

Governance

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Audit and Risk Management Committee Report

The Board of Directors (“the Board”) of FM Global Logistics Holdings Berhad (“the Company”) is pleased to present the Audit and Risk Management Committee (“ARMC”) Report which provides insights into the way the ARMC has discharged its functions for the Group in respect of the financial year ended 30 June 2024 (“FY2024”).

The ARMC assists the Board in its oversight of the Group’s financial reporting process as well as its fiduciary responsibilities relating to the effectiveness of internal and external audit processes (including issues pertaining to the system of internal controls and risk management), conflict of interest situations and related party transactions.

The duties and responsibilities of the ARMC are set out in the Terms of Reference of the ARMC, which was last reviewed and approved by the Board on 22 February 2024, a copy of which is available on the Company’s website at www.fmgloballogistics.com.

COMPOSITION

The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors. The composition meets the requirements of Paragraph 15.09(1)(a) and (b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and Practice 9.4 of the Malaysian Code on Corporate Governance (“MCCG”).

The members of the ARMC as of the date of this report are as follows:

Designation	Name of ARMC members
Chairman	Soh Chin Teck Independent Non-Executive Director
Members	Tengku Nurul Azian Binti Tengku Shahrizan Independent Non-Executive Director Lau Swee Chin Independent Non-Executive Director

The Chairman of the ARMC, Soh Chin Teck, is a Fellow Member of the Chartered Accountants of Australia and New Zealand, and a Member of the Malaysian Institute of Accountants (MIA). The ARMC therefore meets the requirement of Paragraph 15.09(1)(c)(i) of the MMLR of Bursa Securities which requires at least one (1) member of the ARMC to be a qualified accountant. In line with the requirement of Paragraph 15.09(2) of the MMLR, no alternate director was appointed as member of ARMC.

All ARMC members are financially literate and possess a wide range of skills and knowledge and have sufficient understanding of the Company’s business and matters under the purview of the ARMC. The ARMC members attended relevant professional training during the year and will continue to keep themselves abreast of the relevant developments in financial and reporting standards, practices and rules.

Audit and Risk Management Committee Report (continued)

MEETINGS AND ATTENDANCE

The ARMC held five (5) meetings during the FY2024. The details of the attendance of each ARMC member are as follows:

ARMC Member	Meetings Attended	Percentage of Attendance
Soh Chin Teck (Chairman)	5/5	100%
Tengku Nurul Azian Binti Tengku Shahrizan	5/5	100%
Lau Swee Chin	5/5	100%

The ARMC meets at least once in every quarter. The Group Financial Controller was invited to all ARMC meetings to facilitate the review of the Group's financial results and to provide information relating to the Group's risk management, internal controls and governance matters. The Internal Auditors ("IA"), External Auditors ("EA") together with relevant senior management personnel, were also invited to attend ARMC meetings, where required, to present their reports and provide updates and developments on issues arising from the audit reports. The Chairman of the ARMC thereafter reports to the Board on activities and significant matters discussed at every ARMC meeting as well as the ARMC's recommendations, as and when relevant, to the Board for consideration.

All deliberations at the ARMC meetings, including issues tabled and rationale adopted for decisions, were properly recorded in the minutes of the ARMC meetings. Minutes of the ARMC meetings were tabled to the Board for notation after they were confirmed at each subsequent ARMC meeting.

In discharging its responsibilities, the ARMC is guided by its Terms of Reference., which was last reviewed and approved by the Board on 22 February 2024.

SUMMARY OF ACTIVITIES OF THE ARMC

The ARMC carried out the following key activities for FY2024:

- Reviewed all the unaudited quarterly financial results and made recommendations to the Board for approval and release to Bursa Securities.
- Reviewed and discussed with EA the audit plan for FY2024, which outlined the audit engagement and reporting requirements, materiality, audit approach, areas of audit emphasis and audit timeline, to ensure the adequacy of works to be carried out.
- Reviewed and discussed with EA the audit status for FY2024 encompassing key audit findings, internal control observations, status of audit and summary of audit adjustments. The EA had also briefed the ARMC on the 2023 Crowe Malaysia Transparency Report, particularly on the statistics relating to indicators of audit quality covering the audit partners' workload; auditors' independence, capacity and competency of the audit practice; as well as internal and external monitoring review.
- Met with the EA without the presence of the Executive Board members and Management on 26 August 2024 to discuss issues relating to the audit of the financial statements and suggestions arising thereon.

Audit and Risk Management Committee Report (continued)

SUMMARY OF ACTIVITIES OF THE ARMC (CONTINUED)

- Reviewed and discussed with EA the financial statements for FY2024, significant issues and concerns arising from the audit, summary of misstatements, key audit matters as well as the adequacy of disclosures in the financial statements, before recommending the same to the Board for approval.
- Reviewed the audit and non-audit services provided by the EA or its affiliates to the Group and fees incurred for FY2024.
- Reviewed the internal audit reports from the IA on their audit findings, recommendations for improvements and management's responses on the corrective actions to be taken on a quarterly basis. In addition, the ARMC follows-up and validates the completion of outstanding audit issues within the agreed timeline.
- Reviewed and approved the Internal Audit Plan to ensure the adequacy of the scope of work based on key areas.
- Met with the IA without the presence of the management to discuss internal audit related matters.
- Assessed the independence and effectiveness of Crowe Malaysia PLT as the EA of the Company. Based on the EA's performance for FY2024, the ARMC was satisfied with the overall performance, independence and competency of Crowe Malaysia PLT, including the quality of audit services provided, the sufficiency of audit resources and interactions with the Management. The ARMC had thereafter recommended to the Board the re-appointment of Crowe Malaysia PLT as the EA of the Company for shareholders' approval.
- Reviewed the adequacy of the scope, functions, competency and resources of the internal audit function. The ARMC was satisfied with the competency and independence of the IA in carrying out its scope of work.
- Reviewed the effectiveness of the risk management and internal control of the Group. The ARMC was satisfied that the risk management framework and internal control system of the Group are functioning effectively in identifying, assessing and managing its risks.
- Reviewed the Group's risk register profile as well as the mitigation plans for the high-risk items.
- Reviewed the related party transactions ("RPT") and recurrent related party transactions ("RRPT") entered by the Group on a quarterly basis to ensure that the transactions were conducted at arm's length basis and on normal commercial terms which were not more favourable to the related parties than those generally available to the public and not detrimental to the interests of the minority shareholders.
- Save for the disposal of shipyard related business to the Group Managing Director where the announcement was made on 29 August 2023, there were no other RPT and RRPT that triggered the disclosure threshold under the MMLR which required shareholders' approval, nor were there any conflict of interest situations that required disclosure.
- Reviewed and recommended the Terms of Reference of the ARMC to the Board for approval and adoption to ensure its applicability and to align with the provisions of the MMLR.
- Reviewed and recommended to the Board, the Corporate Governance Report as well as report/statements for inclusion in the Annual Report for FY2024, including: Corporate Governance Overview Statement, ARMC Report and Statement on Risk Management and Internal Control and recommended the same to the Board for approval.

Audit and Risk Management Committee Report (continued)

INTERNAL AUDIT FUNCTION AND SUMMARY OF ACTIVITIES

The Group recognises that an internal audit function is essential in ensuring the effectiveness of the Group's system of internal control and is an integral part of the risk management process.

The Group's internal audit function was undertaken by the in-house internal audit team. The IA reports directly to the ARMC and assists the Board in monitoring and managing the risks and internal control system. The ARMC approves the internal audit plan and the scope of internal audit covering the relevant departments within the Group.

The IA had adopted a risk-based approach in its undertaking of the internal audits for the Group which involved the establishment of a comprehensive audit plan formulated through a risk assessment process. In doing so, the IA planned the engagement through conducting necessary consultation sessions with ARMC, the senior management and staff to identify the relevant risks faced by the Group. With the necessary understanding of these risks, the IA developed a comprehensive audit programme to identify weaknesses in the system of internal controls.

At the same time, the Board ensured that relevant control measures were implemented to address the control weaknesses identified during the internal audit and ultimately enhance the integrity of the Group's system of internal control. This was carried out via necessary consultations with the IA and senior management.

During the financial year, the IA conducted reviews on certain key operating functions and procedures and recommended corrective action plans to address the control weaknesses identified for management's consideration and adoption. The internal audit reports containing audit findings and recommendations together with management's responses thereto were circulated to the ARMC members for review. The IA also conducted follow-up audit reviews to ensure that all agreed corrective actions were implemented appropriately. The ARMC reviewed and deliberated on all audit reports, and the ARMC Chairman briefed the Board on internal audit matters on a quarterly basis.

During FY2024, the IA performed audit reviews in accordance with the approved risk-based internal audit plan covering the following auditable areas:

- Operation Management (PT. FM Indonesia)
- Operation Management (FM-TCI Vietnam)
- Operation and Warehouse Management (FM Philippines)
- Billing Management (CN FM Logistics (Malaysia) Sdn. Bhd.)
- Inventory and Billing Management (Lot 37A Warehouse)

The total cost incurred for the internal audit function of the Group in respect of FY2024 amounted to approximately RM235,000 (2023: RM191,000).

This report is issued in accordance with a resolution of the Board dated 22 October 2024.

Corporate Governance Overview Statement

The Board of Directors (“the Board”) of FM Global Logistics Holdings Berhad (“FM” or “the Company”) recognises that maintaining good corporate governance is essential for FM and its subsidiaries (“the Group”) for long-term sustainable business growth and to safeguard and enhance shareholder value and stakeholder confidence. The Board is committed to uphold high standards of corporate governance, business integrity and ethics to cultivate a responsible organisation that adopts practices in accordance with the Principles and Recommendations of the Malaysian Code on Corporate Governance (“MCCG”).

The Board is pleased to present this Corporate Governance Overview Statement, which sets out an overview of the corporate governance principles adopted by the Group for the financial year ended 30 June 2024 (“FY2024”). This statement is prepared pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and in accordance with the MCCG.

The following are the key principles set out in the MCCG:



The detailed articulation on the application of the Company’s corporate governance practices vis-à-vis the MCCG is disclosed in the Corporate Governance Report (“CG Report”) which is made available on the website of Bursa Securities and available at <https://fmgloballogistics.listedcompany.com/AR2024.html>.

Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS**1. Board Responsibilities**

The Board is responsible for overseeing the Group's strategies, business performance, and management's conduct, as well as ensuring the adequacy of internal control and risk management system in place, in order to deliver long-term sustainable value to stakeholders. Guided by the prevailing legal and regulatory requirements as well as the Company's Constitution and the Board Charter, the Board ensures that it has objectively discharged its fiduciary duties and responsibilities at all times in the best interest of the Company.

The Board's core responsibilities are as follows:

- Overseeing Group strategies, policies and performance for sustainable business growth;
- Promoting good corporate governance and an ethical culture across all levels of the Group;
- Reviewing and approving annual and quarterly financial results;
- Overseeing the conduct of business and financial operations;
- Overseeing the succession planning of the Board and senior management;
- Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures; and
- Promoting and maintaining effective and timely communication with stakeholders.

To discharging its functions, the Board has delegated specific responsibilities to three (3) Board Committees namely the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC"), each of which operates within its own Terms of Reference. These committees support the Board in certain functions and provide recommendations and advice, with the ultimate responsibility for decisions on all matters in the hands of the Board. The Board also delegated certain power and discretion to the Group Managing Director, the Executive Directors, and the Management for conducting the Group's business operations and managing the Group's corporate and financial affairs.

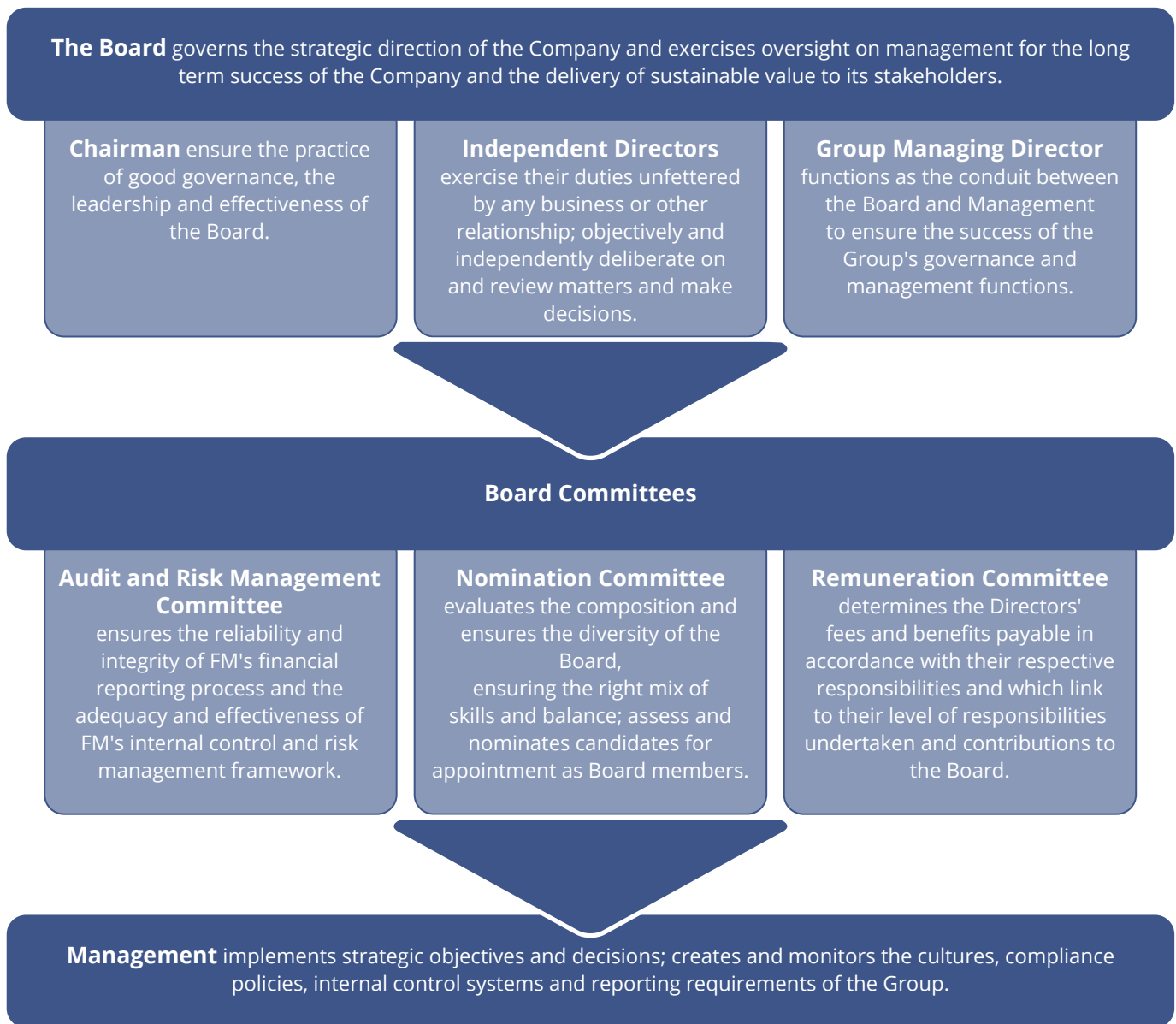
To improve the efficiency and effectiveness of the Board Committees, the Board had on 27 August 2024 merged the NC and RC into a single Board Committee as Nomination and Remuneration Committee ("NRC").

Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)

1. Board Responsibilities (continued)

The following diagram presents a brief overview of the responsibilities of the Board, the Board Committees and each composition of the Board and Management:-



Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)**1. Board Responsibilities (continued)**

There is a clear distinction and separation of duties between the Chairman of the Board and the Group Managing Director to ensure a balance of power, authority and accountability and that no individual has unfettered powers of decision and control. The Chairperson of the Board, Tengku Nurul Azian Binti Tengku Shahrman, leads the Board in its collective oversight of the Company's management. She is responsible for providing leadership and direction to the Board to ensure effective governance and the overall functioning of the Board. Whereas the Group Managing Director, Mr Chew Chong Keat, is primarily responsible for the effective implementation of the strategic plans and policies established by the Board, managing the daily conduct of business to ensure smooth operations, supervision and management of the Company. He oversees the relationships with internal and external stakeholders as well as the general public, with sound business judgement. He also serves as the conduit between the Board and the Management to ensure the success of the Group's governance and management functions.

The Board is governed by the Board Charter in all its functions and conduct. This Charter outlines the role, responsibilities, functions and authority of the Board, Board Committees and individual Directors, the Board structure and composition, matters reserved for the Board's decision, and Group policies and procedures. The Board Charter is periodically reviewed by the Board, incorporating updates and modifications to the current laws and regulations as well as corporate governance standards to ensure its relevance to the Board's function and needs. The Board Charter was last reviewed by the Board on 22 February 2023 and is available on the Company's website at www.fmgloballogistics.com.

To ensure the Board's effective functioning, the Directors have access to the advice and services of the Company Secretaries, whether as a full Board or in their individual capacities. The Company Secretaries assist the Board in carrying out its fiduciary duties on matters relating to the Company's Constitution, Board policies and procedures, issues relating to corporate governance and compliance with relevant regulatory requirements. The Company Secretaries attend relevant training programmes on a regular basis to keep themselves abreast with regulatory changes and corporate governance developments.

Prior to the Board meetings, the agenda and reports containing qualitative and quantitative information are furnished to the Board members to allow the Directors more time to peruse the papers for effective discussion and decision-making during the meetings. The Board also has direct access to Management and unrestricted access to the information relating to the Group to enable them to discharge their duties.

The Board requires all Board members to dedicate appropriate time to the Board's operations and to the Group's concerns including reviewing meeting materials and attending Company meetings diligently. Meetings of the Board, Board Committees, and shareholders are scheduled in advance before the end of each financial year to facilitate the Directors plan their presence. All Directors have given their commitment in fulfilling their duties and had attended all meetings conducted during FY2024.

Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)**1. Board Responsibilities (continued)**

The following is a breakdown of the Directors' attendance (based on their membership) at Company's meetings during FY2024:-

Number of meetings conducted during FY2024 Name of Directors	Board Meeting	Audit and Risk Management Committee Meeting	Nomination Committee Meeting	Remuneration Committee Meeting	General Meeting
Tengku Nurul Azian Binti Tengku Shahrizan Chairman, Independent Non-Executive Director	5/5	5/5		1/1	1/1
Chew Chong Keat Group Managing Director	5/5				1/1
Yang Heng Lam Executive Director	5/5				1/1
Gan Siew Yong Executive Director	5/5				1/1
Ong Looi Chai Executive Director	5/5				1/1
Soh Chin Teck Independent Non-Executive Director	5/5	5/5	1/1		1/1
Lau Swee Chin Independent Non-Executive Director	5/5	5/5	1/1	1/1	1/1
Khua Kian Keong Non-Independent Non-Executive Director (Resigned on 20 September 2023)	1/1				1/1
Francis Lee Fook Wah Non-Independent Non-Executive Director (Appointed on 20 September 2023)	4/4				1/1

Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)**1. Board Responsibilities (continued)**

The Board has adopted a Corporate Code of Business Conduct and Work Ethics Policy (“Code”) which provides authoritative guidance to the Directors, Management and employees of the Company and its subsidiaries. The Code sets out the Group’s values and principles to guide behaviour and business practices when dealing with third parties. It includes areas concerning compliance with applicable laws, conflicts of interest, confidentiality of information, fair dealing, gifts, gratuities and entertainment, anti-bribery, anti-money laundering, human rights, as well as the protection and proper use of corporate assets.

The Board has also adopted an Anti-Bribery and Anti-Corruption Policy (“ABAC Policy”) which outlines key principles and guidelines to prevent any bribery or corrupt acts in the conduct of business. All Directors, Management, employees and business associates who undertake work or services for and on behalf of the Group must pledge to follow and adhere to the ABAC Policy.

The Company encourages its employees and other stakeholders to report any suspected malpractice or misconduct, as well as any violations of the Code or ABAC Policy. A Whistleblowing Policy was implemented to facilitate such reports by employees and other stakeholders, allowing them to freely raise concerns about potential irregularities directly to the Head of Compliance or the Chairman of the ARMC without fear of reprisal or intimidation. The Group ensures that all employees are informed about and are aware of the Whistleblowing Policy.

The Code, ABAC Policy and Whistleblowing Policy are available on the Company’s website at www.fmgloballogistics.com.

A Conflict of Interest Policy was adopted by the Company on 22 February 2023 to identify and manage any actual, potential and perceived conflict of interest situations between the employees (including Directors) and the Group. The Directors are aware that they have to declare their interests in transactions with the Group and abstain from deliberation and voting in respect of the transactions at Board and general meetings convened to consider the matter. The ARMC reviews all related party transactions and conflict of interest situations which arise within the Group that may challenge the Group’s integrity.

Governance of Sustainability

The Board places great emphasis on corporate sustainability and holds the ultimate responsibility for the governance of sustainability in the Group, encompassing the responsibility to endorse and oversee the overall implementation of the Group’s sustainability strategies and initiatives.

The FM Sustainability Governance structure was established to plan, implement, and report on the performance of the Group’s sustainability initiatives. The Group’s sustainability efforts are spearheaded by the Sustainability Committee which comprises the Group Managing Director and representatives from various departments across the Group. The Sustainability Committee ensures that the Group’s sustainability strategy is implemented and that sustainability performance is measured against the Group’s commitments.

In addition, the Company has developed a formal corporate sustainability reporting regime to spearhead the groundwork for addressing Environmental, Social and Governance (“ESG”) risks. The Group’s Sustainability Policy was adopted to support the Group’s ESG considerations. It outlines the Group’s commitment to corporate sustainability and prescribes the overall direction of its conduct and performance as a leading freight forwarding and logistics provider in the region.

Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)**1. Board Responsibilities (continued)****Governance of Sustainability (continued)**

To ensure the Board is equipped with the required competencies to address the sustainability risks and opportunities and make informed decisions on the Group's sustainability strategies, the Directors attend continuous training programmes to keep themselves abreast with sufficient understanding and knowledge of the sustainability issues and agenda that are relevant to the Company and its business. The Board also, through the Sustainability Committee, undertakes regular reviews on the Group's materiality matters considering external events that affect the Group's operations and stakeholders, as well as assesses business activities, risk exposure and other areas of importance.

The Company's Sustainability Report encompassing the Group's on-going sustainability practices, targets, activities, and achievement are disclosed in the Sustainability Report on pages 40 to 112 of this Annual Report.

2. Board Composition

Board decisions are made objectively in the best interests of the Company, taking into account diverse perspectives and insights.

The Board currently has eight (8) Directors, comprising four (4) Executive Directors, three (3) Independent Non-Executive Directors ("INEDs"), and one (1) Non-Independent Non-Executive Director ("NINED"). The three (3) INEDs represent 37.5% of the Board which complies with Paragraph 15.02(1) of the MMLR of Bursa Securities which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors, and one (1) Director is a woman. In the event of any vacancy on the Board which results in non-compliance with this requirement, the Board will ensure that such vacancy be filled within 3 months.

The Board considers that its current size is commensurate with the Group's existing scope and scale of the business operations, with a diversified mix of skill sets, knowledge and experience. Each Board member has wide expertise in various fields such as logistics and operations management, economics and financial accounting. While the Board does not have a majority of Independent Directors as recommended by the MCCG, all Independent Directors are free from any relationship with the Group, other Board members and the substantial shareholders of the Company, in order to promote greater objectivity and independence in boardroom deliberation and decision making. Moreover, the Independent Directors have extensive experience and exercise due care in carrying out their duties. They serve as a check and balance, bringing their independent perspectives and objective judgements to the Board's deliberation and decision-making process.

Nomination Committee

The NC comprises the following members, all of whom are INEDs:-

Chairman : **Lau Swee Chin** (Independent Non-Executive Director)

Member : **Soh Chin Teck** (Independent Non-Executive Director)

Tengku Nurul Azian Binti Tengku Shahrman was appointed as a member of NRC on 27 August 2024 following the merger of NC and RC into a single board committee.

Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)**2. Board Composition (continued)****Nomination Committee (continued)**

The NC assists the Board in ensuring that the Board and Board Committees comprise individuals with the appropriate mix of skills, experience, qualifications, and core competencies to ensure the effectiveness of the Board in discharging its responsibilities. The Terms of Reference of the NC was last reviewed on 23 August 2023 and is accessible via www.fmgloballogistics.com.

The NC had carried out the following activities for FY2024:

- a. Reviewed and recommended to the Board for adoption by the Group, the Directors' Fit and Proper Policy, which sets out the fit and proper criteria on the appointment and re-election of Directors of the Group;
- b. Assessed the effectiveness of the Board as a whole, the Board Committees and the contribution and performance of each individual Director;
- c. Assessed the structure, size and composition of the Board, including the required mix of skills, knowledge, experience and diversity in respect of age, gender and ethnicity as well as the level of independence of the Independent Directors;
- d. Assessed the terms of office and performance of the ARMC and each of its members;
- e. Reviewed the details of trainings attended by the Directors and determined the training needs for each Director;
- f. Assessed, considered and recommended the re-election of Directors at the forthcoming Annual General Meeting ("AGM"); and
- g. Reviewed and recommended to the Board for approval, the revised Terms of Reference of NC and the revised Diversity Policy.

(a) Selection and Appointment of Directors

The NC recommends suitable candidate(s) to the Board to fill Board vacancies when they arise, or to appoint additional Director(s) who meet the necessary criteria for the effective functioning of the Board. The NC reviews the suitability of candidates based on their skills, knowledge, character, integrity, expertise and experience, competency, and commitment (including time commitment). In the case of candidates for the position of INEDs, the NC evaluates the candidates' ability to discharge the responsibilities of an INED.

The appointment of a new Director and the criteria used for selection is a matter for consideration and decision by the Board collectively upon appropriate recommendation by the NC. In identifying suitable candidates for directorship of the Company, the NC considers recommendations for potential candidates from existing Board members, senior management, major shareholders or may seek professional advice and/or conduct searches using various independent sources.

The Board considers the diversity of gender, age, race or ethnicity and nationality of the existing Board members and senior management in identifying potential candidate(s). This helps to ensure an appropriate balance between the experienced perspectives of the existing Directors and new perspectives that bring fresh insights to the Board. The Board comprises three (3) female Directors out of the eight (8) Board members representing 37.5% of the Board composition.

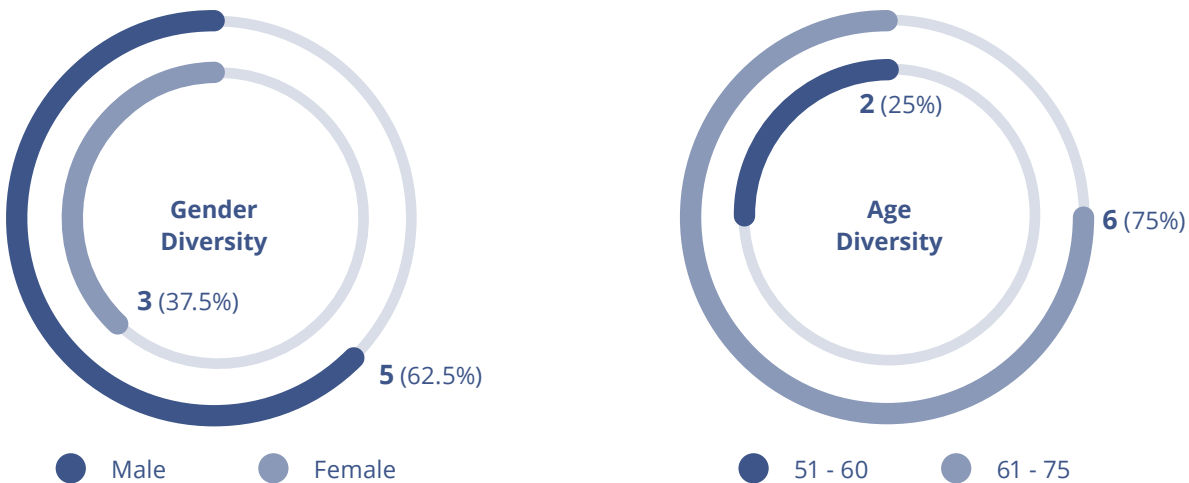
Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)

2. Board Composition (continued)

(a) Selection and Appointment of Directors (continued)

The breakdown of the Board by gender and age as of the date of this Statement is as follows:-



During the financial year, the Board had on 20 September 2023 appointed Francis Lee Fook Wah as NINED, following the resignation of Eric Khua Kian Keong from the Board.

The Board had on 29 June 2022 established a Directors' Fit and Proper Policy, aiming to enhance the governance of the Company in terms of the Board's quality and integrity, and ensuring each of the Directors has the character, experience, integrity, competence, time and commitment to effectively discharge his or her role as a Director. Any candidate for new appointment as Director, as well as Directors who are due for retirement and subject to re-election at the AGM are required to make the fit and proper declaration using a self-declaration form. The NC is tasked to assess if such a candidate or Director is in good standing based on the fit and proper criteria before making recommendation to the Board for consideration and approval.

(b) Board Evaluation

The NC is entrusted by the Board to annually assess the effectiveness of the Board and Board Committees, as well as the contribution and performance of each individual Director, and to recommend the re-election of retiring Directors after satisfactorily evaluating their contribution and performance.

During the year, the NC conducted a formal and objective annual assessment and evaluation on the Board, Board Committees and individual Directors, in accordance with its Terms of Reference, and reported its findings and made recommendations to the Board. This annual exercise required Directors to complete questionnaires assessing the composition and performance of the Board and Board Committees, as well as individual Directors and the independence level of Independent Directors. The Company Secretaries collated the responses, and a summary of the findings was presented to the NC for discussion before being presented to the Board.

Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)**2. Board Composition (continued)****(b) Board Evaluation (continued)**

Based on the recent assessment, the Board was satisfied that the Board has the right size, balance and composition in terms of a mix of skills, competencies and experience to optimise the Company's performance and strategies. The Board, Board Committees and each individual Director had discharged their duties and responsibilities effectively and contributed to the overall effectiveness of the Board and the Company. The three (3) INEDs had fulfilled the criteria of "independence" under the MMLR of Bursa Securities and other criteria pursuant to the MCCG.

The Board, via the NC, also conducted an annual review of the terms of office, competency and performance of the ARMC and its members and was satisfied that the ARMC had carried out its roles and responsibilities appropriately and effectively. All ARMC members are financially literate and have sufficient understanding of the Company's business.

(c) Tenure of Independent Directors

The MCCG recommends that the tenure for an INED not exceed a cumulative term of nine (9) years. Upon the completion of nine (9) years, an INED may continue to serve on the Board as NINED. The Board acknowledges the amendments to the MMLR that the tenure of an INED shall not exceed a cumulative term of twelve (12) years effective 1 June 2023.

At present, none of the INED has served the Board for more than nine (9) years in cumulative terms. If the Board intends to retain an INED who has served beyond nine (9) years up to the mandatory term of twelve (12) years, the Board will provide justification and seek annual shareholders' approval through a two-tier voting process.

(d) Re-election of Retiring Directors

In accordance with the Company's Constitution, all newly appointed Directors shall retire from office but shall be eligible for re-election at the next AGM after their appointment. The Constitution further provides that at least one-third of the Directors for the time being shall retire by rotation at each AGM at least once every three (3) years but shall be eligible for re-election.

The NC will, upon the review and evaluation of the Directors' performance and contribution to the Board together with their fit and proper declaration, if satisfactory, submit its recommendations for the re-election of Directors to the Board for consideration, before tabling the same to the shareholders for approval at the AGM. On 27 August 2024, the NC evaluated the performance of the Directors and recommended the re-election of Directors who were due for retirement namely Mr Chew Chong Keat, Mdm Gan Siew Yong and Mdm Lau Swee Chin at the forthcoming AGM.

(e) Continuing Education Programme

The Board acknowledges that continuous training and professional development is vital due to the increasingly demanding, complex and multi-dimensional role of Directors. During FY2024, the Directors attended seminars and briefings to keep themselves abreast with the latest developments in the business environment and to enhance their skills and knowledge. In assessing the training needs of Directors, the NC had determined that appropriate training covering matters on the understanding of logistics and warehouse management, information technology, and innovation and ESG, be recommended for the Directors to enhance their contributions to the Board. The Company had also during the year engaged professional training providers to conduct in-house training programmes.

Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)**2. Board Composition (continued)****(e) Continuing Education Programme (continued)**

During the FY2024, the Directors have attended various training programmes, as follows:-

Name of Director	List of Programmes
Tengku Nurul Azian Binti Tengku Shahrman	<ul style="list-style-type: none"> • Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers on 12 September 2023 • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) on 16 and 17 October 2023 • ESG Awareness Training on 4 January 2024 • Specialist Talk on the evolution of shopping malls and retail in Malaysia on 30 January 2024 • Sustainable sustainability – “Why ESG is not enough” on 1 March 2024
Chew Chong Keat	<ul style="list-style-type: none"> • Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers on 17 August 2023 • ABAC Training on 13 June 2024
Yang Heng Lam	<ul style="list-style-type: none"> • Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers on 17 August 2023 • ABAC Training on 13 June 2024
Gan Siew Yong	<ul style="list-style-type: none"> • Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers on 17 August 2023 • ABAC Training on 13 June 2024
Ong Looi Chai	<ul style="list-style-type: none"> • Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers on 17 August 2023 • ABAC Training on 13 June 2024
Lau Swee Chin	<ul style="list-style-type: none"> • RAM insight series: Banking & Insurance: After the pandemic on 9 August 2023 • Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers on 17 August 2023 • Audit Oversight Board’s Conversation with Audit Committees” on 27 November 2023 • Navigating Life’s Financial Maze: Crafting your patch to a strong financial future on 28 May 2024

Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)**2. Board Composition (continued)****(e) Continuing Education Programme (continued)**

During the FY2024, the Directors have attended various training programmes, as follows:- (continued)

Name of Director	List of Programmes
Soh Chin Teck	<ul style="list-style-type: none"> • Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers on 17 August 2023 • Accounting standards – IFRS S1 and S2 on 13 September 2023 • Audit Committee Conference – “Catalysts of Change” on 14 September 2023 • Conflict of Interest on 12 October 2023 • Audit Oversight Board’s Conversation with Audit Committees” on 27 November 2023 • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) on 11 and 12 December 2023
Francis Lee Fook Wah ⁽¹⁾	<ul style="list-style-type: none"> • Mandatory Accreditation Programme on 22 and 23 November 2023
Khua Kian Keong ⁽²⁾	N/A

⁽¹⁾ Appointed to the Board on 20 September 2023.

⁽²⁾ Resigned from the Board on 20 September 2023.

The Company Secretaries also regularly brief the Board and highlight relevant guidelines and regulatory requirements, including, among others the amendments to the MMLR of Bursa Securities, the new requirements of MCCG and the Companies Act 2016. The External Auditors keep the Board members informed on any current and future change to the Malaysian Financial Reporting Standards that affect the Company’s financial statements.

Remuneration Committee

The RC assists the Board in determining and developing a remuneration policy for Directors and senior management. The RC consists of the following members:-

Chairman : **Tengku Nurul Azian Binti Tengku Shahrman** (Independent Non-Executive Director)

Member : **Lau Swee Chin** (Independent Non-Executive Director)

Corporate Governance Overview Statement (continued)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (continued)**2. Board Composition (continued)****Remuneration Committee (continued)**

Mr Soh Chin Teck was appointed as a member of NRC on 27 August 2024 following the merger of NC and RC into a single board committee.

The Terms of Reference of RC was last reviewed on 23 August 2023 and are available on the Company's website at www.fmgloballogistics.com.

In FY2024, the RC had discharged its duties in accordance with its Terms of Reference, which included reviewing the revised Terms of Reference of RC and the revised Remuneration Policy for Directors and Senior Management, as well as the Directors' fees and benefits payable to Directors, before making recommendation to the Board for approval.

Directors' and Senior Management Remuneration Framework

The Board has established a Remuneration Policy and Procedure for Directors and Senior Management which aims to attract, retain and motivate high-calibre Directors and Senior Management personnel. The Remuneration Policy and Procedure for Directors and Senior Management is available on the Company's website at www.fmgloballogistics.com.

The remuneration package of Directors consists of Directors' fees and benefits payable such as meeting allowance. Meanwhile, Executive Directors cum Senior Management are entitled to a fixed salary, performance-based bonus and other emoluments. The Board, as a whole, determines the amount of fees and benefits payable to Directors with the interested Directors abstaining from any deliberations or voting on their own remuneration.

The RC held one (1) meeting during FY2024. The RC reviewed and recommended the Directors' fees and benefits payable to Directors to the Board prior to seeking shareholders' approval at the Company's forthcoming AGM.

The details of the remuneration received by the Directors of the Company for FY2024 are disclosed in the Corporate Governance Report.

Nomination and Remuneration Committee (effective 27 August 2024)

In order to improve the efficiency of the committees, the NC and RC have been merged into a single Board Committee known as NRC with effect from 27 August 2024, aimed at improving the efficiency and effectiveness of the Board Committee in discharging its duties and responsibilities.

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT**1. Audit and Risk Management Committee**

The ARMC comprises three (3) members, all of whom are Independent Directors. The ARMC is chaired by Mr Soh Chin Teck, an INED who is distinct from the Chairman of the Board.

Corporate Governance Overview Statement (continued)

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT (continued)**1. Audit and Risk Management Committee (continued)**

The Board has delegated to the ARMC the responsibility of providing robust and comprehensive oversight on the financial reporting of the Group, ensuring the objectivity and effectiveness of the Group's internal audit function and external audit processes, overseeing related party transactions and conflict of interest situations, and ensuring the adequacy and effectiveness of the Group's internal control and risk management framework. The ARMC is governed by its Terms of Reference, which were last updated on 22 February 2023 and are available on the Company's website.

The ARMC monitors the effectiveness of the external auditors as part of its mandate. The Board has adopted an External Auditors' Assessment Policy, which specifies the guidelines for monitoring and assessing the external auditors' suitability, objectivity and independence.

The ARMC ensures that the external audit function is independent of the activities it audits and that the contracts for the provision of non-audit services by the external auditors do not create a conflict of interest or impair the external auditors' independence.

The Board strives to provide a true, fair and comprehensive financial reporting of the Group's performance in the audited financial statements and quarterly financial reports as well as key disclosures in the notes to accounts, in line with the MFRS and MMLR of Bursa Securities.

For more information on the ARMC with regards to its composition and activities, please refer to the ARMC Report in this Annual Report.

2. Risk Management and Internal Control Framework

The Board recognises that it is crucial to achieve a critical balance between risks incurred and potential returns for the viability of the Group. A robust risk management and internal control framework helps the Group achieve its value-creation targets by providing risk information to enable better formulation of the Group's strategies and decision-making processes. Thus, the Company has established an Enterprise Risk Management ("ERM") framework which proactively identifies, evaluates and manages key risks for the Group.

The Group, as a whole, has established several risk management processes where the responsibility and accountability lie with the various Heads of Departments and also involve the participation of the Executive Directors and internal auditors. The Heads of Departments are responsible for the day-to-day management of risks inherent in the business activities, while the Executive Directors are responsible for setting the risk management framework as well as developing tools and methodologies.

The responsibility to review the adequacy and integrity of the internal control function has been delegated by the Board to the ARMC through independent reviews conducted by an in-house internal audit team established by the Company. All internal audit work carried out is guided by the International Professional Practices Framework published by The Institute of Internal Auditors. The internal auditors and their personnel are independent from the operational activities of the Company and they do not hold management authority and responsibility over the operations that internal audit covers in its scope of work.

Corporate Governance Overview Statement (continued)

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT (continued)**2. Risk Management and Internal Control Framework (continued)**

The Statement on Risk Management and Internal Control furnished on pages 134 to 137 of the Annual Report provides an overview on the state of internal controls within the Group to manage risk.

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND A MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS**1. Engagement with Stakeholders**

The Company and stakeholders maintain continuous communication to ensure mutual understanding of each other's objectives and expectations. The Company is committed to maintaining a high standard for dissemination of relevant and material information on the development of the Company, including the business of the Company, its policies on governance, the environment and social responsibility. The Company has put in place Corporate Disclosure Policies and Procedures to provide guidance on the determination and dissemination of sensitive and material information across the Group.

The Group ensures that the Company's corporate website at www.fmgloballogistics.com contains important information relating to the Company, among others, corporate information, corporate announcements, financial results, annual reports, Company policies and procedures, so as to promote a closer association with its stakeholders by allowing accessibility of information. Dialogues are conducted with financial analysts or through media interviews that enable the Board and the Management to convey information relating to the Company's performance, corporate strategy and other matters affecting shareholders' interests.

2. Conduct of General Meetings

The AGM is the primary forum for dialogue and interaction with shareholders, providing an opportunity and means for shareholders to seek and clarify any issue relating to the Group's direction, performance, and future prospects. Shareholders are encouraged to attend the AGM and vote on the resolutions. All Directors and the external auditors are also in attendance to respond to shareholders' questions during the AGM.

In addition, the notice of the AGM, together with the Annual Report, are circulated to shareholders at least 28 days before the meeting. The AGM notice, which outlines the resolutions to be tabled at the meeting, is accompanied by detailed explanatory notes and background information on matters to be decided at the AGM, so that shareholders can better understand the proposed resolutions and make informed decisions when exercising their votes. The Company also encourages shareholders and investors to access the Company's Annual Report and up-to-date announcements, which are made available on Bursa Securities and the Company's website.

The Company's 27th AGM held on 23 November 2023 was conducted virtually through live streaming from the broadcast venue via Remote Participation and Voting ("RPV") facilities, allowing attendance of the shareholders and proxies via remote participation and voting in absentia. The RPV facilities were provided by Tricor Investor & Issuing House Services Sdn Bhd via TIIH Online website at <https://tiih.online>. Shareholders participated in the AGM by posting questions or seeking clarification on matters relating to the Company's management and operations.

Poll voting for all resolutions was carried out using RPV facilities. All shareholders were briefed on the voting procedures by the poll administrator prior to poll voting. The poll results were validated by the independent scrutineers appointed by the Company and announced on the same day of the AGM.

Corporate Governance Overview Statement (continued)

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND A MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (continued)**2. Conduct of General Meetings (continued)**

The minutes of the AGM were published on the Company's website as soon as practicable after the AGM, following review and approval by the Board.

Investors and the public who wish to contact the Group to make any enquiry, comment or proposal are advised to channel them via email: enquiry-my@fmgloballogistics.com any time throughout the year.

Focus Areas and Future Priorities

With the growing awareness and need to address environmental and social challenges, the Board will continue its focus to embed sustainability efforts into the strategic priorities of the Group to build long-term success while creating sustainable business value for its shareholders and stakeholders.

Conclusion

The Board recognises that inculcating and promoting good corporate governance practices is an ongoing process. As such, the Board will continuously assess and implement relevant measures to improve its corporate governance practices and structures in line with the needs of the Group to achieve an optimal framework of governance.

This Statement is issued in accordance with a resolution of the Board dated 22 October 2024.

Statement on Risk Management and Internal Control

The Board of Directors (“the Board”) of FM Global Logistics Holdings Berhad (“the Company”) recognises the importance of maintaining a sound system of risk management and internal control for good corporate governance and to safeguard shareholders’ interests and the assets of the Company and its subsidiaries (“the Group”). Accordingly, the Board is committed to ensure the effectiveness and efficiency of the Group’s risk management framework and internal control system through periodic reviews. In accordance with Paragraph 15.26(b) of Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“MMLR”) and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by Bursa Securities, the Board is pleased to present the Statement on Risk Management and Internal Control for the financial year ended 30 June 2024 (“FY2024”), which outlines the key features of the risk management framework and internal control system of the Group.

Board’s Responsibility

The Board acknowledges its responsibilities to ensure the effectiveness, adequacy and integrity of the Group’s risk management and internal control system in order to provide reasonable assurance of the reliability of financial reporting and compliance with applicable laws and regulations. This responsibility requires the Board to establish procedures, controls and policies to ensure that the system is operating satisfactorily and robustly in identifying and managing key business risks in respect of the Group’s strategic direction, financial, operational, and environmental compliance for the purpose of safeguarding shareholders’ investment and the Group’s assets.

The system of internal control is designed to manage the Group’s risks rather than to eliminate the risk of failure and achieve the Group’s policies and business objectives as well as provides reasonable assurance against any material errors, misstatement or irregularities. The system of internal control covers all types of control, inter alia, risk management, financial as well as compliance controls.

The Board acknowledges that the expansion into new areas of business as well as its operations in various countries presents unique risk considerations. In view of this, the Board will, in addition to its normal risk management process, be attentive to the impact of the Group’s overall risk profile and ensure that existing internal controls are sufficient to address any additional risks, if any. The Board had on 26 August 2024, via the Audit and Risk Management Committee (“ARMC”), reviewed and was satisfied that the risk management framework and internal control system of the Group could function effectively in identifying, assessing and managing its risk.

Risk Management

The Board regards risk management as an integral part of the Group’s business operations. The objectives of the Group’s risk management are as follows:-

- Ensure operational continuity;
- Safeguard the assets of the Group;
- Safeguard the interest of all shareholders;
- Ensure quality service is continuously extended to customers at all times;
- Preserve the safety and health of its employees; and
- Promote an effective risk awareness culture where risk management is an integral aspect of the Group’s management systems.

Statement on Risk Management and Internal Control (continued)

Risk Management (continued)

The Board recognises that it is crucial to achieve a critical balance between risks incurred and potential returns for the viability of the Group. Thus, the Company has adopted an Enterprise Risk Management (“ERM”) Framework which proactively identifies, evaluates and manages key risks of the Group. The ERM Framework and its methodology are in line with ISO 31000:2018 – *Risk Management Principles and Guidelines*, to promote a culture of risk ownership and the continuous monitoring of identified key risks.

Furthermore, the Board has established a well-defined organisational structure in terms of responsibility and accountability that is aligned to business and operations. This structure supports the maintenance of a strong control environment. The Board has also extended the responsibilities of the ARMC to oversee the Group's risk management framework and policies to ensure its effectiveness.

The Group has established several risk management processes whereby responsibility and accountability are with the various Heads of Divisions and also involve the participation of the Executive Directors and Internal Auditors. The Heads of Divisions are responsible in identification, assessment, mitigation, monitoring and reporting of risks that are appropriate to the needs of the Group during day-to-day business activities, while the Executive Directors are responsible for setting the risk management framework as well as developing tools and methodologies. Additionally, internal audit plays a crucial independent role to provide assurance on the effectiveness of the risk management approach. These risk management processes are aligned across the business units and subsidiaries of the Group through the streamlining of the risk framework, policies and organisational structures in order to embed and enhance a risk management culture based on the Group's business segments, its regional growth and its expansion plans.

In addition to the above the Group has compiled an ERM Manual which outlines the Risk Policy, Risk Governance Structure and Risk Management Processes. This ERM Manual is in line with the ISO 31000:2018 – *Risk Management Principles and Guidelines*. The Risk Register outlines and categorises the sources of risks, the impacts, the risk owners and the controls that are in place. The ERM plan has also been implemented with the aim of continuous check and review of key risks to ensure that controls are adequate and effective. Wherever necessary, further steps are also developed and implemented to enhance risk management.

Risk Assessment

The risk appetite defines the value and type of risks that the Group is willing to accept in pursuit of its strategic business objectives and serves as a guidance for all divisions.

ERM methodology is adopted in identifying, evaluating and managing significant risks faced by the Group.

Internal Control Mechanism

The responsibility to review the adequacy and integrity of the internal control system has been delegated by the Board to the ARMC. The ARMC, in turn, assesses the adequacy and integrity of the internal control system through independent reviews conducted on reports received from in-house internal auditors and the management. In addition, the ARMC also considers findings from the external auditors in the form of management letters, which highlight certain internal control areas for improvement identified during the external audit. Any area for improvement identified by the external auditors and internal auditors is brought to the attention of the ARMC.

Statement on Risk Management and Internal Control (continued)

Key Elements of Internal Control System

The key elements of the Group's internal control system are described below:-

- Organisational structure with clearly defined responsibilities for the Board;
- Regular meetings are held at operational and management levels to identify and resolve business, financial, operational and management issues;
- Five subsidiaries were accredited ISO 9001:2015 certifications on quality management systems. Documented internal procedures and standard operating procedures have been put in place and surveillance audits are conducted by assessors of the ISO certification bodies on a yearly basis to ensure that the system is adequately implemented;
- Guidelines on operating procedures have been put in place for relevant departments;
- Reports on financial performance and key business indicators are presented to the Board on a quarterly basis;
- Monthly monitoring of results by the management through financial reports;
- Internal audit visits and other specific assignments, if the need arises, are assigned by the ARMC and/or the Board who monitors compliance with procedures and assesses the integrity of financial information provided; and
- The ARMC holds quarterly meetings with the management on the actions taken for internal control issues, identified through reports prepared by the internal auditors, external auditors (identified during the audits) and/or the management.

Internal Audit Function

As part of the Group's commitment to establish a sound framework for risk management and internal control, an in-house internal audit function was established to undertake regular reviews of the Group's internal control system. The Group's internal auditors report directly to the ARMC. The ARMC meets quarterly on a scheduled basis to review issues identified in the internal audit report prepared by the internal auditors and evaluates the effectiveness and adequacy of the Group's internal control system. The ARMC has active oversight on the independence, scope of work and allocation of resources of the internal auditors to ensure their optimal performance.

The internal auditors have adopted a risk-based approach in undertaking the internal audits for the Group which include the development of internal audit policies, the establishment of an annual audit plan, audit work processes and audit work reporting formulated through a risk assessment process. Through this process, the internal auditors plan the engagement through consultation sessions with the ARMC, the management and staff in order to identify the relevant risks faced by the Group. With better understanding of these risks, the internal auditors have developed risk-based internal audit programmes that allow internal auditors to provide assurance that risk management processes are managing risk effectively based on the Group's risk appetite.

Simultaneously, the Board ensures that relevant control measures are put in place to address the identified control gaps and eventually, to improve the integrity of the Group's system of internal control. The Board recognises that developing an effective internal control system is a continuous process, and commits to strengthen the Group's existing internal control environment.

Statement on Risk Management and Internal Control (continued)

Effectiveness of Risk Management and Internal Control System

The review of the effectiveness of the risk management and internal control is based on the information from:

- Executive Directors and Heads of Divisions who are responsible for the maintenance and continuous improvements and development of the risk management and internal control system; and
- Review from internal audit reports and work undertaken by the internal auditors, who report directly to the ARMC together with the assessment of the internal control system relating to key risks and recommendations for improvement.

The review and assurance of the system of internal control is continuously assessed by the ARMC. Any risk, weaknesses and/or incidents of non-compliance with policies and procedures are communicated by the internal auditors to the ARMC and highlighted to the management for corrective action.

The Board is of the opinion that the system of internal control described in this Statement is effective and the risks are at an acceptable level within the context of the Group's business environment. The Board and management will continue to monitor and adapt the ERM framework to address external and internal changes and from time to time improve the adequacy and effectiveness of the risk management processes.

The Group's system of internal control does not apply to associated companies and joint ventures in which the Group does not have full management control.

Review of Statement by External Auditors

As required by Paragraph 15.23 of the MMLR, the external auditors have reviewed this Statement in accordance with the scope set out in Audit and Assurance Practice Guide 3 (AAPG 3) – *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants and reported to the Board that nothing has come to their attention that causes them to believe that the Statement, in all material aspects:

- has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor
- is factually inaccurate.

Assurance from Management

Based on the risk management framework and internal control maintained by the Group, the Group Managing Director and the Group Financial Controller have given their assurance to the Board that the risk management and internal control system of the Group is operating adequately and effectively in all material aspects.

Taking into consideration the assurance from the Management and input from the relevant service providers, the Board is of the opinion that the Group's overall system of internal control and risk management processes are adequate and sufficiently sound to provide reasonable assurance of the safeguarding of shareholders' investments, the Group's assets and other stakeholders' interests as well as in addressing key risks impacting the business operations of the Group. There was no significant internal control weakness in the system of internal control that could result in any material loss or adversely affect the Group that would require disclosure in this Annual Report.

This Statement is made in accordance with the resolution of the Board dated 22 October 2024.

Additional Compliance Information

The following information is presented in compliance with Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“MMLR”):

1. Utilisation of Proceeds raised from Corporate Proposals

There were no proceeds raised by the Company from corporate proposals during the financial year ended 30 June 2024.

2. Audit and Non-Audit Fees

The fees paid or payable to the Company’s external auditors, or its affiliates in respect of the audit and non-audit services rendered to the Company and its subsidiaries (“the Group”) for the financial year ended 30 June 2024 are as follows:-

	Group (RM)	Company (RM)
Audit services	484,057	99,000
Non-audit services	65,500	65,500
Total fees:	549,557	164,500

3. Material Contracts involving the interest of Directors or major shareholders

There were no material contracts entered into by the Group involving the interests of Directors or major shareholders, either still subsisting at the end of the financial year ended 30 June 2024 or entered into since the end of the previous financial year.

4. Recurrent Related Party Transactions (“RRPT”)

The details of the RRPT undertaken by the Company during the financial year ended 30 June 2024 are disclosed in Note 39 of the Financial Statements on pages 240 to 242 of this Annual Report.

As the threshold for the RRPT is below the required thresholds of the MMLR of Bursa Securities to obtain shareholders’ approval, the Board will not be seeking shareholders’ mandate for the RRPT. The Board (via the Audit and Risk Management Committee) and the Management will continue to monitor and track the value of the RRPT as and when a transaction is entered into with related parties.

Directors' Responsibility Statement

In respect of the preparation of the Annual Audited Financial Statements

The Directors are responsible to prepare the financial statements of the Company and the Group in accordance with the applicable Financial Reporting Standards in Malaysia, the International Financial Reporting Standards, and the requirements of the Companies Act 2016 so as to give a true and fair view of the state of affairs of the Company and the Group's financial performance for and financial position at the end of the fiscal year.

In preparing the financial statements for the financial year ended 30 June 2024, the Directors have:-

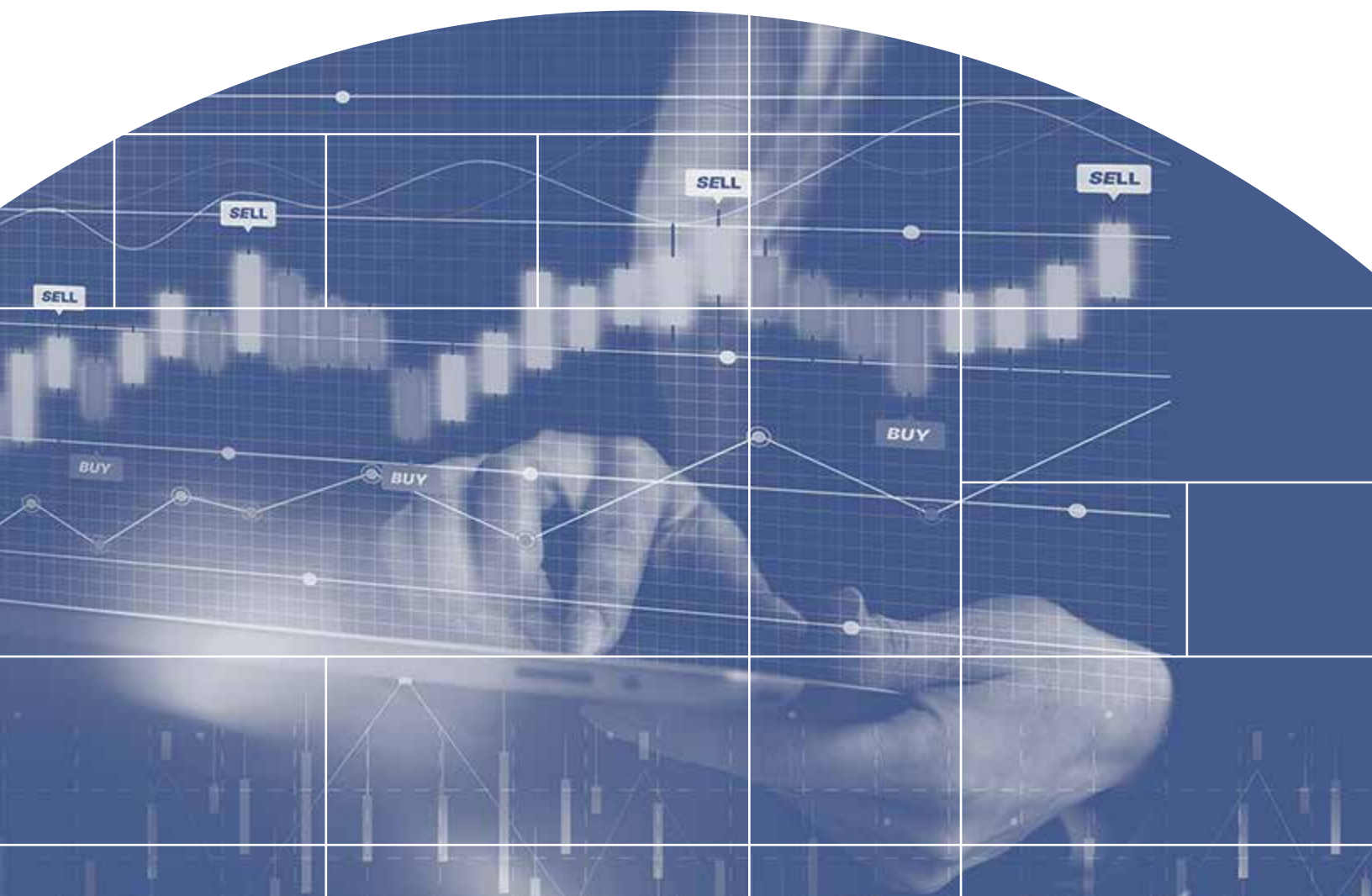
- ensured that appropriate accounting policies have been adopted and applied consistently, supported by reasonable and prudent judgements and estimates;
- ensured that all applicable approved accounting standards have been adhered to; and
- considered the going concern basis and made enquiries that the Group has adequate resources to continue in operations for the foreseeable future.

The Directors are also responsible to ensure that the financial statements of the Company and the Group are prepared with reasonable accuracy from accounting records of the Company and the Group.

The Directors have also taken the necessary steps to ensure that appropriate systems are in place for safeguarding the assets of the Company and the Group and to prevent and detect fraud as well as other irregularities. These systems, by their nature, can only provide reasonable assurance and not absolute assurance against material misstatements, loss or fraud.

Trustworthy

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Directors' Report

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities and details of the subsidiaries are disclosed in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit after taxation for the financial year	33,711	23,154
Attributable to:-		
Owners of the parent	30,895	23,154
Non-controlling interests	2,816	-
	33,711	23,154

DIVIDENDS

Dividends paid or declared by the Company since 30 June 2023 are as follows:

	RM'000
Ordinary Share	
<u>In respect of the financial year 30 June 2023</u>	
Third interim single tier dividend of 2.0 sen per ordinary share, paid on 13 October 2023	11,169
<u>In respect of the financial year 30 June 2024</u>	
First interim single tier dividend of 1.0 sen per ordinary share, paid on 12 April 2024	5,584
	16,753

The Company paid a second interim single tier dividend of 3.0 sen per ordinary share amounting to RM16,753,345 for the financial year ended 30 June 2024 on 18 October 2024. The financial statements for the current financial year do not reflect this dividend and it would be accounted for as an appropriation of retained earnings in the financial year ended 30 June 2025.

The Directors do not recommend the payment of any final dividend in respect of the financial year ended 30 June 2024.

Directors' Report (continued)

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of the debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Tengku Nurul Azian binti Tengku Shahrizan
Chew Chong Keat
Yang Heng Lam
Gan Siew Yong
Ong Looi Chai
Soh Chin Teck
Lau Swee Chin
Francis Lee Fook Wah

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Yeow Soon Guat
Leong Wan Keng
Bradley John O' Donnell
Chew Chong Ngai
Gan Siew Hooi
Low Gim Beng
Dang Anh Binh
Juliana Eddy
Herman

Directors' Report (continued)

DIRECTORS (CONTINUED)

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows (continued) :

Phatteera Sirijitjinda
 Yupadee Sirijitjinda
 Rajagopalan Gokulakrishnan
 Songvud Anuvongcharoen
 Baig Nadeem Mohammed
 Kenny Chao
 Shelvy
 Ng Poh Lin
 Azha bin Halip
 Syed Ahamed B. Abd. Majeed

DIRECTORS' INTERESTS

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

	← Number of ordinary shares →			
	Balance as at 1.7.2023	Bought	Sold	
Shares in the Company				
<u>Direct interests</u>				
Chew Chong Keat	134,375,228	-	-	134,375,228
Yang Heng Lam	102,610,076	-	-	102,610,076
Gan Siew Yong	24,295,608	-	-	24,295,608
Ong Looi Chai	10,045,466	502,500	-	10,547,966
<u>Indirect interests</u>				
Chew Chong Keat@	551,698	-	-	551,698
Yang Heng Lam@#	1,964,896	-	-	1,964,896
Gan Siew Yong@	551,698	-	-	551,698
Ong Looi Chai@#	633,000	-	-	633,000

@ Deemed interested in shares held by their children.

Deemed interested in shares held by spouse.

Directors' Report (continued)

DIRECTORS' INTERESTS (CONTINUED)

By virtue of their shareholdings in the Company, Chew Chong Keat, Yang Heng Lam, Gan Siew Yong and Ong Looi Chai are also deemed to be interested in the ordinary shares of its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) 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 except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 39(b) to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose 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.

DIRECTORS' REMUNERATION

The Directors' remuneration paid or payable to the Directors of the Group and of the Company during the financial year were RM17,829,952 and RM545,000 respectively.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains a Directors' and Officers' Liability Insurance Policy on a group basis. During the financial year, the amount of indemnity coverage and insurance premium paid for the directors and certain officers of the Group were RM10,000,000 and RM20,998 respectively.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

Directors' Report (continued)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY**(I) AS AT THE END OF THE FINANCIAL YEAR**

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables; and
 - (ii) to ensure that any current assets, which were unlikely to be realised in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would further render the amounts written off for bad debts or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen any item, transaction or event of a material and unusual nature 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; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) 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.

Directors' Report (continued)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (CONTINUED)**(III) AS AT THE DATE OF THIS REPORT**

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 29 August 2023, the Company disposed of its entire equity interest of 50,000 ordinary shares in Exterian Enterprise Sdn. Bhd. ("EE") to the Group Managing Director, Chew Chong Keat, for a total cash consideration of RM50,000. Consequently, Exterian Enterprise Sdn. Bhd. ceased to be a subsidiary of the Company. The disposal of EE was completed on 29 August 2023.

Concurrently, the Company entered into a settlement agreement with Chew Chong Keat, for the settlement of a sum of RM4,150,000 in cash as full and final settlement for part of advances owing by Exterian Enterprise Sdn. Bhd. to the Group.

- (b) On 25 September 2023, FM Global Logistics Ventures Sdn. Bhd., an indirect wholly-owned subsidiary of the Company acquired 100% equity interest in CAC Logistics Services Pte. Ltd. ("CAC") for a total cash consideration of SGD5,500,000 (equivalent to approximately RM19,206,990). The acquisition of CAC was completed on 1 November 2023.
- (c) On 31 December 2023, FM Global Logistics (M) Sdn. Bhd. ("FMGLM"), a wholly-owned subsidiary, entered into a Sale and Purchase Agreement with Petaling Garden Sdn. Bhd. for the acquisition of one (1) parcel of freehold vacant land known as Plot Industri 9A located in Setia Alaman Industrial Park, Mukim Kapar, Daerah Klang, Negeri Selangor, measuring approximately 2.84 acres (or equivalent to 11,493.08 square metres), for a total cash consideration of RM18,927,691. The acquisition is yet to be completed as the date of this report.
- (d) On 18 January 2024, FMGLM, a wholly-owned subsidiary, entered into a Sale and Purchase Agreement with Petaling Garden Sdn. Bhd. for the acquisition of one (1) parcel of freehold vacant land known as Plot Industri 9B located in Setia Alaman Industrial Park, Mukim Kapar, Daerah Klang, Negeri Selangor, measuring approximately 2.84 acres (or equivalent to 11,493.08 square metres), for a total cash consideration of RM18,927,691. The acquisition is yet to be completed as the date of this report.
- (e) On 6 February 2024, FMGLM, a wholly-owned subsidiary, entered into a Sale and Purchase Agreement with Petaling Garden Sdn. Bhd. for the acquisition of one (1) parcel of freehold vacant land known as Plot Industri 10A located in the Setia Alaman Industrial Park, Mukim Kapar, Daerah Klang, Negeri Selangor, measuring approximately 2.84 acres (or equivalent to 11,493.08 square metres), for a total cash consideration of RM18,927,691. The acquisition is yet to be completed as the date of this report.

Directors' Report (continued)

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONTINUED)

- (f) On 20 March 2024, FMGLM, a wholly-owned subsidiary, entered into a Sale and Purchase Agreement with Petaling Garden Sdn. Bhd. for the acquisition of one (1) parcel of freehold vacant land known as Plot Industri 10B located in Setia Alaman Industrial Park, Mukim Kapar, Daerah Klang, Negeri Selangor, measuring approximately 2.82 acres (or equivalent to 11,412.15 square metres), for a total cash consideration of RM18,794,398. The acquisition is yet to be completed as the date of this report.
- (g) On 9 April 2024, FMGLM, a wholly-owned subsidiary, further subscribed additional 21% equity interest in FM Distribution Sdn. Bhd. ("FMD") for a total cash consideration of RM180,000. Consequently, FMD become a 70% equity interest subsidiary. The acquisition of FMD was completed on 9 April 2024. Prior to the acquisition, FMD was an associate of the Company.
- (h) On 29 April 2024, the Company acquired an additional 50% equity interest in CN FM Logistics (Malaysia) Sdn. Bhd. ("CNFM") for a total cash consideration of RM1,766,723. The acquisition of CNFM was completed on 29 April 2024. Prior to the acquisition, CNFM was a joint venture of the Company.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year were RM549,557 and RM164,500 respectively.

Signed in accordance with a resolution of the Directors dated 22 October 2024.

Chew Chong Keat
Director

Port Klang

22 October 2024

Yang Heng Lam
Director

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Chew Chong Keat and Yang Heng Lam, being two of the Directors of FM Global Logistics Holdings Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 156 to 247 are drawn up in accordance with 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 of 30 June 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the Directors dated 22 October 2024

Chew Chong Keat

Director

Yang Heng Lam

Director

Statutory Declaration

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

I, Chew Chong Keat, being the Director primarily responsible for the financial management of FM Global Logistics Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 156 to 247 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Chew Chong Keat,
at Kuala Lumpur
in the Federal Territory
on this 22 October 2024

Chew Chong Keat

Before me:

Muhammad Faiz Dharmendra Bin Abdullah (No. W 737)

Commissioner for Oaths

Independent Auditors' Report

To the Members of FM Global Logistics Holdings Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of FM Global Logistics Holdings Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 156 to 247.

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 30 June 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with 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.

Independent Auditors' Report
 To the Members of FM Global Logistics Holdings Berhad (continued)

Key Audit Matters (Continued)

We have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition Refer to Note 30 to the financial statements	
Key Audit Matter	How our audit addressed the key audit matter
<p>Revenue from freight forwarding and logistics services amounting to approximately RM817.48 million represent 100% of the Group's revenue for the financial year ended 30 June 2024.</p> <p>Revenue from freight forwarding and logistics services is recognised during the period in which control over the promised services have been transferred to customers. These services consist of large volumes of individually low value transactions and the rates applied to each transaction are based on contract terms agreed among different customers.</p> <p>Although the recognition of revenue transactions from these services is largely automated, management periodically records manual adjustments to accrue for revenue when services have been rendered but not billed.</p> <p>Through such manual adjustments, management has the ability to influence the recognition of revenue, hence there is a risk of misstatement in the revenue recognised from these services.</p> <p>The accounting policies for revenue recognition has been disclosed in Note 30 to the financial statements.</p>	<p>Our procedures, with involvement of the component auditors, included the following:</p> <ul style="list-style-type: none"> • obtained an understanding of the revenue recognition process and evaluated the controls surrounding revenue recognition; • engaged our IT auditors to test the Group's application controls; • verified recorded revenue before and after the end of the reporting period, covering a period in excess of the normal lead time between rendering of services and receipt of proof of delivery of services, and verified against the underlying proof of delivery to ascertain whether revenue has been appropriately recognised; and • assessed the appropriateness of the manual adjustments recorded in computing accrued revenue in relation to revenue from freight forwarding and logistics services.

Independent Auditors' Report
To the Members of FM Global Logistics Holdings Berhad (continued)

Key Audit Matters (Continued)

Recoverability of trade receivables

Refer to Note 14 to the financial statements

Key Audit Matter	How our audit addressed the key audit matter
<p>As at 30 June 2024, the Group's trade receivables amounted to approximately RM190.04 million net of impairment losses. Trade receivables are a major component of the financial position of the Group's total assets.</p> <p>We focused on this area due to the magnitude of the amount involved and judgements are required to assess the allowance for impairment losses of trade receivables.</p>	<p>Our procedures, with involvement of the component auditors, included the following:</p> <ul style="list-style-type: none"> • reviewed ageing analysis of trade receivables and tested the reliability thereof; • reviewed subsequent cash collections for major receivables and overdue amounts; • tested the adequacy of the Group's allowance for impairment losses on trade receivables by assessing management's policy; and • reviewed the adequacy of the Group's disclosure in this area.

Revaluation of property, plant and equipment and right-of-use assets

Refer to Notes 5 and 11 to the financial statements

Key Audit Matter	How our audit addressed the key audit matter
<p>As at 30 June 2024, the major property, plant and equipment ("PPE") and right-of-use assets ("ROU") as disclosed in Notes 5 and 11 to the financial statements were freehold lands and buildings and long-term leasehold lands of approximately RM184.36 million and RM127.87 million respectively.</p> <p>A valuation exercise has been performed by management on its freehold, long-term leasehold lands and buildings assisted by an external expert.</p> <p>We focused on this area because the assessment of whether PPE and ROU are impaired involved subjective judgements and key assumption estimates in determining its recoverable amount.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • evaluated the qualifications and competency of the external expert appointed by the Group to determine whether there were any matters that might have affected their objectivity or limited the scope of their work; • assessed the methodology adopted by the management and its appointed expert for calculating the market values of the freehold, long-term leasehold lands and buildings applicable to their transactions and validated the key valuation assumptions used in the valuation models; and • reviewed the adequacy of the Group's disclosure in this area.

Independent Auditors' Report
To the Members of FM Global Logistics Holdings Berhad (continued)

Key Audit Matters (Continued)

Impairment of goodwill Refer to Note 6 to the financial statements	
Key Audit Matter	How our audit addressed the key audit matter
<p>As at 30 June 2024, the Group's goodwill on consolidation was RM21.68 million.</p> <p>We focused on this area because the assessment of whether goodwill is impaired involved subjective judgements and key assumption estimates in determining its recoverable amount.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • enquired and challenged the management on the key assumptions made, including: <ul style="list-style-type: none"> - the consistent application of management's methodology; - revenue growth, operating margin and discount rate; and - assumptions in relation to terminal growth in the business at the end of the plan period. • evaluated the reasonableness of management's estimate of expected future cash flows by taking into consideration the past performances of their cash generating units ("CGUs"); • performed sensitivity analysis to assess the impact on the recoverable amount of the CGUs; and • reviewed the adequacy of the Group's disclosure in this area.

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 FM Global Logistics Holdings Berhad (continued)

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, 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.

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.

Independent Auditors' Report
To the Members of FM Global Logistics Holdings Berhad (continued)

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

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

- 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.

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.

Independent Auditors' Report
To the Members of FM Global Logistics Holdings Berhad (continued)

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 7 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur

22 October 2024

Chan Kuan Chee
02271/10/2025 J
Chartered Accountants

Statements of Financial Position

As at 30 June 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	258,719	192,173	-	-
Intangible assets	6	21,692	7,920	-	-
Investments in subsidiaries	7	-	-	59,631	62,753
Investments in associates	8	1,770	454	-	-
Investments in joint ventures	9	8,585	10,414	-	-
Other investments	10	360	360	-	-
Right-of-use assets	11	202,778	161,857	-	-
Deferred tax assets	12	1,300	1,228	-	-
Contingent consideration	13	4,607	-	-	-
		499,811	374,406	59,631	62,753
Current assets					
Other investments	10	1,843	18,206	-	-
Trade receivables	14	190,045	153,543	-	-
Other receivables, deposits and prepayments	15	37,937	24,461	7	6
Amounts owing by subsidiaries	16	-	-	21,087	34,201
Amounts owing by associates	17	62	-	-	-
Amount owing by a related company	18	-	-	40,411	24,699
Amounts owing by related parties	19	3,541	9,806	-	-
Amounts owing by joint ventures	20	164	593	-	-
Current tax assets		1,059	2,286	4	-
Cash and cash equivalents	21	90,361	105,732	12,102	12,787
		325,012	314,627	73,611	71,693
TOTAL ASSETS		824,823	689,033	133,242	134,446

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

Statements of Financial Position
As at 30 June 2024 (continued)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	22	104,290	104,290	104,290	104,290
Reserves	23	327,953	279,729	23,681	17,280
		432,243	384,019	127,971	121,570
Non-controlling interests		20,169	20,502	-	-
TOTAL EQUITY		452,412	404,521	127,971	121,570
LIABILITIES					
Non-current liabilities					
Lease liabilities	24	32,514	34,557	-	-
Term loans	25	96,587	64,140	-	-
Deferred tax liabilities	12	36,494	31,488	-	-
Post-employment benefits obligation	26	3,749	3,738	-	-
		169,344	133,923	-	-
Current liabilities					
Trade payables	27	56,612	51,284	-	-
Other payables and accruals	28	40,998	37,973	203	176
Amounts owing to subsidiaries	16	-	-	5,068	7,105
Amount owing to an associate	17	-	7	-	-
Amount owing to a related party	19	826	489	-	-
Amounts owing to joint ventures	20	190	131	-	-
Lease liabilities	24	28,821	20,965	-	-
Term loans	25	18,623	9,682	-	-
Short-term borrowings	29	53,133	21,486	-	-
Dividend payable		-	5,584	-	5,584
Current tax liabilities		3,864	2,988	-	11
		203,067	150,589	5,271	12,876
TOTAL LIABILITIES		372,411	284,512	5,271	12,876
TOTAL EQUITY AND LIABILITIES		824,823	689,033	133,242	134,446

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

Statements of Profit or Loss

For the Financial Year Ended 30 June 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	30	817,477	948,361	28,000	26,153
Cost of services		(582,624)	(719,154)	-	-
Gross profit		234,853	229,207	28,000	26,153
Other income		13,584	12,943	262	466
Administrative expenses		(196,305)	(174,686)	(5,070)	(1,223)
Finance costs	31	(8,033)	(7,808)	-	-
Share of profit of associates	8	308	3	-	-
Share of profit of joint ventures	9	2,249	2,593	-	-
Profit before tax	32	46,656	62,252	23,192	25,396
Tax expense	33	(12,945)	(15,100)	(38)	(39)
Profit for the financial year		33,711	47,152	23,154	25,357
Profit for the financial year attributable to:					
Owners of the parent		30,895	42,007	23,154	25,357
Non-controlling interests		2,816	5,145	-	-
		33,711	47,152	23,154	25,357
Earnings per ordinary share attributable to equity holders of the Company:					
Basic earnings per ordinary share (sen)	36	5.53	7.52		
Diluted earnings per ordinary share (sen)	36	5.53	7.52		

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

Statements of Comprehensive Income

For the Financial Year Ended 30 June 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit for the financial year		33,711	47,152	23,154	25,357
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Foreign currency translations	33(d)	(2,414)	4,236	-	-
		(2,414)	4,236	-	-
Items that will not be reclassified subsequently to profit or loss					
Actuarial loss on defined benefits plan	33(d)	321	(438)	-	-
Revaluation surplus on land and buildings	33(d)	37,852	-	-	-
		38,173	(438)	-	-
Other comprehensive income for the financial year, net of tax		35,759	3,798	-	-
Total comprehensive income for the financial year		69,470	50,950	23,154	25,357
Total comprehensive income attributable to:					
Owners of the parent		67,349	44,781	23,154	25,357
Non-controlling interests		2,121	6,169	-	-
		69,470	50,950	23,154	25,357

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

Consolidated Statement of Changes in Equity

For the Financial Year Ended 30 June 2024

GROUP	Non-distributable			Distributable			Total equity RM'000
	Share capital RM'000	Foreign exchange translation reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Attributable to owners of the parent RM'000	Non-controlling interests RM'000	
Balance as at 1 July 2022	104,290	541	83,129	173,615	361,575	15,162	376,737
Profit for the financial year	-	-	-	42,007	42,007	5,145	47,152
Actuarial loss on defined benefits plan, net of tax	-	-	-	(293)	(293)	(145)	(438)
Foreign currency translations, net of tax	-	3,067	-	-	3,067	1,169	4,236
Total comprehensive income, net of tax	-	3,067	-	41,714	44,781	6,169	50,950
Balance c/f	104,290	3,608	83,129	215,329	406,356	21,331	427,687
Transactions with owners							
Strike off of a subsidiary	-	-	-	-	-	(74)	(74)
Dividends paid	-	-	-	(22,337)	(22,337)	-	(22,337)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	(755)	(755)
Total transactions with owners	-	-	-	(22,337)	(22,337)	(829)	(23,166)
Transfer due to crystallisation of revaluation reserve	-	-	(1,218)	1,218	-	-	-
Balance as at 30 June 2023	104,290	3,608	81,911	194,210	384,019	20,502	404,521

The accompanying notes form an integral part of the financial statements

Consolidated Statement of Changes in Equity
For the Financial Year Ended 30 June 2024 (continued)

GROUP	Non-distributable			Distributable			Total equity RM'000
	Share capital RM'000	Foreign exchange reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Attributable to owners of the parent RM'000	Non-controlling interests RM'000	
Balance as at 1 July 2023	104,290	3,608	81,911	194,210	384,019	20,502	404,521
Profit for the financial year	-	-	-	30,895	30,895	2,816	33,711
Actuarial loss on defined benefits plan, net of tax	-	-	-	214	214	107	321
Foreign currency translations, net of tax	-	(1,612)	-	-	(1,612)	(802)	(2,414)
Revaluation surplus on land and buildings, net of tax	-	-	37,852	-	37,852	-	37,852
Total comprehensive income, net of tax	-	(1,612)	37,852	31,109	67,349	2,121	69,470
Balance c/f	104,290	1,996	119,763	225,319	451,368	22,623	473,991
Transactions with owners							
Acquisition from additional interest of non-controlling interest	-	-	-	(2,484)	(2,484)	(1,214)	(3,698)
Ordinary shares contributed by non-controlling interests of a subsidiary	-	-	-	112	112	291	403
Dividends paid	-	-	-	(16,753)	(16,753)	-	(16,753)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	(1,531)	(1,531)
Total transactions with owners	-	-	-	(19,125)	(19,125)	(2,454)	(21,579)
Transfer due to crystallisation of revaluation reserve	-	-	(1,211)	1,211	-	-	-
Balance as at 30 June 2024	104,290	1,996	118,552	207,405	432,243	20,169	452,412

The accompanying notes form an integral part of the financial statements

Statement of Changes In Equity

For the Financial Year Ended 30 June 2024

COMPANY	Note	Share capital RM'000	Distributable Retained earnings RM'000	Total equity RM'000
Balance as at 1 July 2022		104,290	14,260	118,550
Profit for the financial year		-	25,357	25,357
Other comprehensive income, net of tax		-	-	-
Total comprehensive income, net of tax		-	25,357	25,357
Transactions with owners				
Dividends paid	34	-	(22,337)	(22,337)
Balance as at 30 June 2023		104,290	17,280	121,570
Balance as at 1 July 2023		104,290	17,280	121,570
Profit for the financial year		-	23,154	23,154
Other comprehensive income, net of tax		-	-	-
Total comprehensive income, net of tax		-	23,154	23,154
Transactions with owners				
Dividends paid	34	-	(16,753)	(16,753)
Balance as at 30 June 2024		104,290	23,681	127,971

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

Statements of Cash Flows

For the Financial Year Ended 30 June 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	46,656	62,252	23,192	25,396
Adjustments for:				
Amortisation of intangible assets	110	111	-	-
Bad debts written off:				
- trade receivables	5,182	752	-	-
Depreciation:				
- property, plant and equipment	10,844	8,730	-	-
- right-of-use assets	28,193	20,414	-	-
Dividend income	(50)	(54)	(28,000)	(26,153)
Fair value gain on:				
- quoted shares	(46)	(468)	-	-
- short-term fund	(155)	(213)	-	-
Gain on disposal of property, plant and equipment	(3,822)	(414)	-	-
Gain on disposal of right-of-use assets	(240)	-	-	-
Impairment losses on:				
- other receivables	681	-	-	-
- investment on subsidiaries	-	-	3,122	-
- trade receivables	2,100	498	-	-
Interest expense	8,033	7,808	-	-
Interest income	(902)	(654)	(161)	(169)
Property, plant and equipment written off	82	9	-	-
Provision for post-employment benefits obligation	785	396	-	-
Reversal of impairment losses:				
- other receivables	-	(710)	-	-
- trade receivables	(2,231)	(2,270)	-	-
Share of profit of associates	(308)	(3)	-	-
Share of profit of joint ventures	(2,249)	(2,593)	-	-
Loss/(Gain) on disposal of subsidiary	539	-	(50)	-
Negative goodwill on business combination	(180)	-	-	-
Loss on remeasurement of previously held interest	68	-	-	-
Unrealised loss/(gain) on foreign currency transactions	595	(1,139)	-	(296)
Operating profit/(loss) before changes in working capital	93,685	92,452	(1,897)	(1,222)
Balance c/f	93,685	92,452	(1,897)	(1,222)

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

Statements of Cash Flows
For the Financial Year Ended 30 June 2024 (continued)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (continued)					
Balance b/f		93,685	92,452	(1,897)	(1,222)
(Increase)/Decrease in trade receivables		(38,905)	81,480	-	-
(Increase)/Decrease in other receivables, deposits and prepayments		(8,173)	21,417	-	-
Increase in amounts owing by related parties		(1,701)	(1,198)	-	-
Increase in amount owing to a related party		337	489	-	-
Decrease in amounts owing to associated companies		(69)	(4)	-	-
Decrease in amounts owing by joint ventures		431	1,126	-	-
Increase/(Decrease) in amounts owing to joint ventures		59	(263)	-	-
Increase/(Decrease) in trade payables		3,605	(33,919)	-	-
Increase/(Decrease) in other payables and accruals		8,330	(10,389)	25	19
Cash generated from/(used in) operations		57,599	151,191	(1,872)	(1,203)
Contributions paid for post-employment benefits obligation	26	(73)	(18)	-	-
Interest paid		(12)	(91)	-	-
Tax (paid)/refunded		(11,113)	(17,254)	(52)	110
Net cash generated from/(used in) operating activities		46,401	133,828	(1,924)	(1,093)

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

Statements of Cash Flows
For the Financial Year Ended 30 June 2024 (continued)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisitions of:					
- additional interest in non-controlling interests of a subsidiary		(3,698)	-	-	-
- subsidiaries, net of cash and cash equivalents acquired		(20,510)	-	-	-
Advances to subsidiaries		-	-	(4,635)	(2,877)
Disposal of a subsidiary, net of cash and cash equivalents disposed of		29	-	50	-
Dividends received		50	54	28,000	26,153
Dividends received from associate/joint ventures		586	1,581	-	-
Interest received		902	654	161	169
Placements of:					
- fixed deposits pledged to licensed banks		(190)	(809)	-	-
- fixed deposits placed with licensed banks with original maturity of more than three (3) months		(16)	(11)	-	-
Withdrawals of:					
- fixed deposits pledged to licensed banks		220	-	-	-
Proceeds from disposal of property, plant and equipment		6,201	729	-	-
Proceeds from disposal of right-of-used assets		425	-	-	-
Proceeds from disposal of partial interest in joint venture		82	-	-	-
Purchase of:					
- property, plant and equipment	5(e)	(32,910)	(9,739)	-	-
- right-of-use assets	11(g)	(3,050)	(2,217)	-	-
Net cash (used in)/generated from investing activities		(51,879)	(9,758)	23,576	23,445

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

Statements of Cash Flows
For the Financial Year Ended 30 June 2024 (continued)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		(22,337)	(22,337)	(22,337)	(22,337)
Dividends paid to non-controlling interests of subsidiaries		(1,531)	(755)	-	-
Drawdown of revolving credit	21(h)	56,000	5,000	-	-
Drawdown of term loans	21(h)	19,706	443	-	-
Interest paid		(8,021)	(7,717)	-	-
Repayments of:					
- lease liabilities	21(h)	(33,038)	(23,817)	-	-
- revolving credit	21(h)	(21,000)	(50,355)	-	-
- term loans	21(h)	(11,260)	(10,139)	-	-
Net cash used in financing activities		(21,481)	(109,677)	(22,337)	(22,337)
Net (decrease)/increase in cash and cash equivalents		(26,959)	14,393	(685)	15
Effects of exchange rate changes on cash and cash equivalents		(1,454)	(72)	-	-
Cash and cash equivalents at beginning of the financial year		112,422	98,101	12,787	12,772
Cash and cash equivalents at end of the financial year	21(d)	84,009	112,422	12,102	12,787

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

Notes to the Financial Statements

30 June 2024

1. CORPORATE INFORMATION

FM Global Logistics Holdings 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 of the Company is located at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The principal place of business of the Company is located at Lot 37, Lebuhr Sultan Mohamed 1, Kawasan Perindustrian Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan.

The consolidated financial statements for the financial year ended 30 June 2024 comprise the Company and its subsidiaries and the interests of the Group in associates and joint ventures. These financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 22 October 2024.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities and details of the subsidiaries are disclosed in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

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

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 44.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

Notes to the Financial Statements
30 June 2024 (continued)

4. OPERATING SEGMENTS

The Group is principally engaged in the freight forwarding and logistics industry. The Group has arrived at eight (8) (2023: seven (7)) reportable segments that are organised and managed separately according to the nature of services that is logistics, which requires different business and marketing strategies.

The reportable segments are Malaysia, Australia, Indonesia, Thailand, Vietnam, India, Singapore and the United States of America ("USA"), which are involved in providing integrated freight forwarding and logistics services such as sea freight, air freight, land freight, warehouse and distribution and supporting services.

Other operating segments comprise operations related to investment holding and provision of management services, provision of IT application solutions, support services and trading of goods.

The accounting policies of operating segments are the same as those described in the respective sections of the notes to the financial statements.

The Group evaluates operating segments' performance on the basis of profit or loss from operations before tax not including non-recurring losses such as goodwill impairment.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the current and previous financial years.

Segment assets exclude current tax assets and deferred tax assets.

Segment liabilities exclude current tax liabilities and deferred tax liabilities. Details are provided in the reconciliation from segment assets and segment liabilities to the statements of financial position of the Group.

Notes to the Financial Statements
30 June 2024 (continued)

4. OPERATING SEGMENTS (continued)	Logistics										Other operating segments RM'000	Eliminations RM'000	Total RM'000
	Malaysia RM'000	Australia RM'000	Indonesia RM'000	Thailand RM'000	Vietnam RM'000	India RM'000	USA RM'000	Singapore RM'000					
2024													
Revenue													
Total revenue	570,587	79,051	68,715	30,124	14,495	31,659	39,641	16,071	2,961	(35,827)	817,477		
Inter-segment revenue	(16,737)	(1,066)	(2,565)	(2,338)	(1,130)	(2,173)	(6,857)	-	(2,961)	35,827	-		
Revenue from external customers	553,850	77,985	66,150	27,786	13,365	29,486	32,784	16,071	-	-	817,477		
Finance costs	(7,044)	(83)	(54)	(181)	(10)	(45)	(530)	(807)	(345)	1,066	(8,033)		
Share of profit of associates	2	-	-	-	-	-	-	-	306	-	308		
Share of profit of joint ventures	-	-	-	-	-	-	-	-	2,249	-	2,249		
Segment profit before income tax	36,742	2,452	6,238	174	(180)	946	1,294	483	271	(1,764)	46,656		
Investments in associates	-	-	-	-	-	-	-	-	1,770	-	1,770		
Investments in joint ventures	-	-	-	-	-	-	-	-	8,585	-	8,585		
Other investments	-	-	-	-	-	-	-	-	2,203	-	2,203		
Additions to non-current assets other than financial instruments	75,019	564	673	635	10	41	1,318	10	-	-	78,270		
Segment assets	667,380	25,163	37,718	15,368	6,473	9,524	23,927	27,412	109,490	(99,991)	822,464		
Segment liabilities	340,594	10,866	11,321	9,606	1,026	4,486	19,714	20,702	71,878	(158,140)	332,053		

Notes to the Financial Statements
30 June 2024 (continued)

4. OPERATING SEGMENTS (continued)

	Logistics					Other operating segments		Total
	Malaysia RM'000	Australia RM'000	Indonesia RM'000	Thailand RM'000	Vietnam RM'000	India RM'000	USA RM'000	
2023								
Revenue								
Total revenue	655,851	115,279	60,694	34,925	19,484	37,025	59,257	2,103
Inter-segment revenue	(17,878)	(820)	(2,480)	(2,570)	(802)	(3,145)	(6,459)	(2,103)
Revenue from external customers	637,973	114,459	58,214	32,355	18,682	33,880	52,798	-
Finance costs	(7,572)	(109)	(21)	(84)	(19)	(68)	-	65
Share of profit of associates	3	-	-	-	-	-	-	-
Share of profit of joint ventures	-	-	-	-	-	-	-	2,593
Segment profit before income tax	40,749	6,045	5,708	1,095	940	2,016	1,396	5,610
Investments in associates	454	-	-	-	-	-	-	-
Investments in joint ventures	-	-	-	-	-	-	-	10,414
Other investments	16,409	-	-	-	-	-	-	2,157
Additions to non-current assets other than financial instruments	32,006	465	711	35	40	32	153	2,553
Segment assets	573,685	26,690	33,854	13,770	7,073	8,588	23,115	109,282
Segment liabilities	295,337	11,766	10,540	7,952	1,021	4,185	20,374	53,520
							(1,307)	(36,257)
								36,257
								948,361
								-
								(7,808)
								3
								2,593
								62,252
								454
								10,414
								18,566
								35,995
								685,519
								250,036

Notes to the Financial Statements
30 June 2024 (continued)

	Logistics										Other operating segments	Eliminations	Total
	Malaysia	Australia	Indonesia	Thailand	Vietnam	India	USA	Other operating segments	Eliminations	Total			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
4. OPERATING SEGMENTS (continued)													
2023 (continued)													
Other material non-cash items													
Depreciation:													
- property, plant and equipment	7,424	184	339	89	72	34	32	123	433				8,730
- right-of-use assets	18,611	880	582	160	181	-	-	-	-				20,414
Amortisation of intangible assets	-	-	-	-	-	-	1	110	-				111
Impairment losses on:													
- trade receivables	173	77	-	-	22	218	8	-	-				498
Provision for post-employment benefits obligation	-	-	396	-	-	-	-	-	-				396
Reversal of impairment losses:													
- trade receivables	(878)	-	(928)	(108)	(2)	(351)	(3)	-	-				(2,270)
- other receivables	-	-	-	-	-	-	-	(710)	-				(710)

Notes to the Financial Statements
30 June 2024 (continued)**4. OPERATING SEGMENTS (continued)**

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities to the corresponding amounts of the Group are as follows:

	2024 RM'000	2023 RM'000
Profit for the financial year		
Total profit or loss for reportable segments	46,656	62,252
Tax expense	(12,945)	(15,100)
Profit for the financial year of the Group per consolidated statement of profit or loss	<u>33,711</u>	<u>47,152</u>
Assets		
Total assets for reportable segments	822,464	685,519
Deferred tax assets	1,300	1,228
Current tax assets	1,059	2,286
Assets of the Group per consolidated statement of financial position	<u>824,823</u>	<u>689,033</u>
Liabilities		
Total liabilities for reportable segments	332,053	250,036
Deferred tax liabilities	36,494	31,488
Current tax liabilities	3,864	2,988
Liabilities of the Group per consolidated statement of financial position	<u>372,411</u>	<u>284,512</u>

Major customers

The Group does not have any major customers with revenue equal to or more than ten percent (10%) of the revenue of the Group.

Notes to the Financial Statements
30 June 2024 (continued)

5. PROPERTY, PLANT AND EQUIPMENT	Group	Balance as at 1.7.2023 RM'000	Additions RM'000	Disposals RM'000	Written off RM'000	Depreciation charge for the financial year		Reclassification RM'000	Revaluation surplus RM'000	Acquisition of subsidiaries (Note 37) RM'000	Translations adjustments RM'000	Balance as at 30.6.2024 RM'000
						RM'000	RM'000					
	Carrying amount											
	At valuation											
	Freehold land	65,660	-	-	-	-	-	-	13,140	-	-	78,800
	Buildings	101,910	-	-	-	(2,818)	-	-	6,514	-	(45)	105,561
	At cost											
	Machinery, furniture and fittings	6,191	2,115	(36)	(29)	(2,022)	-	-	-	214	(3)	6,430
	Office equipment	6,867	1,657	(195)	(13)	(1,983)	-	-	-	53	(14)	6,372
	Renovations	2,608	212	-	(40)	(473)	-	-	-	69	(14)	2,362
	Motor vehicles	1,724	1,108	(346)	-	(869)	1,058	-	-	131	(31)	2,775
	Forklifts	12	-	-	-	(12)	-	-	-	-	-	-
	Storage containers	1,216	25	-	-	(130)	-	-	-	-	-	1,111
	Prime movers and trailers	1,289	-	(37)	-	(1,408)	5,272	-	-	-	-	5,116
	Tugboats and barges	3,017	-	(2,028)	-	(996)	-	-	-	-	7	-
	Plant and machinery	1,300	-	-	-	(133)	-	-	-	-	-	1,167
	Construction-in-progress	379	48,646	-	-	-	-	-	-	-	-	49,025
		192,173	53,763	(2,642)	(82)	(10,844)	6,330	19,654	467	(100)		258,719

Notes to the Financial Statements
30 June 2024 (continued)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	At 30.6.2024			
	Cost RM'000	Valuation RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
At valuation				
Freehold land	-	78,800	-	78,800
Buildings	-	114,021	(8,460)	105,561
At cost				
Machinery, furniture and fittings	27,721	-	(21,291)	6,430
Office equipment	24,265	-	(17,893)	6,372
Renovations	5,459	-	(3,097)	2,362
Motor vehicles	16,604	-	(13,829)	2,775
Forklifts	4,021	-	(4,021)	-
Storage containers	2,060	-	(949)	1,111
Prime movers and trailers	34,786	-	(29,670)	5,116
Tugboats and barges	-	-	-	-
Plant and machinery	1,322	-	(155)	1,167
Construction-in-progress	49,025	-	-	49,025
	165,263	192,821	(99,365)	258,719

Notes to the Financial Statements
30 June 2024 (continued)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	Balance as at	Additions	Disposals	Written off	Depreciation	Reclassifi-	Translations	Balance as at
	1.7.2022	RM'000	RM'000	RM'000	charge for the	cation	adjustments	30.6.2023
Carrying amount	RM'000	RM'000	RM'000	RM'000	financial year	RM'000	RM'000	RM'000
At valuation								
Freehold land	65,660	-	-	-	-	-	-	65,660
Buildings	104,667	-	-	-	(2,818)	-	61	101,910
At cost								
Machinery, furniture and fittings	5,606	2,274	(91)	(3)	(1,607)	-	12	6,191
Office equipment	3,533	4,789	(60)	(6)	(1,418)	-	29	6,867
Renovations	2,176	870	-	-	(459)	-	21	2,608
Motor vehicles	1,088	386	(85)	-	(677)	972	40	1,724
Forklifts	-	-	-	-	(77)	89	-	12
Storage containers	1,331	13	-	-	(128)	-	-	1,216
Prime movers and trailers	780	-	(79)	-	(363)	951	-	1,289
Tugboats and barges	4,044	-	-	-	(1,161)	-	134	3,017
Construction-in-progress	18	361	-	-	-	-	-	379
Plant and machinery	-	1,322	-	-	(22)	-	-	1,300
	188,903	10,015	(315)	(9)	(8,730)	2,012	297	192,173

Notes to the Financial Statements
30 June 2024 (continued)

Group	At 30.6.2023				
	Cost RM'000	Valuation RM'000	Accumulated depreciation RM'000	impairment losses RM'000	Carrying amount RM'000
At valuation					
Freehold land	-	65,660	-	-	65,660
Buildings	-	107,572	(5,662)	-	101,910
At cost					
Machinery, furniture and fittings	24,076	-	(17,885)	-	6,191
Office equipment	23,157	-	(16,290)	-	6,867
Renovations	5,029	-	(2,421)	-	2,608
Motor vehicles	14,738	-	(13,014)	-	1,724
Forklifts	4,254	-	(4,242)	-	12
Storage containers	2,035	-	(819)	-	1,216
Prime movers and trailers	26,431	-	(25,142)	-	1,289
Tugboats and barges	7,087	-	(3,078)	(992)	3,017
Construction-in-progress	379	-	-	-	379
Plant and machinery	1,322	-	(22)	-	1,300
	108,508	173,232	(88,575)	(992)	192,173

Notes to the Financial Statements
30 June 2024 (continued)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

- (a) All items of property, plant and equipment are initially measured at cost. After initial recognition, property, plant and equipment except for land and buildings are stated at cost less accumulated depreciation and any accumulated impairment losses.

Land and buildings are stated at valuation, which are the fair values at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Land and buildings are revalued regularly (or at least once in every three (3) years) to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Depreciation is calculated to write down the cost or valuation of the assets to their residual values on a straight-line basis over their estimated useful lives. The estimated useful lives represent common life expectancies applied in the industry within which the Group operates. The principal depreciation periods and annual rates are as follows:

Buildings	50 years
Machinery, furniture and fittings	10% - 33%
Office equipment	Δ185
10% - 66%	
Renovations	10% - 25%
Motor vehicles	10% - 20%
Forklifts	20%
Storage containers	10%
Prime movers and trailers	10%
Tugboats and barges	7 years
Plant and machinery	10%

Freehold land has unlimited useful life and is not depreciated.

Construction work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

- (b) Freehold land and buildings (collectively known as land and buildings) classified under property, plant and equipment are measured at valuation with effect as at 30 June 2024. The valuation exercise on the land and buildings was performed by an independent professional valuer using the open market value method.

The amounts recognised in the financial statements arising from the revaluation are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Revaluation reserve	19,654	-
Deferred tax liabilities (Note 12(a))	(2,871)	-
	16,783	-

Notes to the Financial Statements
30 June 2024 (continued)**5. PROPERTY, PLANT AND EQUIPMENT (continued)**

(c) Had the revalued assets been carried out at cost less accumulated depreciation, the carrying amount would have been:

	Group	
	2024	2023
	RM'000	RM'000
Freehold land	42,480	42,480
Buildings	67,750	69,674
	110,230	112,154

(d) The fair value of land and buildings (at valuation) of the Group are categorised as follows:

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
2024				
Freehold land	-	78,800	-	78,800
Buildings	-	105,561	-	105,561
	-	184,361	-	184,361
2023				
Freehold land	-	65,660	-	65,660
Buildings	-	101,910	-	101,910
	-	167,570	-	167,570

- (i) There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial year ended 30 June 2024.
- (ii) Level 2 fair value of land and buildings (at valuation) was determined by external and independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The property valuer provides the fair value of the land and buildings (at valuation) of the Group on a regular basis.
- (iii) The fair value measurements of the land and buildings (at valuation) were based on the highest and best use, which did not differ from their actual use.

Notes to the Financial Statements
30 June 2024 (continued)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

(e) During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	Group	
	2024 RM'000	2023 RM'000
Purchase of property, plant and equipment	53,763	10,015
Financed by leased liabilities arrangements	(710)	(276)
Financed by term loan	(20,143)	-
Cash payments on purchase of property, plant and equipment	32,910	9,739

(f) Property, plant and equipment charged as security for banking facilities granted to the Group as disclosed in Notes 25 and 29 to the financial statements are as follows:

	Group	
	2024 RM'000	2023 RM'000
Carrying amount		
Freehold land	78,000	65,000
Buildings	104,292	100,609
	182,292	165,609

6. INTANGIBLE ASSETS

	Balance as at 1.7.2023 RM'000	Acquisition of subsidiaries (Note 37) RM'000	Amortisation charge for the financial year RM'000	Balance as at 30.6.2024 RM'000
Goodwill on consolidation	7,801	13,882	-	21,683
Computer software	119	-	(110)	9
	7,920	13,882	(110)	21,692

Notes to the Financial Statements
30 June 2024 (continued)

6. INTANGIBLE ASSETS (continued)

Group	As at 30.6.2024		
	Cost RM'000	Accumulated amortisation and impairment RM'000	Carrying amount RM'000
Goodwill on consolidation	22,673	(990)	21,683
Computer software	2,668	(2,659)	9
	25,341	(3,649)	21,692

Group	Balance as at 1.7.2022 RM'000	Adjustment RM'000	Amortisation charge for the financial year RM'000	Balance as at 30.6.2023 RM'000
	Goodwill on consolidation	7,922	(121)	-
Computer software	230	-	(111)	119
	8,152	(121)	(111)	7,920

Group	As at 30.6.2023		
	Cost RM'000	Accumulated amortisation and impairment RM'000	Carrying amount RM'000
Goodwill on consolidation	8,791	(990)	7,801
Computer software	2,668	(2,549)	119
	11,459	(3,539)	7,920

- (a) Intangible assets are initially measured at cost. After initial recognition, intangible assets, excluding goodwill are carried at cost less accumulated amortisation and any accumulated impairment losses.
- (b) Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

Notes to the Financial Statements
30 June 2024 (continued)

6. INTANGIBLE ASSETS (continued)

(c) Goodwill on consolidation

For the purpose of impairment testing, goodwill is allocated to the operating divisions of the Group, which represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. The carrying amount of goodwill allocated to each unit is as follows:

	Group	
	2024	2023
	RM'000	RM'000
Logistics:		
- United States of America	7,801	7,801
- Malaysia	943	943
- Thailand	32	32
- Australia	4	4
- Singapore	13,882	-
Others	11	11
	22,673	8,791
Less: Impairment losses		
Logistics:		
- Malaysia	(943)	(943)
- Thailand	(32)	(32)
- Australia	(4)	(4)
Others	(11)	(11)
	21,683	7,801

Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount of the cash-generating units ("CGUs") based on estimation of the value-in-use, which requires significant judgements, estimates about the future results and key assumptions made by the management. Value-in-use is determined by discounting the future cash flows to be generated from the continuing use of the CGUs based on the following assumptions, where applicable:

	Average Gross Margin		Growth Rate		Discount Rate	
	2024	2023	2024	2023	2024	2023
	%	%	%	%	%	%
CAC	24.00 - 32.00	-	3.5 - 5.0	-	8.05	-
IOS Group	31.00	20.53	1.8	1.8	8.05	10.66

- (i) Average gross margin Average gross margin achieved in 5 years immediately before the period increased for expected efficiency improvements and cost saving measures.
- (ii) Growth rate Based on expected projection of GDP growth rate in the United States of America and Singapore.
- (iii) Discount rate (pre-tax) Reflects specific risks relating to the relevant CGUs.

Notes to the Financial Statements
30 June 2024 (continued)**6. INTANGIBLE ASSETS (continued)**

(c) Goodwill on consolidation (continued)

The values assigned to the key assumptions represent management's assessment of future trends in the CGUs and are based on both external sources and internal historical data.

The management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the CGUs to materially exceed their recoverable amounts.

(d) Computer software that does not form an integral part of the related hardware is treated as intangible assets with finite useful lives and is amortised on a straight-line basis over its estimated useful life of five (5) years.

7. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Unquoted equity shares, at cost	43,073	43,373
Equity loan to a subsidiary	26,161	26,161
	69,234	69,534
Less: Impairment losses	(9,603)	(6,781)
	59,631	62,753

(a) Investments in subsidiaries are measured at cost in the separate financial statements of the Company. Non-controlling interests are measured at their proportionate share of the net assets of subsidiaries, unless another measurement basis is required by MFRSs.

(b) Equity loan to a subsidiary is unsecured and interest-free. Equity loan represents non-trade loan granted by the Company to a subsidiary for which settlement is neither planned nor likely to occur in the foreseeable future and is intended to provide the subsidiary with a long-term source of additional capital.

(c) The details of the subsidiaries are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2024	2023	
FM Global Logistics (M) Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
FM Multimodal Services Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
FM Global Logistics (KUL) Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services

Notes to the Financial Statements
30 June 2024 (continued)

7. INVESTMENTS IN SUBSIDIARIES (continued)

(c) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2024	2023	
# FM Worldwide Logistics Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
# Resolute Marine Sdn. Bhd.	Malaysia	100%	100%	Dormant
# FM Global Logistics (Melaka) Sdn. Bhd.	Malaysia	100%	100%	Dormant
# AIF Marine Sdn. Bhd.	Malaysia	100%	100%	Dormant
# Advance International Freight Sdn. Bhd. ("AIF")	Malaysia	100%	100%	Dormant
# FMG Capital & Management Sdn. Bhd. ("FMGC")	Malaysia	100%	100%	Investment holding
# Freight Management MSC Sdn. Bhd.	Malaysia	100%	100%	Developing, providing and maintaining IT software application solutions
Symphony Express Sdn. Bhd.	Malaysia	80%	80%	Provision of freight services
#^ Exterian Enterprise Sdn. Bhd. ("EE")	Malaysia	-	100%	Provision of freight services
# FM Hubwire Sdn. Bhd.	Malaysia	100%	100%	Dormant
Parcel To Post Services Sdn. Bhd.	Malaysia	100%	100%	Provision of parcel services
+ FMGL Overseas Venture Limited	Hong Kong	100%	100%	Investment holding
# Transenergy Shipping Pte. Ltd.	Malaysia	100%	100%	Provision of marine services
# Transenergy Shipping Management Sdn. Bhd.	Malaysia	100%	100%	Dormant
Subsidiaries of FMGL Overseas Venture Limited				
# FM Global Logistics (S'pore) Pte. Ltd.	Singapore	100%	100%	Provision of freight services
FM Global Logistics Ventures Sdn. Bhd. ("FMGLV")	Malaysia	100%	100%	Investment holding
Subsidiaries of FM Global Logistics Ventures Sdn. Bhd.				
* PT. FM Global Logistics ("PTFM")	Indonesia	67%	67%	Provision of freight services
+ FM Global Logistics Pty. Ltd.	Australia	55%	55%	Provision of integrated freight forwarding and logistic service
# FM Global Logistics Co., Ltd.	Thailand	49%	49%	Provision of freight services

Notes to the Financial Statements
30 June 2024 (continued)**7. INVESTMENTS IN SUBSIDIARIES (continued)**

(c) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2024	2023	
* FM Global Logistics Company Limited	Vietnam	98%	98%	Provision of freight services
+ FM Global Logistics (HK) Limited	Hong Kong	100%	100%	Dormant
#@ FM Global Logistics (India) Private Limited	India	100%	51%	Provision of integrated freight forwarding and logistic services
+ FM Global Logistics (USA), LLC	United States of America	100%	100%	Provision of freight services
# Star Cargo Network Pte. Ltd.	Singapore	100%	100%	Provision of freight services
+ Star Cargo Alliance Pte. Ltd.	Singapore	100%	100%	Dormant
+ Inter-Orient Services	United States of America	85%	85%	Provision of freight forwarding services
+ Inter-Orient Corporation	United States of America	85%	85%	Provision of freight forwarding services
+ Noble Shipping Corporation	United States of America	85%	85%	Provision of freight forwarding services
# CAC Logistics Services Pte. Ltd.	Singapore	100%	-	Provision of warehouse service
CN FM Logistics (Malaysia) Sdn. Bhd.	Malaysia	100%	-	Provision of freight forwarding services
∞ AGN International Logistics (Malaysia) Sdn. Bhd.	Malaysia	100%	-	Dormant
Subsidiary of FM Global Logistics Company Limited, Vietnam				
* FM-TCI Global Logistics Company Limited	Vietnam	80%	80%	Provision of freight services
Subsidiary of FMG Logistics Co., Ltd.				
# FM Global Logistics Co., Ltd.	Thailand	21%	21%	Provision of freight services
Subsidiaries of FM Global Logistics (M) Sdn. Bhd.				
# FM Contract Logistics Sdn. Bhd.	Malaysia	100%	100%	Dormant
# FM Distribution Sdn. Bhd.	Malaysia	70%	-	Provision of warehouse services

Notes to the Financial Statements
30 June 2024 (continued)

7. INVESTMENTS IN SUBSIDIARIES (continued)

(c) The details of the subsidiaries are as follows (continued):

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2024	2023	
Subsidiaries of FMG Capital & Management Sdn. Bhd.				
Centro Maxx Sdn. Bhd.	Malaysia	100%	100%	Dormant
# Advance Retail Services Sdn. Bhd.	Malaysia	100%	100%	Provision of freight services
# FMX Logistics Sdn. Bhd.	Malaysia	100%	100%	Dormant
Subsidiaries of Exterian Enterprise Sdn. Bhd.				
+ ^ Exterian Capital Pte. Ltd.	Singapore	-	100%	Investment holding
#Ωβ FMG Logistics Co., Ltd. ("FMGT")	Thailand	-	24%	Provision of freight services
Subsidiary of Parcel To Post Services Sdn. Bhd.				
+ Parcel To Post Services (S) Pte. Ltd.	Singapore	100%	100%	Dormant
Subsidiary of FM Global Logistics (India) Private Limited				
#@ FM Global Consolidation Services Private Limited	India	80%	80%	Provision of integrated freight forwarding and logistic services
Subsidiary of Advance International Freight Sdn. Bhd.				
#Ωβ FMG Logistics Co., Ltd. ("FMGT")	Thailand	49%	25%	Provision of freight services

+ Subsidiaries are consolidated based on management accounts for the financial year ended 30 June 2024. The financial statements of these subsidiaries are not required to be audited in their country of incorporation.

* Subsidiaries audited by member firms of Crowe Global of which Crowe Malaysia PLT is a member.

Subsidiaries audited by other firms of chartered accountants.

@ Subsidiary had financial year ended 31 March 2024 and was consolidated based on management accounts for the financial year ended 30 June 2024.

^ This subsidiary was disposed during the financial year.

Ω Although the Company owns less than half of the voting power in FMGT, the Company controls this subsidiary by virtue of an agreement with the other investor of FMGT. Consequently, the Company consolidates its investment in this subsidiary at 100% effective interest in equity.

β The equity interest in FMGT was transferred from EE to AIF during the financial year.

∞ The subsidiary was incorporated during the financial year.

Notes to the Financial Statements
30 June 2024 (continued)**7. INVESTMENTS IN SUBSIDIARIES (continued)**

(d) The subsidiaries of the Group that have material non-controlling interests ("NCI") are as follows:

	PT. FM Global Logistics	FM Global Logistics Pty. Ltd.	FM Global Logistics Co., Ltd.	Other individual immaterial subsidiaries	Total
2024					
NCI percentage of ownership and voting interests	33%	45%	30%		
Carrying amount of NCI (RM'000)	9,299	6,042	1,862	2,966	20,169
Profit allocated to NCI (RM'000)	1,511	719	(42)	628	2,816
Other comprehensive income allocated to NCI (RM'000)	107	-	-	-	107
Dividend paid to NCI (RM'000)	-	1,331	-	200	1,531
2023					
NCI percentage of ownership and voting interests	33%	45%	30%		
Carrying amount of NCI (RM'000)	8,354	6,619	1,950	3,579	20,502
Profit allocated to NCI (RM'000)	1,397	2,076	272	1,400	5,145
Other comprehensive income allocated to NCI (RM'000)	(145)	-	-	-	(145)
Dividend paid to NCI (RM'000)	-	(672)	-	(83)	(755)

The NCI of all other subsidiaries that are not wholly-owned by the Group are deemed to be immaterial.

Notes to the Financial Statements
30 June 2024 (continued)

7. INVESTMENTS IN SUBSIDIARIES (continued)

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

	PT. FM Global Logistics RM'000	FM Global Logistics Pty. Ltd. RM'000	FM Global Logistics Co., Ltd. RM'000
2024			
Assets and liabilities			
Non-current assets	4,143	1,512	682
Current assets	35,358	23,651	15,109
Non-current liabilities	(529)	(669)	(332)
Current liabilities	(10,792)	(11,068)	(9,252)
Net assets	28,180	13,426	6,207
Results			
Revenue	68,715	79,051	30,124
Profit/(Loss) for the financial year	4,580	1,599	(140)
Total comprehensive income/(expenses)	4,580	1,599	(140)
Cash flows generated from/(used in) operating activities	3,639	3,418	(1,256)
Cash flows (used in)/generated from investing activities	(319)	316	119
Cash flows used in financing activities	(302)	(1,120)	(242)
Net increase/(decrease) in cash and cash equivalents	3,018	2,614	(1,379)
2023			
Assets and liabilities			
Non-current assets	3,497	1,010	369
Current assets	32,359	25,680	14,304
Non-current liabilities	(62)	(267)	(27)
Current liabilities	(10,478)	(11,714)	(8,148)
Net assets	25,316	14,709	6,498
Results			
Revenue	60,694	115,279	34,925
Profit for the financial year	4,232	4,612	908
Total comprehensive income	4,232	4,612	908
Cash flows generated from operating activities	5,569	2,482	1,216
Cash flows used in investing activities	(489)	(29)	(598)
Cash flows used in financing activities	(463)	(2,602)	(240)
Net increase/(decrease) in cash and cash equivalents	4,617	(149)	378

Notes to the Financial Statements
30 June 2024 (continued)**7. INVESTMENTS IN SUBSIDIARIES (continued)**

Restriction imposed by shareholders' agreements

In certain subsidiaries not wholly-owned by the Company, the non-controlling shareholders hold protective right, which restricts the ability of the Group to transfer its shares to any other third party at any point in time, unless approval is obtained from the non-controlling interest shareholders.

8. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted equity shares, at cost	2,035	6,045	-	-
Share of post-acquisition profit/(losses)	1,335	(3,991)	-	-
	3,370	2,054	-	-
Less: Impairment losses	(1,600)	(1,600)	-	-
	1,770	454	-	-

(a) Investments in associates are measured at cost less impairment losses, if any, in the separate financial statements of the Company and accounted for using the equity method in the consolidated financial statements of the Group.

(b) The details of the associates are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2024	2023	
Associate of FM Global Logistics (M) Sdn. Bhd.				
*# FM Distribution Sdn. Bhd.	Malaysia	-	49%	Provision of warehouse services
Associate of FM Global Logistics Ventures Sdn. Bhd.				
*^ Amass Freight Middle East FZCO	United Arab Emirates	40%	50%	Investment holding

* Associates audited by other firms of chartered accountants.

^ Associates had financial year ended 31 December 2023 and was equity accounted based on management accounts for the financial year ended 30 June 2024.

During the financial year, FM Global Logistics (M) Sdn. Bhd. had further subscribed additional 21% equity interest in the associate. This resulted in an increase in equity interest from 49% to 70% and thus, classified as a subsidiary in Note 7 to the financial statements.

Notes to the Financial Statements
30 June 2024 (continued)

8. INVESTMENTS IN ASSOCIATES (continued)

(c) The summarised financial information of the associates is as follows:

	Amass Freight Middle East FZCO RM'000
2024	
Assets and liabilities	
Non-current assets	814
Current assets	10,813
Non-current liabilities	-
Current liabilities	(7,202)
Net assets	<u>4,425</u>
Results	
Revenue	48,945
Profit for the financial year	766
Total comprehensive income	<u>766</u>
	FM Distribution Sdn. Bhd. RM'000
2023	
Assets and liabilities	
Current assets	792
Current liabilities	(4)
Net assets	<u>788</u>
Results	
Revenue	126
Profit for the financial year	6
Total comprehensive income	<u>6</u>

Notes to the Financial Statements
30 June 2024 (continued)**8. INVESTMENTS IN ASSOCIATES (continued)**

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

	Amass Freight Middle East FZCO RM'000	FM Distribution Sdn. Bhd. RM'000	Total RM'000
As at 30 June 2024			
Share of net assets of the Group	1,770	-	1,770
Carrying amount in the statements of financial position	<u>1,770</u>	<u>-</u>	<u>1,770</u>
Share of results of the Group for the financial year ended 30 June 2024			
Share of profit/other comprehensive income of the Group	307	1	308
Dividend received from associate	<u>586</u>	<u>-</u>	<u>586</u>
		FM Distribution Sdn. Bhd. RM'000	Total RM'000
As at 30 June 2023			
Share of net assets of the Group		386	386
Goodwill		68	68
Carrying amount in the statements of financial position		<u>454</u>	<u>454</u>
Share of results of the Group for the financial year ended 30 June 2023			
Share of profit/other comprehensive income of the Group		<u>3</u>	<u>3</u>

Notes to the Financial Statements
30 June 2024 (continued)

9. INVESTMENTS IN JOINT VENTURES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted equity shares, at cost	2,090	3,607	-	-
Share of post-acquisition profits	6,495	6,807	-	-
	8,585	10,414	-	-

- (a) Investments in joint ventures are measured at cost less impairment losses, if any, in the separate financial statements of the Company. The Group has determined that all of its joint arrangements structured through separate vehicles provide rights to the net assets and are therefore, classified as joint ventures. The Group accounts for investments in joint ventures using the equity method.
- (b) The details of the joint ventures are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2024	2023	
Joint ventures of FM Global Logistics Ventures Sdn. Bhd.				
* FM Global Logistics (Phil.), Inc.	Philippines	50%	50%	Provision of integrated freight and logistics
*^@ Amass Freight Middle East FZCO	United Arab Emirates	-	50%	Investment holding
#CN FM Logistics (Malaysia) Sdn. Bhd.	Malaysia	-	50%	Provision of freight services

* Joint ventures audited by other firms of chartered accountants.

^ In the previous financial year, the joint venture had financial year ended 31 December 2023 and was equity accounted based on management accounts for the financial year ended 30 June 2024.

@ During the financial year, FM Global Logistics Ventures Sdn. Bhd. ("FM Ventures") disposed 10% of its equity interest in the joint venture. This resulted in a decrease in equity interest from 50% to 40% and thus, classified as associate in Note 8 to the financial statements.

During the financial year, FM Ventures have acquired an additional 50% equity interest in the joint venture. This resulted in an increase in equity interest from 50% to 100% and thus, classified as a subsidiary in Note 7 to the financial statements.

Notes to the Financial Statements
30 June 2024 (continued)**9. INVESTMENTS IN JOINT VENTURES (continued)**

(c) The summarised financial information of the joint ventures is as follows:

	FM Global Logistics (Phil.), Inc. RM'000		
2024			
Assets and liabilities			
Non-current assets			2,949
Current assets			18,580
Non-current liabilities			-
Current liabilities			(6,319)
Net assets			<u>15,210</u>
Results			
Revenue			44,823
Administrative expenses			(40,972)
Profit for the financial year			<u>3,851</u>
	CN FM Logistics (Malaysia) Sdn. Bhd. RM'000	FM Global Logistics (Phil.), Inc. RM'000	Amass Freight Middle East FZCO RM'000
2023			
Assets and liabilities			
Non-current assets	88	3,444	1,050
Current assets	4,551	15,052	8,765
Non-current liabilities	(9)	-	-
Current liabilities	(1,384)	(7,138)	(5,551)
Net assets	<u>3,246</u>	<u>11,358</u>	<u>4,264</u>
Results			
Revenue	16,860	43,227	23,720
Administrative expenses	(16,097)	(40,129)	(22,396)
Profit for the financial year	<u>763</u>	<u>3,098</u>	<u>1,324</u>

Notes to the Financial Statements
30 June 2024 (continued)

9. INVESTMENTS IN JOINT VENTURES (continued)

- (d) The reconciliation of net assets of the joint ventures to the carrying amount of the investments in joint ventures is as follows:

As at 30 June 2024	CN FM Logistics (Malaysia) Sdn. Bhd. RM'000	FM Global Logistics (Phil.), Inc. RM'000	Total RM'000
Share of net assets of the Group	-	7,605	7,605
Goodwill	-	980	980
Carrying amount in the statements of financial position	-	8,585	8,585
Share of results of the Group for the financial year ended 30 June 2024			
Share of profit by the Group for the financial year	323	1,926	2,249

As at 30 June 2023	CN FM Logistics (Malaysia) Sdn. Bhd. RM'000	FM Global Logistics (Phil.), Inc. RM'000	Amass Freight Middle East FZCO RM'000	Total RM'000
Share of net assets of the Group	1,623	5,679	2,132	9,434
Goodwill	-	980	-	980
Carrying amount in the statements of financial position	1,623	6,659	2,132	10,414
Share of results of the Group for the financial year ended 30 June 2023				
Share of profit by the Group for the financial year	382	1,549	662	2,593
Dividend received from joint venture	-	(1,044)	(537)	(1,581)

Notes to the Financial Statements
30 June 2024 (continued)**10. OTHER INVESTMENTS**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Equity security:				
- Unquoted shares in Malaysia	360	360	-	-
Current				
Equity securities:				
- Unit trust funds quoted in Malaysia	-	16,409	-	-
- Quoted shares outside Malaysia	1,843	1,797	-	-
Total other investments	2,203	18,566	-	-

- (a) Equity securities which are not held for trading for which the Group has irrevocably elected to recognise at fair value through other comprehensive income. These are strategic investments for which the Group considers this classification to be appropriate and relevant.
- (b) All regular way purchases and sales of financial assets are recognised or derecognised using trade date accounting.
- (c) The fair values of quoted shares are determined by reference to the exchange quoted market bid prices at the close of the business at the end of the reporting period.

The fair value of unquoted shares in Malaysia is estimated based on the market approach model. Management obtained the industry share price from observable market data divided by price to earnings ratio ("P/E"), and multiplied by profit after taxation of the investee to derive the estimated fair value. Management believes that the estimated fair value resulting from this valuation model is reasonable and the most appropriate at the end of the reporting period.

- (d) The Group invested its unit trust funds quoted in Malaysia, at net for a total cash consideration of RM16,500,000 and divested its unit trust funds quoted in Malaysia, at net for a total cash consideration of RM33,064,167 and recognised a fair value gain of RM155,311 in financial statements.
- (e) At the end of the reporting period, the Group recognised a fair value gain on quoted shares of RM46,123 (2023: fair value gain – RM467,852) in the financial statements.

Notes to the Financial Statements
30 June 2024 (continued)

10. OTHER INVESTMENTS (continued)

(f) The fair values of other investments of the Group are categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2024				
Other investments				
- Unquoted shares in Malaysia	-	-	360	360
- Unit trust funds quoted in Malaysia	-	-	-	-
- Quoted shares outside Malaysia	1,843	-	-	1,843
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2023				
Other investments				
- Unquoted shares in Malaysia	-	-	360	360
- Unit trust funds quoted in Malaysia	16,409	-	-	16,409
- Quoted shares outside Malaysia	1,797	-	-	1,797

(g) The significant unobservable inputs used in determining the fair value measurement of Level 3 financial instruments as well as the relationship between key unobservable inputs and fair values, is detailed in the table below:

Financial instruments	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair values
<u>Financial assets</u> Unquoted investments in Malaysia	Industry price-earnings ratio of comparable competitors 12.50 (2023: 7.94)	The higher the price-earnings ratio, the higher the fair values of the unquoted investments would be.

Notes to the Financial Statements
30 June 2024 (continued)

11. RIGHT-OF-USE ASSETS

Group	Balance as at 1.7.2023 RM'000	Additions RM'000	Disposal RM'000	Depreciation Reassessment of the financial year		Acquisition of subsidiaries RM'000	Disposal of a subsidiary RM'000	Revaluation surplus RM'000	Reclassification RM'000	Transla- tions adjust- ments RM'000	Balance as at 30.6.2024 RM'000
				charge for RM'000	ment of lease liabilities RM'000						
Long-term leasehold land	90,997	14,909	-	(1,446)	-	-	-	23,410	-	-	127,870
Motor vehicles	11,310	4,137	(185)	(1,874)	-	-	-	-	(1,058)	1	12,331
Machinery	8,363	-	-	(157)	-	-	(8,206)	-	-	-	-
Forklifts	1,610	410	-	(878)	489	244	-	-	-	(2)	1,873
Prime movers and trailers	37,672	4,905	-	(4,279)	-	-	-	-	(5,272)	-	33,026
Storage containers	399	-	-	(47)	-	-	-	-	-	-	352
Warehouse	9,214	-	-	(17,109)	15,256	16,075	-	-	47	(81)	23,402
Office	2,292	146	-	(2,403)	3,981	-	-	-	(47)	(45)	3,924
	161,857	24,507	(185)	(28,193)	19,726	16,319	(8,206)	23,410	(6,330)	(127)	202,778

Notes to the Financial Statements
30 June 2024 (continued)

Group	Balance as at 1.7.2022	Depreciation charge for the financial year	Reassessment of lease liabilities	Reclassification adjustments	Translations adjustments	Balance as at 30.6.2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Long-term leasehold land	92,363	(1,366)	-	-	-	90,997
Motor vehicles	9,662	(2,228)	-	(972)	17	11,310
Machinery	8,739	(858)	-	-	-	8,363
Forklifts	1,121	(436)	-	(89)	-	1,610
Prime movers and trailers	31,194	(4,868)	-	(951)	-	37,672
Storage containers	446	(47)	-	-	-	399
Warehouse	9,610	(7,847)	760	-	-	9,214
Office	4,085	(2,764)	203	-	103	2,292
	157,220	25,980	963	(2,012)	120	161,857

Notes to the Financial Statements
30 June 2024 (continued)**11. RIGHT-OF-USE ASSETS (continued)**

- (a) The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets except for long-term leasehold land are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liabilities.

Long-term leasehold land is stated at valuation, which is the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Long-term leasehold land is revalued regularly (or at least once in every three (3) years) to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Long-term leasehold land	60 years - 99 years
Motor vehicles	10% - 20%
Machinery	10%
Forklifts	20%
Prime movers and trailers	10%
Storage containers	10%
Warehouse	2 - 3 years
Office	2 - 4 years

- (b) Included in right-of-use assets of the Group, the long-term leasehold land with a carrying amount of RM127,870,000 (2023: RM90,997,396) is subject to fixed charges as security for banking facilities granted to the Group as disclosed in Notes 25 and 29 to the financial statements to secure certain lease liabilities of the Group.
- (c) The Group has certain leases with lease term of 12 months or less. The Group applies the "short-term lease" exemptions for these leases.
- (d) Long-term leasehold land classified under right-of-use assets are measured at valuation with effect as at 30 June 2024. The valuation exercise on the long-term leasehold land was performed by an independent professional valuer using the open market value method.

The amounts recognised in the financial statements arising from the revaluation are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Revaluation reserve	23,410	-
Deferred tax liabilities (Note 12(a))	(2,341)	-
	21,069	-

Notes to the Financial Statements
30 June 2024 (continued)

11. RIGHT-OF-USE ASSETS (continued)

- (e) Had the revalued assets been carried out at cost less accumulated depreciation, the carrying amount would have been:

	Group	
	2024	2023
	RM'000	RM'000
Long-term leasehold land	58,007	43,841

- (f) The fair value of long-term leasehold land (at valuation) of the Group is categorised as follows:

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
2024				
Long-term leasehold land	-	127,870	-	127,870
2023				
Long-term leasehold land	-	90,997	-	90,997

- (i) There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial year ended 30 June 2024.
- (ii) Level 2 fair value of long-term leasehold land (at valuation) was determined by external and independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The property valuer provides the fair value of the long-term leasehold land (at valuation) of the Group on a regular basis.
- (iii) The fair value measurements of the long-term leasehold land (at valuation) was based on the highest and best use, which did not differ from their actual use.
- (g) During the financial year, the Group made the following cash payments to acquire right-of-use assets:

	Group	
	2024	2023
	RM'000	RM'000
Right-of-use assets acquired	24,507	25,980
Financed by lease liabilities arrangements	(8,657)	(23,763)
Financed by term loan	(12,800)	-
Cash payments on right-of-use assets acquired	3,050	2,217

Notes to the Financial Statements
30 June 2024 (continued)**12. DEFERRED TAX (ASSETS)/LIABILITIES**

(a) The deferred tax assets and liabilities are made up of the following:

	Group	
	2024	2023
	RM'000	RM'000
Balance as at 1 July	30,260	29,908
Acquisition of subsidiaries (Note 37)	(112)	-
Recognised in profit or loss (Note 33)		
- Originating and reversal of temporary differences	(60)	523
- (Over)/Underprovision in prior years	(26)	59
- Realisation on disposal of a barge	(263)	-
Recognised in other comprehensive income		
- Actuarial loss on defined benefits plan	90	(124)
- Arising from revaluation of land and building	5,212	-
Exchange differences	93	(106)
Balance as at 30 June	<u>35,194</u>	<u>30,260</u>
Presented after appropriate offsetting		
Deferred tax assets, net	(1,300)	(1,228)
Deferred tax liabilities, net	36,494	31,488
	<u>35,194</u>	<u>30,260</u>

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

	Group	
	2024	2023
	RM'000	RM'000
Deferred tax assets		
Balance as at 1 July	(1,228)	(1,130)
Recognised in profit or loss		
- Trade receivables	(31)	195
- Provision for post-employment benefits obligation	87	(145)
- Unused tax losses	7	1
- Others	(45)	(25)
Recognised in other comprehensive income		
- Actuarial loss on defined benefits plan	(90)	(124)
Balance as at 30 June	<u>(1,300)</u>	<u>(1,228)</u>

Notes to the Financial Statements
30 June 2024 (continued)

12. DEFERRED TAX (ASSETS)/LIABILITIES (continued)

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

	Group	
	2024 RM'000	2023 RM'000
Deferred tax liabilities		
Balance as at 1 July	31,488	31,038
Acquisition of subsidiaries (Note 37)	(112)	-
Recognised in profit or loss		
- Property, plant and equipment	574	895
- Unrealised loss on foreign currency transactions	(33)	(71)
- Crystallisation of deferred tax on revaluation reserve	(372)	(374)
- Realisation on disposal of a barge	(263)	-
Recognised in other comprehensive income		
- Arising from revaluation of land and building	5,212	-
	<u>36,494</u>	<u>31,488</u>

- (c) The components of deferred tax assets and liabilities as at the end of the reporting period are as follows:

	Group	
	2024 RM'000	2023 RM'000
Deferred tax assets		
Trade receivables	(47)	(16)
Provision for post-employment benefits obligation	(548)	(635)
Unused tax losses	(25)	(32)
Actuarial loss on defined benefits plan	(277)	(187)
Others	(403)	(358)
	<u>(1,300)</u>	<u>(1,228)</u>
Deferred tax liabilities		
Property, plant and equipment	11,642	11,443
Unrealised loss on foreign currency transactions	(67)	(34)
Revaluation of land and buildings	24,919	20,079
	<u>36,494</u>	<u>31,488</u>

Notes to the Financial Statements
30 June 2024 (continued)**12. DEFERRED TAX (ASSETS)/LIABILITIES (continued)**

- (d) The amounts of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unused tax losses	7,597	7,072	-	-
Unabsorbed capital allowances	1,315	1,286	-	-
Others	(369)	(314)	-	-
	8,543	8,044	-	-

13. CONTINGENT CONSIDERATION

Non-current	Group	
	2024 RM'000	2023 RM'000
At 01.07.2023	-	-
Acquisition through business combination (Note 37(a)(i))	4,607	-
At 30.06.2024	4,607	-

As part of the acquisition of a wholly-owned subsidiary, CAC Logistics Services Pte. Ltd ("CAC"), a contingent consideration is payable to FM Global Logistics Ventures Sdn. Bhd. from 2025 to 2026, if and only when the profit after tax of CAC for the next two (2) financial years commencing from 1 November 2023 ("the completion date") shall not be less than the sum of SGD750,000.00 for each year respectively.

14. TRADE RECEIVABLES

	Group	
	2024 RM'000	2023 RM'000
Third parties	194,545	157,688
Less: Impairment losses	(4,500)	(4,145)
Total trade receivables	190,045	153,543

- (a) Trade receivables are classified as financial assets measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal credit terms granted by the Group ranges from 7 to 60 days (2023: 7 to 60 days) from date of invoices. They are recognised at their original invoice amounts, which represent their fair values on initial recognition.

Notes to the Financial Statements
30 June 2024 (continued)

14. TRADE RECEIVABLES (continued)

- (c) The information about the exposure to credit risk and the loss allowance calculated under MFRS 9 are summarised below:

Group	Gross amount RM'000	Loss allowance RM'000	Carrying amount RM'000
2024			
Current (not past due)	154,162	(506)	153,656
1 to 30 days past due	21,459	(279)	21,180
31 to 60 days past due	8,236	(253)	7,983
61 to 90 days past due	3,192	(235)	2,957
91 to 120 days past due	1,546	(169)	1,377
More than 120 days	4,930	(2,135)	2,795
	193,525	(3,577)	189,948
Credit impaired: - individually impaired	1,020	(923)	97
	194,545	(4,500)	190,045
2023			
Current (not past due)	126,694	(282)	126,412
1 to 30 days past due	15,567	(115)	15,452
31 to 60 days past due	8,639	(513)	8,126
61 to 90 days past due	2,370	(932)	1,438
91 to 120 days past due	1,267	(350)	917
More than 120 days	2,796	(1,598)	1,198
	157,333	(3,790)	153,543
Credit impaired: - individually impaired	355	(355)	-
	157,688	(4,145)	153,543

- (d) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers. The expected loss rates are based on the Group's historical credit losses experienced over a one year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. The Group has identified the gross domestic product (GDP) as the key macroeconomic factors.

For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within 'Administrative Expenses' in the consolidated statement of profit or loss. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

Management exercised significant judgement in determining the probability of default by trade receivables and appropriate forward looking information.

Notes to the Financial Statements
30 June 2024 (continued)**14. TRADE RECEIVABLES (continued)**

- (e) The reconciliation of movements in the impairment losses on trade receivables are as follows:

	Group	
	2024	2023
	RM'000	RM'000
At 1 July	4,145	5,832
Charged for the financial year	2,100	498
Reversal for the financial year	(2,231)	(2,270)
Subsidiary acquire	482	-
Exchange differences	4	85
	<hr/>	<hr/>
At 30 June	4,500	4,145

- (f) The Group determines concentration of credit risk by monitoring the country sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the trade receivables of the Group at the end of the reporting period are as follows:

	Group			
	2024		2023	
	RM'000	% of total	RM'000	% of total
By country				
Domestic	128,950	68	103,916	68
Foreign	61,095	32	49,627	32
	<hr/>		<hr/>	
	190,045	100	153,543	100

The Company does not have any significant concentration of credit risk other than the amounts owing by subsidiaries and related companies, which constitutes 99.99% (2023: 99.99%) of total receivables of the Company as at the end of the reporting period.

- (g) Foreign currency exposure profiles of trade receivables are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Ringgit Malaysia	128,950	103,916
US Dollar	24,564	26,897
Singapore Dollar	2,215	131
Australian Dollar	9,197	11,341
Thai Baht	6,055	6,019
Euro	-	25
Indonesian Rupiah	13,599	1,463
Vietnamese Dong	1,008	774
Indian Rupee	4,431	2,955
Brunei Dollar	13	22
Others	13	-
	<hr/>	<hr/>
	190,045	153,543

Notes to the Financial Statements
30 June 2024 (continued)

14. TRADE RECEIVABLES (continued)

- (h) Sensitivity analysis of Ringgit Malaysia ("RM") against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group	
	2024 RM'000	2023 RM'000
Effects of 5% changes to RM against foreign currencies		
Profit after tax		
- US Dollar	556	766

The exposure to the other currencies are not significant, hence the effects of the changes in the exchange rates are not presented.

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other receivables and deposits				
Other receivables	8,987	7,510	-	-
Less: Impairment losses	(658)	-	-	-
Deposits	8,329 9,977	7,510 5,378	- 1	- 1
	18,306	12,888	1	1
Prepayments				
Prepayments	19,631	11,573	6	5
	37,937	24,461	7	6

- (a) The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.
- (b) The reconciliation of movements in the impairment losses on other receivables are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 July	-	710	-	-
Charged for the financial year	681	-	-	-
Reversal for the financial year	-	(710)	-	-
Exchange differences	(23)	-	-	-
At 30 June	658	-	-	-

Notes to the Financial Statements
30 June 2024 (continued)**15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)**

(c) Foreign currency exposure profiles of other receivables are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	4,356	5,034	-	-
Singapore Dollar	165	-	-	-
US Dollar	132	43	-	-
Indonesian Rupiah	533	497	-	-
Australian Dollar	1,584	834	-	-
Thai Baht	453	235	-	-
Vietnamese Dong	252	169	-	-
Indian Rupee	848	698	-	-
Other	6	-	-	-
	8,329	7,510	-	-

(d) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group	
	2024 RM'000	2023 RM'000
Effects of 5% changes to RM against foreign currencies		
Profit after tax		
- Singapore Dollar	6	-
- US Dollar	-	1

The exposure to the other currencies are not significant, hence the effects of the changes in the exchange rates are not presented.

Notes to the Financial Statements
30 June 2024 (continued)

16. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	Company	
	2024	2023
	RM'000	RM'000
Amounts owing by subsidiaries	21,087	34,201
Amounts owing to subsidiaries	(5,068)	(7,105)

Company

- (a) The amounts owing by/(to) subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and payable upon demand in cash and cash equivalents.
- (b) The maturity profile of amounts owing to subsidiaries of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within one year.
- (c) Amounts owing by/(to) subsidiaries are denominated in RM.

17. AMOUNTS OWING BY/(TO) ASSOCIATES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Amounts owing by associates	62	-	-	-
Amount owing to an associate	-	(7)	-	-

Group and Company

- (a) The amounts owing by/(to) associates represent mainly advances and payments made on behalf, which are unsecured, interest-free and payable upon demand in cash and cash equivalents.
- (b) The maturity profile of amount owing to an associate of the Group at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within one year.
- (c) Foreign currency exposure profiles of amounts owing by associates are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
US Dollar	62	-	-	-

Notes to the Financial Statements
30 June 2024 (continued)**17. AMOUNTS OWING BY/(TO) ASSOCIATES (continued)**

- (d) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Effects of 5% changes to RM against foreign currencies				
Profit after tax				
- US Dollar	2	-	-	-

- (e) Amounts owing by/(to) associates are denominated in RM.

18. AMOUNT OWING BY A RELATED COMPANY

	Company	
	2024 RM'000	2023 RM'000
Amount owing by a related company	43,922	28,210
Less: Impairment losses	(3,511)	(3,511)
	40,411	24,699

Company

- (a) The amount owing by a related company represent advances and payments made on behalf, which is unsecured, interest-free and payable upon demand in cash and cash equivalents.
- (b) Amount owing by a related company is denominated in RM.
- (c) The reconciliation of movements in the impairment losses on amount owing by a related company are as follows:

	Company	
	2024 RM'000	2023 RM'000
At 30 June	3,511	3,511

Notes to the Financial Statements
30 June 2024 (continued)

19. AMOUNTS OWING BY/(TO) RELATED PARTIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amounts owing by related parties	3,541	12,882	3,076	3,076
Less: Impairment losses	-	(3,076)	(3,076)	(3,076)
	3,541	9,806	-	-
Amount owing to a related party	(826)	(489)	-	-

Group

- (a) The amounts owing by/(to) related parties represent trade transactions and advances and payments made on behalf, which are unsecured, interest-free and payable upon demand in cash and cash equivalents, except for a sum of RM2,000,000 which is repayable by remaining 4 instalments pursuant to the settlement agreement between the Company and a director of the Company.
- (b) The maturity profile of amount owing to a related party of the Group at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within one year.
- (c) The reconciliation of movements in the impairment losses on amounts owing by related parties are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 30 June	-	3,076	-	3,076

- (d) Foreign currency exposure profiles of amounts owing by related parties are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Singapore Dollar	-	7,933	-	-
Thai Baht	1,190	1,386	-	-
Ringgit Malaysia	2,351	487	-	-
	3,541	9,806	-	-

Notes to the Financial Statements
30 June 2024 (continued)**19. AMOUNTS OWING BY/(TO) RELATED PARTIES (continued)**

- (e) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Effects of 5% changes to RM against foreign currencies				
Profit after tax				
- Singapore Dollar	-	301	-	-

- (f) Amount owing to a related party is denominated in Thai Baht. Sensitivity analysis of RM against foreign currency at the end of the reporting period is not presented as the effect is immaterial to the Group.

20. AMOUNTS OWING BY/(TO) JOINT VENTURES

	Group	
	2024 RM'000	2023 RM'000
Amounts owing by joint ventures	164	593
Amounts owing to joint ventures	(190)	(131)

Group

- (a) The amounts owing by/(to) joint ventures represent trade transactions and payments made on behalf, which are unsecured, interest-free and payable upon demand in cash and cash equivalents, except for trade transactions that have credit terms ranging from 30 to 60 days (2023: 30 to 60 days) from date of invoices.
- (b) The maturity profile of amounts owing to joint ventures of the Group at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within one year.
- (c) Foreign currency exposure profiles of amounts owing by joint ventures are as follows:

	Group	
	2024 RM'000	2023 RM'000
US Dollar	164	245

Notes to the Financial Statements
30 June 2024 (continued)

20. AMOUNTS OWING BY/(TO) JOINT VENTURES (continued)

Group (continued)

- (d) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Effects of 5% changes to RM against foreign currencies		
Profit after tax		
- US Dollar	6	9

- (e) Amounts owing to joint ventures is denominated in US Dollar. Sensitivity analysis of RM against foreign currency at the end of the reporting period is not presented as the effect is immaterial to the Group.

21. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash in hand	266	290	-	-
Cash at bank	78,611	96,832	12,102	12,787
Fixed deposits with licensed banks	11,484	8,610	-	-
	90,361	105,732	12,102	12,787

- (a) The weighted average effective interest rate of deposits of the Group at the end of the reporting period is as follows:

	Group	
	2024	2023
Weighted average effective interest rate		
- Fixed rate	3.11%	3.32%

Sensitivity analysis for fixed rate deposits at the end of the reporting period is not presented as fixed rate instruments are not affected by changes in interest rates.

Notes to the Financial Statements
30 June 2024 (continued)**21. CASH AND CASH EQUIVALENTS (continued)**

- (b) The fixed deposits of the Group as at 30 June 2024 have maturity periods ranging from 1 month to 12 months (2023: 1 month to 12 months).
- (c) Included in the fixed deposits with licensed banks of the Group is an amount of RM5,653,928 (2023: RM5,684,800), which has been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 29 to the financial statements.
- (d) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	78,877	97,122	12,102	12,787
Fixed deposits with licensed banks	11,484	8,610	-	-
	90,361	105,732	12,102	12,787
Less:				
Bank overdrafts - secured (Note 29)	(133)	(3,486)	-	-
Fixed deposits placed with licensed banks with original maturity of more than three (3) months	(565)	(549)	-	-
Fixed deposits pledged to licensed banks	(5,654)	(5,684)	-	-
Add:				
Short-term funds (Note 10)	-	16,409	-	-
	84,009	112,422	12,102	12,787

- (e) No expected credit losses were recognised arising from the cash and bank balances and deposits with financial institutions because the probabilities of default by these financial institutions were negligible.

Notes to the Financial Statements
30 June 2024 (continued)

21. CASH AND CASH EQUIVALENTS (continued)

(f) Foreign currency exposure profiles of cash and cash equivalents are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	33,227	42,645	12,094	12,779
US Dollar	26,879	26,684	5	5
Singapore Dollar	2,936	2,534	-	-
Indonesian Rupiah	14,266	14,342	-	-
Thai Baht	3,656	5,235	-	-
Australian Dollar	3,762	7,982	-	-
Vietnamese Dong	4,277	5,324	-	-
Indian Rupee	1,191	968	-	-
Euro	139	9	-	-
Hong Kong Dollar	28	9	3	3
	90,361	105,732	12,102	12,787

(g) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group	
	2024 RM'000	2023 RM'000
Effects of 5% changes to RM against foreign currencies		
Profit after tax		
- US Dollar	628	601

The exposure to the other currencies are not significant, hence the effects of the changes in the exchange rates are not presented.

Notes to the Financial Statements
30 June 2024 (continued)**21. CASH AND CASH EQUIVALENTS (continued)**

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

Group	Term loans RM'000	Lease liabilities RM'000	Revolving credit RM'000	Total RM'000
2024				
At 1 July	73,822	55,522	18,000	147,344
<u>Changes in financing cash flows</u>				
Proceeds from drawdown	19,706	-	56,000	75,706
Repayment of borrowing principal	(11,260)	(33,038)	(21,000)	(65,298)
Repayment of borrowing interests	(3,635)	(3,338)	(1,483)	(8,456)
	4,811	(36,376)	33,517	1,952
<u>Non-cash changes</u>				
Acquisition of new leases	-	9,367	-	9,367
Acquisition of subsidiaries	-	17,320	-	17,320
Acquisition of property, plant and equipment	20,143	-	-	20,143
Acquisition of right-of-use assets	12,800	-	-	12,800
Disposal of a subsidiary	-	(7,494)	-	(7,494)
Reassessment of leases (Note 24)	-	19,726	-	19,726
Finance charges recognised in cost of sales	-	435	-	435
Finance charges recognised in finance costs (Note 31)	3,635	2,903	1,483	8,021
Foreign translation differences	(1)	(68)	-	(69)
	36,577	42,189	1,483	80,249
At 30 June	115,210	61,335	53,000	229,545

Notes to the Financial Statements
30 June 2024 (continued)

21. CASH AND CASH EQUIVALENTS (continued)

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

Group	Term loans RM'000	Lease liabilities RM'000	Revolving credit RM'000	Total RM'000
2023				
At 1 July	83,504	54,168	63,355	201,027
<u>Changes in financing cash flows</u>				
Proceeds from drawdown	443	-	5,000	5,443
Repayment of borrowing principal	(10,139)	(23,817)	(50,355)	(84,311)
Repayment of borrowing interests	(3,128)	(3,449)	(1,698)	(8,275)
	(12,824)	(27,266)	(47,053)	(87,143)
<u>Non-cash changes</u>				
Acquisition of new leases	-	24,039	-	24,039
Reassessment of leases (Note 24)	-	963	-	963
Finance charges recognised in cost of sales	-	558	-	558
Finance charges recognised in finance costs (Note 31)	3,128	2,891	1,698	7,717
Foreign translation differences	14	169	-	183
	3,142	28,620	1,698	33,460
At 30 June	73,822	55,522	18,000	147,344

Notes to the Financial Statements
30 June 2024 (continued)**22. SHARE CAPITAL**

	Group and Company			
	2024		2023	
	Number of shares '000	RM'000	Number of shares '000	RM'000
Issued and fully paid				
At beginning/At end of the financial year	558,445	104,290	558,445	104,290

The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

23. RESERVES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-distributable:				
Foreign exchange translation reserve	1,996	3,608	-	-
Revaluation reserve	118,552	81,911	-	-
	120,548	85,519	-	-
Distributable:				
Retained earnings	207,405	194,210	23,681	17,280
	327,953	279,729	23,681	17,280

(a) Foreign exchange translation reserve

The foreign exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items, which form part of the net investment in foreign operations of the Group, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(b) Revaluation reserve

The revaluation reserve arose from the revaluation of land and buildings.

Notes to the Financial Statements
30 June 2024 (continued)

24. LEASE LIABILITIES

	Group	
	2024 RM'000	2023 RM'000
At 1 July	55,522	54,168
Additions	9,367	24,039
Acquisition of a subsidiary (Note 37)	17,320	-
Disposal of a subsidiary (Note 38)	(7,494)	-
Interest expense recognised in cost of sales	435	558
Interest expense recognised in finance costs	2,903	2,891
Changes due to reassessment of lease term	19,726	963
Repayment of principal	(33,038)	(23,817)
Repayment of interest expense	(3,338)	(3,449)
Exchange differences	(68)	169
	<u>61,335</u>	<u>55,522</u>
At 30 June	<u>61,335</u>	<u>55,522</u>
Analysed by:-		
Current liabilities	28,821	20,965
Non-current liabilities	32,514	34,557
	<u>61,335</u>	<u>55,522</u>

- (a) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments (other than lease modification that is not accounted for as a separate lease) with the corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognised in profit or loss if the carrying amount has been reduced to zero.

- (b) The table below summaries the maturity profile of the lease liabilities of the Group at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	Within one year RM'000	One to five years RM'000	Total RM'000
	2024		
Lease liabilities	31,305	34,289	65,594
	<u>31,305</u>	<u>34,289</u>	<u>65,594</u>
2023			
Lease liabilities	23,197	37,518	60,715
	<u>23,197</u>	<u>37,518</u>	<u>60,715</u>

Notes to the Financial Statements
30 June 2024 (continued)**24. LEASE LIABILITIES (continued)**

(c) Foreign currency exposure profiles of lease liabilities were as follows:

	Group	
	2024	2023
	RM'000	RM'000
Ringgit Malaysia	40,265	54,055
Australian Dollar	1,353	933
Indonesian Rupiah	946	159
Thai Baht	433	185
Vietnamese Dong	344	170
Singapore Dollar	17,994	-
Indian Rupee	-	20
	61,335	55,522

(d) Sensitivity analysis of RM against foreign currencies at the end of the reporting period was not presented as there was no effect of the changes in the exchange rates due to they represent the functional currencies of the respective entities of the Group.

25. TERM LOANS

	Group	
	2024	2023
	RM'000	RM'000
Secured		
Term loan I	7,033	11,029
Term loan II	18,069	20,073
Term loan III	5,989	6,427
Term loan IV	9,867	9,867
Term loan V	10,111	10,112
Term loan VI	13,061	16,145
Term loan VII	20,143	-
Term loan VIII	18,342	-
Term loan IX	12,516	-
Term loan X	79	169
Total term loans	115,210	73,822
Term loans are repayable as follows:		
Current liabilities:		
- not later than one (1) year	18,623	9,682
Non-current liabilities:		
- later than one (1) year but not later than two (2) years	17,913	10,548
- later than two (2) years but not later than five (5) years	38,921	20,539
- later than five (5) years	39,753	33,053
	96,587	64,140
	115,210	73,822

Notes to the Financial Statements
30 June 2024 (continued)

25. TERM LOANS (continued)

- (a) Term loan I is repayable by 119 monthly instalments of RM333,000 plus one final instalment of RM373,300 and bears interest at 1.00% (2023: 1.00%) per annum above the effective cost of fund of the bank.

The term loan I is secured by way of a charge over freehold land and building of a subsidiary as disclosed in Note 5 to the financial statements and is guaranteed by the Company.

- (b) Term loan II is repayable by 179 monthly instalments of RM167,000 plus one final instalment of RM107,000 and bears interest at 0.90% (2023: 0.90%) per annum above the effective cost of fund of the bank.

The term loan II is secured by way of a charge over long-term leasehold land and building of a subsidiary as disclosed in Notes 5 and 11 to the financial statements and is guaranteed by the Company.

- (c) Term loan III is repayable by 180 monthly instalments of RM58,522 inclusive of profit until full settlement of the facility and bears interest at 2.40% (2023: 2.40%) per annum below the base financing rate of the bank.

The term loan III is secured by way of a charge over long-term leasehold land and building of a subsidiary as disclosed in Notes 5 and 11 to the financial statements and is guaranteed by the Company.

- (d) Term loan IV is repayable by 180 monthly instalments of RM68,140 inclusive of profit until full settlement of the facility and bears interest at 2.40% (2023: 2.40%) per annum below the base financing rate of the bank.

The term loan IV is secured by way of a charge over long-term leasehold lands of a subsidiary as disclosed in Note 11 to the financial statements and is guaranteed by the Company.

- (e) Term loan V is repayable by 180 monthly instalments of RM69,829 inclusive of profit until full settlement of the facility and bears interest at 2.40% (2023: 2.40%) per annum below the base financing rate of the bank.

The term loan V is secured by way of a charge over long-term leasehold lands of a subsidiary as disclosed in Note 11 to the financial statements and is guaranteed by the Company.

- (f) Term loan VI is repayable by 60 monthly instalments of RM257,012, followed by 59 monthly instalments of RM76,322 plus one final instalment of RM76,282 and bears interest at 1.00% (2023: 1.00%) per annum above the effective cost of fund of the bank.

The term loan VI is secured by way of a charge over freehold land and building of a subsidiary as disclosed in Note 5 to the financial statements and is guaranteed by the Company.

Notes to the Financial Statements
30 June 2024 (continued)**25. TERM LOANS (continued)**

- (g) Term loan VII is repayable by 180 monthly instalments of RM346,575 inclusive of profit until full settlement of the facility and bears interest at 2.40% per annum below the base financing rate of the bank.

The term loan VII is secured by way of a charge over long-term leasehold lands of a subsidiary as disclosed in Note 11 to the financial statements and is guaranteed by the Company.

- (h) Term loan VIII repayable by 59 equal monthly instalments of RM341,167 each plus one RM371,147 and bears interest at 1.00% per annum above the effective cost of fund of the bank.

Term loan VIII are secured by way of a charge over freehold land and building of a subsidiary as disclosed in Note 5 to the financial statements and is guaranteed by the Company.

- (i) Term loan IX repayable by 179 equal monthly instalments of RM71,112 each plus one RM70,952 and bears interest at 0.75% per annum above the effective cost of fund of the bank.

Term loan IX is secured by way of a charge over long-term leasehold lands of a subsidiary as disclosed in Note 11 to the financial statements and is guaranteed by the Company.

- (j) Term loan X is repayable by 48 monthly instalments of RM7,897 and bears interest at 8.25% (2023: 8.25%) per annum.

- (k) The interest rate profiles of the term loans as at end of the reporting period are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Floating rate	115,210	73,822

- (l) The weighted average effective interest rate of the term loans of the Group as at the end of the reporting period is 4.34% (2023: 4.10%).

- (m) The fair values of term loans are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending and borrowing at the end of the reporting period.

The fair value of term loans are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

Notes to the Financial Statements
30 June 2024 (continued)

25. TERM LOANS (continued)

- (n) The table below summaries the maturity profile of the term loans of the Group at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	Within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
2024				
Term loans	23,219	68,614	47,363	139,196
2023				
Term loans	11,311	37,012	37,574	85,897

- (o) Sensitivity analysis of RM against foreign currency at the end of the reporting period is not presented as there is no effect of the changes in the exchange rate as it represents the functional currency of the entities of the Group.
- (p) Sensitivity analysis of interest rates for the floating rate instruments at the end of the reporting period, assuming all other variables remain constant is as follows:

	Group	
	2024 RM'000	2023 RM'000
Effects of 100bp changes to profit after tax		
Floating rate instruments	876	561

Notes to the Financial Statements
30 June 2024 (continued)**26. POST-EMPLOYMENT BENEFITS OBLIGATION**

PT. FM Global Logistics (“PTFM”), a subsidiary of FM Global Logistics Ventures Sdn. Bhd. (“FMGLV”), operates a defined benefits plan for its employees. The employee benefits scheme was valued by an independent qualified actuary using the projected unit credit method.

PTFM provides its employees with the retirement, disability, death and voluntarily resignation benefits. PTFM uses the current income of employer to fund pension payment whenever it is required. The figures presented in the financial statements cover the potential excess of benefits stipulated under Labor Law in Indonesia over the balance in the Saving Plan.

(a) The amount recognised in the statements of financial position is analysed as follows:

	Group	
	2024 RM'000	2023 RM'000
Present value of defined benefits obligation	3,749	3,738

(b) The following table sets out the reconciliation of defined benefits plan:

	Group	
	2024 RM'000	2023 RM'000
Balance as at 1 July	3,738	2,514
Current service cost	499	544
Net interest cost	235	175
Excess benefits paid	2	4
Past service cost	49	94
Impact of change in attribution method	-	(421)
Included in profit or loss (Note 32)	785	396
Re-measurements		
Actuarial gain from:		
- Effect on changes in actuarial assumptions	(474)	275
- Experience adjustments	63	287
Included in other comprehensive income (Note 33(d))	(411)	562
Exchange differences	(290)	284
Benefits paid	(73)	(18)
Balance as at 30 June	3,749	3,738

Notes to the Financial Statements
30 June 2024 (continued)

26. POST-EMPLOYMENT BENEFITS OBLIGATION (continued)

(c) Movements in the present value of the defined benefits obligation in the current year are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Opening defined benefits obligation	3,738	2,514
Current service cost	499	544
Net interest cost	235	175
Excess benefits paid	2	4
Past service cost	49	94
Impact of change in attribution method	-	(421)
Re-measurement gains:		
- Actuarial gains on benefits payments	63	287
- Actuarial (losses)/gains on changes in actuarial assumptions	(474)	275
Benefits paid	(73)	(18)
Foreign currencies translation	(290)	284
Closing defined benefits obligation	3,749	3,738

(d) The principal actuarial assumptions used in respect of the funded defined benefits plan of the Group are as follows:

	Group	
	2024	2023
	%	%
Discount rate	7.10	6.70
Expected rate of wage increase	10.00	11.00

(e) The employee benefits of the Group are exposed to changes in discount rate and expected rate of salary. However, the volatility of these changes is considered low, and hence, sensitivity analysis for employee benefits is not presented.

Notes to the Financial Statements
30 June 2024 (continued)**27. TRADE PAYABLES**

	Group	
	2024	2023
	RM'000	RM'000
Trade payables	56,612	51,284

- (a) Trade payables are classified as financial liabilities and measured at amortised cost using the effective interest method.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 7 to 90 days (2023: 7 to 90 days) from date of invoices.
- (c) The maturity profile of the Group's trade payables at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within one year.
- (d) Foreign currency exposure profiles of trade payables are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Ringgit Malaysia	26,140	26,127
US Dollar	16,716	12,345
Australian Dollar	4,169	5,342
Indonesian Rupiah	2,388	1,967
Indian Rupee	2,761	1,326
Thai Baht	2,286	1,802
Euro	1,134	1,500
Singapore Dollar	610	81
Vietnamese Dong	68	435
Japanese Yen	6	14
Others	334	345
	56,612	51,284

- (e) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Effects of 5% changes to RM against foreign currencies		
Profit after tax		
- US Dollar	359	265

The exposure to the other currencies are not significant, hence the effects of the changes in the exchange rates are not presented.

Notes to the Financial Statements
30 June 2024 (continued)

28. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other payables	15,774	10,772	-	-
Accruals	25,224	27,201	203	176
	40,998	37,973	203	176

(a) The maturity profile of the Group's and of the Company's other payables and accruals at the end of the reporting period based on contractual undiscounted repayment obligations are repayable on demand or within one year.

(b) Foreign currency exposure profiles of other payables and accruals are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	28,333	27,650	203	176
Australian Dollar	3,691	3,804	-	-
Indonesian Rupiah	2,569	3,000	-	-
Singapore Dollar	2,235	-	-	-
US Dollar	1,245	1,326	-	-
Thai Baht	2,264	1,579	-	-
Indian Rupee	425	378	-	-
Others	236	236	-	-
	40,998	37,973	203	176

(c) Sensitivity analysis of RM against foreign currencies at the end of the reporting period is not presented as the effect is immaterial to the Group.

Notes to the Financial Statements
30 June 2024 (continued)**29. SHORT-TERM BORROWINGS**

	Group	
	2024	2023
	RM'000	RM'000
Bank overdrafts - secured	133	3,486
Revolving credit	53,000	18,000
	53,133	21,486

- (a) The bank overdrafts and revolving credit of the Group are secured by way of:
- (i) fixed deposits with licensed banks of the Group (Note 21);
 - (ii) long-term leasehold land and buildings of the Group (Notes 5 and 11); and
 - (iii) fixed and floating charge over the assets of subsidiaries.
- (b) The bank overdrafts and revolving credit are guaranteed by the Company.
- (c) The maturity profile of the Group's bank overdrafts and revolving credit at the end of the reporting period based on contractual undiscounted repayment obligations are repayable on demand or within one year.
- (d) Foreign currency exposure profiles of bank overdrafts and revolving credit are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Ringgit Malaysia	53,133	21,486
	53,133	21,486

- (e) Sensitivity analysis of RM against foreign currencies at the end of the previous reporting period was not presented as there was no effect of the changes in the exchange rates as it represented the functional currencies of the entities of the Group.
- (f) The weighted average effective interest rate of the bank overdrafts and revolving credit of the Group as at the end of the reporting period is 7.41% and 4.48% (2023: 6.16% and 4.15%) respectively.
- (g) Sensitivity analysis of interest rates for the floating rate instruments at the end of the reporting period is not presented as the effect is immaterial to the Group.

Notes to the Financial Statements
30 June 2024 (continued)

30. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from Contracts with Customers				
Freight forwarding and logistics services	817,477	948,337	-	-
Sale of goods	-	24	-	-
Revenue from Other Sources				
Dividend income	-	-	28,000	26,153
	817,477	948,361	28,000	26,153

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Timing of revenue recognition				
Over time:				
Freight forwarding and logistics services	817,477	948,337	-	-
At a point in time:				
Sale of goods	-	24	-	-
Dividend income	-	-	28,000	26,153
	817,477	948,361	28,000	26,153

Disaggregation of revenue from contracts with customers based on geographical location has been presented in the operating segments, Note 4 to the financial statements.

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:-

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

Notes to the Financial Statements
30 June 2024 (continued)**30. REVENUE (continued)**

(a) Services

Revenue from freight forwarding and logistics services are recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

(b) Sale of goods

Revenue from sale of goods is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established.

31. FINANCE COSTS

	Group	
	2024	2023
	RM'000	RM'000
Interest expense on:		
- bank overdrafts	12	64
- lease liabilities	2,903	2,891
- revolving credit	1,483	1,698
- term loans	3,635	3,128
- others	-	27
	8,033	7,808

Notes to the Financial Statements
30 June 2024 (continued)

32. PROFIT BEFORE TAX

Other than those disclosed elsewhere in the financial statements, the following amounts have been included in arriving at profit before tax:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax is arrived at after charging:				
Auditors' remuneration:				
- audit fees:				
- Crowe Malaysia PLT	294	249	99	77
- Crowe Global Member Firms	62	61	-	-
- Other auditors	128	144	-	-
- non-audit fees:				
- Crowe Malaysia PLT	66	62	66	62
Amortisation of intangible assets	110	111	-	-
Bad debts written off:				
- trade receivables	5,182	752	-	-
Depreciation:				
- property, plant and equipment	10,844	8,730	-	-
- right-of-use assets	28,193	20,414	-	-
Directors' remunerations:				
- Fees:				
- payable by the Company	492	492	492	492
- payable by the subsidiaries	238	233	-	-
- Other emoluments:				
- paid by the Company	53	56	53	56
- paid by the subsidiaries	17,048	16,268	-	-
Expenses relating to short-term leases	1,846	1,041	-	-
Impairment losses on:				
- other receivables	681	-	-	-
- trade receivables	2,100	498	-	-
Loss on foreign currency transactions:				
- realised	836	997	-	-
- unrealised	609	231	-	-
Loss on disposal of subsidiary	539	-	-	-
Loss on remeasurement of previously held interest	68	-	-	-
Property, plant and equipment written off	82	9	-	-
Provision for post-employment benefits obligation	785	396	-	-

Notes to the Financial Statements
30 June 2024 (continued)**32. PROFIT BEFORE TAX (continued)**

Other than those disclosed elsewhere in the financial statements, the following amounts have been included in arriving at profit before tax (continued):

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax is arrived at after crediting:				
Bad debts recovered	426	370	-	-
Fair value gain on:				
- short-term fund	155	213	-	-
- quoted shares	46	468	-	-
Gain on disposal of property, plant and equipment	3,822	414	-	-
Gain on disposal of right-of-use assets	240	-	-	-
Gain on disposal of subsidiary	-	-	50	-
Gain on foreign currency transactions:				
- realised	809	923	51	-
- unrealised	14	1,370	-	296
Gross dividends from:				
- subsidiaries	-	-	28,000	26,153
- quoted shares	-	54	-	-
Interest income received from:				
- fixed deposits and repo	308	252	-	-
- current and savings accounts	594	402	161	169
Lease income from:				
- third parties	2,601	4,662	-	-
- a joint venture	-	77	-	-
Negative goodwill	180	-	-	-
Reversal of impairment losses on:				
- other receivables	-	710	-	-
- property, plant and equipment	-	-	-	-
- trade receivables	2,231	2,270	-	-

(a) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(b) Lease income

Lease income is accounted for on a straight line basis over the lease term.

Notes to the Financial Statements
30 June 2024 (continued)

33. TAX EXPENSE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax expense based on profit for the financial year	12,760	14,434	38	40
Deferred tax (Note 12)	(60)	523	-	-
	12,700	14,957	38	40
Under/(Over) provision in prior years:				
- income tax	271	84	-	(1)
- deferred tax (Note 12)	(26)	59	-	-
	245	143	-	(1)
Total income tax expense	12,945	15,100	38	39

- (a) The Malaysian income tax is calculated at the statutory tax rate of twenty-four percent (24%) (2023: twenty-four percent (24%)) of the estimated taxable profit for the fiscal year.
- (b) Tax expenses for other tax authorities are calculated at the rates prevailing in those respective jurisdictions.
- (c) A reconciliation of tax expense applicable to the profit before tax at the statutory tax rate to tax expense at the effective tax rate of the Group and of the Company is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	45,656	62,252	23,192	25,396
Tax at the statutory rate of 24% (2023: 24%)	10,957	14,940	5,566	6,095
Tax effects in respect of:				
Share of results of associates	(74)	(1)	-	-
Share of results of joint ventures	(540)	(622)	-	-
Non-allowable expenses	3,462	2,062	1,216	293
Non-taxable income	(844)	(1,008)	(6,744)	(6,348)
Deferred tax assets not recognised	120	-	-	-
Utilisation of deferred tax assets previously not recognised	-	(24)	-	-
Crystallisation of deferred tax on revaluation reserve	(372)	(374)	-	-
Lower tax rate in foreign jurisdiction	(9)	(16)	-	-
	12,700	14,957	38	40
Under/(Over) provision in prior years:				
- income tax	271	84	-	(1)
- deferred tax	(26)	59	-	-
	12,945	15,100	38	39

Notes to the Financial Statements
30 June 2024 (continued)**33. TAX EXPENSE (continued)**

(d) Tax on each component of other comprehensive income is as follows:

	Group					
	Before tax RM'000	2024 Tax effect RM'000	After tax RM'000	Before tax RM'000	2023 Tax effect RM'000	After tax RM'000
Items that will be reclassified subsequently to profit or loss						
Foreign currency translations	(2,414)	-	(2,414)	4,236	-	4,236
Items that will not be reclassified subsequently to profit or loss						
Actuarial gain/(loss) on defined benefits plan (Note 26)	411	(90)	321	(562)	124	(438)
Revaluation surplus on land and buildings (Note 5)	19,654	(2,871)	16,783	-	-	-
Revaluation surplus on long-term leasehold land (Note 11)	23,410	(2,341)	21,069	-	-	-

34. DIVIDENDS

	Group and Company			
	2024		2023	
	Gross dividend per share sen	Amount of dividend net of tax RM'000	Gross dividend per share sen	Amount of dividend net of tax RM'000
In respect of the financial year ended 30 June 2023/2022				
- Third interim single tier dividend	2.0	11,169	2.0	11,169
In respect of the financial year ended 30 June 2024/2023				
- First interim single tier dividend	1.0	5,584	1.0	5,584
- Second interim single tier dividend	-	-	1.0	5,584
	3.0	16,753	4.0	22,337

The Company paid a second interim single tier dividend of 3.0 sen per ordinary share amounting to RM16,753,345 for the financial year ended 30 June 2024 on 18 October 2024. The financial statements for the current financial year do not reflect this dividend and it would be accounted for as an appropriation of retained earnings in the financial year ended 30 June 2025.

The Directors do not recommend the payment of any final dividend in respect of the financial year ended 30 June 2024.

Notes to the Financial Statements
30 June 2024 (continued)

35. EMPLOYEE BENEFITS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Salaries, wages and bonuses	110,826	96,037	53	56
Contributions to defined contribution plans	9,383	8,877	-	-
Social security contributions	1,164	789	-	-
Defined benefits plan (Note 26)	785	396	-	-
Other benefits	4,215	3,792	-	-
	126,373	109,891	53	56

Included in the employee benefits of the Group and of the Company are Directors' remunerations amounting to RM17,100,340 (2023: RM16,324,077) and RM53,000 (2023: RM56,000) respectively.

36. EARNINGS PER SHARE

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2024 '000	2023 '000
Profit attributable to equity holders of the parent (RM)	30,895	42,007
Weighted average number of ordinary shares in issue (unit)	558,445	558,445
Basic earnings per ordinary share (sen)	5.53	7.52

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

	Group	
	2024 '000	2023 '000
Profit attributable to equity holders of the parent (RM)	30,895	42,007
Weighted average number of ordinary shares in issue applicable to diluted earnings per ordinary share (unit)	558,445	558,445
Diluted earnings per ordinary share (sen)	5.53	7.52

Notes to the Financial Statements
30 June 2024 (continued)**37. ACQUISITION OF SUBSIDIARIES**

- (a) On 25 September 2023, FM Global Logistics Ventures Sdn. Bhd., an indirect wholly-owned subsidiary of the Company acquired 100% equity interest in CAC Logistics Services Pte. Ltd. ("CAC") for a total cash consideration of SGD5,500,000 (equivalent to approximately RM19,206,990). The acquisition of CAC was completed on 1 November 2023.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed of CAC at the date of acquisition:

(i) Fair Value of Purchase Consideration

	CAC 2024 RM'000
Cash as per sale and purchase agreement	19,207
Other cash consideration	5,660
Contingent consideration (Note 13)	(4,607)
	<u>20,260</u>

(ii) Identifiable assets acquired and liabilities assumed

	CAC 2024 RM'000
Equipment (Note 6)	385
Right-of-use assets (Note 11)	16,319
Deferred tax assets	121
Trade and other receivables	6,504
Cash and cash equivalents	2,692
Trade and other payables	(2,101)
Lease liabilities	(17,320)
Current tax liabilities	(222)
	<u>6,378</u>

(iii) Net cash flows arising from acquisition of CAC

	Group 2024 RM'000
Purchase consideration settled in cash and cash equivalents	24,867
Less: Cash and cash equivalents of subsidiaries acquired	(2,692)
	<u>22,175</u>

Notes to the Financial Statements
30 June 2024 (continued)

37. ACQUISITION OF SUBSIDIARIES (continued)

(iv) Goodwill arising from business combination

	Group 2024 RM'000
Fair value of consideration transferred	20,260
Less: Fair value of identifiable net assets	(6,378)
	<hr/>
Goodwill arising from business combination (Note 6)	13,882
	<hr/> <hr/>

The goodwill is attributable to the further expansion into the Singapore market by the acquired business as well as the synergies expected to achieve from integrating the subsidiaries into the Group's existing Singapore segment. The goodwill is not deductible for tax purposes.

(v) Impact of acquisition on the Group's results

The acquired subsidiaries have contributed the following results to the Group:

	Group 2024 RM'000
Revenue	16,072
	<hr/> <hr/>

If the acquisition had taken place at the beginning of the current financial year, the revenue would have been RM23,467,919.

- (b) On 9 April 2024, FM Global Logistics (M) Sdn. Bhd. ("FMGLM"), a wholly-owned subsidiary, further subscribed additional 21% equity interest in FM Distribution Sdn. Bhd. ("FMD") for a total cash consideration of RM180,000. Consequently, FMD become a 70% equity interest subsidiary. The acquisition of FMD was completed on 9 April 2024. Prior to the acquisition, FMD was associate of the Company.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed of FMD at the date of acquisition:

(i) Identifiable assets acquired and liabilities assumed

	Group 2024 RM'000
Trade and other receivables	667
Cash and cash equivalents	308
Trade and other payables	(4)
	<hr/>
	971
	<hr/> <hr/>

Notes to the Financial Statements
30 June 2024 (continued)**37. ACQUISITION OF SUBSIDIARIES (continued)****(ii) Net cash flows arising from acquisition of FMD**

	Group 2024 RM'000
Purchase consideration settled in cash and cash equivalents	180
Less: Cash and cash equivalents of subsidiaries acquired	(308)
	<hr/>
Net cash inflow from the acquisition of a subsidiary	(128)

(iii) Loss on remeasurement of previously held interests

	Group 2024 RM'000
Equity accounting of FMD at 49% as at 9 April 2024	456
Less:	
FMD shareholders' equity at 100% as at 9 April 2024	791
Remeasurement at 49% previously held interests	(388)
	<hr/>
Loss on remeasurement of previously held interests	68

(iv) Goodwill arising from business combination

	Group 2024 RM'000
Fair value of consideration transferred	180
Fair value of previously held interests	388
	<hr/>
Non-controlling interest (item (b)(iv)(a) below)	568 291
	<hr/>
Less: Fair value of identifiable net assets	859 (971)
	<hr/>
Negative goodwill arising from business combination	(112)

(a) The non-controlling interests are measured at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition.

(v) Impact of acquisition on the Group's results

The acquired subsidiaries have contributed the following results to the Group:

	Group 2024 RM'000
Revenue	18

If the acquisition had taken place at the beginning of the current financial year, the Group's revenue would have increased by RM94,957.

Notes to the Financial Statements
30 June 2024 (continued)

37. ACQUISITION OF SUBSIDIARIES (continued)

- (c) On 29 April 2024, the Company acquired an additional 50% equity interest in CN FM Logistics (Malaysia) Sdn. Bhd. ("CNFM") for a total cash consideration of RM1,766,723. The acquisition of CNFM was completed on 29 April 2024. Prior to the acquisition, CNFM were joint ventures of the Company.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed of CNFM at the date of acquisition:

(i) Identifiable assets acquired and liabilities assumed

	Group 2024 RM'000
Equipment (Note 5)	82
Trade and other receivables	2,504
Cash and cash equivalents	3,304
Current tax assets	83
Deferred tax liabilities (Note 12)	(9)
Trade and other payables	(2,071)
	<u>3,893</u>

(ii) Net cash flows arising from acquisition of CNFM

	Group 2024 RM'000
Purchase consideration settled in cash and cash equivalents	1,767
Less: Cash and cash equivalents of subsidiaries acquired	(3,304)
	<u>(1,537)</u>

(iii) Gain on remeasurement of previously held interests

	Group 2024 RM'000
Equity accounting of CNFM at 50% as at 29 April 2024	1,946
Less:	
CNFM shareholders' equity at 100% as at 29 April 2024	<u>3,893</u>
Remeasurement at 50% previously held interests	(1,946)
Gain on remeasurement of previously held interests	<u>-</u>

Notes to the Financial Statements
30 June 2024 (continued)**37. ACQUISITION OF SUBSIDIARIES (continued)****(iv) Goodwill arising from business combination**

	Group 2024 RM'000
Fair value of consideration transferred	1,946
Fair value of previously held interests	1,767
	<hr/>
	3,713
Less: Fair value of identifiable net assets	(3,893)
	<hr/>
Negative goodwill arising from business combination	(180)
	<hr/> <hr/>

(v) Impact of acquisition on the Group's results

The acquired subsidiaries have contributed the following results to the Group:

	Group 2024 RM'000
Revenue	1,574
	<hr/> <hr/>

If the acquisition had taken place at the beginning of the current financial year, the Group's revenue would have increased by RM12,472,069.

38. DISPOSAL OF SUBSIDIARIES

On 29 August 2023, the Company disposed of its entire equity interest of 50,000 ordinary shares in Exterian Enterprise Sdn. Bhd. to the Group Managing Director, Chew Chong Keat, for a total cash consideration of RM50,000. Consequently, Exterian Enterprise Sdn. Bhd. ceased to be a subsidiary of the Company.

Notes to the Financial Statements
30 June 2024 (continued)

38. DISPOSAL OF SUBSIDIARIES (continued)

The financial effects of the disposal at the date of disposal are summarised below:-

	Group 2024 RM'000	Company 2024 RM'000
Right-of-use assets (Note 11)	8,206	-
Other Investment	213	-
Amount owing by a related party	7,933	-
Current tax assets	23	-
Cash and bank balances	21	-
Lease liabilities	(7,494)	-
Other payables	(14)	-
Amount owing to related companies	(8,299)	-
	<hr/>	<hr/>
Carrying amount of net assets disposed of	589	-
(Loss)/Gain on disposal of subsidiary (Note 32)	(539)	50
	<hr/>	<hr/>
Consideration received, satisfied in cash	50	50
Less: Cash and bank balances of a subsidiary disposed of	(21)	-
	<hr/>	<hr/>
Net cash inflow from the disposal of a subsidiary	29	50
	<hr/> <hr/>	<hr/> <hr/>

There were no disposals of subsidiaries in the previous financial year.

39. RELATED PARTY DISCLOSURES

(a) Identities of related parties

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

The Company has controlling related party relationship with its direct and indirect subsidiaries.

The relationships and identities between the Group and its other related parties are as follows:

Related parties

Nankai Global Logistics (M) Sdn. Bhd.

Advance Logistics Sdn. Bhd.

Hubwire Sdn. Bhd.

FM Global Logistics (Phil.), Inc.

Chew Chong Keat

Relationships

Related by control of key management personnel

Related by control of key management personnel

An associate of a subsidiary, namely FM Global Logistics Ventures Sdn. Bhd.

A joint venture of a subsidiary, namely FM Global Logistics Ventures Sdn. Bhd.

Director of The Company

Notes to the Financial Statements
30 June 2024 (continued)**39. RELATED PARTY DISCLOSURES (continued)**

(b) Significant related party transactions

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Freight charges received/receivable from:				
- FM Global Logistics (Phil.), Inc.	2,093	1,965	-	-
- CN FM Logistics (Malaysia) Sdn. Bhd.	701	7,585	-	-
Freight charges paid/payable to:				
- Advance Logistics Sdn. Bhd.	117	127	-	-
- FM Global Logistics (Phil.), Inc.	1,908	1,847	-	-
- CN FM Logistics (Malaysia) Sdn. Bhd.	5,219	1,408	-	-
Dividend paid/payable to a Director of a subsidiary	200	-	-	-
Administrative income received/receivable from an associate				
- FM Distribution Sdn. Bhd.	14	18	-	-
Administrative expenses paid/payable to a joint venture	-	-	-	-
Lease income received/receivable from a joint venture	-	77	-	-
Software rental income received/receivable from a joint venture	-	1	-	-
Lease expense paid/payable to a joint venture	-	24	-	-
Gross dividends received from subsidiaries	-	-	28,000	26,153
Repayment of the settlement sum by director of the company	2,150	-	-	-

The related party transactions described above were carried out on terms and conditions not materially different from those obtainable from transactions with unrelated parties.

Information regarding outstanding balances arising from related party transactions as at 30 June 2024 is disclosed in Notes 16, 17, 18, 19 and 20 to the financial statements respectively.

Notes to the Financial Statements
30 June 2024 (continued)

39. RELATED PARTY DISCLOSURES (continued)

(c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group and of the Company.

The remunerations of Directors and other key management personnel during the financial year are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fees	730	725	492	492
Short-term employee benefits	15,650	14,958	53	56
Contributions to defined contribution plans	1,450	1,366	-	-
	17,830	17,049	545	548

40. COMMITMENTS

Capital commitments

	Group	
	2024 RM'000	2023 RM'000
Capital expenditure in respect of purchase of property, plant and equipment: - contracted but not provided for	94,905	11,248

41. FINANCIAL GUARANTEE CONTRACTS

	Company	
	2024 RM'000	2023 RM'000
Corporate guarantee given to financial institutions for credit facilities granted to subsidiaries, limit up to RM377,724,000 (2023: RM302,739,500)	180,927	102,568

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

Notes to the Financial Statements
30 June 2024 (continued)**41. FINANCIAL GUARANTEE CONTRACTS (continued)**

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the amount of the credit loss determined in accordance with the expected credit loss model and the amount initially recognised less cumulative amortisation.

42. CAPITAL AND FINANCIAL RISK MANAGEMENT**(a) Capital management**

The primary objective of the capital management of the Group is to maintain a strong capital base, good credit rating and healthy capital ratios to support its businesses and maximise its shareholders' value.

To manage the capital structure, the Group uses various methods including issuance of new shares, distribution of cash and share dividend payments to shareholders and debt financing. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2024 and 30 June 2023.

The Group monitors capital utilisation on the basis of net debt-to-equity ratio, which is net debt divided by total capital. The Group includes within net debt, borrowings and lease liabilities less cash and cash equivalents. Capital represents equity attributable to the owners of the parent. The net debt-to-equity ratios as at 30 June 2024 and 30 June 2023 are as follows:

	Note	Group	
		2024 RM'000	2023 RM'000
Lease liabilities	24	61,335	55,522
Term loans	25	115,210	73,822
Short-term borrowings	29	53,133	21,486
Less: Cash and cash equivalents	21	(90,361)	(105,732)
Net debt		139,317	45,098
Total capital		432,243	384,019
Net debt-to-equity ratio		0.32	0.12

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity equal to or not less than the 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40.0 million. The Company has complied with this requirement for the financial year ended 30 June 2024.

The Group is not subject to any other externally imposed capital requirements.

Notes to the Financial Statements
30 June 2024 (continued)

42. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management

The overall financial risk management objective of the Group is to optimise its shareholders' value and not to engage in speculative transactions.

The Group is exposed mainly to foreign currency risk, interest rate risk, credit risk and liquidity and cash flow risk. Information on the management of the related exposures is detailed below:

(i) Credit risk

Cash deposits and trade receivables could give rise to credit risk, which requires the loss to be recognised if a counterparty fails to perform as contracted. The counterparties are major licensed financial institutions and reputable multinational organisations. It is the policy of the Group to monitor the financial standing of these counterparties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The primary exposure of the Group to credit risk arises through its trade receivables. The trading terms of the Group with its customers are mainly on credit. The average credit period is two (2) months for major customers. Each customer has a maximum credit limit and the Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management.

The credit risk profiles have been disclosed in Note 14 to the financial statements.

(ii) Liquidity and cash flow risks

The Group actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group. In addition, the Group strives to maintain available banking facilities at a reasonable level to meet its business needs.

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 16, 17, 19, 24, 25, 27, 28 and 29 to the financial statements respectively.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market interest rates.

The primary interest rate risk of the Group relates to interest-earning deposits and interest-bearing borrowings from financial institutions. The fixed-rate deposits and borrowings of the Group are exposed to a risk of changes in their fair values due to changes in interest rates. The floating rate borrowings of the Group are exposed to a risk of change in cash flows due to changes in interest rates. The Group does not use derivative financial instruments to hedge this risk.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 21, 24, 25 and 29 to the financial statements respectively.

Notes to the Financial Statements
30 June 2024 (continued)**42. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)**

(b) Financial risk management (continued)

(iv) Foreign currency risk

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

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than functional currencies of the operating entities. The Company did not have any foreign currency exposure on its transactions.

It is not the policy of the Group to enter into foreign exchange contracts in managing its foreign exchange risk resulting from cash flows on transactions denominated in foreign currency as transactions denominated in foreign currency are minimal.

The Group is also exposed to foreign currency risk in respect of its overseas investments. The Group and the Company do not hedge this exposure with foreign currency borrowings.

The sensitivity analysis for foreign currency risk has been disclosed in Notes 14, 15, 17, 19, 20, 21, 27, 28 and 29 to the financial statements respectively.

(v) Market risk

Market risk is the risk that the fair value of future cash flows of the financial instruments of the Group would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risks arising from quoted investments held by the Group. Quoted equity instrument outside Malaysia is listed on the Tokyo Stock Exchange, which is held for strategic rather than trading purpose. Short-term funds are unit trust funds quoted in Malaysia. These instruments are classified as financial assets designated at fair value through profit or loss.

At the end of the reporting period, the maximum exposure of the Group to market risk is represented by the total carrying amount of these financial assets recognised in the statements of financial position, which amounted to approximately RM1,842,800 (2023: RM18,205,533). There has been no change to the exposure of the Group to market risk or the manner in which the risk is managed and measured.

The sensitivity analysis of market risk has been disclosed in Note 10 to the financial statements.

Notes to the Financial Statements
30 June 2024 (continued)

43. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 29 August 2023, the Company disposed of its entire equity interest of 50,000 ordinary shares in Exterian Enterprise Sdn. Bhd. ("EE") to the Group Managing Director, Chew Chong Keat, for a total cash consideration of RM50,000. Consequently, Exterian Enterprise Sdn. Bhd. ceased to be a subsidiary of the Company. The disposal of EE was completed on 29 August 2023.

Concurrently, the Company entered into a settlement agreement with Chew Chong Keat, for the settlement of a sum of RM4,150,000 in cash as full and final settlement for part of advances owing by Exterian Enterprise Sdn. Bhd. to the Group.

- (b) On 25 September 2023, FM Global Logistics Ventures Sdn. Bhd., an indirect wholly-owned subsidiary of the Company acquired 100% equity interest in CAC Logistics Services Pte. Ltd. ("CAC") for a total cash consideration of SGD5,500,000 (equivalent to approximately RM19,206,990). The acquisition of CAC was completed on 1 November 2023.
- (c) On 31 December 2023, FM Global Logistics (M) Sdn. Bhd. ("FMGLM"), a wholly-owned subsidiary, entered into a Sale and Purchase Agreement with Petaling Garden Sdn. Bhd. for the acquisition of one (1) parcel of freehold vacant land known as Plot Industri 9A located in Setia Alaman Industrial Park, Mukim Kapar, Daerah Klang, Negeri Selangor, measuring approximately 2.84 acres (or equivalent to 11,493.08 square metres), for a total cash consideration of RM18,927,691. The acquisition is yet to be completed as the date of this report.
- (d) On 18 January 2024, FMGLM, a wholly-owned subsidiary, entered into a Sale and Purchase Agreement with Petaling Garden Sdn. Bhd. for the acquisition of one (1) parcel of freehold vacant land known as Plot Industri 9B located in Setia Alaman Industrial Park, Mukim Kapar, Daerah Klang, Negeri Selangor, measuring approximately 2.84 acres (or equivalent to 11,493.08 square metres), for a total cash consideration of RM18,927,691. The acquisition is yet to be completed as the date of this report.
- (e) On 6 February 2024, FMGLM, a wholly-owned subsidiary, entered into a Sale and Purchase Agreement with Petaling Garden Sdn. Bhd. for the acquisition of one (1) parcel of freehold vacant land known as Plot Industri 10A located in the Setia Alaman Industrial Park, Mukim Kapar, Daerah Klang, Negeri Selangor, measuring approximately 2.84 acres (or equivalent to 11,493.08 square metres), for a total cash consideration of RM18,927,691. The acquisition is yet to be completed as the date of this report.
- (f) On 20 March 2024, FMGLM, a wholly-owned subsidiary, entered into a Sale and Purchase Agreement with Petaling Garden Sdn. Bhd. for the acquisition of one (1) parcel of freehold vacant land known as Plot Industri 10B located in Setia Alaman Industrial Park, Mukim Kapar, Daerah Klang, Negeri Selangor, measuring approximately 2.82 acres (or equivalent to 11,412.15 square metres), for a total cash consideration of RM18,794,398. The acquisition is yet to be completed as the date of this report.
- (g) On 9 April 2024, FMGLM, a wholly-owned subsidiary, further subscribed additional 21% equity interest in FM Distribution Sdn. Bhd. ("FMD") for a total cash consideration of RM180,000. Consequently, FMD become a 70% equity interest subsidiary. The acquisition of FMD was completed on 9 April 2024. Prior to the acquisition, FMD was an associate of the Company.
- (h) On 29 April 2024, the Company acquired an additional 50% equity interest in CN FM Logistics (Malaysia) Sdn. Bhd. ("CNFM") for a total cash consideration of RM1,766,723. The acquisition of CNFM was completed on 29 April 2024. Prior to the acquisition, CNFM was a joint venture of the Company.

Notes to the Financial Statements
30 June 2024 (continued)**44. ADOPTION ON NEW MFRSs AND AMENDMENTS TO MFRSs****44.1 New MFRSs adopted during the financial year**

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules	1 January 2023

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group and of the Company.

44.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2023

Title	Effective Date
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group does not expect the adoption of the above Standards to have a significant impact on the financial statements.

Analysis of Shareholdings

as at 30 September 2024

Total No. of Share Capital : 558,444,830 ordinary shares
 Class of Shares : Ordinary shares
 Voting Right : One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	%	No. of Shares	%
Less than 100	144	3.01	5,705	0.00
100 – 1,000	805	16.80	432,387	0.08
1,001 – 10,000	2,140	44.68	11,667,785	2.09
10,001 – 100,000	1,457	30.42	46,618,684	8.35
100,001 to less than 5% of issued shares	240	5.01	162,709,965	29.13
5% and above of issued shares	4	0.08	337,010,304	60.35
Total	4,790	100.00	558,444,830	100.00

SUBSTANTIAL SHAREHOLDERS

According to the Register of Substantial Shareholders as at 30 September 2024

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Chew Chong Keat	134,375,228	24.06	551,698 [@]	0.10
Singapore Enterprises Private Limited	111,977,400	20.05	-	-
Yang Heng Lam	102,610,076	18.37	1,964,896 [#]	0.35
Khua Kian Keong	-	-	111,977,400 [^]	20.05

[@] Deemed interested in shares held by his children.

[#] Deemed interested in shares held by his spouse and children.

[^] Deemed interested by virtue of his interest in Singapore Enterprises Private Limited.

Analysis of Shareholdings
as at 30 September 2024 (continued)**DIRECTORS' SHAREHOLDINGS**

According to the Register of Directors' Shareholdings as at 30 September 2024

Directors	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Chew Chong Keat	134,375,228	24.06	551,698 [@]	0.10
Yang Heng Lam	102,610,076	18.37	1,964,896 [#]	0.35
Gan Siew Yong	24,295,608	4.35	551,698 [@]	0.10
Ong Looi Chai	10,547,966	1.89	633,000 [#]	0.11
Tengku Nurul Azian Binti Tengku Shahrman	-	-	-	-
Soh Chin Teck	-	-	-	-
Lau Swee Chin	-	-	-	-
Francis Lee Fook Wah	-	-	-	-

[@] Deemed interested in shares held by their children.[#] Deemed interested in shares held by their spouse and children.

Analysis of Shareholdings
as at 30 September 2024 (continued)

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	%
1.	CHEW CHONG KEAT	134,375,228	24.06
2.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR UBS AG SINGAPORE (FOREIGN)	100,025,000	17.91
3.	YANG HENG LAM	59,115,864	10.59
4.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR YANG HENG LAM (PB)	43,494,212	7.79
5.	GAN SIEW YONG	24,295,608	4.35
6.	SINGAPORE ENTERPRISES PRIVATE LIMITED	11,977,400	2.15
7.	ONG LOOI CHAI	10,508,540	1.88
8.	SEE KOK HING	10,380,140	1.86
9.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SUSY DING (CEB)	7,945,000	1.42
10.	FOO SOOK WAN	6,316,406	1.13
11.	TANG GEONG KOANG	4,760,498	0.85
12.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG TET FUI (8054679)	3,879,000	0.70
13.	NEOH CHOO EE & COMPANY, SDN. BERHAD	3,846,700	0.69
14.	PHILLIP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG YEE HUI	3,043,200	0.54
15.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG YEE HUI (8095789)	2,677,000	0.48
16.	TER LEONG YAP	2,036,300	0.36

Analysis of Shareholdings
as at 30 September 2024 (continued)**THIRTY (30) LARGEST SHAREHOLDERS (CONTINUED)**

No.	Name of Shareholders	No. of Shares Held	%
17.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG CHONG NGIN	1,979,800	0.35
18.	NIOW SOO SEE	1,957,946	0.35
19.	CH'NG BENG KIAN	1,950,600	0.35
20.	WONG YEE HUI	1,710,000	0.31
21.	RHB NOMINEES (ASING) SDN BHD NAIGAI TRANS LINE LTD	1,642,850	0.29
22.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YONG LOY HUAT (7000875)	1,500,000	0.27
23.	CHEW PHEK YING	1,422,998	0.25
24.	YEOW SOON GUAT	1,374,596	0.25
25.	LIM SOON HUAT	1,300,000	0.23
26.	DYNAQUEST SDN. BHD.	1,279,800	0.23
27.	TAN BOON PENG	1,215,000	0.22
28.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LGF)	1,091,700	0.20
29.	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP KOK KHEN	949,900	0.17
30.	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG AH CHIEW	933,300	0.17
TOTAL		448,984,586	80.40

List of Properties

POSTAL ADDRESS/LOCATION	DESCRIPTION	EXISTING USE	LAND AREA (SQUARE FEET)	TENURE OF LAND (YEARS)	APPROXIMATE AGE OF BUILDING	DATE OF LAST REVALUATION*/ DATE OF ACQUISITION	NET BOOK VALUE AS AT 30.06.24 RM'000
Geran No. 2893, Lot 1841 Seksyen 4, Bandar Butterworth, Daerah Seberang Perai Utara, Pulau Pinang Pulau Mutiara. Postal Address: No. 4453, Jalan Bagan Luar, 12000 Butterworth, Pulau Pinang Pulau Mutiara.	Three (3) storey terrace shophouse	Office	1,019	Freehold	49 years	30 June 2024*	400 (Land) 350 (Building)
Geran No. 2892, Lot 1840, Seksyen 4, Bandar Butterworth, Daerah Seberang Perai Utara, Pulau Pinang Pulau Mutiara. Postal Address: No. 4454, Jalan Bagan Luar, 12000 Butterworth, Pulau Pinang Pulau Mutiara.	Three (3) storey terrace shophouse	Office	1,021	Freehold	49 years	30 June 2024*	400 (Land) 350 (Building)
Master Title: H.S (D) 49488 and 49489, PT 49974 and 49975, Mukim Klang, Daerah Klang, Selangor Darul Ehsan. Postal Address: No. 45-2A, 2 nd Floor, Jalan Sungai Chandong 15, Bandar Armada Putra, Pulau Indah, 42920 Port Klang, Selangor Darul Ehsan.	Office Unit	Vacant	Nil	99 years ending on 19 October 2102	24 years	30 June 2024*	20 (Building)
Master Title: H.S (D) 49488 and 49489, PT 49974 and 49975, Mukim Klang, Daerah Klang, Selangor Darul Ehsan. Postal Address: No. 45-2B, 2 nd Floor, Jalan Sungai Chandong 15, Bandar Armada Putra, Pulau Indah, 42920 Port Klang, Selangor Darul Ehsan.	Office Unit	Vacant	Nil	99 years ending on 19 October 2102	24 years	30 June 2024*	15 (Building)
H.S (D) 116412, PT 239, Mukim Bandar Sultan Sulaiman, Daerah Klang, Selangor Darul Ehsan. Postal Address: Lot 37, Jalan Lebu Sultan Mohamed 1, Kawasan Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan.	Industrial land	Warehouse and Office	644,811	99 years ending on 2105	18 years	30 June 2024*	56,850 (Land) 65,000 (Building)
H.S (D) 116367, PT 183 Mukim Bandar Sultan Sulaiman, Daerah Klang, Selangor Darul Ehsan. Postal Address: Lot 24, Jalan Lebu Sultan Mohamed 1, Kawasan Perindustrian Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan.	Industrial land	Warehouse and Office	217,797	99 years ending on 30 June 2105	31 years	30 June 2024*	20,585 (Land) 23,814 (Building)

List of Properties (continued)

POSTAL ADDRESS/LOCATION	DESCRIPTION	EXISTING USE	LAND AREA (SQARE FEET)	TENURE OF LAND (YEARS)	APPROXIMATE AGE OF BUILDING	DATE OF LAST REVALUATION*/ DATE OF ACQUISITION	NET BOOK VALUE AS AT 30.06.24 RM'000
H.S (D) 37855, PT 478 Mukim 6, Daerah Seberang Perai Tengah, Pulau Pinang Pulau Mutiara. Postal Address: No. 1077, Lorong Perusahaan Maju 1, Kawasan Perusahaan F4, 13600 Perai, Pulau Pinang Pulau Mutiara.	Industrial land	Warehouse and Office	92,424	60 years ending on 30 October 2052	29 years	30 June 2024*	4,600 (Land) 6,800 (Building)
H.S (D) 261818, Lot No. PT598 Pekan Hicom, Daerah Petaling, Selangor Darul Ehsan. Postal Address: Lot 5, Persiaran Sabak Bernam, Section 26 (Hicom), 40400 Shah Alam, Selangor Darul Ehsan.	Industrial land	Warehouse and Office	371,990	Freehold	35 years	30 June 2024*	78,000 (Land) 10,000 (Building)
HS (D) 37850, PT476, Mukim 6, Daerah Seberang Perai Tengah, Negeri Pulau Pinang. Postal Address: Plot No. 61, Lorong Perusahaan Maju 3, Kawasan Perusahaan Perai Fasa 4, 13600 Perai, Pulau Pinang.	Industrial land	Warehouse and Office	87,121	60 years ending on 23 September 2052	28 years	30 June 2024*	4,350 (Land) 6,500 (Building)
H.S.(M) 42050, PT 65647, Lot 95191, Jalan Sultan Alauddin 4, Bandar Sultan Sulaiman, 42000 Port Klang, Selangor.	Industrial land	Warehouse and Office	152,267	99 years ending on 7 December 2110	-	30 June 2024*	13,142 (Land) 41,203 (Building)
H.S. (M) 42053, PT65650, Lot 95192, Jalan Sultan Alauddin 4, Bandar Sultan Sulaiman. 42000 Port Klang, Selangor.	Industrial land	Vacant	160,503	99 years ending on 7 December 2110	-	30 June 2024*	13,443 (Land)
H.S. (D) 164201, PT152623, Mukim Klang, Daerah Klang, Selangor Darul Ehsan. Postal Address: Lot PT 15623, Jalan Sungai Chandong 28/KS11, Pulau Indah Industrial Park , 42920 Pulau Indah, Selangor.	Industrial land	Vacant	165,811	78 years ending on 30 March 2097	-	30 June 2024*	14,900 (Land)
Ruko CBD Jababeka Blok B No. 18, Jl. Niaga Raya Kav. AA3, Pasirsari, Cikarang Selatan, Bekasi, Jawa Barat. Zip code : 17530	Office Unit	Office	624	8 years ending on 24 September 2026, after that extend every 30 years	15 years	01 November 2017	245 (Building)
Ruko CBD Jababeka Blok B No. 19, Jl. Niaga Raya Kav. AA3, Pasirsari, Cikarang Selatan, Bekasi, Jawa Barat. Zip code : 17530	Office Unit	Office	624	8 years ending on 24 September 2026, after that extend every 30 years	15 years	01 November 2017	289 (Building)

CCC - Certificate of Completion and Compliance

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 28th Annual General Meeting of FM Global Logistics Holdings Berhad (“the Company”) will be conducted virtually through live streaming from the **Broadcast Venue at Connexion Conference & Event Centre, The Vertical, Pinnacle 3 (Level M1), Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Tuesday, 26 November 2024 at 10.00 a.m.**, to transact the following businesses:-

AS ORDINARY BUSINESS:-

- | | |
|--|--|
| 1. To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and Auditors thereon. | Please refer to Note 1 of the Explanatory Notes to the Agenda |
| 2. To approve the payment of Directors’ fees up to an aggregate amount of RM520,000 for the financial year ending 30 June 2025, to be paid monthly in arrears. | Ordinary Resolution 1 |
| 3. To approve the payment of Directors’ benefits up to an aggregate amount of RM80,000 for the period from 27 November 2024 until the next annual general meeting of the Company. | Ordinary Resolution 2 |
| 4. To re-elect the following Directors who are retiring pursuant to Clause 125 of the Constitution of the Company:-
(a) Chew Chong Keat
(b) Gan Siew Yong
(c) Lau Swee Chin | Ordinary Resolution 3
Ordinary Resolution 4
Ordinary Resolution 5 |
| 5. To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 6 |

AS SPECIAL BUSINESS:-

To consider and, if thought fit, to pass the following resolutions, with or without modification(s): -

- | | |
|--|------------------------------|
| 6. AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 | Ordinary Resolution 7 |
|--|------------------------------|

“THAT subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions, to such persons and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the

Notice of Annual General Meeting (continued)

Directors be authorised to do all such things as they deem fit and expedient in the best interest of the Company to give effect to the issuance of new shares under this resolution including making such applications to Bursa Securities for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting the Company held after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is the earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting."

7. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK**Ordinary Resolution 8**

"THAT subject always to the Companies Act 2016 ("Act"), the Constitution of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given for the Company to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company ("Share Buy-Back Mandate") provided that:

- (a) the aggregate number of ordinary shares in the Company purchased and/or held as treasury shares pursuant to the Share Buy-Back Mandate does not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase; and
- (c) the Directors of the Company may decide either to retain the shares so purchased as treasury shares or cancel the shares so purchased or retain part of the shares so purchased and cancel the remainder or resell the treasury shares on Bursa Securities or distribute the treasury shares as dividends or transfer the treasury shares under an employees' share scheme or as purchase consideration or otherwise use the treasury shares for such other purpose in the manner as prescribed by the applicable laws, guidelines, rules and regulations.

THAT the authority conferred by this resolution will be effective upon the passing of this resolution and will continue to be in force until:

- (a) the conclusion of the next annual general meeting of the Company, at which time it shall lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next annual general meeting of the Company after that date is required by law to be held; or

Notice of Annual General Meeting (continued)

- (c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps to implement, finalise and to give full effect to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors deem fit or expedient at their discretion in the best interest of the Company."

8. To transact any other business of which due notice shall have been given in accordance with the Constitution of the Company and the Companies Act 2016.

By Order of the Board,

TE HOCK WEE (MAICSA 7054787) (SSM PC NO. 202008002124)
FOO PEI KOON (MAICSA 7067238) (SSM PC NO. 202108000380)
 Company Secretaries

Kuala Lumpur
 28 October 2024

NOTES:

- a. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Shareholders **WILL NOT BE ALLOWED** to attend the Twenty-Eighth Annual General Meeting ("28th AGM") in person at the Broadcast Venue on the day of the meeting. Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the 28th AGM via the remote participation and voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Guide for the 28th AGM available at <https://fmgloballogistics.listedcompany.com/AR2024.html> on registration, participation and voting at the 28th AGM.
- b. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 November 2024 (General Meeting Record of Depositors) shall be eligible to participate in the 28th AGM or appoint proxy(ies) to participate on his behalf at the meeting.
- c. A member, including an authorised nominee, entitled to attend, speak and vote at the meeting may appoint not more than two (2) proxies to attend, speak and vote for him. A proxy need not be a member of the Company.
- d. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- e. Where a member, an authorised nominee or an exempt authorised nominee appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holding to be represented by each proxy in the Proxy Form.

Notice of Annual General Meeting (continued)

- f. The appointment of proxy(ies) may be made in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof:-
- i. In hard copy form
To be deposited with Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - ii. By electronic means via TIH Online website at <https://tiah.online>
Please refer to the Administrative Guide of the 28th AGM for further information on electronic lodgement of Proxy Form via TIH Online.
- g. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the general meeting or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- h. Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.
- i. Last day, date and time for lodging the Proxy Form is **Sunday, 24 November 2024 at 10.00 a.m.**
- j. For a corporate member who has appointed a representative instead of a proxy to attend the meeting, please deposit the **original or duly certified certificate** of appointment executed in the manner as stated in the Proxy Form with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia if this has not been lodged with the Company's Share Registrar earlier.
- k. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 28th AGM will be put to vote by poll.

EXPLANATORY NOTES TO THE AGENDA:**1. Item 1 on the Agenda – Audited Financial Statements for the financial year ended 30 June 2024**

This agenda item is meant for discussion only. The provision of Section 248(2) and 340(1)(a) of the Companies Act 2016 ("Act") require the audited financial statements and the reports of the Directors and Auditors thereon be laid before the Company at its annual general meeting. Hence, this agenda item is not a business which requires a motion to be put forward for voting.

2. Ordinary Resolution 1 – Payment of Directors' fees

This proposed resolution, if passed, will facilitate the payment of Directors' fees for the financial year ending 30 June 2025.

The Directors' fees payable to Directors are calculated based on the current board size and assuming that all Directors will hold office until the end of the financial year of 30 June 2025. In the event the proposed amount is insufficient due to enlarged board size, approval will be sought at the next annual general meeting for the shortfall.

3. Ordinary Resolution 2 – Payment of Directors' Benefits

Directors' benefits are meeting allowance payable to all Directors and in determining the estimated amount, the Board has considered various factors including the current board size and number of scheduled meetings for the Board and Board Committees for the period from 27 November 2024 until the next annual general meeting. In the event the proposed amount is insufficient (due to more meetings/enlarged board size), approval will be sought at the next annual general meeting for the shortfall.

4. Ordinary Resolutions 3, 4 and 5 – Re-election of retiring Directors

Mr Chew Chong Keat, Mdm Gan Siew Yong and Mdm Lau Swee Chin are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 28th AGM.

Their profiles are disclosed in the Board of Directors' Profile of the Annual Report 2024.

Notice of Annual General Meeting (continued)

EXPLANATORY NOTES TO THE AGENDA (CONTINUED):

4. Ordinary Resolutions 3, 4 and 5 – Re-election of retiring Directors (continued)

Save as disclosed, the retiring Directors have no conflict of interest with the Company and its subsidiaries. The Nomination Committee (“NC”) has considered the performance and contribution, time commitment, calibre and personality, as well as fit and proper assessment of the retiring Directors. Based on the recommendation of the NC, the Board is supportive of their re-election based on the following justifications:-

- i. Ordinary Resolution 3 – Re-election of Chew Chong Keat as Group Managing Director
Mr Chew Chong Keat is the spouse of Mdm Gan Siew Yong, the Executive Director of the Company. As one of the Group’s co-founders, Mr Chew Chong Keat has demonstrated exemplary leadership in building the business and creating value. He has vast experience in freight forwarding and logistics industries and has contributed significantly to the Group by providing valuable input to steer the Group forward.
- ii. Ordinary Resolution 4 – Re-election of Gan Siew Yong as Executive Director
Mdm Gan Siew Yong is the spouse of Mr Chew Chong Keat, the Group Managing Director as well as a major shareholder of the Company. She possesses relevant qualification, knowledge and experience which complement the Board’s competencies. She has been involved in the Group’s business operation and contributes tremendously to the Group.
- iii. Ordinary Resolution 5 – Re-election of Lau Swee Chin as Independent Non-Executive Director (“INED”)
Mdm Lau Swee Chin exercised due care and carried out her duties professionally during her tenure as INED of the Company. She has demonstrated independence through her engagement in Board and Board Committees meetings.

5. Ordinary Resolution 6 – Re-appointment of Auditors

The Board had, through the Audit and Risk Management Committee (“ARMC”), considered the re-appointment of Crowe Malaysia PLT as Auditors of the Company. The factors considered by the ARMC in making the recommendation to the Board to table their re-appointment at the 28th AGM are disclosed in the ARMC Report of the 2024 Annual Report.

6. Ordinary Resolution 7 – Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Act

The proposed Ordinary Resolution 7, if passed, will empower the Directors to issue and allot shares up to an aggregate amount not exceeding 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company without having to convene separate general meetings. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next annual general meeting of the Company.

This is a renewal of the mandate obtained from shareholders at the last annual general meeting held on 23 November 2023. The proposed Ordinary Resolution 7, if passed, will provide flexibility to the Company for any possible fund-raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, acquisitions or such other application as the Directors may deem fit in the best interest of the Company.

As of the date of this notice, the Company did not issue any new shares pursuant to the mandate granted by the shareholders at the last annual general meeting.

7. Ordinary Resolution 8 – Proposed Renewal of Shareholders’ Mandate for Share Buy-Back

The proposed resolution, if passed, will empower the Company to purchase its own shares up to 10% of the total number of issued shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting of the Company.

Further information relating to this proposed resolution is set out in the Statement to Shareholders dated 28 October 2024.



FM GLOBAL LOGISTICS HOLDINGS BERHAD
 Registration No. 199601008064 (380410-P)
 (Incorporated in Malaysia)

Proxy Form

CDS A/C. No.	No. of shares held

I/We _____ NRIC No./Co. Registration No. _____
 (Full Name in Block Letters)

of _____
 (Full Address)

being (a) member(s) of FM Global Logistics Holdings Berhad, hereby appoint:-

Full Name in Block Letters		Proportion of Shareholdings
NRIC / Passport No.		
Full Address		%
Email Address		

*and,

Full Name in Block Letters		Proportion of Shareholdings
NRIC / Passport No.		
Full Address		%
Email Address		
		100%

or failing *him / her, the Chairman of the Meeting as *my / our *proxy / proxies to attend and to vote for *me /us on *my/ our behalf at the 28th Annual General Meeting of the Company, which will be conducted virtually through live streaming from the Broadcast Venue at Connexion Conference & Event Centre, The Vertical, Pinnacle 3 (Level M1), Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on **Tuesday, 26 November 2024 at 10.00 a.m.**, and at any adjournment thereof and to vote as indicated below:

RESOLUTIONS		FOR	AGAINST
Ordinary Resolution 1	To approve the payment of Directors' fees for the financial year ending 30 June 2025, to be paid monthly in arrears.		
Ordinary Resolution 2	To approve the payment of Directors' benefits.		
Ordinary Resolution 3	To re-elect Chew Chong Keat as Director of the Company.		
Ordinary Resolution 4	To re-elect Gan Siew Yong as Director of the Company.		
Ordinary Resolution 5	To re-elect Lau Swee Chin as Director of the Company.		
Ordinary Resolution 6	To re-appoint Crowe Malaysia PLT as Auditors of the Company.		
Ordinary Resolution 7	Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
Ordinary Resolution 8	Proposed Renewal of Shareholders' Mandate for Share Buy-Back.		

(Please indicate with an "X" on how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.)

[*Delete if not applicable]

Telephone no. during office hours:

Dated this _____ day of _____ 2024

 [Signature / Common Seal of shareholder(s)]

NOTES:-

- a. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Shareholders **WILL NOT BE ALLOWED** to attend the Twenty-Eighth Annual General Meeting ("28th AGM") in person at the Broadcast Venue on the day of the meeting. Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the 28th AGM via the remote participation and voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via TIH Online website at <https://tiah.online>. Please refer to the Administrative Guide for the 28th AGM available at <https://fmgloballogistics.listedcompany.com/AR2024.html> on registration, participation and voting at the 28th AGM.
- b. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 November 2024 (General Meeting Record of Depositors) shall be eligible to participate in the 28th AGM or appoint proxy(ies) to participate on his behalf at the meeting.
- c. A member, including an authorised nominee, entitled to attend, speak and vote at the meeting may appoint not more than two (2) proxies to attend, speak and vote for him. A proxy need not be a member of the Company.
- d. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- e. Where a member, an authorised nominee or an exempt authorised nominee appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holding to be represented by each proxy in the Proxy Form.
- f. The appointment of proxy(ies) may be made in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof:
 - i. In hard copy form
To be deposited with Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - ii. By electronic means via TIH Online website at <https://tiah.online>
Please refer to the Administrative Guide of the 28th AGM for further information on electronic lodgement of Proxy Form via TIH Online.

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Affix Stamp

FM GLOBAL LOGISTICS HOLDINGS BERHAD

Registration No. 199601008064 (380410-P)

The Share Registrar:
Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Malaysia

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- g. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the general meeting or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- h. Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.
- i. Last day, date and time for lodging the Proxy Form is **Sunday, 24 November 2024 at 10.00 a.m.**
- j. For a corporate member who has appointed a representative instead of a proxy to attend the meeting, please deposit the **original or duly certified** certificate of appointment executed in the manner as stated in the Proxy Form with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia if this has not been lodged with the Company's Share Registrar earlier.
- k. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 28th AGM will be put to vote by poll.

Group Directory

NO	AREA	ADDRESS	TEL	FAX
MALAYSIA				
1.	PORT KLANG	FM GLOBAL LOGISTICS (M) SDN. BHD. (Company No. 85740-U) Lot 37, Lebuah Sultan Mohamed 1, Kawasan Perindustrian Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan. General Email address : gen@fmgloballogistics.com Website : www.fmgloballogistics.com	+603-3176 1111 +603-3322 3111	+603-3176 8634
2.	PORT KLANG	FM MULTIMODAL SERVICES SDN. BHD. (Company No. 251269-V) Lot 37B, Lebuah Sultan Mohamed 1, Kawasan Perindustrian Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan. Email : general@fmmultimodal.com	+603-3176 6888	+603-3176 3993 +603-3176 4209
3.	PORT KLANG	FM GLOBAL LOGISTICS (KUL) SDN. BHD. (Company No. 199558-U) Lot 37B, Lebuah Sultan Mohamed 1, Kawasan Perindustrian Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan. Email : enquiry-air@fmgloballogistics.com	+603-3176 5336	+603-3176 5636
4.	PORT KLANG	PARCEL TO POST SERVICES SDN. BHD. (Company No. 1224580-W) Lot 37, Lebuah Sultan Mohamed 1, Kawasan Perindustrian Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan. Email : hello@parceltopost.com	+603-3176 1111	
5.	KELANA JAYA	FM GLOBAL LOGISTICS (KUL) SDN. BHD. (Company No. 199558-U) (KLIA-Warehouse & Operation office) Lot C3A, Block C, Malaysia Airlines Freight Forwarders Complex, Free Commercial Zone, KLIA Cargo Village, Kuala Lumpur International Airport, 64000 Sepang, Selangor Darul Ehsan. (KELANA JAYA) Suite 1601-2, Level 16, Tower 2, Wisma AmFIRST, Jalan SS7/15, Jalan Stadium, 47301 Kelana Jaya, Selangor Darul Ehsan. Email : enquiry-air@fmgloballogistics.com	+603-8787 2990	+603-8787 2933 +603-7610 3300 +603-7610 3232
6.	JOHOR BAHRU	FM GLOBAL LOGISTICS (M) SDN. BHD. (Company No. 85740-U) No. 2, Jalan Tiong Emas 5, Kawasan Perindustrian Tebrau, 81100 Johor Bahru, Johor Darul Takzim. General Email address : enquiry-my@fmgloballogistics.com	+607-350 0959	+607-361 2621
7.	BUTTERWORTH	FM GLOBAL LOGISTICS (M) SDN. BHD. (Company No. 85740-U) No. 4453 & 4454, Jalan Bagan Luar, 12000 Butterworth, P.W. Pulau Pinang. Email Address : enquiry-pen@fmgloballogistics.com	+604-331 4358	

Group Directory (continued)

NO	AREA	ADDRESS	TEL	FAX
MALAYSIA				
8.	PENANG	FM GLOBAL LOGISTICS (M) SDN. BHD. (Company No. 85740-U) Block A-Unit 8, Cargo Agent Building, MAS Cargo Complex, Penang International Airport, 11900 Bayan Lepas, Pulau Pinang Pulau Mutiara. Email : enquiry-air@fmgloballogistics.com	+604-640 4943 +604-640 4944	+604-640 4948
9.	IPOH	FM GLOBAL LOGISTICS (M) SDN. BHD. (Company No. 85740-U) 1B (2 nd Floor), Persiaran Greentown 9, Greentown Business Centre, 30450 Ipoh, Perak Darul Ridzuan. General Email Address : fmipoh@fmgloballogistics.com Email : cs_ipoh@fmgloballogistics.com	+605-242 1600 +605-255 1382 +605-255 1389 +605-243 1381 +605-242 1358	+605-255 1380 +605-255 1446
10.	MELAKA	FM GLOBAL LOGISTICS (M) SDN. BHD. (Company No. 85740-U) No. 1-2, Jalan PPMP 1, Pusat Perniagaan Malim Permai, 75250 Hang Tuah Jaya, Malim, Melaka Bandar Bersejarah. General Email Address : sales_mel@fmgloballogistics.com	+606-336 8888	+606-336 7777
11.	KUANTAN	FM GLOBAL LOGISTICS (M) SDN. BHD. (Company No. 85740-U) A-43, Tingkat 1, Lorong Balok Perdana 3/1, Balok Perdana, 26100 Kuantan, Pahang Darul Makmur. General Email Address : azha@fmgloballogistics.com	+609-584 0359 +609-584 0459	+609-584 0159
12.	BUKIT KAYU HITAM	FM GLOBAL LOGISTICS (M) SDN. BHD. (Company No. 85740-U) No. 6, Tingkat 1, Susuran Cenggal Emas, Kompleks Cenggal Emas, 06050 Bukit Kayu Hitam, Kedah Darul Aman. Email : fmbkadmin@fmgloballogistics.com	+604-922 1098	+604-922 1098
13.	KUCHING	FM MULTIMODAL SERVICES SDN. BHD. (Company No. 251269-V) Lot 1255, Block 8, MTL D Demak Laut Industrial Park, Jalan Bako, 93050 Kuching, Sarawak, Malaysia. Email : general@fmmultimodal.com	+6082-496 143	
SINGAPORE FM GLOBAL LOGISTICS (S'PORE) PTE. LTD. CAC LOGISTICS SERVICES PTE. LTD.				
1.	SINGAPORE	3 Pioneer Sector Lane , Level 1, Singapore 628322. Email : pohlin.ng@fmgloballogistics.com	+65 6253 5780	+65 6253 5483
THAILAND FM GLOBAL LOGISTICS CO., LTD.				
1.	BANGKOK	Richmond Building 11 th Floor 75/25 Soi Sukhumvit 26, Klongton, Klongtoey, Bangkok, 10110 Thailand. Email : enquiry-th@fmgloballogistics.com	+66-2 661 2400-6	+66-2 661 2407-8
2.	SADAO	97 Moo 2 Kanjanavanich Road, Samnak kham, Sadao, Songkhla 90320 Thailand.	+66-86 072 1998 +66-86 826 1541	

Group Directory (continued)

NO	AREA	ADDRESS	TEL	FAX
INDONESIA				
PT. FM GLOBAL LOGISTICS				
1.	JAKARTA	Rukan Artha Gading Niaga Blok H No. 11, Jl. Bulevar Artha Gading, Kelapa Gading 14240, Jakarta Utara, Indonesia. Email : enquiry-id@fmgloballogistics.com	+62-21 4585 6727 +62-21 4585 0905	
2.	JAKARTA	Jakarta Cengkareng Airport Office & Warehouse Soewarna Integrated Business Park Warehouse Area, Block E3 Soekarno Hatta, International Airport Tangerang 19110, Indonesia. Email : enquiry-id@fmgloballogistics.com	+62-21 5591 1270	
3.	CIKARANG	Ruko CBD Jababeka Blok B No. 18 & 19, Jl. Niaga Raya Kav AA3, Cikarang Baru, Bekasi 17550 Kawasan Industri Jababeka Tahap 2, Indonesia. Email : enquiry-id@fmgloballogistics.com	+62-21 893 4869 +62-21 893 4913 +62-21 8984 2368	
4.	BANDUNG	Topaz Commercial TC-78, Jl. Boulevard Selatan - Summarecon Bandung, Bandung 40294, Indonesia. Email : enquiry-id@fmgloballogistics.com	+62-22 753 5706 +62-22 753 5719 +62-22 8730 4055 +62-22 756 5687	
5.	MEDAN (BELAWAN)	Graha Harmoni Building 5 th Floor, Jln. Gaharu No. 2B, Harmoni, Medan Timur, Kota Medan, Sumatera Utara 20235, Indonesia. Email : enquiry-id@fmgloballogistics.com	+62-61 414 1723 +62-61 414 1785	
6.	SURABAYA	Wisma AGI - 3rd. Fl, Unit A, Jl. Tidar No. 17-19, Surabaya 60251, Jawa Timur, Indonesia. Email : enquiry-id@fmgloballogistics.com	+62-31 531 8903	
VIETNAM				
FM GLOBAL LOGISTICS COMPANY LIMITED				
FM-TCI GLOBAL LOGISTICS COMPANY LIMITED				
1.	HO CHI MINH	Unit 1205, 12 th Floor, Citilight Tower, 45 Vo Thi Sau Street, Dakao Ward, District 1, Ho Chi Minh City, Vietnam. Email : enquiry-vn@fmgloballogistics.com	+84 28 38238628	+84 28 38237868
2.	HAIPHONG	Unit 516A, 5 th Floor, TD Business Center, Lot 20A, Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City, Vietnam. Email : enquiry-vn@fmgloballogistics.com	+84 225 3722168	+84 225 3722998
3.	HA NOI	12 th Floor, Mippec Tower, 229 Tay Son Street, Nga Tu So Ward, Dong Da District, Ha Noi City, Vietnam. Email : enquiry-vn@fmgloballogistics.com	+84 24 66831836	

Group Directory (continued)

NO	AREA	ADDRESS	TEL	FAX
INDIA FM GLOBAL LOGISTICS (INDIA) PRIVATE LIMITED				
1.	CHENNAI	23, Andhra Chamber of Commerce Building, 2 nd floor, 3 rd Cross Street. West CIT Nagar, Nandanam, Chennai - 600035, Tamilnadu, India. Email : Dhamu.maa@fmgloballogistics.com, subbu@fmgloballogistics.com	+91 444 854 6088	+91 442 433 2045
2.	COIMBATORE	15,3 rd Floor, Sarojini Street, Coimbatore. Email : nithya-cjb@fmgloballogistics.com	+91 422 420 6777	
3.	BANGALORE	No.2M-154, 2 nd Main Road, East of NGEF Layout, Kasturi Nagar, Bangalore 560 043 Email : ram.blr@fmgloballogistics.com, mohammed.blr@fmgloballogistics.com	+91 978 468 9968	
INDIA FM GLOBAL CONSOLIDATION SERVICES PRIVATE LIMITED				
1.	MUMBAI	V TIMES SQUARE, Office Number 1003, 10 th Floor, Plot Number 03, Sector 15, C B D Belapur, Navi Mumbai 400614 Email : nadeem@fmgloballogistics.com, abdul@fmgloballogistics.com	+91 226 846 3300	+91 226 846 3301
2.	JAIPUR	307, 3 rd Floor, Amrpali Plaza, Amrpali Circle, Vaishali Nagar, Jaipur 302021 Email : Girish-jaipur@fmgloballogistics.com, cs-jaipur@fmgloballogistics.com	+91 978 468 9968	
3.	KANPUR	40/119, 3 rd Floor, Hospital Road, Parade, Kanpur-208001 (U.P.) India. Email : karim-kanpur@fmgloballogistics.com	+91 700 727 7741	
4.	AHMEDABAD	Sakar IX, 4 th Floor, B-411, OPP Gold City Cinema, Ashram road, Ahmedabad - 380009 Email : ram@fmgloballogistics.com	+91 734 95 025	
5.	NEW DELHI	502, 5 th flr, Kushal Bazar 32-33, Nehru Plae, New Delhi - 110019 Email : bikku@fmgloballogistics.com	+91 955 513 3384	

Group Directory (continued)

NO	AREA	ADDRESS	TEL	FAX
PHILIPPINES				
FM GLOBAL LOGISTICS (PHIL.), INC.				
1.	MANILA	2/F, TMI Centre Arzobispo St, Intramuros, Manila, Philippines. Email : elma@fmgloballogistics.com	+63 2 8527 0221 +63 2 8527 0224	+63 2 8527 0209
2.	CEBU	2 nd Floor, Unit 07, The North Atrium, M.C. Briones cor. A.S. Fortuna St. Highway, Brgy. Guizo, Mandaue City 6014, Cebu. Email : jerry-ph@fmgloballogistics.com	+63 32 345 0937 +63 32 344 9698	
3.	PARANAQUE	G/F Unit 22 Cargo Village Complex, Ninoy Aquino cor. Multinational Aves. Brgy. Sto. Niño, Parañaque City, Philippines. Email : airfreight-ph@fmgloballogistics.com	+63 2 8839 0538 +63 2 8839 0539	+63 2 8839 0411
4.	LAS PIÑAS	Las Pinas Cargo Complex Previously Francisco Motors Compound J. Aguilar Ave., CAA Road, Las Pinas City. Email : elma@fmgloballogistics.com irene-ph@fmgloballogistics.com	+63 2 8376 7090	
AUSTRALIA				
FM GLOBAL LOGISTICS PTY. LTD.				
1.	FREMANTLE	6 Rivers Street Bibra Lake WA 6163, Australia. Email : brad@fmgloballogistics.com.au	+61 8 9314 2004	+61 8 9314 6004
2.	MELBOURNE	Suite 3, 7/9 Mallett Rd Tullamarine VIC 3043, Australia. Email : verena@fmgloballogistics.com.au	+61 3 7031 8800	
3.	ADELAIDE	Level 2, 306 St Vincent Street, Port Adelaide SA 5015, Australia. Email : darren@fmgloballogistics.com.au	+61 8 7119 0499	
4.	BRISBANE	Suite 6, 67 Depot Street, Banyo QLD 4014, Australia. Email : brad.evans@fmgloballogistics.com.au	+61 7 3709 0400	
5.	SYDNEY	Suite 5, 852 - 854 Old Princes Highway, Sutherland NSW 2232, Australia. Email : ross@fmgloballogistics.com.au	+61 2 7500 5050	
USA				
FM GLOBAL LOGISTICS (USA), LLC				
1.	LOS ANGELES	735 W. Emerson Ave Monterey Park, CA 91745, USA Email : info-usa@fmgloballogistics.com	+1 (323) 982-8007	+1 (323) 982-8711
USA				
INTER-ORIENT SERVICES				
1.	LOS ANGELES	735 W. Emerson Ave Monterey Park, CA 91745, USA Email : info@interorientservices.com	+1 (323) 263-1820	+1 (323) 604-1837

GRI Contents Index 2024

Page indications in this Index refer to FM Annual Report 2024 unless otherwise noted. The Sustainability Report is contained in the FM's 2024 Annual Report pages 40 to 112.

FM's 2024 Annual Report has been prepared with reference to the GRI Standard; 2016, 2018 and 2021 which refer to standards issue date, not the date of the information presented in this report.

GRI STANDARD/OTHER SOURCE	DISCLOSURE	SDG	PAGE NUMBER	REMARKS	
GENERAL DISCLOSURES					
GRI 2: General Disclosures 2021	2-1	Organisational details	-	4-7	About Us
	2-2	Entities included in the organisation's sustainability reporting	-	4-7 35 46	About Us Corporate Structure Reporting Period and Scope
	2-3	Reporting period, frequency and contact point	-	46 47	Reporting Period and Scope Feedback
	2-4	Restatements of information	-	-	There are no restatements of information in this report
	2-5	External assurance	-	110-112	Assurance Statement
	2-6	Activities, value chain and other business relationships	-	4-7 34 14-29 35	About Us Corporate Information Management Discussion & Analysis Corporate Structure
	2-7	Employees	8; 10	93	Social
	2-8	Workers who are not employees	5; 8	96 108-109	Total Number of Contractors/Temporary Staff -Central Business Hub Performance Data Table
	2-9	Governance structure and composition	5; 16	49-50 118-133	Sustainability Governance Structure Corporate Governance Overview Statement
	2-10	Nomination and selection of the highest governance body	5; 6; 16	34 118-133	Corporate Information Corporate Governance Overview Statement
	2-11	Chair of the highest governance body	16	118-133	Corporate Governance Overview Statement
	2-12	Role of the highest governance body in overseeing the management of impacts	16	49-50	Sustainability Governance Structure
	2-13	Delegation of responsibility for managing impacts	-	49-50 54-57 134-137	Sustainability Governance Structure Our Materiality Approach Statement on Risk Management and Internal Control
	2-14	Role of the highest governance body in sustainability reporting	-	49-50	Sustainability Governance Structure
	2-15	Conflicts of interest	16	118-133 134-137	Corporate Governance Overview Statement Statement on Risk Management and Internal Control
	2-16	Communication of critical concerns	-	54-57 118-133 114-117 134-137	Our Materiality Approach Corporate Governance Overview Statement Audit Committee Report Statement on Risk Management and Internal Control
	2-17	Collective knowledge of the highest governance body	-	36-38	Board of Directors Profile
	2-18	Evaluation of the performance of the highest governance body	-	118-133	Board Charter, Directors' Fit & Proper Policy at https://www.fmgloballogistics.com/investor/corporate_governance.html Corporate Governance Overview Statement
	2-19	Remuneration policies	-	118-133	Corporate Governance Overview Statement Remuneration Policy and Procedure for Directors and Senior Management at https://www.fmgloballogistics.com/investor/corporate_governance.html
	2-20	Process to determine remuneration	-	118-133	Corporate Governance Overview Statement Remuneration Policy and Procedure for Directors and Senior Management at https://www.fmgloballogistics.com/investor/corporate_governance.html

GRI Contents Index 2024 (continued)

GRI STANDARD/OTHER SOURCE	DISCLOSURE	SDG	PAGE NUMBER	REMARKS							
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	16	14-29 40-109 42	Management Discussion & Analysis Sustainability Report Building Value Through Purposeful Investments						
			2-23	Policy commitments	16	118-133 -	Corporate Governance Overview Statement Policies at https://www.fmgloballogistics.com/investor/corporate_governance.html				
					2-24	Embedding policy commitments	16	118-133 -	Corporate Governance Overview Statement Policies at https://www.fmgloballogistics.com/investor/corporate_governance.html		
	2-25	Processes to remediate negative impacts	16	14-29 134-137	Management Discussion & Analysis Statement on Risk Management and Internal Control						
				2-26	Mechanisms for seeking advice and raising concerns	16	- 47 -	Investor Relations at https://www.fmgloballogistics.com/investor/corporate_governance.html Feedback Prioritising Customer Interests			
	2-27	Compliance with laws and regulations	16				54-57 118-133 134-137	Our Materiality Approach Corporate Governance Overview Statement Statement on Risk Management and Internal Control			
				2-28	Membership associations	-	51	Membership of Associations			
	2-29	Approach to stakeholder engagement	-	52-53	Creating Stakeholder Value						
	2-30	Collective bargaining agreements	8	-	FM does not subscribe to collective bargaining in employment. Nevertheless, we are open to discussions with employees and various matters such as remuneration, benefits, workplace conditions and pertinent matters						
	MATERIAL TOPICS										
GRI 3: Material Topics 2021	3-1	Process to determine material topics	-	54-57	Our Materiality Approach						
	3-2	List of material topics	-	54-57	Our Materiality Approach						
	3-3	Management of material topics	-	All material matters sections	Throughout the Annual Report and Sustainability Report						
ECONOMIC PERFORMANCE											
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	8; 9	32-33 14-29 44-45 69-75 140-247	5-Year Group Financial Highlights Management Discussion & Analysis Value Creation Model Economic and Governance Financial Statements						
				201-2	Financial implications and other risks and opportunities due to climate change	13	32-33 14-29 69-75 54-57 140-247	5-Year Group Financial Highlights Management Discussion & Analysis Economic and Governance Our Materiality Approach Financial Statements			
							201-3	Defined benefit plan obligations and other retirement plans	-	-	FM abides by all relevant laws of the countries where we operate
							201-4	Financial assistance received from government	-	93-106 59, 66	Social Strategic optimisation of HRDF utilisation in FY2024

GRI Contents Index 2024 (continued)

GRI STANDARD/OTHER SOURCE	DISCLOSURE	SDG	PAGE NUMBER	REMARKS		
MARKET PRESENCE (continued)						
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	1; 5; 8	-	The compensation we offer is based on the minimum wage and internal equity of the respective positions as well as the employee's skill set and/ or experience. As far as possible, we strive to offer all our employees comparable compensation structures and monitor compliance with minimum standards.	
	202-2	Proportion of senior management hired from the local community	1; 5; 8	-	Majority of the Senior Management are hired from local community	
INDIRECT ECONOMIC IMPACTS						
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	5; 6; 8; 9; 11	4-7 8-13 14-29	About Us Chairman's Statement Management Discussion & Analysis	
	203-2	Significant indirect economic impacts	1; 3; 6; 8	4-7 8-13 14-29 44-45	About Us Chairman's Statement Management Discussion Value Creation Model	
PROCUREMENT PRACTICES						
GRI 3: Material Topics 2021	3-3	Management of material topics	-	70	Financial Stewardship, Sustainable Procurement, Shareholder Returns, and Corporate Responsibility	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	8	70 108-109	Financial Stewardship, Sustainable Procurement, Shareholder Returns, and Corporate Responsibility Performance Data Table - Proportion of Spending on Local Suppliers	
ANTI-CORRUPTION						
GRI 3: Material Topics 2021	3-3	Management of material topics	-	69-75 118-133 134-137	Economic and Governance Corporate Governance Overview Statement Statement on Risk Management and Internal Control	
	GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	16	134-137	Statement on Risk Management and Internal Control
		205-2	Communication and training about anti-corruption policies and procedures	16	67-68 69-75 108-109 134-137	KPI 6: Governance: Ethics & Integrity Economic and Governance Performance Data Table Statement on Risk Management and Internal Control
	205-3	Confirmed incidents of corruption and actions taken	16	108-109	Performance Data Table	
ANTI-COMPETITIVE BEHAVIOUR						
GRI 3: Material Topics 2021	3-3	Management of material topics	-	-	Investor Relation at www.fmgloballogistics.com/investor/	
GRI 206: Anti-competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	16	-	Investor Relation at www.fmgloballogistics.com/investor/	
TAX						
GRI 207: Tax 2019	207-1	Approach to tax	1; 10; 17	140-247	Financial Statements	
	207-2	Tax governance, control, and risk management	1; 10; 17	114-117 134-137	Audit Committee Report Statement on Risk Management and Internal Control	
		Stakeholder engagement and management of concerns related to tax	1; 10; 17	-	14-29 52-53 140-247	Investor Relations at https://www.fmgloballogistics.com/investor/ Management Discussion & Analysis Creating Stakeholder Value Financial Statements
	207-4	Country-by-country reporting	-	140-247	Financial Statements	

GRI Contents Index 2024 (continued)

GRI STANDARD/OTHER SOURCE	DISCLOSURE	SDG	PAGE NUMBER	REMARKS	
MATERIALS					
GRI 301: Materials 2016	301-1	Materials used by weight or volume	8; 12	64 86-92	KPI 3: Waste Management Advancing Waste Management through 3R Model
	301-2	Recycled input materials used	8; 12	64 86-92	KPI 3: Waste Management Advancing Waste Management through 3R Model
	301-3	Reclaimed products and their packaging materials	8; 12	-	Not Applicable
ENERGY					
GRI 3: Material Topics 2021	3-3	Management of material topics	7; 13	54-57 76-82	Our Materiality Approach Environmental
	GRI 302: Energy 2016	302-1	Energy consumption within the organisation	7; 13	79
	302-2	Energy consumption outside of the organisation	7; 13	-	Establishing Groundwork
	302-3	Energy intensity	7; 13	79	Energy Consumption Overview
	302-4	Reduction of energy consumption	7; 13	76-82	Environmental
	302-5	Reductions in energy requirements of products and services	7; 13	76-82	Environmental
WATER AND EFFLUENTS					
GRI 3: Material Topics 2021	3-3	Management of material topics	6; 14	54-57 76-82	Our Materiality Approach Environmental
	GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	6; 14	83-85
303-2		Management of water discharge-related impacts	6; 14	83-85	Water Consumption and Effluent Discharge Management
303-3		Water withdrawal	6; 14	83-85	Water Consumption and Effluent Discharge Management
303-4		Water discharge	6; 14	83-85	Water Consumption and Effluent Discharge Management
303-5		Water consumption	6; 14	83-85	Water Consumption and Effluent Discharge Management
BIODIVERSITY					
GRI 3: Material Topics 2021	3-3	Management of material topics	14; 15	54-57	Our Materiality Approach
	GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	14; 15	4-7
304-2		Significant impacts of activities, products and services on biodiversity	14; 15	76-92	Environmental
304-3		Habitats protected or restored	14; 15	-	Not Applicable
304-4		IUCN Red List species and national conservation list species with habitats in areas affected by operations	14; 15	-	Not Applicable

GRI Contents Index 2024 (continued)

GRI STANDARD/OTHER SOURCE	DISCLOSURE	SDG	PAGE NUMBER	REMARKS	
EMISSIONS					
GRI 3: Material Topics 2021	3-3	Management of material topics	7; 13	54-57 81-83	Our Materiality Approach GHG Emissions and Air Quality Management
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	7; 13	81-83 108-109	GHG Emissions and Air Quality Management Performance Data Table
	305-2	Energy indirect (Scope 2) GHG emissions	7; 13	81-83 108-109	GHG Emissions and Air Quality Management Performance Data Table
	305-3	Other indirect (Scope 3) GHG emissions	7; 13	81-83	GHG Emissions and Air Quality Management
	305-4	GHG emissions intensity	7; 13	81-83	GHG Emissions and Air Quality Management
	305-5	Reduction of GHG emissions	7; 13	81-83	GHG Emissions and Air Quality Management
	305-6	Emissions of ozone-depleting substances ("ODS")	7; 13	81-83	GHG Emissions and Air Quality Management
	305-7	Nitrogen oxides ("NOx"), sulfur oxides ("SOx"), and other significant air emissions	7; 13	81-83	GHG Emissions and Air Quality Management
WASTE					
GRI 3: Material Topics 2021	3-3	Management of material topics	12; 14; 15	54-57	Our Materiality Approach
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	12; 14; 15	85-90	Advancing Waste Management through 3R Model
	306-2	Management of significant waste-related impacts	12; 14; 15	85-90	Advancing Waste Management through 3R Model
	306-3	Waste generated	12; 14; 15	85-90	Advancing Waste Management through 3R Model
	306-4	Waste diverted from disposal	12; 14; 15	85-90	Advancing Waste Management through 3R Model
	306-5	Waste directed to disposal	12; 14; 15	85-90	Advancing Waste Management through 3R Model
SUPPLIER ENVIRONMENTAL ASSESSMENT					
GRI 3: Material Topics 2021	3-3	Management of material topics	7; 12; 13; 17	54-57 91-92	Our Materiality Approach Strengthening Supply Chain Management
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	7; 12; 13; 17	91-92	Establishing Groundwork. FM Plans to Begin Assessing Suppliers and Vendors for their Environment Compliance
	308-2	Negative environmental impacts in the supply chain and actions taken	7; 12; 13; 17	91-92	Establishing Groundwork. FM Plans to Begin Assessing Suppliers and Vendors for their Environment Compliance
EMPLOYMENT					
GRI 3: Material Topics 2021	3-3	Management of material topics	5; 8; 10	54-57 93-106	Our Materiality Approach Social
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	5; 8; 10	97	Employee Turnover and New Recruits
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4; 8	70	Human Capital Investment and Supplier Relations
	401-3	Parental leave	3; 5; 8	-	Applied
LABOUR/MANAGEMENT RELATIONS					
GRI 402: Labour/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	8	-	Minimum 24 Hours Notice Period

GRI Contents Index 2024 (continued)

GRI STANDARD/OTHER SOURCE	DISCLOSURE	SDG	PAGE NUMBER	REMARKS	
OCCUPATIONAL HEALTH AND SAFETY					
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	3; 8	101-104	Human Rights and Ethical Governance
	403-2	Hazard identification, risk assessment, and incident investigation	3; 8	101-104	Human Rights and Ethical Governance
	403-3	Occupational health services	3; 8	101-104	Human Rights and Ethical Governance
	403-4	Worker participation, consultation, and communication on occupational health and safety	3; 8; 16	101-104	Human Rights and Ethical Governance
	403-5	Worker training on occupational health and safety	3; 8	101-104	Human Rights and Ethical Governance
	403-6	Promotion of worker health	3; 8	101-104	Human Rights and Ethical Governance
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3; 8	101-104	Human Rights and Ethical Governance
	403-8	Workers covered by an occupational health and safety management system	3; 8	101-104	Human Rights and Ethical Governance
	403-9	Work-related injuries	3; 5; 8	102 108-109	Number of Lost Time Injury Performance Data Table
	403-10	Work-related ill health	3; 8; 16	-	-
TRAINING AND EDUCATION					
GRI 3: Material Topics 2021	3-3	Management of material topics	4; 5; 8	54-57	Our Materiality Approach
				103-104	Our Commitment to Employee Development
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	4; 5; 8	103-104	Our Commitment to Employee Development
				108-109	Performance Data Table
				103-104	Our Commitment to Employee Development
404-3	Percentage of employees receiving regular performance and career development reviews	4; 5; 8; 10	-	100%	
DIVERSITY AND EQUAL OPPORTUNITY					
GRI 3: Material Topics 2021	3-3	Management of material topics	4; 5; 8; 10	54-57	Our Materiality Approach
				93-106	Social
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	4; 5; 8; 10	93-106	Social
GRI 405: Diversity and Equal Opportunity 2016	405-2	Ratio of basic salary and remuneration of women to men	4; 5; 8; 10	-	The basic salary and remuneration we offer is based on the market rate and internal equity of the respective positions as well as the employee's skill set and experience. As far as possible, we strive to offer all our employees comparable compensation structures and monitor compliance with minimum standards.
NON-DISCRIMINATION					
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	5; 8	-	Corporate Code of Business Conduct and Work Ethics Policy at www.fmgloballogistics.com/investor/
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	8	-	FM does not use collective bargaining but engages in discussions with employee on various matters, including compensation, benefits, workplace conditions and relevant issues
CHILD LABOUR					
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	5; 8; 16	-	FM opposes to child labour or other forms of exploitation that also includes our vendors and suppliers

GRI Contents Index 2024 (continued)

GRI STANDARD/OTHER SOURCE	DISCLOSURE	SDG	PAGE NUMBER	REMARKS
FORCED OR COMPULSORY LABOUR				
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	5; 8; 16	-	FM opposes to child labour or other forms of exploitation that also includes our vendors and suppliers
SECURITY PRACTICES				
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	16	-	FM outsource security to providers under service agreements, ensuring SOP compliance. Our HSSE Committee monitors personal behaviour with month reviews
RIGHTS OF INDIGENOUS PEOPLES				
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	2; 16	-	No Incidents Reported
LOCAL COMMUNITIES				
GRI 3: Material Topics 2021	3-3 Management of material topics	11	54-57 106	Our Materiality Approach Driving Social Impacts with FM's Commitment to Corporate Social Responsibility
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	11	106	Driving Social Impacts with FM's Commitment to Corporate Social Responsibility
	413-2 Operations with significant actual and potential negative impacts on local communities	11	90	Environmental
SUPPLIER SOCIAL ASSESSMENT				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	5; 8; 16	-	Establishing Groundwork
	414-2 Negative social impacts in the supply chain and actions taken	5; 8; 16	-	Establishing Groundwork
PUBLIC POLICY				
GRI 415: Public Policy 2016	415-1 Political contributions	16	-	None
CUSTOMER HEALTH AND SAFETY				
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	3; 16	82, 90	Environmental
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3; 16	-	No Incidents Reported during FY2024
MARKETING AND LABELLING				
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labeling	12	-	Investor Relation at www.fmgloballogistics.com/investor/
	417-2 Incidents of non-compliance concerning product and service information and labeling	16	-	FM has not been notified through the available channels of any significant sanction for non-compliance concerning product and service information and labeling
	417-3 Incidents of non-compliance concerning marketing communications	16	-	FM has not been notified through the available channels of any significant sanction for non-compliance concerning marketing communications
CUSTOMER PRIVACY				
GRI 3: Material Topics 2021	3-3 Management of material topics	-	54-57	Our Materiality Approach
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	16	108-109	Performance Data Table - Number of Substantiated Complaints Concerning Breaches

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