements of the associates for the financial year ended 31 December 2023 have been used and appropriate adjustments have been made for the effects of significant transactions between 31 December 2021 and 31 December 2022.

The details of the adjustments are disclosed in Note 33.

(c) The following table illustrates the summarised financial information of the associates:

	Hengyang Petrochemical Logistics Limited RM	Integrated Mits Sdn. Bhd. RM	Total RM
<b>31.12.2023</b>			
<b>Assets and liabilities</b>			
Non-current assets	341,946,769	16,003,624	357,950,393
Current assets	15,131,875	3,988,187	19,120,062
Non-current liabilities	(38,782)	(2,210,958)	(2,249,740)
Current liabilities	(1,031,238)	(57,232)	(1,088,470)
Net assets	356,008,624	17,723,621	373,732,245
<b>Results</b>			
Revenue	–	1,438,483	1,438,483
(Loss)/Profit for the financial year	(14,519,421)	18,795	(14,500,626)
Total comprehensive (loss)/income	(14,519,421)	18,795	(14,500,626)

## NOTES TO THE FINANCIAL STATEMENTS

### 12. INTEREST IN ASSOCIATES (continued)

(c) The following table illustrates the summarised financial information of the associates: (continued)

	<b>Hengyang Petrochemical Logistics Limited RM (Restated)</b>	<b>Integrated Mits Sdn. Bhd. RM</b>	<b>Total RM</b>
<b>31.12.2022</b>			
<b>Assets and liabilities</b>			
Non-current assets	338,031,393	16,726,590	354,757,983
Current assets	23,711,871	3,353,549	27,065,420
Non-current liabilities	–	(2,318,945)	(2,318,945)
Current liabilities	(1,321,924)	(56,368)	(1,378,292)
Net assets	360,421,340	17,704,826	378,126,166
<b>Results</b>			
Revenue	–	1,438,483	1,438,483
Profit for the financial year	12,097,179	67,989	12,165,168
Total comprehensive income	12,097,179	67,989	12,165,168

(d) The reconciliation of net assets of the associates to the carrying amount of the investment in associates are as follows:

	<b>Hengyang Petrochemical Logistics Limited RM</b>	<b>Integrated Mits Sdn. Bhd. RM</b>	<b>Total RM</b>
<b>31.12.2023</b>			
Group's share of net assets	75,967,228	7,627,227	83,594,455
Goodwill	11,292,167	1,233,762	12,525,929
Exchange differences	439,475	–	439,475
Share of revaluation reserve*	–	5,583,300	5,583,300
Less: Accumulated impairment losses	(54,854,704)	–	(54,854,704)
Carrying amount in the consolidated statements of financial position	32,844,166	14,444,289	47,288,455
Group's share of results	(3,746,354)	9,398	(3,736,956)





## NOTES TO THE FINANCIAL STATEMENTS

### 12. INTEREST IN ASSOCIATES (continued)

- (d) The reconciliation of net assets of the associates to the carrying amount of the investment in associates are as follows: (continued)

	<b>Hengyang Petrochemical Logistics Limited RM (Restated)</b>	<b>Integrated Mits Sdn. Bhd. RM (Restated)</b>	<b>Total RM</b>
<b>31.12.2022</b>			
Group's share of net assets	79,713,582	7,617,829	87,331,411
Goodwill	11,292,167	1,233,762	12,525,929
Exchange differences	591,393	–	591,393
Share of revaluation reserve*	–	5,583,300	5,583,300
Less: Accumulated impairment losses	(59,816,091)	–	(59,816,091)
Carrying amount in the consolidated statements of financial position	31,781,051	14,434,891	46,215,942
Group's share of results	3,210,407	33,994	3,244,401
Group's share of other comprehensive income	–	225,000	225,000
<b>1.1.2022</b>			
Group's share of net assets	76,503,175	7,583,835	84,087,010
Goodwill	11,292,167	1,233,762	12,525,929
Exchange differences	7,941,677	–	7,941,677
Share of revaluation reserve*	–	5,358,300	5,358,300
Less: Accumulated impairment losses	(50,372,491)	–	(50,372,491)
Carrying amount in the consolidated statements of financial position	45,364,528	14,175,897	59,540,425
Group's share of results	(3,942,290)	32,761	(3,909,529)
Group's share of other comprehensive income	–	5,358,300	5,358,300

\* In preparing the consolidated financial statements of the Group, uniform accounting policy is effected to recognise the share of revaluation reserve on freehold land of an associate.



## NOTES TO THE FINANCIAL STATEMENTS

## 13. OTHER INVESTMENT

	Group and Company	
	2023	2022
	RM	RM
<b>Non-current</b>		
<b>Financial assets designated at fair value</b>		
<b>through other comprehensive income</b>		
<b>At fair value</b>		
Golf club membership	270,000	300,000

## 14. INVENTORIES

	2023	Group	2022
	RM		RM
<b>Current:</b>			
Finished goods	850,604		823,904

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM7,319,467 (2022: RM5,867,292).

## 15. RECEIVABLES

	Note	2023	Group	2022	2023	Company	2022
		RM		RM	RM		RM
<b>Current:</b>							
Trade receivables	(a)	8,507,759		197,518	–		–
Accrued billing		623,713		666,580	–		–
Retention sum		299,711		299,711	–		–
		9,431,183		1,163,809	–		–
Other receivables, deposits and prepayments (Note 16)		409,358		8,745,359	13,641,545		8,000,996
Total trade and other receivables		9,840,541		9,909,168	13,641,545		8,000,996

(a) Trade receivables are non-interest bearing and are generally on 10 to 120 days (2022: 10 to 120 days) credit terms. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

The Group does not hold any collateral or other credit enhancements over these balances.

The information about the credit exposure is disclosed in Note 31(c).



## NOTES TO THE FINANCIAL STATEMENTS

### 16. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Other receivables	(a)	152,620	7,447,646	141,792	7,578,430
Amounts owing by subsidiaries	(b)	–	–	13,386,845	–
Deposits		143,217	1,145,765	22,370	330,814
Prepayments		113,521	151,948	90,538	91,752
		409,358	8,745,359	13,641,545	8,000,996

(a) In previous financial year, included in other receivables is an amount owing by a third party which represents the remaining balance proceeds from disposal of a jointly controlled entity in the previous years totalling RM41,046,582 which is receivable in 12 quarterly instalments amounting to AED3,375,000 each quarter commencing on 1 April 2020 and measured at amortised cost at an interest rate of 4.34% per annum. The Group's amount owing by the third party was RM6,955,058. During the financial year, the remaining proceeds have been fully paid.

(b) Amounts owing by subsidiaries are unsecured, non-interest bearing, repayable on demand and is expected to be settled in cash.

### 17. CONTRACT ASSETS/(LIABILITIES)

	2023 RM	Group 2022 RM
Contract assets relating to construction service contracts	9,207	8,607
Contract liabilities relating to construction service contracts	(316,613)	(1,797)

#### (a) Contract assets

The contract assets represent the Group's rights to consideration for the work performed for the construction contracts but yet to be billed. Contract assets are transferred to receivables when the Group issues progress billings to the customers. Typically, the amount will be billed within 10 days.

#### (b) Contract liabilities

The contract liabilities represent progress billings and deposits received for construction contracts for which performance obligations have not been satisfied.

## NOTES TO THE FINANCIAL STATEMENTS

### 17. CONTRACT ASSETS/(LIABILITIES) (continued)

#### (c) Significant changes in contract balances

	Group			
	Contract assets increase/ (decrease) RM	2023 Contract liabilities (increase)/ decrease RM	Contract assets increase/ (decrease) RM	2022 Contract liabilities (increase)/ decrease RM
Revenue recognised that was included in contract liability at the beginning of the financial year	–	1,797	–	–
Increase due to consideration received from customers, but revenue not recognised	–	(316,613)	–	(1,797)
Increase due to revenue recognised for unbilled goods or services transferred to customers	600	–	8,607	–
Transfer from contract assets recognised at the beginning of the financial year to receivables	–	–	(1,877,113)	–

#### (d) Revenue recognised in relation to contract balances

	Group	
	2023 RM	2022 RM
Revenue recognised that was included in contract liability at the beginning of the financial year	1,797	–



## NOTES TO THE FINANCIAL STATEMENTS

### 18. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Deposits with licensed banks (Notes (a))	51,135,091	65,028,802	47,756,801	59,754,034
Cash and bank balances	9,170,256	28,750,659	5,077,812	2,080,469
<b>Deposits, cash and bank balances as reported in the statements of financial position</b>	<b>60,305,347</b>	<b>93,779,461</b>	<b>52,834,613</b>	<b>61,834,503</b>
Less: Deposits with maturity period more than 3 months	(22,085,863)	(47,334,772)	(22,085,863)	(45,332,608)
Deposits pledged to a financial institution (Note (b))	(3,378,290)	(3,272,604)	–	–
Cash and bank balances pledged to a financial institution (Note (c))	(1,049,577)	(1,049,625)	–	–
<b>Cash and cash equivalents as reported in the statements of cash flows</b>	<b>33,791,617</b>	<b>42,122,460</b>	<b>30,748,750</b>	<b>16,501,895</b>

- (a) Deposits with licensed banks of the Group and of the Company bear interest at rates ranging from 2.80% to 4.00% (2022: 1.25% to 5.05%) per annum with maturity periods ranging from 1 month to 6 months (2022: 1 month to 6 months).
- (b) Included in the deposits with licensed banks of the Group are amounts of RM3,378,290 (2022: RM3,272,604) pledged for trade line facility amounting to RM16,000,000 (2022: RM16,000,000) granted to a subsidiary.
- (c) Included in the cash and bank balances of the Group is an amount of RM1,049,577 (2022: RM1,049,625) pledged to a financial institution as security to secure term loans of the Group as disclosed in Note 22.

### 19. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		<-----Amounts----->	
	2023 Unit	2022 Unit	2023 RM	2022 RM
<b>Issue and fully paid up (no par value):</b>				
At beginning/end of the financial year	195,025,503	195,025,503	225,670,706	225,670,706

The holders of ordinary shares (except treasury shares) are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

## NOTES TO THE FINANCIAL STATEMENTS

### 20. TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

The shareholders of the Company, by an ordinary resolution passed in a general meeting held on 28 April 2023, renewed their approval for the Company's plan to repurchase its own ordinary shares. The directors of the Company believe that the repurchase plan are applied in the best interests of the Company and its shareholders. The share repurchases made to date were financed by internally generated funds and are being held as treasury shares in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

The Company held 6,125,175 treasury shares out of its 195,025,503 issued and paid-up ordinary shares. Such treasury shares are held at a carrying amount of RM4,797,033 (2022: RM4,797,033).

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

### 21. RESERVES

	Note	31.12.2023 RM	Group 31.12.2022 RM (Restated)	1.1.2022 RM (Restated)	Company 2023 RM	2022 RM
Fair value reserve	(a)	–	30,000	–	–	30,000
Foreign exchange translation reserve	(b)	(1,991,025)	(2,549,063)	9,346,015	–	–
Other reserve	(c)	9,876,419	9,876,419	9,876,419	–	–
Revaluation reserve	(d)	15,489,027	15,489,027	5,358,300	670,220	670,220
Accumulated losses		(20,126,844)	(20,324,577)	(20,623,293)	(35,691,222)	(30,738,768)
		3,247,577	2,521,806	3,957,441	(35,021,002)	(30,038,548)

#### (a) Fair value reserve - non-distributable

This reserve comprises the cumulative net change in the fair value of financial assets at fair value through other comprehensive income ("FVOCI") until the investments are derecognised or impaired.

#### (b) Foreign exchange translation reserve - non-distributable

The foreign exchange translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

#### (c) Other reserve - non-distributable

Other reserve represents the share of surplus arising from the change in ownership interest of a subsidiary of an associate, Hengyang Petrochemical Logistics Limited in prior years.

#### (d) Revaluation reserve - non-distributable

The revaluation reserve represents the surplus arising from revaluation of freehold land. The amount presented is net of deferred tax liabilities.



## NOTES TO THE FINANCIAL STATEMENTS

### 22. TERM LOANS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Non-current:</b>				
Term loans	18,502,389	23,337,794	487,949	1,099,354
<b>Current:</b>				
Term loans	4,837,443	24,518,379	613,443	20,294,379
<b>Total term loans</b>	<b>23,339,832</b>	<b>47,856,173</b>	<b>1,101,392</b>	<b>21,393,733</b>

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
<b>Non-current</b>					
<b>Secured</b>					
Term loan 1	(a)	487,949	1,099,354	487,949	1,099,354
Term loan 2	(b)	18,014,440	22,238,440	–	–
		18,502,389	23,337,794	487,949	1,099,354
<b>Current</b>					
<b>Secured</b>					
Term loan 1	(a)	613,443	589,379	613,443	589,379
Term loan 2	(b)	4,224,000	4,224,000	–	–
Term loan 3	(c)	–	19,705,000	–	19,705,000
		4,837,443	24,518,379	613,443	20,294,379
<b>Total term loans</b>		<b>23,339,832</b>	<b>47,856,173</b>	<b>1,101,392</b>	<b>21,393,733</b>

#### (a) Term loan 1

Term loan 1 bears interest at a rate of 4.92% (2022: 4.53%) per annum is repayable by monthly instalments of RM51,250 over 53 months followed by monthly instalments of RM54,514 over 60 months and last instalment of the remaining loan balance, commencing from the day of full drawdown of the term loan.

The term loan is secured by pledge of the Company's freehold land and office building included in property, plant and equipment as disclosed in Note 9.

#### (b) Term loan 2

Term loan 2 bears interest at a rate of 5.67% (2022: 5.48%) per annum is repayable by monthly instalments of RM352,000 over 131 months and last instalment of the remaining loan balance, commencing on the first day of the 13th month from the date of first drawdown of the term loan or upon receiving income from the sales of electricity to Tenaga National Berhad, whichever is earlier.

The term loan 2 is secured by the following:

- (i) the subsidiary's freehold land and solar photovoltaic in property, plant and equipment (Note 9);
- (ii) supported by debt services reserve account (Note 18(b)); and
- (iii) supported by corporate guarantee from the Company.

## NOTES TO THE FINANCIAL STATEMENTS

### 22. TERM LOANS (continued)

#### (c) Term loan 3

In previous financial year, term loan 3 was denominated in Hong Kong Dollar and bore interest at a rate of 3 months HIBOR plus 1% per annum.

The term loan was secured by pledge of the shares of a subsidiary and supported by a subordination deed in relation to all loans and current account balance owing by subsidiaries to the Company from time to time.

### 23. DEFERRED TAX LIABILITIES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
At 1 January	2,212,718	995,085	74,469	–
Recognised in profit or loss (Note 7)	121,025	116,997	–	–
Deferred tax relating to revaluation of freehold land	–	1,100,636	–	74,469
At 31 December	2,333,743	2,212,718	74,469	74,469

This is in respect of estimated deferred tax liabilities/(assets) arising from temporary differences as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Deferred tax liabilities</b>				
Surplus arising from revaluation of freehold land	1,147,762	1,147,762	74,469	74,469
Differences between carrying amount of property, plant and equipment and their tax bases	12,551,227	13,540,566	–	–
Customer contract	435,983	467,126	–	–
	14,134,972	15,155,454	74,469	74,469
<b>Deferred tax assets</b>				
Unabsorbed capital allowances	(9,875,773)	(10,975,790)	–	–
Unutilised business losses	(164,404)	(164,404)	–	–
Unabsorbed investment tax allowances	(1,761,052)	(1,802,542)	–	–
	(11,801,229)	(12,942,736)	–	–
	2,333,743	2,212,718	74,469	74,469





## NOTES TO THE FINANCIAL STATEMENTS

### 23. DEFERRED TAX LIABILITIES (continued)

#### Unrecognised deferred tax assets

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

	2023 RM	Group 2022 RM
Unutilised business losses	20,001,051	19,920,967
Unabsorbed investment tax allowances	49,656,551	50,472,194
	69,657,602	70,393,161

The unutilised business losses are available indefinitely for offset against future taxable profits of the Group except for certain unutilised business losses which are available up to the following financial years:

	2023 RM	Group 2022 RM
2028	685,017	685,017
2031	–	15,417
2032	–	153,541
	685,017	853,975

### 24. PAYABLES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Other payables, deposits and accruals (Note 25)	3,252,369	11,544,520	16,681,440	216,463
Provision (Note 26)	–	23,716	–	19,312
	3,252,369	11,568,236	16,681,440	235,775

The normal trade credit terms granted to the Group and the Company ranging from 45 to 60 days (2022: 45 to 60 days).

## NOTES TO THE FINANCIAL STATEMENTS

### 25. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Other payables:				
- external parties	1,649,197	2,937	17,509	2,937
- corporate shareholder	922,781	10,965,021	–	–
- a subsidiary	–	–	16,452,800	–
- an associate	54,687	109,374	54,687	109,374
	2,626,665	11,077,332	16,524,996	112,311
Accruals	625,704	467,188	156,444	104,152
	3,252,369	11,544,520	16,681,440	216,463

The amounts owing to a corporate shareholder, a subsidiary and an associate are non-trade in nature, unsecured, interest-free and are repayable on demand by cash.

Included in accruals of the Group is an amount of RM7,788 (2022: RM45,399) arising from cost accrued for the solar project.

### 26. PROVISION

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Employee benefits</b>				
At 1 January	23,716	27,718	19,312	24,699
Additions during the financial year	–	1,385	–	–
Reversal during the financial year	(23,716)	(5,387)	(19,312)	(5,387)
At 31 December	–	23,716	–	19,312

Employee benefits are in respect of short-term accumulating compensated absences for employees of the Group and of the Company.

The provision is made based on the number of days of outstanding compensated absences of each employee multiplied by their respective salary/wages as at the end of the financial year.

### 27. SEGMENT INFORMATION

For management purposes, the Group is organised into business segments based on their services and has one reportable operating segment which is solar energy and related businesses.

Other non-reportable segments comprise of investment holding and dormant companies.

Inter-segment pricing is determined on negotiated terms.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets and liabilities information are neither included in the internal management reports nor provided regularly to the management. Hence, no disclosures are made on segment assets and liabilities.



## NOTES TO THE FINANCIAL STATEMENTS

### 27. SEGMENT INFORMATION (continued)

#### (a) Operating segments

	Solar energy and related businesses		Others		Adjustments and eliminations		Note	Total	
	2023 RM	2022 RM	2023 RM	2022 RM (Restated)	2023 RM	2022 RM		2023 RM	2022 RM (Restated)
<u>Revenue</u>									
External revenue	46,180,835	16,275,083	-	-	-	-		46,180,835	16,275,083
Inter-segment revenue	110,021	-	-	-	(110,021)	-		-	-
Total revenue	46,290,856	16,275,083	-	-	(110,021)	-		46,180,835	16,275,083
<u>Results</u>									
Amortisation of intangible assets	-	-	129,757	-	129,757	129,757		129,757	129,757
Depreciation of property, plant and equipment	3,981,198	3,868,474	187,150	725,149	(2,541)	-		4,165,807	4,593,623
(Reversal of impairment)/ Impairment loss on interest in an associate	-	-	(4,961,387)	9,443,600	-	-		(4,961,387)	9,443,600
Interest expense	1,340,458	1,340,993	4,431,462	574,813	-	-		5,771,920	1,915,806
Interest income	(167,215)	(89,831)	(2,755,733)	(3,282,471)	-	-		(2,922,948)	(3,372,302)
Non-cash expenses/(income) (other than depreciation and amortisation)	507,123	-	(4,102,216)	804,307	-	(7,487,923)	A	(3,595,093)	(6,683,616)
Expenses relating to short-term leases	17,569	13,085	759,796	762,670	-	-		777,365	775,755
Expenses relating to low value assets	-	-	13,824	11,000	-	-		13,824	11,000
Rental income	-	(21,600)	(1,687,478)	(1,679,041)	-	-		(1,687,478)	(1,700,641)
Segment profit/(loss)	1,174,267	1,265,272	3,309,282	(5,878,636)	(3,736,956)	3,244,401	B	746,593	(1,368,963)

## NOTES TO THE FINANCIAL STATEMENTS

### 27. SEGMENT INFORMATION (continued)

#### (a) Operating segments (continued)

Reconciliation of reportable segment revenue, profit or loss, and other material items are as follows:

A Other non-cash expenses/(income) consist of the following:

	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Gain on dissolution of subsidiaries	–	(7,487,923)
Gain on disposal of property, plant and equipment	(78,299)	–
Impairment loss on property, plant and equipment	589,826	405,757
Property, plant and equipment written off	3	130
Reversal of provision for employee benefits	(23,716)	(4,002)
Unrealised (gain)/loss on foreign exchange	(685,395)	402,422
Waiver of amount owing to a corporate shareholder	(3,397,512)	–
	<hr/>	<hr/>
	(3,595,093)	(6,683,616)

B The following items are deducted from segment profit/(loss) to arrive at “Profit /(Loss) before tax” presented in the statements of comprehensive income:

	<b>2023</b>	<b>Group</b>
	<b>RM</b>	<b>2022</b>
		<b>RM</b>
		<b>(Restated)</b>
Share of results of associates	(3,736,956)	3,244,401
	<hr/>	<hr/>

#### (b) Geographical segments

The Group operates predominantly in Malaysia and hence, no geographical segment is presented.

#### (c) Major customers

For solar energy and related businesses segment, revenue from three (2022: two) major individual customer represented approximately RM44.9 million (2022: RM13.0 million) for the Group’s total revenue.



## NOTES TO THE FINANCIAL STATEMENTS

### 28. RELATED PARTIES

#### (a) Identity of related parties

Parties are considered to be related to the Group and the Company if the Group and the Company have the ability to control the party directly or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Company have a related party relationship with its subsidiaries, associates, corporate shareholder, and key management personnel.

#### (b) Significant related party transactions

Significant related party transactions are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Received or receivable from a corporate shareholder				
- Waiver of debts	(3,397,512)	-	-	-
Paid or payable to an associate				
- Rental of premises	656,242	656,242	656,242	656,242
Paid or payable to a subsidiary				
- Property, plant and equipment	-	-	110,021	-

#### (c) Compensation of key management personnel

Key management personnel include personnel having authority and responsibility for planning, directing and controlling the activities of the entity, including any director of the Company.

The remuneration of the key management personnel other than those as disclosed in Note 6 is as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Other key management personnel:</b>				
Short-term employee benefits	301,217	536,211	265,024	280,810
Post-employment benefits	35,964	54,020	31,644	26,300
	337,181	590,231	296,668	307,110



## NOTES TO THE FINANCIAL STATEMENTS

## 29. FINANCIAL INSTRUMENTS

## (a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

- (i) Designated fair value through other comprehensive income
- (ii) Amortised cost

	2023 RM	2022 RM
<b>Group</b>		
<b>Financial assets</b>		
<b>Designated fair value through other comprehensive income</b>		
Other investment	270,000	300,000
<hr/>		
<b>Amortised cost</b>		
Receivables (excluding prepayments)	9,727,020	9,757,220
Deposits, cash and bank balances	60,305,347	93,779,461
	70,032,367	103,536,681
<hr/>		
<b>Financial liabilities</b>		
<b>Amortised cost</b>		
Term loans	23,339,832	47,856,173
Payables (excluding provision)	3,252,369	11,544,520
	26,592,201	59,400,693
<hr/>		
<b>Company</b>		
<b>Financial assets</b>		
<b>Designated fair value through other comprehensive income</b>		
Other investment	270,000	300,000
<hr/>		
<b>Amortised cost</b>		
Receivables (excluding prepayments)	13,551,007	7,909,244
Deposits, cash and bank balances	52,834,613	61,834,503
	66,385,620	69,743,747
<hr/>		
<b>Financial liabilities</b>		
<b>Amortised cost</b>		
Term loans	1,101,392	21,393,733
Payables (excluding provision)	16,681,440	216,463
	17,782,832	21,610,196
<hr/>		



## NOTES TO THE FINANCIAL STATEMENTS

### 29. FINANCIAL INSTRUMENTS (continued)

#### (b) Fair values measurements

The carrying amounts of deposits, cash and bank balances, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The carrying amounts of floating rate loans are reasonable approximation of fair value as the loans will be re-priced to market interest rate on or near reporting date.

There have been no transfers between level 1, level 2 and level 3 during the financial year (2022: no transfer in either direction).

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments:

	Fair value of financial instruments carried at fair value			Total RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM		
<b>Group and Company</b>					
<b>2023</b>					
<b>Financial assets</b>					
Other investment	-	270,000	-	270,000	270,000
- golf club membership					
<b>2022</b>					
<b>Financial assets</b>					
Other investment	-	300,000	-	300,000	300,000
- golf club membership					



## NOTES TO THE FINANCIAL STATEMENTS

### 30. COMMITMENTS

The Group has made commitments for the following capital expenditures:

	2023 RM	Group 2022 RM
Approved and contracted for, but not provided for: - property, plant and equipment	1,822,609	11,271,500

### 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk and liquidity risk.

The Board of Directors review and agree to the policies and procedures for the management of these risks, which are exercised by the Executive Directors and the Chief Financial Officer. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

#### (a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's and the Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's and the Company's operating activities (when sales, purchases and borrowings) that are denominated in a foreign currency and the Group's net investments in foreign subsidiaries.

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.





## NOTES TO THE FINANCIAL STATEMENTS

### 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### (a) Foreign currency risk (continued)

The Group's and the Company's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

	Group		Company		
	Functional currencies----->		Functional currencies-->		
	Hong Kong Dollar RM	Ringgit Malaysia RM	Total RM	Ringgit Malaysia RM	Total RM
<b>31 December 2023</b>					
Financial assets and liabilities not held in functional currencies:					
<u>Deposits, cash and bank balances</u>					
Hong Kong Dollar	–	24,536	24,536	24,536	24,536
United States Dollar	324,728	15,619,571	15,944,299	15,619,571	15,619,571
<u>Other payable</u>					
Hong Kong Dollar	–	–	–	16,452,800	16,452,800
<b>31 December 2022</b>					
Financial assets and liabilities not held in functional currencies:					
<u>Deposits, cash and bank balances</u>					
Hong Kong Dollar	–	22,788	22,788	22,788	22,788
United States Dollar	24,478,698	8,744,939	33,223,637	8,744,939	8,744,939
<u>Receivables</u>					
United Arab Emirates Dirham	–	6,955,058	6,955,058	6,955,058	6,955,058
<u>Term loans</u>					
Hong Kong Dollar	–	(19,705,000)	(19,705,000)	(19,705,000)	(19,705,000)



## NOTES TO THE FINANCIAL STATEMENTS

### 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### (a) Foreign currency risk (continued)

##### Sensitivity analysis for foreign currency risk

The Group's and the Company's principal foreign currency exposure relates mainly to United Arab Emirates Dirham ("AED"), Hong Kong Dollar ("HKD") and United States Dollar ("USD").

The following table demonstrates the sensitivity to a reasonably possible change in the AED, HKD and USD, with all other variables held constant on the Group's and the Company's profit/(loss) for the financial year.

	Group		Company	
	Effect on profit for the financial year		Effect on profit for the financial year	
	2023	2022	2023	2022
	RM	RM	RM	RM
<b>AED</b>				
- strengthened 1% (2022: 1%)	-	52,858	-	52,858
- weakened 1% (2022: 1%)	-	(52,858)	-	(52,858)
<b>HKD</b>				
- strengthened 1% (2022: 1%)	186	(149,585)	(124,855)	(149,585)
- weakened 1% (2022: 1%)	(186)	149,585	124,855	149,585
<b>USD</b>				
- strengthened 1% (2022: 1%)	121,177	252,500	118,709	66,462
- weakened 1% (2022: 1%)	(121,177)	(252,500)	(118,709)	(66,462)

#### (b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk relates to bank deposits and term loans with floating interest rates.

The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets.

##### Sensitivity analysis for interest rate risk

As at the end of the financial year, a change of 100 basis points in interest rates, with all other variables held constant, would decrease or increase the equity and profit/(loss) after tax by approximately RM177,383 (2022: RM363,707) arising mainly as a result of higher/lower interest expense on floating rate loans.



## NOTES TO THE FINANCIAL STATEMENTS

### 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### (c) Credit risk

Credit risk is the risk of financial loss to the Group that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with licensed banks, foreign exchange transactions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures.

The Group and the Company consider a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 45 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At each reporting date, the Group and the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganization.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

#### Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group and the Company use ageing analysis to monitor the credit quality of trade receivables. In managing credit risks of trade receivables, the Group and the Company also take appropriate actions (including but not limited to legal actions) to recover long past due balances.

## NOTES TO THE FINANCIAL STATEMENTS

### 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### (c) Credit risk (continued)

##### Trade receivables and contract assets (continued)

###### Credit risk concentration profile

As at 31 December 2023, 90% (2022: 64%) of the Group's total trade receivables was due from one (2022: four) major customer who was involved in solar energy activities.

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

The information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix are as follows:

Group	Contract assets	Trade receivables			Total
		Current	>30 days past due	>60 days past due	
<b>At 31 December 2023</b>					
Expected credit loss rate	0%	0%	0%	0%	0%
Gross carrying amount at default (RM)	9,207	9,431,183	–	–	9,440,390
Impairment losses	–	–	–	–	–
<b>At 31 December 2022</b>					
Expected credit loss rate	0%	0%	0%	0%	0%
Gross carrying amount at default (RM)	8,607	966,292	4,300	193,217	1,172,416
Impairment losses	–	–	–	–	–

##### Other receivables and other financial assets

For other receivables and other financial assets (including investment securities and deposits, cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. There is no expected credit loss being recognised for other receivables of the Group and the Company.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

As at the end of the reporting date, the Group and the Company did not recognise any loss allowance for impairment for other receivables and other financial assets



## NOTES TO THE FINANCIAL STATEMENTS

### 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### (c) Credit risk (continued)

##### Financial guarantees contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks amounts to RM22,238,440 (2022: RM26,462,440) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 31(d). As at the reporting date, there was no loss allowance for expected credit losses as determined by the Company for the financial guarantees.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

#### (d) Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet its financial obligations when they fall due. The Group's exposure to liquidity risk arises principally from term loans.

The Group actively manages its operating cash flows and the availability of funding so as to ensure that funding needs are met. The Group strives to maintain available banking facilities of a reasonable level to its overall debt position.

The Group employs projected cash flow analysis to manage liquidity risk by forecasting the amount of cash required and by monitoring the working capital of the Group to ensure that all liabilities due and known funding requirements could be met.

## NOTES TO THE FINANCIAL STATEMENTS

### 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### (d) Liquidity risk (continued)

##### Maturity analysis:

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the financial year based on contractual undiscounted repayment obligations:

	Carrying amount RM	On demand or within one year RM	Two to five years RM	More than five years RM	Total RM
<b>2023</b>					
<b>Group</b>					
<b>Financial liabilities</b>					
Term loans	23,339,832	5,745,082	19,058,227	1,126,622	25,929,931
Payables	3,252,369	3,252,369	–	–	3,252,369
	26,592,201	8,997,451	19,058,227	1,126,622	29,182,300
<b>Company</b>					
<b>Financial liabilities</b>					
Term loans	1,101,392	654,168	498,218	–	1,152,386
Payables	16,681,440	16,681,440	–	–	16,681,440
Financial guarantees contracts	–	22,238,440	–	–	22,238,440
	17,782,832	39,574,048	498,218	–	40,072,266



## NOTES TO THE FINANCIAL STATEMENTS

### 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### (d) Liquidity risk (continued)

##### Maturity analysis:

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the financial year based on contractual undiscounted repayment obligations: (continued)

	Carrying amount RM	Contractual undiscounted cash flows ----->				Total RM
		On demand or within one year RM	Two to five years RM	More than five years RM		
<b>2022</b>						
<b>Group</b>						
<b>Financial liabilities</b>						
Term loans	47,856,173	25,686,677	20,427,399	5,496,077	51,610,153	
Payables (excluding provision)	11,544,520	11,544,520	–	–	11,544,520	
	59,400,693	37,231,197	20,427,399	5,496,077	63,154,673	
<b>Company</b>						
<b>Financial liabilities</b>						
Term loans	21,393,733	20,415,398	1,145,931	–	21,561,329	
Payables (excluding provision)	216,463	216,463	–	–	216,463	
Financial guarantees contracts	–	26,462,440	–	–	26,462,440	
	21,610,196	47,094,301	1,145,931	–	48,240,232	

## NOTES TO THE FINANCIAL STATEMENTS

### 32. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that entities in the Group will be able to continue as a going concern, maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

Deposits are made at varying periods depending on the immediate cash requirements of the Group and of the Company, and earn interests at the respective short-term deposit rates.

The Group reviews the capital structure on an annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts or the redemption of existing debts.

No changes were made in the objectives, policies or processes during the financial years ended 31 December 2023 and 31 December 2022.

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Term loans	23,339,832	47,856,173	1,101,392	21,393,733
Payables (excluding provision)	3,252,369	11,544,520	16,681,440	216,463
Total debts	26,592,201	59,400,693	17,782,832	21,610,196
Less: Deposits, cash and bank balances	(60,305,347)	(93,779,461)	(52,834,613)	(61,834,503)
Net cash	(33,713,146)	(34,378,768)	(35,051,781)	(40,224,307)
Total equity attributable to owners of the Company	224,121,250	223,395,479	185,852,671	190,835,125
Debt-to-equity ratio	*	*	*	*

\* Not meaningful.

The Company is required to comply with the disclosure and necessary capital requirement as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.





## NOTES TO THE FINANCIAL STATEMENTS

### 33. COMPARATIVE FIGURES

During the financial year, the Group made adjustments to reflect the following:

- effect of material variances between the unaudited financial statements and audited financial statements from an associate listed on Singapore Exchange (SGX) (Note 12); and
- effect of share of revaluation reserve on freehold land of an associate in the consolidated financial statements to conform to the accounting policies of the Group (Note 12).

	As previously reported RM	Adjustments RM	As restated RM
<b>31.12.2022</b>			
<b>Group</b>			
<b>Statements of financial position</b>			
<b>Non-current assets</b>			
Investment in associates	40,632,642	5,583,300	46,215,942
<b>Equity attributable to owners of the Company</b>			
Foreign exchange translation reserve	(2,419,648)	(129,415)	(2,549,063)
Revaluation reserve	9,905,727	5,583,300	15,489,027
Accumulated losses	(20,453,992)	129,415	(20,324,577)
<b>Statements of comprehensive income and other comprehensive income</b>			
<b>Comprehensive income</b>			
Share of results of associates	1,449,969	(4,694,370)	(3,244,401)
Impairment loss on interest in an associate	4,934,108	4,509,492	9,443,600
<b>Other comprehensive income</b>			
Share of other comprehensive income of an associate	–	225,000	225,000
Exchange differences on translation of foreign operations	6,230,703	184,878	6,415,581
<b>Statements of Cash Flows</b>			
Loss before tax	(1,553,841)	184,878	(1,368,963)
Adjustments for:			
Impairment loss on interest in an associates	4,934,108	4,509,492	9,443,600
Share of results of associates	1,449,969	(4,694,370)	(3,244,401)
<b>1.1.2022</b>			
<b>Group</b>			
<b>Statements of financial position</b>			
<b>Non-current assets</b>			
Investment in associates	54,182,125	5,358,300	59,540,425
<b>Equity attributable to owners of the Company</b>			
Revaluation reserve	–	5,358,300	5,358,300



## STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

**We, TANG MING YNG and TANG WEIHANN**, being two of the directors of ILB Group Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 68 to 128 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of their financial performance and cash flows for the financial year then ended.

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

**TANG MING YNG**  
Director

**TANG WEIHANN**  
Director

Kuala Lumpur

Date: 15 April 2024

## STATUTORY DECLARATION

PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, **TOH WOAN FEI**, being the officer primarily responsible for the financial management of ILB Group Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 68 to 128 are 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.

**TOH WOAN FEI**  
MIA Membership No: 23104

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 15 April 2024.

Before me,

**HADINUR MOHD SYARIF**  
Commissioner for Oaths (W761)  
Kuala Lumpur



# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ILB GROUP BERHAD  
(INCORPORATED IN MALAYSIA)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of ILB Group Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 68 to 128.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

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

#### *Independence and Other Ethical Responsibilities*

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Group

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#### Investment in associates (Notes 4 and 12 to the financial statements)

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The Group has a significant balance of investment in associates. At the end of the financial year, the Group determines whether objective evidence of impairment exists for its interest in the associates.

#### Our response:

Our audit procedures included, among others:

- comparing the net carrying amount of the interest in an associate with its quoted price and net asset as at year end;
- reviewing the basis used by the Group to determine the recoverable amount; and
- testing the mathematical computation of the impairment assessment.



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ILB GROUP BERHAD (INCORPORATED IN MALAYSIA)

### **Key Audit Matters** (continued)

#### **Group** (continued)

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#### **Construction contract revenue (Notes 4 and 5 to the financial statements)**

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The Group's accounting policy is to recognise the revenue from construction activities over the period of contract by reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of performance obligation is to be determined by reference to proportion of construction costs incurred for works performed to date bear to the estimated total costs for each project (input method).

We focused on this area because the Group's revenue recognition for construction activities requires the exercise of significant judgement to be made by the directors, particularly in determining the progress towards satisfaction of a performance obligation, the extent of the construction costs incurred, the estimated total construction contracts revenue and costs, as well as the recoverability of the construction contracts projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events.

#### **Our response:**

Our audit procedures included, among others:

- reading the terms and conditions of agreements with customers;
- understanding the Group's process in preparing project budget and the calculation of the progress towards anticipated satisfaction of a performance obligation;
- comparing the Group's major assumptions to contractual terms and discussing with project manager; and
- checking the mathematical computation of recognised revenue for the projects during the financial year.

#### **Company**

We have determined that there are no key audit matters to be communicated in our report which arise from the audit of the financial statements of the Company.

#### **Information Other than the Financial Statements and Auditors' Report Thereon**

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ILB GROUP BERHAD  
(INCORPORATED IN MALAYSIA)

### Responsibilities of the Directors for the Financial Statements

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

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and 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 Group or the Company or to cease operations, or have no realistic alternative but to do so.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and 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's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ILB GROUP BERHAD  
(INCORPORATED IN MALAYSIA)

### **Auditors' Responsibilities for the Audit of the Financial Statements** (continued)

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 11 to the financial statements.

### **Other Matter**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

Baker Tilly Monteiro Heng PLT  
201906000600 (LLP0019411-LCA) & AF 0117  
Chartered Accountants

Ng Zu Wei  
No. 03545/12/2024 J  
Chartered Accountant

Kuala Lumpur

Date: 15 April 2024



## PROPERTIES OF ILB GROUP

AS AT 31ST DECEMBER 2023

Location	Description	Age of Land/ Building (Years)	Tenure	Area (sq. ft.)	NBV @ 31-12-2023 (RM)	Year of Acquisition Or Revaluation*	
<b>EVN Vision Sdn Bhd</b> Lot 1552, Seberang Perai Utara, Pulau Pinang	Land with Solar Farm	8 6	Freehold	Land - Plant -	115,335	900,000 7,153,777	2022* 2017
<b>IL Solar Sdn Bhd</b> Lot 560, 561, 562, 563 & Lot 2011, Bandar Bukit Kayu Hitam, Daerah Kubang Pasu, Kedah	Agriculture Land with Solar Farm	7 6	Freehold	Land - Plant -	3,349,175	43,535,927 51,599,537	2022* 2017
<b>ILB Group Berhad</b> No. 6, Jalan Sungai Buloh 27/101A, Seksyen 27, 40400 Shah Alam, Selangor	Land with Office Building and Solar Plant	7 7	Freehold	Land - Build-up -  Plant -	12,723 13,965	5,600,000 1,920,604  62,584	2022*
<b>IL Power Sdn Bhd</b> Lot No. 25358, Mukim Sungai Petani, Daerah Kuala Muda, Kedah	Agriculture Land	4	Freehold	Land -	8,494,810	27,000,000	2022*
					<b>Total</b>	<b>137,772,429</b>	

# ANALYSIS OF SHAREHOLDINGS

AS AT 29 MARCH 2024

Issued Share Capital : RM 225,670,706  
 Total Number of Issued Shares : 195,025,503  
 Class of Shares : Ordinary Shares

Size of Shareholdings	No. of Shareholders		No. of Shares *		% of Issued Shares	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
Less than 100	1,005	53	27,387	878	0.014	0.000
100 - 1,000	403	4	145,891	1,125	0.077	0.001
1,001 - 10,000	2,388	43	8,434,748	161,041	4.465	0.085
10,001 - 100,000	679	20	19,762,937	811,065	10.462	0.429
100,001 - to less than 9,445,016 (**)	127	11	51,296,271	14,281,922	27.155	7.561
9,445,017 and above (***)	2	1	58,129,688	21,154,700	30.773	11.200
Directors shareholdings	3	0	14,692,675	0	7.778	0.000
<b>Total</b>	<b>4,607</b>	<b>132</b>	<b>152,489,597</b>	<b>36,410,731</b>	<b>80.724</b>	<b>19.276</b>
<b>Grand Total</b>		<b>4,739</b>		<b>188,900,328</b>		<b>100.00</b>

\* Excluding a total of 6,125,175 ordinary shares bought back by the Company and retained as treasury shares

\*\* Less than 5% of issued shares

\*\*\* 5% and above of issued shares

## LIST OF THIRTY LARGEST SHAREHOLDERS

No.	Name of shareholder	No. of shares held *	% of issued shares
1.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Agrobulk Holdings Sdn Bhd	34,956,698	18.505
2.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account - AmBank (M) Berhad for Fohen Holdings Sdn Bhd	23,172,990	12.267
3.	BT Investment Capital Limited	21,154,700	11.199
4.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tee Tuan Sem	8,000,000	4.235
5.	Tee Tuan Sem	6,682,675	3.538
6.	HSBC Nominees (Asing) Sdn Bhd Exempt AN for The Hong Kong & Shanghai Banking Corporation Limited (PB-HKDIV-ACCL)	6,642,000	3.516
7.	Hassan Mohammad Kazem Ahmadi	5,000,000	2.647
8.	Loh Cheng Keat	4,158,500	2.201
9.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB for Sim Keng Chor (PB)	3,317,100	1.756
10.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ng Beng Hoo	2,816,700	1.491





## ANALYSIS OF SHAREHOLDINGS

AS AT 29 MARCH 2024

### LIST OF THIRTY LARGEST SHAREHOLDERS (CONTINUED)

No.	Name of shareholder	No. of shares held *	% of issued shares
11.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Toh Su See	2,714,900	1.437
12.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Simson Sim Xian Zhi	2,126,500	1.126
13.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Simson Sim Xian Zhi	2,003,500	1.061
14.	Anastasia Amanda Beh Gaik Sim	1,276,431	0.676
15.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Ang Kok Seong (M55015)	1,253,800	0.664
16.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Godwin Tan Pei Poh (7004954)	1,008,000	0.534
17.	Wang Jim	888,800	0.471
18.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ng Seng Giap (E-SS2/KDA)	733,300	0.388
19.	Goh Theow Hiang	729,135	0.386
20.	Ong Aik Bin	720,000	0.381
21.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Bank Berhad (EDP 2)	682,800	0.361
22.	Lim Hong Liang	668,144	0.354
23.	Kenanga Nominees (Tempatan) Sdn Bhd Chin Kiam Hsung	606,908	0.321
24.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Kok Seong	602,800	0.319
25.	Choo Tai Yuet	600,000	0.318
26.	Yap Teck Chow	587,100	0.311
27.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Simon Sim Xian Zhi	578,700	0.306
28.	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Peng Koon	555,000	0.294
29.	Tai Gaik Suan	545,000	0.289
30.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chin Kiam Hsung	540,268	0.286
	<b>Total</b>	<b>135,322,449</b>	<b>71.637</b>

\* Excluding a total of 6,125,175 ordinary shares bought back by the Company and retained as treasury shares



## ANALYSIS OF SHAREHOLDINGS

AS AT 29 MARCH 2024

## THE DIRECTORS SHAREHOLDINGS IN THE COMPANY AS AT 29 MARCH 2024 ARE AS FOLLOWS :-

Name of Directors	Direct No. of Shares	Note	% of issued Shares*	Indirect No. of Shares	Note	% of issued Shares*
Tang Ming Yng	–	–	–	–	–	–
Tee Tuan Sem	14,682,675	1	7.773	381,931	2	0.202
Makoto Takahashi	–	–	–	–	–	–
Wan Azfar bin Dato' Wan Annuar	–	–	–	–	–	–
Dato' Wan Hashim bin Wan Jusoh	–	–	–	–	–	–
Soh Eng Hooi	–	–	–	–	–	–
Jamilah binti Kamal	10,000	3	0.005	–	–	–

## Notes

1. Held directly and through Kenanga Nominees (Tempatan) Sdn Bhd.
2. Deemed interest by virtue of the shareholdings of his wife, Yang Chiew Bi, which are held directly.
3. Held directly.

## SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of the Company as at 29 March 2024 are as follows :-

Name of Shareholder	Direct No. of Shares	Note	% of issued Shares*	Indirect No. of Shares	Note	% of issued Shares*
Agrobulk Holdings Sdn Bhd	34,956,698	1	18.505	–	–	–
Fohen Holdings Sdn Bhd	23,172,990	2	12.267	–	–	–
BT Investment Capital Limited	21,154,700	3	11.199	–	–	–
Tee Tuan Sem	14,682,675	4	7.773	381,931	5	0.202

## Notes

1. Held through Kenanga Nominees (Tempatan) Sdn Bhd.
2. Held through Amsec Nominees (Tempatan) Sdn Bhd.
3. Held directly.
4. Held directly and through Kenanga Nominees (Tempatan) Sdn Bhd.
5. Deemed interest by virtue of the shareholdings of his wife, Yang Chiew Bi, which are held directly.

\* Excluding a total of 6,125,175 ordinary shares bought back by the Company and retained as treasury shares



# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 32<sup>nd</sup> Annual General Meeting (“AGM”) of ILB Group Berhad (“ILB” or “Company”) will be held via Live Streaming and Online Remote Voting from the Broadcast Venue at Level 12, Menara Symphony, No. 5, Jalan Prof, Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday 17 May 2024 at 10:00 a.m. for the following purposes:-

## AGENDA

### AS ORDINARY BUSINESS

- |   |  |                                    |
|---|--|------------------------------------|
| 1 | To receive the Directors’ Report and Audited Financial Statements for the financial year ended 31 December 2023 and Auditors Report thereon.   | Please refer to Explanatory Note 1 |
| 2 | To approve the payment of Directors’ Fees to the Non-Executive Directors up to an amount of RM487,500 for the period from 1 April 2024 until the next Annual General Meeting of the Company. | (Ordinary Resolution 1)            |
| 3 | To approve the payment of Directors’ Benefits to Non-Executive Directors amounting to RM85,000 for the period from 1 April 2024 until the next Annual General Meeting of the Company.        | (Ordinary Resolution 2)            |
| 4 | To re-elect the following Directors retiring by rotation in accordance with Clause 100 of the Company’s Constitution:-   |                                    |
|   | a) Wan Azfar bin Dato’ Wan Annuar  | (Ordinary Resolution 3)            |
|   | b) Jamilah binti Kamal   | (Ordinary Resolution 4)            |
| 5 | To re-elect the following Directors in accordance with Clause 107 of the Company’s Constitution:-  |                                    |
|   | a) Tang Ming Yng   | (Ordinary Resolution 5)            |
|   | b) Tang Weihann  | (Ordinary Resolution 6)            |
| 6 | To re-appoint Messrs Baker Tilly Monteiro Heng PLT as the Company’s Auditors until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.                  | (Ordinary Resolution 7)            |

### AS SPECIAL BUSINESS

To consider and if thought fit, pass the following as Ordinary Resolutions:-

### ORDINARY RESOLUTIONS

- |   |   |                         |
|---|---|-------------------------|
| 7 | <b>RETENTION OF INDEPENDENT DIRECTOR OF THE COMPANY</b>   |                         |
|   | “ <b>THAT</b> , approval be and is hereby given to Wan Azfar bin Dato’ Wan Annuar who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years after 19 August 2024, to continue to act as an Independent Non-Executive Director of the Company, in accordance with the Malaysian Code of Corporate Governance 2021 until the conclusion of the next AGM of the Company.” | (Ordinary Resolution 8) |



## NOTICE OF ANNUAL GENERAL MEETING

### 8 PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

(Ordinary Resolution 9)

**“THAT**, subject to the Company’s compliance with all applicable rules, regulations, orders and guidelines made pursuant to the Companies Act, 2016, the provisions of the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of all relevant authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to buy back and/or hold from time to time and at any time such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company (“the Proposed Share Buy-Back”) provided that :-

- i) The maximum number of shares which may be purchased and/or held by the Company at any point of time pursuant to the Proposed Share Buy-Back shall not exceed ten (10) per cent of the total number of issued shares of the Company from time to time being quoted on Bursa Securities provided always that in the event that the Company ceases to hold all or any part of such shares as a result of, amongst others, cancellation of shares, sale of shares on the market of Bursa Securities or distribution of treasury shares to shareholders as dividend in respect of shares bought back under the previous shareholders’ mandate for share buy-back which was obtained at the Annual General Meeting held on 28 April 2023, the Company shall be entitled to further purchase and/or hold such additional number of shares as shall (in aggregate with the shares then still held by the Company) not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being quoted on Bursa Securities.
- ii) The maximum amount of funds to be allocated for the purchase of the shares pursuant to the Proposed Share Buy-Back shall not exceed the retained profits.
- iii) The Proposed Share Buy-Back to be undertaken will be in compliance with Section 127 of the Companies Act, 2016 and the Directors will deal with the shares purchased in the following manner:-
  - (a) to cancel the Shares so purchased; or
  - (b) to retain the Shares so purchased as treasury shares for distribution as dividends to the shareholders of the Company and/or re-sell on Bursa Securities in accordance with the Main Market Listing Requirements of Bursa Securities and/or cancellation subsequently; or
  - (c) to retain part of the Shares so purchased as treasury shares and cancel the remainder.

**AND THAT** such authority to purchase the Company’s own shares will be effective immediately from the passing of this resolution until the conclusion of the next Annual General Meeting (“AGM”) at which such resolution was passed at which time the authority would lapse unless renewed by ordinary resolution, either unconditionally or conditionally or the passing of the date on which the next AGM is required by law to be held or the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting but so as not to prejudice the completion of a purchase made before such expiry date;



## NOTICE OF ANNUAL GENERAL MEETING

**AND THAT** the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to give effect to the Proposed Share Buy-Back with full powers to amend and/assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and with full power to do all such acts and things in accordance with the Companies Act, 2016, the provisions of the Constitution of the Company and the Main Market Listing Requirements of Bursa Securities and all other relevant governmental/regulatory authorities.”

9 **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016**

(Ordinary Resolution 10)

“**THAT** pursuant to Sections 75 and 76 of the Companies Act, 2016, the Directors of the Company be and are hereby authorised to issue and allot shares in the Company at any time until the conclusion of the next AGM upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issue.

**AND THAT** the Directors of the Company whether solely or jointly, be authorised to complete and do all such acts and things (including executing such relevant documents) as he/they may consider necessary, expedient or in the interest of the Company to give effect to the aforesaid mandate.

**AND FURTHER THAT** pursuant to Section 85 of the Companies Act, 2016 read together with Clause 54 of the Company’s Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Companies Act, 2016 **AND THAT** the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company.”

10 To transact any other ordinary business of the Company for which due notice has been received.

By Order of the Board  
Wong Youn Kim (MAICSA 7018778) (SSM PC No. 201908000410)  
Ching Chun Keong (MAICSA 7073630 (SSM PC No. 202308000092)  
Company Secretaries  
Selangor Darul Ehsan  
Date: 18 April 2024

### NOTES

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 May 2024 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 32nd AGM of the Company.
2. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one (1) or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company and where a member appoints more than one (1) proxy, the member must specify the proportion of his shareholdings to be represented by each proxy respectively, failing which the appointment shall be invalid.



## NOTICE OF ANNUAL GENERAL MEETING

### NOTES (CONTINUED)

3. If you wish to appoint proxy other than “the Chairman of the Meeting”, please insert the full name of the proxy (in block letters) in the space provided and delete the words “the Chairman of the Meeting”.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“Omnibus Account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
5. A corporation may complete the proxy form under its common seal or under the hand of an officer or attorney duly authorized.
6. The instrument appointing a proxy must reach the Registered Office of the Company at No. 6, Jalan Sungai Buloh 27/101A, Seksyen 27, 40400 Shah Alam, Selangor, Malaysia not less than 24 hours before the AGM. Alternatively, the proxy form can be electronically lodged with the Company’s Share Registrars at <https://investor.boardroomlimited.com> not less than 24 hours before the AGM. Kindly refer to the Administrative Details on the procedures for electronic lodgement of proxy form. The lodging of the proxy form will not preclude shareholders from attending and voting in person at the AGM should they subsequently wish to do so.

### EXPLANATORY NOTES

#### 1. Item 1 of the Agenda

##### **AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

This Agenda item is meant for discussion only as under the provisions of Section 248(2) of the Companies Act, 2016, the audited financial statements do not require formal approval of shareholders and hence, the matter will not be put to a vote.

#### 2. Item 2, & 3 of the Agenda

##### **PAYMENT OF DIRECTORS’ FEES & BENEFITS TO NON-EXECUTIVE DIRECTORS**

Section 230(1) of the Companies Act 2016 provides amongst others, that “the fees” of the directors and “any benefits” payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board had agreed that the shareholders’ approval be sought at the 32nd AGM on the Non-Executive Directors’ remuneration in two separate resolutions as below:

- **Ordinary Resolution 1** on payment of Directors’ Fees to the Non-Executive Directors for the period from 1 April 2024 until the next AGM of the Company.
- **Ordinary Resolution 2** on payment of Directors’ Benefits to the Non-Executive Directors for the period from 1 April 2024 until the next AGM of the Company.

The details of the remuneration and benefits payable to the Non-Executive Directors which have are as follows:

##### **Directors Fees (per annum)**

Non-Independent Non-Executive Director	- RM120,000
Chairman of the Audit & Risk Management Committee	- RM 90,000
Independent Non-Executive Director	- RM 60,000

##### **Meeting Allowance (per meeting)**

Board Meeting	- RM 500
Board Committee Meeting	- RM 500

##### **Benefits in kind**

Medical and insurance coverage



## NOTICE OF ANNUAL GENERAL MEETING

### 3. Item (7) of the Agenda – Ordinary Resolution No. 8

#### RETENTION OF INDEPENDENT DIRECTOR OF THE COMPANY

The Nomination & Remuneration Committee has assessed the independence of Wan Azfar bin Dato' Wan Annuar, who would have served as an Independent Non-Executive Director of the Company for a cumulative term of 9 years after 19 August 2024, and the Board, upon the Nomination & Remuneration Committee's recommendation, had recommended that he should be retained to continue in office as an Independent Non-Executive Director of the Company based on the following justifications, subject to approval from the shareholders of the Company through a two-tier voting process as stipulated in the Malaysia Code of Corporate Governance (MCCG) 2021:

- (a) He has actively participated in Board deliberations, provided objectivity in decision-making and possesses sufficient self-esteem and confidence to stand up with an independent voice to the Board.
- (b) He has exercised due care during his tenure and carried out his professional duties in the best interest of the Company and shareholders.
- (c) He has not developed, established or maintained any significant relationship which could impair his independence as INEDs, with the Executive Directors and major shareholders other than normal engagements and interactions on a professional level consistent and expected of him to carry out his duties as INEDs or member of the Board Committees.
- (d) He has contributed sufficient time and efforts in attending meetings of the Board and Board Committees.

### 4. Item (8) of the Agenda – Ordinary Resolution No. 9

#### PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The proposed ordinary resolution 8, if passed, will empower the Directors of the Company to buy back and/or hold from time to time shares of the Company not exceeding ten (10) percent of the total number of issued shares of the Company from time to time being quoted on Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company.

For further information, please refer to the Share Buy-Back Statement, which is dispatched together with the Notice of the AGM.

### 5. Item (9) of the Agenda - Ordinary Resolution No. 10

#### AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

The proposed ordinary resolution 10 is to seek the shareholders' approval on the renewal of the general mandate for the issuance of shares by the Company under Sections 75 and 76 of the Companies Act 2016. If the resolution is duly passed, it will give flexibility to the Directors to issue and allot shares at any time in their absolute discretion and for such purposes as they consider would be in the interests of the Company without convening a general meeting. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the general mandate granted to the Directors at the last AGM held on 28 April 2023 and which will lapse at the conclusion of this 32nd AGM.

The Company continues to consider opportunities to broaden its earnings potential. If any proposal involves the issuance of new shares, the Directors would have to convene a general meeting to approve the issuance of new shares. In order to avoid any delay and costs involved in convening a general meeting to approve such issuance of shares, it is thus considered appropriate that the Directors be empowered to issue shares in the Company, up to any amount not exceeding in total 10% of the total number of issued shares of the Company for the time being. The renewed authority will provide flexibility to the Company for the allotment of shares for the purposes of funding future investment, working capital and/or acquisitions.



## NOTICE OF ANNUAL GENERAL MEETING

### 5. **Item (9) of the Agenda - Ordinary Resolution No. 10 (continued)**

The approval of the issuance and allotment of the new shares under Sections 75 & 76 of the Companies Act, 2016 shall have the effect of the shareholders having agreed to waive their statutory pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 and Clause 54 of the Constitution of the Company, the shareholders of the Company hereby agree to waive and are deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 and Clause 54 of the Constitution of the Company pertaining to the issuance and allotment of new shares under Section 75 & 76 of the Companies Act, 2016, which will result in a dilution of their shareholding percentage in the Company.

By approving Ordinary Resolution No. 10, the shareholders of the Company shall agree to waive and deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Companies Act, 2016.





## STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

1. The Directors who are standing for re-election at the Annual General Meeting of the Company in accordance with Clause 100 of the Company's Constitution are :-

- a) Wan Azfar bin Dato' Wan Annuar
- b) Jamilah binti Kamal

Details of the Directors seeking re-election are set out in the Directors Profiles section and their shareholdings in the Company are set out in this Annual Report.

Based on the assessment and evaluation conducted by the NRC, the retiring Directors met the performance criteria required of an effective and a high-performance Board.

The Board of Directors, taking into the recommendation of NRC, supported the retiring Directors of their re-election as Director at the 32nd AGM of the Company.

2. To re-elect the following Directors in accordance with Clause 107 of the Company's Constitution.

- a) Tang Ming Yng
- b) Tang Weihann

Details of Directors seeking re-election are set out in the Directors Profiles' section and their shareholdings in the Company are set out in this Annual Report

Based on the assessment and evaluation conducted by the NRC, the retiring Directors met the performance criteria required of an effective and a high-performance Board.

The Board of Directors, taking into the recommendation of NRC, supported the retiring Directors of their re-election as Director at the 32nd AGM of the Company.

3. Details of attendance at Board Meetings

Four Board Meetings and two Special Board Meetings were held during the financial year ended 31 December 2023. Details of attendance of the Directors at Board Meetings & Special Board Meetings are set out in this Annual Report.

4. Date, Time and Place of the 32nd Annual General Meeting

Date and Time : 17 May 2024 at 10:00 a.m.

Place : Broadcast Venue  
Level 12, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia

5. Meeting Platform : <https://meeting.boardroomlimited.my>



## ADMINISTRATIVE GUIDE FOR THE 32ND ANNUAL GENERAL MEETING (“AGM”) OF ILB GROUP BERHAD

Day and Date	:	Friday, 17 May 2024
Time	:	10.00 a.m.
Broadcast venue	:	Level 12, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Meeting platform	:	<a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a>
Mode of Communication	:	<ol style="list-style-type: none"><li>1) Pose questions to the Board via real time submission of typed texts at meeting platform during live streaming of the AGM</li><li>2) Submit questions by logging into the Boardroom Smart Investor Portal at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> prior to Meeting using the same user ID and password in Step E of the procedure of Virtual Meeting Facilities and select “SUBMIT QUESTION” to pose questions.</li><li>3) Email questions to <a href="mailto:investorrelation@ilb.com.my">investorrelation@ilb.com.my</a> no later than 10.00 a.m. on Monday, 13 May 2024</li></ol>

Dear Shareholders,

ILB Group Berhad (“the Company”) continues to leverage on technology to facilitate meaningful engagement with its shareholders by conducting its AGM virtually through live streaming and online remote voting facilities provided by the Company’s Share Registrar, Boardroom Share Registrars Sdn Bhd. The conduct of a virtual AGM is in line with the Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022.

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and the Company’s Constitution which require the Chairman of the meeting (“Chairman”) to be present at the main venue of the meeting. Shareholders/proxies are not allowed to be physically present at the Broadcast Venue.

### **A. Entitlement to Participate in the AGM**

In respect of deposited securities, only members whose names appear on the Record of Depositors on 13 May 2024 (General Meeting Record of Depositors) shall be eligible to participate in the meeting or appoint proxy(ies) to participate on his/her behalf.

### **B. Form(s) of Proxy**

If you are unable to attend the AGM, you are encouraged to appoint a proxy or the Chairman of the Meeting as your proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

Please ensure that the original form is deposited at the Registered Office of the Company at No. 6, Jalan Sungai Buloh 27/101A, Seksyen 27, 40400 Shah Alam, Selangor, Malaysia not less than twenty-four (24) hours before the time appointed for holding the meeting.

Alternatively, you may deposit your proxy form(s) by electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> (kindly refer to section E below).

### **C. Revocation of Proxy**

If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in our electronic AGM yourself, please write in to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) or via <https://investor.boardroomlimited.com> (as the case maybe) to revoke the earlier appointed proxy forty-eight (48) hours before the meeting.



### **D. Voting Procedure**

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting at the AGM will be conducted by poll. Poll administrators and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

**E. Virtual Meeting Facilities**

Procedure		Action
<b>Before the day of the AGM</b>		
1.	Register Online with Boardroom Smart Investor Portal (For first time registration only)	<p><i>[Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register. You may proceed to Step 2.]</i></p> <ol style="list-style-type: none"> <li>(a) Access website <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a></li> <li>(b) Click &lt;&lt;<b>Register</b>&gt;&gt; to sign up as a user.</li> <li>(c) Please select the correct account type i.e. sign up as “Shareholder” or “Corporate Shareholder”</li> <li>(d) Complete the registration with all required information. Upload a softcopy of your or representative’s MyKAD/Identification Card (front and back) or Passport</li> <li>(e) For corporate holder, kindly upload the authorization letter as well. Click “<b>Sign Up</b>”.               <ol style="list-style-type: none"> <li>a. You will receive an email from Boardroom for email address verification. Click “<b>Verify Email Address</b>” from the email received to continue with the registration.</li> <li>b. Once your email address is verified, you will be re-directed to Boardroom Smart Investor Portal for verification of mobile number. Click “<b>Request OTP Code</b>” and an OTP code will be sent to the registered mobile number. You will need to enter the OTP code and click “<b>Enter</b>” to complete the process.</li> <li>c. Your registration will be verified and approved within one (1) business day and an email notification will be provided to you.</li> </ol> </li> </ol>
<b>Procedure</b>		<b>Action</b>
<b>Before the day of the AGM</b>		
2.	Submit request for remote participation	<p>Registration for remote access will be opened on 18 April 2024. Please note that the closing time to submit your request is at 10.00 a.m. on 16 May 2024 (24 hours before the commencement of the AGM).</p> <p><b>Individual/ Corporate Members</b></p> <ol style="list-style-type: none"> <li>a. Log in to <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> using your user ID and password from Step 1 above.</li> <li>b. Select <b>ILB GROUP BERHAD (32nd) ANNUAL GENERAL MEETING</b> from the list of Corporate Meetings and click “<b>Enter</b>”.</li> <li>c. Click on “<b>Register for RPEV</b>”.</li> <li>d. Read and accept the General Terms &amp; Conditions and click “<b>Next</b>”.</li> <li>e. Enter your CDS Account Number and thereafter submit your request.</li> </ol> <p><b>Appointment of Proxy</b></p> <ol style="list-style-type: none"> <li>a. Log in to <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> using your user ID and password from Step 1 above.</li> <li>b. Select <b>ILB GROUP BERHAD (32nd) ANNUAL GENERAL MEETING</b> from the list of Corporate Meetings and click “<b>Enter</b>”.</li> <li>c. Click on “<b>Submit eProxy Form</b>”.</li> <li>d. Select the company you would like to be represented (if more than one, for Corporate Shareholder).</li> <li>e. Select your proxy – either the Chairman of the meeting or individual named proxy(ies).</li> <li>f. Read and accept the General Terms and Conditions by clicking “<b>Next</b>”.</li> <li>g. Enter the required particulars of your proxy(ies).</li> <li>h. Indicate your voting instructions – <b>FOR</b> or <b>AGAINST</b> or <b>ABSTAIN</b>. If you wish to have your proxy(ies) to act upon his/her discretion, please indicate <b>DISCRETIONARY</b>.</li> <li>i. Review and confirm your proxy appointment.</li> <li>j. Click “<b>Apply</b>”.</li> <li>k. Download or print the eProxy form as acknowledgement.</li> </ol>

Procedure	Action
<b>Before the day of the AGM</b>	
2. Submit request for remote participation (continued)	<p><b>Corporate Shareholders, Authorised Nominee and Exempt Authorised Nominee</b></p> <p><b>1) Via Email</b></p> <ol style="list-style-type: none"> <li>a. Write in to <a href="mailto:bsr.helpdesk@boardroomlimited.com">bsr.helpdesk@boardroomlimited.com</a> by providing the name of Member, CDS Account Number accompanied with the Certificate of Appointment of Corporate Representative or Form of Proxy to submit the request.</li> <li>b. Please also provide a copy of Corporate Representative's MyKad (Front and Back) in JPEG, PNG or PDF format or Passport as well as his/her email address.</li> </ol>
	<p><b>2) Authorised Nominee and Exempt Authorised Nominee (via Boardroom Smart Investor Portal)</b></p> <ol style="list-style-type: none"> <li>c. Login to <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> using your user ID and password from Step 1 above.</li> <li>d. Select <b>ILB GROUP BERHAD (32<sup>nd</sup>) ANNUAL GENERAL MEETING</b> from the list of Meeting Event and click <b>"Enter"</b>.</li> <li>e. Click on <b>"Submit eProxy Form"</b>.</li> <li>f. Select the company you would like to be represented (if more than one).</li> <li>g. Proceed to download the file format for <b>"Submission of Proxy Form"</b> from the investor portal.</li> <li>h. Prepare the file for the appointment of proxies by inserting the required data.</li> <li>i. Proceed to upload the duly completed proxy appointment file.</li> <li>j. Review and confirm your proxy appointment and click <b>"Submit"</b>.</li> <li>k. Download or print the eProxy form as acknowledgement.</li> </ol> <p><i>Note: If you are the authorized representatives for more than one (1) authorized nominee / exempt authorized nominee/ corporate shareholder, kindly click the home button and select "Edit Profile" in order to add Company name.</i></p>
3. Email notification	<ol style="list-style-type: none"> <li>a. You will receive notification(s) from Boardroom that your request(s) has/have been received and is/are being verified.</li> <li>b. Upon system verification against the General Meeting Record of Depositories as at 13 May 2024, you will receive an email from Boardroom either approving or rejecting your registration for remote participation together with the Meeting ID and your remote access user ID and password.</li> </ol>

On the day of the AGM		
4.	Login to Meeting Platform	<p>a. The Meeting Platform will be open for login one (1) hour before the commencement of the AGM.</p> <p>b. The Meeting Platform can be accessed via one of the following:</p> <ul style="list-style-type: none"> <li>➤ Scan the QR Code provided in the email notification; or</li> <li>➤ Navigate to the website at <a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a></li> </ul> <p>c. Insert the Meeting ID and sign in with the user ID and password provided to you via the email notification in Step 3.</p>
5.	Participate	<p><i>[Note: Please follow the User Guides provided in the confirmation email above to view the live webcast, submit questions and vote.]</i></p> <p>a. If you would like to view the live webcast, select the broadcast icon. </p> <p>b. If you would like to ask a question during the 32nd AGM, select the messaging icon. </p> <p>c. Type your message within the chat box and once completed, click the send button.</p>
6.	Voting	<p>a. Once polling has been opened, the polling icon will appear with the resolutions and your voting choices until the Chairman declares the end of the voting session.</p> <p>b. To vote, select your voting direction from the options provided. A confirmation message will appear to indicate that your vote has been received.</p> <p>c. To change your vote, re-select your voting preference.</p> <p>d. If you wish to cancel your vote, please press "Cancel".</p>
7.	End of Participation	Upon the announcement by the Chairman on the closure of the AGM, the live webcast will end.

#### **F. No Recording or Photography**

No recording or photography of the AGM proceedings is allowed without the prior written permission of the Company.

#### **G. Enquiry**

If you have any enquiries prior to the AGM, please contact the following during office hours from Monday to Friday from 8.30 a.m. to 5.30. p.m.(except for public holidays):

Boardroom Share Registrars Sdn. Bhd.  
Address : 11th Floor, Menara Symphony  
No. 5 Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
General Line : 603-7890 4700  
Fax Number : 603-7890 4670  
Email : [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com)

#### **Personal Data Policy**

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

# PROXY FORM

I/We \_\_\_\_\_ NRIC No./Company No. \_\_\_\_\_  
 (FULL NAME IN BLOCK LETTERS)

of \_\_\_\_\_  
 (FULL ADDRESS)

Telephone No.: \_\_\_\_\_ Email Address: \_\_\_\_\_

being a member/members of ILB GROUP BERHAD, hereby appoint \_\_\_\_\_  
 (FULL NAME IN BLOCK LETTERS)

NRIC No. \_\_\_\_\_ of \_\_\_\_\_  
 (FULL ADDRESS)

Telephone No.: \_\_\_\_\_ Email Address: \_\_\_\_\_

or failing him \_\_\_\_\_ NRIC No. \_\_\_\_\_  
 (FULL NAME IN BLOCK LETTERS)

of \_\_\_\_\_  
 (FULL ADDRESS)

Telephone No.: \_\_\_\_\_ Email Address: \_\_\_\_\_

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the 32nd Annual General Meeting ("AGM") of the Company to be held at Broadcast Venue at Level 12, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on 17 May 2024 at 10:00 a.m. or any adjournment thereof and to vote as indicated below:-

### AS ORDINARY BUSINESS

		FOR	AGAINST
<b>Ordinary Resolution 1</b>	To approve the payment of Directors' Fees to Non-Executive Directors up to an amount of RM487,500 for the period from 1 April 2024 until the next AGM of the Company.		
<b>Ordinary Resolution 2</b>	To approve payment of Directors' Benefits (excluding directors' fees) to Non-Executive Directors up to an amount of RM85,000 for the period from 1 April 2024 until the next AGM of the Company.		
<b>Ordinary Resolution 3</b>	To re-elect Wan Azfar bin Dato' Wan Annuar as Director in accordance with Clause 100 of the Company's Constitution.		
<b>Ordinary Resolution 4</b>	To re-elect Jamilah binti Kamal as Director in accordance with Clause 100 of the Company's Constitution.		
<b>Ordinary Resolution 5</b>	To re-elect Tang Ming Yng as Director in accordance with Clause 107 of the Company's Constitution.		
<b>Ordinary Resolution 6</b>	To re-elect Tang Weihann as Director in accordance with Clause 107 of the Company's Constitution.		
<b>Ordinary Resolution 7</b>	To re-appoint Messrs Baker Tilly Monteiro Heng PLT as the Company's Auditors until the conclusion of the next AGM and to authorize the Directors to fix their remuneration.		

### AS SPECIAL BUSINESS

<b>Ordinary Resolution 8</b>	Retention of Wan Azfar bin Dato' Wan Annuar as Independent Non-Executive Director		
<b>Ordinary Resolution 9</b>	Proposed Renewal of Share Buy-Back Authority.		
<b>Ordinary Resolution 10</b>	To authorize the Directors to allot and issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016.		

First Proxy	%
Second Proxy	%
Total:	100%

No. of shares held :	
CDS A/C No.:	

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2024

\_\_\_\_\_  
 Signature

#### NOTE :

- In respect of deposited securities, only members whose names appear in the Record of Depositors as at 13 May 2024 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 32nd AGM.
- Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one (1) or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company and where a member appoints more than one (1) proxy, the member must specify the proportion of his shareholdings to be represented by each proxy respectively, failing which the appointment shall be invalid.
- If you wish to appoint proxy other than "the Chairman of the Meeting", please insert the full name of the proxy (in block letters) in the space provided and delete the words "the Chairman of the Meeting".
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each Omnibus Account it holds.
- A corporation may complete the proxy form under its common seal or under the hand of an officer or attorney duly authorized.
- Please indicate with and "X" either "For" or "Against". If neither "For" or "Against" is indicated, the proxy will vote as he thinks fit or abstain from voting.
- The instrument appointing a proxy must reach the Registered Office of the Company at No. 6, Jalan Sungai Buloh 27/101A, Seksyen 27, 40400 Shah Alam, Selangor Darul Ehsan, Malaysia not less than 24 hours before the AGM. Alternatively, the proxy form can be electronically lodged with the Company's Share Registrars at <https://investor.boardroomlimited.com> not less than 24 hours before the AGM. Kindly refer to the Administrative Details on the procedures for electronic lodgement of proxy form. The lodging of the proxy form will not preclude shareholders from attending and voting in person at the AGM should they subsequently wish to do so.



**PERSONAL DATA PRIVACY :**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Company's AGM and/or any adjournment thereof, a member of the Company:-

- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes").
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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AFFIX  
STAMP

**The Company Secretary**  
**ILB GROUP BERHAD**  
Company No. 199101019353 (229690-K)  
No. 6, Jalan Sungai Buloh 27/101A  
Seksyen 27  
40400 Shah Alam  
Selangor Darul Ehsan  
Malaysia

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