



# MHC Plantations Bhd.

[196001000393 (4060-V)]

(Incorporated in Malaysia)



## **Beyond Oil Palm:** Zero Waste, Boundless Value

**ANNUAL REPORT 2025**

# 66<sup>th</sup>

## Annual General Meeting



### Beyond Oil Palm: Zero Waste, Boundless Value



**Date:**

Tuesday, 26 May 2026 at 11.30 a.m.

**Venue:**

Kompleks Pejabat Behrang 2020, Jalan Persekutuan 1,  
35900 Tanjung Malim, Perak, Malaysia

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# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Sixty-Sixth (66th) Annual General Meeting (“**66th AGM**” and/or “**AGM**”) of the Company will be held at Kompleks Pejabat Behrang 2020, Jalan Persekutuan 1, 35900 Tanjung Malim, Perak, Malaysia on Tuesday, 26 May 2026 at 11.30 a.m. for the following purposes of considering and, if thought fit, passing the resolutions, with and without any modifications:

## AGENDA

### AS ORDINARY BUSINESS:

	<b>ORDINARY RESOLUTION NO.</b>
1. To receive the Audited Financial Statements for the financial year ended 31 December 2025, together with the Directors’ and Auditors’ Reports thereon.	<b>Please refer to Note 2</b>
2. To approve the payment of Directors’ benefits payable to Non-Executive Directors up to RM220,000 from the 66th AGM until the next AGM of the Company.	<b>1</b>
3. To re-elect the following Directors retiring in accordance with the Company’s Constitution:	
3.1 Mr. Heng Beng Fatt	<b>2</b>
3.2 Dato’ TPr. Suki Mee	<b>3</b>
4. To re-appoint Messrs PKF PLT as Auditors of the Company to hold office until the next AGM and to authorise the Directors to fix their remuneration.	<b>4</b>

As **SPECIAL BUSINESS**, to consider and, if thought fit, with or without any modification, to pass the following resolutions:

5. <b>RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR – MR. HENG BENG FATT</b>	<b>5</b>
<p>“That, subject to the re-appointment of Mr. Heng Beng Fatt as a Director of the Company under Ordinary Resolution 2, Mr. Heng Beng Fatt, who will have served as an Independent Non-Executive Director of the Company for a cumulative term of nine (9) years in August 2026, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code of Corporate Governance.”</p>	
6. <b>PROPOSED AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016</b>	<b>6</b>
<p>“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 (“the Act”), the Directors be and are hereby empowered to allot and issue shares in the Company at any time and from time to time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company at the time of issue, subject always to the Constitution of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issuance (“Mandate”).</p> <p>THAT pursuant to Section 85 of the Act, read together with Article 10 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of new shares pursuant to this Mandate.</p> <p>AND THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND FURTHER THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company.”</p>	
7. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 2016.	

# Notice of Annual General Meeting (Cont'd)

**FURTHER NOTICE IS HEREBY GIVEN THAT** only members whose names appear on the Record of Depositors as at **15 May 2026** shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.

By Order of the Board

**CHAN EOI LENG**

(SSM PC No. 202008003055)  
(MAICSA 7030866)

**CHONG KWAI YOONG**

(SSM PC No. 202308000244)  
(MAICSA 7075434)

Chartered Secretaries

Ipoh, Perak Darul Ridzuan, Malaysia  
24 April 2026

**Notes:**

**1. PROXY**

A member, other than an exempt authorised nominee is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him/her. A proxy must be 18 years and above and need not be a member of the Company.

Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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 but the proportion of holdings to be represented by each proxy must be specified.

The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.

The instrument appointing a proxy or proxies must be deposited at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time appointed for holding the Meeting or adjourned Meeting either by hand, post, courier or electronic mail to [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com) or fax (603) 78904670 before the Form of Proxy lodgement cut-off time as mentioned above, otherwise the instrument of proxy should not be treated as valid.

For verification purposes, members and proxies are required to produce their original identity cards at the registration counter. No person will be allowed to register on behalf of another person, even with the original identity card of that other person.

**2. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

Agenda 1 is meant for discussion only as Section 340(1)(a) of the Companies Act, 2016 only requires the Audited Financial Statements to be laid before the Company at the AGM and does not require shareholders' approval. Hence, this Agenda is not put forward for voting.

# Notice of Annual General Meeting (Cont'd)

### 3. DIRECTORS' BENEFITS TO NON-EXECUTIVE DIRECTORS

Section 230(1) of the Companies Act, 2016 provides amongst others, that "fees" of the Directors and "any benefits" payable to Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for this payment in Ordinary Resolution 1 for Payment of Directors' benefits to Non-Executive Directors from the 66th AGM until the next AGM of the Company. The summary of the aforesaid payment is as follows:

Description	Non-Executive Directors	
	Approved at the 65th AGM held on 23 May 2025 until the next AGM of the Company	From the 66th AGM 2026 until the next AGM 2027 (For Approval at 66th AGM 2026)
1. Monthly Allowance	RM3,500.00 per month	RM5,000.00 per month (with effect from 01.01.2026)
2. Meeting Allowance	RM1,000.00 per meeting	RM1,000.00 per meeting

*Note: The revision of the remuneration package for Non-Executive Directors is to ensure that the same remains competitive and commensurate with their responsibilities undertaken, as well as aligned with market practices and good corporate governance standards. The Directors' benefits payable to the Non-Executive Directors of the Company would be calculated based on the current composition of the Board and Board Committees, and the number of meetings scheduled for the Board and Board Committees, and includes all benefits payable to the Directors, such as meeting allowances, committees' fees, subsidiaries' directors' fees, etc.*

### 4. RE-ELECTION OF DIRECTORS

Mr. Heng Beng Fatt and Dato' TPr. Suki Mee ("Retiring Directors"), who are retiring by rotation, are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at this AGM.

The Board, through the Nomination Committee, has conducted an assessment on the effectiveness and contributions of the abovesaid Retiring Directors, including their skills, experience, competency, and time commitments, and has recommended for them to be re-elected to the Board. The profiles of the Retiring Directors are set out in the Profile of Directors of the Annual Report 2025.

### 5. RE-APPOINTMENT OF EXTERNAL AUDITORS ("EA")

The Audit Committee ("AC") has carried out an assessment of the suitability and independence of the EA, which included an assessment of the engagement teams' qualifications, credentials and experience, audit work approach, and performance of the work within MHC Group's timeline by completing an assessment questionnaire.

The AC in its assessment found Messrs PKF PLT to be sufficiently objective and independent and was satisfied with the suitability based on the quality of audit, performance, and resources in terms of their audit team provided to the Group.

The Board, therefore, approved the AC's recommendation that the re-appointment of Messrs PKF PLT as EA of the Company for the financial year ending 31 December 2026 be put forward for the shareholders' approval at the AGM.

# Notice of Annual General Meeting (Cont'd)

## 6. RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The Ordinary Resolution 5 proposed under item 5, if passed, will allow Mr. Heng Beng Fatt to continue to serve as an Independent Non-Executive Director of the Company. Mr. Heng will have served as an Independent Non-Executive Director of the Company for a cumulative term of 9 years in August 2026.

In line with the Malaysian Code on Corporate Governance (“MCCG”), the Board, on the recommendation of the Nomination Committee (“NC”), has conducted an assessment of Mr. Heng Beng Fatt’s independence, effectiveness, and contribution and has recommended that he be retained as an Independent Non-Executive Director of the Company, based on the following justifications:

- (i) He has fulfilled the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (ii) He has remained independent, actively participated in the Board discussions, and provided an independent and objective voice and constructive input to the Board.
- (iii) He has in-depth knowledge of the Company’s business operations and has committed to devote sufficient time and attention to the Company’s affairs.
- (iv) He has acted in the best interest of all shareholders and continued to serve as an effective check and balance on the Board.

In line with Practice 5.3 of the MCCG, the proposed retention of Mr. Heng Beng Fatt as an Independent Non-Executive Director of the Company would be subject to shareholders’ approval through a two-tier voting process.

## 7. PROPOSED AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

The proposed Ordinary Resolution 6 is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Companies Act, 2016. The mandate, if passed, will empower the Directors from the date of the above AGM until the next AGM, to allot and issue up to a maximum of 10% of the total number of issued shares of the Company at the time of issue (other than bonus or rights issue) for such purposes as they consider would be in the best interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority will, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

The general mandate sought for allotment and issue of shares is a renewal of the general mandate sought in the preceding year. As at the date of Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Sixty-Fifth (65th) AGM held on 23 May 2025, and hence no proceeds were raised therefrom. The general mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to placing of shares for purpose of funding future investment project(s), working capital and/or acquisitions.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

## ANNUAL REPORT 2025 AND CORPORATE GOVERNANCE REPORT 2025

The Annual Report 2025 and Corporate Governance Report 2025 may be downloaded at [www.mhc.com.my](http://www.mhc.com.my)

# Corporate Information

## Directors

**Dato' Seri Mah King Seng**  
Executive Chairman

**Tan Sri Dr. Mah King Thian**  
Managing Director

**Wan Salmah Binti Wan Abdullah**  
Non-Independent Non-Executive Director

**Heng Beng Fatt**  
Independent Non-Executive Director

**Dato' TPr. Suki Mee**  
Independent Non-Executive Director

**Mah Li-Na**  
Alternate Director to  
Dato' Seri Mah King Seng

**Mah Siu Wen**  
Alternate Director to  
Tan Sri Dr. Mah King Thian

## Audit Committee

Heng Beng Fatt  
(Chairman)  
Wan Salmah Binti Wan Abdullah  
Dato' TPr. Suki Mee

## Executive Committee

Datin Seri Ooi Ah Thin  
(Chairperson)  
Dato' Seri Mah King Seng  
Tan Sri Dr. Mah King Thian

## Nomination Committee

Dato' TPr. Suki Mee  
(Chairman)  
Wan Salmah Binti Wan Abdullah  
Heng Beng Fatt

## Remuneration Committee

Tan Sri Dr. Mah King Thian  
(Chairman)  
Heng Beng Fatt  
Dato' TPr. Suki Mee

## Committee To Review Press or Public Announcements

Dato' Seri Mah King Seng  
Tan Sri Dr. Mah King Thian

## Registered Office

No. 37B, Jalan Basco Kepadang 1  
Basco Avenue @ Kepadang  
31400 Ipoh  
Perak Darul Ridzuan  
Malaysia  
Tel. No. +605-5417618  
Fax No. +605-5417618  
E-mail address:  
concierto.hub@conciertoch.com

## Principal Place of Business

Kompleks Pejabat Behrang 2020  
Jalan Persekutuan 1  
35900 Tanjung Malim  
Perak Darul Ridzuan  
Malaysia  
Tel. No. +605-4590001/2  
Fax No. +605-4590003  
Website: <http://www.mhc.com.my>  
E-mail address: admin@mhc.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  
Malaysia  
Tel. No. +603-78904700  
Fax No. +603-78904670  
E-mail address:  
bsr.helpdesk@boardroomlimited.com

## Company Secretaries

**Chan Eoi Leng**  
(SSM PC No. 202008003055)  
(MAICSA 7030866)

**Chong Kwai Yoong**  
(SSM PC No. 202308000244)  
(MAICSA 7075434)

## Auditors

**Messrs PKF PLT**  
Lot 23-1 & 25-1, 1st Floor  
Lintas Plaza  
Lorong Lintas Plaza  
88300 Kota Kinabalu  
Sabah, Malaysia  
Tel. No. +6088-266723  
Fax No. +6088-267721

## Principal Bankers

Ambank (M) Berhad  
Malayan Banking Berhad  
Public Bank Berhad  
RHB Bank Berhad

## Stock Exchange Listing

Main Market of Bursa Malaysia  
Securities Berhad  
Stock Code : 5026  
Stock Short Name : MHC

## Country of Incorporation

Malaysia



## Profile of Directors



# Dato' Seri Mah King Seng

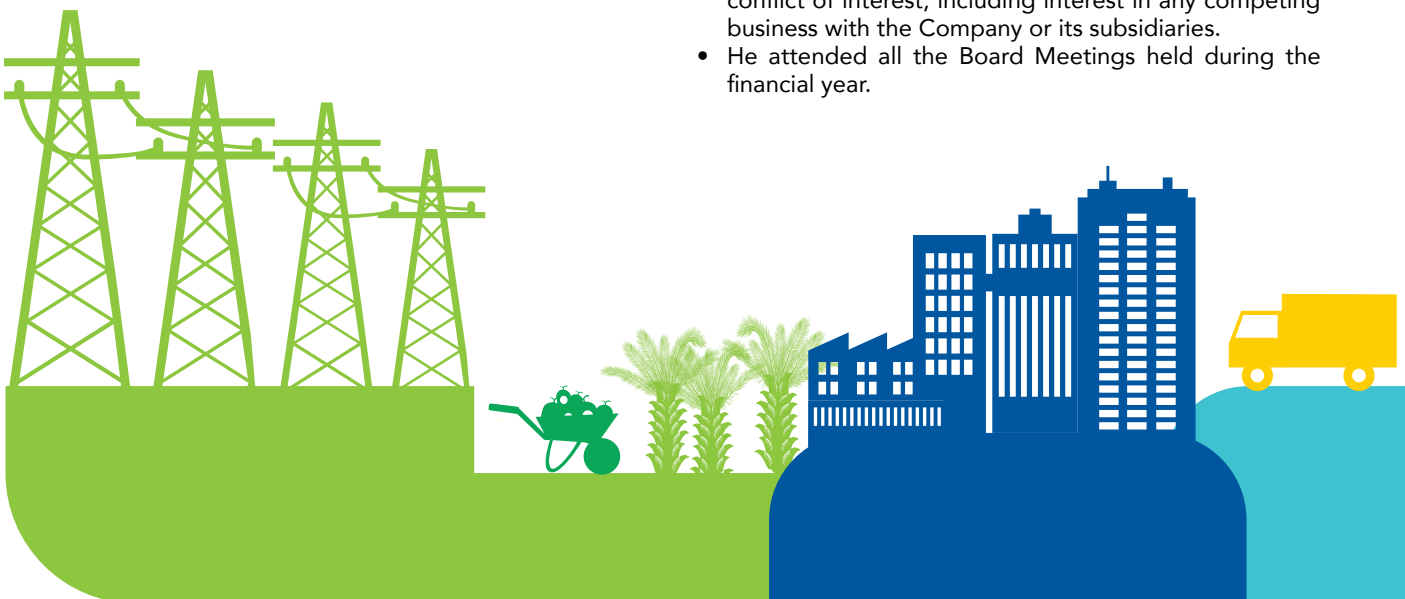
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Executive Chairman

- Dato' Seri Mah King Seng joined the Board of Directors on 20 September 1978. He was appointed as an Executive Chairman on 13 July 2005.
- He is also a member of the Executive Committee and the Committee for the review of press releases or public announcements.
- He joined the Company in 1978 after graduating from the University of Minnesota, United States of America with a degree in Agricultural Science and has been with the Group since then, garnering more than twenty years' experience in managing the operations of the Group's estates, mills and hotel. In 1980, he attended the Palm Oil Mill Engineer/Executive Training course on palm oil mill operations organised by the Malaysian Oil Palm Growers Council. He subsequently obtained his Bachelor of Law Degree in 1985 from the University of Buckingham, United Kingdom and was admitted and enrolled as an Advocate and Solicitor of the High Court of Malaya in 1990.

- He is a Director of Behrang 2020 Sdn. Bhd. and several other private limited companies. He is also the Managing Director of Cepatwawasan Group Berhad, a company listed on the Main Market of Bursa Securities. He is also the Managing Director of Timah Resources Limited, an Australian incorporated company listed on the Australian Securities Exchange.
- He is a son of Datin Seri Ooi Ah Thin who is a Director and substantial shareholder of Dato Mah Pooi Soo Realty Sdn. Bhd. ("DMR"), a major shareholder of the Company, and the elder brother of Tan Sri Dr. Mah King Tian, the Managing Director of the Company, who is also a Director and substantial shareholder of DMR.
- Dato' Seri Mah King Seng is also a Director and substantial shareholder of DMR. He is deemed interested in certain recurrent related party transactions carried out in the ordinary course of business between the Company and its Group with the DMR group and certain privately owned companies. Save for the recurrent related party transactions, he has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
- He attended all the Board Meetings held during the financial year.



## Profile of Directors (Cont'd)

### Tan Sri Dr. Mah King Thian

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Managing Director

- Tan Sri Dr. Mah King Thian joined the Board of Directors on 28 December 1992. He is currently the Managing Director responsible for the Group's operations, corporate and legal affairs, accounting and finance.
- He is also a member of the Executive Committee, the Chairman of the Remuneration Committee and the Committee for the review of press releases or public announcements.
- He graduated from Monash University, Australia with a Bachelor of Economics Degree majoring in Accounting in 1986 and also a Bachelor of Laws Degree in 1987. He was subsequently admitted and enrolled as an Advocate and Solicitor of the High Court of Malaya in 1989, and he then joined the Company in the same year. He is also a Fellow Member of Certified Practising Accountant Australia (FCPA).
- In 2018, Tan Sri Dr. Mah King Thian successfully completed his postgraduate study on oil palm renewable energy businesses and was conferred the degree of Doctor of Philosophy (PhD) by the Liverpool Business School in the United Kingdom.
- He is a Director of Behrang 2020 Sdn. Bhd. and several other private limited companies. He is also the Executive Chairman of Cepatwawasan Group Berhad, a

company listed on the Main Market of Bursa Securities. He is also the Executive Chairman of Timah Resources Limited, an Australian incorporated company listed on the Australian Securities Exchange.

- He is a son of Datin Seri Ooi Ah Thin who is a Director and substantial shareholder of Dato Mah Pooi Soo Realty Sdn. Bhd. ("DMR"), a major shareholder of the Company, and the younger brother of Dato' Seri Mah King Seng, the Executive Chairman of the Company, who is also a Director and substantial shareholder of DMR.
- Tan Sri Dr. Mah King Thian, is also a Director and substantial shareholder of DMR. He is deemed interested in certain recurrent related party transactions carried out in the ordinary course of business between the Company and its Group with the DMR group and certain privately owned companies. Save for the recurrent related party transactions, he has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
- He attended 3 out of 4 Board Meetings held during the financial year.

### Puan Wan Salmah Binti Wan Abdullah

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Non-Independent Non-Executive Director

- Puan Wan Salmah Binti Wan Abdullah was appointed to the Board on 10 July 2009 as an Independent Non-Executive Director of the Company. She was re-designated as a Non-Independent Non-Executive Director on 29 May 2023.
- She is also a member of the Audit Committee and Nomination Committee of the Company.
- She graduated from University Sains Malaysia with a Bachelor of Social Science (Hons). She has more than 20 years' experience in property development and land related matters. She began her career working with Perbadanan Kemajuan Negeri Perak (PKNP) as a Project Officer and was promoted to Director of Land and Property and Director of Land and Industrial Estate

Development in 1995. She was also appointed as a Director of some of the subsidiaries of PKNP. She had previously served as a Director of Majuperak Holdings Berhad from 1995 to June 2008.

- She does not have any directorship in public companies and other listed issuers.
- She does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
- She attended all the Board Meetings held during the financial year.

## Profile of Directors (Cont'd)

### Mr. Heng Beng Fatt

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Independent  
Non-Executive Director

- Mr. Heng Beng Fatt was appointed to the Board on 23 July 2010 as a Non-Independent Non-Executive Director of the Company. On 10 August 2017, he was re-designated as an Independent Non-Executive Director.
- He is the Chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee of the Company.
- He holds the qualification of Master of Business Administration from the University of Bath and is a member of the Malaysian Institute of Accountants.
- He has vast experience in accounting, finance, administration, business development and corporate affairs, having served in various capacities during his tenure with Golden Screen Cinemas Sdn. Bhd. ("GSC") namely as Chief Operating Officer of GSC Malaysia,

Senior Manager - Corporate Services, Human Resources and Admin Manager, Business Development Manager, Finance and Admin Manager and Accountant. He also served as an Accountant at Avery Malaysia and Auditor at Ernst & Young. He currently serves as a consultant to GSC.

- He also serves as a treasurer for the Malaysian Association of Film Exhibitors.
- He does not have any directorship in public companies and other listed issuers.
- He does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
- He attended all the Board Meetings held during the financial year.

### Dato' TPr. Suki Mee

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Independent  
Non-Executive Director

- Dato' TPr. Suki Mee was appointed to the Board on 20 April 2023 as an Independent Non-Executive Director of the Company.
- He is the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company.
- He holds the qualifications of a Masters in Philosophy of Development Science at Universiti Kebangsaan Malaysia and a Degree in Urban and Regional Planning at Universiti Teknologi Malaysia. He is also a corporate member of the Malaysian Institute of Planner and a registered Town Planner under the Malaysian Town Planner Board (LPBM) (Akta 538).
- He held the position of Town Planner from 1988 to 1993 in Selangor, Kuala Lumpur and Pahang respectively. From 1993 to 1999, he held the position of Assistant Director of the Urban And Rural Planning Department in Perak. He was appointed as the Chairman of Lembaga Getah Malaysia (LGM) Properties Corporation from 2009 to 2015. In 2019, he was appointed to the Board

of Directors in Pembangunan Sumber Manusia Berhad (PSMB). From 2017 to 2023, he was appointed to the Board of Trustees of the Malaysia Timber Certification Council (MTCC). He has been appointed as the Board of Trustees of the Malaysia Forest Fund (MFF) from 2022 to 2024. From 2023 to 2027, he was appointed to the Board of Directors of Institut Koperasi Malaysia (IKMa). Currently, he is a Registered Town Planner at DIGI PLANNERS since March 1999. He is also actively involved in Orang Asli NGO and co-operative.

- He does not have any directorship in public companies and other listed issuers.
- He does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
- He attended all the Board Meetings held during the financial year.

## Profile of Directors (Cont'd)

### Ms. Mah Li-Na

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Alternate Director to  
Dato' Seri Mah King Seng

- Ms. Mah Li-Na was appointed to the Board on 7 March 2018 as an Alternate Director to Dato' Seri Mah King Seng, the Executive Chairman of the Company.
- She initially graduated from the University of Melbourne, Australia with a Bachelor of Commerce, majoring in Accounting and Finance in 2010. Thereafter, she joined the Chinese Language Programme in Tsinghua University, Beijing, China to enhance her fluency in Mandarin.
- She went on to pursue her second degree, Bachelor of Laws with the University of London and completed with a Second Upper Class Honours in 2016.
- She has previously interned with KPMG Malaysia, Forensics Accounting Department in 2009, then proceeded to join the company as an Associate in 2012. During her tenure there, she participated in investigations of financial frauds and was involved in the preparation of the KPMG Fraud Survey Report then.
- She is an Alternate Director to Dato' Seri Mah King Seng in both Cepatawawasan Group Berhad, a company listed on the Main Market of Bursa Securities and Timah Resources Limited, an Australian incorporated company listed on the Australian Securities Exchange. She is also currently with Cepatawawasan Group Berhad as Group Operations Manager and assists the Managing Director of Cepatawawasan Group Berhad, Dato' Seri Mah King Seng in management duties.
- She is the daughter of Dato' Seri Mah King Seng who is a Director and substantial shareholder of Dato Mah Pooi Soo Realty Sdn. Bhd. ("DMR"), a major shareholder of the Company and the granddaughter of Datin Seri Ooi Ah Thin, who is also a Director and substantial shareholder of DMR. She has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

### Mr. Mah Siu Wen

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Alternate Director to  
Tan Sri Dr. Mah King Tian

- Mr. Mah Siu Wen was appointed to the Board on 21 November 2024 as an Alternate Director to Tan Sri Dr. Mah King Tian, the Managing Director of the Company.
- He graduated from the University of Glasgow, United Kingdom (UK) with a BEng in Mechanical Engineering (Honours). Subsequently, he completed a MSc in Engineering with Finance at University College London (UCL), UK and was admitted to the Institute of Engineers Malaysia (IEM). He started his career in the equity research department of a Singapore based brokerage before pursuing a Master of IT in Business (Financial Technology & Analytics) at Singapore Management University (SMU), Singapore. Following which, he was offered a scholarship by the University of Melbourne's School of Engineering, Australia to complete his Master of Information Systems in one year. He then worked in Deloitte's Melbourne, Australia office as part of their operations engineering offering. He left his role as a consultant to join MHC Plantations Bhd and Cepatawawasan Group Berhad as Senior Operations Manager.
- He is an Alternate Director to Tan Sri Dr. Mah King Tian in both Cepatawawasan Group Berhad, a company listed on the Main Market of Bursa Securities and Timah Resources Limited, an Australian incorporated company listed on the Australian Securities Exchange.
- He is the eldest son of Tan Sri Dr. Mah King Tian who is a Director and substantial shareholder of Dato Mah Pooi Soo Realty Sdn. Bhd. ("DMR"), a major shareholder of the Company and the grandson of Datin Seri Ooi Ah Thin, who is also a Director and substantial shareholder of DMR. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

#### CONVICTIONS FOR OFFENCES

None of the Directors has been convicted of any offence within the past five (5) years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025.

# Profile of Key Senior Management

## Dato' Seri Mah King Seng

Executive Chairman

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- Refer to the Profile of Directors on page 8.

## Tan Sri Dr. Mah King Thian

Managing Director

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- Refer to the Profile of Directors on page 9.

## Mr. Soong Swee Koon

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Chief Operating Officer

- Mr. Soong Swee Koon is a qualified engineer with a Steam Engineers Certificate of Competency (First Grade).
- He started his career in power generation with Perak Hydro Electric Power Company (UK firm) in 1974. In the following years, he specialised in power generation, Hydro and Steam Thermal Power Plants, and maintenance and workshop overhaul of Cummins Diesel Engines and generators. From 1980 to 1996, he worked as an engineer in United Plantations Berhad. The palm oil mill under Mr. Soong's management was the winner of the Anugerah Award for Best Palm Oil Mill in Malaysia (2nd Place from year 1990-1995).
- He served as senior engineer, technical advisor, project manager and regional consultant to a number of energy companies from 1996 to 2010.
- He joined the Company in 2010 as Group Engineer and was appointed as Chief Operating Officer of the Company on 15 November 2012. He is also the Executive Director of Timah Resources Limited, an Australian incorporated company listed on the Australian Securities Exchange.
- He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
- He has not been convicted of any offence within the past five (5) years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025.

# Profile of Key Senior Management (Cont'd)



## Mr. Maniam A/L Perumal

Group General Manager of Subsidiary of MHC, Cepatwawasan Group Berhad

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- Mr. Maniam A/L Perumal was appointed as Group General Manager of Cepatwawasan Group Berhad on 17 July 2021.
- He obtained his Bachelor Degree in Economics from University Kebangsaan Malaysia, Bangi, Malaysia. He has more than 32 years of extensive experience in the plantation industry which includes 26 years of operational and 6 years of advisory experience. He started his career as an Assistant Manager with Boustead Estate Agency Sdn. Bhd and rose through the ranks to various capacities. He later joined Trade Winds Plantation Berhad as Planting Adviser and was later promoted to Regional General Manager. Prior to him joining Cepatwawasan Group Berhad, he was with Acapalm Plantation Services as a Visiting Agent.
- He does not have any directorship in public companies and listed issuers.
- He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
- He has not been convicted of any offence within the past five (5) years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025.

## Mr. Mah Siu Wen

Senior Operations Manager

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- Refer to the Profile of Directors on page 11.

## Mr. Chan Kim Meng

Group Accountant

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- Mr. Chan Kim Meng holds a professional accounting qualification from the Association of Chartered Certified Accountants (ACCA), United Kingdom. He is also a member of the Malaysian Institute of Accountants.
- Prior to joining the Company, he pursued a career in accountancy in the public accounting firm of Ernst & Young for 9 years.
- He has wide working experience in the field of accounting and corporate finance.
- He joined the Company in 2006 as Group Accountant.
- He does not have any directorship in public companies and listed issuers.
- He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
- He has not been convicted of any offence within the past five (5) years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025.

# Chairman's Statement

On behalf of the Board of Directors of MHC Plantations Bhd., I am pleased to present the Annual Report of the Group and the Company for the financial year ended 31 December 2025.

## Group Performance

The Group's revenue rose by 9% to RM550.39 million, primarily attributable to higher average selling prices of palm products, as well as increased sales volumes of palm kernel and FFB. Profit before tax (PBT) grew significantly from RM60.55 million to RM88.27 million, representing a 46% year-on-year (YoY) increase. This improvement was mainly driven by improved margins across the plantation, oil mill, and power plant segments.

The highlights of the Group performance are stated below:

### Average selling price per tonne:-

	FY2025 RM	FY2024 RM	Difference (%)
CPO	4,298	4,180	3%
PK	3,416	2,673	28%
FFB	840	809	4%

### Production:-

	FY2025 MT	FY2024 MT	Difference (%)
CPO	92,116	89,880	2%
PK	25,177	23,327	8%
FFB	165,434	158,046	5%

### Extraction rate:-

	FY2025 (%)	FY2024 (%)	Difference (%)
CPO	18.61	18.47	1%
Kernel	5.09	4.79	6%

	FY2025 MWh	FY2024 MWh	Difference (%)
Electricity Export	48,119	58,323	-17%

# Chairman's Statement (Cont'd)

## Dividend

On 26 February 2026, the Board approved the following single-tier interim dividend:

A single-tier dividend of

# 3.00 sen

per ordinary share for the financial year ending 31 December 2026.

A single-tier special dividend of

# 22.00 sen

per ordinary share for the financial year ended 31 December 2025.

The decision to issue the special dividend was based on a thorough assessment of the Group's financial position, taking into account gearing levels, upcoming cash requirements and potential future business prospects. We believe the Group's stable financial position enables us to share our success with our shareholders without compromising our commitment to continued growth.

While the Group cannot guarantee the issuance of special dividends in the future, we acknowledge the trust and confidence our shareholders have placed in us and sincerely appreciate your continued support.

## Prospect and Outlook

The Group expects FFB production to moderate slightly in 2026 following strong output in FY2025, amid ongoing replanting activities and a maturing average tree profile. CPO prices are expected to remain relatively firm at around RM4,000 per tonne. However, price volatility is anticipated, depending on seasonal demand patterns and CPO's price competitiveness relative to other edible vegetable oils. Indonesia's increasing biodiesel consumption and ongoing land seizures are expected to provide underlying support to CPO prices.

Heightened geopolitical tensions are expected to contribute to greater price uncertainty across energy and commodity markets. In particular, CPO prices are likely to move in positive correlation with any increase in Brent crude oil prices, as historically observed. However, the upside may be tempered by weaker demand conditions and rising operational and logistics costs, including higher prices for key inputs such as fertiliser.

On a more positive note, the new biomass turbine has been installed and is now operational, while works on the new boiler are expected to be completed by April 2026. Once the new boiler and turbine are fully operational, refurbishment works on the existing boiler and turbine will commence. Following the commissioning of the new boiler in Q2 FY2026, power exports are expected to improve.

The Group's strong FY2025 performance is a positive indicator that ongoing optimisation initiatives and operational improvements are bearing fruit. To maintain this upward trajectory, the Group will continue to:

- 1 Operate in accordance with circular economy principles;
- 2 Prioritise optimisation and cost efficiency across its operations; and
- 3 Diversify into synergistic opportunities as a hedge against volatile CPO prices.

These strategies are expected to enable the Group to sustain satisfactory profitability for the financial year 2026.

## Acknowledgement

I wish to thank the Management and Staff for their dedication and contributions throughout the year.

To our valued suppliers, customers, bankers, business associates and advisers, thank you for your commitment and support to the Group.

Finally, to our highly valued shareholders, please accept my heartfelt gratitude for your unwavering and continued support.

Dato' Seri Mah King Seng  
Executive Chairman

# Penyataan Pengerusi

Bagi pihak Lembaga Pengarah MHC Plantations Bhd., saya dengan sukacitanya menyampaikan Laporan Tahunan Kumpulan dan Syarikat bagi tahun kewangan berakhir 31 Disember 2025.



## Prestasi Kumpulan

Pendapatan Kumpulan meningkat sebanyak 9% kepada RM550.39 juta, terutamanya didorong oleh harga jualan purata yang lebih tinggi bagi produk sawit kelapa, di samping peningkatan jumlah jualan kernal ("PK") dan buah tandan segar ("FFB"). Keuntungan sebelum cukai ("PBT") mencatatkan peningkatan ketara daripada RM60.55 juta kepada RM88.27 juta, mewakili pertumbuhan sebanyak 46% tahun ke tahun. Prestasi ini disokong oleh peningkatan margin merentasi segmen perladangan, kilang minyak kelapa sawit dan loji janakuasa.

Sorotan penting prestasi Kumpulan Syarikat adalah seperti berikut:

Harga purata jualan per tan metrik ("TM"):-

	FY2025 RM	FY2024 RM	Perbezaan (%)
CPO	4,298	4,180	3%
PK	3,416	2,673	28%
FFB	840	809	4%

Pengeluaran:-

	FY2025 MT	FY2024 MT	Perbezaan (%)
CPO	92,116	89,880	2%
PK	25,177	23,327	8%
FFB	165,434	158,046	5%

Kadar Pengekstrakan:-

	FY2025 (%)	FY2024 (%)	Perbezaan (%)
CPO	18.61	18.47	1%
Kernel	5.09	4.79	6%

	FY2025 MWh	FY2024 MWh	Perbezaan (%)
Eksport Elektrik	48,119	58,323	-17%

# Penyataan Pengerusi (Cont'd)

## Dividen

Pada 26 Februari 2026, Lembaga Pengarah telah meluluskan dividen interim satu tier berikut:

Dividen interim satu tier sebanyak

# 3.00 sen

sesaham untuk tahun kewangan berakhir  
31 Disember 2026.

Dividen khas satu tier sebanyak

# 22.00 sen

sesaham untuk tahun kewangan berakhir  
31 Disember 2025.

Keputusan untuk menentukan dividen khas adalah berdasarkan penilaian menyeluruh terhadap kedudukan kewangan Kumpulan, dengan mengambil kira tahap penggearan, keperluan tunai akan datang dan prospek perniagaan masa depan yang berpotensi. Kami percaya kedudukan kewangan Kumpulan yang stabil membolehkan kami berkongsi kejayaan kami dengan pemegang saham kami tanpa menjejaskan komitmen kami untuk pertumbuhan yang berterusan.

Kumpulan tidak dapat memastikan bahawa situasi kewangan masa hadapan akan membolehkan kami mengeluarkan dividen khas lagi, tetapi kami ingin mengiktiraf kepercayaan dan keyakinan yang telah diberikan oleh pemegang saham kepada kami, dan berharap sokongan berterusan daripada anda.

## Prospek dan Tinjauan

Kumpulan menjangkakan pengeluaran FFB akan menyederhana sedikit pada tahun 2026 berikutan prestasi kukuh pada FY2025, selaras dengan pelaksanaan program penanaman semula yang berterusan serta profil umur pokok yang semakin matang. Harga CPO dijangka kekal kukuh pada sekitar RM4,000 setan, walaupun turun naik harga dijangka berlaku bergantung kepada corak permintaan bermusim serta daya saing relatif CPO berbanding minyak sayuran lain. Peningkatan penggunaan biodiesel di Indonesia serta rampasan tanah yang berterusan dijangka memberikan sokongan asas kepada harga CPO.

Ketegangan geopolitik global yang meningkat dijangka menyumbang kepada ketidakpastian harga dalam pasaran tenaga dan komoditi. Harga CPO berkemungkinan menunjukkan korelasi positif dengan pergerakan harga minyak mentah Brent, seperti yang diperhatikan sebelum ini. Walau bagaimanapun, potensi kenaikan mungkin diimbangi oleh permintaan yang lebih sederhana serta peningkatan kos operasi dan logistik, termasuk kos input utama seperti baja.

Dari perspektif operasi, turbin biojisim baharu telah berjaya dipasang dan kini beroperasi, manakala pemasangan dandang baharu dijangka siap menjelang April 2026. Setelah kedua-dua aset ini beroperasi sepenuhnya, kerja-kerja naik taraf terhadap dandang dan turbin sedia ada akan dilaksanakan.

Sejajar dengan pentauliahan dandang baharu pada suku kedua FY2026, eksport tenaga dijangka bertambah baik.

Prestasi kukuh Kumpulan pada FY2025 mencerminkan keberkesanan inisiatif pengoptimuman dan penambahbaikan operasi yang dilaksanakan. Bagi mengekalkan momentum pertumbuhan ini, Kumpulan akan terus:

**1** Beroperasi selaras dengan prinsip ekonomi kitaran;

**2** Memberi tumpuan kepada pengoptimuman operasi dan kecekapan kos; dan

**3** Meneroka peluang kepelbagaian yang bersifat sinergistik sebagai langkah lindung nilai terhadap ketidakpastian harga CPO.

Strategi ini dijangka membolehkan Kumpulan mengekalkan prestasi kewangan yang mampan bagi tahun kewangan 2026.

## Penghargaan

Saya ingin mengambil kesempatan ini untuk merakamkan ribuan terima kasih yang tidak terhingga kepada pihak pengurusan dan semua kakitangan atas khidmat dan dedikasi mereka sepanjang tahun 2025.

Terima kasih juga kepada semua pembekal dan pelanggan, rakan perniagaan, penasihat dan pihak bank atas komitmen dan bantuan yang telah diberikan.

Sebagai akhir kata, kepada semua pemegang saham yang dihargai, terima kasih yang tidak terhingga saya ucapkan di atas sokongan anda semua. Saya berharap semoga anda semua akan dirahmati dengan kejayaan dan kemakmuran di masa hadapan.

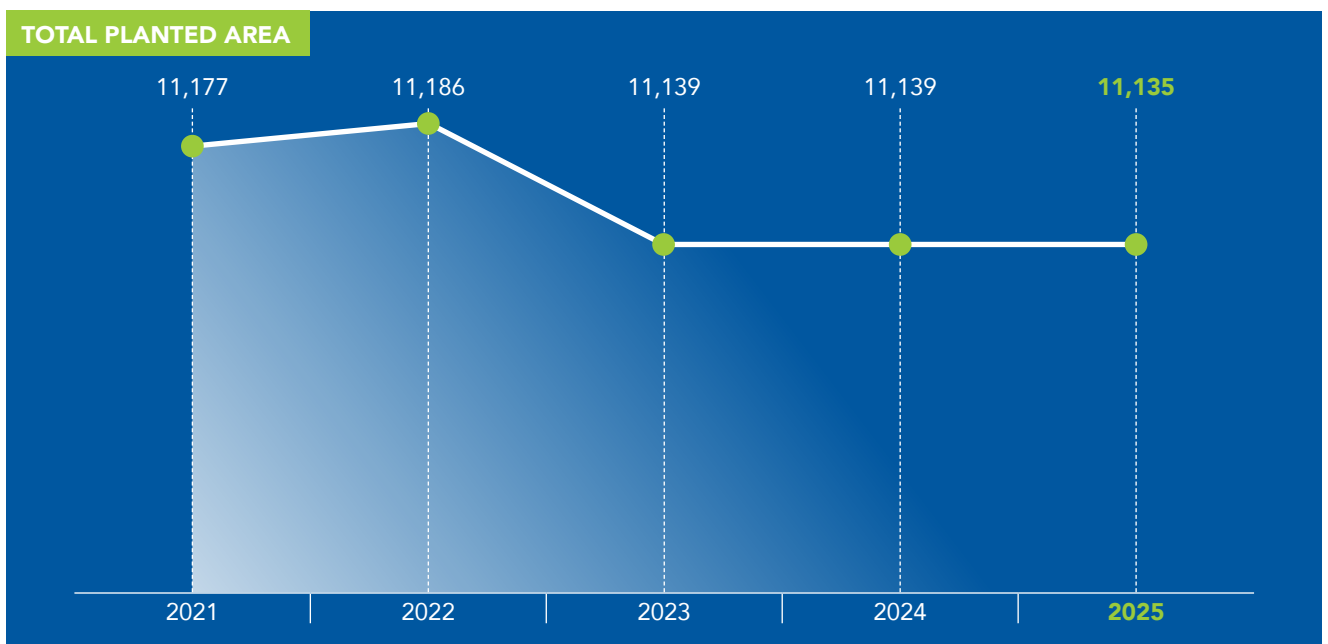
Dato' Seri Mah King Seng

# Five-Year Financial Highlights

	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
<b>INCOME STATEMENT</b>					
Revenue	550,391	503,716	477,436	593,266	599,008
Profit before tax	88,266	60,551	48,123	80,439	96,692
Profit attributable to owners of the Company	48,424	28,712	22,029	34,622	42,100
<b>FINANCIAL POSITION</b>					
<b>ASSETS</b>					
Property, plant and equipment	480,928	474,351	472,836	472,094	486,201
Investment properties	45,264	45,264	45,264	45,264	45,264
Investment in securities	196	234	251	281	279
Deferred tax assets	2,902	3,079	4,321	4,648	6,539
Trade and other receivables					
Goodwill on consolidation	43,867	43,867	43,867	43,867	43,867
Current assets	227,415	217,045	171,106	165,131	139,123
Total assets	800,572	783,840	737,645	731,285	721,273
<b>EQUITY</b>					
Share capital	196,544	196,544	196,544	196,544	196,544
Reserves	171,874	141,178	124,323	111,698	88,697
Equity attributable to owners of the Company	368,418	337,722	320,867	308,242	285,241
Non-controlling interest	303,006	296,036	292,159	293,632	281,898
Total equity	671,424	633,758	613,026	601,874	567,139
<b>LIABILITIES</b>					
Deferred tax liabilities	48,308	48,785	49,068	50,636	50,997
Borrowings	6,659	10,159	17,309	25,561	33,126
Lease liabilities	15,832	6,807	9,716	2,867	2,908
Current liabilities	58,349	84,331	48,526	50,347	67,103
Total liabilities	129,148	150,082	124,619	129,411	154,134
Total equity and liabilities	800,572	783,840	737,645	731,285	721,273
<b>FINANCIAL INDICATORS</b>					
Basic earning per share (sen)	24.64	14.61	11.21	17.62	21.42
Net dividend per share (sen)	9.00	6.00	6.00	6.00	4.00
Net assets per share (RM)	1.88	1.72	1.63	1.57	1.45

## Five-Year Plantation Statistics

		Group				
		2025	2024	2023	2022	2021
<b>OIL PALM</b>						
Production:						
FFB	(mt)	165,434	158,046	148,669	129,782	143,862
Crude palm oil	(mt)	92,116	89,880	92,673	87,056	94,290
Palm kernel	(mt)	25,177	23,327	24,716	23,015	25,306
Average selling price:						
FFB	(RM/mt)	840	809	701	979	880
Crude palm oil	(RM/mt)	4,298	4,180	3,812	5,048	4,427
Palm kernel	(RM/mt)	3,416	2,673	2,005	3,083	2,889
Yield per matured hectare	(mt/ha)	16.84	15.18	13.93	13.24	15.80
Oil extraction rate	%	18.61	18.47	19.09	19.31	19.68
Palm kernel rate	%	5.09	4.79	5.09	5.10	5.28
<b>PLANTED OIL PALM AREA</b>						
(Weighted average hectares):	ha	11,135	11,139	11,139	11,186	11,177
Mature	ha	9,826	10,410	10,670	9,805	9,108
Immature	ha	1,309	729	469	1,381	2,069
<b>Total planted area</b>		<b>11,135</b>	11,139	11,139	11,186	11,177



# Management's Discussion and Analysis

## DESCRIPTION OF OUR GROUP'S BUSINESS

MHC Plantations Bhd ("MHC") was incorporated on 31 December 1960. MHC and its subsidiaries are collectively referred to as the "Group".

The principal activities of the Company include oil palm cultivation, investment holding, and hotel operations. The subsidiary companies are involved in oil palm cultivation, quarry operations, milling and sales of oil palm products, investment holding, and power generation.

As at 31 December 2025, the Group had a landbank of approximately 10,280 hectares in Sabah and 3,080 hectares in Peninsular Malaysia. The Group operates one oil mill in Sabah and another in Peninsular Malaysia, with a combined milling capacity of 135 metric tonnes per hour. In addition, the Group has expanded into renewable energy within the oil palm sector through the construction and operation of a 12-megawatt Biomass Power Plant and a 4.0-megawatt Biogas Power Plant in Sandakan, Sabah, as well as a 2.4-megawatt Biogas Power Plant in Teluk Intan, Perak.

## FINANCIAL REVIEW

### Revenue and Profit Before Taxation

For the financial year ended 31 December 2025 ("FY2025"), the Group recorded revenue of RM550.39 million, representing an increase of 9% compared with RM503.72 million in the previous financial year. The improvement was primarily attributable to higher average selling prices of palm products as well as increased sales volumes of palm kernel ("PK") and fresh fruit bunches ("FFB").

Profit before tax ("PBT") increased significantly to RM88.27 million, compared with RM60.55 million in FY2024, representing a 46% year-on-year growth. The stronger performance was mainly driven by improved margins across the plantation, oil mill and renewable energy operations, supported by favourable palm product prices and improved operational efficiencies.

### Average selling price per metric tonne ("MT"):-

	FY2025 RM	FY2024 RM	Difference (%)
CPO	4,298	4,180	3%
PK	3,416	2,673	28%
FFB	840	809	4%
Electricity/kWh	0.4078	0.4001	2%

### Sales Volume:-

	FY2025	FY2024	Difference (%)
CPO (MT)	90,494	89,178	1%
PK (MT)	24,859	23,563	6%
FFB (MT)			
- to own mills	127,388	129,726	-2%
- to external parties	38,046	28,320	34%
Electricity (MWh)	48,119	58,323	-17%

# Management's Discussion and Analysis (Cont'd)

## FINANCIAL REVIEW (CONT'D)

### Revenue and Profit Before Taxation (Cont'd)

The financial performances of the individual business segments has been analysed on a year -on-year basis as follows:

- (i) Plantation – The Plantation segment recorded a 8% increase in profit, rising from RM53.00 million to RM57.40 million. The improvement was supported by a 5% increase in FFB yields and a 4% increase in the average FFB selling price. However, the overall increase in profit was partially offset by a fair value loss on biological assets of RM1.22 million, compared with a fair value gain of RM2.54 million recorded in FY2024.
- (ii) Oil Mill – The Oil Mill segment recorded a significant improvement in profitability, with profit increasing by 134% from RM12.05 million to RM28.24 million. The strong performance was mainly attributable to improved milling margins, higher sales volumes, stronger palm kernel prices and increased contributions from downstream activities.
- (iii) Power Plant – The Power Plant segment recorded a 65% increase in profit, rising from RM8.86 million to RM14.61 million. The improvement was mainly attributable to the absence of the one-off write-off of biogas engines and major overhaul costs recognised in FY2024. Higher contributions from ancillary operations and improved process optimisation also helped mitigate the impact of a 17% decline in electricity exports. The reduction in exports was mainly due to the full shutdown of the Sandakan Biogas Power Plant from May to September following a busbar flashover incident, as well as wear and tear at the Biomass Power Plant.

### Other Income

Other income increased by 16% from RM26.60 million to RM30.94 million, mainly driven by higher contributions from downstream activities.

### Other Operating Expenses

Other operating expenses decreased significantly by 45% from RM5.30 million to RM2.94 million, primarily due to the absence of a one-off write-off of three biogas engines and three old vertical sterilizers recognised in the previous financial year.

### Finance Cost

Finance cost decreased by 22% from RM2.66 million to RM2.08 million, mainly attributable to lower bank borrowings and reduced interest rates.

### Taxation

The Group's effective tax rate for the current year was higher than the statutory tax rate of 24% mainly due to the non-recognition of deferred tax asset arising from losses in certain subsidiaries.

### Profit Attributable to Equity Holders of the Company

Profit attributable to equity holders of the Company increased by 69% to RM48.42 million, compared to the previous year. Correspondingly, earnings per share improved to 24.64 sen.

### Cash Flow

In FY2025, the Group generated higher net cash from operating activities of RM96.48 million compared to RM81.27 million in the previous financial year. This was mainly due to higher profitability as profit before tax increased to RM88.27 million (2024: RM60.55 million) supported by improved margins across the plantation, oil mill, and power plant segments.

Net cash used in investing activities amounted to RM52.59 million in FY2025, primarily driven by capital expenditure of RM25.38 million on property, plant and equipment (2024: RM35.55 million) as well as an additional short-term investment placement of RM27.75 million.



# Management's Discussion and Analysis (Cont'd)

## FINANCIAL REVIEW (CONT'D)

### Cash Flow (Cont'd)

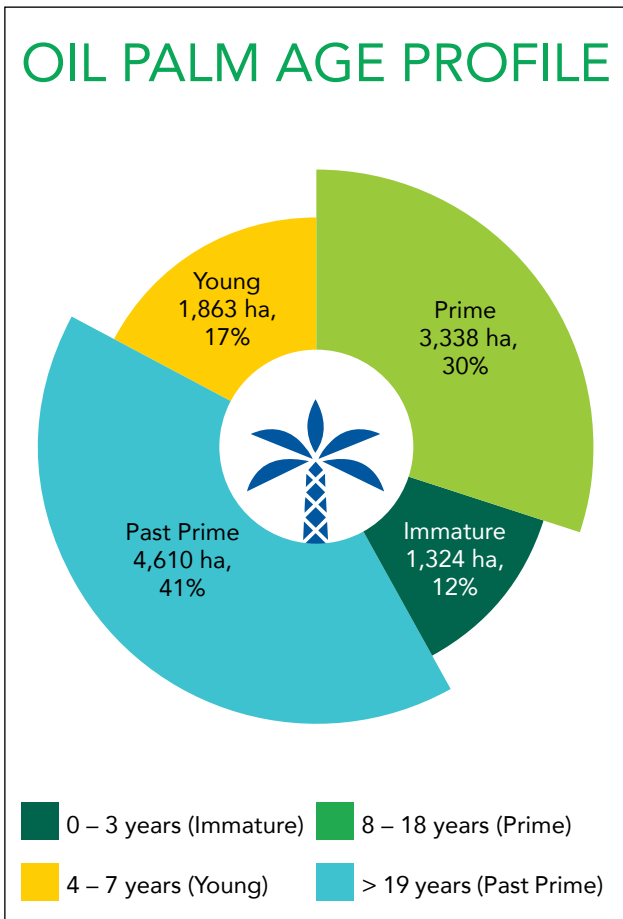
The Group recorded a net cash outflow of RM67.84 million in financing activities (2024: RM2.64 million outflow), primarily due to higher dividend distributions of RM17.69 million to equity holders and RM10.34 million to non-controlling shareholders. This reflects the Group's commitment to rewarding shareholders while maintaining a balanced approach to financial stewardship and prudent debt management. Concurrently, disciplined debt repayments totaling RM35.60 million helped reduced the Group's leverage while preserving liquidity. Notably, this included the full settlement in January 2025 of the RM28.50 million short-term drawdown, which had been temporarily held as cash reserves at the end of the previous year.

Overall, the Group's cash and cash equivalents declined by 21% to RM88.77 million in FY2025 (2024: RM112.72 million).

## OPERATIONAL REVIEW

### Plantation Operations

As of 31 December 2025, the Group's total plantation landbank stood at approximately 13,360 hectares, of which 83% or 11,135 hectares are planted with oil palms. The remaining plantable area was about 500 hectares. Of the total planted area, approximately 88% or 9,811 hectares were mature while the remaining 12% or 1,324 hectares were immature. The Group recorded a 5% increase in FFB production, rising from 158,046 MT in 2024 to 165,434 MT in 2025, primarily driven by improved operational efficiency despite a 6% reduction in the average matured area. Accordingly, the average yield improved to 16.84 MT per hectare compared with 15.18 MT per hectare in 2024. However, labour shortages, particularly among skilled harvesters, continued to pose operational challenges. This situation was further compounded by the increasing proportion of older and less productive palms. The Group's immature area expanded to 1,324 hectares (2024: 763 hectares) as replanting activities intensified in line with the Group's long-term sustainability strategy.



The age profile of the developed area is shown below:

Particulars	Hectare	%
0 – 3 years (Immature)	1,324	12
4 – 7 years (Young)	1,863	17
8 – 18 years (Prime)	3,338	30
> 19 years (Past Prime)	4,610	41
<b>Total</b>	<b>11,135</b>	<b>100</b>

The Group continues to place strong emphasis on managing its tree age profile and aims to achieve an annual replanting rate of approximately 5% of its estates where feasible. The Group will also continue to invest in initiatives to mitigate productivity declines associated with ageing trees, including the use of more effective fertilisers and the replanting of high-yielding seedlings with faster maturity rates.

### Milling Operations

The Group operates one oil mill in Sabah and one in Peninsular Malaysia with a total milling capacity of 135 MT per hour. During the year under review, the Group processed 494,953 MT of FFB, representing a marginal increase of 2% from 486,505 MT recorded in the previous year. In line with the higher throughput, CPO production increased by 2% to 92,116 MT (2024: 89,880 MT), while kernel production rose by 8% to 25,177 MT (2024: 23,327 MT). The Group's oil extraction rate ("OER") improved slightly to 18.61% (2024: 18.47%), while the kernel extraction rate ("KER") increased to 5.09% (2024: 4.79%).

# Management's Discussion and Analysis (Cont'd)

## OPERATIONAL REVIEW (CONT'D)

### Milling Operations (Cont'd)

Moving forward, the Group aims to enhance margins by optimizing FFB procurement, improving operational efficiency and aligning processing fees with market conditions. Strategic investments in automation, quality control, and cost management will be key to mitigating supply volatility and sustaining profitability.

### Power Plant Operations

The Group operates a renewable energy division consisting of a 12-megawatt Biomass Power Plant and a 4.0-megawatt Biogas Power Plant, both in Sandakan, as well as a 2.4-megawatt Biogas Power Plant in Teluk Intan.

The 12-megawatt biomass power plant generates electricity using oil palm empty fruit bunches (EFB) as the primary fuel, with oil palm shells and mesocarp fibers as secondary fuels. The Group obtained Feed-In Tariff (FiT) approval from the Sustainable Energy Development Authority Malaysia (SEDA) on 12 May 2014 to sell renewable electricity to Sabah Electricity Sdn Bhd (SESB) at a FiT rate of RM0.3486/kWh for 16 years, commencing on 1 January 2015.

The two Biogas Power Plants generate renewable electricity by capturing methane gas from palm oil mill effluent (POME) and combusting it in biogas engines, reducing greenhouse gas emissions. Additionally, there is zero discharge into rivers, as the final discharge from the biogas plant is released through a drip irrigation system for land application.

On 18 February 2015, the Group obtained Biogas FiT approval from SEDA for the 4.0-megawatt Biogas Power Plant to sell renewable electricity to SESB for 16 years, commencing on 15 February 2017. The Group also obtained Biogas FiT approval from SEDA on 5 May 2017 for the 2.4-megawatt Biogas Power Plant in Teluk Intan to sell up to 1MW of renewable electricity to Tenaga Nasional Berhad (TNB) at a FiT rate of RM0.4669/kWh for 16 years, commencing on 3 July 2019.

On 11 May 2022, the Group received additional Biogas FiT approval from SEDA for its 2.4-megawatt Biogas Power Plant in Teluk Intan to sell an additional 1MW of renewable electricity to TNB at a FiT rate of RM0.4000/kWh for 21 years, commencing on 11 May 2025.

In 2025, the Biomass Power Plant exported 18.37 million kWh to SESB, representing a 34% decline from the previous year. This reduction was primarily due to wear and tear on the existing turbine and boiler infrastructure, which necessitated operation at a reduced load for much of the year. As part of ongoing optimisation efforts, a new biomass turbine has been installed and is now operational, while all works on the new biomass boiler are expected to be completed by April 2026. Refurbishment works on the existing boiler and turbine will commence shortly thereafter.

The Biogas Power Plant recorded a 3% decline in power exports, decreasing from 30.60 million kWh in 2024 to 29.75 million kWh in 2025, primarily due to the full shutdown of the Sandakan Biogas Power Plant from May to September following a busbar flashover incident. As at 4 March 2026, the Group has received an insurance claim payout of RM214,730, representing approximately 69% of the total repair cost of RM313,199 incurred for the incident. A long-term mitigation strategy has been implemented to minimise the risk of similar incidents recurring.

The Group expects to see an overall improvement in power generation performance and reliability for FY2026 in both the biomass and biogas plants as a result of these ongoing improvement measures.

# Management's Discussion and Analysis (Cont'd)

## PROSPECT

The Group expects FFB production to moderate slightly in 2026 following strong output in FY2025, amid ongoing replanting activities and a maturing average tree profile. CPO prices are expected to remain relatively firm at around RM4,000 per tonne. However, price volatility is anticipated, depending on seasonal demand patterns and CPO's price competitiveness relative to other edible vegetable oils. Indonesia's increasing biodiesel consumption and ongoing land seizures are expected to provide underlying support to CPO prices.

Heightened geopolitical tensions are expected to contribute to greater price uncertainty across energy and commodity markets. In particular, CPO prices are likely to move in positive correlation with any increase in Brent crude oil prices, as historically observed. However, the upside may be tempered by weaker demand conditions and rising operational and logistics costs, including higher prices for key inputs such as fertiliser.

On a more positive note, the new biomass turbine has been installed and is now operational, while works on the new boiler are expected to be completed by April 2026. Once the new boiler and turbine are fully operational, refurbishment works on the existing boiler and turbine will commence. Following the commissioning of the new boiler in Q2 FY2026, power exports are expected to improve.

The Group's strong FY2025 performance is a positive indicator that ongoing optimisation initiatives and operational improvements are bearing fruit. To maintain this upward trajectory, the Group will continue to:

- 1) Operate in accordance with circular economy principles;
- 2) Prioritise optimisation and cost efficiency across its operations; and
- 3) Diversify into synergistic opportunities as a hedge against volatile CPO prices.

These strategies are expected to enable the Group to sustain satisfactory profitability for the financial year 2026.



# Sustainability Statement

## INTRODUCTION

MHC Plantations Bhd (“the Group”) remains committed to conducting its operations in a sustainable and responsible manner. This Sustainability Statement outlines the Group’s sustainability performance across its Plantation, Oil Mill, and Power Plant business segments in Malaysia for the financial year ended 31 December 2025.

This report has been prepared in accordance with the Bursa Malaysia Sustainability Reporting Guide (3rd Edition) and the Main Market Listing Requirements. In preparing this report, the Group has identified and assessed material sustainability matters that are relevant to its operations and stakeholders, including investors, regulators, employees, customers, suppliers, and the local communities.

The Group remains committed to continuous improvement in sustainability practices through the monitoring of key performance indicators, strengthening stakeholder engagement, and integrating sustainability considerations into its business strategies and risk management framework.

## SUSTAINABILITY GOVERNANCE STRUCTURE

The Group’s sustainability governance framework is embedded within its overall corporate governance structure. The Board of Directors retains ultimate responsibility for overseeing the Group’s sustainability strategy, supported by the relevant Board Committees through delegated authority.

The Chief Operating Officer (“COO”) is responsible for driving the implementation of sustainability strategies and ensuring alignment with the Group’s operational objectives. The Board of Directors is regularly updated on sustainability performance, progress, and key risks.

The Group has established a sustainability governance structure as depicted below: -

Committee	Responsibilities
Board of Directors	<ul style="list-style-type: none"> <li>Approve and monitor the development of Management’s corporate sustainability strategies, policies and performance; and</li> <li>Ensures the integration of sustainability agenda in business strategy.</li> </ul>
Chief Operating Officer	<ul style="list-style-type: none"> <li>Responsible for providing overall direction, leading strategic decision-making and driving execution for all of the Group’s sustainability related matters.</li> </ul>
Sustainability Committee	<ul style="list-style-type: none"> <li>Lead the implementation of sustainability strategies and policies within their respective departments;</li> <li>Monitor and provide regular updates to the COO regarding their department’s sustainability performance, based on the strategic direction set out by the Board;</li> <li>Identify, assess, evaluate, manage and report material sustainability risks and opportunities relevant to the Group’s operations for approval; and</li> <li>Facilitate sustainability disclosures as required by laws and regulations, and subsequently recommend them for approval.</li> </ul>

The Group’s Sustainability Policy is available on its website at [www.mhc.com.my](http://www.mhc.com.my).

# Sustainability Statement (Cont'd)

## STAKEHOLDER ENGAGEMENT

The Group recognises that effective stakeholder engagement is essential in shaping its sustainability strategy. Engagement is conducted through both formal and informal channels, allowing the Group to better understand stakeholder expectations and address key concerns.

The following table provides an overview of the efforts undertaken by the Group to further the engagement of its stakeholders.

Stakeholder	Modes of Engagement	Key Areas of Interest
Employees	<ul style="list-style-type: none"> <li>Meetings</li> <li>Internal communications</li> <li>Training sessions</li> <li>Morning muster</li> <li>Events and functions</li> <li>Annual appraisals</li> </ul>	<ul style="list-style-type: none"> <li>Safety and health issues and practices</li> <li>Employee engagement</li> <li>Wages and remuneration</li> <li>Suggestions and areas for improvement</li> </ul>
Smallholders and local communities	<ul style="list-style-type: none"> <li>Formal and informal meetings</li> <li>Corporate social responsibility events</li> </ul>	<ul style="list-style-type: none"> <li>MSPO certification program for oil palm cultivation</li> <li>Employment opportunities</li> <li>Complaints and grievances</li> </ul>
Customers	<ul style="list-style-type: none"> <li>One-to-one meetings</li> <li>Phone calls</li> <li>Site visits</li> <li>Contract negotiation</li> </ul>	<ul style="list-style-type: none"> <li>Product quality</li> <li>Compliance with sustainability standards</li> <li>Supply chain and traceability of product</li> <li>Price competitiveness</li> </ul>
Government and Regulators	<ul style="list-style-type: none"> <li>Two-way dialogue through forums and workshops</li> <li>One-to-one meetings</li> <li>Site visits and inspections</li> <li>Events and seminars</li> </ul>	<ul style="list-style-type: none"> <li>Compliance of relevant regulatory requirements</li> </ul>
Shareholders and investors	<ul style="list-style-type: none"> <li>Quarterly reporting</li> <li>Annual Report</li> <li>Annual General Meeting</li> <li>As and when needed</li> </ul>	<ul style="list-style-type: none"> <li>Operational performance</li> <li>Good corporate governance</li> <li>Business strategy</li> </ul>
Contractors and Suppliers	<ul style="list-style-type: none"> <li>One-to-one meetings</li> <li>Tender and bidding process</li> <li>Visits</li> <li>Product/technology trial</li> <li>Contract negotiations</li> </ul>	<ul style="list-style-type: none"> <li>Company's policies and governance</li> <li>Sustainability related matters</li> <li>Payment terms and timeliness</li> </ul>

## Investor and Shareholder Relations

The Board recognises the importance of timely dissemination of information. We strive to keep our shareholders and investing community well informed of all major developments in the Group. A periodic overview of the Group's performance and operation is provided to shareholders and the investing public via announcements, disclosures in the Annual Report and quarterly release of financial results.

The Company uses the Annual General Meeting (AGM) as a forum for dialogue and interaction with all its shareholders. The Board of directors and key members of the management team are available to answer any questions raised.

The Company's website at [www.mhc.com.my](http://www.mhc.com.my) contains vital information concerning the Group and it is updated on a regular basis. Shareholders are able to pose questions to the Company through the website.

# Sustainability Statement (Cont'd)

## MATERIALITY

The Group conducted a materiality assessment by considering stakeholder feedback and evaluating environmental, economic, and social risks and opportunities. This process enables the Group to prioritise key sustainability matters that are significant to both stakeholders and business operations.

The Group continues to focus on thirteen (13) material sustainability matters identified in the previous financial year, which remain relevant in 2025. These include areas under Marketplace, Environment, Workplace, and Community.

The 13 key sustainability issues are listed below: -

KEY SUSTAINABILITY MATTERS	SUSTAINABILITY FRAMEWORK
Economic Performance Governance and Business Ethics Sustainability Certification	MARKET PLACE
Water Management Energy Consumption Greenhouse Gas (GHG) Emission Waste Management Land Remediation and Contamination	ENVIRONMENT
Training and Education Labour Relations and Human rights Occupational Safety and Health Employee Retention & Engagement	WORKPLACE
Community Care and CSR initiatives	COMMUNITY

## MARKET PLACE

### Economic Performance

The Group recorded revenue of RM550.39 million and profit before tax of RM88.27 million for the financial year ended 31 December 2025 as compared to RM503.72 million and RM60.55 million respectively in the previous financial year. Further details of the Group's economic performance for FY2025 can be found in the Financial Statement of this Annual Report.

### Value Distribution

The Group continuously generates wealth for our stakeholders, as shown in the table below:

	2023 RM'000	2024 RM'000	2025 RM'000
Economic value generated (ie. revenue and other income)	491,287	527,498	581,330

# Sustainability Statement (Cont'd)

## MARKET PLACE (CONT'D)

### Value Distribution (Cont'd)

	2023 RM'000	2024 RM'000	2025 RM'000
<b>Economic value distributed</b>			
- Operating costs	341,617	358,627	380,920
- Employee wages and benefits	49,405	51,670	56,681
- Payment to providers of capital (ie. dividend and finance costs)	22,529	22,930	30,132
- Payment to Government (ie. Taxes and levies)	35,284	39,662	42,983
- CSR contribution	626	529	505

### Governance and Business Ethics

Our business conduct shall be guided by honesty, integrity and a commitment to excellence. We are committed to promoting responsible practices among our business partners and showing care for the wellbeing of our customers. The Group upholds the principles of good corporate governance in line with the expectations of our stakeholders and investors, whilst adhering to the rules and regulations of the law. The Group's practices, alongside our continuous improvements and commitment to corporate governance, is further elaborated on in the 'Corporate Governance Overview Statement' found in this Annual Report.

In keeping with good corporate governance and as per the Group's Anti-Bribery and Corruption Policy, and Whistleblowing Policy (Policy), all our employees and workers are encouraged to raise genuine concerns regarding any improper conduct. Wrongdoings include, but are not limited to, any breaches of trust, corruption, fraud, waste and/or misappropriation of Group resources, abuses of power or position, sexual harassment, endangerment of the health and safety of employees or the public and any attempt to conceal or suppress information relating to the above. The Group reviews the Policy regularly, to mitigate the potential risks.

The Group's Code of Conduct and Ethics, Anti-Bribery and Corruption Policy and Whistleblowing Policy are accessible through the Group's website at [www.mhc.com.my](http://www.mhc.com.my)

### Anti-Corruption

The Board and senior management remain committed to conducting business with integrity, guided by our Code of Conduct ("CoC"). The CoC communicates the Group's fundamental principles and guidelines to all employees, including Directors in addressing ethical issues and carrying out their responsibilities. The Group's zero tolerance stance against corruption is outlined in our Anti-Bribery and Corruption ("ABC") Policy, which is regularly reviewed to ensure alignment with the Malaysian Anti-Corruption Commission ("MACC") Act 2009. The ABC policy covers employees, consultants, and third parties, outlining guidelines on gifts, facilitation payments, political and charitable contributions. Employees are responsible for compliance, and violations may result in disciplinary action. The Group has established a dedicated whistleblowing channel under the Whistleblowing Policy, which allows employees and external stakeholders to report improprieties confidentially through email, telephone, or mail. Upholding these anti-corruption measures is vital for fostering trust, maintaining integrity, and ensuring the sustained success and reputation of our company in a global business environment.

### Corruption risk assessment

This year we have undertaken a corruption risk assessment that covers all of our business segments, i.e., Plantation, Oil Mill and Power Plant.

	2023	2024	2025
Percentage of operations assessed for corruption-related risks	100%	100%	100%

# Sustainability Statement (Cont'd)

## MARKET PLACE (CONT'D)

### Value Distribution (Cont'd)

#### Corruption-related training

Percentage of employee completed Corruption-related training	2023	2024	2025
Management	100%	12%	4%
Executive	100%	13%	7%
Non-executive	100%	37%	26%
General workers	100%	37%	31%

All existing employees were trained in prior years. In 2025, training was conducted primarily for new employees in accordance with Company policy. Refresher training for existing employees will be conducted every two to three years based on risk assessments and regulatory developments.

#### Corruption incidents

As of 31 December 2025, we recorded zero incidents of corruption across the Group's business operations.

	2023	2024	2025
Number of confirmed corruption incidents	Nil	Nil	Nil

### Sustainability Certification

#### Malaysian Sustainable Palm Oil Certification ("MSPO")

The Group remains committed to upholding sustainable palm oil practices through full compliance with the Malaysian Sustainable Palm Oil (MSPO) Certification Scheme. In line with regulatory developments, the revised MSPO Standard 2.0 was introduced to strengthen sustainability requirements across environmental, social, and governance (ESG) aspects. The five principles of MSPO 2.0 are as follows:

- Principle 1 – Management Responsibility and Commitment
- Principle 2 – Transparency
- Principle 3 – Compliance with Legal and Other Requirements
- Principle 4 – Responsibility to Social, Health, Safety, and Employment Conditions
- Principle 5 – Environment, Natural Resources, Biodiversity, and Ecosystem Resources

MSPO 2.0 places greater emphasis on enhanced traceability, stricter environmental management, improved labour practices, and stronger governance frameworks. The revised standard also aligns more closely with international sustainability expectations, reinforcing Malaysia's position in the global palm oil market.

During the financial year, the Group undertook a structured transition from MSPO 1.0 to MSPO 2.0, which included the implementation of internal gap assessments, refinement of standard operating procedures, strengthening of documentation and monitoring controls, as well as employee training programmes to ensure effective compliance with the revised standard.

The Group has successfully achieved full certification under MSPO 2.0 across all its estates and mills. In meeting the enhanced requirements of the revised standard, the Group has further strengthened its practices in areas such as traceability, environmental management, biodiversity conservation, greenhouse gas emissions monitoring, and labour welfare. The Group will continue to undertake periodic audits and operational improvements to ensure ongoing compliance with applicable sustainability standards and regulatory expectations.

# Sustainability Statement (Cont'd)

## MARKET PLACE (CONT'D)

### Sustainability Certification (Cont'd)

#### Sourcing for Sustainable third parties FFB supply

The Group's Oil Mill processes Fresh Fruit Bunches (FFB) from a diverse supply base, including our own estates, third-party estates, smallholders, and dealers.

Evolving Mandatory Requirements:

- Estates & Smallholders: Mandatory compliance has been in effect since January 1, 2020.
- Dealers: Previously exempt from mandatory certification, new regulations (MPOB Licensing Enforcement Circular 02/2025) have made MSPO certification mandatory for all dealers effective January 1, 2026.

For the reporting period from 2023 to 2025, FFB sourced from dealers was classified as uncertified due to the absence of mandatory MSPO certification requirements for dealers. With the MSPO 2.0 mandate taking effect in 2026, the Group has intensified its engagement with dealers to ensure full traceability and is committed to achieving 100% certification compliance across its supply chain moving forward.

	2023	2024	2025
Source of FFB			
Own Estates	23%	27%	26%
Third Party Estates	21%	18%	17%
Small holders	13%	13%	14%
Dealers	43%	42%	43%
Total FFB Processed (MT)	485,376	486,505	494,953
With MSPO Certification (%)	52%	55%	56%
Without MSPO Certification (%)	48%	45%	44%

### Cybersecurity & Data Protection

The Group recognises the importance of cybersecurity and data protection. While a formalised cybersecurity framework is currently being developed, the Group has implemented basic controls to safeguard its data and systems.

Recognising the evolving nature of cyber threats and the increasing significance of data protection, we are actively working towards the development and implementation of a robust cybersecurity and data protection framework. Our commitment to the highest standards of security and privacy is unwavering, and we are dedicated to establishing comprehensive policies and practices that align with industry best practices.

As of 31 December 2025, there were no substantiated complaints concerning breaches in customer privacy or data loss.

	2023	2024	2025
Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Nil	Nil	Nil

# Sustainability Statement (Cont'd)

## MARKET PLACE (CONT'D)

### Supply Chain Management

#### *Proportion of spending on local suppliers*

The Group's commitment to sustainability is embedded in its supply chain practices. Although a formal policy has yet to be established, the Group prioritises sourcing from local suppliers. This approach supports local economic development, strengthens supply chain resilience, and reduces transportation-related environmental impact.

In 2025, out of RM491,952,000 (2024 - RM445,147,000) spent on procurement, 99.82 % (2024 – 99.89%) was spent on local suppliers.

	2023	2024	2025
Proportion of spending on local suppliers	99.70%	99.89%	99.82%

## ENVIRONMENT

The Group strives to achieve a sustainable long term balance between meeting its business goals and preserving the environment. It recognises that the continued health of ecosystems is an integral part of sustaining its business. Hence, conservation and preservation of the environment remain a priority of the Group.

### Water Management

The Group is committed to preserving and protecting waterways, as well as optimizing water usage. To achieve this, we adopt various measures and practices, including a sustainable water management policy regarding Palm Oil Mill Effluent ("POME"). Our POME undergoes thorough treatment in the Biogas Plant and is further refined in a polishing plant to ensure compliance with environmental standards. The treated effluent is then responsibly reused for land irrigation, mitigating its impact on waterways and promoting resource conservation.

Measures and practices that have been implemented by the Group include:-

- i. optimising water usage in nurseries through drip-irrigation;
- ii. land irrigation and application with treated POME;
- iii. installing watergates at strategic locations along drains to keep an optimum water table level in the estate;
- iv. increasing water reservoirs and storage tanks for rainwater harvesting in the housing sites; and
- v. riparian zones or areas which are identified and maintained to avoid runoff from cultivated land into the natural waterways.

In 2025, the Group's palm oil mills recorded water consumption of 1.45 m<sup>3</sup> per MT of FFB processed, reflecting a marginal 1% increase from 1.43 m<sup>3</sup> per MT recorded in 2024.

	Unit	2023	2024	2025
Total volume of Water used	Megalitres	1,643	1,645	2,098
Milling Water Efficiency	m <sup>3</sup> / MT FFB	1.47	1.43	1.45

The increase in total water consumption in 2025 to 2,098 megalitres, compared to 1,645 megalitres in 2024, was primarily attributable to the installation of new water meters across previously unmetered areas, resulting in a more comprehensive and accurate capture of the Group's total water footprint. Despite the higher recorded volume, the Group's milling water efficiency remained stable at approximately 1.45 m<sup>3</sup> per MT, reflecting its continued commitment to operational water conservation.

# Sustainability Statement (Cont'd)

## ENVIRONMENT (CONT'D)

### Water Management (Cont'd)

#### Target

In light of the significant improvement in data accuracy following the installation of new water meters in 2025, the Group has elected to re-baseline its water consumption target using 2025 levels. Based on this more reliable baseline, the Group is committed to achieving a 5% reduction in total water consumption by 2030. In addition, the Group will continue to pursue annual improvements in its milling water efficiency ratio.

### Energy Consumption

#### At our Estates

Fossil fuels are primarily used by mechanised equipment, agricultural machinery and vehicles for the operation of our estates.

In 2025, total diesel fuel consumption by our estates was approximately 1.60 million (2024 - 1.17 million) litres. The higher diesel consumption recorded during the year was primarily driven by increased field and transportation activities, alongside the expansion of replanting activities. We recognise the need to reduce our dependence on fossil fuels and are exploring ways to improve efficiency and transition to cleaner alternatives.

Presently, two (2) estates have installed solar panels to generate power for the houses located away from the main complex. The Group will continue to explore installing additional solar panels in other estates still dependant on diesel-powered generation as their main source of power supply.

#### At our Oil Mills

The Group's palm oil mill operations are primarily powered by renewable energy, utilising biomass fibre and shells derived from oil palm fruit bunches as boiler fuel. In 2025, renewable energy usage remained stable at 88%, consistent with the level recorded in 2024.

#### At our Power Plants

The biogas and biomass power plants at our facility generate electricity from empty fruit bunches (EFB) and palm oil mill effluent (POME), contributing 48,382 MWh (2024 - 58,323 MWh) to the power grid in 2025. We also utilise a significant portion of this self-generated renewable energy of 26,864 MWh (2024- 28,725 MWh) within our operations. While we supplement our needs from the grid, we strive to become more self-sufficient in energy production.

#### Total Energy Sold and Consumption

	Unit	2023	2024	2025
Self-generated electricity sold	MWh	62,222	58,323	48,382
Self-generated electricity consumed	MWh	27,299	28,725	26,864
Electricity consumed (from Grid)	MWh	3,546	2,715	2,970
Diesel	Million liters	1.46	1.55	2.36
*Conversion to MWh @ 9.8 kWh per litre	MWh	14,302	15,188	23,103
Total Energy Consumption	MWh	45,147	46,628	52,837

\* Diesel consumption is reported in litres with a conversion to MWh for comparison, amounting to 23,103 MWh in 2025 (2024 - 15,188 MWh).

# Sustainability Statement (Cont'd)

## ENVIRONMENT (CONT'D)

### Energy Consumption (Cont'd)

#### Target

Following the strategic internalisation of the Group's logistics fleet in 2025, which significantly altered its energy consumption profile, the Group has elected to re-baseline its energy consumption target using 2025 levels. Based on this revised baseline of 52,837 MWh, the Group is committed to achieving a 5% reduction in total energy consumption by 2030 through continuous operational optimisation and the exploration of cleaner energy alternatives.

### Greenhouse Gas (GHG) Emission

The Group recognises the importance of mitigating Greenhouse Gas ("GHG") emissions, and has taken steps to reduce its carbon footprint. To mitigate GHG emissions, the Group constructed and operates two Biogas Power Plants as well as a Biomass Power Plant. These Power Plants generate green power for use in our operations and any surplus is exported to the electrical grid.

Methane emissions from the treatment of POME are a large contributor to operational GHG emissions. The two biogas plants commissioned by the Group, one in Sandakan and one in Teluk Intan, capture methane and mitigate GHG emissions while the Group's Biomass power plant produce lower GHG emissions compare to emission from fossil energy. Together, they contribute to a total GHG reduction of approximately 142,245 MT (2024 – 150,300 MT) of CO<sub>2</sub> in 2025.

Additionally, our oil mill recycles the POME residual solids, namely belt press solid and decanter cake, into organic fertilisers which are then reapplied to our estates. This helps preserve the environment by decreasing the application of chemical fertilisers whilst also reducing the Group's manuring cost.

GHG Emissions Overview	Unit	2024	2025
Scope 1 Emissions	metric tonnes	27,081	48,490
Scope 2 Emissions	metric tonnes	1,702	1,854
Scope 3 Emissions	metric tonnes	1,267	1,239

### Waste Management

#### Biomass Recycling

In accordance with the Group's biomass recycling best practices, empty fruit bunches ("EFB") are extensively used in our estates. The benefits of applying EFB on plantation land are well documented, especially for moisture retention and for increasing organic matter in soil leading to better nutrient utilisation and uptake.

#### Zero Burning Policy

In alignment with our holistic sustainability approach, we rigorously enforce a Zero Burning Policy for all new plantings, re-plantings, and associated developments. This policy serves as a formidable tool against GHG emissions, air pollution, and forest fires, aligning seamlessly with our overarching mission to foster a greener, healthier planet. By integrating these initiatives into our waste management framework, we strive for a holistic and impactful approach to environmental conservation and sustainable business practices, contributing positively to the well-being of the environment and the communities in which we operate.

# Sustainability Statement (Cont'd)

## ENVIRONMENT (CONT'D)

### Waste Management (Cont'd)

#### Zero Burning Policy (Cont'd)

Waste Management Overview	Unit	2024	2025
Total Waste Generated	metric tonnes	603,294	581,669
Total Waste Diverted from Disposal	metric tonnes	600,955	581,362
Total Waste Directed to Disposal	metric tonnes	2,339	307

The total waste generated includes 359,977 MT (2024 – 382,777 MT) of Palm Oil Mill Effluent (POME), which is eventually captured and treated by our two biogas power plants for the generation of green power for use in our operations and any surplus is exported to the electrical grid.

### Land Remediation and Contamination

#### Integrated Pest Management

We have adopted environmentally friendly techniques and used them to innovate our Integrated Pest Management System. The Group favours an integrated pest management approach which includes the deployment of biological control instead of widespread pesticide use for pest control. The placement of pheromone traps to capture rhinoceros beetles is among the methods that have proven effective in reducing pest damage to our crops over the years. We also introduce barn owls in our estates to suppress rat populations.

Substitution of chemical fertilisers with nutrient-rich organic matter such as EFB, fibre and treated POME is also a common practice in our estates.

Since 2011, the Group has not purchased Paraquat herbicide due to concerns raised over its potential to harm workers. In adhering to government regulations, only chemicals approved by the Pesticides Board are used in the estate.

## WORKPLACE

### Labour Relations and Human Rights

#### Fair Employment Practices

The Group considers its employees to be one of its greatest assets and recognises them as major contributors to its success.

The Group advocates fair employment policies and practices. It is committed to equal employment opportunities without discrimination in regard to gender, age, religion, race, ethnicity and origin. We do not use forced labour nor do we approve of the practice of child labour. We do not tolerate any involvement in human trafficking.

The equality policy is embedded in all workplace procedures, starting from the recruitment process. A Sexual Harassment Policy is also in place to ensure female employees and workers are protected from sexual harassment and any form of violence in the workplace.

In addition, we have a formal grievance mechanism in place so that complaints of mistreatment and abuse can be reported. The mechanism covers complaints on labour practices and human rights and also comes with a remediation process. Guidelines on the complaint and grievance procedure have been established as part of the Group's Employment Policy.

# Sustainability Statement (Cont'd)

## WORKPLACE (CONT'D)

### Labour Relations and Human Rights (Cont'd)

#### Fair Employment Practices (Cont'd)

As of 31 December 2025, there were zero substantiated complaints concerning human rights violations.

	2023	2024	2025
Number of substantiated complaints concerning human rights violations	Nil	Nil	Nil

#### Target

The Group has set a target of zero substantiated complaints regarding human rights violations annually. This commitment underscores our unwavering dedication to upholding ethical labour practices and protecting the rights of all individuals within our workforce.

#### Employees Wages and Welfare

The Group is committed to providing fair wages and comprehensive employee welfare. In compliance with the Minimum Wages Order 2024 ("Order"), the Group has implemented measures to ensure that all employees receive a minimum monthly salary of RM1,700, effective from 1 February 2025.

We believe in recognising our people for their work performance, behaviour, creativity and involvement in the Group's activities. Our reward philosophy covers basic salary, benefits, short-term variable bonuses as well as promotion.

We are dedicated to having a comfortable environment for our workers and their dependents to work and live in. To this end, a comprehensive range of amenities is provided at the Group's operating units. This includes housing, water and electricity supply, healthcare, places of worship, childcare facilities and other recreational amenities. The Group continues to upgrade these amenities to ensure compliance with Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446).

Our dedication to our employees extends beyond providing basic amenities. We also invest in their personal and professional development by providing training opportunities and personal growth programmes. We believe in cultivating a culture of continuous learning to help our employees achieve their full potential.

### Occupational Safety and Health

The Group is committed to providing a safe and healthy working environment for all employees and contractors engaged at work. To maintain conditions, an Occupational Safety & Health (OSH) Policy is in place that governs the entirety of the Group. We also have Safety and Health Committees (consisting of management and employee representatives) based in all our estates and oil mills.

The Group's Safety and Health Officer (SHO) makes periodic workplace inspections to ensure safety protocols are implemented in compliance with legislative requirements. Workers are provided with safety equipment as befits their job responsibilities and they are given working procedures to follow. The codes of health and safety practices and procedures are strictly adhered to at all times by all parties concerned. Safety operating procedures and system checks for all processes and equipment are in place and product quality standards are stringently maintained in a responsible manner.

# Sustainability Statement (Cont'd)

## WORKPLACE (CONT'D)

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

#### Health and safety trainings

In 2025, a total of 1,279 participants were given various trainings on health and safety standards.

	2023	2024	2025
Number of employees trained on health and safety standards	834	805	1,279

#### Work-related injuries

The Fatal Accident Frequency rate remained at Nil for 2025 (2024: Nil). In addition, the Lost Time Injury Frequency Rate (LTIFR) decreased to 1.30 in 2025 from 1.47 in 2024.

	2023	2024	2025
Number of work-related fatalities	0	0	0
Lost Time Incident Frequency Rate ("LTIFR")	0.42	1.47	1.30

LTIFR measures the number of accidents resulting in lost workdays per one million hours worked.

Every accident is formally investigated to determine the root cause and to prevent the recurrence of such incidents.

#### Target

The Group has set a target of Zero fatality annually.

### Training and Education

Our human capital development programmes include in-house and external training, seminars and the provision of information/knowledge sharing platforms to encourage shared knowledge and communication.

The Group has carried out internal training throughout the year at each of its operating units. Training topics included personal protective equipment (PPE), chemical handling, hazard guidance, vehicle competency, safety work procedures and safe handling of tools & equipment at mechanical/vehicle workshops.

	Unit	2023	2024	2025
<b>Total hours of training by employee category</b>				
Management	Hour	414	624	689
Executive	Hour	523	757	715
Non-executive	Hour	3,087	5,949	5,302
General Workers	Hour	12,165	15,313	22,037

# Sustainability Statement (Cont'd)

## WORKPLACE (CONT'D)

### Employee Retention and Engagement

The Group is aware of the challenges faced by the palm oil industry in recruiting and retaining employees, especially in light of the shortage of foreign labour and the difficult working conditions on plantations.

To mitigate the risk of high employee turnover and job dissatisfaction, the Group places a strong emphasis on comprehensive employee benefits, competitive remuneration, and opportunities for training and personal development. Additionally, the Group strives to create a positive and conducive working culture that values the contributions of all employees.

To address the shortage of foreign labour, the Group is exploring ways to increase efficiency and productivity, including the use of mechanisation where feasible. The Group is also working to attract and retain younger employees by offering attractive compensation packages and opportunities for career advancement.

Overall, the Group is committed to ensuring the well-being and satisfaction of its employees, recognising their vital role in the success of the business.

Total number of employee turnover by employee category	Unit	2023	2024	2025
Management	Number	6	0	1
Executive	Number	4	5	4
Non-executive	Number	22	38	52
General Workers	Number	647	622	843
<b>Percentage of employees that are contractors or temporary staff</b>	Percentage	Nil	Nil	Nil

### Diversity, Equity & Inclusion

The Group is committed to fostering diversity and inclusion within our organization. We prioritize gender diversity on the board, striving to consistently include women in board positions and promoting diversity in experiences, qualifications, ethnicity, and age. Workforce diversity, spanning ethnicity, age, and gender, is managed by our dedicated leadership. Our commitment to diversity extends across our workforce, with the aim of providing a harassment-free environment to attract and retain women in leadership roles. Regular monitoring and policy reviews underscore our dedication to enhancing diversity and sustainability across our organization.

# Sustainability Statement (Cont'd)

## WORKPLACE (CONT'D)

### Diversity, Equity & Inclusion (Cont'd)

	Unit	2023	2024	2025
<b>Gender Group by Employee Category</b>				
Management - Male	Percentage	1%	2%	2%
Management - Female	Percentage	0%	0%	0%
Executive - Male	Percentage	1%	1%	1%
Executive - Female	Percentage	1%	1%	1%
Non-Executive - Male	Percentage	5%	8%	7%
Non-Executive - Female	Percentage	2%	3%	3%
General Workers - Male	Percentage	66%	65%	68%
General Workers - Female	Percentage	24%	20%	18%
<b>Age Group by Employee Category</b>				
Management - Under 30	Percentage	0%	0%	0%
Management - Between 30-50	Percentage	0%	1%	1%
Management - Above 50	Percentage	1%	1%	1%
Executive - Under 30	Percentage	0%	0%	0%
Executive - Between 30-50	Percentage	2%	2%	2%
Executive - Above 50	Percentage	0%	0%	0%
Non-Executive - Under 30	Percentage	2%	3%	3%
Non-Executive - Between 30-50	Percentage	4%	5%	6%
Non-Executive - Above 50	Percentage	1%	2%	2%
General Worker - Under 30	Percentage	37%	34%	32%
General Worker - Between 30-50	Percentage	45%	45%	44%
General Worker - Above 50	Percentage	8%	7%	9%
<b>Percentage of directors by gender and age group</b>				
Male	Percentage	80%	80%	80%
Female	Percentage	20%	20%	20%
Under 30	Percentage	0%	0%	0%
Between 30-50	Percentage	0%	0%	0%
Above 50	Percentage	100%	100%	100%

# Sustainability Statement (Cont'd)

## COMMUNITY

### Community Care and CSR Initiatives

The Group's commitment to the community is demonstrated through various Corporate Social Responsibility (CSR) initiatives. We recognise the importance of promoting the well-being of the community, and therefore are dedicated to advancing education, religion, and poverty relief.

In October 2023, the Group converted the Cepatwawasan-Humana Education Resource Centre into a Community Learning Center (CLC) to better address the evolving educational needs of students. As at 31 December 2025, the CLC served a total of 283 students, of whom 233 were from nearby third-party plantations.

In addition, the Group established a new learning centre at its estate in Beaufort, Sabah, to cater to the children of plantation workers who are unable to attend Malaysian national schools. This centre offers classes based on the Indonesian curriculum, preparing students for eventual repatriation to their home country. In 2025, the number of students enrolled at this learning centre increased to 32 (2024: 24).

Furthermore, the Group has long maintained Creche-Ayah facilities across its estates and mill to provide care for employees' children. In 2025, a total of RM342,000 (2024: RM341,000) was allocated for this purpose, reflecting the Group's continued commitment to supporting employees' families.

The Group is also partnering with Persatuan Orang Asli Perak to provide basic education and care for Orang Asli children at a centre donated by the Group, namely Pusat Kecemerlangan Pendidikan Orang Asli Perak, located between Simpang Pulai and Cameron Highlands.

The Group also contributed to the establishment of a Bistari IT Centre at Pusat Kecemerlangan Pendidikan Orang Asli Perak. This centre aims to enhance the living standards of the Orang Asli community by providing skills training in computer science, business management, and welding engineering for the oil and gas industry.

Building on its earlier donation of the Pusat Kecemerlangan Pendidikan Orang Asli Perak, the Group has now extended its support by funding the construction of a dining hall. This facility aims to provide a comfortable and functional space for communal meals, fostering a sense of unity and enhancing the overall well-being of the Orang Asli community. The Group believes that empowering the Orang Asli with better infrastructure not only supports their immediate needs but also paves the way for sustained development and entrepreneurial opportunities for future generations. The donation of an additional transport van in October 2024 will also serve to improve the quality of life for everyone at the centre.

Community Investment Performance Data	2023 RM	2024 RM	2025 RM
Total amount invested where the target beneficiaries are external	224,367	161,879	111,939
Total number of beneficiaries of the investment in communities	421	216	255

### STATEMENT ON ASSURANCE

The Group would like to affirm that, as of the current reporting period, a comprehensive review of our Sustainability Statement has not been conducted by the internal auditor, nor has independent assurance been performed in accordance with recognised assurance standards. We recognise the importance of enhancing the credibility of our Sustainability Statement and commit to undertaking a diligent review process in subsequent reporting periods. In the event that such a review or assurance is undertaken in the future, the resultant Statement of Assurance will include explicit details regarding the subject matter, scope covered, and conclusions derived from the independent assurance process. Our commitment to transparency and accountability remains steadfast as we continually strive to strengthen the integrity of our sustainability reporting practices.

This Statement is made in accordance with the resolution of the Board of Directors passed on 16 April 2026.

## Sustainability Statement (Cont'd)

## Prescribed Table

MHC Plantations Bhd BMLR Transition Period		Date & Time: 2026-04-15_18:00:37 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Anti-Corruption)	Bursa C1(a): Percentage of employees who have received training on anti-corruption by employee category – Management	Percentage (%)	4.00	-	No assurance
Bursa (Anti-Corruption)	Bursa C1(a): Percentage of employees who have received training on anti-corruption by employee category – Executive	Percentage (%)	7.00	-	No assurance
Bursa (Anti-Corruption)	Bursa C1(a): Percentage of employees who have received training on anti-corruption by employee category – Non-executive / Technical staff	Percentage (%)	25.00	-	No assurance
Bursa (Anti-Corruption)	Bursa C1(a): Percentage of employees who have received training on anti-corruption by employee category – General Workers	Percentage (%)	31.00	-	No assurance
Bursa (Anti-Corruption)	Bursa C1(b): Percentage of operations assessed for corruption-related risks	Percentage (%)	100.00	-	No assurance
Bursa (Anti-Corruption)	Bursa C1(c): Confirmed incidents of corruption and action taken	Number	0	-	No assurance
Bursa (Community / Society)	Bursa C2(a): Total amount invested in the community where the target beneficiaries are external to the lister issuer	MYR	111,935.00	-	No assurance
Bursa (Community / Society)	Bursa C2(b): Total number of beneficiaries of the investment in communities	Number	255	-	No assurance
Bursa (Diversity)	Bursa C3(a): Percentage of employees by age group by employee category – Management Under 30	Percentage (%)	0.00	-	No assurance

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# Sustainability Statement (Cont'd)

## Prescribed Table (Cont'd)

MHC Plantations Bhd BMLR Transition Period							Date & Time: 2026-04-15_18:00:37 FYE 31/12/2025	
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance			
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – Management Between 30–50	Percentage (%)	1.00	-	No assurance			
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – Management Above 50	Percentage (%)	1.00	-	No assurance			
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – Executive Under 30	Percentage (%)	0.00	-	No assurance			
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – Executive Between 30–50	Percentage (%)	2.00	-	No assurance			
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – Executive Above 50	Percentage (%)	0.00	-	No assurance			
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – Non-executive / Technical Staff Under 30	Percentage (%)	3.00	-	No assurance			
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – Non-executive / Technical Staff Between 30–50	Percentage (%)	6.00	-	No assurance			
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – Non-executive / Technical Staff Above 50	Percentage (%)	2.00	-	No assurance			

## Sustainability Statement (Cont'd)

## Prescribed Table (Cont'd)

MHC Plantations Bhd BMLR Transition Period		Date & Time: 2026-04-15_18:00:37 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – General Workers Under 30	Percentage (%)	32.00	-	No assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – General Workers Between 30-50	Percentage (%)	44.00	-	No assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by age group by employee category – General Workers Above 50	Percentage (%)	9.00	-	No assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by gender group by employee category – Management (Male)	Percentage (%)	2.00	-	No assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by gender group by employee category – Management (Female)	Percentage (%)	0.00	-	No assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by gender group by employee category – Executive (Male)	Percentage (%)	1.00	-	No assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by gender group by employee category – Executive (Female)	Percentage (%)	1.00	-	No assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by gender group by employee category – Non-executive/Technical Staff (Male)	Percentage (%)	7.00	-	No assurance

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## Sustainability Statement (Cont'd)

## Prescribed Table (Cont'd)

MHC Plantations Bhd BMLR Transition Period		Date & Time: 2026-04-15_18:00:37 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by gender group by employee category – Non-executive/Technical Staff (Female)	Percentage (%)	3.00	-	No assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by gender group by employee category – General Workers (Male)	Percentage (%)	68.00	-	No assurance
Bursa (Diversity)	Bursa C3(a); Percentage of employees by gender group by employee category – General Workers (Female)	Percentage (%)	18.00	-	No assurance
Bursa (Diversity)	Bursa C3(b); Percentage of directors by gender and age group – Male	Percentage (%)	80.00	-	No assurance
Bursa (Diversity)	Bursa C3(b); Percentage of directors by gender and age group – Female	Percentage (%)	20.00	-	No assurance
Bursa (Diversity)	Bursa C3(b); Percentage of directors by gender and age group – Under 30	Percentage (%)	0.00	-	No assurance
Bursa (Diversity)	Bursa C3(b); Percentage of directors by gender and age group – Between 30-50	Percentage (%)	0.00	-	No assurance
Bursa (Diversity)	Bursa C3(b); Percentage of directors by gender and age group – Above 50	Percentage (%)	100.00	-	No assurance
Bursa (Energy Management)	Bursa C4(a); Total energy consumption	Megawatt	52,83700	The Group set a target of 5% reduction in energy consumption by 2030 from our 2025 baseline.	No assurance
Bursa (Health & Safety)	Bursa C5(a); Number of work-related fatalities	Number	0	The Group set a target of Zero fatality annually.	No assurance

## Sustainability Statement (Cont'd)

## Prescribed Table (Cont'd)

MHC Plantations Bhd BMLR Transition Period		Date & Time: 2026-04-15_18:00:37 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Health & Safety)	Bursa C5(b): Lost time incident rate (LTIR)	Rate	1.30	-	No assurance
Bursa (Health & Safety)	Bursa C5(c): Number of employees trained on health and safety standards	Number	1,279	-	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(a): Total hours of training by employee category – Management	Hours	689	-	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(a): Total hours of training by employee category – Executive	Hours	715	-	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(a): Total hours of training by employee category – Non-executive/Technical Staff	Hours	5,302	-	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(a): Total hours of training by employee category – General Workers	Hours	22,037	-	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(b): Percentage of employees that are contractors or temporary staff	Percentage (%)	0.00	-	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(c): Total number of employee turnover by employee category – Management	Number	1	-	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(c): Total number of employee turnover by employee category – Executive	Number	4	-	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(c): Total number of employee turnover by employee category – Non-executive/Technical Staff	Number	52	-	No assurance

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## Sustainability Statement (Cont'd)

## Prescribed Table (Cont'd)

MHC Plantations Bhd BMLR Transition Period		Date & Time: 2026-04-15_18:00:37 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Labour Practices and Standards)	Bursa C6(c): Total number of employee turnover by employee category – General Workers	Number	843	-	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(d): Number of substantiated complaints concerning human rights violations	Number	0	The Group set a target of zero substantiated complaints regarding human rights violations annually.	No assurance
Bursa (Supply Chain and Management)	Bursa C7(a): Proportion of spending on local suppliers	Percentage (%)	99.82	-	No assurance
Bursa (Data Privacy and Security)	Bursa C8(a): Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	-	No assurance
Bursa (Water)	Bursa C9(a): Total volume of water used	Megalitres	2,098	The Group set a target of 5% reduction in water consumption by 2030 from our 2025 baseline.	No assurance
Bursa (Waste Management)	Bursa C10(a): Total waste generated	Metric Tonnes	581,669	-	No assurance
Bursa (Waste Management)	Bursa C10(a)(i): Total waste diverted from disposal	Metric Tonnes	581,362	-	No assurance
Bursa (Waste Management)	Bursa C10(a)(ii): Total waste directed to disposal	Metric Tonnes	307	-	No assurance
Bursa (Emissions Management)	Bursa C11(a): Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric Tonnes CO <sub>2</sub> e	48,490	-	No assurance
Bursa (Emissions Management)	Bursa C11(b): Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric Tonnes CO <sub>2</sub> e	1,854	-	No assurance
Bursa (Emissions Management)	Bursa C11(c): Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for business travel and employee commuting)	Metric Tonnes CO <sub>2</sub> e	1,239	-	No assurance

# Corporate Governance Overview Statement

## Introduction

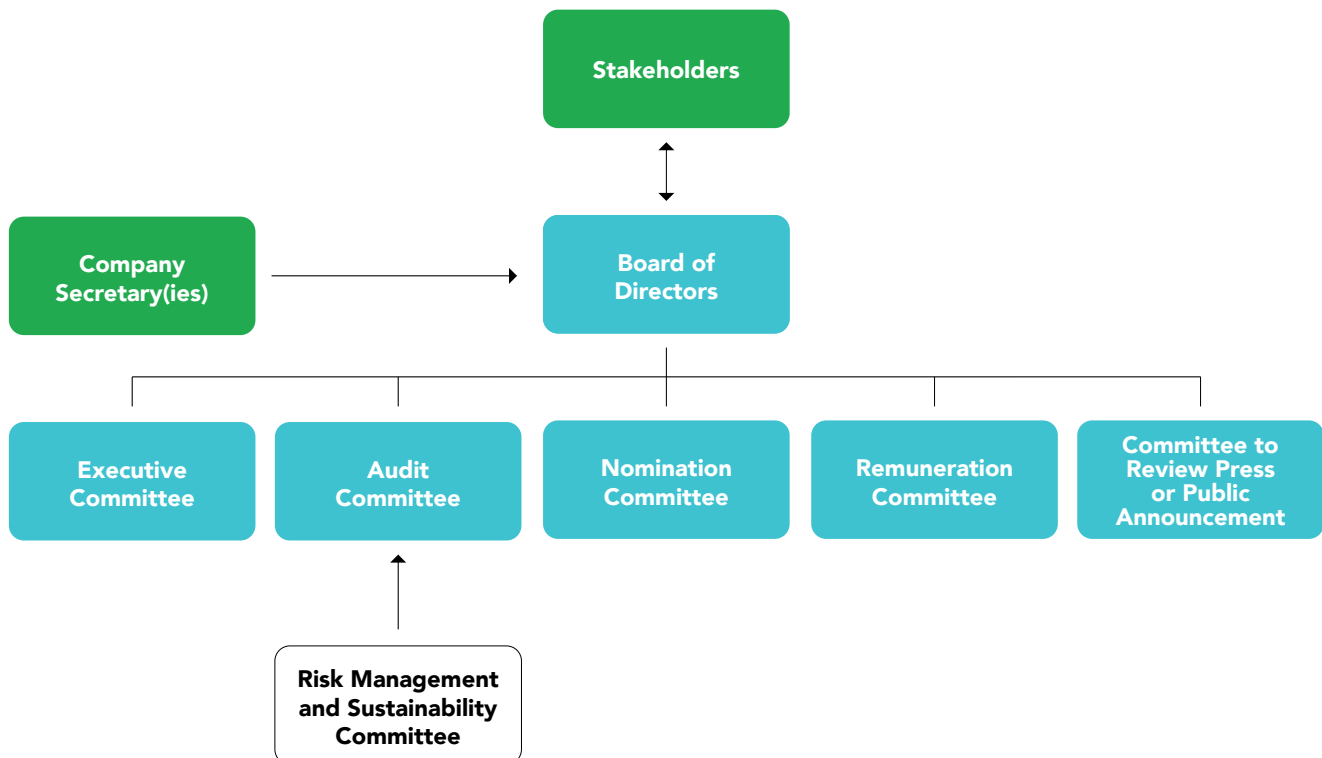
The Board of Directors ("the Board") recognises the importance of adopting high standards of corporate governance throughout the Company and the Group as a fundamental part of discharging its responsibilities to protect and enhance long-term shareholders' value and the Group's financial performance, whilst considering the interests of other stakeholders.

This Corporate Governance Overview Statement ("Statement") sets out how the Company has applied the Principles of the Code and observed the Recommendations supporting the Principles and is to be read together with the Corporate Governance Report 2025 ("CG Report") which is available on the Company's corporate website at [www.mhc.com.my](http://www.mhc.com.my) as well as the announcements on the website of Bursa Malaysia Securities Berhad ("Bursa Securities") and in conjunction with the other statements in the Annual Report (i.e. Statement on Risk Management and Internal Control and Sustainability Statement).

The CG Report provides the details on how the Company has applied the following three (3) principles which are set out in the Malaysian Code on Corporate Governance ("MCCG") during the financial year 2025 ("FY 2025"):

- Board leadership and effectiveness;
- Effective audit and risk management; and
- Integrity in corporate reporting and meaningful relationship with stakeholders.

## The Group's Governance Framework



# Corporate Governance Overview Statement (Cont'd)

## Principle A : Board Leadership and Effectiveness

### Principal Responsibilities of the Board

The Board is led by the Executive Chairman and is supported by an experienced and dynamic Board members with a wide range of expertise, who play an important role in the stewardship of the direction and operations of the Group. Following the updated MCCG 2021, the Board has complied with Practice 1.4 of the MCCG 2021 whereby the Chairman of the Board is not a member of the Audit Committee ("AC"), Nomination Committee ("NC") or Remuneration Committee ("RC").

The Board assumes full responsibilities for the overall performance of the Company and its subsidiaries by setting the policies, short-term and long-term plans, establishing goals and monitoring the achievement of the goals through strategic action plans and careful stewardship of the Group's assets and resources. It focuses on financial performance and crucial business issues, like principal risks and their management, succession planning for senior management, investor relations programme and shareholders communication policy, systems for internal control and compliance with laws and regulations.

### Board Charter

The Board has a Board Charter which sets out the clear functions reserved for the Board and those delegated to Management in the Board Charter (the "Charter") which serves as a reference point for Board's activities. The Charter provides guidance for Directors and Management on the responsibilities of the Board and its Committees, and requirements of Directors to ensure consistency with the Board's strategic intent as well as relevant standards of corporate governance. The terms of the Charter are made available on the Company's website at [www.mhc.com.my](http://www.mhc.com.my)

Along with good governance practices and in order to enhance transparency and accountability, the Board has in place the following policies and procedures, full details of which are made available on the Company's website at [www.mhc.com.my](http://www.mhc.com.my):

- Board Charter
- Code of Conduct and Ethics
- Shareholder's Rights relating to General Meetings
- Whistleblowing Policy and Procedure
- Anti-Bribery and Corruption Policy
- Sustainability Policy
- Remuneration Policy and Procedures
- Board of Directors' Fit and Proper Policy
- Related Party Transaction Policy

### Sustainability of Business

The Board recognises the value of Sustainability and understands its importance in generating and sustaining short and long-term value for the Group and its stakeholders. The Board approves and monitors the development of sustainability strategies, policies and performance of the Group. The Chief Operating Officer is primarily responsible for providing overall direction, leading strategic decision-making and driving execution for all of the Group's sustainability related matters. The sustainability governance structure is set out in the Sustainability Statement in the Annual Report.

### Board Composition and Independence

The Board, led by the Executive Chairman, currently comprises five (5) members who bring with them a wide mix of knowledge, business acumen, industry expertise and financial experience which are invaluable assets required in their thorough examination and deliberations of the various key issues and matters involving the Group. A brief description of the background of each Director is presented under the Directors' Profiles section of this Annual Report.

# Corporate Governance Overview Statement (Cont'd)

## Principle A : Board Leadership and Effectiveness (Cont'd)

### Board Composition and Independence (Cont'd)

The Board is appropriately balanced to reflect the interest of substantial shareholders. As such, the Board is satisfied that the current Board composition fairly represents and protects the interest of the minority shareholders in the Company. The Independent Directors play a key role in providing unbiased views and impartiality to the Board's deliberation and decision-making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are given due consideration, fully discussed and examined, taking into account the interest of all stakeholders in the Group. The assessment on the independence of the Directors based on the provisions of the Listing Requirements covers a series of objective tests and the Board's Fit and Proper Policy are carried out before the appointment/re-appointment of the Independent Directors. Furthermore, the Board with assistance from the NC will undertake to carry out annual assessment of the effectiveness of the Independent Non-Executive Directors and consider whether the Independent Non-Executive Directors can continue to bring independent and objective judgement to the Board deliberations. Any Director who considers that he has or may have a conflict of interest or a material personal interest or a direct or indirect interest or relationship or potential conflict of interest including interest in any competing business that could reasonably be considered to influence in a material way the Director's decision in any matter concerning the Company, is required to immediately disclose to the Board.

As at FY 2025, the Board comprises five (5) members, of whom two (2) are Executive Directors, one (1) is a Non-Independent Non-Executive Director and two (2) are Independent Non-Executive Directors. The Company has thus satisfied Paragraph 15.02(1) of the MMLR of Bursa Securities, which requires that at least two or one-third (1/3) of the Board members, whichever is the higher, comprise Independent Non-Executive Directors and 1 woman Director.

The Company has taken note of Principle 5.3 of the MCGG 2021 that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, an Independent Director may continue to serve on the Board subject to the director's re-designation as a Non-Independent Director.

However, the Company does not have a term limit policy for Independent Directors but the NC annually assesses the independence of the Directors based on the criteria stipulated in paragraph 1.01 of the Listing Requirements. Thus, the Board must justify and seek Shareholders' approval at an Annual General Meeting ("AGM") through a two-tier voting process in the event it retains the director as an Independent Director beyond nine (9) years.

In this regard, Mr. Heng Beng Fatt who serves the Company as an Independent Non-Executive Director ("INED") will reach a cumulative tenure of nine (9) years on 10 August 2026. Accordingly, the Board will seek shareholders' approval at the forthcoming AGM through a two-tier voting process for his continued retention as an INED, in line with the recommendations of the MCGG.

The Board shall examine the composition and size of the Board from time to time to ensure its effectiveness. In this regard, the Board through its NC conducts an annual review of its size and composition, to determine if the Board has the right size and sufficient diversity with independence elements that fit the Company's objectives and strategic goal.

### Foster Commitment

Each Director does not hold more than five (5) directorships in public listed companies to ensure that they have sufficient time to focus and discharge their duties and responsibilities. The Board is satisfied with the time and level of commitment given by the Non-Executive Directors towards fulfilling their roles and responsibilities as Directors of the Company during the financial year ended 31 December 2025.

# Corporate Governance Overview Statement (Cont'd)

## Principle A : Board Leadership and Effectiveness (Cont'd)

### Board Meetings

The Board meets four (4) times a year on a scheduled basis with additional meetings held when specific urgent or important matters are required to be considered and decided between the scheduled meetings. A total of four (4) Board Meetings were held during the financial year. All the Directors have complied with the minimum attendance at Board Meetings as stipulated by Bursa Securities during the financial year as follows:

No.	Name of Directors	Meeting Attendance
1	Dato' Seri Mah King Seng	4/4
2	Tan Sri Dr. Mah King Thian	3/4
3	Puan Wan Salmah Binti Wan Abdullah	4/4
4	Mr. Heng Beng Fatt	4/4
5	Dato' TPr. Suki Mee	4/4
6	Ms. Mah Li-Na (Alternate Director to Dato' Seri Mah King Seng)	4/4
7	Mr. Mah Siu Wen (Alternate Director to Tan Sri Dr. Mah King Thian)	4/4

### Gender Diversity Policy

The Company does not have a policy on gender diversity but the Board endeavours to have at least one (1) woman Director participating on the Board at all times. The Board also endeavours to have diversity in its workforce in terms of experience, qualification, ethnicity and age. The Board recognise the value of female member of the Board. Currently, the Board has one female Director, Puan Wan Salmah Binti Wan Abdullah, representing a total of 20% female participation on the Board. Notwithstanding the Board complies with the MMLR to have at least one (1) female Director, it remains committed to a minimum 30% female representation on the Board. Hence, the Board will consider the appointment of an additional female Director as and when there is a vacancy as well as when suitable and qualified candidates are identified.

### Re-appointment and Re-election of Directors

In accordance with the Company's Constitution, all Directors who were appointed by the Board are subject to re-election at the first opportunity after their appointment and at least one-third (1/3) of the remaining Directors are subject to re-election by rotation at each AGM. The Constitution also provide that all Directors shall retire at least once in three (3) years and in accordance with the MMLR of Bursa Securities.

Where any Director is required to retire from office, the NC reviews the composition of the Board and decides whether to recommend such Director for re-election taking into account the Director's skills, experience and strength in qualities necessary for the discharging of their responsibilities in an effective manner, their attendance at meetings, participation, contribution and also their time commitment via evaluation form and in accordance with the Fit and Proper Policy.

The following Directors will be retiring at the forthcoming AGM to be held on 26 May 2026 and being eligible, offered themselves for re-election:

1. Mr. Heng Beng Fatt (retiring by rotation); and
2. Dato' TPr. Suki Mee (retiring by rotation).

At the recommendation of the NC and as approved by the Board, they will be seeking re-election as Directors at the forthcoming AGM.

# Corporate Governance Overview Statement (Cont'd)

## Principle A : Board Leadership and Effectiveness (Cont'd)

### Continuous Training of Directors

Directors are expected to devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes, so as to enable them to sustain their active participation in the Board's deliberations. Hence, the Board recognises and has undertaken an assessment of the training needs of each Director to continue developing their skills and knowledge. All Directors have complied with the Continuous Training Programme prescribed by Bursa Securities. However, every Director is encouraged to evaluate their own training needs and undergo continuous training to equip himself with enhanced knowledge and effectively contribute his duties to the Board.

During the financial year, the Directors have attended several conferences, seminars and training programmes as follows:

- Leveraging Generative AI for Business and Workplace
- Study tour to India to explore sustainable innovative solutions for treatment of milling wastes
- Microsoft 365 Copilot Workshop
- Compliance Training
- Implementation of E-Invoicing
- Heritage Impact Assessment; In Malaysia Development Process
- Tax Budget Conference 2026
- Malaysian Oil Scientists' & Technologies' Association (MOSTA) – Oil Palm Best Practices Workshop 2025
- Mandatory Accreditation Programme Part I
- Mandatory Accreditation Programme Part II: Leading for Impact (LIP)

The Company Secretary keep the Directors informed of the relevant external training programmes. The Company Secretary circulated and highlighted from time to time the relevant guidelines on statutory and regulatory requirements to the Directors. The External Auditors also highlighted changes to the Malaysian Financial Reporting Standards and legislation that affect the Company's financial statements during the financial year.

The Board will continuously evaluate and determine the training needs of its members to assist them in the discharge of their duties as Directors.

### Qualified and Competent Company Secretary

The Board believes that the current Company Secretary is capable of carrying out her duties to ensure effective functioning of the Board. The Company Secretary ensures that all Board and Board Committee meetings are properly convened and that records of the deliberations, proceedings and resolutions passed are properly recorded and statutory registers are properly maintained at the registered office of the Company. She constantly keeps herself abreast of the evolving capital market environment, regulatory changes and developments in corporate governance by attending the relevant training programmes/conferences.

### Access to Information and Advice

The Board has access to information within the Group and the advice and services of the Company Secretary. The Directors may obtain independent professional advice to enhance their duties whenever necessary at the Company's expense, subject to approval by the Chairman or the Board and depending on the quantum of the fees involved.

The Board members are provided with all meeting materials including updates on operational, financial and corporate issues as well as minutes of meetings of the various Board Committees at least seven (7) days prior to the meetings to enable Directors to obtain further explanations/clarifications, if necessary, in order to ensure the effectiveness of the proceeding of the meetings.

### Board Committees

The Board is assisted by the following Sub-Committees in the discharge of its duties and responsibilities:

- Audit Committee ("AC")
- Executive Committee ("EC")
- Nomination Committee ("NC")
- Remuneration Committee ("RC")
- Committee for the review of press releases or public announcements

# Corporate Governance Overview Statement (Cont'd)

## Principle A : Board Leadership and Effectiveness (Cont'd)

### AC

The AC was established on 27 September 2000 to support the Board of Directors in overseeing the processes for production of financial data and reviewing the financial reports and the internal controls of the Company. Details of the composition and summary of work of the AC are set out in the AC Report of this Annual Report.

### EC

The EC was set up on 24 May 2001 to act on behalf of the Board on matters concerning administration, operations, capital expenditure, debt approvals and investments. It meets at regular intervals to review the operations, budget and investment strategy. It has three (3) members comprising the Executive Chairman, the Managing Director and a Senior Executive:

- (1) Datin Seri Ooi Ah Thin (Senior Executive) - Chairperson
- (2) Dato' Seri Mah King Seng (Executive Chairman)
- (3) Tan Sri Dr. Mah King Thian (Managing Director)

### NC

The role of the NC is to assist the Board in ensuring that the Board comprises individuals with the requisite skills, knowledge, professional expertise and character.

The NC comprises three members i.e. two Independent Non-Executive Directors and one Non-Independent Non-Executive Director. As at 31 December 2025, the members are as follows:

- (1) Dato' TPr. Suki Mee (Chairman, Independent Non-Executive Director)
- (2) Puan Wan Salmah Binti Wan Abdullah (Member, Non-Independent Non-Executive Director)
- (3) Mr. Heng Beng Fatt (Member, Independent Non-Executive Director)

The NC meets as and when necessary. One (1) meeting was held during the financial year ended 31 December 2025.

The nomination and election process of board members and its Terms of Reference can be found on the Company's website at [www.mhc.com.my](http://www.mhc.com.my)

The activities of the NC during the financial year are as follows:

- Reviewed the mix of skills, independence, experience and other qualities of the Board.
- Reviewing the terms of office and performance of the AC, NC and RC.
- Reviewed and recommended to the Board to put for the proposal for the re-election of Directors at the forthcoming AGM of the Company.
- Assessed the independence of the Independent Directors, including recommending the continuation in office of Mr. Heng Beng Fatt as an Independent Non-Executive Director on the following grounds:
  - He has fulfilled the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
  - He has remained independent, actively participated in the Board discussions, and provided an independent and objective voice and constructive input to the Board.
  - He has in-depth knowledge of the Company's business operations and has committed to devote sufficient time and attention to the Company's affairs.
  - He has acted in the best interest of all shareholders and continued to serve as an effective check and balance on the Board.
- Reviewed the training programmes for the Directors.
- Reviewed the annual assessment of the effectiveness of the Board, Board committees and individual Directors annually using a set of customized self-assessment questionnaires to be completed by each Director, with the following criteria:-

#### Audit Committee

- (i) Committee and Governance Structure
- (ii) Skills and Competencies
- (iii) Meeting Administration and Meeting Conduct
- (iv) Board Communication
- (v) Internal Audit
- (vi) External Audit

# Corporate Governance Overview Statement (Cont'd)

## Principle A : Board Leadership and Effectiveness (Cont'd)

### NC (Cont'd)

#### Board of Directors

- (i) Board Mix and Composition
- (ii) Quality of Information and Decision Making
- (iii) Board's Relationship with the Management
- (iv) Board Activities
- (v) Board Chairman's role and responsibilities
- (vi) Effective Succession Planning
- (vii) ESG issues
- (viii) Other Matters
- (ix) Overall Effectiveness

At the NC meeting held on 20 November 2025, the NC had conducted and carried out an annual assessment of the Board and its individual members, the AC and its members, and the RC and its members, including assessing in the area of board diversity, composition and governance, decision-making and Boardroom activities, skills and contribution of each director. The NC was satisfied with the current board size and the effectiveness of the Board/Board Committees and thus, no recommendation on the change of composition of the Board is made.

The NC upon its assessment carried out was satisfied:

- (a) There was no negative feedback from the Directors on the questions raised in the self-assessment sheets, which had been distributed in advance to them for completion.
- (b) The Board has the right size, balance, and composition to operate in an effective manner.
- (c) The Board was well-balanced with the appropriate number of INEDs with a broad range of skills and experience, including a mixture of businessmen and professionals with wide financial and commercial experience.
- (d) None of the Directors held more than 5 Directorships in Listed Companies and they have complied with Para 15.06 of the Bursa Securities Main Market Listing Requirements.
- (e) The Board members were competent, knowledgeable, and had a depth of understanding of the business and operations of the Group.
- (f) The Board Committees and all Directors were competent and efficient in performing and fulfilling their respective roles and responsibilities throughout the review period ended 31 December 2025.
- (g) The Chairman of the Board had demonstrated good leadership skills in directing the Board discussion towards the emergence of a consensus view and also encouraged open communication, which allowed the Board members to raise important matters without inhibition.
- (h) The Board received sufficient information to understand the ESG context of the Group and would look into the matter in depth.
- (i) None of the Directors dominated the decision-making of the Board. All Directors contributed constructively and exercised independent judgment in the best interests of the Company.
- (j) All Directors have devoted sufficient time and attention to the Company's affairs, in line with good corporate governance practices.
- (k) The INEDs had also carried out their duties and responsibilities independently and objectively.

All assessments and evaluations carried out by the NC in discharging its functions have been properly documented.

# Corporate Governance Overview Statement (Cont'd)

## Principle A : Board Leadership and Effectiveness (Cont'd)

### RC

The RC comprises the following three (3) members as at 31 December 2025:

- (1) Tan Sri Dr. Mah King Thian (Chairman, Managing Director)
- (2) Mr. Heng Beng Fatt (Member, Independent Non-Executive Director)
- (3) Dato' TPr. Suki Mee (Member, Independent Non-Executive Director)

The RC meets as and when necessary. One (1) meeting was held during the financial year ended 31 December 2025.

The RC provides remuneration packages which are sufficient and necessary to attract, retain and motivate Executive Directors and Senior Management to run the Company. The remuneration of Non-Executive Directors is linked to their experience and level of responsibilities undertaken by them.

The Board has a Remuneration Policy and Procedure which facilitates the RC to review, consider and recommend to the Board for decision on the remuneration packages of the Executive Directors and Senior Management.

The Remuneration Policy and Procedure and its Terms of Reference can be found on the Company's website at [www.mhc.com.my](http://www.mhc.com.my)

The activities of the RC during the financial year are as follows:

- Reviewed the remuneration package for Executive Directors.
- Reviewed and recommended the revised Directors' Benefits of the Non-Executive Directors to the Board for approval.

### Committee for the Review of Press Releases or Public Announcements

The Committee for the review of press releases or public announcements, comprising the Executive Chairman, Dato' Seri Mah King Seng, and the Managing Director, Tan Sri Dr. Mah King Thian, is responsible for making timely dissemination of information to the shareholders and investing public and ensuring that the information released is factual, clear, accurate and not false or misleading.

### Remuneration of Directors and Key Senior Management Personnel

The Company's framework on Directors' remuneration has the underlying objectives of attracting and retaining Directors of high calibre needed to run the Group successfully. In the case of the Executive Directors, the various components of the remuneration are structured so as to link rewards to corporate and individual performance. In the case of Non-Executive Directors, the level of remuneration reflects the expertise, experience and level of responsibilities undertaken by a particular Non-Executive Director concerned.

The Company has identified the Chief Operating Officer, Group General Manager of the Company's subsidiary, namely Cepatwawasan Group Berhad, Senior Operations Manager, and Group Accountant who are the most senior management personnel outside the Board as its key senior management personnel.

The objective of the Group's remuneration policies is to provide fair and competitive remuneration to its Board and senior management personnel in order for the Company to benefit by attracting and retaining a high quality team.

The Company pays its Non-Executive Directors' allowances based on attendance of meetings and level of responsibilities.

The Company provides Directors' and Officers' Liability Insurance and may provide an indemnity to the fullest extent permitted by the Companies Act, 2016, and the cost of such Liability Insurance is set out in the Directors' Report.

# Corporate Governance Overview Statement (Cont'd)

## Principle A : Board Leadership and Effectiveness (Cont'd)

### Remuneration of Directors and Key Senior Management Personnel (Cont'd)

The details of the remuneration of Directors comprising remuneration received/receivable from the Group and Company during the financial year are as follows:

	Salary RM'000	Fees RM'000	Bonus RM'000	Allowance RM'000	Benefits - in-kind RM'000	EPF RM'000	Total RM'000
<b>Group</b>							
<b>Executive Directors</b>							
Dato' Seri Mah King Seng	1,126	-	894	80	-	243	2,343
Tan Sri Dr. Mah King Thian	1,126	-	894	80	24	243	2,367
<b>Total</b>	<b>2,252</b>	<b>-</b>	<b>1,788</b>	<b>160</b>	<b>24</b>	<b>486</b>	<b>4,710</b>
<b>Non-Executive Directors</b>							
Puan Wan Salmah Binti Wan Abdullah	-	-	-	52	-	-	52
Mr. Heng Beng Fatt	-	-	-	53	-	-	53
Dato' TPr. Suki Mee	-	-	-	53	-	-	53
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>158</b>	<b>-</b>	<b>-</b>	<b>158</b>
<b>Alternate Director</b>							
Ms. Mah Li-Na <sup>1</sup>	187	-	90	-	-	33	310
Mr. Mah Siu Wen <sup>2</sup>	240	-	120	60	-	43	463
<b>Total</b>	<b>427</b>	<b>-</b>	<b>210</b>	<b>60</b>	<b>-</b>	<b>76</b>	<b>773</b>
<b>Company</b>							
<b>Executive Directors</b>							
Dato' Seri Mah King Seng	-	-	-	-	-	-	-
Tan Sri Dr. Mah King Thian	240	-	280	-	-	62	582
<b>Total</b>	<b>240</b>	<b>-</b>	<b>280</b>	<b>-</b>	<b>-</b>	<b>62</b>	<b>582</b>
<b>Non-Executive Directors</b>							
Puan Wan Salmah Binti Wan Abdullah	-	-	-	52	-	-	52
Mr. Heng Beng Fatt	-	-	-	53	-	-	53
Dato' TPr. Suki Mee	-	-	-	53	-	-	53
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>158</b>	<b>-</b>	<b>-</b>	<b>158</b>

<sup>1</sup> She is an Alternate Director to Dato' Seri Mah King Seng and an employee of the Group.

<sup>2</sup> He is an Alternate Director to Tan Sri Dr. Mah King Thian and an employee of the Group.

# Corporate Governance Overview Statement (Cont'd)

## Principle B : Effective Audit and Risk management

### *Risk Management and Internal Control Framework*

The Board has a Group Risk Management Committee (“RMC”) that comprises the Managing Director and senior management to review the risk management framework and assess the various types of risks which might have an impact on the profitable operation of the Group’s business. This includes operational, market, legal and environmental risks. The key features of the risk management framework are set out in the Statement on Risk Management and Internal Control of this Annual Report.

In accordance with the MCCG and the MMLR of Bursa Securities, the Board has an internal audit function which reports directly to the AC. The function is currently outsourced to an independent professional firm. The AC had also undertaken an annual assessment of the quality of the internal auditor based on an assessment questionnaire, and no material issue and major deficiency had been noted which pose a high risk to the overall system of internal control under review.

Details on scope of work performed during the financial year under review are provided in the AC Report set out in this Annual Report.

### *Assessment of Suitability and Independence of External Auditors (EA)*

The AC had deliberated the outcome of the Evaluation of the EA including the assessment of the Engagement Teams’ qualification, credentials and experience, particularly in the financial service sector, the firms’ competitive advantage with global network resources, their audit work approach, and their ability to provide value added and service as well as to perform the work within MHC’s timeline. Messrs PKF PLT had also confirmed their independence throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.

A statement by the Directors of their responsibilities in preparing the financial statements is set out in this Annual Report.

### *Relationship with the EA*

The Board has a formal and transparent arrangement with its EA to meet their professional requirements. The EA have continued to highlight to the AC and Board of Directors matters that require the Board’s attention. The AC will have a private session with the EA without the presence of any executive of the Group at least twice (2) a year. In addition, the EA are invited to attend the Company’s AGM.

The role of the AC in relation to the EA is set out in the AC Report of this Annual Report.

## Principle C : Integrity in Corporate Reporting and Meaningful relationship with Stakeholders

### *Investor Relations and Communication*

The Board recognises the importance of timely dissemination of information to its shareholders to keep them well informed of all major developments of the Group. Disclosures in the Annual Report, announcements and releases of the quarterly financial results provide the shareholders and the investing public with a periodic overview of the Group’s performance and operations.

The Company uses the AGM as a forum for dialogue and interaction with all its shareholders. Shareholders are encouraged to attend and participate in the AGM. They will be given the opportunity to seek clarification on any matters pertaining to the Company’s affairs and performance, as the Directors and the representatives of the EA will be present to answer any questions that they may have.

Shareholders may also contact the Company Secretary at any time for information.

The Company’s website at [www.mhc.com.my](http://www.mhc.com.my) contains vital information concerning the Group which is updated on a regular basis and shareholders are able to put questions to the Company through the website.

### *Poll Voting*

In line with the MMLR, all resolutions set out in the Notice of AGM will be voted by poll and a scrutineer will be appointed to validate the vote cast. Poll voting more accurately and fairly reflects shareholders’ views as every vote is recognised, thus, enforcing greater shareholders’ rights.

# Corporate Governance Overview Statement (Cont'd)

## Principle C : Integrity in Corporate Reporting and Meaningful relationship with Stakeholders (Cont'd)

### Compliance with the Code

The Group has complied with the Principles of Corporate Governance as contained in the MCCG except for the following exceptions that, in the opinion of the Directors, adequately suit the circumstances:

- ❖ Practice 4.4  
Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.
- ❖ Practice 5.2  
At least half of the board comprises independent directors.
- ❖ Practice 5.9  
The board comprises at least 30% women directors.
- ❖ Practice 5.10  
The board discloses in its annual report the company's policy on gender diversity for the board and senior management.
- ❖ Practice 8.2  
The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits-in-kind and other emoluments in bands of RM50,000.
- ❖ Practice 13.2  
All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.
- ❖ Practice 13.3  
Listed companies should leverage technology to facilitate–
  - voting including voting in absentia; and
  - remote shareholders' participation at general meetings.

The explanation for departure is further disclosed in the Corporate Governance Report.

The Statement and Corporate Governance Report were approved by the Board of Directors of MHC on 25 February 2026.

# Statement of Directors' Responsibility

for Preparing the Audited Financial Statements

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

In preparing the financial statements, the Directors have:

- selected appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed and made a statement to that effect in the financial statements, subject to any material departures being disclosed and explained in the financial statements; and
- prepared the financial statements on a going-concern basis.

The Directors are responsible for ensuring that proper accounting records are kept so as to enable disclosure of the accounts, financial position, and other financial reports of the Group and of the Company are prepared in accordance with the applicable approved accounting standards in Malaysia and comply with the requirements of the Companies Act, 2016.

They are responsible for taking reasonable steps to safeguard the assets of the Group and of the Company for the prevention and detection of fraud and other irregularities. The Board of Directors is satisfied that the Group has applied the appropriate accounting policies and standards consistently in the preparation of the financial statements for the financial year ended 31 December 2025.

# Statement on Risk Management and Internal Control

## INTRODUCTION

The Board of Directors ("the Board") is pleased to present the Group's Statement on Risk Management and Internal Control for the financial year ended 31 December 2025 which is made in compliance with Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad's (Bursa Malaysia) Main Market Listing Requirements and is guided by "Statement on Risk Management and Internal Control: Guidelines for Directors and Listed Issuers" endorsed by Bursa Malaysia.

## BOARD'S RESPONSIBILITY

The Board acknowledges its responsibility for establishing an efficient and effective sound risk management framework and internal control system. The Board ensures the Group's key areas of risk are managed within an acceptable risks profile. There is an on-going review process for identifying, evaluating, responding to and managing significant risk faced by the Group to ensure the adequacy and integrity of the system.

In view of the limitations that are inherent in any system of internal control, this system is designed to manage key risks, rather than eliminate the risk of failure to achieve corporate objectives. Accordingly, the system can only provide reasonable but not absolute assurance against material misstatement, operational failures, fraud or loss.

## RISK POLICY

The Group recognises its primary responsibility is to ensure the long term viability of the Group. The Group recognises that the risk is an integral and unavoidable component of its business and is characterised by threats and opportunities. The Group fosters a risk-aware corporate culture in all decision making. Our policy, therefore, is to achieve a proper balance between risk incurred and potential returns to shareholders and stakeholders.

## RISK MANAGEMENT FRAMEWORK AND CONTROL SELF-ASSESSMENT

The Board has put in place a risk management framework and ongoing process to assess the various types of risks, which might have an impact on the profitable operation of the Group's business. These include operational risk, market risk, legal risk and environmental risk. After the review and taking into consideration the nature of the Group's business, the Directors are of the view that the Group is not materially exposed to legal and environmental risks and therefore have concluded to focus on the operational risks relevant to the business. Although there is exposure to market risk as a result of price fluctuations in the commodity market, the Directors consider these as movements in market forces inherent in the industry in which the Group operates.

The Board has established a formal Group Risk Management Committee that comprises the Managing Director and senior management. The Group Risk Management Committee is entrusted with the responsibilities of identifying and evaluating various critical risks that are considered likely to affect the profitable operation of the business units in the Group.

# Statement on Risk Management and Internal Control (Cont'd)

## RISK MANAGEMENT FRAMEWORK AND CONTROL SELF-ASSESSMENT (CONT'D)

The key risk management processes for the main risk areas of the Group are as follows:

Risk Area	Risk Management Process
Business/Operation Risks	<ul style="list-style-type: none"> <li>- Relevant discussions have been held with the operational managers on the major risks affecting the business operations of the Group. As a result, a database of all major risks and controls, and subsequent actions taken was compiled to produce a divisional risk profile of the business units evaluated under the risk management plan.</li> <li>- Business/Operation Heads are provided with reports to enable them to review, discuss and monitor the risk profiles and implementation of action plans.</li> <li>- Clearly defined policies and procedures are in place and are undergoing constant improvements to ensure that they continue to support the Group's business activities as the Group continues to grow.</li> <li>- Strong emphasis is placed on ensuring that the Group adheres to health, safety and environmental regulations as required by the various authorities.</li> <li>- The Group implemented attractive remuneration schemes to attract and retain a skilled workforce to meet existing and future needs.</li> <li>- The Group is upgrading the living quarters of guest workers complete with amenities including electricity and water, medical care, crèche, recreational and sports facilities in phases to attract and retain skilled workforce.</li> <li>- To cope with the adverse climatic conditions affecting oil palms, the plantation division strictly follows the requirements of the planting manual, employs good agricultural practices, and adopts water conservation and irrigation measures to sustain high production yields.</li> <li>- The Group is continuously devising ways to mechanise and increase efficiency and productivity to mitigate the risk of labour shortages.</li> <li>- Promote awareness amongst its employees and business associates of the Group's Anti-Bribery and Anti-Corruption Policy and other sustainability-related policies.</li> </ul>
Financial Risks	<ul style="list-style-type: none"> <li>- The key financial risks of the Group include credit risk and liquidity risk.</li> <li>- Credit risks arise from the inability to recover debts in a timely manner which may adversely affect the Group's profitability, cash flows and funding. The Group minimises such exposures by assessing the creditworthiness of potential customers, closely monitoring collections and overdue debts, and effectively utilising credit to keep leverage at a comfortable level.</li> <li>- The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivables balances are monitored on an going basis and the Group's exposure to bad debts is very minimal. The Group usually trades only with recognised and creditworthy customers in which there is no requirement for collateral. Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities. The Group actively manages their 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 prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements.</li> </ul>

# Statement on Risk Management and Internal Control (Cont'd)

## INTERNAL AUDIT FUNCTION

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. In this respect, the Board through the Audit Committee regularly receives and reviews reports on internal control from its internal audit function.

The internal audit function is outsourced to a professional services firm which reports directly to the Audit Committee. The Internal Audit Function adopts a risk-based approach with focus on effective risk management practices. The scope of work covered by the internal audit function is determined by the Audit Committee after careful consideration and discussion of the audit plan with the Board. Observations from internal audits were presented to the Audit Committee together with management's response and proposed action plans for its review. The action plans were then followed up during subsequent internal audits with implementation status reported to the Audit Committee. The costs incurred for the Internal Audit function for the financial year ended 31 December 2025 totalled RM28,000.

## OTHER KEY ELEMENTS OF INTERNAL CONTROL

Other key elements of the Group's internal control are as follows:

- The Board of Directors reviews the operational and financial performance of the Group every quarter and management meetings are conducted regularly at head office and operating division level. The Executive Committee ("EXCO") is aware of the significant issues identified in those meetings, and when necessary the EXCO shall be involved in resolving those issues. The Group has been restructured in such a way that duties are properly segregated to ensure safe custody of the Group's assets and to provide clear and transparent reporting lines.
- Timely preparation of quarterly operational and financial reports to the Board and monthly financial reports to Senior Management for review.
- Existence of an organisational structure with clear delegation of responsibilities.
- The Company has implemented a system of controls as set out in the Operations Manual. The Board will review from time to time and update the financial authority limits set out therein as and when necessary.
- A detailed budgeting process takes place annually, where each business unit prepares its budget for the following financial year and the budget is then reviewed by the Managing Director, after which the budget is submitted to the Board for formal approval.
- Regular visits to the Operating Centres by the Managing Director and senior management whenever appropriate.
- Proposals for major capital expenditure and investment by the Group are reviewed and approved by the Board of Directors. All other purchases and payments are approved according to formalised limits of authority.
- The Remuneration Committee evaluates and reviews the remuneration packages of the executive directors and senior management.
- The Audit Committee reviews the internal audit plan for the year, and reviews and holds discussions on the actions taken on internal control issues identified in the reports prepared by the Internal Auditor.
- Assessed the adequacy and effectiveness of risk management framework which includes corporate liability provision under Section 17A of the Malaysian Anti-Corruption Act 2009, the appropriateness of Group's Anti-Corruption policy and procedures as well as whistleblowing cases.
- Regular management meetings.

## ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board has reviewed the adequacy and effectiveness of the Group's risk management and internal control system for the year under review and up to the date of approval of this statement for inclusion in the Annual Report, and is of the view that the risk management and internal control system is satisfactory and there were no material internal control failures nor have any of the reported weaknesses resulted in material losses or contingencies during the financial year under review.

For the period under review, the Managing Director and the Group Accountant have provided assurance to the Board that to the best of their knowledge, the Group's risk management and internal control system are operating adequately and effectively in all material aspects.

# Statement on Risk Management and Internal Control (Cont'd)

## REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

In accordance with paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement for inclusion in the Annual Report of the Group for the year ended 31 December 2025 and reported to the Board that nothing has come to their attention that caused them to believe that the Statement which is intended to be included in the annual report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is the Statement factually inaccurate.

This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board dated 25 February 2026.

# Audit Committee Report

The Board of Directors ("Board") of MHC Plantations Bhd. is pleased to present the report of the Audit Committee ("AC") for the financial year ended 31 December 2025 ("FY 2025") in compliance with Paragraph 15.15 of the Main Market Listing Requirement ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

## Members of the AC

As of FY 2025, the AC comprises the following three (3) members, all of whom are Non-Executive Directors, with the majority being Independent Directors. This composition complies with Paragraph 15.09(1) of the MMLR of Bursa Securities and is in line with Practice 9.4 under the Malaysian Code on Corporate Governance 2021 ("MCCG"):

Mr. Heng Beng Fatt	- Chairman, Independent Non-Executive Director
Dato' TPr. Suki Mee	- Member, Independent Non-Executive Director
Puan Wan Salmah Binti Wan Abdullah	- Member, Non-Independent Non-Executive Director

The Chairman of the AC, Mr. Heng Beng Fatt is a member of the Malaysian Institute of Accountants which complies with Paragraph 15.09(1)(c)(i) of the MMLR of Bursa Securities. He is not the Chairman of the Board, hence this is in line with Practice 9.1 under the MCCG. No Alternate Director is appointed as a member of the AC.

The detailed profiles of all the members of the AC are shown in the Directors' Profiles.

## Number of Meetings and Details of Attendance

The AC met four (4) times during FY 2025 to conduct and discharge its functions in accordance with its Terms of Reference. The Group Accountant and representatives of the internal and external auditors were invited to attend the AC meetings conducted during the financial year. The attendance record of each member is as follows:

Audit Committee Members	Number of Meetings Attended
Mr. Heng Beng Fatt	4 of 4
Puan Wan Salmah Binti Wan Abdullah	4 of 4
Dato' TPr. Suki Mee	4 of 4

The AC and its members have discharged their functions, duties and responsibilities in accordance with its Board Charter and Terms of Reference ("TOR") which are available on the Company's website at [www.mhc.com.my](http://www.mhc.com.my), to support the Board in ensuring the Group complies with appropriate Corporate Governance Standards.

## Summary of Work For the Financial Year

The works of the AC during FY 2025 are as summarised below:

- Reviewed the unaudited quarterly Group results prior to recommending them to the Board for approval for the announcement to Bursa Securities;
- Reviewed prior to the commencement of audit, the External Auditors' scope of engagement, their audit plan and approach and their request for any increase in audit fees;
- Reviewed and discussed with the External Auditors the updates or new developments on accounting standards issued by the Malaysian Accounting Standards Board and the Company's compliance with the applicable standards;
- Reviewed with the External Auditors the results of their audit, their audit report and management letters relating to the audit, their internal control recommendations in respect of control weaknesses noted in the course of their audit and the management's responses thereto. The AC also appraised the adequacy of actions and measures subsequently taken by the management to address the issues and recommended, where relevant, further improvement measures;
- Reviewed the draft audited financial statements prior to recommending the same to the Board for approval;
- Met with the External Auditors without the presence of management including the Executive Chairman on 26 February 2025 and 20 November 2025.
- Reviewed the Statement on Risk Management and Internal Control before recommending to the Board for approval for inclusion in the Annual Report;
- Reviewed and evaluated the performance of the External Auditors, including their capabilities, objectivity and independence on an annual basis and made recommendations to the Board on their re-appointment.
- Considered the proposals received for the internal audit function and recommended the re-appointment of the internal auditors;

# Audit Committee Report (Cont'd)

## Summary of Work For the Financial Year (Cont'd)

The works of the AC during FY 2025 are as summarised below: (Cont'd)

- (j) Reviewed the Internal Auditor's reports, their recommendations and the management responses. Improvement actions in the area of internal controls, systems and efficiency enhancements suggested by the internal auditor were discussed together with management;
- (k) Carried out an annual review of the performance of the Internal Auditor, including assessment of their suitability and independence in performing their obligation;
- (l) Followed up on the implementation actions taken by management in respect of the Internal Auditor's recommendations;
- (m) Reviewed the related party transactions that had arisen prior to recommending them to the Board for approval;
- (n) Reviewed and monitored any conflict of interest (COI) or potential COI situation within MHC Group and recommended measures to be taken to resolve, eliminate or mitigate such conflicts for the Board's approval and approval. There was no COI or potential COI arose during the FYE 31 December 2025;
- (o) Ensured that the Group's Whistle Blowing/Anti-Bribery and Corruption Case as are actively implemented with appropriate actions taken whenever reports are received. There were no cases reported in the financial year ended 31 December 2025; and
- (p) Reviewed the Group's Risk Management and Sustainability matters for Year 2025 and ensured mitigation of key risk factors are carried out in accordance with the policies and procedures of the risk management framework.

## Internal Audit Function

The Group's internal audit function is carried by an independent external firm of professional Internal Auditors, namely KPMG Management & Risk Consulting Sdn Bhd. The Internal Audit Function adopts a risk-based approach with focus on effective risk management practices. The role of the internal audit function, which reports directly to the AC, is to support the AC by providing it with independent and objective reports on the adequacy and effectiveness of the system of internal control and the extent of compliance with the procedures and by recommending ways to rectify shortfall and improve the existing control environment in relation to the Group's operations. It submits its findings and recommendations to the AC and senior management of the Group.

During the financial year under review, the Internal Audit conducted a series of audit assignments on operating segments of the Group. Internal audit activities carried out for the financial year include, inter alia, the following:

- Payroll;
- Inventory management;
- Fixed Asset Management; and
- General purchases.

The audit report incorporating the internal auditors' findings and recommendations with regard to the system operations and control weaknesses noted in the course of their audit and the management's responses thereto were subsequently submitted to the AC. The action plans were then followed up during subsequent internal audits with implementation status reported to the AC for their attention.

The cost incurred for the internal audit function of the Group for the financial year ended 31 December 2025 was RM28,000.

## Performance of the AC

The performance of the AC was assessed annually through self-evaluation and the Nomination Committee reviewed the results of such assessments. During the financial year ended 31 December 2025, the Board is satisfied that the AC has discharged its statutory duties and responsibilities in accordance with the TOR of the AC.

# Additional Compliance Information

Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad for the year ended 31 December 2025

## 1. Utilisation of Proceeds

The Company did not raise any funds through any corporate proposal during the financial year.

## 2. Auditors' Remuneration

The audit fee and non-audit fee paid and payable to the External Auditors by the Group and of the Company for the financial year ended 31 December 2025 are as follows:

	Group RM	Company RM
Audit fee	340,937	60,000
Non-Audit fee	35,500	6,000
	<b>376,437</b>	<b>66,000</b>

## 3. Material Contracts awarded to Directors and Substantial Shareholders

There were no material contracts entered into by the Company and its subsidiaries involving directors and major shareholders' interests still subsisting at the end of the financial year except for those disclosed under related party transactions on page 135 of this Annual Report.

## 4. Contracts Relating to Loans

There were no contracts relating to loans entered into by the Company and its subsidiaries involving directors' and major shareholders' interests during the financial year ended 31 December 2025.

## 5. Recurrent Related Party Transactions

The Company incurs related party transactions in the ordinary course of business with a private company connected to certain directors. The total amount involved falls below the threshold requiring announcements and/or shareholders' mandate.

## 6. Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

### (a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 (RM)	2024 (RM)
Revenue		<b>550,390,674</b>	503,715,717
Other income		<b>27,470,478</b>	24,004,424
Interest income		<b>3,471,893</b>	2,587,067
<b>Total</b>		<b>581,333,045</b>	530,307,208
<b>Total Assets</b>		<b>800,572,342</b>	783,840,201

# Additional Compliance Information (Cont'd)

Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad for the year ended 31 December 2025

## 6. Disclosure of Financial Data for Shariah Screening (Cont'd)

### (b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM)	2024 (RM)
Interest income		<b>2,306,376</b>	1,759,023
Insurance services		<b>349,900</b>	392,186
<b>Total</b>		<b>2,656,276</b>	2,151,209

### (c) Component of Financial Position

#### (i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2025 (RM)	2024 (RM)
Cash at bank		<b>9,536,403</b>	10,518,392
Deposit with licensed bank		<b>41,912,740</b>	36,121,721
Cash in hand (to be placed under Islamic Account/Instruments only)		<b>91,864</b>	84,377
<b>Total Cash</b>		<b>51,541,007</b>	46,724,490
<b>Conventional Account/Instruments</b>			
Cash at bank		<b>32,457,314</b>	60,227,205
Deposit with licensed bank		<b>4,574,444</b>	5,075,638
Investment in cash funds		<b>74,026,880</b>	46,282,277
Money market instruments		<b>3,000,000</b>	4,000,000
<b>Total Cash</b>		<b>114,058,638</b>	115,585,120

# Additional Compliance Information (Cont'd)

Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad for the year ended 31 December 2025

## 6. Disclosure of Financial Data for Shariah Screening (Cont'd)

### (c) Component of Financial Position (Cont'd)

#### (ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 (RM)	2024 (RM)
<b>Current</b>			
Revolving credit		<b>1,100,000</b>	29,600,000
Term loans		<b>3,500,000</b>	7,150,000
<b>Non-Current</b>			
Term loans		<b>6,659,000</b>	10,159,000
<b>Total Financing</b>		<b>11,259,000</b>	46,909,000

Conventional Borrowing	Remarks	Group	
		2025 (RM)	2024 (RM)
<b>Current</b>			
Revolving credit		<b>100,000</b>	100,000
Hire purchase payables		<b>4,432,573</b>	3,919,503
Other interest bearing debt	Lease liabilities	<b>148,610</b>	193,275
<b>Non-Current</b>			
Hire purchase payables		<b>14,637,672</b>	5,689,790
Other interest bearing debt	Lease liabilities	<b>1,194,665</b>	1,117,259
<b>Total Debt</b>		<b>20,513,520</b>	11,019,827

# Directors' Report

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

## Principal activities

The principal activities of the Company are oil palm cultivation, investment holding and the operation of a hotel.

The principal activities of the subsidiaries are set out in Note 18 to the financial statements.

Results	Group RM	Company RM
Profit for the financial year attributable to:		
Owners of the Company	48,423,804	17,643,065
Non-controlling interests	<u>17,315,969</u>	<u>-</u>
	<u>65,739,773</u>	<u>17,643,065</u>

## Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year except as disclosed in the financial statements.

## Dividends

Since the end of the previous financial year, the dividends declared by the Company were as follows:

- (i) A single-tier special dividend of 6.0 sen per ordinary share totalling RM11,792,638 in respect of the financial year ended 31 December 2024 on 196,543,970 ordinary shares which was paid on 7 May 2025; and
- (ii) A single-tier interim dividend of 3.0 sen per ordinary share totalling RM5,896,319 in respect of the financial year ended 31 December 2025 on 196,543,970 ordinary shares which was paid on 7 May 2025.

On 26 February 2026, the Board approved the following dividends:

- (i) A single-tier special dividend of 22.0 sen per ordinary share totalling RM43,239,673 in respect for the financial year ended 31 December 2025 and payable on 27 March 2026; and
- (ii) A single-tier interim dividend of 3.0 sen per ordinary share totalling RM5,896,319 in respect for the financial year ending 31 December 2026 and payable on 27 March 2026.

The financial statements for the current financial year do not reflect these proposed dividends. Such dividends will be accounted for in shareholders' equity as an appropriation of retained profits in the next financial year ending 31 December 2026.

# Directors' Report (Cont'd)

## Directors

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

Dato' Seri Mah King Seng\*  
Tan Sri Dr. Mah King Thian\*  
Wan Salmah Binti Wan Abdullah  
Heng Beng Fatt\*\*  
Dato' TPr. Suki Mee  
Mah Li-Na (Alternate Director to Dato' Seri Mah King Seng)\*\*  
Mah Siu Wen (Alternate Director to Tan Sri Dr. Mah King Thian)\*\*

\* These Directors are also Directors of the subsidiaries of the Company.

\*\* These Directors are also Directors of certain subsidiaries of the Company.

Pursuant to Section 253 of the Companies Act, 2016 in Malaysia, the Directors of subsidiaries during the financial year and up to the date of this report, who are not also the Directors of the Company, are as follows:

Datin Seri Ooi Ah Thin  
Datuk Chua Kim Yin, JP  
Datuk Palpanaban a/l Devarajoo (D.P. Naban)  
Derrick Martin De Souza  
Jack Tian Hock Tan  
Lee Chong Hoe  
Ng Choo Beng  
Soong Swee Koon  
Lee Nyuk Choon @ Jamilah Ariffin  
Andree Alexander Funk  
Musanif Bin Hj Md Nen  
Jailis Bin Masarip @ Misarip (Appointed on 2 March 2026)

# Directors' Report (Cont'd)

## Directors' interests in shares

The holdings and deemed holdings in the ordinary shares of the Company and its related corporations (other than wholly-owned subsidiaries) of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholding kept under Section 59 of the Companies Act 2016 in Malaysia are as follows:

Name of Director	Number of ordinary shares			At 31.12.2025
	At 1.1.2025	Bought	Sold	
<b>The Company</b>				
<b>Direct interest:</b>				
Dato' Seri Mah King Seng	338,948	-	-	338,948
Tan Sri Dr. Mah King Thian	93,248	-	-	93,248
Mah Li-Na	1,000	-	-	1,000
<b>Deemed interest:</b>				
Dato' Seri Mah King Seng	90,189,024	-	-	90,189,024
Tan Sri Dr. Mah King Thian	90,188,024	-	-	90,188,024

By virtue of their interests in the Company, Dato' Seri Mah King Seng and Tan Sri Dr. Mah King Thian are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interest in accordance with Section 8 of the Companies Act 2016.

None of the other Directors holding office at the end of the financial year had any interest in the ordinary shares of the Company and its related corporations during the financial year.

## Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as disclosed in the financial statements or the fixed salary of a full-time employee of the Company or related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except as disclosed in Note 33 to the financial statements.

There were no arrangements during and at the end of the financial year, which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

## Directors' remuneration

The remuneration paid to or receivable by the Directors of the Group and Company during the financial year is amounted to RM7,991,015 and RM740,400 respectively.

# Directors' Report (Cont'd)

## Indemnity and insurance for Directors, officers and auditors

During the financial year, the Company has in force a Directors' and officers' liability insurance under which the Directors are indemnified up to a limit of RM2,500,000 in respect of all costs, charges, expenses or liabilities which they may incur in or about the execution of their duties to the Group or as a result of duties performed by the Directors on behalf of the Group. Such indemnity remain in force as at the end of the financial year. The total insurance premium paid for directors and officers of the Group is RM5,670.

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

## Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 18 to the financial statements.

## Issues 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.

## Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- (i) all known bad debts had been written off and adequate allowance had been made for doubtful debts; and
- (ii) all current assets have been stated at the lower of cost and net realisable value.

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

- (i) which would render it necessary to write off any bad debts, or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (ii) which would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (iv) 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.

# Directors' Report (Cont'd)

## Other statutory information (Cont'd)

As at the date of this report, there does not exist:

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

No contingent liability or other liability of the Group and of the Company has become enforceable, or is likely to become enforceable within the period of twelve (12) months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2025 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

## Auditors

The auditors, PKF PLT, have indicated their willingness to continue in office.

The auditors' remuneration of the Group and of the Company are amounted to RM371,174 and RM60,000 respectively for the financial year ended 31 December 2025.

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

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**TAN SRI DR. MAH KING THIAN**  
Director

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**DATO' SERI MAH KING SENG**  
Director

Dated 16 April 2026

# Statement By Directors

Pursuant to Section 251(2) of The Companies Act, 2016

In the opinion of the Directors, the accompanying financial statements set out on pages 79 to 151 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial positions of the Group and of the Company as at 31 December 2025 and of their financial performances and cash flows for the financial year ended on that date.

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

\_\_\_\_\_  
TAN SRI DR. MAH KING THIAN  
Director

\_\_\_\_\_  
DATO' SERI MAH KING SENG  
Director

Dated 16 April 2026

# Statutory Declaration

Pursuant to Section 251(1)(b) of The Companies Act, 2016

I, CHAN KIM MENG, being the Officer primarily responsible for the financial management of MHC PLANTATIONS BHD., do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 79 to 151 are in my opinion 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 in Malaysia.

Subscribed and solemnly declared by )  
the abovenamed CHAN KIM MENG )  
at Ipoh in the state of Perak Darul )  
Ridzuan on 16 April 2026 )

\_\_\_\_\_  
**CHAN KIM MENG**  
CA No. 20736

Before me,

\_\_\_\_\_  
NURUN NATRAH BINTI BAKRI (A327)  
Pesuruhjaya Sumpah  
COMMISSIONER FOR OATHS

# Independent Auditors' Report

to the Members of MHC Plantations Bhd.

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of MHC PLANTATIONS BHD., which comprise the statements of financial position as at 31 December 2025 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 a summary of material accounting policies, as set out on pages 79 to 151.

In our opinion, the accompanying financial statements give a true and fair view of the financial positions of the Group and of the Company as at 31 December 2025, and of their financial performances and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

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

#### *Independence and Other Ethical Responsibilities*

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

### Key Audit Matters

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

# Independent Auditors' Report (Cont'd)

to the Members of MHC Plantations Bhd.

## Key Audit Matters (Cont'd)

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

Area of focus	How our audit addressed the key audit matter
<p><b>Impairment testing of property, plant and equipment</b></p> <p>As highlighted in Note 16 to the financial statements, the carrying value of property, plant and equipment of the Group was RM480,927,794 as at 31 December 2025.</p> <p>The market capitalisation of the Group amounted to RM257,472,601 as of 31 December 2025 is lower than the net tangible assets of the Group of RM627,556,487, which gives indication that the carrying amounts of property, plant and equipment of the subsidiaries of the Group may potentially be higher than their recoverable amounts and therefore, a formal estimate of their recoverable amounts may be required for impairment testing.</p> <p>In carrying out the impairment testing of the property, plant and equipment, the Group considered whether the market capitalisation to book value shortfall can be reasonably related to specific subsidiaries or cash generating units within the Group. The Group has identified a few subsidiaries exhibiting indicators of impairment and has accordingly performed impairment testing on the property, plant and equipment of these subsidiaries.</p> <p>The Group has engaged independent valuers to determine the recoverable amount of property, plant and equipment of two (2) of the subsidiaries involved in quarry operations that are exhibiting impairment indicators. These independent valuers uses industry/market accepted valuation methodology and approaches to determine the fair value of the underlying asset. Due to the measurement of fair value being inherently judgemental and the carrying value of these assets being material to the Group, we have considered this to be a key audit matter.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> <li>• obtaining the valuation report prepared by the independent valuer engaged by the Group;</li> <li>• reviewing this report for appropriateness of the methodology used and the reasonableness of the assumptions used; and</li> <li>• assessing the competency, capabilities and objectivity of this independent valuer engaged by the Group.</li> </ul>

# Independent Auditors' Report (Cont'd)

to the Members of MHC Plantations Bhd.

## Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report. (Cont'd)

Area of focus	How our audit addressed the key audit matter
<p><b>Impairment testing of goodwill</b></p> <p>As highlighted in Note 21 to the financial statements, the carrying value of goodwill of the Group was RM43,867,118 as at 31 December 2025.</p> <p>In accordance with paragraph 10 of MFRS 136 Impairment of Assets, goodwill is required to be tested for impairment annually by comparing its carrying amount with its recoverable amount, irrespective of whether there is any indication that it may be impaired.</p> <p>The Group estimated the recoverable amounts of the cash generating units ("CGUs") to which goodwill is allocated based on either fair value less costs of disposal ("FVLCD") or value in use ("VIU"). For FVLCD, the Group adopted recent market transaction prices of similar plantation land to determine recoverable values of certain lands and engaged independent professional valuers into determine the recoverable amount of certain other significant property, plant and equipment relating to the CGUs associated with the Goodwill. Due to the measurement of fair value being inherently judgemental and the carrying value of these assets being material to the Group, we have considered this to be a key audit matter.</p> <p>Estimating the VIU involves estimating the future cash inflows and outflows that will be generated by the CGUs and discounting them at an appropriate rate. Significant judgements are required in determining the assumptions to be used to estimate the VIU of the CGUs as these assumptions are affected by expected future demand and economic conditions, which include estimates of future sales volumes, prices, operating costs, terminal value and the discount rate to use.</p>	<p>Our audit procedures included, among others:</p> <p><u>FVLCD</u></p> <ul style="list-style-type: none"> <li>• obtaining the valuation reports prepared by the independent valuers engaged by the Group;</li> <li>• reviewing these reports for appropriateness of the methodology used and the reasonableness of the assumptions used; and</li> <li>• assessing the competency, capabilities and objectivity of these independent valuers engaged by the Group.</li> </ul> <p><u>VIU</u></p> <ul style="list-style-type: none"> <li>• assessing whether the assumptions on which the cash flow projections are based are consistent with past actual outcomes, in particular the assumptions about estimated future sales volumes, prices, operating costs, terminal value and possible variations in the timing of those future cash flows;</li> <li>• assessing the discount rate used to determine the present value of the cash flows;</li> <li>• testing the mathematical accuracy of the impairment assessment; and</li> <li>• performing stress test and sensitivity analysis around the key inputs that are expected to be most sensitive to the recoverable amount.</li> </ul>

# Independent Auditors' Report (Cont'd)

to the Members of MHC Plantations Bhd.

## Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report. (Cont'd)

Area of focus	How our audit addressed the key audit matter
<p><b>Deferred tax assets</b></p> <p>Deferred tax asset of the Group with a carrying amount of RM2,902,339 as at 31 December 2025 is associated with the biogas power plant operation of Mistral Engineering Sdn. Bhd. ("MESB"). Management has used significant judgement and estimates in determining the sufficiency of future taxable profits to utilise the deferred tax asset. Therefore, we had determined the realisability of the deferred tax asset to be a key audit matter.</p> <p>As the generation of electricity and resulting profitability of the biogas power plant of MESB is dependent on sufficiency of liquid waste from processing of crude palm oil by the palm oil mill, management considered various factors to forecast future level of crude palm oil processing to support the biogas power plant. These factors include sufficiency of oil palm crops, market demand of crude palm oil and anticipated future prices of the commodities. Based on historical results of normalised level of crude palm oil processed, current market trends and susceptibility of the industry to global developments, management has forecasted sufficient future taxable profits to utilise the deferred tax asset.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> <li>• obtaining management forecast on future taxable profits and held discussions with management on their judgements and assumptions in arriving at the forecast;</li> <li>• examining the inputs used in the forecast such as price and quantity of electricity sale and evaluating its reasonableness based on the historical normalised level of crude palm oil processing, trend of electricity tariff rates, impact of latest developments affecting the palm oil industry and its ability to cope and others;</li> <li>• performing sensitivity analysis on possible variations to the values of inputs used by management in their forecast and challenging where necessary on certain judgements used in arriving at these values; and</li> <li>• considering if management had disregarded any contradictory evidence in forecasting the future taxable profits.</li> </ul>

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

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

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

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

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

# Independent Auditors' Report (Cont'd)

to the Members of MHC Plantations Bhd.

## Responsibilities of the Directors for the Financial Statements

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

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

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

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

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

- (i) 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.
- (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (iv) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (v) 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.
- (vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

# Independent Auditors' Report (Cont'd)

to the Members of MHC Plantations Bhd.

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

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 action taken to eliminate threats or safeguards applied.

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

## Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 18 to the financial statements.

## Other Matter

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

**PKF PLT**  
202206000012 (LLP0030836-LCA) & AF0911  
CHARTERED ACCOUNTANTS

**CHAU MAN KIT**  
02525/03/2028 J  
CHARTERED ACCOUNTANT

Kota Kinabalu

Dated 16 April 2026

# Statements of Profit or Loss and Other Comprehensive Income

For The Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	5	550,390,674	503,715,717	11,470,061	9,839,480
Cost of sales		(471,713,127)	(446,963,828)	(6,764,781)	(5,488,208)
<b>Gross profit</b>		<b>78,677,547</b>	56,751,889	<b>4,705,280</b>	4,351,272
Other operating income	6	30,942,371	26,591,491	481,637	652,951
Administrative expenses		(16,392,109)	(14,623,893)	(2,496,079)	(2,353,919)
Other expenses	7	(2,937,145)	(5,296,126)	(174,731)	(81,486)
Reversal/(Allowance) for expected credit losses	8	54,961	(214,422)	-	-
<b>Profit from operations</b>	11	<b>90,345,625</b>	63,208,939	<b>2,516,107</b>	2,568,818
Finance costs	12	(2,082,378)	(2,663,194)	(43,561)	(44,630)
Income from investments	13	3,024	5,307	15,826,379	11,962,989
<b>Profit before taxation</b>		<b>88,266,271</b>	60,551,052	<b>18,298,925</b>	14,487,177
Income tax expense	14	(22,526,498)	(19,468,280)	(655,860)	(1,121,454)
<b>Profit for the financial year</b>		<b>65,739,773</b>	41,082,772	<b>17,643,065</b>	13,365,723
<b>Other comprehensive loss, net of tax</b>					
Item that will not be reclassified subsequently to profit or loss:					
Net fair value loss on financial assets at fair value through other comprehensive income ("FVOCI")	19	(37,684)	(18,028)	(27,992)	(6,943)
Exchange differences on translation of a foreign operation		(3,149)	(66,447)	-	-
<b>Other comprehensive loss for the financial year, net of tax</b>		<b>(40,833)</b>	(84,475)	<b>(27,992)</b>	(6,943)
Total comprehensive income for the financial year		<b>65,698,940</b>	40,998,297	<b>17,615,073</b>	13,358,780
<b>Profit attributable to:</b>					
Owners of the Company		48,423,804	28,712,353	17,643,065	13,365,723
Non-controlling interests		17,315,969	12,370,419	-	-
		<b>65,739,773</b>	41,082,772	<b>17,643,065</b>	13,365,723
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		48,385,271	28,647,945	17,615,073	13,358,780
Non-controlling interests		17,313,669	12,350,352	-	-
		<b>65,698,940</b>	40,998,297	<b>17,615,073</b>	13,358,780
<b>Earnings per share attributable to owners of the Company (sen per share)</b>					
Basic and diluted	15	24.64	14.61		
Net dividend per share		9.00	6.00		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

# Statements of Financial Position

As At 31 December 2025

ASSETS	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Non-current assets</b>					
Property, plant and equipment	16	480,927,794	474,351,298	10,224,864	10,316,102
Investment properties	17	45,263,826	45,263,826	1,250,000	1,250,000
Investments in subsidiaries	18	-	-	213,812,069	213,812,069
Investments in securities	19	195,922	233,606	64,624	92,616
Deferred tax assets	20	2,902,339	3,079,242	-	-
Intangible assets	21	43,867,118	43,867,118	-	-
		<b>573,156,999</b>	<b>566,795,090</b>	<b>225,351,557</b>	<b>225,470,787</b>
<b>Current assets</b>					
Biological assets	22	4,596,346	5,810,635	288,291	454,360
Inventories	23	31,754,486	24,657,375	262,495	161,695
Trade and other receivables	24	24,340,884	23,061,060	870,806	912,958
Tax recoverable		1,123,981	1,206,431	-	-
Short-term investments	25	74,026,880	46,282,277	2,592,667	2,172,433
Cash and bank balances	26	91,572,766	116,027,333	1,708,560	1,786,041
		<b>227,415,343</b>	<b>217,045,111</b>	<b>5,722,819</b>	<b>5,487,487</b>
<b>TOTAL ASSETS</b>		<b>800,572,342</b>	<b>783,840,201</b>	<b>231,074,376</b>	<b>230,958,274</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	27	196,543,970	196,543,970	196,543,970	196,543,970
Reserve	28	171,874,166	141,177,852	30,707,490	30,781,374
		<b>368,418,136</b>	<b>337,721,822</b>	<b>227,251,460</b>	<b>227,325,344</b>
Non-controlling interests		<b>303,005,469</b>	<b>296,035,905</b>	-	-
<b>Total equity</b>		<b>671,423,605</b>	<b>633,757,727</b>	<b>227,251,460</b>	<b>227,325,344</b>
<b>Non-current liabilities</b>					
Loans and borrowings	29	6,659,000	10,159,000	-	-
Deferred tax liabilities	20	48,307,869	48,785,118	842,591	937,282
Lease liabilities	30	15,832,337	6,807,049	-	-
		<b>70,799,206</b>	<b>65,751,167</b>	<b>842,591</b>	<b>937,282</b>
<b>Current liabilities</b>					
Trade and other payables	31	43,895,136	37,675,282	1,904,962	1,628,990
Loans and borrowings	29	4,700,000	36,850,000	900,000	900,000
Lease liabilities	30	4,581,183	4,112,778	-	-
Taxation		5,173,212	5,693,247	175,363	166,658
		<b>58,349,531</b>	<b>84,331,307</b>	<b>2,980,325</b>	<b>2,695,648</b>
<b>Total liabilities</b>		<b>129,148,737</b>	<b>150,082,474</b>	<b>3,822,916</b>	<b>3,632,930</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>800,572,342</b>	<b>783,840,201</b>	<b>231,074,376</b>	<b>230,958,274</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

# Statements of Changes in Equity

For The Financial Year Ended 31 December 2025

Group	Note	Attributable to owners of the Company										Total equity RM
		Share capital RM	Capital reserve RM	Other reserve RM	Revaluation reserve RM	Fair value adjustment reserve RM	Foreign currency translation reserve RM	Capital reserve RM	Retained profits RM	Sub-total RM	Non- controlling interests RM	
		Non-distributable					Distributable					
At 1 January 2025		196,543,970	5,736,883	(32,670,124)	789,026	(109,239)	(330,048)	8,169	167,753,185	337,721,822	296,035,905	633,757,727
Profit for the financial year		-	-	-	-	-	-	-	48,423,804	48,423,804	17,315,969	65,739,773
Other comprehensive income/(loss)		-	-	-	(37,684)	(849)	-	-	-	(38,533)	(2,300)	(40,833)
Total comprehensive income for the financial year		-	-	-	(37,684)	(849)	-	-	48,423,804	48,385,271	17,313,669	65,698,940
Transactions with owners of the Company		-	-	-	-	-	-	-	(17,688,957)	(17,688,957)	-	(17,688,957)
- Dividend on ordinary shares	32	-	-	-	-	-	-	-	(17,688,957)	(17,688,957)	-	(17,688,957)
- Dividend on ordinary shares to non-controlling interests		-	-	-	-	-	-	-	-	-	(10,344,105)	(10,344,105)
Total transactions with owners of the Company		-	-	-	-	-	-	-	(17,688,957)	(17,688,957)	(10,344,105)	(28,033,062)
At 31 December 2025		196,543,970	5,736,883	(32,670,124)	789,026	(146,923)	(330,897)	8,169	198,488,032	368,418,136	303,005,469	671,423,605

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

# Statements of Changes in Equity (Cont'd)

For The Financial Year Ended 31 December 2025

Group	Note	Attributable to owners of the Company										Total equity	
		Share capital	Capital reserve	Other reserve	Revaluation reserve	Fair value adjustment reserve	Foreign currency translation reserve	Capital reserve	Retained profits	Sub-total	Non-controlling interests		
		RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
At 1 January 2024		196,543,970	5,736,883	(32,670,124)	789,026	(91,211)	(283,668)	8,169	150,833,470	320,866,515	292,159,237	613,025,752	
Profit for the financial year		-	-	-	-	-	-	-	28,712,353	28,712,353	12,370,419	41,082,772	
Other comprehensive income/(loss)		-	-	-	-	(18,028)	(46,380)	-	-	(64,408)	(20,067)	(84,475)	
Total comprehensive income for the financial year		-	-	-	-	(18,028)	(46,380)	-	28,712,353	28,647,945	12,350,352	40,998,297	
Transactions with owners of the Company		-	-	-	-	-	-	-	-	-	-	-	
- Dividend on ordinary shares	32	-	-	-	-	-	-	-	(11,792,638)	(11,792,638)	-	(11,792,638)	
- Dividend on ordinary shares to non-controlling interests		-	-	-	-	-	-	-	-	-	(8,473,684)	(8,473,684)	
Total transactions with owners of the Company		-	-	-	-	-	-	-	(11,792,638)	(11,792,638)	(8,473,684)	(20,266,322)	
At 31 December 2024		196,543,970	5,736,883	(32,670,124)	789,026	(109,239)	(330,048)	8,169	167,753,185	337,721,822	296,035,905	633,757,727	

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

# Statements of Changes in Equity (Cont'd)

For The Financial Year Ended 31 December 2025

Company	Note	← Attributable to owners of the Company →			Total equity RM
		Share capital RM	Fair value adjustment reserve RM	Retained profits RM	
At 1 January 2024		196,543,970	(185,517)	29,400,749	225,759,202
Profit for the financial year		-	-	13,365,723	13,365,723
Other comprehensive loss		-	(6,943)	-	(6,943)
Total comprehensive income for the financial year		-	(6,943)	13,365,723	13,358,780
Transaction with owners of the Company					
- Dividend on ordinary shares	32	-	-	(11,792,638)	(11,792,638)
At 31 December 2024		196,543,970	(192,460)	30,973,834	227,325,344
Profit for the financial year		-	-	<b>17,643,065</b>	<b>17,643,065</b>
Other comprehensive loss		-	<b>(27,992)</b>	-	<b>(27,992)</b>
Total comprehensive income for the financial year		-	<b>(27,992)</b>	<b>17,643,065</b>	<b>17,615,073</b>
Transaction with owners of the Company					
- Dividend on ordinary shares	32	-	-	<b>(17,688,957)</b>	<b>(17,688,957)</b>
At 31 December 2025		<b>196,543,970</b>	<b>(220,452)</b>	<b>30,927,942</b>	<b>227,251,460</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

# Statements of Cash Flows

For The Financial Year Ended 31 December 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Cash flows from operating activities</b>				
Profit before taxation	<b>88,266,271</b>	60,551,052	<b>18,298,925</b>	14,487,177
Adjustments for:				
Depreciation of property, plant and equipment	<b>32,348,823</b>	32,321,949	<b>767,172</b>	771,757
Dividend income	<b>(3,024)</b>	(5,307)	<b>(15,826,379)</b>	(11,962,989)
Fair value loss/(gain) on biological assets	<b>1,214,289</b>	(2,544,351)	<b>166,069</b>	(242,640)
Loss/(Gain) on disposal of property, plant and equipment	<b>41,780</b>	(31,941)	<b>(1)</b>	-
Interest expense	<b>2,099,164</b>	2,663,194	<b>43,561</b>	44,630
Interest income	<b>(3,471,893)</b>	(2,587,067)	<b>(86,534)</b>	(52,632)
Property, plant and equipment written off	<b>29,014</b>	3,903,014	-	81,486
(Reversal)/Allowance for expected credit losses	<b>(54,961)</b>	214,422	-	-
Reversal of provision for abandonment of quarry	-	(270,000)	-	-
<b>Operating profit before working capital changes</b>	<b>120,469,463</b>	94,214,965	<b>3,362,813</b>	3,126,789
Change in inventories	<b>(7,097,111)</b>	(2,623,988)	<b>(100,800)</b>	(43,928)
Change in receivables	<b>(1,224,863)</b>	2,650,595	<b>42,152</b>	(294,376)
Change in payables	<b>6,219,854</b>	4,151,690	<b>275,972</b>	777,792
<b>Cash from operations</b>	<b>118,367,343</b>	98,393,262	<b>3,580,137</b>	3,566,277
Income tax paid	<b>(23,426,761)</b>	(17,049,633)	<b>(750,467)</b>	(568,167)
Income tax refunded	<b>162,332</b>	-	<b>8,621</b>	-
Interest paid	<b>(2,099,164)</b>	(2,663,194)	<b>(43,561)</b>	(44,630)
Interest received	<b>3,471,893</b>	2,587,067	<b>86,534</b>	52,632
<b>Net cash from operating activities</b>	<b>96,475,643</b>	81,267,502	<b>2,881,264</b>	3,006,112
(forward)				

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

# Statements of Cash Flows (Cont'd)

For The Financial Year Ended 31 December 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment*	(25,382,537)	(35,548,133)	(675,934)	(624,227)
Dividend received	3,024	5,307	15,826,379	11,962,989
Net change in short-term investment	(27,744,603)	(4,839,760)	(420,234)	(1,986,336)
Withdrawal/(Placement) of deposits with licensed banks	500,783	522,907	(16,300)	(16,295)
Proceeds from disposal of property, plant and equipment	35,801	290,448	1	-
<b>Net cash (used in)/from investing activities</b>	<b>(52,587,532)</b>	<b>(39,569,231)</b>	<b>14,713,912</b>	<b>9,336,131</b>
<b>Cash flows from financing activities</b>				
Dividend paid to equity holders of the Company	(17,688,957)	(11,792,638)	(17,688,957)	(11,792,638)
Dividend paid to non-controlling interests	(10,344,105)	(8,473,684)	-	-
Drawdown of loan and borrowings	-	58,500,000	-	-
Repayment of lease liabilities	(4,155,684)	(3,371,771)	-	-
Repayment of loans and borrowings	(35,650,000)	(37,500,000)	-	-
<b>Net cash used in financing activities</b>	<b>(67,838,746)</b>	<b>(2,638,093)</b>	<b>(17,688,957)</b>	<b>(11,792,638)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(23,950,635)</b>	<b>39,060,178</b>	<b>(93,781)</b>	<b>549,605</b>
Effect of exchange rate fluctuations	(3,149)	(66,447)	-	-
<b>Cash and cash equivalents at beginning of financial year</b>	<b>112,721,449</b>	<b>73,727,718</b>	<b>1,347,909</b>	<b>798,304</b>
<b>Cash and cash equivalents at end of financial year (Note 26)</b>	<b>88,767,665</b>	<b>112,721,449</b>	<b>1,254,128</b>	<b>1,347,909</b>

## Non-cash transactions

\* Acquisition of property, plant and equipment

During the financial year, the Group and the Company acquired property, plant and with an aggregate cost of RM39,031,914 and RM675,934 (2024: RM37,999,133 and RM624,227) of which RM13,649,377 and RMNil (2024: RM2,451,000 and RMNil) were acquired by means of lease liabilities. Cash payments of RM25,382,537 and RM675,934 (2024: RM35,548,133 and RM624,227) were made to acquire property, plant and equipment.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

# Statements of Cash Flows (Cont'd)

For The Financial Year Ended 31 December 2025

Reconciliation of liabilities arising from financing activities:

Group 2025	1 January RM	Cash flows RM	Non-cash changes** RM	31 December RM
Loans and borrowings	47,009,000	(35,650,000)	-	11,359,000
Lease liabilities	10,919,827	(4,155,684)	13,649,377	20,413,520
	<u>57,928,827</u>	<u>(39,805,684)</u>	<u>13,649,377</u>	<u>31,772,520</u>
<b>2024</b>				
Loans and borrowings	26,009,000	21,000,000	-	47,009,000
Lease liabilities	11,840,598	(3,371,771)	2,451,000	10,919,827
	<u>37,849,598</u>	<u>(17,628,229)</u>	<u>2,451,000</u>	<u>57,928,827</u>
<b>Company 2025</b>				
Loans and borrowings	<u>900,000</u>	-	-	<u>900,000</u>
<b>2024</b>				
Loans and borrowings	<u>900,000</u>	-	-	<u>900,000</u>

\*\* Included in non-cash changes of lease liabilities of the Group are non-cash acquisition amounted to RM13,649,377 (2024: RM2,451,000).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

# Notes to the Financial Statements

For The Financial Year Ended 31 December 2025

## 1. General information

The Company is a public limited liability company that is incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal activities of the Company are oil palm cultivation, investment holding and the operation of a hotel. The principal activities of the subsidiaries are set out in Note 18 to the financial statements.

The registered office and principal place of business of the Company are located at No. 37B, Jalan Basco Kepayang 1, Basco Avenue @ Kepayang, 31400 Ipoh, Perak, Malaysia and Kompleks Pejabat Behrang 2020, Jalan Persekutuan 1, 35900 Tanjung Malim, Perak, Malaysia respectively.

These financial statements were authorised for issue by the Directors in accordance with a resolution of the Board of Directors dated 16 April 2026.

## 2. Basis of preparation

### (a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act, 2016 in Malaysia.

### (b) Basis of measurement

The material accounting policies adopted by the Group and the Company are consistent with those adopted in previous financial year unless otherwise stated.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the summary of significant accounting policies.

### (c) Functional and presentation currency

The financial statements are prepared in Ringgit Malaysia (RM) which is the Company's functional currency. Each entity in the Group determines its own company's functional currency and items included in the financial statements of each entity are measured using that functional currency.

### (d) Adoption of new and revised MFRS

During the financial year, the Group and the Company have adopted the following amendments to standards issued by the MASB that are mandatory for current financial year:

- Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The adoption of the amendments to standards did not have any significant impact on the financial statements of the Group and of the Company.

### (e) Standards issued but not yet effective

Certain new accounting standards and interpretations have been issued but not yet effective for 31 December 2025 reporting periods and have not been early adopted by the Group and the Company. These standards are not expected to have a material impact on the financial statements of the Group and the Company in the current or future reporting periods.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 3. Significant accounting judgements and estimates

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

### (a) Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following judgement, apart from those involving estimations, which could have a significant effect on the amounts recognised in the consolidated financial statements.

#### (i) Operating segments

The segments disclosed in Note 38 to the financial statements have been determined by distinguishing the business activities from which the Group earns revenues and incurs expenses. The economic characteristics of the operating segments have been reviewed and operating segments have been grouped based on the reporting to the chief operating decision maker.

#### (ii) Control over Cepatwawasan Group Berhad ("CGB")

As disclosed in Note 18, the Directors consider that the Group has control of CGB even though it has less than 50% of the voting rights. The Group is the majority shareholder of CGB with a 39.53% equity interest. All other shareholders individually own less than 3% of the equity shares of CGB. Historically, the other shareholders did not form a group to exercise their votes collectively. The directors assessed that the Group has had control over CGB since July 2006. Therefore, in accordance with the requirements of MFRS 10, CGB has been accounted for as a subsidiary company of the Company since 31 July 2006. During the year under review, the Group reassessed and concluded that it controls CGB, despite having less than a majority of the voting rights, based on the guidance under MFRS 10.

### (b) Key sources of estimation uncertainty

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

#### (i) Depreciation of property, plant and equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group and the Company anticipate that the residual values of their property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. The management estimates the useful lives of the property, plant and equipment to be within five (5) to ninety-nine (99) years. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

#### (ii) Income taxes

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

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 3. Significant accounting judgements and estimates (Cont'd)

### (b) Key sources of estimation uncertainty (Cont'd)

#### (iii) Impairment of property, plant and equipment

The Group and the Company review their carrying amounts of property, plant and equipment at each reporting date to assess whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal ("FVLCD") and its value in use ("VIU").

The Group and the Company estimate the recoverable amounts of the cash-generating unit ("CGU") based on FVLCD and VIU. Estimating the VIU involves estimating the future cash inflows and outflows that will be generated by the CGUs and discounting them at an appropriate rate. In estimating the recoverable amounts of FVLCD, the Directors relied on independent professional valuer and recent market transaction prices of similar properties.

#### (iv) Impairment of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its FVLCD and its VIU. This requires an estimation of the recoverable amounts of the CGUs to which goodwill is allocated.

Estimating a VIU amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the carrying value, key assumptions applied in the impairment assessment of goodwill and sensitivity analysis to changes in the assumptions are disclosed in Note 21 to the financial statements.

#### (v) Biological assets

The Group and the Company carry their biological assets at fair value with changes in fair value being recognised in profit or loss. The determination of the fair value of the biological assets requires the use of estimates on the projected harvest quantities and market price of fresh fruit bunches ("FFB") as at the reporting date. The carrying amount and key assumptions used to determine the fair value of the biological assets are further disclosed in Note 22 to the financial statements.

#### (vi) Carrying value of investments in subsidiaries

Investments in subsidiaries are reviewed for impairment annually in accordance with its accounting policy as disclosed in Note 4(n)(ii) to the financial statements, or whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

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

#### (vii) Deferred tax assets and liabilities

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the reporting date. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the reporting date, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in the statement of profit or loss and other comprehensive income in the period in which actual realisation and settlement occurs.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 3. Significant accounting judgements and estimates (Cont'd)

### (b) Key sources of estimation uncertainty (Cont'd)

#### (vii) Deferred tax assets and liabilities (Cont'd)

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax credits and unutilised tax losses to the extent that it is probable that taxable profit will be available against which these items can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying amount of recognised and unrecognised deferred tax assets are disclosed in Note 20 to the financial statements.

Assumptions about generation of future taxable profits would depend on the achievability of projected profits and this requires judgement of the management. These assumptions and judgement are subject to risks and uncertainty, hence there is possibility that changes in circumstances will alter expectations, which may impact on the amount of deferred tax assets recognised.

#### (viii) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### (ix) Leases

The measurement of the right-of-use asset and lease liability for leases where the Group is lessee requires the use of judgements and assumptions, such as lease term and incremental borrowing rate. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

## 4. Material accounting policies

Certain immaterial accounting policies have been voluntarily disclosed to ensure completeness in the financial statements of the Group.

### (a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

#### (i) Subsidiaries

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

The Company considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 4. Material accounting policies (Cont'd)

### (a) Basis of consolidation (Cont'd)

#### (i) Subsidiaries (Cont'd)

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

#### (ii) Business combinations

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

#### (iii) Non-controlling interests

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

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

#### (iv) Transactions with non-controlling interests

Transactions with non-controlling interests are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners.

On acquisition of non-controlling interests, the difference between the consideration and the Group' share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

### (b) Foreign currencies

#### (i) Functional and presentation currencies

The Group's consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency. Each entity in the Group determines its own company's functional currency and items included in the financial statements of each entity are measured using that functional currency.

#### (ii) Foreign currency transactions

The principal closing rates used in translating the foreign currency amounts are as follows:

	2025 RM	2024 RM
Australian Dollar ("AUD")	2.71	2.89
Singapore Dollar ("SGD")	3.16	3.32
United States Dollar ("USD")	4.06	4.44

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 4. Material accounting policies (Cont'd)

### (b) Foreign currencies (Cont'd)

#### (iii) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

### (c) Revenue recognition

Revenue from contracts with customers is measured at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of discounts. The transaction price is allocated to each distinct good or service promised in the contract. Depending on the terms of the contract, revenue is recognised when the performance obligation is satisfied, which may be a point in time or over time.

#### (i) Sales of plantation produce

The Group's and the Company's revenue from plantation and mill segments derived mainly from agricultural produce such as FFB, crude palm oil ("CPO"), palm kernel ("PK") and oil from empty fruit bunches.

Revenue from sales of agricultural produce is recognised net of discount and taxes at the point in time when control of the goods has been transferred to the customer.

There is no element of financing present as the Group's and the Company's sale of goods are either on cash terms (immediate payments or advance payment not exceeding 30 days); or on credit terms of up to 30 days.

#### (ii) Sales of earth and stones

Sales of earth and stones are recognised upon delivery of products and customers' acceptance.

#### (iii) Supply of electricity

Revenue from supply of electricity is recognised over time as the consumer simultaneously receives and consumes the electricity provided by the Group.

#### (iv) Revenue from hotel operations

Hotel operation income is recognised upon performance of services.

#### (v) Dividend income

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

#### (vi) Other revenue

Revenue from other sources are recognised as follows:

- (a) interest income is recognised on a time proportion basis that reflects the effective yield on the assets; and
- (b) rental income is recognised on a time proportion basis.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 4. Material accounting policies (Cont'd)

### (d) Employee benefits

#### (i) Short term benefits

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

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

Bonus payments are recognised when, and only when, the Group and the Company have a present legal or constructive obligation to make such payment as a result of past events and a reliable estimate of the obligation can be made.

#### (ii) Post-employment benefits (defined contribution plans)

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

### (e) Tax assets and liabilities

A current tax liability/(asset) is measured at the amount the entity expects to pay/(recover) using tax rates and laws that have been enacted or substantially enacted by the reporting date.

Deferred taxes are measured using tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred taxes reflects the tax consequences that would follow from the manner in which the Group and the Company expect, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities.

### (f) Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS"). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

### (g) Property, plant and equipment

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

Bearer plants comprise pre-cropping expenditure incurred from land clearing to the point of maturity. Such expenditure is capitalised and is amortised at maturity of the crop over the useful lives of the crop.

Direct expenditure incurred on quarry development is capitalised under quarry development expenditure. A portion of the indirect overheads which include general and administrative expenses and interest expense incurred on quarry development is similarly capitalised under quarry development expenditure until such time when the quarry commences operation.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 4. Material accounting policies (Cont'd)

### (g) Property, plant and equipment (Cont'd)

Quarry development expenditure is amortised based on the proportion of stone volume extracted over the estimated volume of extractable stone from the quarry reserve.

Freehold land has an unlimited useful life and therefore is not depreciated.

Capital work-in-progress is not depreciated as these assets are not available for use. Depreciation will commence on these assets when they are ready for their intended use.

Property, plant and equipment are depreciated on a straight-line basis to write off the cost of the property, plant and equipment over the term of their estimated useful lives. The principal annual rates of depreciation used are as follows:

Long term leasehold land	63 – 99 years
Short term leasehold land	23 – 60 years
Bearer plants – oil palm	22 years
Oil mill and other buildings	10 – 50 years
Plantation infrastructure	63 – 99 years
Heavy equipment, plant and machinery, and motor vehicles	10 – 25 years
Furniture and fittings, office equipment, laboratory equipment, electrical installation, road and drainage	10 – 20 years

### (h) Investment properties

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market condition as at the reporting date. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

### (i) Intangible assets

#### Goodwill

Goodwill arising from a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses.

### (j) Biological assets

Biological assets comprise the produce growing on bearer plants. Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss. Fair value is determined based on the present value of expected net cash flows from biological assets. The expected net cash flows are estimated using the expected output method and the estimated market price of the biological assets.

Biological assets are classified as current assets as it relates to produce on the bearer plants that are expected to be harvested at a date not more than twelve (12) months.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 4. Material accounting policies (Cont'd)

### (k) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and conditions are accounted for as follows:

#### (a) Palm oil products and quarry inventories

Costs of direct materials, direct labour, other direct charges and appropriate proportions of factory overheads. These costs are assigned on weighted average cost method.

#### (b) Consumable stores

Purchase costs and expenses in bringing them into store on a weighted average cost method.

#### (c) Oil Palm seedlings

Purchase costs and upkeep expenses on a weighted average cost method.

### (l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (i) Financial assets

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under MFRS 15.

The Group and the Company only have financial assets measured at amortised cost (debt instruments), financial assets designated at fair value through OCI (equity instruments) and financial assets at fair value through profit or loss.

##### Financial assets at amortised cost (debt instruments)

The Group's and the Company's financial assets at amortised cost include trade and other receivables and cash and bank balances.

##### Financial assets designated at fair value through OCI (equity instruments)

The Company's financial assets at fair value through OCI (equity instruments) include investment in securities.

##### Financial assets at fair value through profit or loss

The Group's financial assets at fair value through profit or loss include short-term investments.

#### (ii) Financial assets liabilities

The Group and the Company have financial liabilities measured at amortised cost.

##### Financial liabilities measured at amortised cost

The Group's and the Company's financial liabilities measured at amortised cost include trade and other payables and loans and borrowings.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 4. Material accounting policies (Cont'd)

### (m) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, at banks, deposits with licensed banks with maturity not exceeding three (3) months and short-term, highly liquid investments which are readily convertible to cash with short periods to maturity and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts, if any.

### (n) Impairment

#### (i) Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments considered to have low credit risk, the Group and the Company apply the low credit risk simplification. At every reporting date, the Group and the Company evaluate whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group and the Company reassess the internal credit rating of the debt instrument.

In addition, the Group and the Company consider that there has been a significant increase in credit risk when contractual payments are more than one (1) year past due. It is the Group's and the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group and the Company consider a financial asset in default when contractual payments are one (1) year past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### (ii) Impairment of non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

### (o) Equity instruments

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised as an appropriation of retained profits upon declaration, and are only taken up as liabilities upon the necessary approval being obtained.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 4. Material accounting policies (Cont'd)

### (p) Treasury shares

When shares of the Group, that have not been cancelled, recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

### (q) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset.

All other borrowings costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

### (r) Leases

#### Group as a lessee

##### Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. These assets are depreciated on a straight-line basis over the shorter of the lease term or the estimated useful lives of the assets, as follows:

Long-term leasehold land	30 – 80 years
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##### Lease liabilities

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

### (s) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker ("CODM"), which in this case is the Group Managing Director, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

### (t) Fair value measurement

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 5. Revenue

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Revenue from contracts with customers</b>				
<b>Type of goods or services</b>				
Sale of:				
- crude palm oil	<b>388,946,822</b>	372,735,519	-	-
- earth and stones	<b>10,527</b>	54,781	-	-
- empty fruit bunches oil	<b>25,683,146</b>	22,234,339	-	-
- fresh fruit bunches	<b>30,198,751</b>	21,455,492	<b>10,498,084</b>	8,959,869
- palm kernel	<b>84,929,339</b>	62,992,333	-	-
Revenue from hotel				
operations	<b>971,977</b>	879,611	<b>971,977</b>	879,611
Supply of electricity	<b>19,621,653</b>	23,363,642	-	-
Interest income	<b>28,459</b>	-	-	-
	<b>550,390,674</b>	503,715,717	<b>11,470,061</b>	9,839,480
<b>Timing of revenue recognition:</b>				
At a point in time	<b>530,769,021</b>	480,352,075	<b>11,470,061</b>	9,839,480
Over time	<b>19,621,653</b>	23,363,642	-	-
	<b>550,390,674</b>	503,715,717	<b>11,470,061</b>	9,839,480

There are no unfulfilled performance obligations, whether satisfied or partially satisfied to be recognised over the subsequent periods.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 6. Other operating income

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fair value gain on biological assets (Note 22)	<b>6,134</b>	2,544,351	-	242,640
Gain on disposal of property, plant and equipment	<b>1</b>	31,941	<b>1</b>	-
Insurances commission	<b>349,900</b>	392,186	<b>149,217</b>	130,290
Interest income from:				
- short-term investments and fixed deposits	<b>3,471,893</b>	2,587,067	<b>86,534</b>	52,632
Miscellaneous income	<b>320,585</b>	252,762	<b>968</b>	30,307
Realised loss on foreign exchange	<b>(81,607)</b>	(43,731)	-	-
Rental income	<b>380,763</b>	321,615	<b>244,917</b>	197,082
Reversal of provision for abandonment of quarry	-	270,000	-	-
Sale of:				
- bunch ash	-	-	-	-
- empty fruit bunches	-	9,448	-	-
- fertiliser	-	208	-	-
- fibre	<b>338,545</b>	159,498	-	-
- palm kernel shell	<b>3,460,881</b>	2,350,469	-	-
- scrapped iron	<b>210,197</b>	444,966	-	-
- sludge oil	<b>21,164,357</b>	15,928,945	-	-
- waste oil	-	2,243	-	-
- others	<b>12,245</b>	38,169	-	-
Stone royalty income	<b>1,308,477</b>	1,301,354	-	-
	<b>30,942,371</b>	26,591,491	<b>481,637</b>	652,951

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 7. Other expenses

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fair value loss on biological assets (Note 22)	<b>1,220,423</b>	-	<b>166,069</b>	-
Forwarding charges	<b>1,637,265</b>	1,393,112	-	-
Loss on disposal of property, plant and equipment	<b>41,781</b>	-	-	-
Miscellaneous expenses	<b>8,662</b>	-	<b>8,662</b>	-
Property, plant and equipment written off (Note 16)	<b>29,014</b>	3,903,014	-	81,486
	<b>2,937,145</b>	5,296,126	<b>174,731</b>	81,486

## 8. Reversal/(Allowance) for expected credit losses

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Allowance for expected credit losses (Note 24)	-	(214,422)	-	-
Reversal for expected credit losses (Note 24)	<b>54,961</b>	-	-	-
	<b>54,961</b>	(214,422)	-	-

## 9. Employee benefits expense

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Salaries and wages	<b>52,997,966</b>	48,689,586	<b>3,446,411</b>	2,496,481
Contributions to defined contribution plan	<b>3,139,318</b>	2,557,673	<b>288,604</b>	176,108
Contributions to employees insurance system	<b>40,310</b>	25,692	<b>1,921</b>	1,523
Social security contributions	<b>503,296</b>	396,764	<b>32,719</b>	24,467
	<b>56,680,890</b>	51,669,715	<b>3,769,655</b>	2,698,579
Capitalised in bearer plants (Note 16)	<b>691,647</b>	696,581	<b>20,769</b>	57,322
Capitalised in inventories (Nurseries) (Note 23)	<b>360,775</b>	331,314	<b>36,153</b>	33,029
Recognised in profit or loss	<b>55,628,468</b>	50,641,820	<b>3,712,733</b>	2,608,228
	<b>56,680,890</b>	51,669,715	<b>3,769,655</b>	2,698,579

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 9. Employee benefits expense (Cont'd)

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration amounting to RM6,770,175 (2024: RM6,278,805) and RM582,400 (2024: RM515,200) respectively as further disclosed in Note 10 to the financial statements.

## 10. Directors' remuneration

The details of remuneration received and receivable by Directors of the Group and of the Company during the financial year are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Executive Directors' remuneration (Note 9)</b>				
- Salaries and other emoluments	<b>3,378,240</b>	3,408,223	<b>240,000</b>	240,000
- Bonus	<b>2,682,720</b>	2,247,192	<b>280,000</b>	220,000
- Allowance	<b>200,000</b>	160,000	-	-
- Contributions to defined contribution plan	<b>484,884</b>	450,065	<b>62,400</b>	55,200
- Benefit-in-kind	<b>24,331</b>	13,325	-	-
	<b>6,770,175</b>	6,278,805	<b>582,400</b>	515,200
<b>Alternate Director</b>				
- Salaries and other emoluments	<b>487,200</b>	154,930	-	-
- Bonus	<b>209,700</b>	92,500	-	-
- Contributions to defined contribution plan	<b>76,428</b>	28,516	-	-
	<b>773,328</b>	275,946	-	-
<b>Non-executive Directors' remuneration</b>				
- Fees	<b>126,000</b>	158,000	-	-
- Allowance	<b>321,512</b>	275,952	<b>158,000</b>	158,000
	<b>447,512</b>	433,952	<b>158,000</b>	158,000
<b>Total Directors' remuneration</b>	<b>7,991,015</b>	6,988,703	<b>740,400</b>	673,200

Included in the Directors' remuneration of the Group and the Company above are remuneration received and receivable by Directors of the Company during the financial year which amounted to RM5,641,183 (2024: RM4,817,607) and RM740,400 (2024: RM673,200) respectively.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 11. Profit from operations

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other than those disclosed in Notes 6, 7, 8, 9 and 10 profit from operations is arrived at after charging:				
Auditors' remuneration				
- Statutory audit				
- Current year	<b>371,174</b>	354,637	<b>60,000</b>	60,000
- Under provision in prior year	<b>6,500</b>	11,620	-	5,000
- Other services	<b>35,500</b>	35,500	<b>6,000</b>	6,000
- Over provision in prior year	-	(2,000)	-	-
Depreciation of property, plant and equipment (Note 16)	<b>32,348,823</b>	32,321,949	<b>767,172</b>	771,757
Rental expenses*	<b>320,892</b>	285,293	<b>230,747</b>	213,470

\* Expenses relating to short-term lease accounted for applying the recognition exception of MFRS 16 Leases. There are no material expense relating to low value assets.

## 12. Finance costs

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest expenses:				
- Lease liabilities	<b>1,360,012</b>	1,398,600	-	-
- Revolving credits	<b>66,695</b>	201,000	<b>43,561</b>	44,630
- Term loans	<b>672,457</b>	1,063,594	-	-
	<b>2,099,164</b>	2,663,194	<b>43,561</b>	44,630
Less: Capitalised in bearer plants (Note 16)	<b>(16,786)</b>	-	-	-
	<b>2,082,378</b>	2,663,194	<b>43,561</b>	44,630

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 13. Income from investments

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Gross dividend income from:				
- subsidiary companies	-	-	<b>15,823,398</b>	11,957,724
- quoted investments in Malaysia	<b>3,024</b>	5,307	<b>2,981</b>	5,265
	<b>3,024</b>	5,307	<b>15,826,379</b>	11,962,989

## 14. Income tax expense

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current taxation	<b>24,626,523</b>	17,952,358	<b>746,988</b>	702,029
Deferred tax (Note 20)	<b>(356,288)</b>	834,122	<b>(79,541)</b>	385,007
	<b>24,270,235</b>	18,786,480	<b>667,447</b>	1,087,036
(Over)/Under provision in prior years:				
- Current taxation	<b>(1,799,679)</b>	557,624	<b>3,563</b>	82,513
- Deferred tax (Note 20)	<b>55,942</b>	124,176	<b>(15,150)</b>	(48,095)
	<b>(1,743,737)</b>	681,800	<b>(11,587)</b>	34,418
	<b>22,526,498</b>	19,468,280	<b>655,860</b>	1,121,454

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 14. Income tax expense (Cont'd)

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and the Company is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before taxation	<b>88,266,271</b>	60,551,052	<b>18,298,925</b>	14,487,177
Taxation at Malaysian statutory tax rate of 24% (2024: 24%)	<b>21,183,905</b>	14,532,253	<b>4,391,742</b>	3,476,922
Non-deductible expenses	<b>2,863,564</b>	1,020,903	<b>90,892</b>	89,952
Non-taxable income	<b>(403,338)</b>	(276,508)	<b>(3,815,187)</b>	(2,879,838)
Effect of unrecognised temporary differences	<b>626,104</b>	3,509,832	-	400,000
	<b>24,270,235</b>	18,786,480	<b>667,447</b>	1,087,036
(Over)/Under provision in prior years:				
- Current taxation	<b>(1,799,679)</b>	557,624	<b>3,563</b>	82,513
- Deferred tax	<b>55,942</b>	124,176	<b>(15,150)</b>	(48,095)
	<b>(1,743,737)</b>	681,800	<b>(11,587)</b>	34,418
	<b>22,526,498</b>	19,468,280	<b>655,860</b>	1,121,454

## 15. Earnings per share

### (a) Basic

Basic earnings per share is calculated by dividing profit for the financial year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2025 RM	2024 RM
Profit net of tax attributable to owners of the Company	<b>48,423,804</b>	28,712,353
Weighted average number of ordinary shares in issue	<b>196,543,970</b>	196,543,970
Basic earnings per share (sen)	<b>24.64</b>	14.61

### (b) Diluted

There is no dilution in the earnings per share of the current and previous financial year end as there are no dilutive potential ordinary shares outstanding at the end of the reporting period.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 16. Property, plant and equipment

Group 2025	Freehold land RM	Long term leasehold land RM	Short term leasehold land RM	Bearer plant RM	Buildings* RM	Heavy equipment, plant and machinery, and motor vehicles RM	Furniture and fittings RM	Office equipment and laboratory equipment RM	Electrical installation, road and drainage RM	Capital work-in-progress RM	Total RM
<b>Cost</b>											
At 1 January 2025	15,729,200	148,058,772	7,328,101	183,306,653	195,001,595	264,923,211	8,676,723	1,018,910	9,949,240	27,078,252	861,070,657
Additions	-	201,384	-	7,577,054	402,865	7,602,718	733,025	46,871	30,684	22,437,313	39,031,914
Disposals	-	-	-	-	-	(220,830)	-	-	-	-	(220,830)
Written off (Note 7)	-	(85,588)	-	(199,241)	(2,573)	(392,989)	(27,143)	-	-	(12,448)	(719,982)
Reclassification	-	-	-	(95,394)	1,633,753	10,874,490	37,098	-	115,372	(12,565,319)	-
At 31 December 2025	15,729,200	148,174,568	7,328,101	190,589,072	197,035,640	282,786,600	9,419,703	1,065,781	10,095,296	36,937,798	899,161,759
<b>Accumulated depreciation</b>											
At 1 January 2025	-	35,387,858	3,090,289	113,821,170	76,436,711	146,680,752	6,137,298	765,784	4,399,497	-	386,719,359
Charge for the financial year (Note 11)	-	1,934,995	133,522	6,101,148	5,154,788	17,977,070	536,054	41,969	469,277	-	32,348,823
Disposals	-	-	-	-	-	(143,249)	-	-	-	-	(143,249)
Written off (Note 7)	-	(88,838)	-	(184,279)	(1,608)	(392,980)	(23,263)	-	-	-	(690,968)
At 31 December 2025	-	37,234,015	3,223,811	119,738,039	81,589,891	164,121,593	6,650,089	807,753	4,868,774	-	418,233,965
<b>Net book value</b>											
At 31 December 2025	15,729,200	110,940,553	4,104,290	70,851,033	115,445,749	118,665,007	2,769,614	258,028	5,226,522	36,937,798	480,927,794

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 16. Property, plant and equipment (Cont'd)

Group 2024	Property, plant and equipment (Cont'd)										Total RM	
	Freehold land RM	Long term leasehold land RM	Short term leasehold land RM	Bearer plant RM	Buildings* RM	Heavy equipment, plant and machinery, and motor vehicles RM	Furniture and fixtures RM	Office equipment and laboratory equipment RM	Electrical installation, road and drainage RM	Capital work-in- progress RM		
<b>Cost</b>												
At 1 January 2024	15,729,200	147,922,125	7,328,101	179,946,392	190,996,321	252,082,890	7,837,469	956,085	7,025,762	25,289,233	835,113,578	
Additions	-	496,227	-	4,143,389	2,022,631	8,840,020	755,255	62,825	920,339	20,758,447	37,999,133	
Disposals	-	(2,989)	-	-	-	(456,000)	-	-	-	-	(458,989)	
Written off (Note 7)	-	(356,591)	-	(783,128)	(114,500)	(10,306,006)	(19,242)	-	-	(3,598)	(11,583,065)	
Reclassification	-	-	-	-	2,097,143	14,762,307	103,241	-	2,003,139	(18,965,830)	-	
At 31 December 2024	15,729,200	148,058,772	7,328,101	183,306,653	195,001,595	264,923,211	8,676,723	1,018,910	9,949,240	27,078,252	861,070,657	
<b>Accumulated depreciation</b>												
At 1 January 2024	-	33,615,976	2,956,767	108,280,007	71,207,876	135,893,873	5,628,522	723,376	3,971,546	-	362,277,943	
Charge for the financial year (Note 11)	-	1,932,916	133,522	6,150,857	5,261,849	17,844,117	528,329	42,408	427,951	-	32,321,949	
Disposals	-	(857)	-	-	-	(199,625)	-	-	-	-	(200,482)	
Written off (Note 7)	-	(160,177)	-	(609,694)	(33,014)	(6,866,388)	(10,778)	-	-	-	(7,680,051)	
Reclassification	-	-	-	-	-	8,775	(8,775)	-	-	-	-	
At 31 December 2024	-	35,387,858	3,090,289	113,821,170	76,436,711	146,680,752	6,137,298	765,784	4,399,497	-	386,719,359	
<b>Net book value</b>												
At 31 December 2024	15,729,200	112,670,914	4,237,812	69,485,483	118,564,884	118,242,459	2,539,425	253,126	5,549,743	27,078,252	474,351,298	

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 16. Property, plant and equipment (Cont'd)

\* Buildings comprise:

Group	Leasehold property RM	Oil mill and other buildings RM	Plantation infrastructure development expenditure RM	Quarry RM	Total RM
<b>Cost</b>					
At 1 January 2024	592,166	115,507,794	60,264,340	14,632,021	190,996,321
Additions	-	1,495,358	527,273	-	2,022,631
Write off	-	(114,500)	-	-	(114,500)
Reclassification	-	2,089,451	7,692	-	2,097,143
At 31 December 2024	592,166	118,978,103	60,799,305	14,632,021	195,001,595
Additions	-	<b>132,794</b>	<b>270,071</b>	-	<b>402,865</b>
Write off	-	<b>(2,573)</b>	-	-	<b>(2,573)</b>
Reclassification	-	<b>1,538,359</b>	<b>95,394</b>	-	<b>1,633,753</b>
At 31 December 2025	<b>592,166</b>	<b>120,646,683</b>	<b>61,164,770</b>	<b>14,632,021</b>	<b>197,035,640</b>
<b>Accumulated depreciation</b>					
At 1 January 2024	-	60,345,415	8,336,974	2,525,487	71,207,876
Charge for the financial year	15,602	3,530,181	1,344,058	372,008	5,261,849
Disposal	-	(33,014)	-	-	(33,014)
At 31 December 2024	15,602	63,842,582	9,681,032	2,897,495	76,436,711
Charge for the financial year	<b>15,602</b>	<b>3,582,762</b>	<b>1,356,424</b>	<b>200,000</b>	<b>5,154,788</b>
Disposal	-	<b>(1,608)</b>	-	-	<b>(1,608)</b>
At 31 December 2025	<b>31,204</b>	<b>67,423,736</b>	<b>11,037,456</b>	<b>3,097,495</b>	<b>81,589,891</b>
<b>Net book value</b>					
At 31 December 2025	<b>560,962</b>	<b>53,222,947</b>	<b>50,127,314</b>	<b>11,534,526</b>	<b>115,445,749</b>
At 31 December 2024	576,564	55,135,521	51,118,273	11,734,526	118,564,884

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 16. Property, plant and equipment (Cont'd)

Company 2025	Freehold land RM	Long term leasehold land RM	Bearer plant RM	Buildings RM	Plant and machinery, and motor vehicles RM	Furniture and fittings RM	Office equipment RM	Electrical installation RM	Capital work-in-progress RM	Total RM
<b>Cost</b>										
At 1 January 2025	3,006,617	388,220	4,950,869	7,875,868	1,205,674	1,745,139	750,982	242,642	297,660	20,463,671
Additions	-	-	61,660	60,867	169,458	37,101	26,588	2,790	317,470	675,934
Written off	-	-	-	-	(2,500)	-	-	-	-	(2,500)
Reclassification	-	-	-	424,514	139,660	4,500	-	46,456	(615,130)	-
At 31 December 2025	3,006,617	388,220	5,012,529	8,361,249	1,512,292	1,786,740	777,570	291,888	-	21,137,105
<b>Accumulated depreciation</b>										
At 1 January 2025	-	-	1,536,666	5,667,742	681,056	1,466,861	631,524	163,720	-	10,147,569
Charge for the financial year (Note 11)	-	-	206,073	353,907	59,770	111,623	29,140	6,659	-	767,172
Written off	-	-	-	-	(2,500)	-	-	-	-	(2,500)
At 31 December 2025	-	-	1,742,739	6,021,649	738,326	1,578,484	660,664	170,379	-	10,912,241
<b>Net book value</b>										
At 31 December 2025	3,006,617	388,220	3,269,790	2,339,600	773,966	208,256	116,906	121,509	-	10,224,864

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 16. Property, plant and equipment (Cont'd)

Company 2024	Freehold land RM	Long term leasehold land RM	Bearer plant RM	Buildings RM	Plant and machinery, and motor vehicles RM	Furniture and fittings RM	Office equipment RM	Electrical installation RM	Capital work-in-progress RM	Total RM
<b>Cost</b>										
At 1 January 2024	3,006,617	388,220	4,828,169	7,979,771	1,031,085	1,716,814	721,037	242,642	39,589	19,953,944
Additions	-	-	122,700	8,067	174,589	28,325	29,945	-	260,601	624,227
Written off	-	-	-	(114,500)	-	-	-	-	-	(114,500)
Reclassification	-	-	-	2,530	-	-	-	-	(2,530)	-
At 31 December 2024	3,006,617	388,220	4,950,869	7,875,868	1,205,674	1,745,139	750,982	242,642	297,660	20,463,671
<b>Accumulated depreciation</b>										
At 1 January 2024	-	-	1,327,208	5,329,738	633,908	1,357,349	602,536	158,087	-	9,408,826
Charge for the financial year (Note 11)	-	-	209,458	371,018	47,148	109,512	28,988	5,633	-	771,757
Written off	-	-	-	(33,014)	-	-	-	-	-	(33,014)
At 31 December 2024	-	-	1,536,666	5,667,742	681,056	1,466,861	631,524	163,720	-	10,147,569
<b>Net book value</b>										
At 31 December 2024	3,006,617	388,220	3,414,203	2,208,126	524,618	278,278	119,458	78,922	297,660	10,316,102

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 16. Property, plant and equipment (Cont'd)

The property, plant and equipment of the Group and the Company held as right-of-use assets are as follows:

Group	Cost RM	Accumulated depreciation RM	Net book value RM
<b>2025</b>			
Long term leasehold land	148,174,568	(37,234,015)	110,940,553
Short term leasehold land	7,328,101	(3,223,811)	4,104,290
Plant and machinery, and motor vehicles	<u>12,485,127</u>	<u>(3,622,810)</u>	<u>8,862,317</u>
	<u>167,987,796</u>	<u>(44,080,636)</u>	<u>123,907,160</u>
<b>2024</b>			
Long term leasehold land	148,058,772	(35,387,858)	112,670,914
Short term leasehold land	7,328,101	(3,090,289)	4,237,812
Plant and machinery, and motor vehicles	<u>9,745,593</u>	<u>(2,520,794)</u>	<u>7,224,799</u>
	<u>165,132,466</u>	<u>(40,998,941)</u>	<u>124,133,525</u>
<b>Company</b>			
<b>2025</b>			
Long term leasehold land	<u>388,220</u>	<u>-</u>	<u>388,220</u>
<b>2024</b>			
Long term leasehold land	<u>388,220</u>	<u>-</u>	<u>388,220</u>

Leased assets of the Group and the Company pledged as security for the related finance lease liabilities as disclosed in Note 30 to the financial statements.

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Right-of-use assets				
- Plant and machinery	7,488,503	6,413,513	-	-
- Motor vehicles	<u>1,373,814</u>	<u>811,286</u>	<u>-</u>	<u>-</u>
	<u>8,862,317</u>	<u>7,224,799</u>	<u>-</u>	<u>-</u>

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 16. Property, plant and equipment (Cont'd)

In addition, the net carrying value of the property, plant and equipment of the Group pledged to licensed banks to secure the loans and borrowings granted to the Group as disclosed in Note 29 to the financial statements are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Freehold land	<b>3,006,617</b>	3,006,617	<b>3,006,617</b>	3,006,617
Bearer plant	<b>51,281,810</b>	50,977,864	<b>3,269,791</b>	3,414,203
Buildings	<b>16,987,039</b>	16,663,671	<b>1,993,330</b>	1,669,961
Plantation infrastructure development expenditure	<b>47,475,597</b>	47,475,597	-	-
Plant and machinery	<b>83,443,221</b>	83,306,547	<b>266,078</b>	129,403
Furniture and fittings	<b>1,732,192</b>	1,730,002	<b>101,524</b>	99,334
Office equipment	<b>88,814</b>	60,715	<b>88,814</b>	60,715
Electrical installation	<b>121,509</b>	78,922	<b>121,509</b>	78,922
Capital work-in-progress	<b>20,112,609</b>	20,410,269	-	297,660
Right-of-use assets				
- Leasehold land	<b>35,188,809</b>	35,383,758	-	-
- Motor vehicles	<b>1,110,010</b>	1,110,010	-	-
	<b><u>260,548,227</u></b>	<u>260,203,972</u>	<b><u>8,847,663</u></b>	<u>8,756,815</u>

Additions in bearer plants during the financial year included the following:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Employee benefits expense (Note 9)	<b>691,647</b>	696,581	<b>20,769</b>	57,322
Interest capitalised (Note 12)	<b>16,786</b>	-	-	-

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 17. Investment properties

Fair value	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 January and 31 December	<b>45,263,826</b>	45,263,826	<b>1,250,000</b>	1,250,000

The category of the fair value of investment properties are further disclosed in Note 36 to the financial statements.

Investment properties are stated at fair value, which has been determined based on valuations performed during the financial year by independent professional valuers using sales comparison method that makes reference to the sales prices of comparable properties in close proximity which are adjusted for differences in key attributes such as property size and location. The most significant input into this valuation approach is price per square foot of comparable properties.

Valuation techniques	Significant unobservable inputs	Range of adjustment factor	
		2025 %	2024 %
Market comparable approach	Difference in size and bulk discount	<b>5 – 10</b>	5 – 10

The followings are recognised in profit or loss in respect of investment properties:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Rental income	<b>78,453</b>	102,630	<b>78,453</b>	76,230
Direct operating expenses	<b>(4,813)</b>	(4,534)	<b>(3,499)</b>	(3,499)

For all investment properties that are measured at fair value, the current use of the properties is considered the highest and best use.

## 18. Investments in subsidiaries

At cost	Company	
	2025 RM	2024 RM
Unquoted shares, at cost		
At 1 January and 31 December	<b>112,304,855</b>	112,304,855
Quoted shares, at cost.		
At 1 January and 31 December	<b>101,507,214</b>	101,507,214
	<b>213,812,069</b>	213,812,069

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 18. Investments in subsidiaries (Cont'd)

Details of the subsidiaries are as follows:

Name of subsidiary companies	Country of incorporation	Proportion of ownership interest held by the Group*		Proportion of ownership interest held by non-controlling interests*		Principal activities
		2025 %	2024 %	2025 %	2024 %	
<b>Held by the Company</b>						
Champion Point Sdn. Bhd.	Malaysia	100	100	-	-	Cultivation of oil palm and sale of fresh fruit bunches
Yew Lee Holdings Sdn. Berhad	Malaysia	100	100	-	-	Cultivation of oil palm and sale of fresh fruit bunches
Majuperak Plantation Sdn. Bhd.	Malaysia	100	100	-	-	Cultivation of oil palm and sale of fresh fruit bunches
Anson Oil Industries Sdn. Bhd.	Malaysia	100	100	-	-	Cultivation of oil palm, milling, sale of oil palm products and power generation
Ayu Gemilang Sdn. Bhd.	Malaysia	100	100	-	-	Investment holding
Telok Anson Hotel Sdn. Berhad	Malaysia	100	100	-	-	Investment holding
Mah Hock Company Sendirian Berhad	Malaysia	100	100	-	-	Property investment, housing development and cultivation of oil palm
Cepatwawasan Group Berhad ("CGB")	Malaysia	39.53	39.53	60.47	60.47	Investment holding and provision of management services to its subsidiary companies
<b>Held through Yew Lee Holdings Sdn. Berhad</b>						
Sharikat Muzwin Bersaudara Sdn. Bhd.	Malaysia	99	99	1	1	Cultivation of oil palm and sale of fresh fruit bunches
Hutan Melintang Plantations Sdn. Berhad	Malaysia	100	100	-	-	Cultivation of oil palm and sale of fresh fruit bunches

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 18. Investments in subsidiaries (Cont'd)

Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiary companies	Country of incorporation	Proportion of ownership interest held by the Group*		Proportion of ownership interest held by non-controlling interests*		Principal activities
		2025 %	2024 %	2025 %	2024 %	
<b>Held through Majuperak Plantation Sdn. Bhd.</b>						
Majuperak Sawit Sdn. Bhd.	Malaysia	100	100	-	-	Dormant
<b>Held through CGB</b>						
Cepatwawasan Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Cultivation of oil palm
Syarikat Melabau Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Cultivation of oil palm
Wong Tet-Jung Plantations Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Cultivation of oil palm
Razijaya Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Cultivation of oil palm and operation of a quarry
Sri Likas Mewah Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Cultivation of oil palm
Kovusak Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Cultivation of oil palm
Libarran Island Resort Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Investment holding
Bakara Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Cultivation of oil palm
Sungguh Mulia Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Cultivation of oil palm
Prima Semasa Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Cultivation of oil palm
Ayu Sempurna Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Investment holding
Cash Nexus (M) Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Investment holding
Magnum Kapital Sdn. Bhd.	Malaysia	39.53	39.53	60.47	60.47	Dormant

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 18. Investments in subsidiaries (Cont'd)

Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiary companies	Country of incorporation	Proportion of ownership interest held by the Group*		Proportion of ownership interest held by non-controlling interests*		Principal activities
		2025 %	2024 %	2025 %	2024 %	
<b>Held through CGB (Cont'd)</b>						
Hikayat Anggun Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Dormant
Aspenglade Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Dormant
Ekuiti Etika Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Dormant
Prolific Yield Sdn. Bhd.**	Malaysia	<b>19.37</b>	19.37	<b>30.84</b>	30.84	Milling and sales of oil palm products
<b>Held through Cepatwawasan Sdn. Bhd.</b>						
Prolific Yield Sdn. Bhd.**	Malaysia	<b>20.16</b>	20.16	<b>29.63</b>	29.63	Milling and sales of oil palm products
Jutategak Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Cultivation of oil palm
Liga Semarak Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Cultivation of oil palm
Tentu Cergas Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Cultivation of oil palm
Tentu Bernas Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Cultivation of oil palm
<b>Held through Syarikat Melabau Sdn. Bhd.</b>						
Suara Baru Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Cultivation of oil palm and operation of a quarry
Gelang Usaha Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Cultivation of oil palm
Swifturn Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Letting of oil palm fresh fruit bunches collection center

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 18. Investments in subsidiaries (Cont'd)

Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiary companies	Country of incorporation	Proportion of ownership interest held by the Group*		Proportion of ownership interest held by non-controlling interests*		Principal activities
		2025 %	2024 %	2025 %	2024 %	
<b>Held through Sri Likas Mewah Sdn. Bhd.</b>						
Ultisearch Trading Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Cultivation of oil palm
<b>Held through Libarran Island Resort Sdn. Bhd.</b>						
Minelink Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Investment property holding
<b>Held through Ayu Sempurna Sdn. Bhd.</b>						
Ladang Cepat-KPD Sdn. Bhd.	Malaysia	<b>23.72</b>	23.72	<b>36.28</b>	36.28	Cultivation of oil palm and sale of fresh fruit bunches
<b>Held through Ayu Gemilang Sdn. Bhd.</b>						
Ladang Cepat-KPD Sdn. Bhd.	Malaysia	<b>20.00</b>	20.00	<b>20.00</b>	20.00	Cultivation of oil palm and sale of fresh fruit bunches
<b>Held through Cash Nexus (M) Sdn. Bhd.</b>						
Power Precinct Sdn. Bhd.	Malaysia	<b>39.53</b>	39.53	<b>60.47</b>	60.47	Investment holding
Cash Horse (M) Sdn. Bhd.***	Malaysia	<b>39.48</b>	39.48	<b>0.08</b>	0.08	Power generation and sale of biomass by-products
Timah Resources Limited # ^	Australia	<b>27.59</b>	27.59	<b>72.41</b>	72.41	Investment holding
Mistral Engineering Sdn. Bhd.****	Malaysia	<b>20.16</b>	20.16	-	-	Power generation

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 18. Investments in subsidiaries (Cont'd)

Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiary companies	Country of incorporation	Proportion of ownership interest held by the Group*		Proportion of ownership interest held by non-controlling interests*		Principal activities
		2025 %	2024 %	2025 %	2024 %	
<b>Held through Timah Resources Limited</b>						
Mistral Engineering Sdn. Bhd.****	Malaysia	<b>13.52</b>	13.52	<b>66.32</b>	66.32	Power generation
<b>Held through Power Precinct Sdn. Bhd.</b>						
Cash Horse (M) Sdn. Bhd.***	Malaysia	<b>0.05</b>	0.05	<b>60.39</b>	60.39	Power generation and sale of biomass by-products

# Audited by a firm other than PKF PLT, Malaysia

\* Equals to the proportion of voting rights held

\*\* Prolific Yield Sdn. Bhd. is held through both Cepatwawasan Group Berhad and Cepatwawasan Sdn. Bhd.

\*\*\* Cash Horse (M) Sdn. Bhd. is held through both Cash Nexus (M) Sdn. Bhd. and Power Precinct Sdn. Bhd.

\*\*\*\* Mistral Engineering Sdn. Bhd. is held through both Cash Nexus (M) Sdn. Bhd. and Timah Resources Limited

^ Listed on the or ASX Limited

### Subscription of additional shares

#### 2024

On 18 December 2024, the Company's subsidiary, Cepatwawasan Group Berhad subscribed for an additional 58,500,000 ordinary shares in Cash Nexus (M) Sdn. Bhd. at an issue price of RM1 per share, for cash consideration. Subsequently, Cash Nexus (M) Sdn. Bhd. utilised these proceeds to subscribe for an equivalent number of ordinary shares in Cash Horse (M) Sdn. Bhd. at the same issue price. Following this subscription, the equity interest of Cash Nexus (M) Sdn. Bhd. in Cash Horse (M) Sdn. Bhd. increased from 27.67% to 39.48%, while the equity interest of Power Precinct Sdn. Bhd. correspondingly decreased from 11.86% to 0.05%. As Cash Nexus (M) Sdn. Bhd. remains a wholly owned subsidiary, the Company's indirect equity interest in Cash Horse (M) Sdn. Bhd. increased accordingly.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 18. Investments in subsidiaries (Cont'd)

### Non-controlling interests in subsidiary

Summarised financial information of CGB which has non-controlling interests that are material to the Group are set out below. The summarised financial information presented below is the amount before inter-company elimination.

	2025 RM	2024 RM
<b>Summarised consolidated statements of profit or loss and other comprehensive income</b>		
Revenue	<b>315,560,895</b>	304,668,780
Profit for the financial year	<b>28,328,513</b>	21,717,341
Profit attributable to:		
Owners of the Company	<b>26,843,585</b>	21,609,720
Non-controlling interests	<b>1,484,928</b>	107,621
	<b>28,328,513</b>	21,717,341
Other comprehensive (loss)/income attributable to:		
Owners of the Company	<b>(2,149)</b>	(46,380)
Non-controlling interests	<b>(931)</b>	(20,067)
	<b>(3,080)</b>	(66,447)
Total comprehensive income	<b>28,325,433</b>	21,650,894
Total comprehensive income attributable to:		
Owners of the Company	<b>26,841,435</b>	21,563,340
Non-controlling interests	<b>1,483,998</b>	87,554
	<b>28,325,433</b>	21,650,894
Dividends paid to non-controlling interests	<b>10,344,105</b>	8,473,684

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 18. Investments in subsidiaries (Cont'd)

### Non-controlling interests in subsidiary (Cont'd)

Summarised financial information of CGB which has non-controlling interests that are material to the Group are set out below. The summarised financial information presented below is the amount before inter-company elimination. (Cont'd)

	2025 RM	2024 RM
<b>Summarised consolidated statement of financial position</b>		
Non-current assets	<b>383,202,637</b>	374,164,911
Current assets	<b>132,731,674</b>	153,878,180
Non-current liabilities	<b>(47,753,604)</b>	(42,087,000)
Current liabilities	<b>(39,989,050)</b>	(68,641,516)
Net assets	<b>428,191,657</b>	417,314,575
Equity attributable to owners of the Company	<b>424,930,869</b>	413,537,782
Non-controlling interests	<b>3,260,788</b>	3,776,793
<b>Summarised cash flows information</b>		
Net cash from operating activities	<b>48,956,553</b>	54,852,775
Net cash used in investing activities	<b>(15,182,916)</b>	(26,816,387)
Net cash (used in)/from financing activities	<b>(57,243,395)</b>	3,308,000
Net (decrease)/increase in cash and cash equivalents	<b>(23,469,758)</b>	31,344,388
Net foreign exchange difference	<b>(3,080)</b>	(66,447)
Cash and cash equivalents at beginning of the financial year	<b>97,458,788</b>	66,180,847
Cash and cash equivalents at end of the financial year	<b>73,985,950</b>	97,458,788

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 19. Investments in securities

	2025		2024	
	Carrying amount RM	Market value of quoted investments RM	Carrying amount RM	Market value of quoted investments RM
<b>Group</b>				
<b>Non-current</b>				
At 1 January	233,606		251,634	
Recognised in other comprehensive income	(37,684)		(18,028)	
At 31 December	195,922		233,606	
Financial assets				
- Equity instruments (quoted in Malaysia)	70,626	70,626	100,333	100,333
- Equity instruments (unquoted), at fair value	125,296	-	133,273	-
At 31 December	195,922		233,606	
<b>Company</b>				
<b>Non-current</b>				
At 1 January	92,616		99,559	
Recognised in other comprehensive income	(27,992)		(6,943)	
At 31 December	64,624		92,616	
Financial assets				
- Equity instruments (quoted in Malaysia)	64,623	64,623	92,615	92,615
- Equity instruments (unquoted), at fair value	1	-	1	-
At 31 December	64,624		92,616	

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 20. Deferred tax assets/(liabilities)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 January	<b>(45,705,876)</b>	(44,747,578)	<b>(937,282)</b>	(600,370)
Recognised in profit or loss (Note 14)	<b>300,346</b>	(958,298)	<b>94,691</b>	(336,912)
At 31 December	<b>(45,405,530)</b>	(45,705,876)	<b>(842,591)</b>	(937,282)

The components of deferred tax assets and liabilities during the financial year recognised in profit and loss prior and after offsetting are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Deferred tax assets</b>				
Provision	<b>745,660</b>	693,762	-	-
Unutilised tax losses	<b>966,753</b>	1,512,701	-	-
Unabsorbed agriculture and capital allowances	<b>22,146,340</b>	21,856,895	<b>239,422</b>	260,296
Unabsorbed investment tax allowances	<b>5,687,680</b>	5,687,680	-	-
	<b>29,546,433</b>	29,751,038	<b>239,422</b>	260,296
<b>Deferred tax liabilities</b>				
Property, plant and equipment	<b>(73,018,701)</b>	(73,330,945)	<b>(932,377)</b>	(1,008,086)
Biological assets	<b>(1,103,122)</b>	(1,394,552)	<b>(69,190)</b>	(109,046)
Revaluation of leasehold land and buildings	<b>(697,841)</b>	(592,789)	<b>(15,529)</b>	(15,529)
Fair value changes to investment properties	<b>(132,299)</b>	(138,628)	<b>(64,917)</b>	(64,917)
	<b>(74,951,963)</b>	(75,456,914)	<b>(1,082,013)</b>	(1,197,578)
	<b>(45,405,530)</b>	(45,705,876)	<b>(842,591)</b>	(937,282)

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 20. Deferred tax assets/(liabilities) (Cont'd)

Presented after appropriate offsetting as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deferred tax assets	<b>2,902,339</b>	3,079,242	-	-
Deferred tax liabilities	<b>(48,307,869)</b>	(48,785,118)	<b>(842,591)</b>	(937,282)
	<b>(45,405,530)</b>	(45,705,876)	<b>(842,591)</b>	(937,282)

No deferred tax asset has been recognised for the following items:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unabsorbed capital allowances	<b>104,370,886</b>	104,370,622	<b>1,666,667</b>	1,666,667
Unutilised tax losses	<b>28,316,569</b>	25,708,664	-	-
	<b>132,687,455</b>	130,079,286	<b>1,666,667</b>	1,666,667
Tax rate	<b>24%</b>	24%	<b>24%</b>	24%
Deferred tax assets not recognised	<b>31,844,989</b>	31,219,029	<b>400,000</b>	400,000

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 20. Deferred tax assets/(liabilities) (Cont'd)

Year of expiry of unutilised tax losses is analysed as follows:

	2025 RM	Group 2024 RM
Expiry by 2028	<b>28,755,888</b>	30,796,353
Expiry by 2033	<b>1,295,662</b>	1,215,232
Expiry by 2034	<b>876,739</b>	-
Expiry by 2035	<b>1,416,418</b>	-
	<b>32,344,707</b>	32,011,585
Tax rate	<b>24%</b>	24%
	<b>7,762,730</b>	7,682,780

The unabsorbed capital allowances disclosed above are available indefinitely for offsetting against future taxable profits of the Group and of the Company whereas the unutilised losses is available to be carried forward up to the maximum of ten (10) years, subject to no substantial change in shareholdings of these subsidiaries under the Income Tax Act, 1967 and guidelines issued by the tax authority.

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group and the Company can utilise the benefits.

## 21. Intangible assets

Goodwill	2025 RM	Group 2024 RM
At 1 January/31 December	<b>43,867,118</b>	43,867,118

### Impairment testing of goodwill

Goodwill which arose from business combinations has been allocated to CGUs identified according to the individual subsidiaries and the Sub-Group, all of which are principally involved in plantation activities for impairment testing.

The recoverable amount of the above CGUs has been determined based on either FVLCD where the management relied on independent professional valuers using comparison method valuation or VIU calculations using cash flow projections approved by management covering a five-year period.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 21. Intangible assets (Cont'd)

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

	Group	
	2025 RM	2024 RM
CPO per metric tonne ("MT")	4,000 – 4,502	4,187 – 4,727
PK per MT	3,200 – 3,602	2,610 – 3,039
Discount rates	<u>10%</u>	<u>10%</u>

- (i) CPO and PK prices are based on the current market outlook of product prices relating to the CGU.
- (ii) Discount rates used for cash flows discounting purpose is the Group's weighted average cost of capital.

For CGUs determined based on FVLCD, the recoverable values were determined by the professional valuers on plantation land using market comparison approach that reflects recent transacted prices of similar properties. These prices are adjusted for factors of size and location by a range of 5% - 20% to arrive at a range of valuation of RM31,950 to RM69,696 per acre for plantation land.

### Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the plantation segment, management believes that any reasonable possible change in any of the above key assumptions applied is unlikely to materially cause the recoverable amounts to be lower than the carrying values of the CGU.

## 22. Biological assets

At fair value	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 January	5,810,635	3,266,284	454,360	211,720
Fair value gain (Note 6)	6,134	2,544,351	-	242,640
Fair value loss (Note 7)	<u>(1,220,423)</u>	<u>-</u>	<u>(166,069)</u>	<u>-</u>
At 31 December	<u>4,596,346</u>	<u>5,810,635</u>	<u>288,291</u>	<u>454,360</u>

The biological assets of the Group and the Company comprise fresh fruit bunches ("FFB") prior to harvest. To arrive at the fair value of FFB, the management has considered the oil content of the unripe FFB and derived at the assumption that the net cash flows to be generated from FFB prior to more than six (6) weeks to harvest is negligible, therefore quantity of unripe FFB on bearer plants of up to six (6) weeks prior to harvest was used for valuation purpose. The quantity of unharvested FFB of the Group and the Company as at 31 December 2025 included in the fair valuation of FFB were 13,657 and 1,082 metric tonne (2024: 14,669 and 1,167 metric tonne) respectively. The net present value of cash flows is then determined with reference to the market value of crude palm oil at the date of harvest, adjusted for freight and other costs to sell at the point of harvest.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 22. Biological assets (Cont'd)

The valuation model adopted by the Group is a discounted cash flow model which includes all cash inflows, cash outflows and imputed contributory asset charges where no actual cash flows associated with the use of assets essential to the agricultural activity are accounted for. The net present value of cash flows is then determined with reference to the market value of crude palm oil at the date of harvest, adjusted for freight, extraction rates, production, transportation, contributory asset charges and other costs to sell at the point of harvest. Changes to the assumed prices of the FFB and tonnage included in the valuation will have a direct effect on the reported valuation.

The relationship of the unobservable inputs to changes in fair value, with all other variables held constant is as follows:

Group	Unobservable inputs		Fair value gain/(loss)	
	2025		2024	
	Increase by 10% RM	Decrease by 10% RM	Increase by 10% RM	Decrease by 10% RM
FFB price	<b>638,588</b>	<b>(638,588)</b>	734,120	(734,120)
Production volume	<b>458,212</b>	<b>(458,212)</b>	533,360	(533,360)
Harvest and transportation costs	<b>(183,506)</b>	<b>183,506</b>	(204,155)	204,155
<b>Company</b>				
FFB price	<b>43,593</b>	<b>(43,593)</b>	61,500	(61,500)
Production volume	<b>28,829</b>	<b>(28,829)</b>	45,436	(45,436)
Harvest and transportation costs	<b>(14,764)</b>	<b>14,764</b>	(16,064)	16,064

## 23 Inventories

Cost	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Crude palm oil	<b>12,634,510</b>	7,026,266	-	-
Empty fruit bunches	<b>40,208</b>	26,073	-	-
Empty fruit bunches oil	<b>621,431</b>	469,884	-	-
Fibre	<b>14,512</b>	12,943	-	-
Nursery, seedlings, stores, and materials	<b>11,548,715</b>	10,842,687	<b>262,495</b>	161,695
Palm kernel	<b>2,239,504</b>	1,055,988	-	-
Quarry inventories	<b>6,026,168</b>	6,657,649	-	-
Shell	<b>63,553</b>	-	-	-
	<b>33,188,601</b>	26,091,490	<b>262,495</b>	161,695
Less: Allowance for slow moving and obsolete inventories	<b>(1,434,115)</b>	(1,434,115)	-	-
	<b>31,754,486</b>	24,657,375	<b>262,495</b>	161,695

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 23 Inventories (Cont'd)

Movement in the allowance for slow moving and obsolete inventories account is as follows:

	Group	
	2025 RM	2024 RM
At 1 January/31 December	<u>1,434,115</u>	<u>1,434,115</u>

During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group and the Company were RM251,380,338 and RM992,384 (2024: RM208,779,544 and RM392,604).

Additions in nurseries during the financial year included the following:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Employee benefits expense (Note 9)	<u>360,775</u>	<u>331,314</u>	<u>36,153</u>	<u>33,029</u>

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 24. Trade and other receivables

Trade receivables	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Third parties	<b>14,886,503</b>	16,452,244	<b>114,080</b>	50,445
Amounts due from subsidiaries	-	-	<b>398,059</b>	431,884
	<b>14,886,503</b>	16,452,244	<b>512,139</b>	482,329
Less: Allowance for expected credit losses	<b>(37,512)</b>	(92,473)	-	-
Trade receivables, net	<b>14,848,991</b>	16,359,771	<b>512,139</b>	482,329
<b>Other receivables</b>				
Other receivables				
- Amounts due from subsidiaries	-	-	<b>220,937</b>	328,588
- Sundry receivables	<b>3,212,854</b>	4,631,472	<b>62,516</b>	26,765
GST receivables	<b>145,426</b>	151,506	-	-
Prepayments and deposits	<b>7,035,135</b>	2,819,833	<b>75,214</b>	75,276
	<b>10,393,415</b>	7,602,811	<b>358,667</b>	430,629
Less: Allowance for expected credit losses	<b>(901,522)</b>	(901,522)	-	-
Other receivables, net	<b>9,491,893</b>	6,701,289	<b>358,667</b>	430,629
<b>Total trade and other receivables</b>	<b>24,340,884</b>	23,061,060	<b>870,806</b>	912,958

Trade receivables, including those amounts due from subsidiaries are non-interest bearing and are generally on 7 to 30 days (2024: 7 to 30 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The non-trade amounts due from subsidiaries are unsecured, non-interest bearing, and repayable on demand.

During the financial year, the following losses were recognised in profit or loss in relation to impaired financial assets.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 24. Trade and other receivables (Cont'd)

Group	Trade receivables RM	Other receivables RM	Total RM
At 1 January 2024	220,260	758,527	978,787
Charge during the financial year (Note 8)	54,961	159,461	214,422
Written off	(182,748)	(16,466)	(199,214)
At 31 December 2024	92,473	901,522	993,995
Reversal of allowance for expected credit losses (Note 8)	(54,961)	-	(54,961)
At 31 December 2025	<b>37,512</b>	<b>901,522</b>	<b>939,034</b>

There was no material expected credit loss for the Company's trade receivables as of the financial year end.

Information about the Group's and the Company's exposure to credit risks and expected credit losses for trade receivables is included in Note 35 to the financial statements.

## 25. Short-term investments

Fair value through profit or loss	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Short-term investments	<b>74,026,880</b>	46,282,277	<b>2,592,667</b>	2,172,433

Short-term funds are investments in income trust funds in Malaysia. The trust funds invest in highly liquid assets which are readily convertible to known amounts of cash with insignificant changes in value.

## 26. Cash and cash equivalents

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	<b>42,085,582</b>	70,829,974	<b>1,254,128</b>	1,347,909
Deposits with licensed banks	<b>49,487,184</b>	45,197,359	<b>454,432</b>	438,132
<b>Cash and bank balances</b>	<b>91,572,766</b>	116,027,333	<b>1,708,560</b>	1,786,041
Less: Deposits pledged as securities for banking facilities and deposits with maturity of more than three (3) months (Note 29)	<b>(2,805,101)</b>	(3,305,884)	<b>(454,432)</b>	(438,132)
<b>Cash and cash equivalents</b>	<b>88,767,665</b>	112,721,449	<b>1,254,128</b>	1,347,909

The deposits with licensed banks of the Group and the Company include an amount of RM454,432 (2024: RM438,132), which are registered in the names of two of the Company's Directors and held in trust for the Company, are pledged as securities for bankers' guarantee facilities granted to the Group.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 26. Cash and cash equivalents (Cont'd)

Deposits of the Group and of the Company are made for varying periods of between one (1) month to twelve (12) months (2024: one (1) month to twelve (12) months) and one (1) month (2024: one (1) month) respectively, depending on the cash requirements of the Group, and earn interest at the respective fixed deposit rates. The weighted average effective interest rate as at year end for deposits of the Group and of the Company was 2.44% (2024: 2.59%) and 2.05% (2024: 2.69%) per annum respectively.

## 27. Share capital

Issued and fully paid:	No. of ordinary shares	Group/Company	
		2025 RM	2024 RM
At 1 January 2024/31 December 2024/ 31 December 2025	<b>196,543,970</b> 196,543,970	<b>196,543,970</b>	196,543,970

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

## 28. Reserve

Group	2025 RM	2024 RM
<b>Distributable</b>		
Capital reserve	<b>8,169</b>	8,169
Retained profits	<b>198,488,032</b>	167,753,185
	<b>198,496,201</b>	167,761,354
<b>Non-distributable</b>		
Capital reserve	<b>5,736,883</b>	5,736,883
Other reserve	<b>(32,670,124)</b>	(32,670,124)
Revaluation reserve	<b>789,026</b>	789,026
Fair value adjustment reserve	<b>(146,923)</b>	(109,239)
Foreign currency translation reserve	<b>(330,897)</b>	(330,048)
	<b>(26,622,035)</b>	(26,583,502)
	<b>171,874,166</b>	141,177,852

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 28. Reserve (Cont'd)

Company	2025 RM	2024 RM
<b>Distributable</b>		
Retained profits	<b>30,927,942</b>	30,973,834
<b>Non-distributable</b>		
Fair value adjustment reserve	<u>(220,452)</u>	<u>(192,460)</u>
	<b><u>30,707,490</u></b>	<b><u>30,781,374</u></b>

### Capital reserve

The distributable capital reserve comprises mainly gains arising from disposal of property, plant and equipment and investments whereas the non-distributable capital reserve represents amount capitalised for bonus issue from post-acquisition reserve of a subsidiary company.

### Retained profits

The Group's and the Company's policy is to treat all gains and losses that pass through the statements of profit or loss and other comprehensive income (i.e. non-owner transactions or events) as revenue reserves. Other than retained profits, all other revenue reserves are regarded as non-distributable in the form of cash dividends to shareholders. Accumulated losses are the opposite of retained profits and when an entity is in an accumulated loss position, it is prohibited from distributing cash dividends to shareholders.

### Other reserve

Other reserve represents the difference between the adjusted carrying amount of the non-controlling interests and the fair value of the consideration paid.

### Revaluation reserve

Revaluation reserve represents net surplus arising from the revaluation of certain subsidiary companies' freehold land, buildings and biological assets in 1976, 1982 and 1988 respectively. On transition to MFRS, the Group opted for the cost model as its accounting policy for measurement of property, plant and equipment, and treated the carrying values of the previously revalued properties at the date of transition as deemed cost.

On subsequent sale or retirement of these revalued properties, the attributable surplus remaining in the revaluation reserve will be transferred to distributable reserve.

### Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of equity instrument until they are disposed of or impaired.

### Foreign currency translation reserve

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

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 29. Loans and borrowings

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Non-current</b>				
Secured:				
Term loans	<b>6,659,000</b>	10,159,000	-	-
<b>Current</b>				
Secured:				
Revolving credits	<b>1,100,000</b>	29,600,000	<b>800,000</b>	800,000
Term loans	<b>3,500,000</b>	7,150,000	-	-
Unsecured:				
Revolving credits	<b>100,000</b>	100,000	<b>100,000</b>	100,000
	<b>4,700,000</b>	36,850,000	<b>900,000</b>	900,000
<b>Total loans and borrowings</b>				
Secured:				
Revolving credits	<b>1,100,000</b>	29,600,000	<b>800,000</b>	800,000
Term loans	<b>10,159,000</b>	17,309,000	-	-
Unsecured:				
Revolving credits	<b>100,000</b>	100,000	<b>100,000</b>	100,000
	<b>11,359,000</b>	47,009,000	<b>900,000</b>	900,000
<b>Maturity structure of loans and borrowings</b>				
Within one year	<b>4,700,000</b>	36,850,000	<b>900,000</b>	900,000
Between one to two years	<b>3,352,945</b>	3,258,000	-	-
Between two to five years	<b>3,306,055</b>	6,901,000	-	-
	<b>11,359,000</b>	47,009,000	<b>900,000</b>	900,000

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 29. Loans and borrowings (Cont'd)

The interest rate structures are as follows:

	Effective interest rate per annum	
	2025	2024
Revolving credits	<b>ICOF + 1.20%, COF + 1.10% to 1.50%</b>	ICOF + 1.20%, COF + 1.10% to 1.50%
Term loans	<b>ICOF + 1.10%, COF + 1.50%</b>	ICOF + 1.10%, COF + 1.50%

ICOF – Islamic Cost of Funds

COF – Cost of Funds

### (i) Revolving credits

The revolving credits are secured by way of:

- Legal charges over freehold agricultural land of the Company and certain leasehold plantations together with the plant and machinery and palm oil mill of certain subsidiaries, sub-divided land together with the power plant erected thereon of a subsidiary as disclosed in Note 16 to the financial statements;
- Debentures incorporating fixed and floating charges over all the assets of these subsidiaries presently owned and subsequently acquired;
- Corporate guarantees given by the subsidiaries Company; and
- Short-term deposits with licensed bank.

### (ii) Term loans

The loans are secured by way of:

- Legal charges over sub-divided land together with the power plant erected thereon of certain subsidiaries as disclosed in Note 16 to the financial statements;
- Legal charges over certain leasehold plantations as disclosed in Note 16 to the financial statements;
- Debentures incorporating fixed and floating charges over all the assets of certain subsidiaries presently owned and subsequently acquired;
- Short-term deposits with licensed bank; and
- Corporate guarantees given by the subsidiaries Company.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 30. Lease liabilities

	2025 RM	Group 2024 RM
Current	4,581,183	4,112,778
Non-current	15,832,337	6,807,049
	<b>20,413,520</b>	<b>10,919,827</b>
<b>Maturity structure of lease liabilities:</b>		
Within one year	4,581,183	4,112,778
Between one to two years	4,489,094	2,586,626
Between two to five years	10,154,585	3,419,200
More than five years	1,188,658	801,223
	<b>20,413,520</b>	<b>10,919,827</b>

The Group has lease contracts of land used in its operations as disclosed in Note 16 to the financial statements. Leases of land has lease terms of average five (5) to thirty (30) years. The average discount rate implicit in the leases is 7.39% (2024: 7.39%) per annum.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised in the statement of financial position:

Right-of-use asset	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No. of leases with extension options	No. of leases with variable payment	No. of leases with termination option
Leasehold land	11	3 – 19 years	7 years	5	-	-

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 30. Lease liabilities (Cont'd)

The leases of the Group and the Company are secured by a charge over the leased assets which consist of plant and machinery and motor vehicles as disclosed in Note 16 to the financial statements. These leases of the Group bear effective interest rate ranging from 4.79% to 8.15% (2024: 4.44% to 8.15%) per annum respectively.

There were no leases with residual value guarantee or leases which have yet to commence of which the Group and the Company have committed.

## 31. Trade and other payables

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Trade payables</b>				
Third parties	<b>19,969,633</b>	16,032,966	-	-
<b>Other payables</b>				
Accruals and deposits	<b>13,502,012</b>	10,432,819	<b>1,290,515</b>	948,025
CPO sales tax and MPOB cess	<b>1,414,269</b>	1,492,843	-	-
Other payables				
- Amounts due to subsidiaries	-	-	<b>22,483</b>	19,211
- Third parties	<b>9,009,222</b>	9,716,654	<b>591,964</b>	661,754
	<b>23,925,503</b>	21,642,316	<b>1,904,962</b>	1,628,990
<b>Total trade and other payables</b>	<b>43,895,136</b>	37,675,282	<b>1,904,962</b>	1,628,990

Trade payables are non-interest bearing and the normal credit terms granted to the Group and the Company are 30 to 90 days (2024: 30 to 90 days).

The amounts due to subsidiaries are unsecured, non-interest bearing, and repayable on demand.

## 32. Dividend

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Recognised during the financial year</b>				
Dividend on ordinary shares:				
Interim single-tier dividend of 3.00 sen (2024: 3.00 sen) per share	<b>5,896,319</b>	5,896,319	<b>5,896,319</b>	5,896,319
Special dividend of 6.00 sen (2024: 3.00 sen) per share	<b>11,792,638</b>	5,896,319	<b>11,792,638</b>	5,896,319
	<b>17,688,957</b>	11,792,638	<b>17,688,957</b>	11,792,638

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 33. Significant related party transactions

### (a) Identities of related parties

Parties are considered to be related to the Group and the Company if the Group and the Company have 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 or the Company and the party are subject to common control or common significant influence. Related parties could be individuals or other entities.

### (b) Related parties' transactions

The aggregate value of transactions of the related parties of the Group and the Company were as follows:

Name of related parties	Type of transaction	Transaction value	
		2025 RM	2024 RM
<b>Group and Company</b>			
With company which have common Directors with the Company and in which certain Directors of the Company have financial interests:			
Behrang 2020 Sdn. Bhd.	Rental of premises	<b>(48,000)</b>	(48,000)
With substantial shareholder:			
Datin Seri Ooi Ah Thin	Rental of premises	<b>(42,000)</b>	(42,000)
<b>Company</b>			
With subsidiary companies:			
Anson Oil Industries Sdn. Bhd.	Sales of fresh fruit bunches	<b>10,454,928</b>	8,959,869
	Rental income of equipment	<b>61,567</b>	27,636
	Rental expenses of equipment	<b>(90,605)</b>	(30,820)
Champion Point Sdn. Bhd.	Rental income of equipment	<b>13,600</b>	11,495
Majuperak Plantation Sdn. Bhd.	Rental income of equipment	<b>12,000</b>	800
Yew Lee Holdings Sdn. Berhad	Rental expenses of equipment	<b>(45,833)</b>	(65,655)
	Rental income of equipment	<b>12,391</b>	7,299
Hutan Melintang Plantations Sdn. Berhad	Rental expenses of equipment	<b>(709)</b>	(10,375)
	Rental income of equipment	<b>6,800</b>	375
Sharikat Muzwin Bersaudara Sdn. Bhd.	Rental income of equipment	<b>9,600</b>	20,735

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 33. Significant related party transactions (Cont'd)

### (c) Compensation of key management personnel

The remuneration of the key management personnel other than the Directors of the Group and of the Company are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Short-term employee benefits	<b>3,043,325</b>	2,786,693	<b>350,350</b>	303,188
Contributions to defined contribution plan	<b>333,404</b>	310,554	<b>43,190</b>	37,348
	<b>3,376,729</b>	3,097,247	<b>393,540</b>	340,536

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly, including any Director of the Group and of the Company.

The terms and conditions and prices of the above transactions are mutually agreed between the parties.

## 34. Capital commitment

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Approved and contracted for:				
- Property, plant and equipment	<b>13,691,112</b>	20,042,500	-	315,000

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 35. Financial instruments

### (a) Categories of financial instruments

Financial assets	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>Measured at amortised cost</u>				
Trade and other receivables	<b>17,160,323</b>	20,089,721	<b>795,592</b>	837,682
Cash and bank balances	<b>91,572,766</b>	116,027,333	<b>1,708,560</b>	1,786,041
<u>Measured at FVOCI</u>				
Investments in securities	<b>195,922</b>	233,606	<b>64,624</b>	92,616
<u>Measured at fair value through profit or loss</u>				
Short-term investments	<b>74,026,880</b>	46,282,277	<b>2,592,667</b>	2,172,433
	<b>182,955,891</b>	182,632,937	<b>5,161,443</b>	4,888,772
<b>Finance liabilities</b>				
<u>Measured at amortised cost</u>				
Trade and other payables	<b>42,480,867</b>	36,182,439	<b>1,904,962</b>	1,628,990
Loans and borrowings	<b>11,359,000</b>	47,009,000	<b>900,000</b>	900,000
Lease liabilities	<b>20,413,520</b>	10,919,827	-	-
	<b>74,253,387</b>	94,111,266	<b>2,804,962</b>	2,528,990

A reconciliation of trade and other receivables in financial assets to the amounts reflected in the statements of financial position is as follows:

Trade and other receivables	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
As reflected in the statements of financial position (Note 24)	<b>24,340,884</b>	23,061,060	<b>870,806</b>	912,958
Less: Prepayments and Non-refundable deposits	<b>(7,035,135)</b>	(2,819,833)	<b>(75,214)</b>	(75,276)
GST receivables	<b>(145,426)</b>	(151,506)	-	-
	<b>17,160,323</b>	20,089,721	<b>795,592</b>	837,682

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 35. Financial instruments (Cont'd)

### (a) Categories of financial instruments (Cont'd)

A reconciliation of trade and other payables in financial liabilities to the amounts reflected in the statements of financial position is as follows: (Cont'd)

Trade and other payables	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
As reflected in the statements of financial position (Note 31)	<b>43,895,136</b>	37,675,282	<b>1,904,962</b>	1,628,990
Less: CPO sales tax and MPOB cess	<b>(1,414,269)</b>	(1,492,843)	-	-
	<b>42,480,867</b>	36,182,439	<b>1,904,962</b>	1,628,990

### (b) Financial risk management

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

The Board of Directors reviews and agrees on policies and procedures for the management of these risks, which are executed by Executive Committee. The audit committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

#### (i) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty defaults on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including short-term investments and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's and the Company's objective are to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties.

It is the Group's and the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's and the Company's exposure to bad debts is not significant.

As at the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

#### Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

At each reporting date, the Group and the Company assess whether any of the trade receivables are credit impaired.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 35. Financial instruments (Cont'd)

### (b) Financial risk management (Cont'd)

#### (i) Credit risk (Cont'd)

##### Trade receivables (Cont'd)

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay amounts subject to the write-off. Nevertheless, trade receivables and contract asset that are written off could still be subject to enforcement activities.

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position. The Group and the Company do not hold collateral as security.

The ageing analysis of the Group's and the Company's trade receivables as at the reporting date is as follows:

Group	Gross amount RM	Expected credit losses RM	Carrying value RM
<b>2025</b>			
Not past due	<b>14,649,188</b>	-	<b>14,649,188</b>
Past due:			
- less than 30 days	<b>68,922</b>	-	<b>68,922</b>
- between 31 to 60 days	<b>78,049</b>	-	<b>78,049</b>
- between 61 to 90 days	-	-	-
- more than 90 days	<b>90,344</b>	<b>(37,512)</b>	<b>52,832</b>
	<b>237,315</b>	<b>(37,512)</b>	<b>199,803</b>
	<b>14,886,503</b>	<b>(37,512)</b>	<b>14,848,991</b>

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 35. Financial instruments (Cont'd)

### (b) Financial risk management (Cont'd)

#### (i) Credit risk (Cont'd)

##### Trade receivables (Cont'd)

Group	Gross amount RM	Expected credit losses RM	Carrying value RM
<b>2024</b>			
Not past due	16,233,644	-	16,233,644
Past due:			
- less than 30 days	70,409	-	-
- between 31 to 60 days	18,725	-	-
- between 61 to 90 days	35,757	-	-
- more than 90 days	93,709	(92,473)	(92,473)
	218,600	(92,473)	126,127
	16,452,244	(92,473)	16,359,771
<b>Company</b>			
<b>2025</b>			
Not past due	<b>512,139</b>	-	<b>512,139</b>
<b>2024</b>			
Not past due	482,329	-	482,329

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 35. Financial instruments (Cont'd)

### (b) Financial risk management (Cont'd)

#### (i) Credit risk (Cont'd)

##### Trade receivables (Cont'd)

Impairment for trade receivables is measured at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables includes both individual impairment for those that show objective evidence of impairment (stage 3 loss) and collective impairment (stage 2 loss). Collective impairment has been provided using the provisional matrix based on historical loss experience of the respective entities in the Group with reference to past due status of the debtor, as follows:

	Expected credit loss rates	
	2025	2024
Not past due	0%	0%
Past due:		
- less than 30 days	0%	0%
- between 31 to 60 days	0%	0%
- between 61 to 90 days	0%	0%
- more than 90 days	42%	99%

The expected credit loss rates are based on the historical loss rates experienced by each entity in the Group as adjusted for forward looking element as necessary.

There was no material expected credit loss for the Company's trade receivables as of the financial year end.

As at the reporting date, the Group and the Company have significant concentration of credit risk in the form of outstanding balance due from 8 and 1 (2024: 6 and 1) major customers representing 60% and 78% (2024: 63% and 90%) of the total trade receivables respectively.

##### Other receivables

For other receivables, a lifetime expected credit loss is assessed for those counterparties that show significant increase in credit risk as at the end of the reporting period, and impairment made based on objective evidence of impairment.

##### Inter-company advances

The Company provides advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the advances on an individual basis and considers advances to subsidiaries to have low credit risks.

The Company determines the probability of default for these advances individually using internal information available.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position. Advances provided are not secured by any collateral or supported by any other credit enhancements.

##### Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 35. Financial instruments (Cont'd)

### (b) Financial risk management (Cont'd)

#### (i) Credit risk (Cont'd)

##### Cash and cash equivalents (Cont'd)

These banks and financial institutions have low credit risks. Consequently, the Group and the Company are of the view that loss allowance is not material and hence, it is not provided for.

#### (ii) Liquidity risk

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

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. As far as possible, the Group raises committed funding from financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

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

Group	Carrying amount RM	Contractual undiscounted cashflows RM	Within One (1) year RM	One (1) to Five (5) years RM	Over Five (5) years RM
<b>2025</b>					
<b>Financial liabilities</b>					
Trade and other payables	43,895,136	43,895,136	43,895,136	-	-
Loans and borrowings	11,359,000	12,571,700	4,700,000	7,871,700	-
Lease liabilities	20,413,520	24,056,603	5,665,770	16,784,393	1,606,440
	<b>75,667,656</b>	<b>80,523,439</b>	<b>54,260,906</b>	<b>24,656,093</b>	<b>1,606,440</b>
<b>2024</b>					
<b>Financial liabilities</b>					
Trade and other payables	37,675,282	37,675,282	37,675,282	-	-
Loans and borrowings	47,009,000	47,859,177	36,906,807	10,952,370	-
Lease liabilities	10,919,827	13,415,118	3,227,225	8,800,217	1,387,676
	<b>95,604,109</b>	<b>98,949,577</b>	<b>77,809,314</b>	<b>19,752,587</b>	<b>1,387,676</b>

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 35. Financial instruments (Cont'd)

### (b) Financial risk management (Cont'd)

#### (ii) Liquidity risk (Cont'd)

Company	Carrying amount RM	Contractual undiscounted cashflows RM	Within One (1) year RM	One (1) to Five (5) years RM	Over Five (5) years RM
<b>2025</b>					
<b>Financial liabilities</b>					
Trade and other payables	1,904,962	1,904,962	1,904,962	-	-
Loans and borrowings	900,000	900,000	900,000	-	-
	<b>2,804,962</b>	<b>2,804,962</b>	<b>2,804,962</b>	-	-
<b>2024</b>					
<b>Financial liabilities</b>					
Trade and other payables	1,628,990	1,628,990	1,628,990	-	-
Loans and borrowings	900,000	900,000	900,000	-	-
	<b>2,528,990</b>	<b>2,528,990</b>	<b>2,528,990</b>	-	-

#### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises mainly from their loans and borrowings. Most of the Group's and the Company's loans and borrowings are charged a fixed interest rate plus the financial institutions' cost of fund per annum. The fixed interest rate is reviewed annually. Whilst, the cost of fund used by the financial institutions vary according to the rates set by the respective financial institutions. Meanwhile, interest rates charged on finance leases are fixed at the inception of the finance lease arrangements. The investments in financial assets are mainly short term in nature and have been mostly placed in fixed deposits and short-term investments.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts.

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:

Effects on profit after taxation	Group Increase/(Decrease)		Company Increase/(Decrease)	
	2025 RM	2024 RM	2025 RM	2024 RM
Increase of 50bp (2024: 60bp)	<b>238,138</b>	(3,314)	<b>6,432</b>	5,802
Decrease of 50bp (2024: 60bp)	<b>(238,138)</b>	3,314	<b>(6,432)</b>	(5,802)

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 35. Financial instruments (Cont'd)

### (b) Financial risk management (Cont'd)

#### (iv) Foreign currency risk

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

The Group holds cash and bank balances denominated in foreign currencies for working capital purposes. As at the reporting date, such foreign currency balances (mainly in AUD, USD and SGD) amounted to RM1,825,497 (2024: RM2,294,334).

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the AUD, USD and SGD exchange rates against the respective functional currencies of the Group entities, with all other variables held constant:

Effects on profit after taxation	Group Increase/(Decrease) in profit before tax	
	2025 RM	2024 RM
AUD/RM		
- strengthened 5% (2024: 5%)	<b>19,327</b>	(33,608)
- weakened 5% (2024: 5%)	<b>(19,347)</b>	33,608
USD/RM		
- strengthened 5% (2024: 5%)	<b>29,823</b>	31,983
- weakened 5% (2024: 5%)	<b>(29,823)</b>	(31,983)
SGD/RM		
- strengthened 5% (2024: 5%)	<b>20,198</b>	20,933
- weakened 5% (2024: 5%)	<b>(20,198)</b>	(20,933)

## 36. Fair value information

The financial assets and financial liabilities maturing within the next twelve (12) months approximated their fair values due to the relatively short-term maturity of the financial instruments.

The carrying amount of the variable rate term loans approximated their fair value as the loans will be re-priced to market interest rate on or near reporting date.

The fair value of quoted shares is determined directly by quoted bid prices in an active market at reporting date.

The fair value of unquoted shares is determined by reference to adjusted net tangible asset.

The fair value of investments in short-term instruments are based on daily price quotes by the funds.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 36. Fair value information (Cont'd)

As at the reporting date, the Group and the Company held the following at fair value in the statement of financial position:

Group	Note	Carrying amount RM	Level 1 RM	Level 2 RM	Level 3 RM
<b>2025</b>					
<b>Assets measured at fair value</b>					
Investment properties	17				
- Freehold					
- Land		<b>43,340,000</b>	-	-	<b>43,340,000</b>
- Semi-Detached factory		<b>673,826</b>	-	-	<b>673,826</b>
- Shophouse		<b>1,250,000</b>	-	-	<b>1,250,000</b>
Investments in securities	19				
- Equity instruments (quoted in Malaysia)		<b>70,626</b>	<b>70,626</b>	-	-
- Equity instruments (unquoted in Malaysia)		<b>125,296</b>	-	-	<b>125,296</b>
Biological assets	22	<b>4,596,346</b>	-	-	<b>4,596,346</b>
Short-term investments	25	<b>74,026,880</b>	<b>74,026,880</b>	-	-
		<b>124,082,974</b>	<b>74,097,506</b>	-	<b>49,985,468</b>
<b>2024</b>					
<b>Assets measured at fair value</b>					
Investment properties	17				
- Freehold					
- Land		43,340,000	-	-	43,340,000
- Semi-Detached factory		673,826	-	-	673,826
- Shophouse		1,250,000	-	-	1,250,000
Investments in securities	19				
- Equity instruments (quoted in Malaysia)		100,333	100,333	-	-
- Equity instruments (unquoted in Malaysia)		133,273	-	-	133,273
Biological assets	22	5,810,635	-	-	5,810,635
Short-term investments	25	46,282,277	46,282,277	-	-
		97,590,344	46,382,610	-	51,207,734

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 36. Fair value information (Cont't)

As at the reporting date, the Group and the Company held the following at fair value in the statement of financial position: (Cont'd)

Company	Note	Carrying amount RM	Level 1 RM	Level 2 RM	Level 3 RM
<b>2025</b>					
<b>Assets measured at fair value</b>					
Investment properties	17				
- Freehold shophouse		<b>1,250,000</b>	-	-	<b>1,250,000</b>
Investments in securities	19				
- Equity instruments (quoted in Malaysia)		<b>64,623</b>	<b>64,623</b>	-	-
- Equity instruments (unquoted in Malaysia)		<b>1</b>	-	-	<b>1</b>
Biological assets	22	<b>288,291</b>	-	-	<b>288,291</b>
Short-term investments	25	<b>2,592,667</b>	<b>2,592,667</b>	-	-
		<b>4,195,582</b>	<b>2,657,290</b>	-	<b>1,538,292</b>
<b>2024</b>					
<b>Assets measured at fair value</b>					
Investment properties	17				
- Freehold shophouse		1,250,000	-	-	1,250,000
Investments in securities	19				
- Equity instruments (quoted in Malaysia)		92,615	92,615	-	-
- Equity instruments (unquoted in Malaysia)		1	-	-	1
Biological assets	22	454,360	-	-	454,360
Short-term investments	25	2,172,433	2,172,433	-	-
		3,969,409	2,265,048	-	1,704,361

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 37. Capital management

The primary objective of the Group's and of the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their businesses and maximise shareholders' value.

The Group and the Company manage their capital structure, and make adjustment to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust dividend payment to shareholders, return capital to shareholders or issue new shares. The Group's strategies were unchanged from the previous financial year.

The Group and the Company monitor capital using gearing ratio. The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as borrowings plus payables less cash and bank balances and short-term investments.

The gearing ratio of the Group and the Company as at the end of the reporting period was as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Loans and borrowings	<b>11,359,000</b>	47,009,000	<b>900,000</b>	900,000
Lease liabilities	<b>20,413,520</b>	10,919,827	-	-
Trade and other payables	<b>43,895,136</b>	37,675,282	<b>1,904,962</b>	1,628,990
Less: Cash and bank balances	<b>(91,572,766)</b>	(116,027,333)	<b>(1,708,560)</b>	(1,786,041)
Short-term investments	<b>(74,026,880)</b>	(46,282,277)	<b>(2,592,667)</b>	(2,172,433)
Net debt	<b>(89,931,990)</b>	(66,705,501)	<b>(1,496,265)</b>	(1,429,484)
Total equity	<b>671,423,605</b>	633,757,727	<b>227,251,460</b>	227,325,344
<b>Gearing ratio</b>	-	-	-	-

The Group maintains a gearing ratio that complies with the applicable debt covenant as at the reporting date. The Group is not subject to any other externally imposed capital requirements.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 38. Segment information

### (i) Operating segment

For management purposes, the Group is organised into business units based on its products and services, and has three (3) reportable operating segments as follows:

Plantation	Cultivation of oil palm
Mill	Milling and sale of oil palm products
Power plant	Power generation and sale of biomass by-products
All other segments	Extraction and sale of earth stone, operation of a hotel and others

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated statement of profit or loss and other comprehensive income. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 38. Segment information (Cont'd)

### (i) Operating segment (Cont'd)

2025	Plantation RM	Oil mill RM	Power plant RM	All other segments RM	Total reported segments RM	Adjustments and eliminations RM	Note	Per consolidated financial statements RM
<b>Revenue</b>								
External customers	30,198,752	473,876,160	45,304,799	1,010,963	550,390,674	-		550,390,674
Inter-segment	96,833,023	-	551,745	62,624,198	160,008,966	(160,008,966)	(a)	-
Total revenue	127,031,775	473,876,160	45,856,544	63,635,161	710,399,640	(160,008,966)		550,390,674
<b>Results</b>								
Interest income	5,824,617	2,315,891	394,642	4,414,484	12,949,634	(9,477,741)		3,471,893
Finance costs	619,156	52,746	2,228,603	8,749,067	11,649,572	(9,567,194)		2,082,378
Depreciation of property, plant and equipment	9,083,478	7,682,643	11,016,523	575,694	28,358,338	3,990,485		32,348,823
Segment profit	57,402,590	28,240,524	14,606,049	(4,088,915)	96,160,248	(7,893,977)	(b)	88,266,271

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 38. Segment information (Cont'd)

### (i) Operating segment (Cont'd)

	Plantation RM	Oil mill RM	Power plant RM	All other segments RM	Total reported segments RM	Adjustments and eliminations RM	Note	Per consolidated financial statements RM
<b>Revenue</b>								
External customers	21,455,490	435,727,852	45,597,981	934,394	503,715,717	-		503,715,717
Inter-segment	106,942,584	-	-	668,524	107,611,108	(107,611,108)	(a)	-
Total revenue	128,398,074	435,727,852	45,597,981	1,602,918	611,326,825	(107,611,108)		503,715,717
<b>Results</b>								
Interest income	5,127,878	3,191,338	341,249	5,421,445	14,081,910	(11,494,843)		2,587,067
Finance costs	400,885	1,351,279	5,142,067	7,346,285	14,240,516	(11,577,322)		2,663,194
Depreciation of property, plant and equipment	8,989,583	7,472,576	11,192,919	611,765	28,266,843	4,055,106		32,321,949
Segment profit	52,999,642	12,051,696	8,864,531	3,040,841	76,956,710	(16,405,658)	(b)	60,551,052

# Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2025

## 38. Segment information (Cont'd)

### (i) Operating segment (Cont'd)

- (a) Inter-segment revenue are eliminated on consolidation. This is represented mainly by sale of fresh fruit bunches by plantation segment to mill segment and sale of earth and stones by quarry segment (included in All other segments) to plantation and mill segments.
- (b) The profit from inter-segment sales is deducted from segment profit to arrive at "Profit before tax" presented in the consolidated statement of profit or loss and other comprehensive income.

### (ii) Geographical information

No geographical information has been provided as the Group activities are predominantly conducted in Malaysia.

### (iii) Major customers

Revenue from 4 (2024: 4) major customers amounted to RM314,436,195 (57% of revenue) (2024: RM307,411,184 (61% of revenue)) arising from mill segment.

## 39. Subsequent event

On 3 March 2026, a subsidiary of the Group, Cash Nexus (M) Sdn. Bhd. ("Cash Nexus"), entered into a conditional Share Sale Agreement with Timah Resources Limited, a 69.80% owned subsidiary of Cash Nexus, for the disposal of 23,500,000 ordinary shares in Cash Horse (M) Sdn. Bhd. for a total consideration of RM31,613,227.

The disposal is subject to the fulfilment of several conditions precedent, including the approval of the shareholders of Timah Resources Limited at an Extraordinary General Meeting ("EGM") to be convened. As at the date of this report, the Group is pending the completion of the Independent Expert Report ("IER") by KS Black & Co, which is a regulatory requirement for the transaction in Australia. The IER will be dispatched together with the Notice of EGM, with the said meeting expected to be held in late July 2026.

# List of Properties

as at 31 December 2025

	Location of Property Peninsular Malaysia	Tenure	Year of Expiry	Land Area	Description	Net Book Value As At 31.12.2025 RM'000	Date of last Revaluation ®
1	MHC Plantations Bhd. Lot Nos. 2768, 3502, 3537, 4471, 4475, 5228, 5229, 5936, 9249 to 9295 (incl.), 12657 and 12658, Mukim of Durien Sebatang, District of Hilir Perak, Perak Darul Ridzuan	Grant in perpetuity	N/A	343.902 hectares	Oil palm estate	3,220	1998
2	MHC Plantations Bhd. Lot Nos. 2327, 5299, 5300, 8275 and 16413, Mukim of Durien Sebatang, District of Hilir Perak, Perak Darul Ridzuan	Grant in perpetuity	N/A	284.333 hectares	Oil palm estate	2,953	1998
3	MHC Plantations Bhd. Lot Nos. 3318, 3319, 3342 to 3345 (incl.), Town of Teluk Intan, District of Hilir Perak, Perak Darul Ridzuan	Leasehold 999 years	21.2.2883	10,142.000 sq. feet	6½-storey commercial structure partly used as a hotel known as Hotel Anson and partly as office premises	693	1998
4	MHC Plantations Bhd. Lot No. 4453, Town of Teluk Intan, District of Hilir Perak, Perak Darul Ridzuan	Grant in perpetuity	N/A	2,325.000 sq. feet	3-storey commercial shophouse	1,250	2025
5	Anson Oil Industries Sdn. Bhd. Lot No. 45525, Mukim of Changkat Jong, District of Hilir Perak, Perak Darul Ridzuan	Leasehold 99 years	28.02.2111	401.700 hectares	Oil palm estate	3,553	1998
6	Anson Oil Industries Sdn. Bhd. Lot No. 8859, Mukim of Hutan Melintang, District of Hilir Perak, Perak Darul Ridzuan	Leasehold 99 years	27.2.2111	367.025 hectares	Oil palm estate	2,575	1998
7	Anson Oil Industries Sdn. Bhd. Lot No. 26789 Mukim Durian Sebatang, Daerah Hilir Perak, Perak Darul Ridzuan	Grant in perpetuity	N/A	464.000 sq. metres	1½-storey semi- detached factory	674	2025

# List of Properties (Cont'd)

as at 31 December 2025

	Location of Property Peninsular Malaysia	Tenure	Year of Expiry	Land Area	Description	Net Book Value As At 31.12.2025 RM'000	Date of last Revaluation ®
8	Majuperak Plantation Sdn. Bhd. Lot No. 10471, Mukim of Hutan Melintang, District of Hilir Perak, Perak Darul Ridzuan	Leasehold 99 years	26.08.2090	404.889 hectares	Oil palm estate	4,450	1998
9	Sharikat Muzwin Bersaudara Sdn. Bhd. Lot No. PT 8860, Mukim of Hutan Melintang, District of Hilir Perak, Perak Darul Ridzuan	Leasehold 99 years	07.03.2111	404.686 hectares	Oil palm estate	2,134	1998
10	Yew Lee Holdings Sdn. Berhad Lot No. PT 6439, Mukim of Changkat Jong, District of Hilir Perak, Perak Darul Ridzuan	Leasehold 99 years	27.02.2111	392.141 hectares	Oil palm estate	2,012	1998
11	Hutan Melintang Plantations Sdn. Berhad Lot No. PT 8861, Mukim of Hutan Melintang, District of Hilir Perak, Perak Darul Ridzuan	Leasehold 99 years	28.02.2111	396.147 hectares	Oil palm estate	4,156	1998
12	Champion Point Sdn. Bhd. Lot Nos. 10065, 10066, 10068, 10069, 10071 - 10075 (Incl.), PT 30768, PT 30769, Mukim of Durien Sebatang, District of Hilir Perak, Perak Darul Ridzuan	Grant in perpetuity	N/A	76.437 hectares	Oil palm estate	2,797	1998
13	Mah Hock Company Sendirian Berhad Lot Nos. PT 30770, PT 30766 and PT 30767, Mukim of Durien Sebatang, District of Hilir Perak, Perak Darul Ridzuan	Grant in perpetuity	N/A	11.706 hectares	Oil palm estate	2,666	N/A

# List of Properties (Cont'd)

as at 31 December 2025

	Location of Property Sabah	Tenure	Year of Expiry	Land Area	Description	Net Book Value As At 31.12.2025 RM'000	Date of last Revaluation ®				
14	Prolific, Wong Tet-Jung Plantations Off KM 63.7, Sandakan-Lahad Datu Highway	Leasehold 99 years	2069	39.752 hectares	Oil Palm Plantation & Oil Mill	9,782	N/A				
			2070	30.607 hectares							
			2074	8.010 hectares							
			2075	207.903 hectares							
			2076	9.967 hectares							
			2077	24.460 hectares							
			2082	6.463 hectares							
			2082	72.790 hectares							
		Perpetuity (Sublease 99 years)	2097	6.435 hectares							
	Kolapis-Beluran Area District of Labuk Sugut	Leasehold 99 years	2073	2.250 hectares	Plantable Reserve						
				<b>408.637 hectares</b>							
	Prolific Yield Lot 38, Block C Taman Indah Jaya Phase 4A, Mile 4, Jalan Utara, Sandakan	Under Sub Division Leasehold 99 years (Parent title TL077552035)	2081	<b>167.22 Sq.M</b>	Double Storey Terrace Shoplot	98	N/A				
15	Melabau, Suara Baru, Gelang Usaha 0.2 Km East of KM 96, Sandakan-Lahad Datu Highway	Leasehold 99 years	2069	27.480 hectares	Oil Palm Plantation Oil Palm Plantation & Quarry	511 20,988	N/A N/A				
			2078	17.110 hectares							
			2079	260.780 hectares							
			2080	202.303 hectares							
			2081	136.615 hectares							
			2082	88.690 hectares							
			2085	252.660 hectares							
			2086	14.930 hectares							
			2095	4.993 hectares							
			2093	154.700 hectares							
			2097	12.300 hectares							
				Perpetuity (Sublease 99 years)				2075	316.549 hectares		
								2080	36.763 hectares		
		2093	5.751 hectares								
		2097	10.930 hectares								
	KM 28, Jalan Labuk	Leasehold 99 years	2065	1.842 hectares	Plantable Reserve						
				<b>1,644.396 hectares</b>							
16	Sri Likas Mewah, Ultisearch Trading 2.6 KM north of KM 31, Sukau Road	Leasehold 99 years	2085	10.120 hectares	Oil Palm Plantation	3,256	N/A				
			2094	386.100 hectares							
			2096	168.700 hectares							
			2098	47.750 hectares							
				<b>612.670 hectares</b>							

# List of Properties (Cont'd)

as at 31 December 2025

	Location of Property Sabah	Tenure	Year of Expiry	Land Area	Description	Net Book Value As At 31.12.2025 RM'000	Date of last Revaluation ®
17	Bakara Bukit Garam/Sg. Lokan Off KM 76.5, Sandakan-Lahad Highway	Leasehold 99 years	2085 2087	150.300 hectares 400.000 hectares <b>550.300 hectares</b>	Oil Palm Plantation	6,021	N/A
18	Cepatwawasan & Kovusak KM 4.5, Jalan Beluran	Leasehold 99 years	2061 2071 2078	992.700 hectares 133.550 hectares 485.300 hectares <b>1,611.550 hectares</b>	Oil Palm Plantation	19,364	N/A
19	Razijaya & Sugguh Mulia Sungai-Sungai Locality, 99 KM North-West of Sandakan	Leasehold 99 years	2098	362.200 hectares	Oil Palm Plantation, Quarry & Plantable Reserve	10,837	N/A
20	Prima Semasa Sonsogon Suyad, Paitan Locality 105 KM North-West of Sandakan	Leasehold 99 years	2094	2,997.000 hectares	Oil Palm Plantation & Plantable Reserve	26,403	N/A
21	Cepatwawasan, Tentu Bernas, Tentu Cergas, Liga Semarak & Jutategak Sg.Kawananan Locality 113 KM North-West of Sandakan	Leasehold 99 years	2097 2098 2099 2100	242.800 hectares 145.710 hectares 48.550 hectares 48.520 hectares <b>485.580 hectares</b>	Oil Palm Plantation & Plantable Reserve	3,661	N/A
22	Ladang Cepat-KPD 85 KM South-West of Beaufort	Leasehold 99 years	2087	1,593.797 hectares	Oil Palm Plantation	18,057	N/A
23	Cepatwawasan Group Berhad Lot 70, Block 6, Prima Square Mile 4, North Road Sandakan	Leasehold 99 years	2106	564.386 Sq.M	Three Storey Shop/Office	323	N/A
24	Cepatwawasan Group Berhad Unit no. F-7-2, Level 7, Block F Utama Court, Phase 2, Mile 6 North Road, Sandakan	Leasehold 99 years	2081	106.500 Sq.M	Eight Storey Apartment	59	N/A
25	Cepatwawasan Group Berhad Unit no. F-8-2, Level 8, Block F Utama Court, Phase 2, Mile 6 North Road, Sandakan	Leasehold 99 years	2081	106.500 Sq.M	Eight Storey Apartment	59	N/A
26	Cepatwawasan Group Berhad Unit no. B1-10-1, Sri Utama Condominiums Mile 6, North Road Sandakan	Leasehold 99 years	2081	122.140 Sq.M	Eight Storey Condominium	150	N/A

# List of Properties (Cont'd)

as at 31 December 2025

	Location of Property Sabah	Tenure	Year of Expiry	Land Area	Description	Net Book Value As At 31.12.2025 RM'000	Date of last Revaluation ®
27	Cepatwawasan Group Berhad Unit no. B1-10-3, Sri Utama Condominiums Mile 6, North Road Sandakan	Leasehold 99 years	2081	105.140 Sq.M	Eight Storey Condominium	115	N/A
28	Mistral Engineering Sdn. Bhd. Off KM 63.7, Sandakan-Lahad Datu Highway	Leasehold 99 years	2074	3.115 hectares	Biogas power plant	2,800	N/A
29	Cash Horse (M) Sdn. Bhd. Off KM 63.7, Sandakan-Lahad Datu Highway	Leasehold 99 years	2074	7.070 hectares	Biomass power plant	29,063	N/A
	Location of Property Kuala Lumpur	Tenure	Year of Expiry	Land Area	Description	Net Book Value As At 31.12.2025 RM'000	Date of last Revaluation ®
30	Minelink HS (D) 118739, No. PT 9103 Damansara Heights Mukim of Kuala Lumpur	Freehold	-	896.976 Sq.M	High-end residential property	7,339	2025
	Minelink HS (D) 118740, No. PT 9104 Damansara Heights Mukim of Kuala Lumpur	Freehold	-	877.693 Sq.M	High-end residential property	7,181	2025
	Minelink HS (D) 118741, No. PT 9105 Damansara Heights Mukim of Kuala Lumpur	Freehold	-	896.829 Sq.M	High-end residential property	7,337	2025
	Minelink HS (D) 118742, No. PT 9106 Damansara Heights Mukim of Kuala Lumpur	Freehold	-	878.490 Sq.M	High-end residential property	7,188	2025
	Minelink HS (D) 118743, No. PT 9107 Damansara Heights Mukim of Kuala Lumpur	Freehold	-	884.183 Sq.M	High-end residential property	7,234	2025
	Minelink HS (D) 118744, No. PT 9108 Damansara Heights Mukim of Kuala Lumpur	Freehold	-	863.043 Sq.M	High-end residential property	7,061	2025

# Statement of Shareholdings

as at 31 March 2026

Total Number of Issued Shares : 196,543,970  
 Class of Shares : Ordinary Shares  
 Voting Rights : One vote per ordinary share

## DISTRIBUTION OF SHAREHOLDINGS

Range of Shareholdings	No. of Holders	% of Holders	No. of Shares	% of Issued Capital
Less than 100	511	12.00	21,348	0.01
100 - 1,000	381	8.95	212,338	0.11
1,001 - 10,000	2,144	50.34	10,629,656	5.41
10,001 - 100,000	1,060	24.89	31,624,060	16.09
100,001 - 9,827,198 (*)	162	3.80	64,868,544	33.00
9,827,199 and above (**)	1	0.02	89,188,024	45.38
<b>Total</b>	<b>4,259</b>	<b>100.00</b>	<b>196,543,970</b>	<b>100.00</b>

Notes: \* - Less than 5% of issued holdings  
 \*\* - 5% and above of issued holdings

## TOP THIRTY (30) HOLDERS AS AT 31 MARCH 2026

No.	Name of Holders	Holdings	% of Issued Capital
1	DATO MAH POOI SOO REALTY SDN BHD	89,188,024	45.378
2	REG BOARD OF T'TEES OF DATO MAH POOI SOO BENEVOLENT FUND	6,995,666	3.559
3	TAN AIK CHOON	5,722,300	2.911
4	CHEE SAI MUN	2,361,900	1.202
5	LIM CHENG HAI	2,300,000	1.170
6	LIM CHENG HAI	2,000,000	1.018
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR MAH SIEW HOE	2,000,000	1.018
8	DATIN SERI OOI AH THIN	1,905,888	0.970
9	MAH SIEW KEONG	1,351,600	0.688
10	LIEW YOON YEE	1,113,000	0.566
11	GEOFFREY LIM FUNG KEONG	1,022,800	0.520
12	LEONG SIEW MUN	1,010,000	0.514
13	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LIM LOI HENG	1,000,000	0.509
14	MENJELANG CITARASA SDN. BHD.	1,000,000	0.509
15	YEOH KIM LENG	925,200	0.471
16	HLIB NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR YAP QWEE BENG	828,000	0.421

# Statement of Shareholdings (Cont'd)

as at 31 March 2026

## TOP THIRTY (30) HOLDERS AS AT 31 MARCH 2026 (CONT'D)

No.	Name of Holders	Holdings	% of Issued Capital
17	FOONG HONG MENG @ FOONG LAI CHOONG	800,200	0.407
18	LEE CHOO SEONG @ LEE CHO SENG	724,269	0.369
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GAN CHEONG POON	650,000	0.331
20	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIN KIAM HSUNG	613,432	0.312
21	MAH SIEW HOE	600,000	0.305
22	TAN LAI KIM (HOLDINGS) SDN BHD	600,000	0.305
23	TLK CAPITAL SDN. BHD.	600,000	0.305
24	HUI YIN PING	558,000	0.284
25	KENANGA NOMINEES (TEMPATAN) SDN BHD CHIN KIAM HSUNG	531,232	0.270
26	LEONG KOK KHOON	520,000	0.265
27	CITIGROUP NOMINEES (ASING) SDN BHD SBL EXEMPT AN FOR UBS AG	495,400	0.252
28	LIM MIAU CHIN	492,200	0.250
29	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM TEONG LEONG	480,000	0.244
30	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TAN HENG CHEW	466,666	0.237

## SUBSTANTIAL SHAREHOLDERS AS AT 31 MARCH 2026

According to the Register of Substantial Shareholders required to be kept under Section 144 of the Companies Act, 2016, the following are the substantial shareholders of the Company:

Name of Substantial Shareholders	Direct Interest (A)		Deemed Interest (B)		Total Interest (A+B)	
		%		%		%
Dato Mah Pooi Soo Realty Sdn Bhd	89,188,024	45.38	-	-	89,188,024	45.38
Dato' Seri Mah King Seng	338,948	0.17	90,189,024 *	45.89	90,527,972	46.06
Tan Sri Dr. Mah King Thian	93,248	0.05	90,188,024 **	45.89	90,281,272	45.94
Datin Seri Ooi Ah Thin	1,905,888	0.97	90,620,220 ***	46.11	92,526,108	47.08

### Notes:-

- \* Deemed interest by virtue of his shareholdings in Dato Mah Pooi Soo Realty Sdn Bhd, Menjelang Citarasa Sdn Bhd. and his daughter, Mah Li-Na.
- \*\* Deemed interest by virtue of his shareholdings in Dato Mah Pooi Soo Realty Sdn Bhd and Menjelang Citarasa Sdn Bhd.
- \*\*\* Deemed interest by virtue of the shareholdings of her children, namely Dato' Seri Mah King Seng and Tan Sri Dr. Mah King Thian in MHC and her shareholdings in Dato Mah Pooi Soo Realty Sdn Bhd and Menjelang Citarasa Sdn Bhd.

# Statement of Shareholdings (Cont'd)

as at 31 March 2026

## DIRECTORS' INTERESTS AS AT 31 MARCH 2026

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act, 2016 the Directors' interests in the ordinary shares capital of the Company and its subsidiary companies are as follows:

Name of Directors	Direct Interest (A)	%	Deemed Interest (B)	%	Total Interest (A+B)	%
Dato' Seri Mah King Seng	338,948	0.17	90,189,024 *	45.89	90,527,972	46.06
Tan Sri Dr. Mah King Thian	93,248	0.05	90,188,024 **	45.89	90,281,272	45.94
Wan Salmah Binti Wan Abdullah	-	-	-	-	-	-
Heng Beng Fatt	-	-	-	-	-	-
Dato' TPr. Suki Mee	-	-	-	-	-	-
Mah Li-Na (Alternate Director to Dato' Seri Mah King Seng)	1,000	0.00	-	-	1,000	0.00
Mah Siu Wen (Alternate Director to Tan Sri Dr. Mah King Thian)	-	-	-	-	-	-

### Notes:-

- \* Deemed interest by virtue of his shareholdings in Dato Mah Pooi Soo Realty Sdn Bhd, Menjelang Citarasa Sdn Bhd and his daughter, Mah Li-Na.
- \*\* Deemed interest by virtue of his shareholdings in Dato Mah Pooi Soo Realty Sdn Bhd and Menjelang Citarasa Sdn Bhd.

By virtue of their interests in the Company, Dato' Seri Mah King Seng and Tan Sri Dr. Mah King Thian are also deemed to have interests in the shares in its related corporations to the extent of the Company's interest in accordance with Section 8 of the Companies Act, 2016.

Other than disclosed above, none of the Directors had any interest in the shares of the Company and its related corporations.





# MHC Plantations Bhd.

[196001000393 (4060-V)]  
(Incorporated in Malaysia)

No. of Shares Held	
CDS Account no.	
Telephone No.	

## FORM OF PROXY

I/We, \_\_\_\_\_ NRIC No./Company No. \_\_\_\_\_  
(Name of Shareholder as per NRIC)

of \_\_\_\_\_  
(Full Address)

being a member of MHC Plantations Bhd. hereby appoint the following person(s):

Name of Proxy & NRIC No.	Email Address	No. of Shares	Percentage (%)
Proxy 1 _____			
Proxy 2 _____			

or failing him/her, the Chairman of the Meeting as my/our proxy, to vote for me/us and on my/our behalf at the Sixty-Sixth (66th) Annual General Meeting of the Company to be held on 26 May 2026 and at any adjournment thereof in the manner indicated below in respect of the following Resolutions:

Ordinary Business	Ordinary Resolution	For	Against
Approval for the payment of Directors' benefits	1		
Re-election of Mr. Heng Beng Fatt as Director	2		
Re-election of Dato' TPr. Suki Mee as Director	3		
Re-appointment of Messrs PKF PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	4		
<b>Special Business</b>			
Retention of Independent Non-Executive Director - Mr. Heng Beng Fatt	5		
Authority under Sections 75 and 76 of the Companies Act, 2016 for Directors to allot and issue shares	6		

Please indicate with (✓) or (x) how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Shareholder/  
(Common Seal & Signatures)

### NOTES:

- Only members whose names appear on the Record of Depositors as at **15 May 2026** shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.
- A member (other than an exempt authorized nominee) entitled to attend and vote at the Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him. A proxy must be 18 years and above and need not be a member of the Company.
- Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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 but the proportion of holdings to be represented by each proxy must be specified.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.
- The instrument appointing a proxy or proxies must be deposited at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time appointed for holding the Meeting or adjourned Meeting either by hand, post, courier or electronic mail to bsr.proxy@boardroomlimited.com or fax (603) 78904670 before the Form of Proxy lodgement cut-off time as mentioned above, otherwise the instrument of proxy should not be treated as valid.
- For verification purposes, members and proxies are required to produce their original identity card at the registration counter. No person will be allowed to register on behalf of another person even with the original identity card of that other person.
- Personal Data Privacy – By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company hereby agree and consent that any of your personal data in our possession shall be processed by us in accordance with the Personal Data Protection Act 2010. Further, you hereby warrant that relevant consent has been obtained by you for us to process any third party's personal data in accordance with the said Act.



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(within Malaysia)

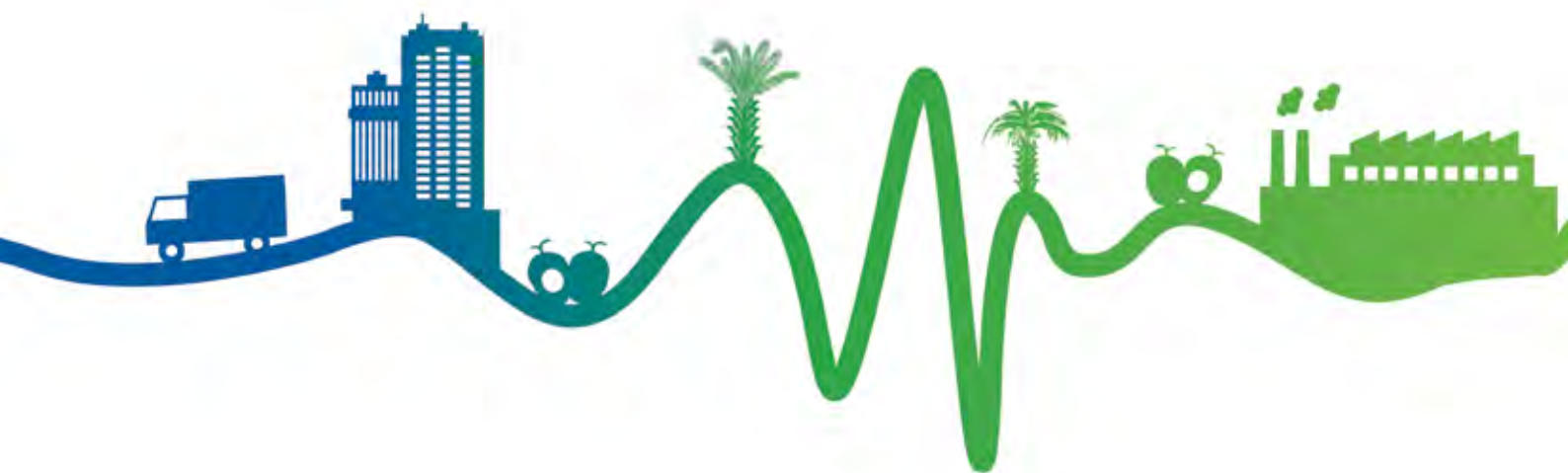


The Share Registrar

**MHC Plantation Bhd.** [196001000393 (4060-V)]  
11th Floor, Menara Symphony,  
No. 5, Jalan Prof. Khoo Kay Kim,  
Seksyen 13, 46200 Petaling Jaya,  
Selangor Darul Ehsan,  
Malaysia

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**MHC PLANTATIONS BHD.**

Kompleks Pejabat Behrang 2020,  
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Perak Darul Ridzuan

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