



COVER RATIONALE

This cover embodies Three-A Resources Berhad's resilience and sustainable growth. The radiating bars that are moving in a circular motion symbolise strength and expansion, reflecting how the company moves forward and upwards with confidence. The integrated product images embedded on the colourful pillars highlight our diverse offerings and industry presence. With a bold, structured layout, this design reinforces stability, innovation, and a commitment to long-term success.

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ANNUAL GENERAL MEETING

of Three-A Resources Berhad Registration No. 199901006659 (481559-M)



Date: Wednesday, 4 June 2025



Time: 10:00 a.m.



Venue: Ballroom T (Main Wing), Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Fhsan





MISSION

To provide high quality Food and Beverage ingredients that appeals to all walks of life with emphasis on ethical sourcing, care for the environment and well-being of our employees



CORPORATE PROFILE



ABOUT US

Three-A Resources Berhad ("3A") is an investment holding company that was listed since 2002 and has ascended to the Main Market of Bursa Malaysia in 2008. Its wholly-owned subsidiary, San Soon Seng Food Industries Sdn Bhd ("SSSFI") is one of the leading food and beverage ingredients manufacturing companies in the country, started as a caramel producer in 1977 and expanded its product portfolio that has made strong footprints in many parts of the world. SSSFI has remained focused in its core strength of manufacturing food and beverage ingredients and firmly believes in producing products of the highest quality and has successfully expanded beyond Asian horizons and making its mark in the international market.

OUR PRODUCT PORTFOLIO

- Liquid Caramel, Caramel Colour
- Fermented Vinegar, Distilled Vinegar, Rice Vinegar
- Glucose Syrup, High Maltose Syrup, Liquid Maltodextrin
- Soya Protein Sauce, Hydrolysed Vegetable Protein Sauce
- Caramel Powder
- Maltodextrin
- Golden Syrup

SSSFI serves businesses of all sizes across a broad spectrum of industries and sectors. Our versatile range of ingredients has different functional properties and unique characteristics that can be tailored to customer needs. All ingredients are Halal and Kosher certified.

SSSFI offers a diverse range of packaging options to accommodate customer needs. There are various package sizes ranging from bulk road tankers to small packings such as jerrycan and carton boxes. Customised packaging can be arranged to accommodate customer requirements.

OUR ACCREDITATION & RECOGNITION

FSSC 22000 Certification by Intertek Certification International Sdn Bhd

HACCP Certification by
Ministry of Health Malaysia ("MOH")

HALAL Certification by
Department of Islamic Development
Malaysia ("JAKIM")

KOSHER Certification by Union of Orthodox Jewish Congregations of America

THREE-A RESOURCES BERHAD

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ABOUT US

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Jagjit Singh a/l Bant Singh *Independent Non-Executive Chairman*

Fong Chu King @ Tong Chu King Managing Director

Dato' Shamesh a/l Jeevaretnam *Independent Non-Executive Director*

Karmjit Kaur a/p Sarban Singh

Independent Non-Executive Director

Fang Siew Ping

Non-Independent Executive Director

Liew Kuo Shin

Non-Independent Executive Director

Kee Thuan Chai

Non-Independent Non-Executive Director

Jamel Bin Ibrahim

Independent Non-Executive Director

Tan Soon Hoe

Non-Independent Non-Executive Director

BOARD COMMITTEE

Audit Committee

Jamel Bin Ibrahim

Chairman

Dato' Shamesh a/l leeva

Dato' Shamesh a/l Jeevaretnam Karmjit Kaur a/p Sarban Singh

Remuneration Committee

Karmjit Kaur a/p Sarban Singh Chairperson Jamel Bin Ibrahim Dato' Shamesh a/l Jeevaretnam

Nomination Committee

Dato' Shamesh a/l Jeevaretnam Chairman Jamel Bin Ibrahim Karmjit Kaur a/p Sarban Singh

Risk Management Committee

Karmjit Kaur a/p Sarban Singh Chairperson

Fong Chu King @ Tong Chu King Fang Siew Ping

COMPANY SECRETARIES

Tan Lai Hong MAICSA 7057707 (SSM PC No. 202008002309)

Tan Kok Siong LS0009932 (SSM PC No. 202008001592)

AUDITORS

BDO PLT

Chartered Accountants Level 8, BDO @ Menara CenTARa 360 Jalan Tuanku Abdul Rahman 50100 Kuala Lumpur

Tel no. : +603 2616 2888 Fax no. : +603 2616 3190

REGISTERED ADDRESS

AL 308, Lot 590 & Lot 4196, Jalan Industri U19 Kampung Baru Sungai Buloh 40160 Shah Alam Selangor Darul Ehsan

Tel no : +603 6156 2655 Fax no : +603 6156 2657 E-mail : info@three-a.com.my

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd 11th Floor, Menara Symphony No 5, Jalan Prof. Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya Selangor Darul Ehsan

Tel no. : +603 7890 4700 Fax no. : +603 7890 4670

COMPANY NO.

199901006659 (481559-M)

WEBSITE

www.three-a.com.my

BANKERS

United Overseas Bank (Malaysia) Bhd OCBC Bank (Malaysia) Berhad CIMB Bank Berhad Hong Leong Bank Berhad

STOCK EXCHANGE

Bursa Malaysia Securities Berhad

Market

Main Market

Sector

Consumer Products & Services

Stock Name

3A

Stock Code

0012

INVESTOR RELATION

Fong Peng Fai, Group Financial Controller **Jessica Fang**, Senior Manager

Tel no. : +603 6156 2655 E-mail : info@three-a.com.my

PROFILE OF BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT

DATO' JAGJIT SINGH A/L **BANT SINGH**

Independent Non-Executive Chairman

Dato' Jagjit Singh a/l Bant Singh ("Dato' Jagjit") was appointed to the Board on 28 August 2019 and serves as an Independent Non-Executive Chairman of the Company and a Director of its wholly-owned subsidiaries, San Soon Seng Food Industries Sdn Bhd ("SSSFI") and Three-A Food Industries (M) Sdn Bhd ("3A Food").





Dato' Jagjit holds a Bachelor of Law ("LLB Hons") and Master of Law ("LLM") from the King's College, University of London. He was called to Malaysian Bar in March 2002 and was awarded Kesatria Mangku Negara ("KMN") in 2008, Setia Mahkota Pahang ("SMP") in 2010 and Darjah Indera Mahkota Pahang ("DIMP") in 2011.



Dato' Jagjit was a former Judge and has served the Malaysian Legal and Judicial Service for 28 years in various positions including that of a Senior Federal Counsel, Deputy Treasury Solicitor, Legal Advisor to the Ministry of Health, Deputy Public Prosecutor and Senior Assistant Parliamentary Draftsman.

Gender



Dato' Jagjit had served as a member of the Malaysia Competition Commission ("MyCC") under the Ministry of Domestic Trade and Consumer Affairs ("KPDNHEP") and he practises as an Advocate and Solicitor and is a Partner in Jagjit Ariff & Co.

Dato' Jagjit attended all four (4) Board Meetings held during the financial year ended 31 December 2024. He does not have any family relationship with any Director and/or major shareholder. He has no conflict of interest ("COI") or potential COI within the Group of Companies. He has no convictions for any offences within the past five (5) years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

MR FONG CHU KING @ **TONG CHU KING**

Managing Director/ Key Senior Management Mr Fong Chu King was re-designated to the Board on 28 August 2019 and serves as Managing Director of the Company and a Director of its wholly-owned subsidiaries, SSSFI and 3A Food. He also serves as a member of Risk Management Committee, Sustainability Committee and various Committees of the 3A Group. Previously, he was a Non-Independent Executive Director of the Company from May 2002 to August 2019.

Nationality





Mr Fong Chu King holds a Bachelor of Science in Chemical Engineering from the National Taiwan University. He is a qualified Professional Engineer of Lembaga Jurutera Malaysia and also a member of the Institution Engineers Malaysia. In his past 20 years of service with the Lion Group of Companies, he held a number of positions including Manager of Amsteel Mills Sdn Bhd and General Manager of Megasteel Sdn Bhd.



Mr Fong Chu King is equipped with more than 40 years of experience in manufacturing industry combining technical, operational, as well as extensive knowledge in managerial finance and business development. His strategic leadership entails a more sustainable competitive advantage for the Company in the food & beverage industry.

Mr Fong Chu King attended all four (4) Board Meetings held during the financial year ended 31 December 2024. He is a sibling of the major shareholder, Mr Fang Chew Ham. He has no COI or potential COI within the Group of Companies. He has no convictions for any offences within the past five (5) years (other than traffic offences, if any) nor any public sanction or penalty imposed by regulatory bodies during the financial year.

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LEADERSHIP

PROFILE OF BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT (CONTINUED)

MS KARMJIT KAUR A/P **SARBAN SINGH**

Independent Non-Executive Director

Ms Karmjit Kaur a/p Sarban Singh ("Ms Karmjit") was appointed to the Board on 8 June 2022 and serves as an Independent Non-Executive Director of the Company. She also serves as a Chairperson of Remuneration Committee and Risk Management Committee, and is a member of Audit Committee, Nomination Committee of the Company.







Gender



Ms Karmjit holds a Bachelor of Arts from York University, Toronto, Canada.

Ms Karmjit has more than 30 years' experience in the banking sector having worked in commercial and investment banks locally and for a short stint in Melbourne. She held various senior management positions and leadership roles including Senior Director of Affin Hwang Investment Bank (M) Berhad for about 13 years. She was a member of asset and liability committee, compliance risk and oversight committee, and early alert and watch list committee. Her experience also covers risk assurance functions, change management and business transformation, and stakeholder engagement.

She is currently a member of Institute of Corporate Directors Malaysia.

Ms Karmjit attended four (4) Board Meetings held during the financial year ended 31 December 2024. She does not have any family relationship with any Director and/ or major shareholder. She has no COI or potential COI within the Group of Companies. She has no convictions for any offences within the past five (5) years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

JEEVARETNAM

Independent Non-Executive Director

Dato' Shamesh a/l Jeevaretnam ("Dato' Shamesh") was appointed to the Board on 8 June 2022 and serves as an Independent Non-Executive Director of the Company. He also serves as a Chairman of Nomination Committee and is a member of Audit Committee and Remuneration Committee of the Company.





Age



Gender



Dato' Shamesh holds a Bachelor of Law ("LLB Hons") from the University of London. He has been in legal practice for more than 20 years and has vast experience in civil and commercial law including handling human resource and intellectual property issues. He also currently serves as a President of the Housing Tribunal.

Dato' Shamesh attended three (3) Board Meetings held during the financial year ended 31 December 2024. He does not have any family relationship with any Director and/or major shareholder. He has no COI or potential COI within the Group of Companies. He has no convictions for any offences within the past five (5) years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial vear.

PROFILE OF BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT (CONTINUED)

MS FANG SIEW PING

Non-Independent Executive Director

Ms Fang Siew Ping was reappointed to the Board on 28 August 2019 and serves as a Non-Independent Executive Director of the Company and its wholly-owned subsidiary, SSSFI. She also serves as a member of Risk Management Committee, Sustainability Committee and various Committees of the 3A Group.













Ms Fang Siew Ping holds a Bachelor's Degree in Chemistry from the University of Kentucky, USA. She joined SSSFI in 2004 and currently serves as Senior Manager of Business Development cum R&D. She collaborates with the Sales & Marketing team for new business opportunities and she is also Head of R&D and Quality Assurance Department of SSSFI.

Ms Fang Siew Ping attended all four (4) Board Meetings during the financial year ended 31 December 2024. She is the daughter of Mr Fang Chew Ham and a sibling of Ms Fang Siew Yee, who both are major shareholders of the Company. She has no COI or potential COI within the Group of Companies. She has no convictions for any offences within the past five (5) years (other than traffic offences, if any) nor any public sanction of penalty imposed by regulatory bodies during the financial year.

MR KEE THUAN CHAI

Non-Independent Non-Executive Director

Mr Kee Thuan Chai was appointed to the Board on 30 June 2020 and serves as a Non-Independent Non-Executive Director of the Company.





Mr Kee Thuan Chai graduated with a Bachelor of Business in Accountancy from Royal Melbourne Institute of Technology ("RMIT"), Melbourne, Australia. He is a member of CPA, Australia and Malaysian Institute of Accountants ("MIA").



Gender



Mr Kee Thuan Chai started his career as Trainee Accountant with Perlis Plantation Berhad (now known as PPB Group Berhad) in 1993. He was transferred to the group's oil palm plantation subsidiary and based in Central Kalimantan in 2006. In 2009, he was transferred back to Kuala Lumpur, with PPB Oil Palms Berhad, now known as Wilmar Plantation Sdn Bhd ("WPSB"), a fully owned subsidiary of Wilmar International Limited. He now heads WPSB Finance Department as Group Manager ("FAA").

Mr Kee Thuan Chai attended all four (4) Board Meetings held during the financial year ended 31 December 2024. He does not have any family relationship with any Director and/or major shareholder. He has no COI or potential COI within the Group of Companies. He has no convictions for any offences within the past five (5) years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

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LEADERSHIP

PROFILE OF BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT (CONTINUED)

MR LIEW KUO SHIN

Non-Independent Executive Director

Mr Liew Kuo Shin was reappointed to the Board on 28 August 2019 and serves as a Non-Independent Executive Director of the Company. He also serves as Chief Sustainability Officer of the Sustainability Committee, a member of Risk Management Working Committee and various Committees of the 3A Group.





Mr Liew Kuo Shin graduated as a Mechanical Engineer and joined the Company in 2001. He currently holds the position of General Factory Manager and oversees the daily operations and overall co-ordination of all the manufacturing plants. He is also the Head of Logistic Department and Maintenance Department of SSSFI.

Gender



Mr Liew Kuo Shin attended all four (4) Board Meetings held during the financial year ended 31 December 2024. He is the spouse of Ms Fang Siew Yee, a major shareholder of the company. He has no COI or potential COI within the Group of Companies. He has no convictions for any offences within the past five (5) years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

MR JAMEL IBRAHIM

Independent Non-Executive Director

Nationality





Gender



Mr Jamel Ibrahim was appointed to the Board on 13 June 2023 and serves as an Independent Non-Executive Director of the Company. He also serves as the Chairman of Audit Committee and a member of Nomination Committee and Remuneration Committee of the Company.

Mr Jamel Ibrahim is a qualified accountant and a member of the Malaysian Institute of Accountants. He has more than 30 years of professional experience gained in various positions in Tenaga Nasional Berhad, Shell Malaysia plus a few other companies.

Mr Jamel Ibrahim attended all four (4) Board meetings held during the financial year ended 31 December 2024. He does not have any family relationship with any Director and/or major shareholders. He has no COI or potential COI within the Group of Companies. He has no convictions for any offences within the past five (5) years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

PROFILE OF BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT (CONTINUED)

MR TAN SOON HOE

Non-Independent Non-Executive Director

Mr Tan Soon Hoe was appointed to the Board on 29 February 2024 and serves as a Non-Independent Non-Executive Director of the Company.

Nationality



Mr Tan Soon Hoe graduated with an accounting and finance degree from the University of London (external programme). He is presently an investment manager with Wilmar International Limited. He has more than 15 years in the investment management industry.









Mr Tan Soon Hoe attended all three (3) Board Meetings held during the financial year ended 31 December 2024. Mr Tan Soon Hoe does not have any family relationship with any Director and/or major shareholder. He has no COI or potential COI within the Group of Companies. He has no convictions for any offences within the past five (5) years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

MR FONG PENG FAI

Group Financial Controller/ Key Senior Management

Nationality





Gender



Mr Fong Peng Fai was appointed to the Company in 2013 and currently serves as the Group Financial Controller. He graduated with a Bachelor of Commerce majoring in Accounting from the University of Otago. He is a Chartered Global Management Accountant of the Chartered Institute of Management Accountants ("CIMA"), UK and American Institute of CPAs ("AICPA") and a member of the Malaysian Institute of Accountants ("MIA").

Mr Fong Peng Fai also holds a Masters of Business Administration from the University of Strathclyde, UK. His professional working experience started in external audit firms. Then he moved on to business recovery and consulting assignments in PricewaterhouseCoopers and later, he joined Digi as Head of Accounting and Financial Reporting.

Mr Fong Peng Fai is the son of the Managing Director, Mr Fong Chu King @ Tong Chu King. He has no COI or potential COI within the Group of Companies. He has no convictions for any offences within the past five (5) years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

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AROUT US

PERFORMANCE REVIEW

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Three-A Resources Berhad ("3A" or "the Group") continues to strengthen its position as a manufacturer of high-quality food and beverage ingredients. In line with its strategic objectives, the Group remains committed to enhancing operational efficiencies, optimising its supply chain, and managing costs effectively to reinforce its market position. For FY2024, 3A has navigated an evolving industry landscape while maintaining a strategic focus on sustainable growth.

The Group's performance in FY2024 was shaped by macroeconomic conditions, including geopolitical risks and inflationary pressures that influenced raw material costs. However, with inflation stabilising at 1.8% and cost pressures moderating, 3A effectively managed its input costs. The Malaysian economy recorded a 5% growth in the fourth quarter of 2024, supported by ongoing structural reforms. Stronger household spending supported by a robust labour market and policy measures further drove demand for ingredient solutions. Additionally, movements in the ringgit, influenced by external developments, remained a key factor in sourcing imported raw materials. Nevertheless, Malaysia's favourable macroeconomic outlook is expected to provide a more stable business environment, allowing 3A to reinforce its competitive positioning and providing opportunities for growth in the coming year.

2024 BUSINESS AND OPERATIONAL PERFORMANCE

Performance Overview

In FY2024, the Group recorded a 7.7% decline in revenue, amounting to RM46.7 million compared to FY2023, primarily due to lower sales volume. While liquidity ratios, such as the current and quick ratios, declined slightly, cash and bank balances improved significantly. Looking ahead, softer consumer demand, evolving market trends, and increasing competition are expected to impact the Group's operations, financial performance, and liquidity.

Earnings

Net profit for FY2024 decreased by 3.8%, amounting to RM1.7 million as compared to FY2023. This decline was primarily driven by reduced revenue due to lower sales volumes. However, the impact was partially offset by a more favourable product sales mix, reduced volatility in raw material costs, and enhanced cost control measures, which contributed to a more stable financial performance despite the challenges.

Exports

Singapore remained the Group's top export market in FY2024, contributing 10.7% to total revenue. However, export revenue experienced a decline of approximately RM16.3 million compared to FY2023. This decrease was mainly driven by reduced sales volumes, resulting from weaker industry demand. As global markets faced challenges, lower quantities of products sold contributed significantly to the overall drop in export revenue for the year.

Assets and Liabilities

In FY2024, the Group saw a 5.9% increase in total assets, reaching RM535.3 million, driven largely by higher inventory levels and cash balances. This was partially offset by







MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

a decline in trade receivables, in line with lower revenue. Similarly, total liabilities rose by 4.2% to RM57.4 million, primarily due to higher trade payables linked to the increased inventory, although this was partially mitigated by repayments of term loans. Shareholders' equity grew by 6.1% to RM477.9 million, reflecting the profit generated for FY2024, despite interim dividend payouts and share buybacks. Earnings per share stood at 8.89 sen, with a net asset per share of 97.7 sen.

Production

The Group continued its long-term operational efficiency initiatives in FY2024. Upgrading manufacturing facilities and enhancing product innovation capabilities remained top priorities, enabling the Group to deliver high-

quality, cost-competitive products that meet customer expectations. The expansion of the Quality Control and Micro lab, Physical and Chemical Laboratory facilities was completed in October 2024, while the construction of a new warehouse facility is set to be completed by mid-2025. Additionally, the first phase of the solar panel photovoltaic system has yielded encouraging results, reducing energy costs and carbon footprints. Ongoing plant expansions, automation efforts, and the installation of steam leak detection systems have further contributed to improved efficiency and reduced reliance on foreign labour.

Marketing and Customer Base Expansion

Efforts to expand market share and grow the customer base in FY2024 focused on actively





In response to inflationary pressures and geopolitical issues, which could affect the prices of raw materials like tapioca, corn starch, sugar, and soybean, the Group will continue to enhance its product sales mix, operational efficiency, and cost controls. Additionally, the Group will strengthen its marketing strategies and apply risk management processes resilient.

RPORATE GOVERNANCE

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

listening to customer needs, providing tailored solutions, and continually seeking improvements to achieve marketing goals. To support these efforts, the Micro Lab, Physical and Chemical Lab were relocated and expanded, becoming fully operational in December 2024. These new facilities enabled the Group to better meet customer expectations by providing enhanced support and improving service capabilities. These developments form part of the Group's strategy to deliver value while fostering stronger customer relationships, ultimately driving long-term business growth.

Key Business Opportunities and Risks

Sustainability and ESG-related matters presented significant business opportunities, as strong performance in these areas could attract companies that prioritise such initiatives. However, the Group also faced risks, including slower economic growth in key markets and increased competition from both local and international products. To mitigate these risks, the Group diversified its customer base across local and export markets while adjusting its sales mix to align with

evolving market demands. By integrating ESG considerations into its decision-making approach, the Group effectively navigated challenges and capitalised on emerging opportunities to ensure continued growth and resilience.

OUTLOOK AND PROSPECTS

Given the macro and microeconomic conditions in FY2024, the Group anticipates ongoing challenges in FY2025, including inflationary pressures and geopolitical issues, which could lead to fluctuations in the prices of key raw materials such as tapioca, corn starch, sugar, and soybean meal. These factors present both risks and opportunities. The Group plans to improve plant efficiency, explore new markets, and innovate in product offerings, driving cost savings and unlock new business possibilities. In response to these challenges, the Group will continue enhancing its product sales mix, operational efficiency, and cost controls while strengthening marketing strategies and applying risk management processes to ensure resilience.

Dividends

Three interim dividends were declared, totalling RM0.028 per share, with a total payout of RM13.7 million and paid on 21 June, 24 September, and 24 December 2024. The dividend payout was determined after assessing the financial performance for FY2024, alongside evaluations of business plans for the forthcoming years, capital requirements, and liquidity positions. This strategic approach ensures that dividend distribution aligns with operational needs and long-term financial sustainability while maintaining a solid cash flow for continued growth and investment.

Conclusion

Despite a challenging business environment, Three-A Resources Berhad remains resilient, leveraging its operational strengths, market adaptability, and commitment to sustainability. As the Group enters FY2025, it will continue enhancing efficiency, driving market expansion, and solidifying its ESG leadership to ensure sustainable and profitable growth.



FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000	
Revenue	557,116	603,864	658,702	515,615	436,166	
Profit Before Tax	56,933	57,422	47,803	62,506	40,708	
Profit After Tax	43,449	45,155	35,094	46,545	30,162	
Total Assets	535,261	505,664	509,048	463,570	431,837	
Total Liabilities	57,402	55,072	88,941	65,259	65,364	
Share Capital	149,087	149,087	149,087	149,087	149,087	
Shareholders' Equity	477,859	450,592	420,107	398,311	366,473	
	Sen	Sen	Sen	Sen	Sen	
		Jen	Jeli	Jen	Jen	
Earnings per Share	8.9	9.2	7.2	9.5	6.2	
Earnings per Share Net Assets per Share						
	8.9	9.2	7.2	9.5	6.2	
Net Assets per Share	8.9 97.7	9.2	7.2 85.8	9.5 81.2	74.4	
Net Assets per Share	97.7 2.8	9.2 92.2 3.0	7.2 85.8 2.5	9.5 81.2 3.0	74.4 2.2	
Net Assets per Share Net Dividend per Share	97.7 2.8	9.2 92.2 3.0	7.2 85.8 2.5	9.5 81.2 3.0	6.2 74.4 2.2	
Net Assets per Share Net Dividend per Share Return on Equity	8.9 97.7 2.8 % 9.1	9.2 92.2 3.0 % 10.0	7.2 85.8 2.5 % 8.4	9.5 81.2 3.0 % 11.7	6.2 74.4 2.2 % 8.2	

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FINANCIAL REPORT

FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS (CONTINUED)



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SUSTAINABILITY

FINANCIAL REPORT

SUSTAINABILITY STATEMENT (CONTINUED)

ADVANCING SUSTAINABLE MANUFACTURING

A Brief Statement Overview

Three-A Resources Berhad ("3A" or "the Company") is pleased to present our Sustainability Statement, which offers detailed insights into Environmental, Social and Governance ("ESG") aspirations within our food and beverage ("F&B") ingredients manufacturing and investment holding operations, highlighting our performance in these areas.

Shaping A Sustainable Tomorrow

At 3A, sustainability is the core of our business strategy, driven by four key pillars – Economic Impact, Robust Governance, Environmental Stewardship and Social Protection. These principles shape our efforts to create long-term value while supporting the environment and society.

In FY2024, we reinforced our commitment to sustainability by adopting an additional United Nations Sustainable Development Goal ("UN SDG") – SDG 7: Affordable and Clean Energy. The milestone was marked by the successful completion of Phase 1 of our solar power project. To further accelerate our transition to renewable energy, plans for Phase 2 are currently under discussion.

Recognising the urgency of climate action, we have also initiated the monitoring and reporting Scope 1, 2 and 3 Greenhouse Gas ("GHG") emissions, which enables us to assess and manage our carbon footprint while driving reductions across our operations.

To promote ethical and sustainable practices throughout our value chain, we conducted an ESG assessment covering 10 of our major active suppliers to support our

commitment to responsible sourcing and enhance transparency within our supply network. Looking ahead, we remain dedicated to advancing our sustainability journey and positioning ourselves as a globally-recognised player in the F&B ingredients industry.

Reporting Scope and Boundaries

The scope of this sustainability statement covers the period from 1 January 2024 to 31 December 2024 ("FY2024"). The statement includes data from 3A and our wholly owned subsidiaries, San Soon Seng Food Industries Sdn Bhd ("SSSFI") and Three-A Food Industries (M) Sdn Bhd ("3A Food"), collectively referred to as ("the Group").

Reporting Frameworks

This statement has been prepared to meet Bursa Malaysia's Main Market Listing Requirements ("MMLR") and Bursa Malaysia's Sustainability Reporting Guide (3rd Edition). Our ESG disclosures are aligned with the Global Reporting Initiative ("GRI") Standards, with reference to the UN SDGs.



Assurance Statement

The data presented in this sustainability statement was sourced from relevant business divisions and information owners,

who have verified the accuracy of the information. To enhance transparency, the Group has appointed an internal auditor to conduct an internal review of this statement. The audit assessed our compliance with Practice Note 9 Disclosure Requirements, Sustainability Performance Data, Bursa Malaysia's prescribed indicators and alignment with GRI standards. The findings were presented to the Audit Committee and Management for further deliberation.

Feedback

We welcome feedback and suggestions to improve our sustainability reporting. Kindly direct any feedback or enquiries to the following points of contact.



MEMBERSHIPS AND CERTIFICATIONS

Our Memberships

3A believes that our memberships play a crucial role in driving the Group's growth, enhancing competitiveness and strengthening our ability to navigate industry challenges. To stay aligned with the latest knowledge and best industry practices, we have maintained memberships in the following entities:

- International Technical Caramel Association
- Federation of Malaysian Manufacturers



Our Certifications

We have earned several certifications which serve as a testament to the quality of our products and our compliance with national and international regulations.

Food Safety System Certification ("FSSC 22000") Hazard Analysis and Critical Control Point ("HACCP") Kosher Certification Halal Certification

SUSTAINABILITY HIGHLIGHTS



100%

of operations assessed for corruption-related risks

Zero

substantiated incidents of corruption

Zero

substantiated complaints regarding breaches of customer privacy and losses of customer data





38% of procurement budget spent on local suppliers (FY2023: 37%)



10 major active suppliers assessed for environmental and social impacts





9% reduction in total energy consumption compared to FY2023



Scope 1, 2 and 3

GHG emissions reporting initiated for FY2024



12%

reduction in total water consumption compared to FY2023



36% of used plastic packaging containers reconditioned and reused by weight (FY2023: 36%)

Reduced carbon footprint by installing steam

leak detection system and gas flow meters



Reduction in steam

usage during production through the installation of hydroheater equipment



89% customer satisfaction score achieved



Zero cases of product recalls



Zero work-related fatalities



Zero substantiated complaints related to discrimination or human rights violations

RM28,364 total amount invested in Corporate Social Responsibility ("CSR") programmes LEADERSHIP

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SUSTAINABILITY STATEMENT (CONTINUED)

CHARTING OUR SUSTAINABLE PROGRESS

Since our inaugural Sustainability Statement in 2017, 3A has achieved several significant milestones, highlighting the success of our sustainability initiatives in advancing our ESG ambitions across our manufacturing operations. Moving forward, we will intensify our efforts to create positive value for our business, society and the environment.

FY2017-FY2018

- Published inaugural Sustainability Statement in FY2017.
- Reported in accordance to Bursa Malaysia's Sustainability Reporting Guide (1st Edition) in FY2018.
- Structured sustainability disclosures around three pillars: Marketplace, Environment and Workplace.

FY2019-FY2022

- Renamed Sustainability Pillars to: Economic, Environment and Social.
- · Implemented a three-tier governance structure.
- Conducted a materiality assessment in FY2019 and identified 10 material sustainability matters.
- · Identified six stakeholder groups.
- Incorporated an internal assurance statement.

FY2023

- Included one new pillar and renamed Sustainability Pillars to: Economic Impact, Robust Governance, Environmental Stewardship and Social Protection.
- Enhanced climate-related disclosures by adopting Task Force on Climate-Related Financial Disclosures ("TCFD") Recommendations.
- Established an ESG Strategy.
- Developed a Sustainability Policy.
- Conducted materiality reassessment and identified 12 material sustainability matters.
- · Adopted four new UN SDGs.
- Established 10 sustainability Key Performance Indicators ("KPIs").

FY2024

- Adopted one new UN SDG-SDG 7: Affordable and Clean Energy.
- Conducted a supply chain ESG assessment for 10 major active suppliers.
- Disclosed Scope 1, Scope 2 and limited Scope 3 GHG emissions.

Laying the Foundations with our ESG Strategy

Aligned with 3A's vision and mission, our ESG Strategy underpins our sustainability strategies by guiding efforts across four key ESG pillars and related UN SDGs, providing clear direction for achieving our long-term sustainability goals and objectives.

Vision

To be a Global Leading Provider of quality Food and Beverage ingredients



Mission

To provide high quality Food and Beverage ingredients that appeals to all walks of life with emphasis on ethical sourcing, care for the environment and well-being of our employees



Strategic Thrusts:

Strategic Thrusts:

Strengthen corporate integrity and bolster data security to build trust with stakeholders

Material Sustainability Matters:

- 1. Corporate Governance and Anti-Corruption
- Customer Privacy and **Data Protection**

UN SDGs





Drive sustainable growth by implementing resilient and

transparent supply chain practices

Material Sustainability Matters:

- 1. Economic Performance
- Supply Chain Management





Strategic Thrusts:

Foster a culture of environmental responsibility through initiatives focused on energy efficiency and waste reduction

Material Sustainability Matters:

- Climate Change and Energy
- Water Management
- Waste and Effluent

UN SDGs







Strategic Thrusts:

Promote a supportive workplace that prioritises employee well-being, enhances customer satisfaction and fosters community engagement

Material Sustainability Matters:

- Product Quality and Customer Satisfaction
- Health and Safety
- Fair Labour Practices
- Diversity
- Community Investment

UN SDGs





Stakeholder Groups

Sustainability Pillars

Shareholders

Regulators

Customers

Suppliers

Local Communities











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SUSTAINABILITY STATEMENT (CONTINUED)

Policies Guiding Our Sustainable Progress

3A's sustainability policy outlines our commitments across four key sustainability pillars, providing a structured guideline to integrate sustainability principles into daily operations and decision-making at all levels of our organisation.



- Maintain transparent and open communication with our stakeholders to disclose accurate information regarding our sustainability practices, performance and goals.
- Uphold the highest level of ethics and integrity in our business operations, encouraging a culture of honesty, fairness and accountability.
- Prevent all forms of bribery and corruption throughout the Group's value chain.
- Adhere strictly to laws, regulations and industry standards relevant to our operations.
- Implement robust risk management strategies, identifying potential risks associated with environmental impact, social issues and governance concerns and proactively taking measures to mitigate them.



- Adopt a sustainable business model that emphasises quality products, value-added services and ethical practices.
- Drive the continuous innovation of sustainable products and services.
- Give priority to suppliers with strong sustainability practices.
- Conduct regular assessments to identify and mitigate any potential risks associated with our supply chain, ensuring compliance with ethical and responsible sourcing practices.
- Prioritise the delivery of superior returns to our shareholders while considering the long-term impacts of our actions.



- Continuously improve energy efficiency, monitor and reduce our carbon footprint across operations.
- Embrace the principles of a circular economy, focusing on recycling, reusing and reducing waste
- Promote responsible consumption and production.
- Prevent environmental pollution and improve the quality of environmental management.
- · Comply with environmental regulations and legal requirements.



- Foster a culture of diversity and inclusion by implementing policies and practices that promote equal opportunities and eliminate discrimination.
- Prioritise the health, safety and well-being of our employees by implementing stringent safety quidelines and protocols.
- Conduct regular health and safety training to foster a safe and healthy work environment.
- Support the well-being and growth of our employees by cultivating a workplace culture that encourages their development.
- Encourage employee growth and development through training programmes, career advancement opportunities and performance recognition.
- · Engage in community development initiatives.

Championing Global Sustainability

The 17 UN SDGs represent a universal call for collective action to address pressing global social and environmental challenges by 2030. Among these, 3A adopted five key UN SDGs that are most relevant to our operations, enabling us to make impactful contributions towards building a sustainable future.



Target 7.2: Increase substantially the share of renewable energy in the global energy mix

- Generated renewable energy with the completion of Phase 1 of our Solar Power Project.
- To further accelerate our transition to renewable energy, plans for Phase 2 are currently under discussion.



Target 8.8: Protect labour rights and promote safe and secure working environments for all workers

- Established Occupational Health and Safety management practices, policy, procedures and an OHS committee.
- Maintained fair compensation through equal pay for male and female employees.



Target 12.5: By 2030, reduce waste generation through prevention, reduction, recycling and reuse

- Reconditioned 36% of plastic packaging containers to be reused in product packaging.
- Reused treated hot water from evaporators and heat exchangers for operational use.



Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters

- Established a Variable Refrigerant Volume ("VRV") system in the office building to regulate refrigerant flow and utilise heat pumps with inverter technology to improve efficiency.
- Disclosed Scope 1, Scope 2 and limited Scope 3 GHG emissions.



Target 16.5: Substantially reduce corruption and bribery in all their forms

• Maintained a three-year track record of zero reported incidents of corruption.

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Leading with Governance, Built on Integrity

We have implemented a three-tier governance structure that clearly defines roles and responsibilities, promoting accountability and ethical conduct throughout the organisation. The Board of Directors ("BOD" or the "Board") sets the tone at the top by overseeing the Group's sustainability strategies, policies, targets and the management of climate-related risks and opportunities. Supporting the Board, the Sustainability Committee ("SC") monitors strategy implementation, while the Sustainability Working Committee ("SWC") translates strategic goals into actionable steps, managing day-to-day initiatives and reporting progress to the SC.

Three-A Resources Berhad Sustainability Governance Structure





- Oversees the Group's overall sustainability agenda, including practices, strategies, performance and material sustainability matters.
- Guides the integration of ESG-related risks and opportunities, including climate-related risks and opportunities, into the Group's overall strategy and risk management framework.
- Approves sustainability policies, strategies, material sustainability matters and the annual Sustainability Statement proposed by the SC.



- Proposes sustainability strategies, initiatives and targets for the Board's consideration.
- Supervises the execution of sustainability policies, strategies and initiatives.
- Evaluates and manages ESG and climate-related risks and opportunities.
- Proposes changes to sustainability policies, standards and procedures for Board consideration when necessary.



- Executes sustainability initiatives within daily operations.
- Identifies material sustainability matters relevant to the Group and recommends them to the SC.
- Regularly tracks and reports ESG-related data to the SC.

Understanding Stakeholders' Perspectives

Stakeholder feedback helps us identify key ESG topics and emerging industry trends, ensuring that we stay ahead in the F&B ingredients industry while adding value across our supply chain. We encourage open communication through regular engagement across various channels.

a



Shareholders play a crucial role in shaping 3A's strategic direction through active participation and voting. Their expectations for transparency, financial performance and sustainable growth guide the company's decision-making and contribute to our long-term success.



Regulators establish and enforce legal frameworks that govern 3A's operations. Compliance with these regulations ensures business integrity, legal adherence and alignment with industry best practices.



Employees are the backbone of 3A, contributing their skills and expertise to drive innovation and productivity. Their engagement and well-being foster a positive workplace culture, directly impacting the Group's overall performance and morale.

Areas of Interest

- Sustained growth and profitability
- Positive corporate image and reputation
- Regulatory compliance
- Climate change mitigation and adaptation
- Anti-bribery and corruption
- · Food safety, quality and compliance
- Training, guidance and support
- Employee welfare
- Workplace health and safety
- Talent attraction, career development, recognition and job satisfaction

Our

- Publish quarterly financial results and annual reports
- Uphold good governance practices
- Develop and communicate clear carbon reduction strategies
- Continuously monitor sustainability performance against set targets
- Enforce anti-corruption policy
- Comply with all regulatory requirements
- Maintain whistleblowing mechanism
- Provide relevant upskilling and professional development opportunities
- Conduct third-party audits to adhere with labour standards
- Maintain employee feedback system and whistleblowing mechanism
- Perform HIRARC assessments
- Conduct health and safety training programmes
- Offer employee benefits and competitive compensation

Method and Frequency

Ongoing

- · Investor relations feedback channels
- · Company website

Quarterly

- Financial results announcements
 Annually
- Annual General Meeting

As needed

- On-site inspections and audits
- Updates and briefings from regulators
- Whistleblowing reports

Ongoing

Management meetings

As needed

- Workshops and training programmes
- Employee interviews
- Whistleblowing reports

Annually

- Employee feedback surveys
- Performance appraisal

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SUSTAINABILITY STATEMENT (CONTINUED)





Customers depend on 3A for highquality, reliable ingredients. Meeting their expectations for product consistency and excellence strengthens long-term partnerships and enhances 3A's market reputation.



Suppliers are essential partners, providing critical inputs that influence 3A's product quality and operational efficiency. Strong supplier relationships establish a resilient, sustainable supply chain and uphold the company's standards.



Local communities form the foundation of 3A's socio-economic environment. Actively engaging with and supporting them strengthens social ties, enhances the company's reputation and promotes mutual growth.

Areas of Interest

- Food safety and quality
- Compliance with international quality standards
- Pricing and delivery of goods
- Data privacy

- Ethical practices
- Supply chain responsibility
- Participation in community programmes
- Community impact and local concerns

Our Sesponse

- Maintain compliance with Food Safety System Certification
- Comply with FSSC22000, Halal and Kosher certifications
- Implement transparent pricing policies
- Ensure timely and reliable delivery of goods
- · Comply with PDPA 2010
- Conduct supplier/vendor assessments to meet ethical standards
- Engage procurement and management teams to maintain supply chain integrity
- Engage in CSR programmes to address local needs
- Provide whistleblowing mechanism for reporting concerns

Method and Frequency

As needed

- Meetings
- Customer satisfaction survey feedback

As needed

- · Product quality feedback
- Meetings

Bi-annually

- Performance reviews
- Procurement processes

As needed

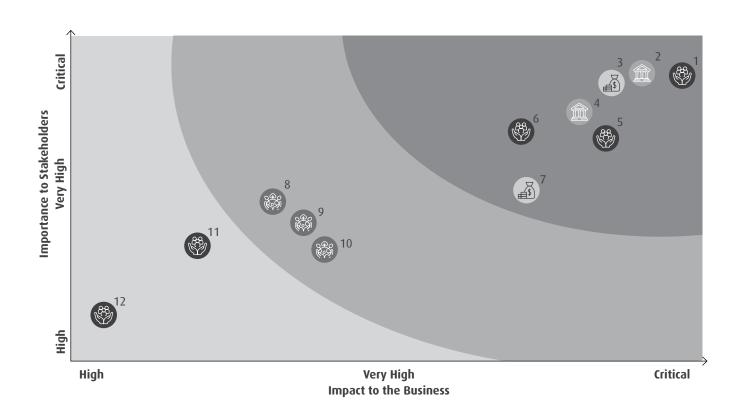
- Communication with local representatives
- Whistleblowing reports

PRIORITISING ISSUES FOR SUSTAINABLE GROWTH

Focusing on Our Material Matters

Materiality assessments allow us to identify the key issues that impact our operations and stakeholders, making them pivotal to our strategic planning and risk management processes. These assessments align with the latest regulatory developments, evolving sustainability priorities and industry trends, enabling us to proactively identify opportunities and manage risks.

In FY2023, 3A conducted a materiality assessment, identifying 12 material matters and developing a materiality matrix to illustrate their significance to the Group and our stakeholders. Given their continued relevance, we have retained these 12 materials matters and the matrix in FY2024.





- 2. Corporate Governance and Anti-Corruption
- 4. Customer Privacy and Data Protection



- 3. Economic Performance
- 7. Supply Chain Management



- 8. Waste and Effluent
- 9. Climate Change and Energy
- 10. Water Management



- 1. Product Quality and Customer Satisfaction
- 5. Health and Safety
- 6. Fair Labour Practices
- 11. Diversity
- 12. Community Investment

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Strategically Mapping Our Focus Areas

The following table depicts the interconnection between our material matters, the four ESG pillars, the relevant UN SDGs and key stakeholder groups. It outlines our approach to addressing material matters and aligning sustainability efforts with global goals and stakeholder expectations.

Legend:

Shareholders	Regulators † Employees	↑ Suppliers	Local Communities			
Material Matters	Our Approach	UN SDGs	Stakeholder Groups			
	Robust Governance					
Corporate Governance and Anti-Corruption	We uphold an ethical business environment through a robust governance structure, supported by clear policies, codes and procedures.	16 STRING ISSTITUTES STRING ISSTITUTES DEPCHI WORK AND				
Customer Privacy and Data Protection	The group protests customers' data and privacy by implementing strict policies, procedures and industry best practices to prevent breaches.	ECOMONO GROWTH				
	Economic Impact					
Economic Performance	Our economic performance serves as a foundation for creating business and employment opportunities for the local community and enterprises.					
Supply Chain Management	We value local sourcing and engage with suppliers who provide high- quality materials to support the local economy.	8 DECENT WORK AND ECONOMIC GROWTH				
	Environmental Stewardship					
Climate Change and Energy	We reduce our environmental impact and address climate change by managing our energy use to minimise GHG emissions.	7 AFFOSSARIE AND CLEAN DIESEY - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -				
Waste and Effluents	The Group mitigates environmental harm by managing waste disposal, reducing waste generation and treating wastewater effectively.					
Water Management	We adopt efficient water management measures across all operations reduce consumption.					
	Social Protection					
Health and Safety	The Group provides a safe and healthy work environment to protect our employees safety and well-being.	8 DECENTIONS AND ECONOMIC GROWTH				
Fair Labour Practices	We respect the rights of our employees and the community, implementing measures and procedures to safeguard their rights.					
Diversity	We champion equal opportunities and inclusivity, valuing all employees regardless of gender or background.	8 DECENT WORK AND ECONOMIC GROWTH				
Product Quality and Customer Satisfaction	We maintain product safety and quality by adhering to international quality standards and offering fair pricing.	8 DESCRIT HORSE AND ECONOMIS GROWTH				
Community Investment	The Group allocates resources to support community initiatives that address the challenges faced by vulnerable groups and local communities.	16 STRUM HOSTITURE				

OUR PROGRESS IN NUMBERS

Using KPIs to measure sustainability performance reinforces our accountability, allowing us to track progress, assess changes and identify areas for improvement. This approach drives meaningful advancements in both performance and our sustainability goals. We have set 11 KPIs across our four ESG pillars.

Material Matters	KPIs	Perf	ormance		
material matters	KPIS	FY2023	FY2024		
	Robust Governance				
Corporate	Achieve zero reported incidents of bribery and corruption annually	0	0		
Governance and Anti-Corruption	Achieve zero reported grievances or whistle-blowing complaints to the Group annually	0	0		
	Economic Impact				
Supply Chain Management	Conduct supplier ESG assessments for at least 50% of major* active suppliers annually (Note 1)	N/A	50%		
	Environmental Stewardship				
Climate Change	Establish the baseline year for Scope 1 GHG emission by FY2025 (Note 1)	In progress	In progress		
and Energy	Establish the baseline year for Scope 2 GHG emission by FY2025 (Note 1)	In progress	In progress		
	Achieve 20 % of used plastic packaging containers (by weight) reconditioned and reused annually	36%	36%		
Waste and Effluents	Monitor and disclose volume of wastewater released annually by FY2025	In progress released mon	Wastewater released monitored and disclosed		
	Social Protection				
	Achieve zero cases of serious accidents annually	0	0		
Safety and Health	Ensure that at least 60 % of workers received safety and health training annually	83%	93%		
Labour Practices	Achieve zero substantiated complaints of human rights violations	0	0		
and Standards	Provide an average of 10 training hours per employee annually for non-safety training (Note 1)	18 hours	19 hours		

Note 1: Targets have been enhanced in FY2024.

ACCELERATING CLIMATE ACTION

The Group aims to continuously enhance our climate-related disclosures as part of our contribution to the Paris Agreement's goal to limit global warming to below 2°C. In alignment with the new National Sustainability Reporting Framework ("NSRF"), we are transitioning from TCFD recommendations to IFRS S2 and incorporating key elements from both frameworks into our sustainability statement.

Governance

We have established a governance structure to oversee our sustainability efforts, aligning with our priorities and regulatory requirements. The Board oversees all sustainability matters and is supported by the Sustainability Committee in managing climate-related risks and opportunities.

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Climate-related roles and responsibilities

Board

- The Board is aware of the potential impacts, risks and opportunities from climate change on 3A's operations and includes climate-related considerations in 3A's sustainability governance.
- The Board oversees 3A's sustainability agenda, including those related to climate change.
- The Board oversees the integration of climate-related risks and opportunities into the Group's strategy and risk management framework.
- The Board receives updates on sustainability matters, including climate-related risks and opportunities, at least once annually.

Sustainability Committee

- The SC ensures the implementation of sustainability initiatives, including those related to climate change.
- The SC assesses and manages 3A's climate-related risks and opportunities.
- The SC implements and monitors sustainability and climate-related initiatives.

Strategy

To accelerate climate action, we have identified climate-related risks, their associated impacts and opportunities.

Legend:



Short to medium term risks (present to 2030)



Medium to long term risks (2031 to 2050)

Transition Risks: Climate-related Risks, Impacts and Opportunities

Trans	sition Risk	Impact	Opportunities/Mitigation Measures		
Policy and Legal					
	Future implementation of carbon taxes or other carbon pricing mechanisms	Elevated operating costs due to the implementation of carbon pricing mechanisms Increased costs due to installation of renewable energy systems	 Potential cost savings from operational efficiency, such as streamlining workflows, reducing energy consumption, optimising resource utilisation and minimising downtime The adoption of solar panels enables long-term cost savings and reduces our carbon footprint 		
		Technology			
	Challenges in research and development ("R&D") to adopt production processes that use less resources and produce less waste	Increased expenditure due to R&D	 Cost savings by adopting production processes that are resource-efficient and reduce waste 		
	Challenges in adopting new . technologies and low-carbon production processes	Additional costs incurred from investing in and implementing new technology	 Potential cost savings by adopting new technology and low-carbon production processes 		
		Market			
	Volatility in the price of raw • materials due to fluctuating market conditions and supply chain disruptions	Increased operational costs, leading to higher production expenses and reduced profit margins	 Diversify raw material sourcing to reduce the impact of supply chain disruptions, ensuring a more stable and resilient supply of ingredients Explore long-term supplier contracts or partnerships to stabilise pricing and secure a reliable supply of raw materials 		

Transition Risk		Impact	Opportunities/Mitigation Measures
		Reputation	
	Reputational damage due to delayed adoption of low-carbon practices compared to industry	Increased negative stakeholder sentiment, resulting in reduced product demand and revenue	 Opportunity to enhance brand reputation and improve market position by accelerating the integration of low-carbon practices

Physical Risks: Climate-related Risks, Impacts and Opportunities

Phys	ical Risk	Impact	Opportunities/Mitigation Measures
		Acute	
	Occurrence of short-term extreme · climate-related events, such as heat waves, floods, landslides, etc ·	Disruption of workforce operations, resulting in decline in production capacity Damage to machinery and warehouse inventory due to extreme weather events	 Opportunity to invest in automation and technology to reduce reliance on manual labour, ensuring continued production capacity during disruptions Potential implementation of advanced inventory management systems to optimise storage and mitigate losses during extreme weather events
		Chronic	
	Long-term impacts, such as • extreme fluctuations in weather patterns, including prolonged high temperatures and heavy rainfall	Reduced availability of raw materials and increased costs, affecting overall operational, capital and insurance expenses	 Opportunity to diversify raw material sourcing to minimise impacts caused by supply chain disruption Potential investment in supply chain technologies to anticipate disruptions and optimise inventory management, reducing the impact of raw material shortages on production



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Risk Management

At 3A, the identification, assessment and management of climate-related risks are embedded within the Group's comprehensive risk management framework.

Risk Management

Identification of Climate-related Risks

- Climate-related risks, along with other risks, are identified through a structured process of risk identification, assessment, management and continuous monitoring. Significant risks are escalated to the Risk Management Committee ("RMC") and the Board for further action.
- The Board and relevant committees meet at least four times annually to discuss and update strategic business matters, including climate-related issues.

Managing Climate-related Risks

- The RMC and SC are tasked with ensuring that sustainability and climate risks are effectively managed, including monitoring the anticipated or reported impacts of climate change on the Company's operations.
- Both the SC and RMC are required to propose mitigation strategies for identified sustainability and climate risks, ensuring they are effectively implemented.
- The Group adheres to the ISO 31000 standard for Risk Management, which includes risk identification, analysis, evaluation, treatment, reporting, ongoing communication, monitoring and review, to continuously improve our management processes.

Integration of Climate-related Risk Management

• Climate-related risks are fully embedded into the Company's Risk Management framework, ensuring that these risks are addressed with comprehensive oversight.

Metrics and Targets

The Group tracks and discloses our Scope 1, 2 and 3 GHG emissions using the operational control approach. The process involves tracking direct emissions from company-owned sources (Scope 1) and indirect emissions from purchased electricity (Scope 2). The Group also monitors indirect emissions within our value chain (Scope 3), specifically from Category 6: Business Travel and Category 7: Employee Commuting. The Group plans to establish a GHG emission baseline for Scopes 1 and 2 by FY2025 and set targets for both in the coming years.





ROBUST GOVERNANCE

3A upholds the highest standards of transparency, accountability and ethical decision-making across all levels of our operations. By adhering to best practices and regulatory requirements, we protect stakeholder interests, mitigate risks and cultivate long-term value. We believe that robust governance drives resource efficiency, operational excellence and strengthens our reputation as a responsible and trustworthy business.

Material Sustainability Matters

- Corporate Governance and Anti-Corruption
- Customer Privacy and Data Protection

Key Stakeholders

Regulators	Customers
↑&↑ 000 000	
Employees	Suppliers

Key Highlights in FY2024

- 100% of operations assessed for corruption-related risks
- · Zero substantiated incidents of corruption
- Zero substantiated complaints regarding breaches of customer privacy and losses of customer data





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FOSTERING TRUST AND ACCOUNTABILITY

Strong governance and anti-corruption measures are the foundation of responsible and ethical business practices. The Group upholds the highest standards of integrity and transparency through robust governance frameworks and strict anti-corruption measures, protecting stakeholders' interests, enhancing corporate reputation and promoting sustainable business practices to build trust and drive long-term growth.

The Group is guided by comprehensive policies that reinforce our approach to corporate governance and anti-corruption.













Note: For more information on the Group's policies and procedures, please visit our corporate website at https://www.three-a.com.my/

Our ABC Policy outlines robust anti-corruption procedures, compliance requirements and controls implemented across all operations. Aligned with the Malaysian Anti-Corruption Commission ("MACC") Act 2009 and the MACC (Amendment) Act 2018, it guides the identification and mitigation of bribery and corruption risks, while defining roles essential to our zero-tolerance approach. The Board, supported by the RMC, oversees the Group's anti-corruption initiatives to maintain compliance.

Anti-Corruption Assessment

During the reporting year, 3A conducted a comprehensive Anti-Corruption Risk Assessment ("ACRA"), evaluating 100% of our departments for corruption risks. The Group also conducted an anti-corruption awareness workshop prior to the ACRA, which identifies potential corruption risks and assesses the effectiveness of control measures. 100% of our departments were evaluated and recorded a low level of corruption risk.

Percentage of Operations Assessed for Corruption-related Risks (%)	FY2022	FY2023	FY2024
Percentage of Operations Assessed for Corruption-related Risks (%)	0	100	100

We have made significant progress in strengthening our anti-corruption controls and enhancing risk management practices. As a testament to these efforts, there were no confirmed instances of corruption, whistleblowing cases or non-compliance with laws or regulations during the year under review.

	FY2022	FY2023	FY2024
Number of Confirmed Corruption Incidents	0	0	0

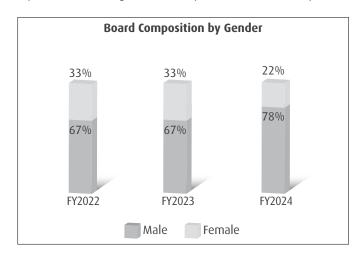
Anti-Corruption Training

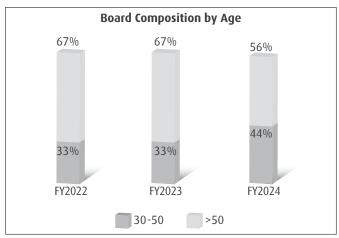
The Group has strengthened our anti-corruption risk controls through the ABC Policy, the Whistleblowing Policy and the Code of Ethics and Conduct. These policies are clearly communicated to the Board, the management, employees, suppliers and third parties to promote awareness and compliance.

Anti-Corruption Training by Employee Category	FY2022	FY2023	FY2024
Senior Management	0%	100%	100%
Management	0%	100%	100%
Executive	0%	100%	100%
Non-Executive	0%	100%	100%

Board Diversity

As we recognise the value of diverse perspectives in driving decision making, we prioritise efforts to enhance Board diversity and representation. In FY2024, the percentage of women on the Board decreased to 22%. However, we remain committed to improving this representation to align with the requirements of the Malaysian Code on Corporate Governance ("MCCG").





ENSURING DATA INTEGRITY AND COMPLIANCE

Protecting customer data privacy is critical to maintaining trust and upholding the integrity of our relationships with stakeholders. To achieve this, we implement stringent data protection measures to maintain the confidentiality, integrity and security of our customers' data.

To enhance and protect customer data privacy, the Group implements cybersecurity training, awareness campaigns and procedures to ensure a comprehensive understanding of threats, risks and effective prevention and management measures. We implemented the following measures to strengthen our cybersecurity.





service providers, enforcing restrictions

to mitigate risks





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The Group also organised training programmes and awareness campaigns to educate employees on recognising and reporting suspected phishing attempts. In line with the Personal Data Protection Act 2010 ("PDPA"), the Group mandates that all data is collected with stakeholders' full understanding and used solely for the purposes to which they have consented. Data is protected from third-party access unless explicit consent is given or disclosure is required by law or enforcement agencies.

During the year, we executed additional initiatives to bolster our cybersecurity measures.

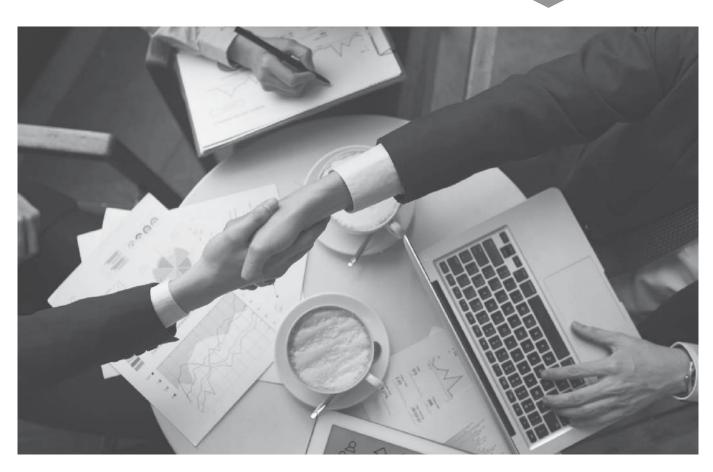
Initiatives to Bolster Cybersecurity Measures

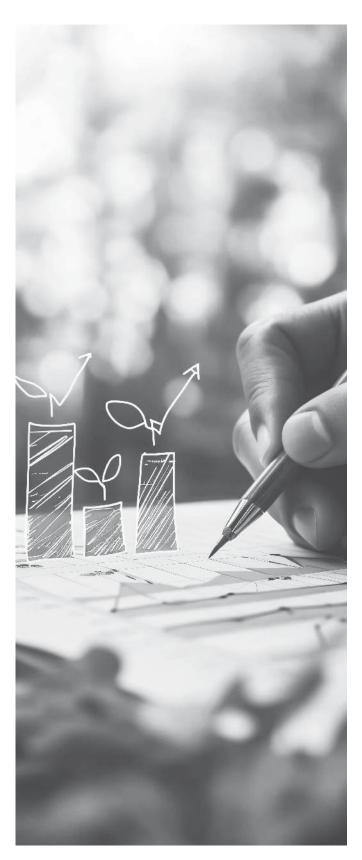
- Introduced new Group Policy Objects ("GPO") to strengthen our defences against potential cyberattacks and effectively contain attacks.
- Enhanced Data Loss Prevention ("DLP") features into our endpoint anti-virus to improve control over internal and external data sharing.
- Implemented authority-based data access controls for files and application systems to protect sensitive information.

There were zero substantiated complaints regarding breaches of customer privacy and losses of customer data during this reporting year. The Group is also pleased to report that it has maintained a three-year track record of zero instances of non-compliance with IT and cybersecurity laws and regulations.

Zero substantiated complaints concerning breaches of customer privacy and losses

(FY2023: 0) (FY2022: 0)





ECONOMIC IMPACT

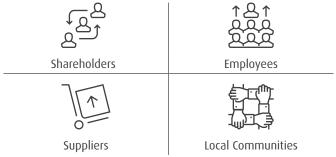
Balancing financial performance with sustainable practices is vital for sustained growth. Strong economic results provide 3A with increased opportunities and resources, empowering us to drive impactful sustainability initiatives across our business operations.



Material Sustainability Matters

- Economic Performance
- Supply Chain Management

Key Stakeholders



Key Highlights in FY2024

- 38% of procurement budget spent on local suppliers
- 10 major active suppliers assessed for environmental and social impacts



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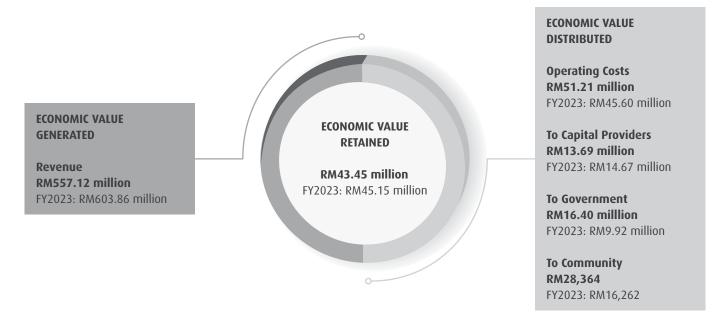
SUSTAINABILITY STATEMENT (CONTINUED)

CREATING SUSTAINABLE ECONOMIC VALUE FOR THE FUTURE

The Group strives to create long-term value to achieve our sustainability goals. We focus on achieving strong financial results that enable us to reinvest in our business, expand our capabilities and support stakeholders. By balancing financial success with responsible practices, we drive growth while positively impacting people and planet.

Our approach to enhancing economic performance involves implementing strategic procedures and policies to optimise value across our operations. In response to market fluctuations, 3A prioritises the delivery of high-quality products by adopting industry best practices, which allows us to maintain efficient and timely production throughout the year, preserving stability, meeting market demands and mitigating economic risks.

In FY2024, 3A recorded RM557.12 million in revenue.





BUILDING A RESILIENT SUPPLY CHAIN

As 3A's business involves manufacturing F&B ingredients, supply chain management is crucial to ensure the efficient flow of goods, services and information across all stages of production. Our supply chain management focuses on cost reduction, quality improvement and customer satisfaction while driving operational resilience, risk mitigation and sustainable practices to support long-term growth and competitiveness.

Across our supply chain, we prioritise local vendors and suppliers who can meet our requirements for quality, competitive pricing and timely delivery. The Group implemented three initiatives to strengthen the local supply chain.



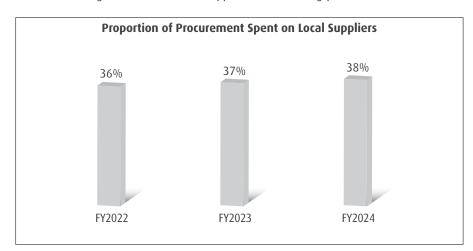




To optimise production, we engage local suppliers in our procurement and sourcing. In FY2024, 38% of our total procurement spend was allocated to local suppliers and vendors.

Last year, we implemented a comprehensive supplier assessment, evaluating key criteria such as price, delivery, service and quality. In FY2024, we maintained a 100% assessment rate and advanced our approach by integrating environmental and social criteria into our screening process.

We also assessed the environmental and social impacts of 10 major active suppliers and remain committed to expanding these efforts to a broader range of active and new suppliers in the coming years.





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ENVIRONMENTAL STEWARDSHIP

Recognising the environmental impact of our operations, 3A aspires to be a responsible F&B ingredients manufacturer by adhering to strict operational guidelines. We incorporate cutting-edge technologies into our manufacturing processes and implement water recycling initiatives to reduce our environmental footprint and conserve resources.



Material Sustainability Matters

- Climate Change and Energy
- Water Management
- Waste and Effluent

Key Stakeholders

Shareholders	Regulators
Sildlellolders	Regulators
	↑&↑ 000 000
Customers	Employees
Local Communities	

Key Highlights in FY2024

- 9% reduction in total energy consumption compared to FY2023
- 12% reduction in total water consumption compared to FY2023
- Scope 1, 2 and 3 GHG emissions reporting initiated for FY2024
- 36% of used plastic packaging containers by weight reconditioned and reused
- Reduced carbon footprint by installing steam leak detection system and gas flow meters
- Reduction in steam usage during production through the installation of hydroheater equipment





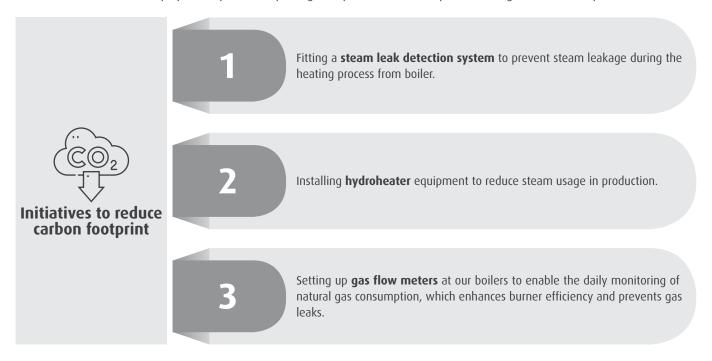


SHAPING A LOW-CARBON FUTURE

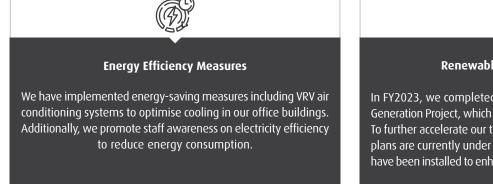
Our ingredient manufacturing processes require substantial energy, from the machinery used in product processing to refrigeration systems essential for food safety and quality. We recognise that effective energy management is important for improving operational costs, reducing our carbon footprint and leveraging climate-related opportunities.

Across the Group, we focus on minimising our environmental impact by optimising energy use. Our main energy sources include purchased electricity, natural gas, fuel and diesel. To reduce GHG emissions, we proactively implement various initiatives to enhance our operations and conserve energy.

These measures below have played a key role in improving our operational efficiency and reducing our carbon footprint.



The Group further intensified our efforts, implementing initiatives to reduce energy consumption and emissions within our office buildings.



Renewable Energy Deployment

In FY2023, we completed Phase 1 of our Solar Panel Electricity Generation Project, which involved the installation of solar panels. To further accelerate our transition to renewable energy, Phase 2 plans are currently under discussion. Additionally, power meters have been installed to enhance energy tracking and management.

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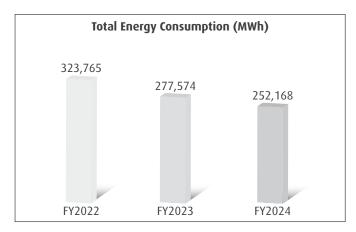
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Energy Consumption

In the year under review, total energy consumption amounted to 252,168 MWh, with (89%) sourced from natural gas and the remainder from electricity, petrol, diesel, industrial diesel and Liquefied Petroleum Gas ("LPG"). This marks a 9% reduction in energy consumption compared to the previous year.

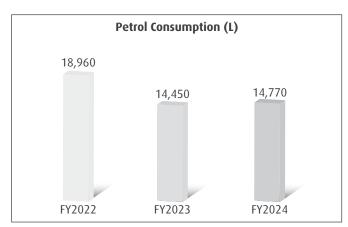


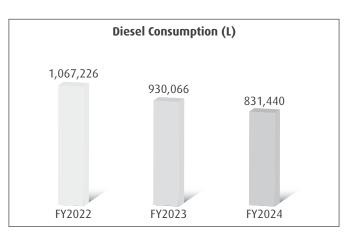
Notes:

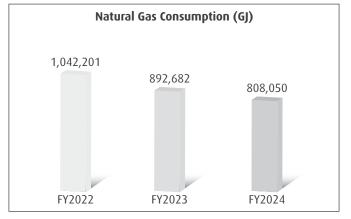
- The source of unit conversion for petrol and diesel (from L to MWh), LPG (from KG to MWh) and Natural gas (from GJ to MWh) is based on the UK Government GHG Conversion Factors 2023 for FY2022 and FY2023. For FY2024, including industrial diesel (L to MWh), the conversion is based on the UK Government's GHG Conversion Factor for 2024 to reflect more accurate conversion factors for the respective year.
- 2. The total energy consumption value in the performance data table is reported in MWh.

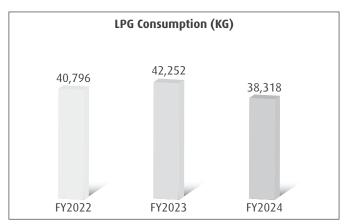
Fuel Consumption

Our operations rely on petrol and diesel to fuel company vehicles, while LPG is used to power forklifts. Natural gas, the primary source of our total energy consumption, is used to operate boilers during cooking, heating and pasteurisation processes.







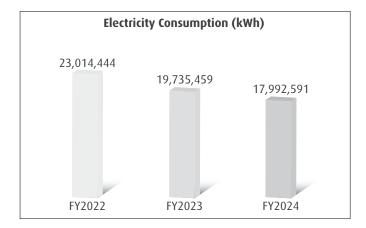




In FY2024, we commenced the monitoring of industrial diesel consumption for essential equipment and forklifts.

Electricity Consumption

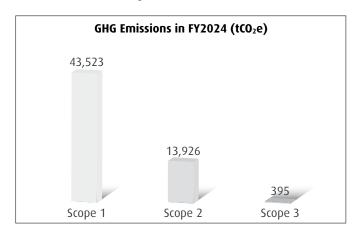
We reduced electricity consumption by 9%, from 19,735,459 kWh in FY2023 to 17,992,591 kWh in FY2024, driven by lower production volume and improved energy efficiency measures.



Note:The value of electricity consumption in performance data table is reported as kWh.

GHG Emissions

During the reporting year, we started disclosing GHG emissions for Scope 1, Scope 2 and Scope 3. In FY2024, our total GHG emissions amounted to 57,844 tCO₂e.



Notes:

- Calculation methodology is based on the GHG Protocol for Scope 1, 2 and 3 with the emissions factors sourced from UK Government's GHG Conversion Factor 2022, 2023 and 2024.
- 2. Scope 2 emissions factors were calculated using the 2022 Grid Emission Factor sourced from the National Energy Commission of Malaysia.

3. Emissions from business travel were calculated based on a combination of fuel-consumption method and distance-based method due to the availability of data recorded.

Our Scope 1 GHG emissions, covering fuel combustion from the use of petrol, diesel, industrial diesel, natural gas and LPG in companyowned vehicles and machinery, totalled 43,523 tCO₂e during the reporting year. The majority (75%) of our Scope 1 GHG emissions were directly attributed to natural gas consumption.

Scope 2 GHG emissions represent the indirect emissions from purchased electricity used in our operations. In FY2024, we recorded total Scope 2 GHG emissions of 13,926 tCO,e.

The Group's Scope 3 GHG emissions include employee commuting and business travel, encompassing both land and air transportation. In FY2024, our employee commuting emissions, based on data from our entire workforce, amounted to 284 tCO $_2$ e (72%), while business travel accounted for 111 tCO $_3$ e (28%).



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SUSTAINABILITY STATEMENT (CONTINUED)

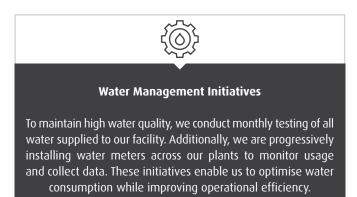
ENHANCING OUR WATER STEWARDSHIP

As an F&B ingredient manufacturer, water is a vital resource for our business operations. The Group endeavours to responsibly manage this resource by implementing effective water management practices across our manufacturing processes.

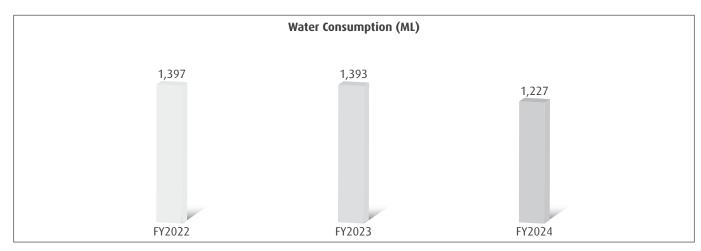
Our primary water source is the municipal supply system, which is heavily utilised during production. To optimise water usage, the Group has implemented strategies focused on recycling and managing our water consumption.



We have implemented measures to recycle water from production processes for operational use. For example, hot water from evaporators and heat exchangers is collected, treated and reused for operational purposes. These practices reduce our dependence on freshwater sources, minimise wastewater discharge and align with our sustainability goals.



In 2024, we achieved a 12% reduction in water consumption, from 1,393 ML in FY2023 to 1,227 ML in FY2024, relative to the volume of our business production for the year.



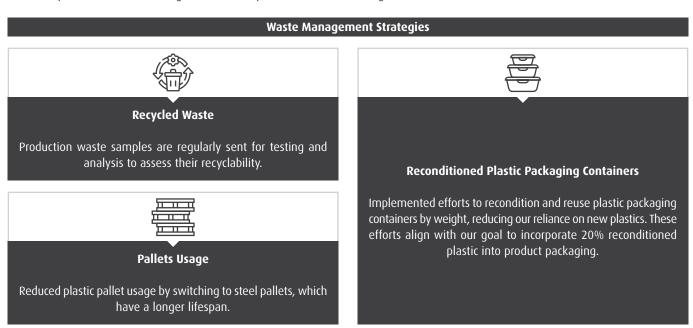
REDUCING THE ENVIRONMENTAL IMPACT OF WASTE AND EFFLUENT

Effective waste and effluent management are necessary for environmental sustainability. We focus on complying with environmental regulations and embedding responsible waste management practices to improve resource efficiency, optimise costs and reduce environmental impact. The Group also manages effluent discharges responsibly, ensuring compliance with environmental regulations.

Waste Management

Our waste generation includes both scheduled and non-scheduled waste. To promote responsible management, we have appointed licensed contractors with the relevant permits granted by the local authorities, in compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005.

3A has implemented the following measures to optimise our waste management.



During the reporting year, 36% of used plastic packaging containers were reconditioned and reused for packaging materials.

	FY2022	FY2023	FY2024
Percentage of used plastic packaging containers reconditioned and reused by weight (%)	30	36	36
Target (%)	20	20	20

In FY2024, our operations generated a total of 3,464 tonnes of non-scheduled waste and 7 tonnes of scheduled waste. All waste was directed to disposal in accordance with waste management practices.

Types of Wa	oste	FY2024
Scheduled V	Vaste (tonne)	
SW 204	Sludges	3.19
SW 305	Spent lubricant oil	2.39
SW 306	Spent hydraulic oil	1.36
SW 409	Used chemical container	0.05
SW 421	A mixture of scheduled waste from lab	0.46
Total		7.45
Non-Schedu	led Waste (tonne)	
Domestic Wa	ste	3,464.00

Effluent Management

3A conducts daily and weekly monitoring on the effluents discharged from our operations in compliance with the Environmental Quality (Sewage) Regulations 2009, enforced by the Department of Environment. During the year under review, we discharged 64 ML of effluents in compliance with regulatory parameters.

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SOCIAL PROTECTION

At 3A, we prioritise the well-being of our people and communities through initiatives that create positive impacts for our workforce and the wider community. Our contributions to society include providing employment, developing safe products, supporting communities and addressing the basic needs of our employees.



Material Sustainability Matters

- Product Quality and Customer Satisfaction
- Health and Safety
- Fair Labour Practices
- Diversity
- Community Investment

Key Stakeholders

	<u>//·o·h</u>
Shareholders	Regulators
↑&↑ 200 200	
Employees	Customers
Local Communities	

Key Highlights in FY2024

- 89% customer satisfaction score achieved
- Zero cases of product recalls
- · Zero work-related fatalities
- Zero substantiated complaints related to discrimination or human rights violations
- RM28,364 total amount invested in CSR programmes





GOING ABOVE AND BEYOND CUSTOMERS' EXPECTATIONS

The quality of our F&B ingredients is pivotal to our competitive edge. Consistently delivering high-quality products enhances our brand reputation, driving customer loyalty and sales growth. Our customer-centric strategies are guided by evolving customer expectations, enabling us to strategically develop products that meet and exceed these requirements.

Ensuring Product Quality

3A strives to uphold the highest standards in product quality and safety by strictly adhering to applicable regulatory requirements relevant to the F&B ingredients industry. To drive continuous improvement in our Food Safety Management System, we conduct regular internal and external audits to evaluate its effectiveness. Furthermore, we explore technologies to reduce manual labour and proactively prevent product contamination throughout the manufacturing process.

The Group is accredited with FSSC 22000, HACCP, Kosher and Halal certifications, and we are committed to maintaining adherence to the requirements of these standards through continuous improvement.

Our efforts to enhance product quality have yielded positive results, as we recorded zero product recalls throughout the reporting year.

Zero

food safety withdrawals/recalls issued in FY2024

(FY2023: 0)

(FY2022: 0)

Zero

units withdrawn/recalled for food safety reasons in FY2024

(FY2023: 0)

(FY2022: 0

In FY2024, we conducted food safety assessments across 100% of our product categories to identify areas for improvement. We are pleased to report that no substantiated cases of non-compliance with applicable regulations relevant to food safety impacts were recorded.

Product Compliance and Food Safety Metrics	FY2024
Percentage of significant product and service categories for food safety impacts are assessed for improvement	100%
Number of incidents of non-compliance	0

Customer Satisfaction

The Group is dedicated to addressing and responding to customer feedback to improve our products and services. All complaints are thoroughly investigated and immediate action is taken to resolve them promptly.

To gain a deeper understanding of our customers' perspectives, we conduct an annual customer satisfaction survey that evaluates key areas such as product quality, delivery performance and sales service. The survey provides valuable insights into their overall experience with our products.

In FY2024, we surpassed our target of an 80% satisfaction rate, achieving a result of 89.1%.



THREE-A RESOURCES BERHAD

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ENSURING EMPLOYEE SAFETY AND WELL-BEING

As our operations involve manufacturing processes that utilise a range of machinery, safety is a top priority. We are committed to preventing incidents, work-related injuries and illnesses across our operations. To ensure a safe working environment, the Group enforces comprehensive health and safety protocols, emphasising that safety is a shared responsibility for employees and workers.

3A's approach to providing a safe and healthy work environment complies with all applicable laws and regulations and is guided by our Safety and Health Policy.

Safety and Health Policy



Employee Well-Being

Preventing employee injuries and fostering work-life balance for overall health.



Legal Compliance

Ensuring strict adherence to laws and regulations governing occupational health and safety.



Contractors Standard

Mandating that all contractors meet stringent Occupational Health and Safety ("OHS") standards across all operations.



OHS Culture

Cultivating a workplace culture where every employee takes personal responsibility for their own safety and health, as well as that of our contractors and the public.



OHS Management

Our OHS measures are monitored by the Safety and Health Committee ("SHC"). The SHC is responsible for identifying OHS-related hazards through inspections, covering areas such as lost-time injuries, fatalities, near-misses and non-compliance issues. Quarterly committee meetings are held to address critical safety and environmental concerns.

OHS Management



Risk Identification

Regular employee engagement is important to identify any potential safety risks and to address them proactively.



SMETA Audit

Third-party audits are conducted when necessary, in accordance with the Sedex Members Ethical Trade Audit ("SMETA") requirements for safety and health risk assessments.



SOHELP Programme

The Safety and Health Coordinator and the Ergonomic Competent Person oversee the Group's OHS initiatives. They participated in the Department of Occupational Safety and Health's ("DOSH") Systematic Occupational Health Enhancement Level Programme ("#SOHELP"), to improve workplace industrial hygiene, focusing on chemical management, noise control and ergonomics.

Additionally, we conducted Hazard Identification, Risk Assessment and Risk Control ("HIRARC") assessments across the Group. These assessments are reviewed and updated every five years or whenever there are changes in work practices.

In FY2024, we recorded zero work-related fatalities and one work-related injury, resulting in a Lost Time Incident Rate ("LTIR") of 0.28 – a significant 90% reduction compared to the previous year.

	FY2022	FY2023	FY2024
Total number of hours worked	1,272,600	1,384,628	1,450,583
Total number of work-related fatalities	0	0	0
Total number of recordable work-related injuries	2	2	1
Total number of work-related ill health	0	0	0
Total number of lost time injuries	33	19	2
Lost time incident rate ("LTIR")*	5.19	2.74	0.28

Note: *LTIR was calculated based on the Bursa Malaysia Sustainability Reporting Guide of per 200,000 hours worked.

Notes:

- 1. Disregard the total number of hours worked, total hours worked and total worked hours in performance data table with no data provided.
- 2. The total number of hours worked is converted to total number of days worked in performance data table with basis of 7.5 hours (1 working day).

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Employee Safety Training and Awareness

The Group prioritises employee health and safety by offering comprehensive training programmes to equip them with the latest safety knowledge. During the reporting year, we conducted several OHS training sessions, which were attended by 573 employees, accounting for 3,176 training hours. These training programmes covered a range of topics such as safety induction, equipment operations, chemical management, fire safety, first aid, ergonomics, occupational health risk management and other safety practices.

	FY2023	FY2024
Total number of employees attended health and safety training	486	573
Total training hours on health and safety training conducted	1,649	3,176

PROMOTING WORKPLACE EQUITY

The Group upholds fundamental human rights, fostering a workplace founded on respect and fairness while providing decent working conditions that support professional growth. Beyond compliance, we embrace practices that promote equal opportunities, empowering our workforce to develop their skills and contribute to the production of high-quality products.

Our organisational culture is anchored on practices that emphasise merit-based principles across hiring, retention, rewards, promotions and training opportunities. The Human Resource department oversees talent management, ensuring the continuous development and progress of our employees. We are guided by the policies and regulations outlined below.









The Group ensures fair compensation for employees, maintains reasonable working hours, and emphasises work-life balance to optimise job performance and prevent force labour.

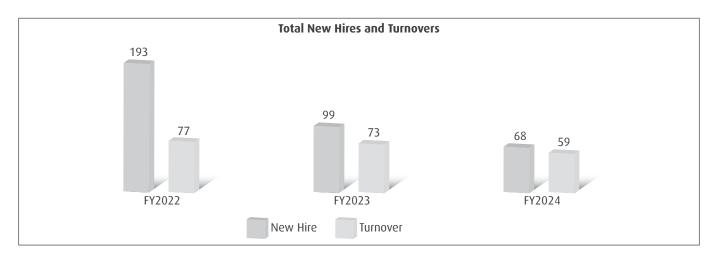
Moreover, to ensure a fair and transparent hiring process, our recruitment procedures include verifying candidates' identity cards and passports. The HR department also conducts thorough background checks and due diligence to prevent child labour during the recruitment process.

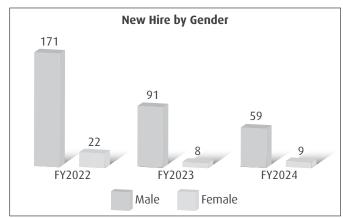
3A also upholds the rights of foreign workers by allowing them to retain their travel documents and providing dormitories that meet their basic needs, in compliance with the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990. Our management of foreign labour is demonstrated and certified through the SMETA audit.

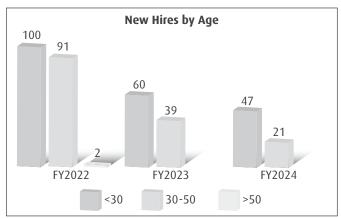


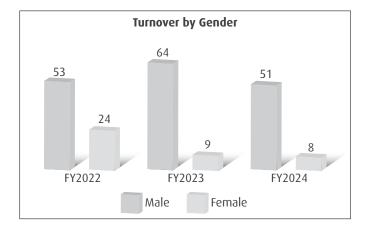
New Hires and Turnover

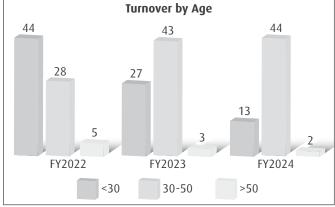
In FY2024, we hired 68 employees, reflecting an 11% hiring rate and recorded a turnover of 59 employees, representing a 9.6% turnover rate.











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Employee Category	Total Number of Employee New Hires		
	FY2022	FY2023	FY2024
Senior Management	0	0	0
Management	0	0	0
Executive	18	10	8
Non-Executive Non-Executive	175	89	60

Employee Category	Tota	Total Number of Employee Turnover		
	FY20	22 FY202	3 FY2024	
Senior Management	0	0	0	
Management	0	0	1	
Executive	10	7	9	
Non-Executive	67	66	49	

Employee Training and Upskilling

Our employees are equipped with the necessary skills and knowledge to support their development and address skill gaps, through technical and soft skills training across various aspects.









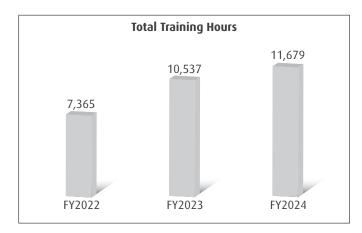


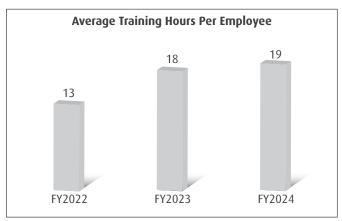


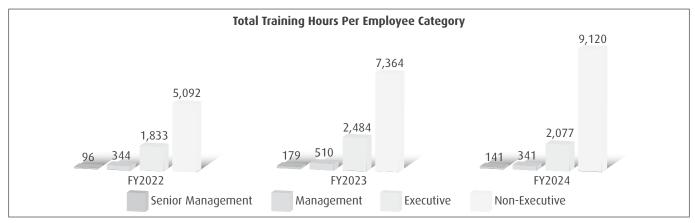




In FY2024, we conducted 546 training sessions for 613 employees, amounting to a total of 11,679 training hours.







Catagory	Average Training Hours		
Category	FY2022	FY2023	FY2024
By Employee Category			
Senior Management	13.7	25.6	20.1
Management	38.2	42.5	31.0
Executive	27.0	35.0	29.3
Non-Executive	10.6	14.8	17.4
By Gender			
Male	11.5	16.3	18.0
Female	23.5	30.5	27.1

Performance Appraisal

To enhance employee performance, we conducted annual appraisals, providing constructive feedback on strengths and identifying opportunities for growth to support their development and goals.

	FY2022	FY2023	FY2024
Number of employees who received appraisals	566	587	613

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SUSTAINABILITY STATEMENT (CONTINUED)

Employee Benefits

The Group provides competitive compensation packages to motivate, attract and retain our workforce:







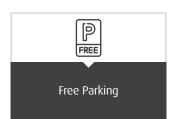














Parental Leave

In FY2024, six male and two female employees utilised parental leave, with all returning to their roles upon completion, achieving a 100% return-to-work rate.

Parental Leave	Gender	FY2023	FY2024
	Male	11	6
Number of employees that took Parental Leave	Female	2	2
	Male	11	6
Number of employees that returned after Parental Leave	Female	2	2
Number of employees that returned to work after Parental Leave ended that were	Male	10	6
still employed 12 months after their return to work	Female	2	2

CELEBRATING DIVERSITY AND INCLUSION

Fostering an inclusive and diverse workplace is key to creating a culture that values and respects individuals from all backgrounds. We nurture an environment where employees feel valued and supported, driving performance, engagement and productivity. These efforts strengthen organisational resilience, fostering a dynamic, high-performance culture that thrives on inclusivity and collaboration.

Additionally, the Group upholds equal opportunity in determining salaries and remuneration. We ensure equitable pay between men and women in line with fair and unbiased compensation practices.

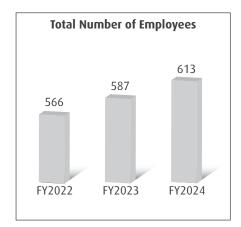
Upholding Non-Discrimination and Human Rights

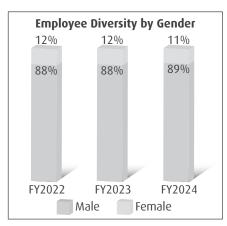
There were zero substantiated complaints related to discrimination or human rights violations in the year under review.

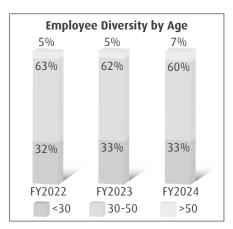
Number of substantiated complaints concerning human rights violation and	FY2022	FY2023	FY2024
discrimination	0	0	0

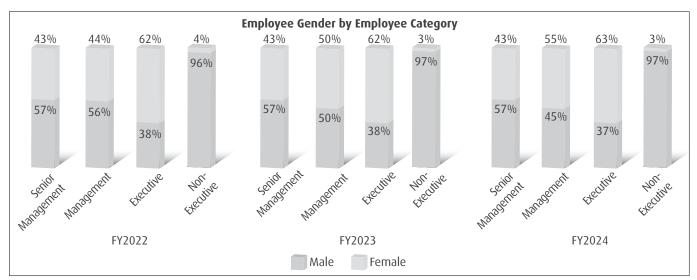
Workforce Diversity

During the reporting year, our workforce comprised 613 employees, with the majority (89%) being male, reflecting the nature of our industry.









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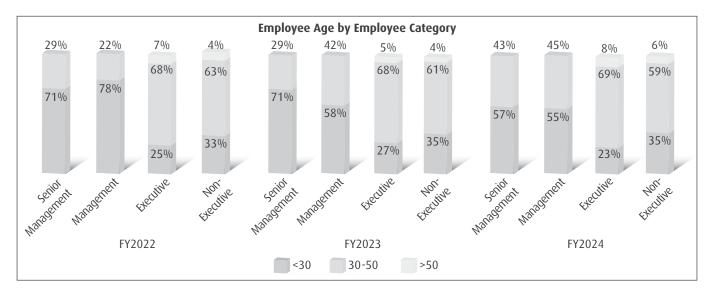
ADDITIONAL INFORMATION

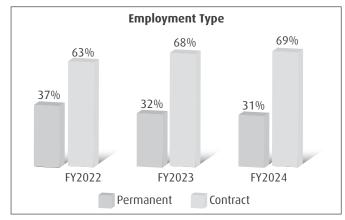
EADERSHIP

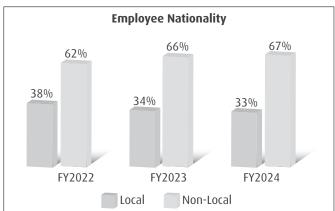
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EMPLOYEE ENGAGEMENT PROGRAMMES

3A cultivates a vibrant and positive workplace culture through various employee engagement activities. During the reporting year, we organised programmes such as employee lunch treats, festive celebrations, a "Gotong-Royong" activity with sponsored T-shirts, a visit to Zoo Negara for CSR activities and team-building programmes.



CNY Celebration



Hari Raya Celebration



Team Building



CSR Activity at Zoo Negara

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EMPOWERING COMMUNITIES

3A recognises the importance of the communities it serves as key stakeholders in our operations. We are committed to building positive relationships with these communities through our CSR initiatives, which promote social inclusion and contribute to their overall well-being.

These efforts create employment, support charitable causes and sponsor social events to empower local communities. We also encourage employees to engage in community contributions, recognising their volunteer efforts as an essential part of our commitment to giving back to society.

During the year, we contributed RM28,364 towards CSR programmes, benefitting six organisations and four communities.

Types of Engagement Programme	Programme Title	Programme Description
Festive Celebrations	Chinese New Year Contribution to Orphanage and the Handicapped	Monetary donations made during the Chinese New Year celebration.
restive edebtations	Chinese New Year Community Celebration	Celebrating Chinese New Year with the Kampung Baru Sungai Buloh community.
	Monthly Assembly with the Mayor of the Shah Alam City Council ("MBSA")	Provided monetary donation to support local community initiatives.
	Contribution to Lion Dance Association	Sponsored a new "Lion Head" to the association.
	Contribution to Local Authorities	Provided monetary donation to support the construction costs of a community hall.
Support for Association/Organisation	Malaysia Firefighter's Sports Day 2025	Provided monetary donation and sponsorships to the event.
	Green Project at Zoo Negara	Contributed financial aid to support environmental conservation efforts.
	Tree Planting Programme	Made a monetary contribution to the Institut Penyelidikan Perhutanan Malaysia (FRIM) for the planting of 40 trees.
Community Support	Community Cleanup Programme	Organised a community clean-up activity in Kampung Baru Sungai Buloh.
	Happy Seniors Cultural and Arts Studies	Contributed funds to senior citizens and persons with disabilities.

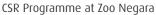
	FY2022	FY2023	FY2024
Total Amount Invested (RM)	7,700	16,262	28,364
Total Number of Beneficiaries	2,030 Individuals	1,550 Individuals	Six Organisations and Four Communities





Tree Planting Programme at FRIM







Gotong-royong activity

PROGRESSING ON OUR PATH TO SUSTAINABILITY

As we pave the way to a sustainable future, we will continue our efforts to make meaningful contributions to the global sustainability agenda. 3A's vision of becoming a leading provider of quality food and beverage ingredients aligns with our ambition to deliver high-quality products. We will persist in integrating environmental and social considerations into every aspect of our operations to cultivate positive value for both people and the planet.

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BURSA PERFORMANCE DATA TABLE

Governance

Indicator	Measurement Unit	FY2022	FY2023	FY2024
Corporate governance and anti-corruption				
Bursa C1(a) Percentage of employees who have received training on ar	nti-corruption by employe	e category		
Senior Management	Percentage	0.00	100.00	100.00
• Management	Percentage	0.00	100.00	100.00
Executive	Percentage	0.00	100.00	100.00
Non-Executive	Percentage	0.00	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa C3(b) Percentage of directors by gender and age group				
• Male	Percentage	67.00	67.00	78.00
• Female	Percentage	33.00	33.00	22.00
• Between 30-50	Percentage	33.00	33.00	44.00
Above 50	Percentage	67.00	67.00	56.00
Customer privacy and data protection				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Economic performance				
Economic value generated	RM (in million)	-	603.86	557.12
Economic value retained	RM (in million)	-	45.15	43.45
Operating costs	RM (in million)	-	45.60	51.21
Payments made to providers of capital	RM (in million)	-	14.67	13.69
Payments to government	RM (in million)	-	9.92	16.40
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	36.00	37.00	38.00
Supplier assessment (active suppliers)	Percentage	-	100.00	100.00
Bursa S6(b) Number of suppliers assessed for environmental impacts	Number	-	-	10
Bursa S7(b) Number of suppliers assessed for social impacts	Number	-	-	10

(*)Restated

Internal assurance External assurance No assurance

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Indicator	Measurement Unit	FY2022	FY2023	FY2024
Climate change and energy				
Bursa C4(a) Total energy consumption	Megawatt	323,765.00	277,574.00	252,168.00
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	-	-	43,523.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	-	-	13,926.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	395.00
Petrol consumption	Litres	18,960	14,450	14,770
Diesel consumption	Litres	1,067,226	930,066	831,440
Natural gas consumption	Gigajoules	1,042,201.00	892,682.00	808,050.00
LPG consumption	Kilograms	40,796.00	42,252.00	38,318.00
Electricity consumption	Kilowatt	23,014,444	19,735,459	17,992,591
Industrial diesel consumption	Litres	-	-	87,360
Water management				
Bursa C9(a) Total volume of water used	Megalitres	1,397.000000	1,393.000000	1,227.000000
Waste and effluent				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	3,471.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	-	0.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	3,471.00
Percentage of used plastic packaging containers reconditioned and reused by weight	Percentage	30.00	36.00	36.00
Bursa S8(a) Total volume of water (effluent) discharge over the reporting period	Megalitres	-	-	64.000000
Product quality and customer satisfaction				
Customer satisfaction rate	Percentage	86.80	88.40	89.10
Bursa S3(a) Percentage of product and service which health and safety impacts are assessed	Percentage	-	-	100.00
Bursa S3(b) Total number of incidents of non-compliance with regulations concerning health and safety impacts of product	Number	-	-	0
Bursa S3(c) Number of recalls issued and total units recalled for health and safety reasons	Number	0	0	0
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	5.19	2.74	0.28
Bursa C5(c) Number of employees trained on health and safety standards	Number	0	486	573
Total number of hours worked	Hours	-	No Data Provided	No Data Provided

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Indicator	Measurement Unit	FY2022	FY2023	FY2024
Number of work-related injuries	Number	2	2	1
Number of recorded ill-health	Number	0	0	0
Number of lost time injuries	Number	33	19	2
Total hours worked	Hours	-	No Data	No Data
			Provided	Provided
Total worked hours	Hours	-	No Data Provided	No Data Provided
Total number of days worked	Days	169,680	184,617	193,411
Fair labour practices				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	96	179	141
Management	Hours	344	510	341
Executive	Hours	1,833	2,484	2,077
Non-Executive	Hours	5,092	7,364	9,120
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	0	0	0
Management	Number	0	0	1
Executive	Number	10	7	9
Non-Executive	Number	67	66	49
Average training hours per employee	Hours	13.0	18.0	19.0
Average training hours per gender (Men)	Hours	11.5	16.3	18.0
Average training hours per gender (Women)	Hours	23.5	30.5	27.1
Total new hires	Number	193	99	68
Total turnover	Number	77	73	59
New hires by gender (Men)	Number	171	91	59
New hires by gender (Women)	Number	22	8	9
Turnover by gender (Men)	Number	53	64	51
Turnover by gender (Women)	Number	24	9	8
New hires by age (Under 30)	Number	100	60	47
New hires by age (Between 30-50)	Number	91	39	21
New hires by age (Above 50)	Number	2	0	0
Turnover by age (Under 30)	Number	44	27	13
Turnover by age (Between 30-50)	Number	28	43	44
Turnover by age (Above 50)	Number	5	3	2
Total number of employee new hires by employee category (Senior Management)	Number	0	0	0
Total number of employee new hires by employee category (Management)	Number	0	0	0

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(*)Restated

Indicator	Measurement Unit	FY2022	FY2023	FY2024
Total number of employee new hires by employee category (Executive)	Number	18	10	8
Total number of employee new hires by employee category (Non- Executive)	Number	175	89	60
Number of employees received appraisal	Number	566	587	613
Number of employees that took parental leaves	Number	-	13	8
Number of employees that returned after parental leaves	Number	-	13	8
Number of employees that returned to work after parental leaves ended that were still employed 12 months after their return from work	Number	-	12	8
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for ea	ch employee category			
Age Group by Employee Category				
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	71.00	71.00	57.00
Senior Management Above 50	Percentage	29.00	29.00	43.00
Management Under 30	Percentage	0.00	0.00	0.00
Management Between 30-50	Percentage	78.00	58.00	55.00
Management Above 50	Percentage	22.00	42.00	45.00
Executive Under 30	Percentage	25.00	27.00	23.00
• Executive Between 30-50	Percentage	68.00	68.00	69.00
• Executive Above 50	Percentage	7.00	5.00	8.00
Non-Executive Under 30	Percentage	33.00	35.00	35.00
Non-Executive Between 30-50	Percentage	63.00	61.00	59.00
Non-Executive Above 50	Percentage	4.00	4.00	6.00
Gender Group by Employee Category				
Senior Management Male	Percentage	57.00	57.00	57.00
Senior Management Female	Percentage	43.00	43.00	43.00
Management Male	Percentage	56.00	50.00	45.00
Management Female	Percentage	44.00	50.00	55.00
Executive Male	Percentage	38.00	38.00	37.00
Executive Female	Percentage	62.00	62.00	63.00
Non-Executive Male	Percentage	96.00	97.00	97.00
Non-Executive Female	Percentage	4.00	3.00	3.00
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	63.00	68.00	69.00

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Indicator	Measurement Unit	FY2022	FY2023	FY2024
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Total number of employees	Number	566	587	613
Employee diversity by gender (Men)	Percentage	88.00	88.00	89.00
Employee diversity by gender (Women)	Percentage	12.00	12.00	11.00
Employee diversity by age (Under 30)	Percentage	32.00	33.00	33.00
Employee diversity by age (Between 30-50)	Percentage	63.00	62.00	60.00
Employee diversity by age (Above 50)	Percentage	5.00	5.00	7.00
Community investment				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	7,700.00	16,262.00	28,364.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	2,030	1,550	10

Internal assurance External assurance No assurance (*)Restated

GRI CONTENT INDEX

Statement of use	3A has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 2: General Disclosures 2021	2-1 Organisational details	16
	2-2 Entities included in the organisation's sustainability reporting	16
	2-3 Reporting period, frequency and contact point	16
	2-5 External assurance	16
	2-6 Activities, value chain and other business relationships	16
	2-7 Employees	53
	2-8 Workers who are not employees	54
	2-9 Governance structure and composition	22
	2-12 Role of the highest governance body in overseeing the management of impacts	22
	2-13 Delegation of responsibility for managing impacts	22, 28
	2-14 Role of the highest governance body in sustainability reporting	22, 28
	2-19 Remuneration policies	32
	2-20 Process to determine remuneration	32
	2-22 Statement on sustainable development strategy	19
	2-23 Policy commitments	20
	2-24 Embedding policy commitments	20
	2-25 Processes to remediate negative impacts	23-24, 32
	2-26 Mechanisms for seeking advice and raising concerns	23-24, 32
	2-27 Compliance with laws and regulations	32-33, 42-43, 46, 48
	2-29 Approach to stakeholder engagement	23-24
GRI 3: Material Topics 2021	3-1 Process to determine material topics	24
	3-2 List of material topics	25
	3-3 Management of material topics	Throughout
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	28-29
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	37
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	32
	205-2 Communication and training about anti-corruption policies and procedures	32
	205-3 Confirmed incidents of corruption and actions taken	32
GRI 301: Materials 2016	301-2 Recycled input materials used	43
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	40
	302-4 Reduction of energy consumption	40

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GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	42
2018	303-5 Water consumption	42
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	41
	305-2 Energy indirect (Scope 2) GHG emissions	41
	305-3 Other indirect (Scope 3) GHG emissions	41
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	42
	306-3 Waste generated	43
	306-5 Waste directed to disposal	43
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	49-50
	401-2 Benefits provided to full-time employees that are not provided to temporary or part- time employees	52
	401-3 Parental leave	52
GRI 403: Occupational Health and	403-1 Occupational health and safety management system	47
Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	47
	403-4 Worker participation, consultation, and communication on occupational health and safety	48
	403-5 Worker training on occupational health and safety	48
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	46
	403-8 Workers covered by an occupational health and safety management system	47
	403-9 Work-related injuries	47
	403-10 Work-related ill health	47
GRI 404: Training and Education	404-1 Average hours of training per year per employee	51
2016	404-2 Programmes for upgrading employee skills and transition assistance programmes	50
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	33, 53
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	53
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	48
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	48
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	56-57
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	34

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of Three-A Resources Berhad ("3A" or "the Company") is committed to the best practices and principles of good corporate governance as set out in the Malaysian Code on Corporate Governance ("the Code") as well as the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

Excellent corporate governance is essential to good business performance and the numerous past corporate governance awards accorded to 3A testify that the Board, Management and staff of 3A remain steadfast and focused in ensuring the highest level of corporate governance so that the interests of investors and all other stakeholders are well taken care of.

This Corporate Governance Overview Statement, which highlights key focus areas on how the Company applied the principles, practices and step-ups of the Code for the financial year ended 31 December 2024 ("financial year 2024"), is to be read in conjunction with the Corporate Governance Report ("CG Report") which contains a detailed application for each practice as set out in the Code for the financial year 2024 and is made available on the corporate website at www.three-a.com.my.

The Board considers that the Company has adopted the CG practices and applied the main principles of the CG Code for the financial year 2024 except:

- Practice 5.2 (At least half of the board comprises independent directors.)
- Practice 5.6 (In identifying candidates for appointment of directors, the board does not solely rely on recommendations from
 existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified
 candidates. If the selection of candidates was based on recommendations made by existing directors, management or major
 shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.)
- Practice 5.9 (At least 30% of the board comprises women on the board.)
- Practice 5.10 (The board discloses in its annual report the company's policy on gender diversity for the board and senior management.)

A. BOARD LEADERSHIP AND EFFECTIVENESS

1.0 Board's Leadership on Governance and Objectives

The Board is responsible for the overall governance of the Group and discharges this responsibility through compliance with relevant rules, laws, regulations, directives and guidelines in addition to adopting the best practices in the Code. Collectively, the Directors combine their diverse experience and qualifications on commercial, regulatory, industry and financial expertise to discharge their duties and responsibilities.

The Board's main responsibility is to lead and manage the Group in an effective manner including developing strategic directions and objectives in line with its vision and missions, implement plans and supervise the conduct of the Group's business as a whole. The Board's role is to provide leadership of the Group within a framework of prudent and effective controls whilst ensuring risks are consistently assessed and controlled.

The Board conducts ongoing review and evaluation of the Group's strategic plans to ensure the Group's focus is in line with the constantly evolving market conditions as well as identifying new businesses and opportunities. The Board also ensures that an adequate system of internal controls is in place and adopts appropriate measures to mitigate any foreseeable and/or unexpected risks.

The Board members are attentive to applying high ethical standards in their decision-making, taking into account the interests of all stakeholders.

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CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

1.0 Board's Leadership on Governance and Objectives (Continued)

Certain functions of the Board have been delegated to various Board Committees, which reviews and make recommendations to the Board on specific areas. There are currently four (4) Board committees, namely:

- Audit Committee ("AC");
- Nomination Committee ("NC");
- Remuneration Committee ("RC"); and
- Risk Management Committee ("RMC").

Each of the Board committee operates within approved Terms of Reference. These committees have authority to examine particular issues and report to the Board with their findings and recommendations. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board.

1.1 Duties and Responsibilities of the Board

The Company acknowledges the importance of having an effective Board for the overall governance and management of the Group. The core responsibilities of the Board include reviewing and approving the Company's business strategies and plans, significant policies and monitoring the Management's performance in implementing them.

In carrying out their duties and responsibilities, the Board exercises great care to ensure that high ethical standards are upheld, and that the interests of stakeholders are not compromised. The Board members are consistently mindful that the interests of the Group's stakeholders are always being protected.

The Board's principal functions include the following responsibilities:

- Promotes good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
- Reviews and approves the Group's medium-term and long-term strategic business plans;
- Oversees the conduct of the Group's business operations and financial performance against the approved strategic business plans;
- Ensures that the operating infrastructure, systems of control, systems of risk management as well as financial and operational controls are in place and properly implemented;
- · Reviews the adequacy and the integrity of the internal control system and mitigation measures; and
- Undertakes various functions and responsibilities as specified in guidelines and directives issued by the regulatory authorities from time to time.

The Independent Non-Executive Directors by virtue of their roles and responsibilities, in effect represent the minority shareholders' interest in the 3A Group. The Independent Non-Executive Directors engage proactively with the Management and with both the external and internal auditors. The Independent Non-Executive Directors play a significant role in bringing objectivity and scrutiny to the Board's deliberations and decision-making. They also serve to inspire and challenge the Management in an objective and constructive manner.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

1.1 Duties and Responsibilities of the Board (Continued)

In enhancing the function of the Independent Non-Executive Directors, the Board has also defined their roles and responsibilities to include the following:

- Provides relevant check and balances, focusing on shareholders' and other stakeholders' interests and ensuring high standards of corporate governance are applied;
- Scrutinises the performance of Management in meeting agreed goals and objectives and monitors the reporting of performance;
- Constructively challenges and contributes to the development of the business strategies; and
- Ensures the financial information presented is accurate and that financial controls as well as system of risk management is robust and defensible.

The Independent Directors are at liberty to obtain advice from independent professionals if deemed necessary for the proper discharge of their duties at the expense of the Group. The Independent Directors also have direct access to the advice and services of internal and external auditors and the Company Secretary who is responsible for ensuring that the Board procedures are followed.

1.2 Board Meetings and Supply of Information to the Board

Board meetings for the following financial year are scheduled in advance before the end of the current financial year so as to facilitate the Directors to plan ahead and organise the next year's Board meetings into their respective schedules.

The Chairman of the respective Board Committees would inform the Directors at Board meetings, of any salient matters noted by the committee and which require the Board's notice or direction.

The Board members are provided with the agenda and board papers including status report, quarterly report, performance and management report at least five (5) business days before each meeting so that the Directors have ample time to review matters to be deliberated at the Board meeting and to facilitate informed decision making by the Directors. The Chairman of all Board meetings ensures that each of the agenda items is adequately reviewed and thoroughly deliberated within a reasonable timeframe.

The Board papers provide, among others, periodical financial and corporation information, significant operational, financial and corporate issues, by the Group and management proposals that require the Board's approval.

At the Board meetings, the Board reviews the Group's business operations by analysing the financial statements and its accompanying notes and disclosures as contained in the quarterly report of the Group as compared to the same corresponding period. The Board also notes the decisions and salient issues deliberated by the AC that are tabled to the Board.

The Board members are regularly updated by the Company Secretary on the new statutory as well as regulatory requirements relating to Directors' duties and responsibilities or the discharge of their duties as Director of the Company. The Company Secretary attends all Board meetings and ensures that accurate and adequate records of the proceedings of the Board meetings and decisions made are properly kept. The external auditors update the Board on latest developments on new accounting standards that are relevant to the Group.

All Board members have full and timely access to information on the Company's businesses and affairs for the discharge of their duties and responsibilities. Where necessary, senior management staff as well as advisors and professionals appointed to act for the Company on corporate proposal may be invited to attend the Board meeting to furnish the Board with their comments and advice on the relevant proposal tabled.

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A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

1.3 Board Charter

The primary objective of the Company's Board Charter ("Board Charter") is to set out the roles and responsibilities of the Board to achieve the vision and mission of the Company. The Board is guided by the Board Charter which provides references for Directors in relation to the Board's role, powers, duties and functions.

Apart from reflecting the current best practices and the applicable rules and regulations, the Board Charter also outlines processes and procedures for the Board and their committees to be effective and efficient. The Board regularly reviews the Board Charter to ensure it remains consistent with the Board's objectives and responsibilities and all the relevant standards of corporate governance. The Board Charter is available on the Company's website at www.three-a.com.my.

1.4 Sustainability of Business

The Board governs the overall sustainability matters of the Group and takes responsibility for the setting of the Group's sustainability strategies, priorities and targets. The Sustainability Committee ("SC") that comprises members from Management to provide support to the Board taking into sustainability considerations in the development and implementation of major business strategies and plans.

The Board is mindful of the importance of business sustainability and its growing impact to the Group, whilst no less emphasis been put into managing the social and environmental impact of its business operations. The Group also embraces sustainability through collaboration and partnership with its suppliers, customers and other stakeholders. The Group is committed to the continuous efforts in maintaining a delicate balance between the sustainability agenda and the shareholders' interests.

1.5 Board Gender Diversity Policies and Targets and the Measures

As at end of February 2025, the Board composed of seven (7) males and two (2) females to ensure a good mix of gender and diversity as well.

Therefore, the Board currently does not fulfil Practice 5.9 of the Code of 30% composition of women on the Board. The Board takes note of the need to establish a policy formalising the approach to gender diversity for the board and senior management. The Board will consider gender diversity as part of its future selection to identify suitable candidates if the need arises. If any, such candidates will be strictly assessed based on merit, their competencies, time commitment, experience, gender diversity, age and cultural background, and competencies required for an effective Board.

The NC will oversee the overall composition of the Board and Board Committees, including succession planning to maintain the appropriate size and skills, the balance between Executive Directors, Non-Executive Directors and Independent Directors as well as the mixture of skills and other core competencies required on the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

1.6 Code of Conduct and Ethics

The Board will continue to adhere to the Code of Conduct and Ethics which is applicable to all directors, management and employees of the Group. The Code of Conduct and Ethics established by the Board, which is published on the Company's website at www.three-a.com.my, is based on the following principles:

- · Uphold of human rights of workers and commitment to a safe and healthy work environment;
- Social responsibility and protection of the environment;
- Duty to act in the best interest of the Group:
- Protect and maintain the assets and confidentiality of sensitive information of the Group;
- Conduct of fair trade in business;
- Honesty and integrity;
- No conflict of interests and no bribery or unethical business practices;
- · Anti-Bribery and Corruption Policy; and
- Compliance with legal and regulatory requirements and Group policies.

1.7 Whistleblowing Policy and Anti-Bribery and Corruption Policy

The Board acknowledges that misconduct such as violation of laws, rules, regulations, production fraud, fraud, health and safety infringements or corruption are usually known first by people who work within or with the Group. An early warning system such as a Whistleblowing Policy and Procedure can help the Group to detect wrongdoings and alert the Group to take corrective action before a problem becomes a crisis. In order to promote ethical values and conduct throughout the Group, the Board has put in place an Anti-Bribery and Corruption Policy to prevent conflict of interest, the risk of bribery and corruption within the Group.

The Board in its effort to enhance corporate governance has put in place a Whistleblowing Policy to provide an avenue for employees, suppliers and stakeholders to report genuine concerns about malpractices, unethical behaviour or misconduct without fear of reprisal. Any concerns raised will be received by the members of the AC, investigated and outcome of such investigation will be reported to the Board. Appropriate action will be taken to resolve the issue. The whistleblower's identity will be kept confidential. The Company will assign a senior officer from the Human Resources ("HR") Department as whistleblower protector who will keep in touch with the whistleblower to monitor and assess any signs of victimisation or stress.

The Whistleblowing Policy and the Anti-Bribery and Corruption Policy are available on Company's website at www.three-a.com.my.

1.8 Promoting Sustainability

3A's approach to governance is to drive business revenues and profits and manage risks prudently in order to deliver long-term profitability and provide value to shareholders on a sustainable basis. This includes meeting expectations of stakeholders such as customers, shareholders, regulators, bankers, joint-venture partners and the communities in which 3A operates.

The Board and Management of 3A uphold sustainability efforts in terms of achieving economic, environment and social sustainable objectives as part of its responsibility to its stakeholders and the communities in which it operates.

The Group is committed to the implementation of safe work practices and aims to provide an injury-free workplace for all its employees. Besides, 3A is dedicated to do its part to protect the environment in its business activities and support the local communities. More details of the Group's efforts in incorporating sustainability in its business operations can be found in the Sustainability Statement on pages 15 to 64 of the Annual Report.

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A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

1.9 Qualified and Competent Company Secretaries

The Company Secretaries are appointed by the Board. The appointments are based on criteria related to the qualifications, experience and competence of the individual concerned to carry out their duties and responsibilities to ensure 3A is in compliance with the regulations and Listing Requirements. The Company Secretaries are qualified and their roles and responsibilities include the following:

- Preparation and submission of forms as required under the Companies Act 2016 to the Companies Commission Malaysia;
- Ensure compliance of regulatory requirements, updates on new Bursa Securities Listing Requirements to the Board;
- · Submissions of corporate announcements electronically via Bursa Link to Bursa Securities;
- Support the Board of Directors, by ensuring adherence to Board policies and procedures, rules, relevant laws and best practices on Corporate Governance;
- Attendance at Annual General Meeting, AC, NC, RC and Board of Directors' meetings and ensure minutes of meetings are well documented; and
- Follow-up on matters arising from the meetings.

The Board is satisfied with the performance and support rendered by the Company Secretaries in assisting them to discharge their duties.

2.0 Board Composition

Good governance principles require fairness, transparency, accountability and responsibility. The Board acknowledges the importance of the Board structure.

The Board consists of nine (9) members, three (3) Executive Directors (including the Managing Director), two (2) Non-Independent Non-Executive Directors and four (4) Independent Non-Executive Directors.

The Board comprises members with a wide range of business, financial and technical service background. The size of the Board is optimum given the scope, size and complexity of the Group's operations. The composition of the Board complies with the Paragraph 15.02(1)(a) of the Listing Requirements that requires a minimum of two (2) or one-third (1/3) of the Board, whichever is the higher, to be Independent Directors.

There is a clearly accepted division of responsibility between the Chairman and the Managing Director to ensure balance of the power and authority. The Executive Directors have primary responsibilities for managing the Group's day-to-day operations and together with the other Directors, to ensure that the strategies are fully discussed and examined and to take into consideration the long-term interests of the various stakeholders including shareholders, employees, customers, suppliers and the various communities in which the Group conducts its business.

The Independent Non-Executive Directors do not engage in the day-to-day management of the Group and do not participate in any business dealings and are not involved in any other relationship with the Group. This ensures that the Independent Non-Executive Directors remain free from conflict of interest and facilitate them to carry out their roles and responsibilities as Independent Directors effectively. The Independent Directors are at liberty to seek independent professional advice on matters relating to the discharge of their duties. The cost of securing such professional services will be borne by 3A.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2.1 Appointment to the Board

Any proposed appointment of a new member to the Board is deliberated by the full Board upon the recommendation by the NC, of which NC will review based on the necessity and qualification as well as experience of the proposed new member.

The NC will also conduct the Fit and Proper assessment prior to the appointment of any additional Board member to the Board to ensure the Board quality and integrity for the appointment to the Group.

The appointment of any additional member to the Board is made as and when it is deemed necessary by the Board with due consideration given to the mix of expertise, skills, experience, gender diversity, age and cultural background, competencies required for an effective Board.

During the financial year 2024, the Board appointed one (1) Non-Independent Non-Executive Directors on 29 February 2024 in place of an outgoing Director. The NC had conducted the Fit and Proper assessment on the new Director prior to his appointment.

2.2 Re-Election of Directors

Clause 76(3) of the Company's Constitution provides that at every Annual General Meeting ("AGM"), at least one-third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office at the conclusion of the AGM and be eligible for re-election provided always that all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

The re-election of Directors at the AGM is subject to the assessment by the NC pursuant to the Company's Fit and Proper Policy. For the forthcoming AGM, the following Directors will be retiring by rotation in accordance with Clause 76(3) of the Company's Constitution, and being eligible, have offered themselves for re-election:

- · Fang Siew Ping;
- Dato' Jagjit Singh a/l Bant Singh; and
- Dato' Shamesh a/l Jeevaretnam.

The profile of the above-mentioned Directors and their respective attendance in Board meetings are presented in this Annual Report. In determining whether to recommend a Director for re-election, the aforesaid Directors' time commitment such as attendance at meetings, participation, contribution to the activities of the Board, character, integrity and experience had been considered by the NC.

The NC had on 25 February 2025 at its NC meeting conducted the assessment pursuant to the directors' fit and proper policy, was satisfied that the above-mentioned Directors have met the criteria set out and recommended to the Board for their re-election at the forthcoming AGM.

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CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2.2 Re-Election of Directors (Continued)

The Directors of 3A are individuals of high calibre and integrity and their knowledge and expertise in their fields from other businesses, have enhanced the effectiveness of the Board and Board Committees.

The Board is of the view that given the size of the Group and its business complexity, the current number of Directors remains optimum and conducive for effective deliberations at Board meetings and for the efficient conduct of Board meetings.

2.3 The Board Committees

The Board delegates certain authorities to the Board Committees that operate under clearly defined written Terms of Reference and operating procedures duly approved by the Board.

The functions and terms of reference of the Board Committees as well as authority delegated by the Board to these Committees, have been approved by the Board and are reviewed from time to time to ensure that they are relevant and up to date.

The various Committees report the outcome of their meetings to the Board which are then incorporated in the Board's minutes. The Board Committees are AC, NC, RC and RMC.

2.4 Nomination Committee ("NC")

The Board has established a NC, and its principal objectives are in line with the Terms of Reference of the NC, which is available on the Company's website at www.three-a.com.my.

The NC shall meet as and when necessary and at such other time(s) as it deems necessary to fulfil its responsibilities. The quorum for each meeting is two (2) members, of whom shall be Independent Non-Executive Directors. Recommendations of the NC will be submitted to the Board for approval.

To carry out the assessment of those Directors who are standing for re-election, the NC will base on the review of performance, contribution to the Board through their skills, experience, strength and qualities, level of independence and abilities to exercise independent judgment, demonstrate objectivity, clarity of thought during deliberations at meetings and ability to spend sufficient time and commitment to the Group.

Annual evaluation, in the form of self and peer evaluation, will be conducted by the NC, on the effectiveness of the Board as a whole, Board Committees, contribution of each individual Director, independence of Independent Directors and assessment on Senior Management. A summary of the evaluations will be furnished to the NC for discussion.

The NC will furnish the Board Evaluation Questionnaire in relation to Environmental, Social and Governance ("ESG") or Sustainability to the Board for review of the ESG or Sustainability performance of the Board and Senior Management in addressing the Company's material sustainability risks and opportunities as recommended under Practice 4.4 of the Code.

The NC had on 25 February 2025 conducted the annual assessment in respect of the financial year 2024 and was satisfied with the existing Board composition, The NC was of the view that all the Directors and Board Committee of 3A had discharged their responsibilities in a commendable manner and had performed competently and effectively. The Board's effectiveness is assessed on areas of composition, administration and process, accountability and responsibility, conduct and communication, decision-making and Boardroom activities, each Director's skills and competencies, as well as Board diversity.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2.4 Nomination Committee ("NC") (Continued)

For the Board diversity, the evaluation of the candidates' suitability by the Board is solely based on their competence, character, time commitment, integrity and experience in meeting the needs of the Group.

For the financial year 2024, the NC met one (1) and the composition of the NC and their attendance at meetings of NC are as follows:

Members of NC and Meeting Attendance during the financial year ended 2024

Name	Membership	Attendance
Dato' Shamesh a/l Jeevaretnam	Chairman	1/1
Independent Non-Executive Director		
Karmjit Kaur a/p Sarban Singh	Member	1/1
Independent Non-Executive Director		
Jamel Bin Ibrahim	Member	1/1
Independent Non-Executive Director		·

The NC had undertaken the following activities in respect of the financial year 2024:

- Reviewed the Self and Peer Assessment Forms of the Directors who are standing for retirement pursuant to the Company's Constitution and recommended to the Board for re-election at the AGM;
- Reviewed the yearly Self and Peer Assessment Forms of Board Members, the Board's mix of skills and the performance of Board committees;
- Reviewed the independence of Independent Directors;
- Reviewed the Key Officer's evaluation;
- Reviewed and recommended to the Board the appointment of new directors and committee members of the Company;
 and
- Reviewed and recommended to the Board the change in the composition of the Board Committees.

In 3A Group, all appointments and employments are based on merits and not determined by gender, ethnicity and age bias. The current structure of gender, ethnicity and age of the employees of the Group as at 8 March 2025 are as follows:

Gender	%	Age	%	Ethnicity	%	
Male	88%	18 - 30	37%	Malaysian – Bumiputera	24.4%	
Female	12%	31 - 40	35%	Malaysian – Chinese	10.2%	
	100%	41 – 50	20%	Malaysian – Indian	0.7%	
		Above 50	8%	Foreigners	64.7%	
			100%		100.0%	

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A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2.5 Remuneration Committee ("RC")

The RC has a formal and transparent procedure to review each Director's remuneration package which takes into consideration on corporate and individual performance; experience and level of responsibilities of the Directors concerned. The RC is responsible for recommending the remuneration framework for Directors, the remuneration packages of Executive Directors to the Board as well as reviewing and deliberating on the quantum of Directors' fee.

None of the Executive Directors participates in any way in determining their own remuneration.

The Board as a whole determines the level of remuneration of Non-Executive Directors with individual Directors abstaining from decisions in respect of their own remuneration. Directors' fees and benefits, if any, are approved at the AGM by the shareholders.

The policy practiced on Directors' remuneration by the RC is to recommend the remuneration packages necessary to attract, retain and motivate Directors of the quality required to manage the business of the Group and to align the interest of the Directors with those of the shareholders.

Information prepared by independent consultants and survey data on the remuneration practices of comparable companies are taken into consideration in determining the remuneration packages, where necessary.

The components of Directors' remuneration are structured so as to link rewards to corporate and individual performance in the case of Executive Directors. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the individual Non-Executive Director concerned.

Meetings are held as and when necessary and at least once a year. The quorum for each meeting shall be two (2) members, of whom shall be Independent Non-Executive Directors. Minutes of each meeting shall be kept as evidence that the RC has discharged its functions.

The RC held one (1) meeting during the financial year 2024 to review and recommend to the Board the remuneration of the Directors.

Members of RC and Meeting Attendance during the financial year 2024

Name	Membership	Attendance
Karmjit Kaur a/p Sarban Singh	Chairperson	1/1
Independent Non-Executive Director		
Dato' Shamesh a/l Jeevaretnam	Member	1/1
Independent Non-Executive Director		
Jamel Bin Ibrahim	Member	1/1
Independent Non-Executive Director		

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2.6 Remuneration of Directors

The remuneration package for Directors comprises the following elements:

Directors' Fees

The Directors' fees are only payable to Non-Executive Directors. The RC recommends the framework of Directors' fees to the Board. The fees structure is determined after a study of comparable organisations' practices as well as the level of responsibilities involved.

Salaries and Bonuses

The basic salaries for the Executive Directors are recommended by the RC to the Board for approval. In the evaluation process, consideration is given to the salary scales for similar positions and job scopes in the industry.

The details of the remuneration Directors for the financial year 2024 are as follows:

	Fees (RM)	Salaries (RM)	Allowance (RM)	Bonus (RM)	Other Emoluments (RM)	Total (RM)
Received from the Company						
Dato' Jagjit Singh a/l Bant Singh	164,000	-	-	-	-	164,000
Tan Soon Hoe	33,000	-	-	-	-	33,000
Kee Thuan Chai	33,000	-	-	-	-	33,000
Dato' Shamesh a/l Jeevaretnam	70,000	-	-	-	-	70,000
Karmjit Kaur a/p Sarban Singh	70,000	-	-	_	-	70,000
Jamel Bin Ibrahim	65,000	-	-	_	-	65,000
	435,000	-	_	_	-	435,000
Received from subsidiaries						
Dato' Jagjit Singh a/l Bant Singh	74,000	-	-	-	-	74,000
Fong Chu King @ Tong Chu King	_	756,000	-	837,900	-	1,593,900
Fang Siew Ping	_	552,000	60,000	519,800	135,816	1,267,616
Liew Kuo Shin	_	552,000	60,000	519,800	135,816	1,267,616
	74,000	1,860,000	120,000	1,877,500	271,632	4,203,132

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A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2.7 Independence of the Board

The Independent Non-Executive Directors with their extensive knowledge and experience contribute independent views, advice and judgement on interests, not only of the Company but also of shareholders, employees, customers and suppliers in which the Group conducts its business. Independent Non-Executive Directors are essential for protecting the interests of shareholders and stakeholders and can make significant contributions to the Group's decision-making by bringing in detached impartiality.

The roles of the Independent Non-Executive Chairman and Managing Director of the Company are distinct and separate with individual responsibilities. Each of them has clear defined duties and authority thus ensures balance of power and greater capacity for independent decision-making.

Where a potential conflict of interest may arise, it is mandatory practice for the Director concerned to declare his or her interest and abstain from the decision-making process.

The Board through the NC assessed the independence of its Independent Non-Executive Directors based on criteria set out in the Listing Requirements. The Board Charter provides a limit of a cumulative term of nine (9) years on the tenure of an Independent Director. However, an Independent Director may continue to serve on the Board upon reaching the nine (9) year's limit subject to redesignation of the said Independent Director as a Non-Independent Director. In the event, the Board intends to retain the Director as an Independent Non-Executive Director who serves beyond nine (9) years, the Company is required to seek shareholders' approval at general meeting. In justifying the decision, the Board is required to assess the candidate's suitability to continue as an Independent Non-Executive Director based on the criteria on independence assessment as adopted by the Board.

2.8 Board Meetings

The Board meets every three (3) months in regular Board meetings during the year to approve the quarterly results on a pre-scheduled basis. Additional meetings are convened when urgent and important decisions need to be taken between scheduled meetings.

The Board met four (4) times during the financial year 2024. The dates of the Board meetings are as follows:

- 22 February 2024
- 23 May 2024
- 23 August 2024
- 21 November 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2.8 Board Meetings (Continued)

Details of attendance by each Director at the Board meetings held under the financial year 2024 are as follows:

Director	Number of Board Meetings Held	Number of Board Meetings Attended
Dato' Jagjit Singh a/l Bant Singh (Chairman)	4	4/4
Fong Chu King @ Tong Chu King	4	4/4
Fang Siew Ping	4	4/4
Liew Kuo Shin	4	4/4
Kee Thuan Chai	4	4/4
Dato' Shamesh a/l Jeevaretnam	4	3/4
Karmjit Kaur a/p Sarban Singh	4	4/4
Jamel Bin Ibrahim	4	4/4
Tan Soon Hoe	3	3/3

The listing of directorships held by Directors is disclosed by the respective Directors to the Board to ensure compliance to the above Listing Requirements.

2.9 Directors' Training

The Directors have continued to participate in relevant training programmes to keep abreast with the latest developments in the security industry, in particularly in areas of corporate governance and regulatory changes so that they would be able to discharge their duties as Directors effectively.

The Board will review the training needs of the Directors from time to time.

For the financial year 2024, the conferences, seminars and training programmes attended by each of the Directors were in respect of the following areas:

Director	Seminars/Training Programmes Attended	Date
Dato' Jagjit Singh a/l Bant Singh	• Demonstrating Climate Change Risk Governance In Organisations	5 November 2024
	Mandatory Accreditation Programme Part II: Leading For Impact (LIP)	18 November 2024 & 19 November 2024
Fong Chu King @ Tong Chu King	• Demonstrating Climate Change Risk Governance In Organisations	5 November 2024
Fang Siew Ping	 Mandatory Accreditation Programme Part II: Leading For Impact (LIP) Demonstrating Climate Change Risk Governance In Organisations 	21 August 2024 & 22 August 2024 5 November 2024

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CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2.9 Directors' Training (Continued)

Director	Seminars/Training Programmes Attended	Date
Liew Kuo Shin	 Mandatory Accreditation Programme Part II: Leading For Impact (LIP) Demonstrating Climate Change Risk Governance In Organisations 	28 October 2024 & 29 October 2024 5 November 2024
Karmjit Kaur a/p Sarban Singh	ICDM x Human Inc Masterclass - Unleashing the Transformative Power of AI	10 June 2024
	 Mandatory Accreditation Programme Part II: Leading For Impact (LIP) Insights Across Borders: Thriving in the Bermuda Triangle of 	30 July 2024 & 31 July 2024 1 August 2024
	Technology, Risk and Talent Corporate Venture Capital: Driving the Future of Innovation & Financial Returns	19 September 2024
	BCP Is Out: Director Preparedness For Al-Powered Attacks On People, Tech And Governance	27 September 2024
	Board Ethics: Growing Concerns from New Technology, Stakeholder Interests and Conflict of Interest	16 October 2024
	ICDM BARMC Dialogue & Networking Session Board's Role in Whistleblowing Oversight	24 October 2024
	 Demonstrating Climate Change Risk Governance In Organisations Board of Directors: Steering the Path with Net Zero Strategy Boardroom Insights 2025: Navigating Governance, Risk and Strategic Foresight 	5 November 2024 22 November 2024 17 December 2024
Dato' Shamesh a/l Jeevaretnam	 Finance Essentials For Non-Finance Directors Mandatory Accreditation Programme Part II: Leading For Impact (LIP) Demonstrating Climate Change Risk Governance In Organisations 	8 May 2024 21 October 2024 & 22 October 2024 5 November 2024
Jamel Bin Ibrahim	 Bursa Malaysia – Building Sustainable Credibility: Assurance, Greenwashing And The Rise Of Green-Hushing Demonstrating Climate Change Risk Governance In Organisations Mandatory Accreditation Programme Part II: Leading For Impact (LIP) 	24 September 2024 5 November 2024 18 November 2024 & 19 November 2024
Tan Soon Hoe	Bursa Malaysia Mandatory Accreditation Programme (MAP) Mandatory Accreditation Programme Part II: Leading For Impact (LIP)	13 March 2024 & 14 March 2024 29 April 2024 & 30 April 2024
	Demonstrating Climate Change Risk Governance In Organisations	5 November 2024
Kee Thuan Chai	 Mandatory Accreditation Programme Part II: Leading For Impact (LIP) Demonstrating Climate Change Risk Governance In Organisations 	26 August 2024 & 27 August 2024 5 November 2024

The Company Secretary regularly updates the Board on relevant guidelines on statutory and regulatory requirements from time to time at Board meetings. The Directors will continue to undergo relevant training programmes to further enhance their skills and knowledge in the discharge of their stewardship role.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

B. EFFECTIVE AUDIT AND RISK MANAGEMENT

1.0 Audit Committee ("AC")

The AC currently comprises three (3) Independent Non-Executive Directors. The AC meets not less than four (4) times a year and is governed by clearly defined Terms of Reference. In the financial year 2024, the Committee met four (4) times. The main responsibilities of the AC are to ensure integrity of financial reporting, a sound internal control system with effective risk monitoring procedures and adherence to compliance matters.

The Chairman of AC is not the Chairman of the Board. Details of the composition of the AC, attendance of meetings held during the financial year 2024 and the activities carried out by the AC during the year are set out in the AC Report on pages 85 to 87 of this Annual Report.

1.1 Financial Reporting

In presenting the annual audited financial statements and quarterly announcements of results to shareholders, the Directors take responsibility to provide a balanced, clear and comprehensive assessment of the financial performance and prospects of the Company and the Group in all the disclosures made to the stakeholders and the regulatory authorities. Following discussions with the External Auditors, the Directors consider that the Company and the Group uses appropriate accounting policies that are consistently applied and supported by reasonable as well as prudent judgments and estimates; and that financial statements are prepared in accordance with applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016. The Directors recognise the responsibility for ensuring that accounting records are properly kept.

The AC who assists the Board in overseeing the financial reporting process of the Company and the Group, has adopted a policy for the types of non-audit services permitted to be provided by the External Auditors, including the need for AC's approval prior to such services can be provided by the External Auditors.

In assessing the independence of External Auditors, the AC requires written assurance by the External Auditors, confirming that they are and have been independent throughout the conduct of the audit engagement with the Group in accordance with the independence criteria set out by the International Ethics Standards Board for Accountants and the Malaysian Institute of Accountants.

Early announcements of the quarterly results and issuance of annual report to Bursa Securities reflect the Board's commitment to provide timely, transparent and up-to-date assessments on the Company's and the Group's performance and prospects.

The Board is assisted by the AC to oversee the quality of the financial reporting of the Company and the Group. The AC reviews and monitors the integrity of the Company's and the Group's annual and interim financial statements and reviews the appropriateness of the Company's and the Group's accounting policies and changes to these policies as well as ensures these financial statements comply with accounting and regulatory requirements.

AC had on 25 February 2025 conducted an assessment on the suitability and independence of the external auditors, Messrs BDO PLT. Having considered their independence, competency, resources and the audit team assigned and the tenure of the change of its audit engagement partner, the AC had recommended to the Board on the suitability and independence of Messrs BDO PLT for re-appointment as Auditors of the Group at the forthcoming AGM.

The Board of Directors also have overall responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and for the implementation and continued operation of adequate accounting and internal control systems for the prevention of fraud and other irregularities.

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CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

B. EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

1.2 Statement on Directors' Responsibility

The Directors are required by the Companies Act 2016 to prepare financial statements for each year which give a true and fair view of the state of affairs of the Company and of the Group at the end of the financial year and of their results and cash flow for the financial year then ended. In preparing these financial statements, the Directors have:

- Adopted suitable accounting policies and applied them consistently;
- Made judgments and estimates that are prudent and reasonable;
- Ensured applicable accounting standards have been followed; and
- Prepared the financial statements on the going concern basis.

The Directors are responsible for ensuring that the Company and the Group keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and of Group which enables them to ensure that the financial statements comply with the Companies Act 2016.

The Directors have overall responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Company and the Group to prevent and detect fraud and other irregularities.

1.3 Risk Management and Internal Control Framework

The Board requires the Company and the Group to maintain a rigorous risk management framework for identifying, evaluating, monitoring and managing the risks taken to achieve the Company's and the Group's business objectives. This process is periodically reviewed by the Board.

The Group's Internal Audit function is outsourced to an independent consultant whose credentials and qualifications had been reviewed and found to be competent by the Board and had adequate resources to carry out the scope of activities as outlined in the internal audit plan of the Company. They report directly to the AC on the effectiveness of the current system of internal controls from the perspectives of governance, risks and controls. The internal audit function is independent of the activities it audits. The internal audit function carries out the internal audit reviews based on internal audit plans approved by the AC and the Board. The findings/results of the audits are presented to the AC at their quarterly meetings.

Follow-up reviews are also carried out to assess the status of implementation of management action plans, which are based on internal audit recommendations. The results of these follow-up reviews are also highlighted to the AC at their quarterly meetings.

On 25 February 2025, the AC performed an assessment and review of the adequacy and scope of the internal audit function and the backgrounds of Internal Auditors as part of ongoing effort to ensure an effective and sound internal controls system. The areas covered are the competency and independence of Internal Auditors as well as the scope, functions, resources and authority of the internal audit function that is in place.

For further details on the focus areas for internal audit during the financial year 2024, please refer to the Statement of Risk Management and Internal Control on pages 82 to 84 of this Annual Report.

The aforesaid Statement of Risk Management and Internal Control provides an overview of the state of internal controls within the Group.

The cost incurred for the internal audit function in respect of the financial year 2024 was about RM102,000.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

C. INTEGRITY IN CORPORATE REPORTING & RELATIONSHIP WITH STAKEHOLDERS

1.0 Communication with Stakeholders

The Company recognises the importance of maintaining accountability and transparency to its shareholders through proper communication with its shareholders and stakeholders. The Company reaches out to its stakeholders through its distribution of the annual reports, public announcements, company website, investor relations through telephone or emails.

The Group also provides corporate information as well as highlights key financial information in order to facilitate shareholders' easy access to the information.

The Company maintained a website (www.three-a.com.my) to which shareholders can access information related to the Group. The Group's website is continuously updated to provide timely and accurate information to the users. The notice of general meetings, proxy form, Annual Report, Circulars to shareholders, Questions and Answers from the Minority Shareholders Watchdog Group and summary of key matters discussed at the AGM are also published on the Company's website.

Investors and the public who wish to assess corporate and financial information that is made public such as the quarterly announcements of the financial results of the Group, announcements and disclosures made pursuant to the disclosure requirements of Listing Requirements and other corporate information and events related to the Company can channel their queries to the following personnel:

Name:	Fong Peng Fai	Jessica Fang Siew Yee
Designation:	Group Financial Controller	Senior Manager
Email:	fong.pengfai@three-a.com.my	jessica.fang@three-a.com.my
Tel:	+603 6156 2655	+603 6156 2655
Website:	www.three-a.com.my	

Whilst the Company endeavours to provide as much information as possible to its shareholders and stakeholders, the Company is mindful of the legal and regulatory framework governing the release of material and price sensitive information.

1.1 Conduct of General Meeting

All shareholders are encouraged to attend the Company's Annual General Meeting ("AGM") and to participate in the proceedings. Shareholders' suggestions received during AGM are reviewed and considered for implementation, whenever possible. Every opportunity is given to the shareholders to ask questions and seek clarification on the performance of the Company and the Group.

The 22nd AGM of the Company held on 30 May 2024 was conducted through a virtual basis via Remote Participation and Electronic voting ("RPEV") facilities from the broadcast venue at Level 12, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. Shareholders were encouraged to participate (including posting questions to the Board via real time submission of typed texts) and vote remotely at the 22nd AGM of the Company by using the RPEV facilities provided by the Company's Share Registrar via https://meeting.boardroomlimited/my.

In accordance with the Listing Requirements, the Board put all resolutions to vote by way of poll at the AGM and the results of the polling were made to Bursa Securities on the same day.

At the 22nd AGM, all Directors of the Company, along with the Group Financial Controller, Company Secretary and the External Auditors were present to respond to the shareholders' queries, where applicable and necessary. Further, in line with good corporate governance practices, the Annual Report 2023 and notice of the said last AGM were made available to the shareholders of the Company at least 28 days prior to the AGM. The notice of AGM is also published in a nationally circulated newspaper. The notice would include explanatory statements for proposed resolutions to facilitate understanding and evaluation of issues involving the shareholders.

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STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("Board") of Three-A Resources Berhad is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 31 December 2024. The disclosure of this Statement is presented pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility for risk management and internal control. It recognises the principal risks associated with the Group's business and understands that sound decision-making requires balancing risk and return to generate sustainable shareholder value.

To ensure the effectiveness of risk management and internal control systems, the Board, the Audit Committee ("AC") and Risk Management Committee ("RMC") undertake the following oversight measures during the financial year:

- The AC reviews of the quarterly financial results, annual report, and audited financial statements in consultation with Management;
- The Board and AC deliberate the External Audit Memorandum on the annual audit findings and risk and control issues noted by them during their statutory audit;
- The Board and AC review and deliberate the findings in the Internal Audit reports and the status of Management's implementation actions for the improvement;
- The RMC oversees risk management processes, evaluates the adequacy of risk mitigation measures, and ensures that Management effectively addresses business and operational risks; and
- The Managing Director, Executive Directors, and Group Financial Controller provide periodic briefings on business, financial, and operational performance and their assurance to the Board.

RISK MANAGEMENT

The risk management framework adopted by the Group is aligned with the principles of the international risk management framework. It includes risk identification, assessment, mitigation, monitoring and reporting.

RMC meets quarterly and is assisted by the Risk Management Working Committee ("RMWC").

The RMWC identifies, evaluates, monitors, manages significant risks and reports to the RMC. The RMC, in turn, ensures that RMWC implements appropriate measures to manage material risk exposure in the Group.

The RMWC conducts quarterly risk reviews and compiles detailed risk profiles, which are presented to the RMC for review and discussion. Subsequently, the RMC will brief and update the Board on the key risks and management actions for the Board's consideration and deliberation.

The Group continues to face volatility in raw material costs due to geopolitical instability and uncertainty in the global economic landscape. Nonetheless, despite the sales decrease, the Group was able to maintain its profitability owing to effective risk management measures undertaken by the management. Some of these key risk mitigation measures are:

- Close monitoring of raw material price fluctuations and foreign currency movements;
- Optimising inventory working capital exposure, raw material costs, profit margins, and timely sales fulfilment;
- Offering dynamic prices and enhancing customer service quality;
- Upgrading and modernisation plants to improve efficiency and cost savings;
- Relocating and expanding quality control laboratories facilities to enhance quality control capabilities and provide proactive technical support; and
- Deploying solar power in the energy consumption mix to lower the energy costs and carbon footprint.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

INTERNAL CONTROLS

In addition to the Board's risk management oversight, the Group has implemented various control frameworks and procedures to enhance risk detection, prevention, and mitigation while ensuring strong governance mechanisms. These key control measures include:

- 1. A board comprising half of the non-executive and independent directors provides objective oversight of management performance and effectiveness;
- 2. Organisational structure with clear lines of responsibility, hierarchical reporting, and delegation of authority across Senior Management and the Heads of Department:
- 3. Limit of authority and approval facilitating delegation of authority;
- 4. Annual group budget detailing the estimation of revenue and expenditures of the Group, which is used as a benchmark to monitor performance;
- The adoption, certification and compliance of Food Safety System 22000 for the products ensuring food safety and quality;
- 6. Continual implementation and compliance with Halal, Kosher, and HACCP Certifications, reinforcing food safety and quality management;
- 7. Insurance coverage to mitigate financial risks and safeguard the Group's assets against fire, perils, consequential losses, burglary, public liability, product liability and contamination, and employee dishonesty;
- 8. Implementation of the Anti-Bribery and Corruption ("ABC") Policy, Code of Conduct and Ethics, and Whistleblowing Policy to uphold ethical business practices; and
- 9. Anti-corruption refresher training conducted during the financial year for 613 employees, reinforcing compliance and ethical standards.

In addition, various operational management review meetings are held to direct, supervise, monitor, and review the effectiveness of the actions taken by line management to ensure that the business performance objectives are met. These meetings include:

a. Food Safety Team Meeting

Quarterly Food Safety Team ("FST") meetings are held to review departmental Key Result Areas ("KRAs") and identify areas for improvement. The meetings focus on:

- Achievements and root causes of unmet KRAs, corrective action plans;
- Pest control updates;
- Audit results, including FST audits and customer audits; and
- FST training

The key KRAs are such as production quality, yield, downtime, customer goods returned, customer complaint and vendor corrective action requests.

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STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

b. Credit Control Committee Meeting

The Credit Control Committee meets quarterly to review and assess key aspects of credit risk management and they evaluate:

- Collection status, proposed credit terms and limits, and new customer approvals;
- Accounts receivable aging, impairment assessments, and credit risk review; and
- Review of related party transactions.

c. Sales Meeting

Regular sales meetings are held between Senior Management, Manager, and the Sales team to review and strategise sales performance. Key review areas include:

- Collection status and outstanding receivables;
- Order trends, new customer acquisitions, and market expansion opportunities;
- Product pricing adjustments based on market conditions and competitive consideration; and
- Markets and customers information updates.

MANAGEMENT RESPONSIBILITIES AND ASSURANCE

In accordance with the Bursa Securities Guidelines, Management is responsible for identifying risks, implementing and maintaining sound systems of risk management and internal control, and monitoring and reporting to the Board the significant control deficiencies and changes in risks that could significantly affect the Group's achievement of its objectives and performance.

BOARD ASSURANCE AND LIMITATION

The Board is of the opinion that the Group's existing risk management and internal control systems are sound and sufficient in all material aspects. The Board has received the same assurance from both the Managing Director and Group Financial Controller. The Board and the Management will continuously assess adequacy of the Group's risk management and internal control systems to meet the rapidly changing business environment. The Board did not note any significant control weaknesses for the financial year under review.

Nonetheless, the Board wishes to reiterate that due to the limitations inherent in any internal control and risk management systems, such systems could only manage and mitigate risk within tolerable levels instead of eliminating every possible risk the Group encountered. Therefore, these systems can only provide reasonable but not absolute assurance against the possibility of material error, misstatement, fraud, or loss.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information and 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. AAPG 3 does not require the External Auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

The External Auditors reported to the Board that nothing had come to their attention that was inconsistent with their understanding of the process adopted by the Board and Management in reviewing the adequacy and effectiveness of the group's risk management and internal control systems.

This Statement is made with the approval of the Board.

AUDIT COMMITTEE REPORT

COMPOSITION AND ATTENDANCE

The Audit Committee ("AC") of the Company comprises three (3) members who are all Independent Non-Executive Directors:

Chairman

Jamel Bin Ibrahim

Independent Non-Executive Director

Members

Dato' Shamesh a/l Jeevaretnam

Independent Non-Executive Director

Karmjit Kaur a/p Sarban Singh

Independent Non-Executive Director

Mr Jamel Bin Ibrahim, the Chairman of the AC, is a member of the Malaysian Institute of Accountants. Thus, Paragraph 15.09(1)(c)(i) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements")("Bursa Securities") has complied. The Chairman of the AC is elected from among its members who are independent directors.

A total of four (4) meetings were held during the financial year ended 31 December 2024 ("FYE 2024"). The record of attendance of each member at the AC Meetings held during the FYE 2024 is as follows:

Name of AC Members	Number of AC Meetings Attended
Jamel Bin Ibrahim	4/4
Dato' Shamesh a/l Jeevaretnam	4/4
Karmjit Kaur a/p Sarban Singh	4/4

Upon invitation by the AC, the Directors, Group Financial Controller, Internal Auditors, External Auditors and senior management attended the meetings as and where required. The meetings were appropriately structured through the use of agendas, which were distributed to members with sufficient notification.

There is no alternate director appointed as a member of the AC. The Chairman of the AC is distinct from the Chairman of the Board. Furthermore, the Chairman of the Board does not serve on the AC or any other Board Committee.

TERMS OF REFERENCE ("TOR")

The latest TOR of the AC is available for reference at the Company's website, www.three-a.com.my.

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AUDIT COMMITTEE REPORT (CONTINUED)

SUMMARY OF ACTIVITIES IN 2024

In line with the TOR of the AC, the following activities were carried out by the AC for the FYE 2024 under review in accordance with its functions and duties:

- 1. At the meeting held in February 2024, the AC:
 - Reviewed the Audit Completion Report in respect of the audit of the Company and the Group for the financial year ended 31 December 2023 from External Auditors.
 - · Conducted a private session with BDO without the presence of the Executive Directors and Management.
 - Assessed the independence and suitability of external auditors and being satisfied with the performance of the External Auditors, recommended the re-appointment of BDO to the Board for further recommendation to the shareholders for approval at the Twenty-Second Annual General Meeting.
 - Deliberated the Risk Management Committee Report.
 - Reviewed the adequacy of the scope, functions, competency and resources of the outsourced Internal Auditors of the Company and was satisfied with their performance and resources.
- 2. At the meeting held in November 2024, the AC reviewed and deliberated the following:
 - Audit Planning Memorandum ("APM") for the FYE 2024 as prepared by BDO in relation to statutory and non-audit services. In the APM, BDO gave assurance that they had complied with the independence requirement and further described BDO's engagement and reporting responsibilities, audit scope, and approach to the statutory audit for FYE 2024. The non-audit services of BDO and its affiliate firm involve the annual review of the SORMIC as well as tax compliance services for the Group.
 - Report from the Risk Management Committee.
 - Assessed the solvency of the Company and recommended the payment of third interim dividend for the FYE 2024 to the Board for consideration.
 - Reviewed the proposed audit fees of BDO and recommended the same to the Board for consideration.
- 3. On financial reporting, the AC reviewed every quarterly financial report during the AC meetings and subsequently recommended the reports to the Board for approval. The reviews of quarterly reports were conducted in February 2024, May 2024, August 2024 and November 2024 respectively. The AC also reviewed the audited financial statements and recommended to the Board for approval.
- 4. The AC also reviewed and discussed the recommendations from the Credit Control Committee on matters in relation to the proposed reversal of impairment of trade receivables or any other matters relating thereto.
- 5. At the meetings held in May 2024 and August 2024, the AC assessed the solvency of the Company and recommended the payment of first and second interim dividends respectively for the FYE 2024 to the Board for consideration.
- 6. The AC reviewed and discussed the Internal Audit Reports of the Group that were prepared and presented by the Internal Auditors every quarter. The AC reviewed the findings of Internal Audit Reports and discussed the management actions and updates on follow-up matters with the Internal Auditors as and when required.
- 7. The AC reviewed the recurrent related party transactions of a revenue nature within the Group and provided an opinion on whether they are fair and reasonable and not detrimental to the interest of the minority shareholders of the Company every quarter.

AUDIT COMMITTEE REPORT (CONTINUED)

INTERNAL AUDIT FUNCTION

Paragraph 15.27 of Listing Requirements of Bursa Securities provides that a listed issuer must establish an internal audit function independent of the activities it audits and ensure it reports directly to the AC. The Company has complied with the requirement.

In addition, according to MCCG, the internal audit must be conducted objectively and independently from the Company's management and the functions being audited. The internal auditor reports directly to the AC.

The Company has outsourced its internal audit function to an internal audit consulting firm. The primary responsibility of this internal audit function is to assist the Board and the AC in reviewing and assessing the management systems of internal control and to provide recommendations to strengthen these internal control procedures.

The internal audit function is led by a director who is assisted by a manager and audit executives assist. The director in charge is Mr Chong Kian Soon, a member of Chartered Accountants Australia and New Zealand, the Malaysian Institute of Certified Public Accountants and the Institute of Internal Auditors Malaysia, and the team members are accounting graduates.

The Internal Auditors have carried out their work with reference to the principles of the International Professional Practice Framework ("IPPF") of the Institute of Internal Auditors ("IIA"). These principles include the audit planning, execution, documentation, communication of findings and consultation with key stakeholders.

The audit scope of work in the Internal Audit Plan is developed in consultation with management and the AC after considering the significant risk factors identified by the Risk Management Working Committee, the operational compliance framework, the audit emphasis of the External Auditor, listing requirements amendments on sustainability, conflict of interest and past internal audit findings.

The Internal Auditors report and present the Internal Audit reports to the AC periodically. These reports contained the conclusion of control status, an overview of management performance, audit findings, management actions for improvement and target completion dates. In addition, internal auditors conduct follow-up audits to ascertain the status of management actions.

The costs incurred for the Internal Audit function in respect of the FYE 2024 were about RM102,000.

During the FYE 2024, the Internal Auditors attended four (4) AC meetings. The summary of work conducted and reported by the Internal Auditors in the current financial year is as follows:

- Evaluated the adequacy and effectiveness of management control procedures in the Purchasing and Payment function, and Health, Safety and Environmental management for all plants and warehouses;
- · Reviewed recurrent related party transactions;
- Reviewed the conduct of the AC in managing COI in accordance with Bursa's Main Market Listing Requirements and Issuers Communication Guidance on Conflict of Interest; and
- Conducted follow-up audit to ascertain the status of management actions.

The AC and the Board are satisfied with the Internal Auditor's performance.

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ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

1. Audit and Non-Audit Fees

The amount of audit fees and non-audit fees paid or payable to the Company's External Auditors and a firm affiliated to the External Auditors' by the Company and Group for the financial year ended 31 December 2024 are as follows:

	Company (RM'000)	Group (RM'000)
Audit Fees	57	151
Non-Audit Fees	14	81
Total	71	232

2. Material Contracts

There were no material contracts entered into by the Company or its subsidiaries which involve Directors' and major shareholders' interest either still subsisting at the end of the financial year ended 31 December 2024 or entered into since the end of the previous financial year that have been entered by the Company or its subsidiary involving the interests of the Directors and major shareholders.

3. Utilisation of Proceeds

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

4. Recurrent Related Party transactions of a Revenue or trading Nature ("RRPT")

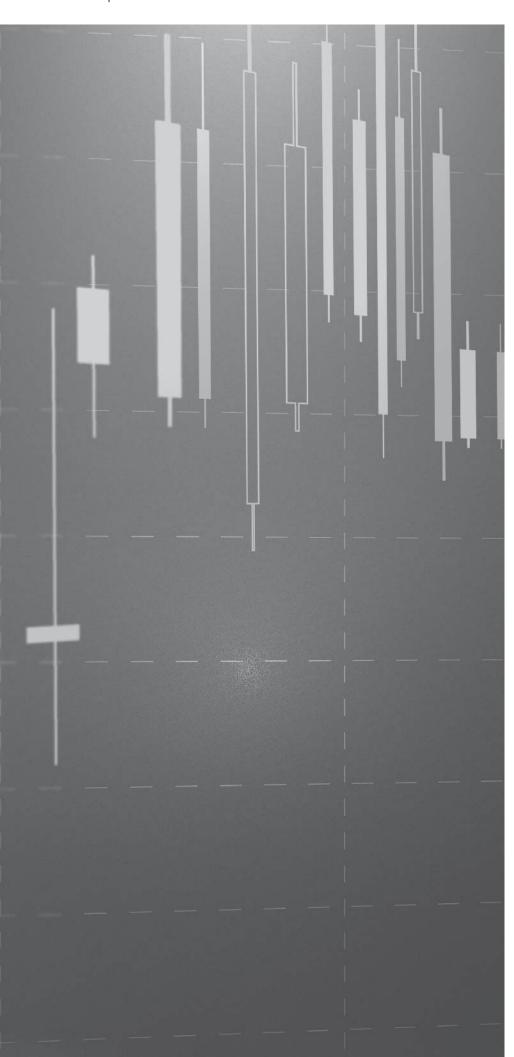
The Company did not seek any mandate from its shareholders pertaining to recurrent related party transactions of revenue or trading nature during the financial year ended 31 December 2024.

5. Employee Share Scheme

The Company did not establish any employee share scheme and does not have any subsisting employee share scheme during the financial year ended 31 December 2024.

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DIRECTORS' REPORT

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are primarily involved in manufacturing and sale of food and beverages ingredients and investment holding. Further 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 for the financial year, attributable to owners of the parent	43,449	18,644

DIVIDENDS

Dividends paid, declared or proposed since the end of the previous financial year were as follows:

RM′000
4,890
4,890
3,912
13,692

The Directors do not recommend any payment of final dividend for the financial year ended 31 December 2024.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS' REPORT (CONTINUED)

REPURCHASE OF OWN SHARES

At the Annual General Meeting held on 30 May 2024, the shareholders of the Company by an ordinary resolution renewed the mandate given to the Company to purchase its own shares up to 10% of existing issued and paid-up share capital of the Company.

During the financial year, the Company repurchased 3,000,000 of its issued ordinary shares at a total cost of RM2,490,460 that were held as treasury shares.

As at 31 December 2024, a total of 6,000,000 issued and fully paid ordinary shares at a total cost of RM4,641,380 were held as treasury shares by the Company. The number of ordinary shares as at 31 December 2024 net of treasury shares was 486,000,010.

The details of the treasury shares are set out in Note 11 to the financial statements.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Dato' Jagjit Singh a/l Bant Singh* Fong Chu King @ Tong Chu King* Liew Kuo Shin Fang Siew Ping* Kee Thuan Chai Dato' Shamesh a/l Jeevaretnam Karmjit Kaur a/p Sarban Singh Jamel Bin Ibrahim

Tan Soon Hoe (Appointed on 29 February 2024) Lim Yee Mein (Resigned on 29 February 2024)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares of the Company and of its related corporations during the financial year ended 31 December 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	Number of ordinary shares					
	Balance			Balance		
	as at			as at		
	1.1.2024	Bought	Sold	31.12.2024		
Direct interests:						
Fong Chu King @ Tong Chu King	13,745,500	_	-	13,745,500		
Liew Kuo Shin	125,000	_	-	125,000		
Indirect interest:						
Fong Chu King @ Tong Chu King ^a	1,714,975	-	-	1,714,975		

^a Indirect interest via shareholdings of his son, Fong Peng Fai (137,375 ordinary shares) pursuant to Section 59(11)(c) of Companies Act 2016 ("CA2016") and Seong Chan Sauce & Foodstuff Sdn. Bhd. (1,577,600 ordinary shares) pursuant to Section 8 of CA2016.

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares of the Company during the financial year.

^{*} These Directors of the Company are also the Directors of certain subsidiaries of the Company.

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DIRECTORS'REPORT (CONTINUED)

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Directors is a member, or with a company in which the Director has a substantial financial interest, other than the following:

- (a) certain Directors who may be deemed to derive benefits by virtue of trade transactions entered into in the ordinary course of business with companies in which certain Directors have substantial financial interests; and
- (b) certain Directors who received remuneration from a subsidiary as Directors of the subsidiary.

The details of the above transactions are disclosed in Note 25 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling 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 details of the Directors' remuneration for the current financial year of the Group and of the Company are as follows:

	Group RM'000	Company RM'000
Executive Directors' remuneration:		
- Salaries and other emoluments	4,129	_
Non-Executive Directors' remuneration:		
- Fees	509	435
Total	4,638	435

INDEMNITY AND INSURANCE FOR OFFICERS, DIRECTORS AND AUDITORS

The Group and the Company effected Directors' and officers' liability insurance during the financial year to protect the Directors and the officers of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors and officers. The insurance premium paid by the Group during the financial year amounted to RM21,505.

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 provision for doubtful debts and had satisfied themselves that there are no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business have 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 necessitate the writing off of bad debts or render the amount of the provision for doubtful debts 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 would or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

(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 the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

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DIRECTORS' REPORT (CONTINUED)

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2024 were as follows:

Statutory audit
Other services

Group RM'000	Company RM'000
151	57
8	8
159	65

Signed on behalf of the Board of Directors ("Board") in accordance with a resolution of the Directors.

Fang Siew PingDirector

Dato' Jagjit Singh a/l Bant Singh
Director

Kuala Lumpur 18 April 2025

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 100 to 132 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Fang Siew PingDirector

Dato' Jagjit Singh a/l Bant Singh
Director

Kuala Lumpur 18 April 2025

STATUTORY DECLARATION

I, Fong Peng Fai (CA 23408), being the officer primarily responsible for the financial management of Three-A Resources Berhad, do solemnly and sincerely declare that the financial statements set out on pages 100 to 132 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at)
Kuala Lumpur, this)
18 April 2025)

Fong Peng Fai

Before me:

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THREE-A RESOURCES BERHAD (INCORPORATED IN MALAYSIA)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Three-A Resources Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended and notes to the financial statements, including material accounting policy information, as set out on pages 100 to 132.

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

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our 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.

Recoverability of trade receivables

As at 31 December 2024, trade receivables of the Group, net of impairment losses, amounted to RM112,997,000. The details of trade receivables and their credit risk have been disclosed in Note 9 to the financial statements.

We determine this to be a key audit matter because it requires management to exercise significant judgements in determining the probability of default by trade receivables and appropriate forward looking information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THREE-A RESOURCES BERHAD (INCORPORATED IN MALAYSIA) (CONTINUED)

Key Audit Matters (Continued)

Audit response

Our audit procedures included the following:

- (a) Recomputed the probability of default using historical data and forward-looking information adjustment applied by the Group;
- (b) Recomputed the correlation coefficient between the macroeconomic factors used by the Group and historical credit losses to determine the appropriateness of the forward-looking information used by the Group; and
- (c) Inquiries of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses.

We have determined that there are no key audit matters to communicate in our report in respect of the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

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, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THREE-A RESOURCES BERHAD (INCORPORATED IN MALAYSIA) (CONTINUED)

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:

- (a) 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.
- (b) 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 internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THREE-A RESOURCES BERHAD (INCORPORATED IN MALAYSIA) (CONTINUED)

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

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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.

BDO PLT

201906000013 (LLP0018825-LCA) & AF 0206 Chartered Accountants

Koo Swee Lin 03281/08/2026 J Chartered Accountant

Kuala Lumpur 18 April 2025 Annual Report 2024

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STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		Group		Com	Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	
ASSETS	Note	KM 000	KM 000	KM 000	KM 000	
Non-current assets						
Property, plant and equipment	5	176,947	176,071	_	-	
Right-of-use assets	6	63,968	66,005	_	_	
Investments in subsidiaries	7	_	_	163,382	163,382	
		240,915	242,076	163,382	163,382	
Current assets						
Inventories	8	94,066	79,964	-	-	
Trade and other receivables	9	115,982	129,911	-	-	
Current tax assets		15	17	15	17	
Cash and bank balances	10	84,283	53,696	4,045	1,527	
	_	294,346	263,588	4,060	1,544	
TOTAL ASSETS		535,261	505,664	167,442	164,926	
EQUITY AND LIABILITIES Equity attributable to owners of the parent Share capital Treasury shares	11 11	149,087 (4,641)	149,087 (2,151)	149,087 (4,641)	149,087 (2,151)	
Reserves	12	333,413	303,656	22,490	17,538	
TOTAL EQUITY		477,859	450,592	166,936	164,474	
LIABILITIES						
Non-current liabilities						
Borrowings	14	1,449	3,277	-	-	
Deferred tax liabilities	13	18,605	19,411		-	
		20,054	22,688	-	_	
Current liabilities						
Trade and other payables	15	29,610	24,332	506	452	
Borrowings	14	1,826	1,619	_	-	
Current tax liabilities		5,912	6,433	_	-	
		37,348	32,384	506	452	
TOTAL LIABILITIES		57,402	55,072	506	452	
TOTAL EQUITY AND LIABILITIES		535,261	505,664	167,442	164,926	

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Com	ompany	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	
Revenue	17	557,116	603,864	19,500	15,750	
Cost of sales		(454,377)	(504,019)	_	_	
Gross profit		102,739	99,845	19,500	15,750	
Other income	18	5,237	3,620	25	14	
Administrative expenses	19	(42,183)	(36,328)	(874)	(814)	
Other operating expenses	19	(8,667)	(9,276)	-	_	
Profit from operations		57,126	57,861	18,651	14,950	
Finance costs	20	(193)	(439)	_	_	
Profit before tax		56,933	57,422	18,651	14,950	
Taxation	21	(13,484)	(12,267)	(7)	20	
Profit for the financial year		43,449	45,155	18,644	14,970	
Other comprehensive income, net of tax		_	_	-	_	
Total comprehensive income		43,449	45,155	18,644	14,970	
Profit attributable to owners of the parent		43,449	45,155	18,644	14,970	
Total comprehensive income attributable to owners of the parent		43,449	45,155	18,644	14,970	
Earnings per share attributable to equity holders of the parent (sen):						
Basic and diluted	22	8.9	9.2			

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

Group	Note	Share capital RM'000	Treasury shares RM'000	Distributable Retained earnings RM'000	Total equity RM'000
Balance as at 1 January 2023		149,087	(2,151)	273,171	420,107
Profit for the financial year		_	_	45,155	45,155
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income	_	_	-	45,155	45,155
Transactions with owners					
Dividends paid	23	-	-	(14,670)	(14,670)
Balance as at 31 December 2023/1 January 2024		149,087	(2,151)	303,656	450,592
Profit for the financial year		_	_	43,449	43,449
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income	_	_	_	43,449	43,449
Transactions with owners					
Dividends paid	23	_	-	(13,692)	(13,692)
Purchase of treasury shares	11(b)	-	(2,490)	-	(2,490)
Total transactions with owners	_	_	(2,490)	(13,692)	(16,182)
Balance as at 31 December 2024		149,087	(4,641)	333,413	477,859

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

			Distributable			
		Share	Treasury	Retained	Total	
		capital	shares	earnings	equity	
Company	Note	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 January 2023		149,087	(2,151)	17,238	164,174	
Profit for the financial year		_	_	14,970	14,970	
Other comprehensive income, net of tax		_	_	_	-	
Total comprehensive income	_	_	_	14,970	14,970	
Transactions with owners						
Dividends paid	23	_	_	(14,670)	(14,670)	
Balance as at 31 December 2023/1 January 2024		149,087	(2,151)	17,538	164,474	
Profit for the financial year		-	-	18,644	18,644	
Other comprehensive income, net of tax		_	_	_	-	
Total comprehensive income	_	_	_	18,644	18,644	
Transactions with owners						
Dividends paid	23	_	_	(13,692)	(13,692)	
Purchase of treasury shares	11(b)	_	(2,490)	_	(2,490)	
Total transactions with owners	_	_	(2,490)	(13,692)	(16,182)	
Balance as at 31 December 2024		149,087	(4,641)	22,490	166,936	

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

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STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Com	Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before tax		56,933	57,422	18,651	14,950	
Adjustments for:						
Depreciation of property, plant and equipment	5	11,837	11,500	-	-	
Depreciation of right-of-use assets	6	2,053	1,967	-	_	
Dividend income from a subsidiary	17	_	_	(19,500)	(15,750)	
Interest expense	20	193	439	_	_	
Interest income	18	(2,087)	(889)	(25)	(13)	
Gain on disposal of property,						
plant and equipment	18	(27)	(14)	-	_	
Property, plant and equipment written off	19	8	6	-	_	
Reversal of impairment losses on trade receivables	9(e), 18	-	(3)	-	_	
Unrealised gain in foreign exchange	18	(1,614)	(648)	_	-	
Operating profit/(loss) before changes in working capital		67,296	69,780	(874)	(813)	
Changes in working capital:						
Inventories		(14,103)	25,448	-	_	
Trade and other receivables		15,361	15,568	-	-	
Trade and other payables		4,110	(22,756)	54	10	
Cash generated from/(used in) operations		72,664	88,040	(820)	(803)	
Tax refunded		-	8	-	8	
Tax paid		(14,809)	(8,569)	(5)	(6)	
Net cash from/(used in) operating activities		57,855	79,479	(825)	(801)	

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

		Group		Com	Company	
		2024	2023	2024	2023	
	Note	RM'000	RM'000	RM'000	RM'000	
CASH FLOWS FROM INVESTING ACTIVITIES						
Dividend received from a subsidiary	17	-	_	19,500	15,750	
Interest received	18	2,087	889	25	13	
Proceeds from disposal of property, plant and equipment		150	18	_	_	
Placements of deposits with maturity period more than						
three (3) months	10(c)	(4,340)	-	-	_	
Purchase of property, plant and equipment	5(b)	(11,648)	(11,883)	-	-	
Purchase of right-of-use assets	6	(16)	(5,250)	-	-	
Net cash (used in)/from investing activities		(13,767)	(16,226)	19,525	15,763	
CASH FLOWS FROM FINANCING ACTIVITIES						
Dividends paid	23	(13,692)	(14,670)	(13,692)	(14,670)	
Interest paid		(193)	(439)	-	-	
Drawdown of bankers' acceptances	14(i)	-	29,493	-	-	
Repayments of bankers' acceptances	14(i)	_	(43,285)	_	_	
Repayments of term loans	14(i)	(1,621)	(1,559)	-	-	
Repurchase of treasury shares of the Company	11(b)	(2,490)	-	(2,490)	-	
Net cash used in financing activities		(17,996)	(30,460)	(16,182)	(14,670)	
Net increase in cash and cash equivalents		26,092	32,793	2,518	292	
Effect of exchange rate changes on cash and cash equivalents		155	(103)	-	-	
Cash and cash equivalents at beginning of financial year		53,696	21,006	1,527	1,235	
Cash and cash equivalents at end of financial year	10(c)	79,943	53,696	4,045	1,527	

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

THREE-A RESOURCES BERHAD

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NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024

1. CORPORATE INFORMATION

Three-A Resources Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company is located at AL 308, Lot 590 & Lot 4196, Jalan Industri, U19, Kampung Baru Sungai Buloh, 40160 Shah Alam, Selangor Darul Ehsan.

The consolidated financial statements for the financial year ended 31 December 2024 comprise the Company and its subsidiaries. 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 18 April 2025.

2. PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are primarily involved in manufacturing and sale of food and beverages ingredients and investment holding. Further 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"), IFRS Accounting Standards and the provisions 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 Amendments to MFRSs during the financial year. The Amendments to MFRSs adopted during the financial year are disclosed in Note 27.1 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.

4. OPERATING SEGMENTS

Segmental information

Segment analysis has not been prepared as the business of the Group is focused only in manufacturing and sale of food and beverage ingredients.

The Group does not have any non-current assets that are located in countries other than Malaysia.

The Board of Directors review the business performance of the Group as a whole and management monitors the operating results of its business for the purpose of making decisions on resources allocation and performance assessment.

NOTES TO

THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

4. OPERATING SEGMENTS (CONTINUED)

Geographical information

For the purpose of disclosing geographical information, revenue is based on the geographical location of customers from which the sales transactions originated. The customers are based in Malaysia, Singapore, and other foreign countries.

	Gro	Group		
	2024 RM′000	2023 RM'000		
Revenue:				
Malaysia	300,152	330,555		
Singapore	59,747	62,630		
Other foreign countries	197,217	210,679		
	557,116	603,864		

Major customers

There are no major customers with revenue equal or more than ten percent (10%) of the Group's revenue. As such, information on major customers is not presented.

5. PROPERTY, PLANT AND EQUIPMENT

Group 2024	Factory and office buildings RM'000	Plant and machinery, tools and implements RM'000	and fittings and	Renovations and electrical installations RM'000	Motor vehicles RM'000	Construction- in-progress RM'000	Total RM'000
Cost							
As at 1 January 2024	92,684	169,528	9,827	12,364	17,810	4,397	306,610
Additions	4,879	2,059	1,066	2,297	284	2,259	12,844
Transfers	1,911	70	_	-	-	(1,981)	_
Disposals	-	-	-	_	(169)	-	(169)
Written off	_	(6)	(55)	_	_	_	(61)
As at 31 December 2024	99,474	171,651	10,838	14,661	17,925	4,675	319,224
Accumulated depreciation							
As at 1 January 2024	19,584	89,297	6,063	5,346	10,249	_	130,539
Charges for the financial year	1,917	7,203	567	1,049	1,101	-	11,837
Disposals	-	_	_	_	(46)	_	(46)
Written off	-	(4)	(49)	_	-	_	(53)
As at 31 December 2024	21,501	96,496	6,581	6,395	11,304	_	142,277
Carrying amount							
As at 31 December 2024	77,973	75,155	4,257	8,266	6,621	4,675	176,947

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NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group 2023	Factory and office buildings RM'000	Plant and machinery, tools and implements RM'000	and fittings and	Renovations and electrical installations RM'000	Motor vehicles RM'000	Construction- in-progress RM'000	Total RM'000
Cost							
As at 1 January 2023	90,572	164,201	9,452	10,345	17,587	2,152	294,309
Additions	2,112	5,351	393	2,019	223	2,245	12,343
Disposals	-	(24)	-	-	-	_	(24)
Written off	-	-	(18)	_	-	_	(18)
As at 31 December 2023	92,684	169,528	9,827	12,364	17,810	4,397	306,610
Accumulated depreciation							
As at 1 January 2023	17,746	82,367	5,527	4,397	9,034	_	119,071
Charges for the financial year	1,838	6,950	548	949	1,215	_	11,500
Disposals	_	(20)	_	_	_	_	(20)
Written off	_	_	(12)	_	-	_	(12)
As at 31 December 2023	19,584	89,297	6,063	5,346	10,249	_	130,539
Carrying amount							
As at 31 December 2023	73,100	80,231	3,764	7,018	7,561	4,397	176,071
Company						Furniture a 2024 RM'000	and fittings 2023 RM'000
Cost						KW 000	KM 000
At 1 January/31 December						5	5
Accumulated depreciation							
At 1 January/31 December						(5)	(5)
Carrying amount							
At 31 December						_	-

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 are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost 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 manufacturing industry within which the Group operates.

Factory and office buildings	50 years
Plant and machinery, tools and implements	10 to 20 years
Furniture and fittings and equipment	10 years
Renovations and electrical installations	10 years
Motor vehicles	7 to 15 years

Construction-in-progress represents factory and plant and machinery under construction and is stated at cost. Construction-in-progress is not depreciated until such time when the asset is available for use.

(b) 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	12,844	12,343	
Financed by credit purchase (Note 15(c))	(1,196)	(460)	
Cash payments on purchase of property, plant and equipment	11,648	11,883	

(c) As at the end of the current financial year, certain factories and office buildings of the Group with a total carrying amount of RM6,980,000 (2023: RM7,199,000) have been charged to a licensed bank for credit facilities granted to the Group as disclosed in Note 14(c) to the financial statements.

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THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

6. RIGHT-OF-USE ASSETS

Balance			Balance
as at			as at
1.1.2024	Additions	Depreciation	31.12.2024
RM'000	RM'000	RM'000	RM'000
56,662	_	(873)	55,789
9,343	16	(1,180)	8,179
66,005	16	(2,053)	63,968
Balance			Balance
as at			as at
1.1.2023	Additions	Depreciation	31.12.2023
RM'000	RM'000	RM'000	RM'000
57,535	-	(873)	56,662
5,187	5,250	(1,094)	9,343
62,722	5,250	(1,967)	66,005
	as at 1.1.2024 RM'000 56,662 9,343 66,005 Balance as at 1.1.2023 RM'000 57,535 5,187	as at 1.1.2024 Additions RM'000 RM'000 56,662 - 9,343 16 66,005 16 Balance as at 1.1.2023 Additions RM'000 RM'000 57,535 - 5,187 5,250	as at 1.1.2024 Additions Depreciation RM'000 RM'000 RM'000 56,662 - (873) 9,343 16 (1,180) 66,005 16 (2,053) Balance as at 1.1.2023 Additions RM'000 RM'000 57,535 - (873) 5,187 5,250 (1,094)

(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 are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liabilities.

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 Short-term leasehold land

- (b) As at the end of the reporting period, certain leasehold land with a carrying amount of RM15,964,000 (2023: RM16,248,000) were charged as securities for bank facilities granted to the Group as disclosed in Note 14(c) to the financial statements.
- (c) The following are the amounts recognised in profit or loss:

	diodp	
	2024 RM'000	2023 RM'000
Depreciation charge of right-of-use assets (included in administrative expenses)	2,053	1,967
Expense relating to short-term leases (included in administrative expenses)	813	1,214
	2,866	3,181

60 to 99 years

Group

60 years

7. INVESTMENTS IN SUBSIDIARIES

	Company		
	2024	2023	
	RM'000	RM'000	
Unquoted shares - at cost	189,923	189,923	
Less: Impairment losses	(26,541)	(26,541)	
	163,382	163,382	

- (a) Investments in subsidiaries are stated in the separate financial statements of the Company at cost less impairment losses.
- (b) Details of the subsidiaries are as follows:

	Country of incorporation/	Effective interest in equity		
	Principal place	2024	2023	
Name of companies	of business	0/0	0/0	Principal activities
San Soon Seng Food Industries Sdn. Bhd.	Malaysia	100	100	Manufacturing and sale of food and beverage ingredients
Three-A Food Industries (M) Sdn. Bhd.	Malaysia	100	100	Investment holding

All subsidiaries of the Company are audited by BDO PLT.

8. INVENTORIES

	Gr	oup
	2024 RM'000	2023 RM'000
At cost		
Raw materials	62,648	42,077
Work-in-progress	8,252	9,395
Packing materials	1,779	2,242
Finished goods	21,387	26,250
	94,066	79,964

- (a) Cost of inventories is determined using the first-in first-out basis and stated at the lower of cost and net realisable value. Cost incurred in bringing the inventories to their present location and condition are accounted for as follows:
 - (i) raw materials and packing materials: all purchase costs.
 - (ii) finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
- (b) During the financial year, inventories of the Group recognised as cost of sales amounted to RM442,066,000 (2023: RM491,688,000).

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NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

9. TRADE AND OTHER RECEIVABLES

	Group		
	2024	2023	
	RM'000	RM'000	
Trade receivables			
Third parties	115,665	129,376	
Related parties	250	124	
	115,915	129,500	
Less: Impairment losses - third parties	(2,918)	(2,918)	
	112,997	126,582	
Other receivables			
Other receivables	74	41	
Deposits	721	846	
	795	887	
Total receivables	113,792	127,469	
Prepayments	2,190	2,442	
	115,982	129,911	

- (a) Trade receivables are classified as financial assets measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from 30 to 150 days (2023: 30 to 150 days). They are recognised at their original invoice amounts, which represent their fair values on initial recognition.
- (c) Amounts owing by related parties are due from Seong Chan Sauce & Foodstuff Sdn. Bhd. and Holistic Food Sdn. Bhd., companies in which certain Directors have financial interests. Amounts owing by related parties are non-interest bearing and credit terms range from 60 to 90 days (2023: 60 to 90 days) and 30 to 60 days (2023: 30 to 60 days) respectively.
- (d) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach by applying the provisional matrix using the flow-rate approach to calculate the lifetime expected credit losses ("ECL").

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The Group considers historical credit loss experience and observable data such as current changes and future forecasts in economic conditions to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

During this process, the probabilities of non-payments by the trade receivables are adjusted by forward-looking information based on macroeconomic factors such as unemployment rate, gross domestic product ("GDP") and inflation rate and multiplied by the amounts of the expected loss arising from defaults to determine the lifetime expected credit losses for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within the statement of profit or loss and other comprehensive income. 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.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

(e) Movements in the impairment allowance for trade receivables are as follows:

	•
2024 RM'000	2023 RM'000
2,918	2,921
-	(3)
2,918	2,918
	RM'000 2,918

(f) Lifetime expected credit loss provision for trade receivables are as follows:

Group	Gross carrying amount RM'000	Lifetime ECL RM'000	Net balance RM'000
As at 31 December 2024			
Not past due	112,412	_	112,412
Past due:			
- 1 to 30 days	339	- *	339
- 31 to 60 days	134	- *	134
- 61 to 90 days	112	- *	112
- more than 120 days	2,918	(2,918)	-
	3,503	(2,918)	585
	115,915	(2,918)	112,997
As at 31 December 2023			
Not past due	126,052	(170)	125,882
Past due:			
- 1 to 30 days	453	(182)	271
- 31 to 60 days	4	(4)	-
- 61 to 90 days	4	(4)	-
- 91 to 120 days	5	(5)	-
- more than 120 days	2,982	(2,553)	429
	3,448	(2,748)	700
	129,500	(2,918)	126,582

^{*} Amount is negligible.

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9. TRADE AND OTHER RECEIVABLES (CONTINUED)

(g) Impairment for other receivables are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. At the end of the reporting period, the Group assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which credit risk had increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the end of the reporting period. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The Group defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment delays more than 30 days past due in making contractual payments and past due information.

The Group considers a receivable as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The probability of non-payment by other receivables is adjusted by forward-looking information based on macroeconomic factors such as unemployment rate, gross domestic product ("GDP") and inflation rate and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit losses for other receivables.

No expected credit loss is recognised arising from other receivables as it is negligible.

(h) Credit risk concentration profile

At the end of each reporting period, the maximum exposure to credit risk of the Group is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

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

2024		2023	
RM'000	% of total	RM'000	% of total
66,437	59%	78,152	62%
13,756	12%	15,044	12%
32,804	29%	33,386	26%
112,997	100%	126,582	100%
	66,437 13,756 32,804	RM'000 % of total 66,437 59% 13,756 12% 32,804 29%	RM'000 % of total RM'000 66,437 59% 78,152 13,756 12% 15,044 32,804 29% 33,386

At the end of each reporting period, approximately 51% (2023: 57%) of the trade receivables of the Group were due from 10 (2023: 10) major customers.

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THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

(i) The currency exposure profiles of trade and other receivables (excluding prepayments) are as follows:

	Gr	oup
	2024	2023
	RM'000	RM'000
Ringgit Malaysia	67,684	79,447
Singapore Dollar	1,899	2,403
United States Dollar	44,209	45,619
	113,792	127,469

(j) 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 3% changes to RM against foreign currencies		
Profit after tax		
- United States Dollar	1,008	1,040
- Singapore Dollar	43	55
Equity		
- United States Dollar	_	_
- Singapore Dollar		_

10. CASH AND BANK BALANCES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	24,943	16,356	4,045	1,527
Fixed deposits with a licensed bank	6,000	7,000	_	_
Placements in money market deposits	53,340	30,340	_	_
	84,283	53,696	4,045	1,527

- (a) Placements in money market deposits of the Group have maturity periods of 2 to 181 days (2023: 4 to 32 days).
- (b) Fixed deposits with a licensed bank of the Group have maturity period of 33 to 182 days (2023: 30 days).
- (c) For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise the following as at the end of each financial year:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances and deposits	84,283	53,696	4,045	1,527
Less:				
Deposits with maturity period more than three (3) months	(4,340)	-	-	_
Reported in statements of cash flow	79,943	53,696	4,045	1,527

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THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

10. CASH AND BANK BALANCES (CONTINUED)

(d) The effective interest rates of the placements in money market deposits and fixed deposits with a licensed bank as at the end of reporting period are as follows:

	Group		Company	
	2024	2023	2024	2023
	0/0	%	%	%
Placements in money market deposits	2.95 - 3.80	2.95 - 3.70	-	-
Fixed deposits with a licensed bank	3.14 - 3.80	3.15	-	_

- (e) Sensitivity analysis for fixed rate deposits with a licensed bank and placements in money market deposits at the end of the reporting period is not presented as they are not affected by changes in interest rates.
- (f) The currency exposure profiles of cash and bank balances are as follows:

Group		Company	
2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
75,391	44,355	4,045	1,527
8,870	9,320	-	_
22	21	-	_
84,283	53,696	4,045	1,527
	2024 RM'000 75,391 8,870 22	2024 2023 RM'000 RM'000 75,391 44,355 8,870 9,320 22 21	2024 2023 2024 RM'000 RM'000 RM'000 75,391 44,355 4,045 8,870 9,320 - 22 21 -

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

	Group	
	2024	2023
	RM'000	RM'000
Effects of 3% changes to RM against foreign currency		
Profit after tax		
- United States Dollar	202	213
Equity		
- United States Dollar		_

Sensitivity of other foreign currencies are not disclosed as they are not significant to the Group.

- (h) No expected credit losses were recognised arising from bank balances, fixed deposits with a licensed bank and placements in money market deposits because the probability of default by these financial institutions were negligible.
- (i) For the purposes of the statements of cash flows, cash and cash equivalents comprise cash and bank balances, fixed deposits with a licensed bank and placements in money market deposits.

11. SHARE CAPITAL AND TREASURY SHARES

	Group and Company			
	20	24	2023	
	Number of shares (′000)	RM′000	Number of shares ('000)	RM′000
Issued and fully paid with no par value				
At the beginning/end of financial year	492,000	149,087	492,000	149,087

(a) 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.

(b) Treasury shares

At the Annual General Meeting held on 30 May 2024, the shareholders of the Company by an ordinary resolution renewed the mandate given to the Company to repurchase up to 10% of existing issued and paid-up share capital of the Company.

During the financial year, the Company repurchased 3,000,000 of its issued ordinary shares at a total cost of RM2,490,460 that were held as treasury shares.

The Company did not repurchase any of its issued ordinary shares in the previous financial year.

As at 31 December 2024, a total of 6,000,000 (2023: 3,000,000) issued and fully paid ordinary shares at a total cost of RM4,641,380 (2023: RM2,150,920) were held as treasury shares by the Company. The number of ordinary shares as at 31 December 2024 net of treasury shares was 486,000,010 (2023: 489,000,010).

The treasury shares have no rights to voting, dividends or participation in other distribution. None of the treasury shares held were resold, distributed or cancelled during the financial year.

12. RESERVES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Distributable				
Retained earnings	333,413	303,656	22,490	17,538

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13. DEFERRED TAX LIABILITIES

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

	Group		
	2024 20	2023	
	RM'000	RM'000	
Balance as at 1 January	19,411	20,223	
Recognised in profit or loss (Note 21)	(806)	(812)	
Balance as at 31 December	18,605	19,411	

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

Deferred tax assets of the Group

	Provisions RM'000	Offsetting RM'000	Total RM'000
Balance as at 1 January 2023	(2,441)	2,441	_
Recognised in profit or loss	(142)	142	-
Balance as at 31 December 2023	(2,583)	2,583	_
Recognised in profit or loss	37	(37)	-
Balance as at 31 December 2024	(2,546)	2,546	_

Deferred tax liabilities of the Group

	Property, plant and equipment RM'000	Others RM'000	Offsetting RM'000	Total RM'000
Balance as at 1 January 2023	23,058	(394)	(2,441)	20,223
Recognised in profit or loss	(1,220)	550	(142)	(812)
Balance as at 31 December 2023	21,838	156	(2,583)	19,411
Recognised in profit or loss	(1,075)	232	37	(806)
Balance as at 31 December 2024	20,763	388	(2,546)	18,605

14. BORROWINGS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current liabilities				
Secured:				
Term loans	1,449	3,277	-	-
Current liabilities				
Secured:				
Term loans	1,826	1,619	-	-
Financial guarantee contracts	_	_	_*	_*
	1,826	1,619	_	_
Total borrowings	3,275	4,896	_	-
Secured:				
Term loans	3,275	4,896	_	-
Financial guarantee contracts	-	_	_*	_*
	3,275	4,896	-	_

^{*} Amount is negligible.

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) Financial guarantee contracts issued are initially measured at fair value. Subsequently, they are measured at higher of:
 - (i) the amount of the loss allowance; and
 - (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15, *Revenue from Contracts with Customers*.
- (c) As at the end of the reporting period, the bank borrowings of the Group were secured by the following:
 - (i) fixed charges over the long-term leasehold land, short-term leasehold land, factories and office buildings of a subsidiary as disclosed in Notes 5(c) and 6(b) to the financial statements respectively;
 - (ii) negative pledge on two adjoining pieces of leasehold land of a subsidiary; and
 - (iii) corporate guarantees by the Company.
- (d) All borrowings are denominated in RM.
- (e) At the end of the reporting period, the interest rate profiles of the borrowings were as follows:

	Group
2024	2023
RM'000	RM'000
3,275	4,896

- Floating rates

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THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

14. BORROWINGS (CONTINUED)

(f) Sensitivity analysis of interest rate for the floating rate instruments at the end of the reporting period, assuming all other variables remain constant, is as follows:

	Grou	P
	2024 RM′000	2023 RM'000
Profit after tax		
Floating rate instrument		
- increase by 1% (2023: 1%)	(25)	(37)
- decrease by 1% (2023: 1%)	25	37
Equity		
Floating rate instrument		
- increase by 1% (2023: 1%)	-	-
- decrease by 1% (2023: 1%)		_

(g) The table below summarises the maturity profile of the borrowings of the Group and of the Company at the end of each reporting period based on contractual undiscounted repayment obligations:

Group	On demand or within one year RM'000	One to five years RM'000	Total RM'000
As at 31 December 2024	-		
Term loans	1,935	1,492	3,427
Total undiscounted financial liabilities	1,935	1,492	3,427
As at 31 December 2023			
Term loans	1,815	3,434	5,249
Total undiscounted financial liabilities	1,815	3,434	5,249
	On demand or within	One to	
Company	one year RM'000	five years RM'000	Total RM'000
As at 31 December 2024	-	1	
Financial guarantee contracts	3,275	_	3,275
Total undiscounted financial liabilities	3,275	-	3,275
As at 31 December 2023			
Financial guarantee contracts	4,896	_	4,896
Total undiscounted financial liabilities	4,896	_	4,896

14. BORROWINGS (CONTINUED)

(h) The following table sets out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the end of each reporting period and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk:

	WAEIR %	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	Total RM'000
As at 31 December 2024						,	
Floating rates							
Term loans	4.61	1,826	1,127	322	_	-	3,275
As at 31 December 2023	_						
Floating rates							
Term loans	4.70	1,619	1,824	1,127	326	_	4,896

(i) Reconciliation of liabilities arising from financing activities

The table below details changes in borrowings of the Group arising from financing activities, including both cash and non-cash changes. Borrowings arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statement of cash flows of the Group as cash flows from financing activities.

	G	roup
	Term loans RM'000	Bankers' acceptances RM'000
2024		
At 1 January 2024	4,896	_
Cash flows	(1,621)	
At 31 December 2024	3,275	
2023		
At 1 January 2023	6,455	13,792
Cash flows	(1,559)	(13,792)
At 31 December 2023	4,896	_

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15. TRADE AND OTHER PAYABLES

	Group		p Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade payables				
Third parties	10,153	5,144	-	-
Other payables				
Other payables	5,313	4,044	_	-
Deposit received	494	1,440	-	-
Accruals	13,650	13,704	506	452
	19,457	19,188	506	452
	29,610	24,332	506	452

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 60 days (2023: 30 to 60 days).
- (c) Included in other payables of the Group are credit purchase of property, plant and equipment amounting to RM1,196,000 (2023: RM460,000) as disclosed in Note 5(b) to the financial statements.
- (d) The currency exposure profiles of trade and other payables are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Ringgit Malaysia	26,084	21,634	506	452
United States Dollar	3,347	2,382	-	_
Other foreign currencies	179	316	_	_
	29,610	24,332	506	452

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

	Gr	oup
	2024 RM'000	2023 RM'000
Effects of 3% changes to RM against foreign currency		
Profit after tax - United States Dollar	(76)	(54)
Equity - United States Dollar		

Sensitivity analysis of other foreign currencies are not disclosed as they are not material to the Group.

The maturity profile of trade and other payables of the Group and of the Company at the reporting date based on contractual undiscounted repayment obligations is repayable on demand or within one (1) year.

16. CAPITAL COMMITMENTS

	Gr	oup
	2024 RM'000	2023 RM'000
Capital expenditure in respect of purchase of property, plant and equipment:		_
Contracted but not provided for	7,839	6,923

17. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers:				
Sale of goods	557,116	603,864	-	_
Other revenue:				
Dividend income from a subsidiary	-	_	19,500	15,750
	557,116	603,864	19,500	15,750

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by geographical market as disclosed in Note 4 to the financial statements.

Revenue from contracts with customers is disaggregated in the table below by timing of revenue recognition.

	Group		
	2024	2023	
	RM'000	RM'000	
Timing of revenue recognition			
Transferred at a point in time	557,116	603,864	

(i) Sale of goods

Revenue from sale of goods is recognised at a point in time when the goods have been transferred to the customers and coincides with the delivery of products and acceptance by customers.

There is no right of return and warranty provided to the customers on the sale of goods.

There is no significant financing component in the revenue arising from sale of goods as the sales are made on the normal credit terms not exceeding twelve months.

(ii) Dividend income

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

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18. OTHER INCOME

Included in other operating income are:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Gain on disposal of property plant and equipment	27	14	_	
Interest income	2,087	889	25	13
Realised gain in foreign exchange	_	1,858	-	_
Unrealised gain in foreign exchange	1,614	648	_	_
Reversal of impairment losses on trade receivables (Note 9(e))	_	3	_	_
Insurance claims	92	28	_	_
Rental income	139	122	-	_
Other income	1,278	58	-	1
_	5,237	3,620	25	14

- (a) Interest income is recognised as it accrues, using the effective interest method.
- (b) In the previous financial year, the Group did not present the reversal of impairment losses on trade receivables determined in accordance with MFRS 9 separately in the statement of profit or loss and other comprehensive income of the Group as the amounts were not material.

19. ADMINISTRATIVE AND OTHER OPERATING EXPENSES

Other than those disclosed elsewhere in the financial statements, included in administrative and other operating expenses are:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Auditors' remuneration:				
- statutory audit	151	146	57	55
- other services	8	8	8	8
Property, plant and equipment written off	8	6	-	_
Rental of machineries	114	166	-	_
Rental of hostel	502	454	_	_
Rental of premises	196	590	_	_
Rental of motor vehicles	1	4	-	_
Realised loss in foreign exchange	4,839	-	-	_

20. FINANCE COSTS

	Gr	oup
	2024 RM′000	2023 RM'000
Interest expense on:		
- term loans	193	256
- bankers' acceptances	-	181
- others	-	2
	193	439

21. TAXATION

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax				
Current tax expense based on profit for the financial year	14,724	13,460	4	(23)
(Over)/Under-provision in prior years	(434)	(381)	3	3
	14,290	13,079	7	(20)
Deferred tax (Note 13):				
Relating to origination and reversal of temporary differences	423	1,934	_	-
Over-provision in prior years	(1,229)	(2,746)	-	-
_	(806)	(812)	_	_
	13,484	12,267	7	(20)

- (a) Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated taxable profits for the fiscal year.
- (b) The numerical reconciliations between the average effective tax rates and the applicable tax rates of the Group and of the Company are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	56,933	57,422	18,651	14,950
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	13,664	13,781	4,476	3,588
Tax effects in respect of:	2.005	1 (1)	244	170
Non-allowable expenses	2,005	1,616	214	172
Non-taxable income	(522)	(3)	(4,686)	(3,783)
	15,147	15,394	4	(23)
(Over)/Under-provision of tax expense in prior years	(434)	(381)	3	3
Over-provision of deferred tax in prior years	(1,229)	(2,746)	_	_
	13,484	12,267	7	(20)

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22. EARNINGS PER SHARE

(a) Basic earnings per ordinary share

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 after deducting treasury shares.

	Group		
	2024 RM'000	2023 RM'000	
Profit attributable to owners of the parent	43,449	45,155	
Weighted average number of ordinary shares in issue ('000)	488,894	489,000	
Basic earnings per ordinary share (sen)	8.9	9.2	

⁽b) The diluted earnings per ordinary share for the financial year is the same as the basic earnings per ordinary share for the financial year as there were no dilutive potential ordinary shares.

23. DIVIDENDS

		Group and	Company	
	2	024	2023	
	Dividend per share Sen	Amount of dividend RM'000	Dividend per share Sen	Amount of dividend RM'000
In respect of financial year ended 31 December 2023:				
Interim single tier dividend	_	_	2.5	12,225
Special single tier dividend	-	-	0.5	2,445
In respect of financial year ended 31 December 2024:				
First interim single tier dividend	1.0	4,890	-	_
Second interim single tier dividend	1.0	4,890	-	_
Third interim single tier dividend	0.8	3,912	-	-
	2.8	13,692	3.0	14,670

The Directors do not recommend the payment of any final dividend in respect of the financial year ended 31 December 2024.

24. EMPLOYEE BENEFITS

	Group		
	2024 RM'000	2023 RM'000	
Salaries, wages, allowances and bonuses	39,748	38,907	
Contributions to defined contribution plan	2,054	2,219	
Social security contributions	399	347	
Other employee benefits	151	143	
	42,352	41,616	

Included in the employee benefits of the Group are Executive Directors' remuneration amounting to RM4,129,000 (2023: RM4,023,000).

25. RELATED PARTIES 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 entities.

The Group and the Company have controlling related party relationships with its subsidiaries, companies related to the Directors and the significant corporate shareholder of the Company as follows:

Seong Chan Sauce & Foodstuff Sdn. Bhd. A company of which Fong Chu King @ Tong Chu King and Fang Siew Ping,

who are Directors of the Company and Fang Chew Ham Holdings Sdn. Bhd., a significant corporate shareholder of the Company, have significant financial

interests.

Excellent Chemicals Industrial Sdn. Bhd. A company of which Fong Chu King @ Tong Chu King and Fang Siew Ping, who

are Directors of the Company, have significant financial interests.

Holistic Food Sdn. Bhd. A company of which Liew Kuo Shin, who is the Director of the Company, have

significant financial interests.

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NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

25. RELATED PARTIES 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
Sale of goods				
- Seong Chan Sauce & Foodstuff Sdn. Bhd.	948	876	-	_
- Holistic Food Sdn. Bhd.	72	77	-	-
Rental expenses				
- Excellent Chemicals Industrial Sdn. Bhd.	70	77	-	_
Dividend income from a subsidiary				
- San Soon Seng Food Industries Sdn. Bhd.		-	19,500	15,750

The related party transactions described above were carried out on negotiated terms and conditions in the ordinary course of business between the related parties and the Company.

Information regarding outstanding balances arising from related party transactions as at 31 December 2024 is disclosed in Note 9 to the financial statements.

(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 of the Group and of the Company.

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short-term employee benefits	4,873	4,720	_	_
Contributions to defined contribution plan	393	387	-	_
Directors' fees	509	494	435	424
Retirement benefits	_	70	_	70
	5,775	5,671	435	494

26. CAPITAL AND FINANCIAL RISK MANAGEMENT

(i) Capital management

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as going concerns whilst maximising return to shareholders through the optimisation of the debt and equity ratios. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2024 and 31 December 2023.

The Group monitors capital using a net debt-to-equity ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, trade and other payables, less cash and bank balances, fixed deposits with a licensed bank and placements in money market deposits. Capital represents equity attributable to the owners of the parent.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Borrowings	3,275	4,896	_	_
Trade and other payables	29,610	24,332	506	452
Total liabilities	32,885	29,228	506	452
<u>Less:</u>				
Cash and bank balances	(24,943)	(16,356)	(4,045)	(1,527)
Fixed deposits with a licensed bank	(6,000)	(7,000)	-	-
Placements in money market deposits	(53,340)	(30,340)	-	-
Net cash	(51,398)	(24,468)	(3,539)	(1,075)
Total equity	477,859	450,592	166,936	164,474
Net cash	(51,398)	(24,468)	(3,539)	(1,075)
- -	426,461	426,124	163,397	163,399
Ratio (%)	_^	_^	_^	_^

[^] Gearing ratio is not presented as the Group and the Company are in net cash position.

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40,000,000. The Group has complied with this requirement during the financial year ended 31 December 2024.

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

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NOTES TO

THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

26. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Financial risk management

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in interest rates and the unpredictability of the financial markets.

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

(a) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The exposure to credit risk of the Group arises principally from its receivables from customers. The exposure to credit risk of the Group arises principally from trade and other receivables and financial quarantees given to bank for banking facilities granted to a subsidiary.

The maximum exposure to credit risk in relation to financial guarantee contracts provided as credit enhancements to the secured loans of a subsidiary amounts to RM3,275,000 (2023: RM4,896,000) representing the outstanding banking facilities of a subsidiary as at the end of the reporting period.

Recognition and measurement of impairment loss of financial quarantee contracts

The Company assumes that there is a significant increase in credit risk when the financial position of the subsidiary deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- the subsidiary is unlikely to repay its credit obligation to the bank in full; or
- the subsidiary is continuously loss making and is having a deficit shareholder's fund.

The Company determines the probability of default of the subsidiary using internal information available.

The Company monitors on an ongoing basis the results of the subsidiary and repayments made by the subsidiary. As at the end of the reporting period, there was no indication that the subsidiary would default on repayment whereby such loans and bank facilities are fully collateralised by charges over the long-term leasehold land, short-term leasehold land, factories and office buildings of a subsidiary and where the Directors regard the fair values of the credit enhancement provided by the corporate guarantees as negligible. The Directors are of the view that the likelihood of the bank calling upon the corporate guarantees is remote.

No impairment loss is recognised arising from the financial guarantees as it is negligible.

26. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Financial risk management (Continued)

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

(b) Liquidity and cash flow risk

Liquidity risk is the risk that the Group and the Company would encounter difficulty in meeting financial obligations due to shortage of funds. The exposure to liquidity and cash flow risk of the Group and of the Company arises primarily from mismatches of the maturities of financial assets and liabilities. The objective of the Group and of the Company is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position.

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 14 and 15 to the financial statements.

(c) Interest rate risk

The variable rate borrowings of the Group are exposed to a risk of change in cash flows due to changes in interest rates. The short term receivables and payables are not significantly exposed to interest rate risk.

The income and operating cash flows of the Group are substantially independent of changes in market interest rate. Interest rate exposure arises from the borrowings and deposits of the Group and is managed through the use of fixed and floating rate borrowings and deposits. The Group does not use derivative financial instruments to hedge its interest rate risk.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 10 and 14 to the financial statements.

(d) 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 as a result of the foreign currency denominated transactions entered into by the Group during the course of business. The foreign currencies primarily involved are the United States Dollar and Singapore Dollar. In addition, the Group has a natural hedge position of sales and purchases that are both denominated in a foreign currency. The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes.

The foreign currency exposure profile and sensitivity analysis of foreign currency risk have been disclosed in Notes 9, 10 and 15 to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

27. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

27.1 New MFRSs adopted during the financial year

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

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

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

27.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

Title	Effective Date
Amendments to MFRS 121 Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	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 and the Company are in the process of assessing the impact of implementing these Amendments, since the effects would only be observable for the future financial periods.

PARTICULARS OF PROPERTIES HELD BY THE GROUP

Location	Title No. PM 472	Title No. PN 21710	Title No. PN 57895
	Lot 4196	Lot 47720 (Lot 590)	Lot 53150 (PT 585 & PT 586)
	Jalan Industri 1, U19	Jalan Industri, U19	Jalan Industri, U19
	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh
	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor
Existing Use	Office Building	Office Building	Production Factory
	Production Factory	Production Factory	Warehouse
	Warehouse	Warehouse	
Types of Property	Industrial Land	Industrial Land	Industrial Land
Tenure	Leasehold 99 years	Leasehold 99 years	Leasehold 99 years
Expiry of Lease	30 May 2070	3 July 2102	3 July 2102
Remaining of Lease	45 years	77 years	77 years
Age of Property	29 years	48 years	20 years
Land Area (Sq. Feet)	110,976	34,950	93,032
Date of Acquisition	31 January 1996	24 January 1997	13 January 1998
Year of Last Revaluation	2003	2003	2003
Cost (RM'000)	19,983	4,442	8,892
Net Book Value	13,924	2,517	5,983
as at 31 December 2024 (RM'000)			
Location	Title No. H.S.(M) 4098	Title No. H.S.(M) 4651	Title No. H.S.(M) 3999
Location	PT 2317	PT 5938	PT Lot 584
	Jalan Middle, U19	Jalan Industri 1, U19	Jalan Industri, U19
	Kg Baru Sungai Buloh		
		Ka Baru Sundai Buloh T	Ka Baru Sungai Buloh
	40160 Shah Alam, Selangor	Kg Baru Sungai Buloh 40160 Shah Alam, Selangor	Kg Baru Sungai Buloh 40160 Shah Alam, Selangor
Existing Use	3	3	3
Existing Use Types of Property	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor
	40160 Shah Alam, Selangor Warehouse	40160 Shah Alam, Selangor Warehouse	40160 Shah Alam, Selangor Production Factory
Types of Property	40160 Shah Alam, Selangor Warehouse Residential Land	40160 Shah Alam, Selangor Warehouse Residential Land	40160 Shah Alam, Selangor Production Factory Industrial Land
Types of Property Tenure	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years	40160 Shah Alam, Selangor Production Factory Industrial Land Leasehold 60 years
Types of Property Tenure Expiry of Lease	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years 22 June 2042	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years 26 June 2046	40160 Shah Alam, Selangor Production Factory Industrial Land Leasehold 60 years 24 May 2041
Types of Property Tenure Expiry of Lease Remaining of Lease	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years 22 June 2042 17 years	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years 26 June 2046 21 years	40160 Shah Alam, Selangor Production Factory Industrial Land Leasehold 60 years 24 May 2041 16 years
Types of Property Tenure Expiry of Lease Remaining of Lease Age of Property	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years 22 June 2042 17 years 26 years	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years 26 June 2046 21 years 26 years	40160 Shah Alam, Selangor Production Factory Industrial Land Leasehold 60 years 24 May 2041 16 years 17 years
Types of Property Tenure Expiry of Lease Remaining of Lease Age of Property Land Area (Sq. Feet)	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years 22 June 2042 17 years 26 years 8,168	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years 26 June 2046 21 years 26 years 6,806	40160 Shah Alam, Selangor Production Factory Industrial Land Leasehold 60 years 24 May 2041 16 years 17 years 46,005
Types of Property Tenure Expiry of Lease Remaining of Lease Age of Property Land Area (Sq. Feet) Date of Acquisition	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years 22 June 2042 17 years 26 years 8,168 19 Deccember 1997	40160 Shah Alam, Selangor Warehouse Residential Land Leasehold 60 years 26 June 2046 21 years 26 years 6,806 25 November 1998	40160 Shah Alam, Selangor Production Factory Industrial Land Leasehold 60 years 24 May 2041 16 years 17 years 46,005 25 May 2005

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423

3,625

Net Book Value

as at 31 December 2024 (RM'000)

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PARTICULARS OF PROPERTIES HELD BY THE GROUP (CONTINUED)

Location	Title No. H.S.(M) 11086 Lot 66 Jalan Industri 1, U19 Kg Baru Sungai Buloh	Title No. H.S. (D) 264602 PT 12294 (PT 589) Jalan Industri, U19 Kg Baru Sungai Buloh	Title No. PM 5376 Lot 686 Jalan Middle, U19 Kg Baru Sungai Buloh
	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor
Existing Use	Warehouse	Production Factory Warehouse	Hostel
Types of Property	Industrial Land	Industrial Land	Residential Land
Tenure	Leasehold 99 years	Leasehold 60 years	Leasehold 60 years
Expiry of Lease	30 May 2070	25 July 2070	19 July 2054
Remaining of Lease	45 years	45 years	29 years
Age of Property	15 years	14 years	15 years
Land Area (Sq. Feet)	87,123	43,560	7,631
Date of Acquisition	12 September 2006	18 December 2008	30 September 2009
Year of Last Revaluation	2009	2008	2009
Cost (RM'000)	7,307	6,319	681
Net Book Value as at 31 December 2024 (RM'000)	5,241	4,531	466

Location	Title No. H.S.(M) 9111	Title No. PN 67417	Title No. H.S.(M) 14513
	PT 27687	Lot 2306	PT 12493 (Lot 9107 & Lot 9108)
	Jalan Industri, U19	Jalan Welfare, U19	Jalan Industri, U19
	Kg Baru Sungi Buloh	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh
	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor
Existing Use	Vacant	Hostel	Production Factory
			Warehouse
Types of Property	Industrial Land	Residential Land	Industrial Land
Tenure	Leasehold 99 years	Leasehold 60 years	Leasehold 99 years
Expiry of Lease	22 September 2093	17 July 2065	22 September 2093
Remaining of Lease	68 years	40 years	68 years
Age of Property	-	15 years	21 years (Lot 9108)
			14 years (Lot 9107)
Land Area (Sq. Feet)	42,281	7,535	103,570
Date of Acquisition	14 April 2010	28 April 2010	22 June 2010 (Lot 9108)
			10 March 2010 (Lot 9107)
Year of Last Revaluation	-	-	2010
Cost (RM'000)	999	1,030	20,359
Net Book Value	840	746	15,692
as at 31 December 2024 (RM'000)			

PARTICULARS OF PROPERTIES HELD BY THE GROUP (CONTINUED)

Location	Title No. H.S.(D) 321305	Title No. H.S.(D) 261056	Title No. H.C (D) 317040
Location	PT 13116 (PT 847 & PT 848)	PT 12202	Title No. H.S.(D) 312040 PT 582
	Jln Khalifah Zakaria 2, U19	Jalan Middle, U19	Jalan Industri, U19
	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh
	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor
Existing Use	Warehouse	Hostel	Warehouse
Types of Property	Industrial Land	Residential Land	Industrial Land
Tenure	Leasehold 99 years	Leasehold 99 years	Leasehold 99 years
Expiry of Lease	15 January 2112	21 December 2108	5 October 2114
Remaining of Lease	87 years	83 years	89 years
Age of Property	9 years (PT 847) 7 years (PT 848)	13 years	8 years
Land Area (Sq. Feet)	161,674	7,623	46,005
Date of Acquisition	23 August 2010 (PT 847)	5 September 2011	2 November 2016
Date of Acquisition	26 April 2013 (PT 848)	3 September 2011	2 November 2010
Year of Last Revaluation	2010 (PT 847)	-	2015
	2013 (PT 848)		
Cost (RM'000)	23,216	1,025	7,984
Net Book Value	19,050	806	7,184
as at 31 December 2024 (RM'000)			
Location	Title No. H.S.(M) 9109	Title No. H.S.(M) 12526	Title No. H.S.(D) 295891
Location	PT 27685	PT 64	PT 583
	Jalan Industri 1, U19	Jalan Industri 1, U19	Jalan Industri, U19
	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh
	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor
Existing Use	Under Construction	Office Building	Production Factory
		Production Factory	
Types of Property	Industrial Land	Industrial Land	Industrial Land
Tenure	Leasehold 99 years	Leasehold 99 years	Leasehold 99 years
Expiry of Lease	22 September 2093	30 May 2070	30 December 2112
Remaining of Lease	68 years	45 years	87 years
Age of Property	-	3 years	5 years
Land Area (Sq. Feet)	48,265	87,123	47,641
Date of Acquisition	19 October 2016	15 June 2017	7 August 2017
Year of Last Revaluation	2015	2017	2017
Cost (RM'000)	5,684	21,829	11,508
Net Book Value	5,275	19,763	10,552
as at 31 December 2024 (RM'000)			

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PARTICULARS OF PROPERTIES HELD BY THE GROUP (CONTINUED)

Location	Title No. H.S.(M) 9110	Title No. U.S. (M) 2169	Title No. H.C (D) 214676
LOCATION	, ,	Title No. H.S.(M) 2168	Title No. H.S.(D) 314676
	PT 27684	PT 63	PT 2313
	Jalan Industri 1, U19	Jalan Industri 1, U19	Jalan Middle, U19
	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh
	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor
Existing Use	Water Treatment	Under Construction	Hostel
Types of Property	Industrial Land	Industrial Land	Residental Land
Tenure	Leasehold 99 years	Leasehold 99 years	Leasehold 60 years
Expiry of Lease	22 September 2093	23 February 2072	12 December 2075
Remaining of Lease	68 years	47 years	50 years
Age of Property	3 years	-	1 year
Land Area (Sq. Feet)	43,637	84,066	7,351
Date of Acquisition	6 June 2018	17 August 2020	11 August 2020
Year of Last Revaluation	2018	2019	2019
Cost (RM'000)	6,452	8,208	2,850
Net Book Value	5,962	7,745	2,744
as at 31 December 2024 (RM'000)			

Location	Title No. H.S.(M) 4626	Title No. H.S.(M) 9025	Title No. H.S.(M) 14712
2000000	PT 587	PT 591	PT 12722
	Jalan Industri, U19	Jalan Industri, U19	Jalan Industri, U19
	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh	Kg Baru Sungai Buloh
	40160 Shah Alam, Selangor.	40160 Shah Alam, Selangor	40160 Shah Alam, Selangor
Existing Use	Vacant	Under Construction	Under Construction
Types of Property	-	Industrial Land	Industrial Land
Tenure	Leasehold 60 years	Leasehold 60 years	Leasehold 60 years
Expiry of Lease	20 January 2030	1 March 2029	22 May 2033
Remaining of Lease	5 years	4 years	8 years
Age of Property	5 years	-	-
Land Area (Sq. Feet)	49,826	34,574	54,885
Date of Acquisition	23 June 2020	25 February 2021	28 February 2023
Year of Last Revaluation	2020	2020	2021
Cost (RM'000)	2,404	8,813	5,266
Net Book Value	1,266	7,094	4,326
as at 31 December 2024 (RM'000)			

ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2025

Total Number of Issued Shares : 492,000,010 (including 6,000,000 treasury shares)

Class of Shares : Ordinary Share

Voting Rights : One (1) Voting Right per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	Shareholders (%)	No. of Shares	Shareholdings (%)
Less than 100	334	8.07	13,977	0.00
100 to 1,000	473	11.42	192,473	0.04
1,001 to 10,000	1,789	43.20	9,349,852	1.92
10,001 to 100,000	1,270	30.67	40,661,176	8.37
100,001 to 24,300,000 (*)	272	6.57	217,902,832	44.84
24,300,001 and above (**)	3	0.07	217,879,700	44.83
Total	4,141	100.00	486,000,010	100.00

Note: (*) Less than 5% of issued shares Note: (**) 5% and above of issued shares

List of Top Thirty (30) Shareholders

No.	Name of Shareholders	No. of Shares	%
1.	FANG CHEW HAM HOLDINGS SDN BHD	86,250,000	17.75
2.	WILMAR INTERNATIONAL LIMITED	77,000,000	15.84
3.	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO KWEE HOCK	54,629,700	11.24
4.	FOONG CHIEW FATT	16,218,825	3.34
5.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FANG CHEW HAM HOLDINGS SDN BHD (MY3185)	14,500,000	2.98
6.	FONG CHU KING @ TONG CHU KING	13,687,500	2.82
7.	TEO SIEW LAI	12,288,500	2.53
8.	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO SIEW LAI	12,271,200	2.53
9.	FONG CHIEW HEAN HOLDINGS SDN BHD	10,198,600	2.10
10.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PGEO GROUP SDN BHD	8,452,300	1.74
11.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSSMALL-CAP FUND	8,447,975	1.74
12.	CHONG CHEONG LEONG	3,300,000	0.68
13.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YOONG KAH YIN	3,230,000	0.67
14.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FONG PENG MAN (MY3238)	3,139,700	0.65
15.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD LEMBAGA TABUNG HAJI (EASTSPRING)	2,937,600	0.60

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ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2025 (CONTINUED)

No.	Name of Shareholders	No. of Shares	%
16.	CHAN SEONG KUN	2,805,700	0.58
17.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN TUAN PHIN (JALAN DEDAP-CL)	2,770,000	0.57
18.	SHIN LEE YEUCH @ CHIN LEE YEUK	2,515,000	0.52
19.	DING HUONG SENG	2,503,000	0.52
20.	T.B.R SHOPPING CENTRE (M) SDN BHD	2,200,000	0.45
21.	CHAN CHAI BEE	2,000,050	0.41
22.	CHAN CHU WEI	1,978,750	0.41
23.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN AH CHAI (E-SRB)	1,855,100	0.38
24.	CHIN SWEE CHEW	1,823,000	0.38
25.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN BOON SEONG (E-SRB)	1,814,850	0.37
26.	SAM TUCK WAH	1,786,000	0.37
27.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR KAWAN FOOD MANUFACTURING SDN BHD (PB)	1,762,300	0.36
28.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN AH HOCK (E-SRB)	1,740,000	0.36
29.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN BOON THIAM (E-SRB)	1,739,500	0.36
30.	CGS INTERNATIONAL NOMINEES MALAYSIA (ASING) SDN BHD EXEMPT AN FOR CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD. (RETAIL CLIENTS)	1,711,250	0.35

DIRECTORS' SHAREHOLDINGS

	Number of Shares held as at LPD®			
Name of Shareholders	Direct	%	Indirect	%
Dato' Jagjit Singh a/l Bant Singh	-	-	-	-
Fong Chu King @ Tong Chu King	13,745,500	2.83	1,714,975¹	0.35
Liew Kuo Shin	125,000	0.03	-	-
Fang Siew Ping	-	-	-	-
Kee Thuan Chai	-	-	-	-
Dato' Shamesh a/l Jeevaretnam	-	-	-	-
Jamel Bin Ibrahim	-	-	-	-
Karmjit Kaur a/p Sarban Singh	-	_	_	_
Tan Soon Hoe	-	-	-	-

Notes:

- © Computation of percentage of shareholdings is based on the total issued shares of 3A excluding 6,000,000 Shares held by the Company as Treasury Shares.
- Indirect interest via shareholdings of his son, Fong Peng Fai (137,375 ordinary shares) pursuant to Section 59 (11) (c) of the Companies Act 2016 ("Act"), and Seong Chan Sauce & Foodstuff Sdn Bhd (1,577,600 ordinary shares) pursuant to Section 8 of the Act.

ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2025 (CONTINUED)

SUBSTANTIAL SHAREHOLDERS

		Number of Shares held as at LPD®		
Name of Shareholders	Direct	%	Indirect	%
Fang Chew Ham Holdings Sdn Bhd	100,750,000	20.73	1,577,600²	0.33
Wilmar International Limited	77,000,000	15.84	8,452,300 ⁵	1.74
Fang Chew Ham	100,000	0.02	102,327,600 ³	21.06
Fang Siew Yee	-	-	102,327,600 ³	21.06
Teo Kwee Hock	54,646,250	11.24	554,375 ⁴	0.11

Notes:

- © Computation of percentage of shareholdings is based on the total issued shares of 3A excluding 6,000,000 Shares held by the Company as Treasury Shares.
- Deemed interest through Seong Chan Sauce & Foodstuff Sdn Bhd pursuant to Section 8 of the Act.
- Indirect interest via shareholdings of Fang Chew Ham Holdings Sdn Bhd (100,750,000 ordinary shares) and Seong Chan Sauce & Foodstuff Sdn Bhd (1,577,600 ordinary shares) pursuant to Section 8 of the Act.
- Deemed interest via shareholdings held by his family pursuant to Section 8 of the Act.
- Deemed interest through its wholly owned subsidiary, namely PGEO Group Sdn Bhd pursuant to Section 8 of the Act.

NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Third ("23rd") Annual General Meeting ("23rd AGM") of the Company will be held at Ballroom I (Main Wing), Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 4 June 2025 at 10:00 a.m. to transact the following business:

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon.

(Please refer to Explanatory Note 1 on Ordinary Business)

To approve the payment of Directors' fees of RM435,000.00 for the financial year ended 31 December 2024.

(Please refer to Explanatory Note 2 on Ordinary Business)

(Ordinary Resolution 1)

To re-elect the following Directors who retire by rotation pursuant to Clause 76(3) of the Company's Constitution:

(Please refer to Explanatory Note 3 on Ordinary Business)

(i) Fang Siew Ping

Dato' Jagjit Singh a/l Bant Singh

(iii) Dato' Shamesh a/l Jeevaretnam

(Ordinary Resolution 2) (Ordinary Resolution 3)

(Ordinary Resolution 4)

To re-appoint BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

(Please refer to Explanatory Note 4 on Ordinary Business)

(Ordinary Resolution 5)

SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modifications, the following resolutions:

AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES **ACT 2016**

(Please refer to Explanatory Note 1 on Special Business)

"THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/regulatory authorities, the Directors of the Company be and are hereby authorised to allot and issue shares in the Company from time to time at such price, upon such terms and conditions, and for such purposes and to such person or persons whomsoever 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 ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being ("Proposed General Mandate") and THAT the Directors be and are hereby also authorised to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued on the Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company 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 earlier, unless such approval is revoked or varied by the Company at a general meeting.

(Ordinary Resolution 6)

NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING (CONTINUED)

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate."

6. PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

"THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company, Bursa Securities Main Market Listing Requirements ("Listing Requirements") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued 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 best interest of the Company provided that:

- (i) the aggregate number of issued shares in the Company ("Shares") purchased ("Purchased Shares") and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the 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.

("Proposed Share Buy-Back").

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company following at which time
 the authority shall lapse unless by ordinary resolution passed at the 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 is required by law to be held; or
- revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

(Please refer to Explanatory Note 2 on Special Business)

(Ordinary Resolution 7)

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NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING (CONTINUED)

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 the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- i. To cancel all or part of the Purchased Shares;
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- iv. To resell all or part of the treasury shares;
- v. To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- vi. To transfer all or part of the treasury shares as purchase consideration;
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or
- viii. To deal with the treasury shares in the manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities."

7. To consider any other business of which due notice shall have been given.

By Order of the Board,

TAN KOK SIONG [SSM PC NO. 202008001592 (LS0009932)]
TAN LAI HONG [SSM PC NO. 202008002309 (MAICSA 7057707)]
Company Secretaries

, ,

Kuala Lumpur 29 April 2025

NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING (CONTINUED)

NOTES:

APPOINTMENT OF PROXY

- (a) For the purpose of determining who shall be entitled to participate in this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 29 May 2025. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM.
- (b) A member who is entitled to participate in this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
- (c) A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the General Meeting.
- (d) Where a member of the Company is an authorised nominee as defined in the Securities Industries (Central Depositories) Act 1991 ("Central Depository Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company 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. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- (f) Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (g) The appointment of a proxy may be made in hard copy form or by electronic form. In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. In the case of the appointment of a proxy made in electronic form, the proxy form must be deposited through the Share Registrar's website, Boardroom Smart Investor Portal at https://investor.boardroomlimited.com. All proxy forms submitted must be received by the Company not less than forty-eight (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.
- (h) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar of the Company at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (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.
- (i) Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
- (j) Last date and time for lodging this proxy form is **Monday, 2 June 2025 at 10:00 a.m.**
- (k) For a corporate member who has appointed an authorised representative instead of a proxy to attend this meeting, please deposit the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.

EXPLANATORY NOTES ON ORDINARY BUSINESS

1. Item 1 of the Agenda - Audited Financial Statements for the financial year ended 31 December 2024

The Audited Financial Statements is meant for discussion only as an approval from shareholders is not required pursuant to the provision of Section 340(1)(a) of the Companies Act 2016. Hence, this item on the Agenda is not being put forward for voting by shareholders of the Company.

THREE-A RESOURCES	BERHAD
Annual Report 2024	

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ADDITIONAL INFORMATION

NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING (CONTINUED)

2. Ordinary Resolution 1 - Payment of Directors' Fees

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. The proposed Ordinary Resolution 1 is to facilitate the payment of Directors' fees for the financial year ended 31 December 2024.

3. Ordinary Resolutions 2, 3 and 4 - Re-election of Directors pursuant to Clause 76(3) of the Company's Constitution

Fang Siew Ping, Dato' Jagjit Singh a/l Bant Singh and Dato' Shamesh a/l Jeevaretnam will retire at the 23rd AGM pursuant to Clause 76(3) of the Company's Constitution. All of them are standing for re-election by rotation as Directors of the Company and being eligible, have offered themselves for re-election at the 23rd AGM.

Pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance ("MCCG"), the profiles of the three (3) Directors are set out in the Directors' profile of the Annual Report 2024. The Board has through the Nomination Committee ("NC"), considered the assessment of the said Directors pursuant to the Fit and Proper Policy adopted by the Company and agreed that they met the criteria as prescribed by Paragraph 2.20A of the Main Market Listing Requirements ("Listing Requirements") of Bursa Securities on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors.

The Board collectively agreed that the Directors had met the criteria as prescribed under Paragraph 2.20A of the Listing Requirements of Bursa Securities on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors and recommended the said Directors be re-elected as Directors of the Company.

4. Ordinary Resolution 5 - Re-appointment of Auditors

The Audit Committee had assessed the suitability and independence of the External Auditors and recommended the re-appointment of BDO PLT as External Auditors of the Company for the financial year ending 31 December 2025. The Board had reviewed the recommendation of the Audit Committee and recommended to table the same to the shareholders for approval at this AGM of the Company under Ordinary Resolution 5. BDO PLT have indicated their willingness to be re-elected as auditors of the Company.

NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING (CONTINUED)

EXPLANATORY NOTES ON SPECIAL BUSINESS

1. Ordinary Resolution 6 - Authority to allot and issue shares pursuant to Sections 75 and 76 of The Companies Act 2016

The proposed Ordinary Resolution 6, if passed, would renew the mandate granted to the Directors at the 22nd AGM held on 30 May 2024 and provide flexibility to the Directors to undertake fundraising activities including but not limited to placement of shares for the purpose of funding the Company's future investment project(s), business expansion, working capital and/or acquisition(s) at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier.

As at the date of this Notice, the Company did not allot any shares pursuant to the shareholders' mandate granted to the Directors at the 22nd AGM as there were no requirements for such fundraising activities.

2. Ordinary Resolution 7 - Proposed Renewal of Authority for the Company to purchase its own shares

The proposed Ordinary Resolution 7, if passed, will allow the Company to purchase its own shares through Bursa Securities up to ten per centum (10%) of the total number of issued shares of the Company. Please refer to the Statement to Shareholders dated 29 April 2025 in relation to the Proposed Renewal of Authority to Purchase its own Shares by the Company for further details.



THREE-A RESOURCES BERHAD

199901006659 (481559-M) (Incorporated in Malaysia)

CDS Account No.	

No.	of Shares	Held

Member

I/We,		1	「el.:				
•	(Full name in block, NRIC/Passport	:/Company No.)					
of		(444)					
		(Address)					
being a	a member of THREE-A RESOURCES BERHA I), hereby appoint:					
Full N	lame (in Block)	NRIC/Passport No.	Proportion of		of Share	f Shareholdings	
				No. of Shares		%	
Addre	Address Email Address/Tel No.						
and/o	··^						
Full N	lame (in Block)	NRIC/Passport No.		Proportion of Shareholdings			
				No. of Shares		%	
Addre	255	Email Address/Tel No.					
	our proxy(ies) shall vote as indicated follow	vs:					
ITEM	AGENDA NARY BUSINESS		RESOLUT	ION	FOR	AGAINST	
1.	To approve the payment of Directors' For 31 December 2024.	ees for the financial year ended	ORDINARY RES	OLUTION 1			
2.	To re-elect Fang Siew Ping as Director.		ORDINARY RESOLUTION 2				
3.	To re-elect Dato' Jagjit Singh a/l Bant Singh as Director. ORDINARY RE		OLUTION 3				
4.	. To re-elect Dato' Shamesh a/l Jeevaretnam as Director. ORDINARY RE		OLUTION 4				
5.	To re-appoint BDO PLT as Auditors of the Com to fix their remuneration.	pany and to authorise the Directors	ORDINARY RES	OLUTION 5			
SPECIA	AL BUSINESS						
6.	To grant authority to allot and issue shares the Companies Act 2016.	pursuant to Sections 75 and 76 of	of Ordinary Resolution				
7.	To approve the Proposed Renewal of Author	rity for Share Buy-Back.	ORDINARY RES	OLUTION 7			
of spec	indicate with an "X" in the space provided if it direction, your proxy will vote or absta	ain as he thinks fit.	be cast for or ag	ainst the resolut		the absence	
				Jigilati	ui C		

^Delete whichever is inapplicable

*Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

NOTES:

APPOINTMENT OF PROXY

- (a) For the purpose of determining who shall be entitled to participate in this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 29 May 2025. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM.
- (b) A member who is entitled to participate in this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
- (c) A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the General Meeting.
- (d) Where a member of the Company is an authorised nominee as defined in the Securities Industries (Central Depositories) Act 1991 ("Central Depository Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company 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. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- (f) Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (g) The appointment of a proxy may be made in hard copy form or by electronic form. In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. In the case of the appointment of a proxy made in electronic form, the proxy form must be deposited through the Share Registrar's website, Boardroom Smart Investor Portal at https://investor. boardroomlimited.com. All proxy forms submitted must be received by the Company not less than forty-eight (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.
- (h) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar of the Company at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (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.
- (i) Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
- (j) Last date and time for lodging this proxy form is **Monday, 2 June 2025 at 10:00 a.m**.
- (k) For a corporate member who has appointed an authorised representative instead of a proxy to attend this meeting, please deposit the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.



STAMP/SETEM

THREE-A RESOURCES BERHAD

C/O BOARDROOM SHARE REGISTRARS SDN BHD 11th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13 46200 Petaling Jaya, Selangor Darul Ehsan

Please fold here

THREE-A RESOURCES BERHAD 199901006659 (481559-M)

AL 308, Lot 590 & Lot 4196, Jalan Industri U19, Kampung Baru Sungai Buloh, 40160 Shah Alam, Selangor Darul Ehsan, Malaysia

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