



2024

ANNUAL REPORT

**CCK CONSOLIDATED
HOLDINGS BERHAD**

199601024340 (396692-T)



VISION

The Food People of Choice



MISSION

The provision of quality food, ensuring customer satisfaction, financial sustainability and responsible social and environment interaction. Achieved through integrated solutions involving innovative, integrous teams of committed people

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Datuk Tiong Su Kouk

Non-Independent Non-Executive Chairman

Chong Shaw Fui

Executive Vice Chairman

Tiong Chiong Hiiung

Group Managing Director

Tiong Chiong Soon

Executive Director

Kueh Chung Peng

Executive Director

Lau Liong Kii

Executive Director

Ling Ting Leong @ Ling Chong Seng

Senior Independent Director

Dato Sim Kheng Boon

Independent Director

Wong Siaw Wei

Independent Director

AUDIT COMMITTEE

Wong Siaw Wei (*Chairperson*)

Tan Sri Datuk Tiong Su Kouk

Dato Sim Kheng Boon

Ling Ting Leong @ Ling Chong Seng

NOMINATION COMMITTEE

Dato Sim Kheng Boon (*Chairman*)

Tan Sri Datuk Tiong Su Kouk

Ling Ting Leong @ Ling Chong Seng

Wong Siaw Wei

REMUNERATION COMMITTEE

Tan Sri Datuk Tiong Su Kouk (*Chairman*)

Dato Sim Kheng Boon

Wong Siaw Wei

Tiong Chiong Hiiung

Lau Liong Kii

RISK MANAGEMENT COMMITTEE

Tiong Chiong Hiiung (*Chairman*)

Chong Shaw Fui

Tiong Chiong Soon

Kueh Chung Peng

Lau Liong Kii

DEPUTY CHIEF EXECUTIVE OFFICER

Ethan Tiong Ing Hung

COMPANY SECRETARIES

Voon Jan Moi

(MAICSA 7021367)

Yap Hui Yih

(MAICSA 7048748)

REGISTERED OFFICE

Lot 999, Section 66, Jalan Keluli

Bintawa Industrial Estate

93450 Kuching, Sarawak, Malaysia

Tel No. : 082-336 520

Fax No. : 082-331 479

Email : registered.office@cck.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, Malaysia

Tel No. : 03-7890 4700

Fax No. : 03-7890 4670

Email : bsr.helpdesk@boardroomlimited.com

AUDITORS

Crowe Malaysia PLT

Chartered Accountants

1st Floor, No. 1, Lorong Pahlawan 7A2

Jalan Pahlawan

96000 Sibul, Sarawak, Malaysia

Tel No. : 084-211 777

Fax No. : 084-216 622

PRINCIPAL BANKERS

Hong Leong Bank Berhad

United Overseas Bank (Malaysia) Berhad

Bank Central Asia

Bank Negara Indonesia

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Name : CCK

Stock Code : 7035

WEBSITE

www.cck.com.my

INVESTOR RELATIONS

sam@bcta.com.my

CORPORATE STRUCTURE



CCK CONSOLIDATED HOLDINGS BERHAD

199601024340 (396692-T)

100%

Ableway Sdn. Bhd.

198201012835 (92584-T)

100%

Angkutan Golden Plan Sdn. Bhd.

199001018200 (209869-T)

100%

Ataskota Sdn. Bhd.

198301004319 (99524-K)

100%

CCK Fresh Mart Sdn. Bhd.

199201006215 (237719-T)

100%

Mukah Seafoods Industries Sdn. Bhd.

197701003654 (34915-W)

100%

CCK Fresh Mart (West Malaysia) Sdn. Bhd.

199701017401 (432898-W)

100%

CCK Sea Products Industries Sdn. Bhd.

200101004260 (540016-X)

100%

CCK Properties Sdn. Bhd.

201801035161 (1297188-K)

100%

Central Coldstorage Kuching Sdn. Bhd.

198101002536 (68650-V)

100%

Poultry Industry (S) Sdn. Bhd.

198301004624 (100247-X)

100%

Farm Land Supplies & Veterinary Services Sdn. Bhd.

199601034486 (406838-V)

100%

Zhang Agriculture Development Sdn. Bhd.

198801004501 (171859-A)

100%

C. S. Choice Food Industries Sdn. Bhd.

200401006829 (645333-X)

100%

Hawker Time Food Hall Sdn. Bhd.

201801015649 (1277665-X)

100%

Kin Eastern Frozen Food Sdn. Bhd.

198201007624 (87382-M)

100%

Kuok Sui Sea Products Industries (S) Sdn. Bhd.

197801002067 (158334-D)

100%

Zhang Agriculture Development (Sabah) Sdn. Bhd.

201001024188 (907960-A)

59.11%

Pt. Adilmart (Foreign Company)

(3.18% is held by CCK Fresh Mart Sdn. Bhd.)

90%

Pt. Central Coldstorage Khatulistiwa (Foreign Company)

99%

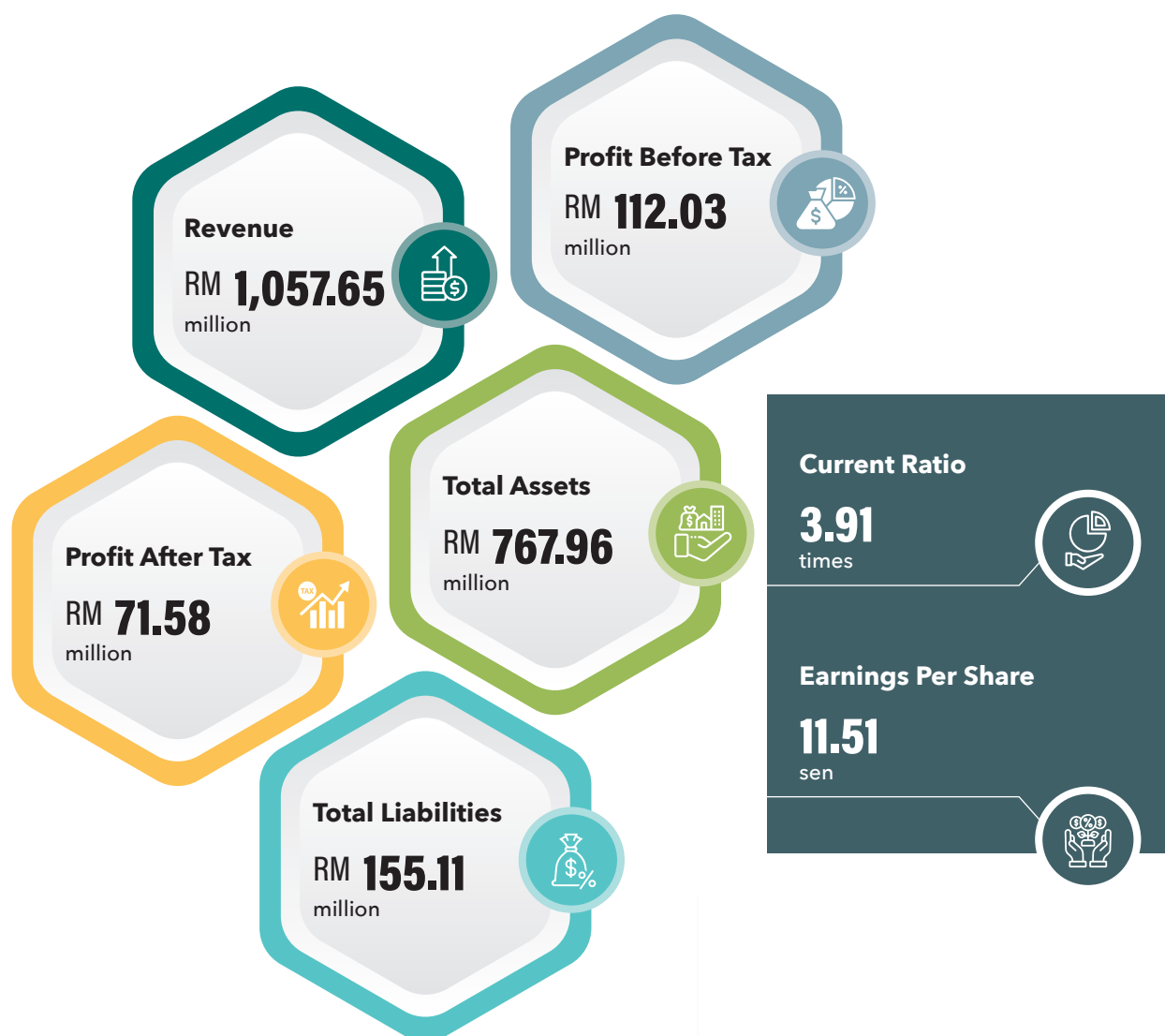
Pt. Bonanza Pratama Abadi (Foreign Company)

99%

Pt. Central Investment Indonesia (Foreign Company)

(1% is held by CCK Fresh Mart Sdn. Bhd.)

MANAGEMENT DISCUSSION AND ANALYSIS

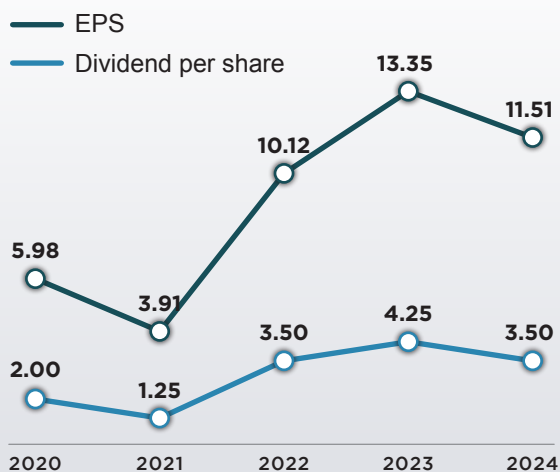


5-YEARS FINANCIAL SUMMARY

	2020	2021	2022	2023	2024
RM'000					
Revenue	656,043	685,576	885,745	980,750	1,057,647
Profit before tax	47,909	31,188	81,371	107,441	112,029
EBITDA	72,344	56,356	109,467	136,818	144,480
Profit attributable to owners of the company	37,482	24,476	63,106	83,266	71,492
Sen					
EPS	5.98	3.91	10.12	13.35	11.51
Dividend per share	2.00	1.25	3.50	4.25	3.50

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

5-YEARS FINANCIAL SUMMARY (CONT'D)

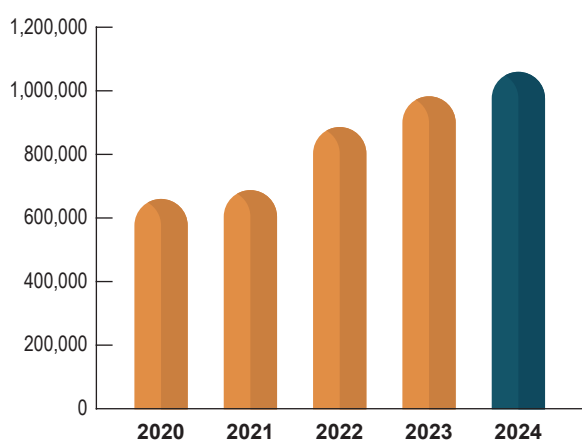


NUMBER OF RETAIL STORES & SUPERMARKETS (UNITS)



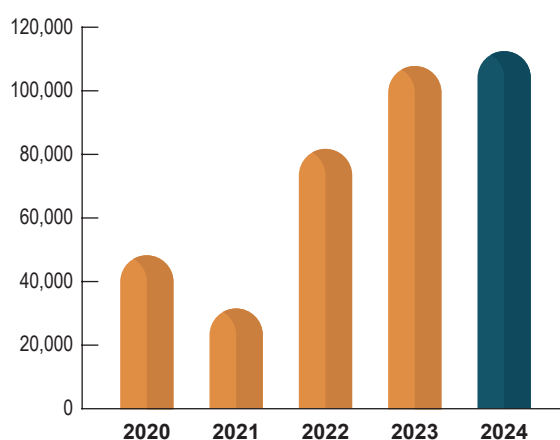
REVENUE

RM'000



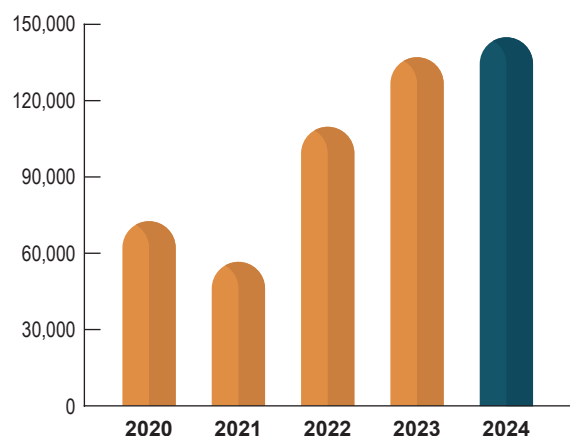
PROFIT BEFORE TAX

RM'000



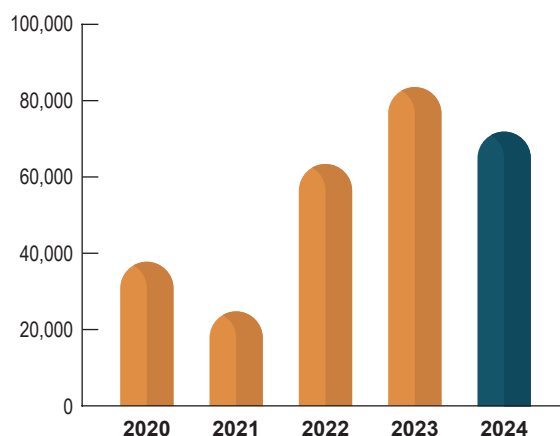
EBITDA

RM'000



PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

RM'000



MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

The Management Discussion and Analysis (“MD&A”) is intended to provide the stakeholder with operational and financial highlights of CCK Consolidated Holdings Berhad (“CCK” or “the Group”) for the financial year ended 31 December 2024 (“FY2024”).

The MD&A should be read together with the audited financial statements of the Group and Company as set out in this Annual Report.

INTRODUCTION

CCK’s business comprises of four (4) segments, namely; retail, poultry, prawn and food service. Business operations are carried out primarily in Sarawak, Sabah and Indonesia (Jakarta, Pontianak and Tarakan). The Group employs a total of approximately 2,986 employees across all business segments.

The Group’s mainstay and core business is the retail segment, which operates retail stores, supermarkets and wholesale stores. Since the opening of the first retail store in Sibu in 1970, CCK’s network has grown to seventy-six (76) touch points comprising of retail stores and supermarkets across East Malaysia (Sarawak and Sabah). Retail stores are operated under the CCK Fresh Mart brand and supermarkets under the CCKLocal brand.

CCK Fresh Mart retail stores cater to both businesses and households, carrying a smaller range of strategically selected stock keeping units (“SKU”) which are specifically targeted to certain locations and buyer demographics. CCK Fresh Mart retail stores are typically smaller format stores located in both urban and rural areas.

CCKLocal supermarkets typically occupy a larger footprint and offer households a wide range of SKUs ranging from local and imported food items to general household items. CCK’s wide-reaching retail network is supported by a fully integrated supply chain consisting of a feedmill, layer farming, poultry farming and processing, prawn farming and processing, and the manufacturing of house-brand food products.

As Sarawak’s largest integrated poultry supplier, CCK’s wide-reaching retail network benefits from being vertically integrated with the poultry segment. Much like the retail network, CCK’s farm operations and processing facilities are also located in Sarawak and Sabah. On a blended basis, fresh dressed chicken and chicken parts make up approximately 15% of CCK Fresh Mart retail stores’ SKU. The other 85% of CCK Fresh Mart retail stores’ products comprise house-brand and third-party frozen products, seafood products, fresh fruits, and vegetables.

REVIEW OF FINANCIAL PERFORMANCE

Revenue for FY2024 increased by 7.8% to RM1,057.6 million from a year ago (“FY2023”). Revenue growth was driven by improved performances from the retail and poultry segments. Notably, higher consumer demand led to a better performance in the retail segment whilst higher demand for poultry products from both our institutional clients and our own retail stores (intersegment sales) boosted the poultry segment.

During FY2024, two (2) new CCK Fresh Mart retail stores were opened in Beaufort in Sabah and in Kanowit in Sarawak and one (1) CCK Fresh Mart retail store was closed in Mukah in Sarawak. This brought our retail network to sixty-seven (67) CCK Fresh Mart retail stores, three (3) CCKLocal supermarkets and six (6) wholesale stores. This gives us a total of seventy-six (76) touchpoints, up from seventy-five (75) as at end FY2023.

The retail segment achieved a revenue of RM819.8 million during FY2024, 9.0% higher than FY2023. Growth was driven by more matured contributions from our established retail network, higher sales volumes from both the retail and wholesale channels, and strong demand for our in-house manufactured processed products in Indonesia.

Notably, our Indonesian manufacturing operations was able to cater to the strong demand due to the additional production capacity that came on stream in January 2021. Revenue from our Indonesian manufacturing operations (Pontianak and Jakarta) amounted to RM212.6 million, accounting for 20.0% of total Group revenue for FY2024.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

The poultry segment reported a total segment revenue of RM374.9 million for FY2024, an increase of 11.4% from the same period last year. The better performance was mainly driven by an increasing demand for poultry products with sales from both institutional clients and our own retail stores (intersegment sales).

The prawn segment's revenue amounted to RM91.3 million in FY2024, declined marginally by 2.3% from RM93.5 million in FY2023. The segment's performance continued to be driven by the contributions from PT Bonanza, which continued to drive overall segment export volumes, particularly to Japan and Taiwan. Sales via our own retail channels also remained stable despite some moderation, contributing positively to overall segment performance.

The food service segment reported revenue of RM20.8 million, declined from RM24.1 million in FY2023. This was mainly due to lower sales volume and demand from the government schools in Sarawak covered under our supply contracts.

The Group recorded a profit before tax ("PBT") of RM112.0 million for FY2024, increased 4.3% from RM107.4 million in FY2023. Overall profitability was primarily driven by the better performance of the retail segment, while the poultry, prawn and food service segments remained relatively stable despite some moderation. Notably, the poultry segment saw a spike in profitability in FY2023 due to government subsidies related to price ceilings for broilers and eggs, creating a high base effect. Gross profit margins for FY2024 inched up to 21.4% from 20.2% in FY2023.

The retail segment reported a segment PBT of RM80.8 million, a significant improvement of 13.1% compared to the same period last year. Growth was driven by a myriad of factors, including increased sales volumes in our retail and wholesale channels driven by an overall improvement in consumer demand, more favourable product mix and strong demand for our in-house manufactured processed products in Indonesia.

The poultry segment reported a PBT of RM24.7 million, was largely unchanged compared to FY2023. However, operational performance has improved, benefiting from effective cost control measures and a favourable product mix. In contrast, last year's profitability was boosted by government subsidies related to price ceilings for broilers and eggs.

The prawn segment recorded a PBT of RM9.1 million, declined 4.4% from RM9.5 million in FY2023. Segment profitability affected by a moderation in average selling prices and sales volumes to key export markets during the period under review.

The food service segment reported a PBT of RM1.5 million in FY2024, lower compared to RM3.0 million in FY2023. The decrease in profitability was due to lower sales volume of the segment.

Operating and administrative expenses increased due to the additional running costs incurred by PT Bonanza, facilities in Pontianak, Indonesia, and retail outlets that came on stream in the last few quarters.

Share of results in our associate company, Gold Coin (Sarawak) Sdn Bhd, amounted to RM5.0 million in FY2024, a growth of 4.4% compared to RM4.8 million in FY2023.

Finance costs for FY2024 amounted to RM3.0 million whilst total borrowings stood at RM49.0 million against shareholders' funds of RM565.4 million as at end-December 2024, translating into a gearing ratio of 0.09 times.

CCK maintained a net cash position as deposits with licensed banks and cash and bank balances surged to RM172.9 million from RM124.6 million as at end-December 2023.

The Group's property, plant and equipment rose to RM232.2 million as at end-December 2024 from RM216.2 million a year ago. Notable capital expenditure carried out during FY2024 was for the commissioning of two (2) additional CCK Fresh Mart stores, acquisition of a new shoplot in Sibu and addition of motor vehicles for use in Sibu, Kota Kinabalu and Bintulu, as well as new building and equipment for the Black Soldier Fly project, and upgrades to an existing Fresh Mart store in Sibu. All capital expenditure was funded by a combination of bank borrowings and internally generated funds.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

REVIEW OF OPERATIONS

In FY2024, we expanded our retail network as follows –

- Two (2) CCK Fresh Mart retail stores; one (1) in Beaufort, Sabah, and one (1) in Kanowit, Sarawak.

Meanwhile, the Group closed one (1) CCK Fresh Mart retail store in Mukah, Sarawak.

To recap, the acquisition of PT Bonanza was completed in July 2022, during FY2022. Established for the past 22 years, PT Bonanza operates out of Tarakan and is engaged in the processing of shrimp for local and export markets. PT Bonanza's key products are frozen raw shrimp, frozen cooked shrimp and frozen Nobashi Ebi shrimp.

As evidenced by the performance of the prawn segment in FY2024, the acquisition has augmented our seafood business and increased the size and scale of our export-oriented prawn products. Specifically, the prawn segment benefitted from a full year of contribution from PT Bonanza which boosted export volumes to Japan and Taiwan.

Our manufacturing operations in Indonesia continued to benefit from an overall increase in production capacity due to the addition of Pontianak's facility that was commissioned in January 2021. This additional production capacity supported the higher sales volumes of our own in-house brands of sausages, nuggets and other processed products.

Sausages continue to be the CCK's best seller in Indonesia whilst the sales of nuggets continue to gain momentum.

All products from our two (2) factories in Jakarta and Pontianak are sold to our network of six (6) locally partnered Freshmart outlets in Pontianak as well as to third parties in Jakarta and Pontianak.

Notably, during FY2024, the Group successfully completed the disposal of 37.7% stake in PT Adilmart to Astrantia in December 2024. We are optimistic that this strategic alignment will add a new dimension to our growth strategies and accelerate our pace of expansion. Beyond unlocking operational efficiencies, Astrantia will also support the expansion of production capacity, the opening of new sales channels, and brand building. With this partnership, we are well-positioned to drive long-term, sustainable growth for PT Adilmart.

ANTICIPATED OR KNOWN RISKS

a. Credit Risk

CCK practises a policy of dealing with creditworthy customers based on careful evaluation of each credit customer's financial standing and credit history. This practice mitigates the risk of financial loss from possible default payments. The Group has also in place a credit monitoring process which regularly monitors the status and payments of our credit customers.

b. Foreign Currencies Fluctuation Risk

The Group imports frozen products for the network of retail stores where the purchases are denominated in US dollars. As such, the Group is exposed to currency fluctuation risk. Any adverse fluctuation in the MYR/USD rate may affect the profitability of the Group. In addition, fluctuations in the MYR/USD will likely affect the cost of feed for the poultry segment.

c. Liquidity Risk

The Group maintains an adequate level of cash and cash equivalents and banking facilities to ensure sufficient liquidity to meet its liabilities as and when they fall due. The Group's exposure to liquidity risk arises principally from trade payables, other payables and other bank borrowings (bankers' acceptances and a revolving credit).

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

d. Competition Risk

CCK retail stores face increasing risks from existing and new competitors who offer similar products and compete on the basis of pricing. To mitigate this, we are continuously looking at means to improve our competitive edge. The Management not only focuses on pricing of products but also in evolving business models which improve the customers' shopping experience.

e. Biosecurity And Disease Risk

Concerns regarding disease and biosecurity at our chicken farms are constantly high on the agenda. The economic impact of a disease outbreak in any farm can be catastrophic on CCK's bottom line. Constant monitoring is a compulsory standard operating procedure across all our operations even as we continuously innovate and update our biosecurity measures.

DIVIDENDS

CCK has an internal dividend policy of paying up to 30% of the profit after taxation and minority interests whilst taking into consideration the level of available funds, the amount of retained earnings, capital expenditure commitments and other investment planning requirements.

In line with our commitment to reward shareholders, the Board of Directors declared a special interim single-tier dividend of 5.0 sen per ordinary share in respect of FY2024, duly paid on 22 January 2025.

The Board is pleased to announce a final single-tier dividend of 3.50 sen for the financial year ended 31 December 2024.

PROSPECTS

Operating in the dynamic and increasingly challenging retail landscape, CCK remains committed to delivering essential everyday staples through our extensive urban and rural network. We cater to diverse consumer needs with a wide range of offerings – including poultry, fresh produce, seafood, and both house-brand and third-party frozen goods. While our key business segments are closely tied to consumer sentiment and demand, the inherent resilience of these staple products reinforces our position in the market.

Employing a vertically integrated business model, this allows us to exert greater control over our supply chain and operations. This integrated approach, coupled with the nature of our product offerings, gives us the ability to be agile whilst developing a commendable resilience to market fluctuations and challenges.

That said, we continue to operate in a high inflationary environment, exerting pressure on costs throughout the supply chain. This inflationary trend compounds the challenges posed by fluctuating currency exchange rates and rising input costs, further straining our cost structures.

Specifically, the volatility of the US dollar against the Malaysian Ringgit remains a concern as it leads to fluctuations in prices of corn and soy. Feed prices constitute a significant portion of the poultry segment's costs which in-turn make up about 50% of our retail segment's sales.

Consequently, we actively employ strategies to address these cost pressures, seeking efficiencies wherever possible while remaining mindful of the impact on pricing and profitability.

Our focus remains on mitigating these cost pressures through prudent cost management practices, operational optimisations, and strategic pricing adjustments, ensuring that we maintain our competitiveness in the market.

Strategically expanding our retail network remains integral to our growth trajectory, with a concerted focus on optimising economies of scale and enhancing the efficiency of our fully integrated supply chain. This will bolster our capacity to meet evolving consumer demands while maximising operational efficiencies.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

In December 2024, CCK successfully completed the disposal of a stake in PT Adilmart to Astrantia. Having grown our Indonesian manufacturing business at double-digit rates since our venture more than a decade ago, we are excited to welcome Astrantia as a partner as we work hand-in-hand to take this business to the next level. This transaction marks a significant step in enhancing our value-creation potential, as we leverage our partnership with Astrantia to unlock new growth opportunities through combined expertise. Following the first closing date of the transaction (23 December 2024), Astrantia now owns 37.7% of PT Adilmart.

Looking ahead, we are optimistic that this strategic alignment will add a new dimension to our growth strategies and accelerate our pace of expansion. Beyond unlocking operational efficiencies, Astrantia will also support the expansion of production capacity, the opening of new sales channels, and brand building. With this partnership, we are well-positioned to drive long-term, sustainable growth for PT Adilmart.

As we look forward, we remain steadfast in our commitment to proactive risk mitigation and operational optimisation across all key business segments. Whilst we navigate the aforementioned challenges with agility and foresight, we are equally committed to execute our growth plans and strategies.

Taking into account the above, we are therefore cautiously optimistic with regards to the coming financial year.

APPRECIATION

I want to express my deepest gratitude to the Board of Directors, Management Team, and the incredible staff of CCK. Your dedication, perseverance, and collective commitment have been the driving force behind our success, enabling us to navigate an ever-evolving retail landscape with confidence and resilience.

Your hard work and determination continue to propel CCK forward, ensuring sustained growth and progress. I also extend my sincere gratitude to our valued shareholders, trusted business partners, and stakeholders. Your ongoing support, collaboration, and trust inspire us to push boundaries, innovate, and deliver greater value.

Your unwavering support and confidence inspire us to push boundaries, strive for excellence, and deliver exceptional value and service. Together, we look ahead with optimism, building on our achievements and striving for an even brighter future for CCK.

TIONG CHIONG HIIUNG
GROUP MANAGING DIRECTOR



DIRECTORS' PROFILE



Tan Sri Datuk Tiong Su Kouk

Non-Independent Non-Executive Chairman

AGE | 83

NATIONALITY | MALAYSIAN

GENDER | MALE

YBhg. Tan Sri Datuk Tiong Su Kouk is the founder of CCK Consolidated Holdings Berhad ("CCK") and its subsidiaries ("CCK Group"). He was appointed as Executive Chairman to the Board of CCK on 15 July 1997 and re-designated as Non-Independent Non-Executive Chairman on 20 March 2002. He is a member of the Audit Committee and Nomination Committee of CCK and the Chairman of the Remuneration Committee of CCK. He also acts as Chairman of the other companies within CCK Group. Under his stewardship, CCK Group has progressed from a small family-run business to one of the Sarawak's largest integrated poultry producers and producers of frozen seafood.

YBhg. Tan Sri Datuk Tiong began his career as a seafood trader at the age of 14. He also involved in poultry industries for the past 40 years. YBhg. Tan Sri Datuk Tiong also sits on various school boards and is actively involved in the Foochow and Zhang Associations in the world and in Malaysia as well. He is the Honorary Life President of the Sibuan Chinese Chamber of Commerce and Industry and the Honorary President of The Association Chinese Chambers of Commerce and Industry of Sarawak. He was appointed as the Honorary Life President of World Federation of Foochow Association in 2004 and the Permanent Honorary Life Chairman and Inaugurator of the World Zhang Clan Association in 2011. He also sits on the boards of Hua Shang Economic Corporation (Sibu) Bhd. and other private limited companies in Malaysia.

YBhg. Tan Sri Datuk Tiong is the Executive Chairman of Nam Cheong Limited ("NCL"), a public company listed on the Singapore Exchange. He oversees NCL Group's strategic direction and shipbuilding operations.

YBhg. Tan Sri Datuk Tiong was conferred the "Panglima Jasa Negara" (PJN) which carries the title "Datuk" by Seri Paduka Baginda Yang Di-Pertuan Agong on the occasion of His Excellency's 75th Birthday on 2 June 2001. He was also awarded the "Pingat Bintang Sarawak" (PBS) and "Johan Setia Mahkota" (JSM) in 1987 and 2000 respectively by the Sarawak State Government and Seri Paduka Baginda Yang Di-Pertuan Agong respectively for his contributions to the community. On 4 June 2016, he was bestowed the "Panglima Setia Mahkota" (PSM) which carries the title "Tan Sri" by Seri Paduka Baginda Yang Di-Pertuan Agong XIV on His Majesty's 88th Birthday. The Award is in recognition of Tan Sri Datuk Tiong's contribution as a leader of diverse and multi-business ventures, his contribution to national economic development and to the society and country. YBhg. Tan Sri Datuk Tiong was awarded with Consumer Goods Industry Entrepreneur of the Year at the Asia Pacific Entrepreneurship Awards 2016.

During the financial year ended 31 December 2024, YBhg. Tan Sri Datuk Tiong attended all the six (6) Board meetings held.

His shareholdings in CCK as at 2 April 2025 are disclosed on page 146 of this annual report.

DIRECTORS' PROFILE (Cont'd)

Chong Shaw Fui

Executive Vice Chairman

AGE | 80

NATIONALITY | **MALAYSIAN**

GENDER | **MALE**



Mr. Chong Shaw Fui was appointed as Executive Vice Chairman to the Board of CCK Consolidated Holdings Berhad ("CCK") on 15 July 1997. He is a member of Risk Management Committee.

He has more than 53 years of experience in the field of poultry industry. He is responsible for the management of the poultry business unit of CCK, which ranges from breeding, hatchery, and table eggs to the production line accordingly.

Mr. Chong commenced his poultry breeding experience in Singapore in 1972. He was the founder of Sarawak Breeding Farm, specialising in the hatching and breeding of commercial broiler day-old chicks. He then developed this business into Zhang Agriculture Development Sdn. Bhd., which is now a wholly-owned subsidiary of CCK.

In 1983, he incorporated Poultry Industry (S) Sdn. Bhd. ("Poultry Industry") and started contract farming. Poultry Industry supplies day-old chicks and feed to their contract farms and buy back the broilers which are then supplied to CCK's abattoir. Poultry Industry is now a wholly-owned subsidiary of CCK.

During the financial year ended 31 December 2024, Mr. Chong attended all the six (6) Board meetings held. His shareholdings in CCK as at 2 April 2025 are disclosed on page 146 of this annual report.

Tiong Chiong Hiiung

Group Managing Director

AGE | 58

NATIONALITY | **MALAYSIAN**

GENDER | **MALE**



Mr. Tiong Chiong Hiiung was appointed to the Board of CCK Consolidated Holdings Berhad ("CCK") on 15 July 1997. He is the Group Managing Director of CCK, a member of Remuneration Committee and the Chairman of Risk Management Committee.

He graduated with a Bachelor of Economics from Monash University in Australia in 1989. He joined the Group after his graduation. In 1994, he was appointed as Managing Director of Central Coldstorage Kuching Sdn. Bhd., and was responsible for the overall management and operations of CCK Group. He has been actively involved in every aspect of the Group's operations, including breeding, broiler farming and processing of seafood. He is instrumental in transforming CCK Group's operations into one of the most modern in Sarawak.

He is the Executive Vice Chairman of Nam Cheong Limited ("NCL") group. NCL is a public company listed on the Singapore Exchange. He is also the Financial Director and a member of Nominating Committee of NCL Group. He provides guidance to the Finance team in financial strategies and control towards a healthier financial performance for NCL Group.

Mr. Tiong is a Licensed Company Secretary by the Companies Commission of Malaysia. He also sits on the boards of various private limited companies.

During the financial year ended 31 December 2024, Mr. Tiong attended all the six (6) Board meetings held. His shareholdings in CCK as at 2 April 2025 are disclosed on page 146 of this annual report.

DIRECTORS' PROFILE (Cont'd)

Tiong Chiong Soon

Executive Director

AGE | 55

NATIONALITY | **MALAYSIAN**

GENDER | **MALE**

Mr. Tiong Chiong Soon was appointed as Executive Director of CCK Consolidated Holdings Berhad ("CCK") on 15 July 1997. He is a member of Risk Management Committee.

He graduated with a Bachelor of Business from University of Oklahoma in USA in 1994. He joined CCK Group after his graduation, and is principally responsible for the purchasing function and the retail division of the Group. He maintains an excellent rapport with the suppliers thus ensuring timely delivery of products of the highest quality for the Group.

He is the Executive Director (Operations) of Nam Cheong Limited ("NCL") Group, a public company listed on the Singapore Exchange. He supervises NCL Group's shipbuilding operation, vessels' repair works, procurement and sourcing of equipment required for the shipbuilding and chartering operation. He also sits on the boards of various private limited companies including subsidiaries of NCL.

During the financial year ended 31 December 2024, Mr. Tiong attended all the six (6) Board meetings held. His shareholdings in CCK as at 2 April 2025 are disclosed on page 146 of this annual report.



Kueh Chung Peng

Executive Director

AGE | 71

NATIONALITY | **MALAYSIAN**

GENDER | **MALE**

Mr. Kueh Chung Peng was appointed as Executive Director of CCK Consolidated Holdings Berhad ("CCK") on 15 July 1997. He is a member of Risk Management Committee.

He has over 43 years' experience in aquaculture and coldstorage products industry, and he plays an advisory role for CCK in the field of coldstorage, aquaculture farming and poultry processing.

He joined Kin Eastern Frozen Food Sdn. Bhd. in 1982 as the Managing Director and is responsible for the aquaculture farming division of CCK Group. He was appointed to the Board of CCK Fresh Mart Sdn. Bhd. in 1993. He was then appointed as the Managing Director of Central Coldstorage Kuching Sdn. Bhd. on 27 August 2014 to oversee the businesses of coldstorage, poultry processing and retailing.

During the financial year ended 31 December 2024, Mr. Kueh attended all the six (6) Board meetings held. His shareholdings in CCK as at 2 April 2025 are disclosed on page 146 of this annual report.



DIRECTORS' PROFILE (Cont'd)

Lau Liong Kii

Executive Director

AGE | 74

NATIONALITY | **MALAYSIAN**

GENDER | **MALE**



Mr. Lau Liong Kii was appointed as Executive Director to the Board on 15 July 1997. He is a member of the Remuneration Committee and Risk Management Committee.

He joined CCK Consolidated Holdings Berhad ("CCK") Group in 1982 as the Managing Director of Ableway Sdn. Bhd., principally responsible for the operations of Ableway Sdn. Bhd. He also oversees the production and marketing functions of CCK's prawn division. Since then, he gained vast experience in domestic and international food markets, and brought to the Group an in-depth understanding of specialist trends of the food industry.

He also sits on the boards of Tiong Su Kouk Foundation and various private limited companies.

During the financial year ended 31 December 2024, Mr. Lau attended all the six (6) Board meetings held. His shareholdings in CCK as at 2 April 2025 are disclosed on page 146 of this annual report.

Ling Ting Leong @ Ling Chong Seng

Senior Independent Director

AGE | 73

NATIONALITY | **MALAYSIAN**

GENDER | **MALE**



Mr. Ling Ting Leong @ Ling Chong Seng is a member of Audit Committee. He joined CCK Consolidated Holdings Berhad ("CCK") Group in 1983 and was responsible for the finance and corporate secretarial matters of CCK Group. He was appointed as Executive Director to the Board of CCK on 15 July 1997, and was re-designated as Non-Independent Non-Executive Director on 1 July 2013. He was subsequently re-designated as Independent Director on 13 April 2020 and appointed as Senior Independent Director on 1 June 2023.

Mr. Ling is a businessman with a wealth of experience. He also sits on the boards of various private limited companies.

From 1971 to 1982, Mr. Ling gained his experience in accounting and auditing. He is a Certified Company Secretary and is a member of the Malaysian Association of Company Secretaries ("MACS") since 2001. He was appointed as Sarawak Liaison Co-Chairman of MACS since 11 October 2011. He was then appointed as Sarawak Region Committee Deputy Chairman of MACS since 29 December 2015. Mr. Ling retired as Sarawak Region Committee Deputy Chairman in mid of 2018, but remains as fellow member in MACS.

During the financial year ended 31 December 2024, Mr. Ling attended all the six (6) Board meetings held. His shareholdings in CCK as at 2 April 2025 are disclosed on page 146 of this annual report.

DIRECTORS' PROFILE (Cont'd)

Dato Sim Kheng Boon

Independent Director

AGE | 70

NATIONALITY | **MALAYSIAN**

GENDER | **MALE**

YBhg. Dato Sim Kheng Boon was appointed to the Board as an Independent Director of CCK Consolidated Holdings Berhad ("CCK") on 1 June 2023. He is the Chairman of Nomination Committee and a member of Audit Committee and Remuneration Committee.

He holds a Bachelor of Commerce Degree (Honours) majoring in accounting from University of Windsor, Canada in 1980. He has more than 30 years of investment banking experience involved in public listing of companies, fund raising exercise, merger and acquisition.

YBhg. Dato Sim was the first Chief Executive Officer of Development Bank of Sarawak Berhad from 2017 to 2023 during its formative years. Prior to this, he was attached with Kenanga Investment Bank Berhad as Head of East Malaysia and with AmlInvestment Bank Berhad as Director of Sarawak Region.

He is currently an Independent Director of Zecon Berhad and Kim Hin Industry Berhad, both companies are listed on the Main Market of Bursa Malaysia Securities Berhad.

During the financial year ended 31 December 2024, YBhg. Dato Sim attended all the six (6) Board meetings held. He holds no share in CCK.



Wong Siaw Wei

Independent Director

AGE | 49

NATIONALITY | **MALAYSIAN**

GENDER | **FEMALE**

Ms. Wong Siaw Wei was appointed to the Board as an Independent Director of CCK Consolidated Holdings Berhad ("CCK") on 1 June 2024. She is the Chairperson of Audit Committee and a member of Nomination Committee and Remuneration Committee.

She is a Fellow of the Association of Chartered Certified Accountants (FCCA) and Malaysian Institute of Accountants (MIA). She has more than 25 years of experience in the fields of accounting, auditing, investment banking and corporate affairs. Her professional expertise is developed from Arthur Anderson & Co., Ernst & Young, AmlInvestment Bank Berhad and few other private and public listed companies.

She is an Independent Non-Executive Director and the Chairperson of Sustainability Committee of Ibraco Berhad since 22 April 2022.

Ms. Wong is an Executive Director of a consultancy company engaging in provision services of consultancy, accountancy, management and secretarial. She is also an Executive Director of Carbon Xchange (Sarawak) Sdn. Bhd., a company involves in provision of sustainable agriculture project management, training services and trading of natural agriculture produce.

During the financial year ended 31 December 2024, Ms. Wong attended all the two (2) Board meetings held. She holds no share in CCK.



PROFILE OF DEPUTY CHIEF EXECUTIVE OFFICER



Ethan Tiong Ing Hung

Deputy Chief Executive Officer

AGE | 29

NATIONALITY | MALAYSIAN

GENDER | MALE

Mr. Ethan Tiong Ing Hung was appointed as the Deputy Chief Executive Officer of CCK Consolidated Holdings Berhad ("CCK") and the Group on 1 March 2024.

He graduated with a Bachelor in Commerce, with double major in Finance and Management from University of Melbourne. Mr. Ethan Tiong was appointed as Executive Director of CCK Fresh Mart Sdn. Bhd. ("CCKFM"), a wholly owned subsidiary of CCK, on 1 July 2018. He is responsible for business operations and strategic decision making for CCKFM and some other subsidiaries of CCK. He also sits on the boards of various private limited companies. He holds no share in CCK.

Additional information of Directors and Deputy Chief Executive Officer:

- (i) All the five (5) Executive Directors, namely Mr. Chong Shaw Fui, Mr. Tiong Chiong Hiiung, Mr. Tiong Chiong Soon, Mr. Kueh Chung Peng and Mr. Lau Liong Kii, are also the Key Senior Management of CCK Group, who are primarily responsible for the business operations of CCK Group;
- (ii) All the Directors have no family relationship with any Director or Major Shareholder of CCK, except for Mr. Tiong Chiong Hiiung and Mr. Tiong Chiong Soon who are sons of YBhg. Tan Sri Datuk Tiong Su Kouk, and Mr. Ethan Tiong Ing Hung, the Deputy Chief Executive Officer is son of Mr. Tiong Chiong Hiiung and grandson of YBhg. Tan Sri Datuk Tiong Su Kouk;
- (iii) YBhg. Tan Sri Datuk Tiong Su Kouk, Mr. Tiong Chiong Hiiung and Mr. Tiong Chiong Soon are Directors of Central Coldstorage Sarawak Sdn. Bhd. ("CCS"). They have substantial interest in CCS. Principal activity of CCS is trading of coldstorage products.

Save as disclosed above, none of the other Directors and Deputy Chief Executive Officer have any conflict of interest with CCK Group;

- (iv) None of the Directors and Deputy Chief Executive Officer hold any directorship in other public companies, except for YBhg. Tan Sri Datuk Tiong Su Kouk, YBhg. Dato Sim Kheng Boon and Ms. Wong Siaw Wei; and
- (v) None of the Directors and Deputy Chief Executive Officer have any conviction for offences within the past five (5) years and there was no public sanction or penalty imposed on the Directors and Deputy Chief Executive Officer by the relevant regulatory bodies during the financial year under review.



Forbes Asia's 200 Best Under A Billion Award



The Brandlaureate Best Brands Awards 2023-2024



Occupational Safety and Health Coordinator Workshop



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of CCK Consolidated Holdings Berhad (“the Company”) presents this Statement to provide shareholders and investors with an overview of the corporate governance practices during the financial year 2024 (“FY2024”) in accordance with the Malaysian Code on Corporate Governance 2021 (“MCCG”).

This Statement is to be read together with the Corporate Governance Report (“CG Report”) which provides the details on how the Company has applied each Practice as set out in the MCCG. The CG Report is available on the Company’s website at www.cck.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board is always mindful of its responsibilities to the Company’s shareholders and various stakeholders. The Board determines the strategic objectives and policies for the Group and ensure that long-term goals and short-term objectives are met with sufficient resources in place.

To ensure optimum decision-making, the positions of the Chairman and Group Managing Director are held by different individuals. Their responsibilities and accountabilities are clearly defined in the Board Charter. The Board Charter also sets out authorities, roles and responsibilities of the Board, Board Committees and individual Directors. The Code of Conduct is in place to govern good business conduct and healthy corporate culture so as to support long-term sustainable success. Whistleblowing Policy is also in place to enable individuals to raise concerns of improper conduct and wrong doing. The Board has adopted a zero-tolerance approach against all forms of bribery and corruption and has put in place an Anti-Bribery and Corruption Policy. The Board and management are dedicated on sustainability throughout the Group’s activities and communities it serves. A Sustainability Policy is available on the Company’s website.

Board Meetings

Six (6) Board meetings were held during FY2024. Attendance of each Director at the Board meetings are set out below:

Directors	Attendance
Tan Sri Datuk Tiong Su Kouk	6/6
Chong Shaw Fui	6/6
Tiong Chiong Hiiung	6/6
Tiong Chiong Soon	6/6
Kueh Chung Peng	6/6
Lau Liong Kii	6/6
Ling Ting Leong @ Ling Chong Seng	6/6
Dato Sim Kheng Boon	6/6
Wong Siaw Wei (appointed on 1 June 2024)	2/2

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

Director's Training and Development

The Board is mindful of the importance for its members to undergo continuous training to broaden the Directors' perspectives, and to keep abreast with the latest development in the industry, law and regulations. During FY2024, Directors have attended the following training programmes:

- Mandatory Accreditation Programme Part II
- Conflict of interest and what can go wrong: Unpacking its implications to listed issuers and their directors
- Conflict of interest ("COI") and governance of COI
- Joint ventures, shareholders agreement and conflict of interest situations
- 2025 Budget seminar
- Hasil - MEF tax seminar 2024: Strengthening national economy, accelerating business growth
- Tax compliance, tax knowledge, and tax complexity
- Understanding of corporate transactions
- Audit Oversight Board conversation with Audit Committees on the preparation for IFRS Sustainability Disclosure Standards in Malaysia

Company Secretaries

The Board is supported by two (2) suitably qualified and competent Company Secretaries, who provide sound advice in relation to governance, regulatory requirements, policies and procedures. The Board members have full and unrestricted access to the advice and services of the Company Secretaries.

II. Board Composition

The Company is led and managed by an experienced Board comprising nine (9) members, the Non-Independent Non-Executive Chairman, the Executive Vice Chairman, the Group Managing Director, three (3) Executive Directors and three (3) Independent Directors. 33% of the Board members consist of Independent Directors with requisite experience, skills, qualifications and other core competencies. The female Chairperson of Audit Committee is a Fellow of Chartered Certified Accountants (FCCA). They bring balanced perspectives and objective views to the decisions making of the Board.

The Board recognises the benefits of having a diverse Board and is satisfied that the current size and composition of the Board is considered adequate for decision making in terms of age, gender, skills, experience, expertise and perspectives.

The Board has in place a policy on gender diversity in the Nomination and Election Process of the Board members, to ensure that women candidates are sought in its recruitment exercise.

The Board, through the Nomination Committee ("NC") conducted an annual assessment of effectiveness of the Board, the Board Committees, and individual Directors during the financial year under review. All assessments carried out by the NC were properly documented, summarised and reported to the Board. The Board is satisfied that they have been effective in the discharge of their overall functions and duties.

III. Remuneration

The Board has established a Remuneration Policy for the Directors and C-Suite category, which is reviewed periodically. The Remuneration Committee reviews the remuneration of Directors and Deputy Chief Executive Officer annually to ensure the remuneration packages remain appropriate, competitive and in alignment with the prevalent market rate so as to attract and retain individuals with high caliber.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

During FY2024, the Remuneration Committee met once. They reviewed and recommended to the Board the remuneration packages of Directors and Deputy Chief Executive Officer, taking into consideration commitment and responsibilities assumed, experience and skills required, performance of the Board members and the Group.

The Terms of Reference of the Remuneration Committee is made available on the Company's website.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Audit Committee ("AC") comprises three (3) Independent Directors and one (1) Non-Executive Non-Independent Director. The AC is chaired by an Independent Director. None of the AC members was former audit partners who is required to observe a cooling-off period of at least three (3) years before being appointed to the AC.

The composition of the AC is reviewed by the NC annually and recommended to the Board for approval. The NC ensures all AC members are financially literate, possess appropriate level of expertise and experience, and have strong understanding of the Group's business. The AC members keep abreast of relevant developments in accounting, auditing and governance. The Board is satisfied with the performance of the AC and its members in discharged their functions for the financial year under review.

The AC oversees the financial reporting, ensures the quarterly and annual financial statements are prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards, Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") so as to give a true and fair view of the state of affairs, results and cash flows of the Group for FY2024.

The AC assesses suitability, objectivity and independence of the external auditors annually and was satisfied with the competency, independent and performance of the external auditors for the financial year under review.

Internal Audit Function is carried out by an independent professional services firm. The lead reported directly to AC on audit findings, recommendations, corrective and preventive measures to assure the internal control system is operated effectively within the Group.

Further details of the AC are disclosed in the Audit Committee Report as outlined on pages 47 to 49 of this Annual Report.

II. Risk Management and Internal Control Framework

The Board reviews the adequacy and effectiveness of the Risk Management and Internal Control System ("System") of the Group through NC. The task of scrutinising the System is taken up by the Risk Management Committee ("RMC") and AC.

The RMC comprises all five (5) Executive Directors. The RMC, with assistance of the outsourced risk management advisor ("RMA"), ensures adequacy and effectiveness of the risk management practices. The RMA assisted the AC to ensure the internal control function is operated effectively and satisfactorily.

The Board is satisfied with the performance of the RMC and AC in relation to risk management and internal audit function for the financial year under review. The Board is of the view that the Group has in place a sound System to safeguard the Group's assets, shareholders' investment, and the interests of customers, employees and other stakeholders.

The details of the System are set out in the Statement on Risk Management and Internal Control and Audit Committee Report on pages 44 to 46 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Engagement with Stakeholders

The Board is committed to maintaining transparent, timely and efficient communication with the Company's shareholders and various stakeholders. The Company engages with its shareholders and other stakeholders through various platforms, including announcements made to Bursa Securities, briefings to analysts, up-to-date Company's website, press releases and questions invited in general meetings.

The investor relations activities serve as an important communication channel with the Company's shareholders and investment community. Stakeholders are encouraged to channel their concerns to the email address at sam@bcta.com.my.

II. Conduct of General Meetings

Annual General Meeting ("AGM") is the principal forum for communicating between the Company and its shareholders. In line with the best corporate governance practice, the notice of AGM and annual report were dispatched to shareholders at least 28 days before the date of the AGM in 2024.

All the nine (9) Directors were present at the AGM. The Chairmen of the Board Committees together with the top management and external auditors were present to address queries during the AGM.

During FY2024, an Extraordinary General Meeting ("EGM") was held, circular to shareholders was uploaded onto the Company's website. All the Directors, Principal Adviser and Solicitors were present to address questions during the EGM.

The Chairman briefed the shareholders of their rights to raise questions and vote. Shareholders were also briefed on the voting procedures by the poll administrator prior to the poll voting. The vote cast and poll results were validated by the independent scrutineer. The poll results were announced to Bursa Securities on the same day of the AGM and EGM. Minutes of the AGM and EGM were uploaded on the Company's website within 30 business days after the meetings.

This Statement is made in accordance with the resolution of the Board of Directors dated 14 April 2025.

SUSTAINABILITY STATEMENT

ABOUT THIS SUSTAINABILITY STATEMENT

CCK Consolidated Holdings Berhad (“CCK”) recognizes its role as part of both the local and global community, embracing a shared responsibility in advancing sustainability. As a well-established presence within the local community, we continuously strive to be known as “The Food People of Choice.” Our commitment remains steadfast in serving our customers and community. To uphold this dedication, the Group integrates sustainability concepts and practices, which will be outlined in this Sustainability Statement.

The Group prioritizes transparent communication with a diverse range of stakeholders, including partners, customers, shareholders, employees, community members, and suppliers. Through a structured framework of practical measures, we ensure they gain a clear understanding of our sustainability initiatives. This approach supports long-term, sustainable growth that benefits all stakeholders.

Reporting Standards

In the preparation of this Sustainability Statement, we have been guided by the regulatory framework and guidelines as set out below:

- Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia Securities”);
- Sustainability Reporting Guide, 3rd Edition (“SRG”) issued by Bursa Malaysia Securities;
- Malaysian Code on Corporate Governance, updated on 28 April 2021 (“MCCG 2021”); and
- Global Reporting Initiative (“GRI”) 2021.

Our adherence to these regulatory frameworks and guidelines reflects our dedication to professionalism, accountability, and transparency in preparing this Sustainability Statement.

Reporting Scope and Period

Our Sustainability Statement would encompass CCK’s core segments, specifically: Retail, Poultry, Prawn and Food Service. This Statement outlines its scope, covering the entities that represent these key segments as per listed below:

- CCK Fresh Mart Sdn. Bhd.
- Central Coldstorage Kuching Sdn. Bhd.
- Poultry Industry (S) Sdn. Bhd.
- Zhang Agriculture Development Sdn. Bhd.
- Zhang Agriculture Development (Sabah) Sdn. Bhd.
- C.S. Choice Food Industries Sdn. Bhd.
- Kin Eastern Frozen Food Sdn. Bhd.
- Kuok Sui Sea Products Industries (S) Sdn. Bhd.
- Mukah Seafoods Industries Sdn. Bhd.
- CCK Sea Products Industries Sdn. Bhd.
- PT Adilmart (*Foreign Company, Indonesia*)
- PT Bonanza Pratama Abadi (*Foreign Company, Indonesia*)

Unless stated otherwise, this Statement covers the period from 1 January 2024 to 31 December 2024.

Feedback

We value and welcome feedback from our stakeholders on our Sustainability Report and its covered topics. We encourage you to share your comments, questions, and suggestions regarding this Statement by reaching out to sam@bcta.com.my. Your input is highly appreciated.

SUSTAINABILITY STATEMENT (Cont'd)

Sustainability Governance Structure

The Group acknowledges the importance of integrating sustainability into CCK's operations to ensure long-term resilience and continuous value creation for stakeholders. CCK's governance system is structured to effectively guide and implement sustainability initiatives across all levels and aspects of its operations.

The following outlines the functions and responsibilities assigned to each level within our governance structure:

Board of Directors

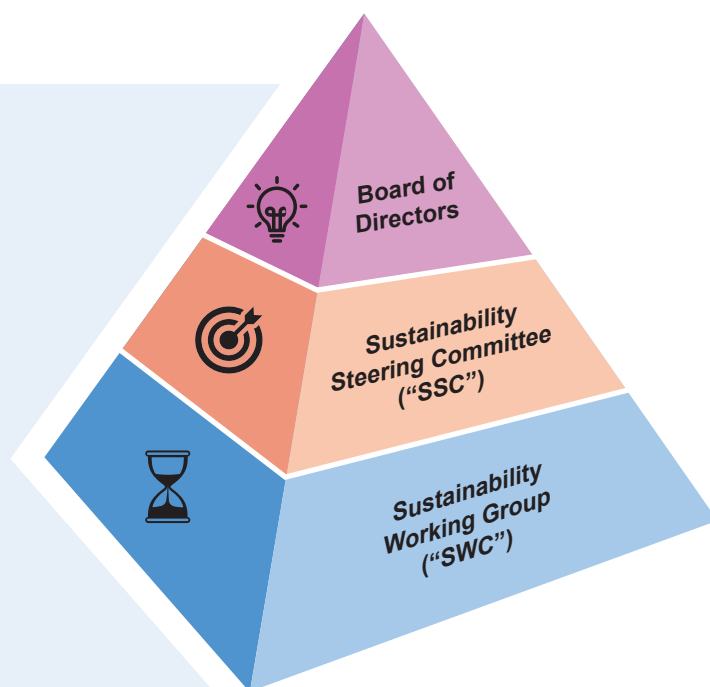
Comprises the Chairman, Group Managing Director, Executive Directors, Non-Independent Directors and Independent Directors

Sustainability Steering Committee ("SSC")

Comprises the elected members from the management team and/or Heads of Department

Sustainability Working Group ("SWC")

Comprises delegates nominated by the management team and/or respective Heads of Department



Board of Directors

- Provide overall direction and oversight of all sustainability initiatives
- Approve on the Sustainability Policies and Framework
- Drive the Group's sustainability strategy for sustainability reporting progressively

Sustainability Steering Committee ("SSC")

- To support the sustainability accountability of the Board of Directors
- Operational oversight of the implementation of sustainability initiatives, ensuring adequate resources allocated to support implementation

Sustainability Working Group

- Responsible to carry out action plans in their respective subdivision by communicating to teams and orchestrate a concerted effort to reach Group's sustainability goals
- To facilitate stakeholders' engagement session for identification of key sustainability matters
- To implement sustainability strategies and initiatives
- To setup and monitor processes and controls on sustainability matters
- Ensure controls are maintained and updated as and when necessary

SUSTAINABILITY STATEMENT (Cont'd)

Sustainability Policy

In our commitment to strong corporate governance, the Group upholds policies that establish a governance framework while promoting a culture of business ethics among employees. The following policies reflect our unwavering dedication to sustainability:




By implementing these policies, we demonstrate our steadfast commitment to transparency, accountability, and responsible stewardship of both the environment and the communities we serve. Our goal is to maintain the highest standards of professionalism and ethical conduct.






Stakeholders Engagement

The Group actively engages with stakeholders, recognizing their integral role in CCK's foundation and achievements. Collaboration and stakeholder insights have been instrumental in driving our growth and success.

Committed to fostering collaboration and mutual understanding, we provide a detailed summary of our key stakeholders, their relevant material sustainability matters, and our ongoing engagement efforts, as outlined in the table below:

Key Stakeholders	Areas of Interest	Engagement Methodology	Frequency
 Shareholders and Investors	<ul style="list-style-type: none"> Accurate disclosure Future direction Recent performance Sustainability 	<ul style="list-style-type: none"> Annual General Meetings Conference Calls On-Site Visits Investors Relations 	<ul style="list-style-type: none"> Annually or when required

SUSTAINABILITY STATEMENT (Cont'd)

Key Stakeholders	Areas of Interest	Engagement Methodology	Frequency
 Employees	<ul style="list-style-type: none"> • Compensation and benefits • Personal development • Insurance and medical • Health and safety • Efficiency and comfort 	<ul style="list-style-type: none"> • Annual performance appraisal • Occupational Health and Safety Committee meetings • Annual team-building and dinner • Regular communications and meetings • Direct whistle-blowing channels 	<ul style="list-style-type: none"> • Regularly
 Customers	<ul style="list-style-type: none"> • Quality and pricing • On-time deliveries • Halal compliance and food safety 	<ul style="list-style-type: none"> • Annual survey and feedback • Regular communications • Complaints channel • Regular audits 	<ul style="list-style-type: none"> • Regularly
 Suppliers	<ul style="list-style-type: none"> • Quality and pricing • On-time deliveries • Sustainable supply chain and future business dealings • Procurement management 	<ul style="list-style-type: none"> • Annual review and feedback • Regular communications • Complaints channel • On-site visits 	<ul style="list-style-type: none"> • Ongoing or regularly
 Regulators	<ul style="list-style-type: none"> • Good and fair governance • Legal compliance 	<ul style="list-style-type: none"> • Active participation in industry associations • Meetings with Government agencies • Regular audits and inspections 	<ul style="list-style-type: none"> • When required
 Community	<ul style="list-style-type: none"> • Community investment involves contributing donations, both in monetary and non-monetary 	<ul style="list-style-type: none"> • Donations • Fundraising • Charity events 	<ul style="list-style-type: none"> • Ongoing

Identifying and Addressing Material Sustainability Matters

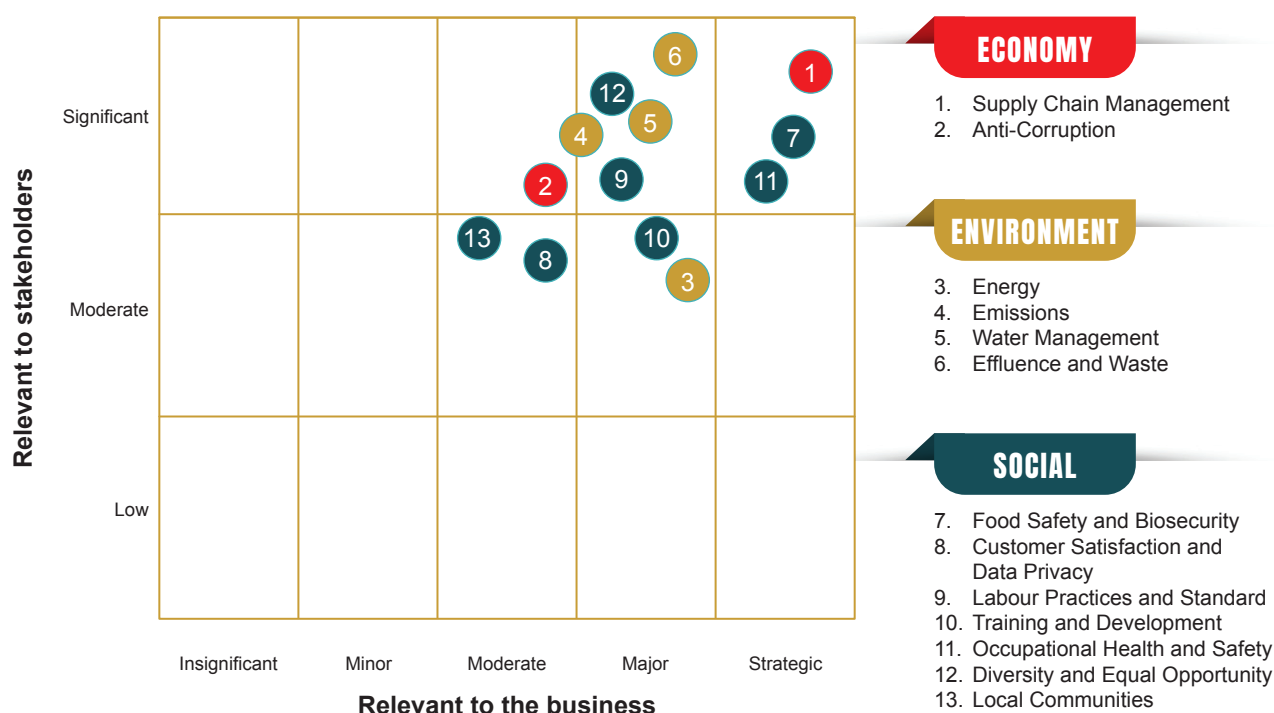
Our Group employs a comprehensive approach to identifying key sustainability concerns. By assessing both internal and external risks, along with stakeholder perspectives, we gain valuable insights into critical sustainability matters and align our efforts accordingly.

SUSTAINABILITY STATEMENT (Cont'd)

To establish a structured and effective approach, we implemented a four-step process to identify key materiality factors for reporting. This process followed the industry's best practices, ensuring a clear and accurate reflection of our organisation's sustainability priorities. The steps in this process are as follows:

- Determine sustainability issues
- Categorisation and prioritisation
- Review the sustainability issues against the sustainability goals
- Monitoring of sustainability initiatives and KPI

A total of thirteen (13) key material sustainability matters were mapped as outlined in the graph below:



Considering the Material Matters identified, CCK summarised its focus into the following:



SUSTAINABILITY STATEMENT (Cont'd)

Risks and Opportunities

Through our materiality assessment process, we have identified potential sustainability risks and opportunities that hold relevance and significance for both our business and stakeholders. This step enables us to gain a better understanding of material sustainability matters and formulate proactive strategies and address these issues.

Material Topics	Risks	Opportunities	Impacted Key Stakeholders	Management Policy and Measures
Economic Performance	<ul style="list-style-type: none"> Economic conditions, market volatility, and regulatory changes 	<ul style="list-style-type: none"> Growing market demand Customisation and specialisation 	<ul style="list-style-type: none"> Shareholders and Investors Customers Suppliers 	<ul style="list-style-type: none"> Adoption of a proactive management approach and alignment of business strategies with Group's vision, mission and goals
Anti-Corruption	<ul style="list-style-type: none"> Integrity risk Reputation damage 	<ul style="list-style-type: none"> Increased reputation and customers' loyalty 	<ul style="list-style-type: none"> Shareholders and Investors Regulators Employees 	<ul style="list-style-type: none"> Anti-bribery and corruption declaration by employees on annual basis Reminders on Anti-Bribery and Corruption ("ABC") through training and briefings
Supply Chain Management	<ul style="list-style-type: none"> Supplier reliability Quality assurance Labour shortage 	<ul style="list-style-type: none"> Building strong relationships and working closely with suppliers 	<ul style="list-style-type: none"> Suppliers Customers Shareholders and Investors 	<ul style="list-style-type: none"> Continuously assessing and addressing supply chain risks
Product Quality and Services	<ul style="list-style-type: none"> Manufacturing defects Material quality issues Equipment and machinery failure 	<ul style="list-style-type: none"> Quality certification and standards Implement process automation for improved precision and consistency 	<ul style="list-style-type: none"> Customers Suppliers Shareholders and Investors 	<ul style="list-style-type: none"> Regularly conduct risk assessments Quality control and testing Training and skill development

SUSTAINABILITY STATEMENT (Cont'd)

Material Topics	Risks	Opportunities	Impacted Key Stakeholders	Management Policy and Measures
Customers' Satisfaction	<ul style="list-style-type: none"> • Product quality issues • Pricing and cost issues • Lack of after-sales support • Supply chain disruptions 	<ul style="list-style-type: none"> • Offer customisation options to tailor products to individual customer needs • On-time deliveries • Quality assurance 	<ul style="list-style-type: none"> • Customers • Suppliers 	<ul style="list-style-type: none"> • Implement rigorous quality control measures and standards • Encourage customer feedback • Establish an efficient after-sales support system
Energy	<ul style="list-style-type: none"> • Pollution and environmental risk 	<ul style="list-style-type: none"> • Lessen environmental impact whilst decreasing overall cost 	<ul style="list-style-type: none"> • Customers • Suppliers • Employees 	<ul style="list-style-type: none"> • Implement energy efficiency practices • Implement devices to monitor and control energy usage in real-time
Water	<ul style="list-style-type: none"> • Shortage of water supply disrupts production processes and daily use 	<ul style="list-style-type: none"> • Create opportunities for water saving technologies and management solutions 	<ul style="list-style-type: none"> • Regulators • Shareholders and Investors • Employees 	<ul style="list-style-type: none"> • Continue usage of alternative water sources for daily usage such as rainwater
Waste Management	<ul style="list-style-type: none"> • Non-compliance with regulatory requirements • Pollution 	<ul style="list-style-type: none"> • Selling recyclable waste generates small revenues • Cleaner environment 	<ul style="list-style-type: none"> • Shareholders and Investors • Regulators 	<ul style="list-style-type: none"> • Implementing recycling efforts • Chicken Manure conversion to fertilizers
Emissions	<ul style="list-style-type: none"> • Impact of GHG emissions on the environment, climate and human health 	<ul style="list-style-type: none"> • Energy efficiency solutions • Renewable energy integration 	<ul style="list-style-type: none"> • Shareholders and Investors • Employees • Suppliers 	<ul style="list-style-type: none"> • Implement emissions reduction measures • Set emissions reduction targets
Environment Compliance	<ul style="list-style-type: none"> • Pollution and environmental risk 	<ul style="list-style-type: none"> • Capable of adhering to legal regulations and avoiding penalties • Cleaner, safer and healthier environment 	<ul style="list-style-type: none"> • Shareholders and Investors • Customers • Suppliers 	<ul style="list-style-type: none"> • Conduct environmental audits on annual basis

SUSTAINABILITY STATEMENT (Cont'd)

Material Topics	Risks	Opportunities	Impacted Key Stakeholders	Management Policy and Measures
Employment	<ul style="list-style-type: none"> Shortages of skilled labour Employee turnover 	<ul style="list-style-type: none"> Skilled labour development 	<ul style="list-style-type: none"> Employees 	<ul style="list-style-type: none"> Robust talent management strategies Contingency plans for potential disruptions
Training and Education	<ul style="list-style-type: none"> Emerging industrial trends, evolving practices, and changes in regulatory requirements may render the existing knowledge of employees outdated 	<ul style="list-style-type: none"> Continuous learning within the company that is aligned with key performance indicators (KPIs) 	<ul style="list-style-type: none"> Employees 	<ul style="list-style-type: none"> Assess training requirements by conducting performance appraisals
Diversity and Equal Opportunity	<ul style="list-style-type: none"> Competency gap Instances of discriminatory practices and failure to comply with basic human rights regulations can result in reputational risks 	<ul style="list-style-type: none"> Engage with employees and uphold open communication 	<ul style="list-style-type: none"> Employees 	<ul style="list-style-type: none"> Foster open communication with employees to comprehend their concerns and prioritise their well-being
Occupational Health and Safety	<ul style="list-style-type: none"> Safety and health hazards Reputational damage 	<ul style="list-style-type: none"> Taking care of overall well-being of employees by mitigating future accidents 	<ul style="list-style-type: none"> Employees 	<ul style="list-style-type: none"> Quarterly meeting to identify potential hazards, develop safety policies and procedures, and implement safety improvement initiatives
Local Communities	<ul style="list-style-type: none"> Possible health hazards for the local community could arise from the operations, potentially leading to the issuance of a penalty notice 	<ul style="list-style-type: none"> Establish a reputation as a leading and sustainable industrial entity 	<ul style="list-style-type: none"> Community 	<ul style="list-style-type: none"> Implement initiatives to be involved in community engagement such as donations, charity and fundraising

SUSTAINABILITY STATEMENT (Cont'd)

ECONOMY AND GOVERNANCE

KPI and Target

Material Matters	KPI-Measures	Sustainability Target	FY2024 Performance
Ethical Business Conduct	Confirmed incidents of corruptions and action taken	0 Confirmed cases	• 0 cases of corruption reported
Supply Chain Management	Proportion of spending on local suppliers	>= 62%	• 76.6%
Customer Satisfaction	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0 cases	• 0 cases of complaints concerning breaches of customer privacy and losses of customer data

Economic Presence

CCK has established itself as a leading food retailer and poultry chain in East Malaysia, with its Prawn and Food Manufacturing segment serving as a strategic core. The company also maintains a strong regional presence, particularly in Southeast Asia.

Committed to long-term economic sustainability, CCK implements strategies that prioritise regulatory compliance and environmental responsibility, recognising their essential role in economic resilience. The company attributes its success to the collective efforts of the Group in adapting to market demands, environmental factors, and operational efficiency.

In FY2024, CCK reported a total revenue of RM1,057.6 million, reflecting a 7.8% increase compared to RM 980.8 million in FY2023. This increase was primarily driven by the business growth.

CCK was one of the 200 publicly traded companies in the Asia Pacific region with annual sales above USD10 million and below USD1billion that had received the award of the “Forbes Asia’s Best Under A Billion”, which bears the remarkable testimony of its outstanding economic resilience with a track record of long-term sustainable performance across a variety of metrics. CCK was selected based on quantitative scores such as debt, sales and earnings-per-share growth and average return on equity, along with good governance, accounting practices, environmental management policy and practices.

Retail segment growth was driven by CCK’s strong retail network, increased sales in both retail and wholesale channels, and rising demand for in-house processed products in Indonesia. Meanwhile, PT Bonanza boosted prawn exports to Japan and Taiwan.

Ethical Business Conduct

Anti-Corruption

The Group maintains a strict zero-tolerance policy against bribery and corruption, ensuring the highest standards of ethics, responsibility, and transparency in all business transactions. To reinforce this commitment, annual employee training on Anti-Bribery and Corruption (ABC) is conducted to enhance awareness among CCK employees.

SUSTAINABILITY STATEMENT (Cont'd)

There were no reported cases of bribery or corruption in FY2024. CCK is committed to maintaining this record in the coming years by enforcing strong controls and procedures in line with ABC standards.

In FY2024, although there was no specific ABC training being provided to the CCK employees, nevertheless, all newly hired employees received induction training which had included the briefing on ABC policy, while existing employees were being guided by their relevant supervisors and managers on ABC principles during their day-to-day operations.

The ABC Policy can be accessed on the Company's website at <http://www.cck.com.my/en/corporate-governance>.

Whistleblowing

We are committed to instilling integrity, honesty, and discipline in our employees. Every member of the Group is encouraged to report unethical conduct, including bribery, corruption, fraud, financial misappropriation, or any actions that may harm the Group's reputation. To uphold this commitment, the Group provides whistleblower protection in accordance with the Whistleblower Protection Act 2010.

We prioritise the confidentiality of both the reported concerns and the whistleblower's identity, ensuring maximum protection within legal and practical boundaries.

Individuals with concerns may report them through the following channels:

Attention : Group Managing Director
 Name : Mr. Tiong Chiong Hiiung
 Email : john.tiong@cck.com.my

If reporting to management is not an option, whistleblowers may escalate concerns about improper conduct directly to the Audit Committee Chairman.

Attention : Chairperson of Audit Committee
 Name : Ms. Wong Siaw Wei
 Email : jessicawsw@hotmail.com

Supply Chain Management

Procurement and Supplier Management

CCK acknowledges the crucial role suppliers play in our operations and product delivery. To maintain value chain consistency and provide economic benefits to customers through affordability, we have achieved near-complete vertical integration for Poultry and Prawn.

We foster strong partnerships with suppliers, collaborating to ensure compliance with key food standards and regulations, including Halal, myGAP, HACCP, VHM, and others. CCK carefully selects and closely monitors its supply chain, prioritising Mesti-certified suppliers to uphold consistent quality.

Local Procurement

CCK engages with a diverse range of suppliers and strategically prioritises the local supply chain to support the community while ensuring product safety and quality. In FY2024, spending on local suppliers accounted for 76.6% of our total purchases.

SUSTAINABILITY STATEMENT (Cont'd)

Customer Satisfaction

Customer satisfaction and brand loyalty serve as key measures of our service quality and product excellence. CCK is proud to report that, to date, no significant complaints have been received regarding our products. We have fostered strong brand loyalty, driven by our strict halal compliance and affordable pricing. Our long-standing support for the local community has reinforced our presence, and we remain committed to adapting to market trends and customer needs to ensure continued responsiveness.

Due to ongoing workforce constraints, CCK was unable to conduct its annual customer satisfaction survey in FY2024. However, the Group remains committed to reintroducing this initiative when operational capacity allows.

ENVIRONMENT

KPI and Target

Material Matters	KPI-Measures	Sustainability Target	FY2024 Performance
Energy Management	Electricity consumption reduction	Reduced/ maintain compared to previous financial year	• 9,992 Megawatt
Water and Effluents	Water consumption reduction	Reduced/ maintain compared to previous financial year	• 247 Megalitres
Emissions	Carbon emissions	Reduced/ maintain compared to previous financial year	• 525 TCO ₂ e (Scope 1) • 7,457 TCO ₂ e (Scope 2) <i>(Note: first year of disclosing Scope 1 and Scope 2 emissions)</i>
Waste	Volume of waste generated	Reduced/ maintain compared to previous financial year	• 2,053 Tonne <i>(Note: first year of disclosing waste data)</i>

Energy Management

Effective energy management is essential to CCK's operations, given the significant energy consumption across its factories, warehouses, and retail outlets.

In recent years, CCK has introduced various small yet impactful initiatives, such as testing and analysing energy-efficient practices, installing energy monitoring devices, and gradually replacing less energy-efficient refrigerators.

Emissions

The Group is committed to minimising environmental impact by adhering to both global standards and local regulations while enhancing operational efficiency across all business activities.

Recognising the effects of climate change on prawn aquaculture, the Risk Management Committee has identified it as a key risk within the prawn segment. To mitigate potential challenges, the Group continuously monitors conditions and leverages the expertise of experienced aquaculture specialists within the team and on the Board. This proactive approach ensures resilience and adaptability in prawn farming operations.

SUSTAINABILITY STATEMENT (Cont'd)

A dust emission concentration test conducted in compliance with the Department of Environment (DoE) requirements yielded satisfactory results, remaining within permissible limits. Additionally, effluents from CCK’s plants, generated as operational by-products, undergo thorough treatment and water quality testing before discharge.

CCK also complies with the Restriction of Hazardous Substances (RoHS) requirements, reducing the use of hazardous materials to mitigate their environmental impact throughout the product lifecycle.

There were no cases of non-compliance in FY2023 and FY2024, and we remain committed to maintaining a record of zero reports and penalties for FY2025.

In line with our commitment to minimising environmental impact, CCK starts to monitor and manage greenhouse gas (GHG) emissions across its operations in FY2024. The Group focuses on improving energy efficiency, optimising fuel consumption, and exploring renewable energy sources to reduce its carbon footprint. Additionally, we are continuously assessing opportunities to enhance our operations with lower-emission technologies, such as upgrading equipment and adopting sustainable practices in aquaculture and processing plants. These efforts align with global climate action goals and reinforce our dedication to environmental responsibility.

Water Management

CCK recognises water management as a vital component of its operations, particularly in Poultry and Prawn farming. We prioritise responsible water usage and incorporate rainwater collection whenever feasible.

To ensure effective wastewater management in the prawn farming, CCK has adopted best practices for monitoring and treatment. At the end of each harvest cycle, sediment is channelled into a sedimentation pond for processing. Ammonia and nitrates are treated to prevent algae growth, allowing only the clarified top water to be discharged into the river, while the remaining sludge is excavated for proper disposal.

To uphold compliance and maintain high environmental standards, CCK’s science team submits water quality samples to the Natural Resource Environment Board (NREB) quarterly for monitoring and assessment.

Effluents and Waste Management

Waste management plays a critical role in CCK’s operations, especially given the sensitivity of livestock and food products to environmental factors and contaminants. Through strategic planning and the efficient implementation of cold chain logistics, we maximise product shelf life. In our retail stores, refrigerators are closely monitored, with temperature readings recorded three times daily. This ensures that refrigeration units consistently operate at optimal temperatures, preserving product quality and safety.

The Group strictly adheres to internal waste management protocols while complying with government regulations and relevant agencies, such as the Department of Environment (DoE). Waste, effluents, and emissions are monitored and tested weekly by independent, accredited laboratories.

CCK is proud to report that in FY2024, no penalties were imposed on the Group for non-compliance with waste management regulations, underscoring our commitment to responsible waste management and environmental compliance.

Type of Waste	Waste Management Approach
Domestic Waste	Sent to landfill by a licensed solid waste contractor
Recycled Waste	Sold to authorised recycling contractors
Scheduled Waste	Disposed of by Department of Environment licensed contractors
Water Effluents	Treated with Industrial Effluent Treatment System (“IETS”) procedure and discharged into drainage system

SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL

KPI and Target

Material Matters	KPI-Measures	Sustainability Target	FY2024 Performance
Occupational Health and Safety	Number of work-related fatalities	0 fatalities	• 0 fatalities
	Lost time incident rate ("LTIR")	<10.28	• 4.18

Occupational Health and Safety (OHS)

At CCK, we prioritise the safety and well-being of our employees. We cultivate a strong workplace safety culture, guided by our Standard Operating Procedures and Health and Safety Policy. Our Occupational Health and Safety (OSH) Department plays a vital role in conducting safety training, raising awareness, and carrying out on-site inspections to ensure strict compliance with CCK's safety standards.

To ensure a comprehensive and inclusive approach to workplace safety, we have formed a Health and Safety Committee consisting of core operations members and the OSH team. In FY2024, meetings were conducted to review general safety protocols and infrastructure, covering areas such as fire alarms, Personal Protective Equipment (PPE) inventories, and operating procedures. Key outcomes from these discussions included updates to earmuff specifications, improved operational techniques for band saw usage, and the introduction of more targeted safety training programmes.

Below are some of the initiatives in place to reduce health and safety risks:

- Inculcate Health and Safety Policy
- Personal Protective Equipment ("PPE") Research and upgrade
- Strict Restriction and screening of access to farms
- Workplace Noise Test performed
- Safer Working Methodology researched and guided (i.e. Band Saw usage techniques)

CCK recognises that maintaining a safe work environment is a shared responsibility. As part of our ongoing commitment to workplace safety, the OSH Department conducted approximately 2598 hours of training in FY2024, covering topics such as Chemical Safety Awareness, Hearing Conservation, and Slip and Fall Prevention.

Labour Practice and Standard

Our Contribution to Internal Communities

At CCK, our commitment to delivering exceptional value extends not only to our customers and community but also to the people who make it all possible - our employees. We genuinely value our workforce and show our appreciation through various initiatives, including an annual dinner, festive celebrations, and recreational programmes. These events serve to strengthen relationships, promote teamwork, and encourage collaboration across departments.

Human Right

At CCK, we are committed to upholding human rights throughout our operations and supply chain. We prioritise fair labour practices, ensuring that all workers are treated with dignity and respect while complying with local labour laws and ethical standards.

SUSTAINABILITY STATEMENT (Cont'd)

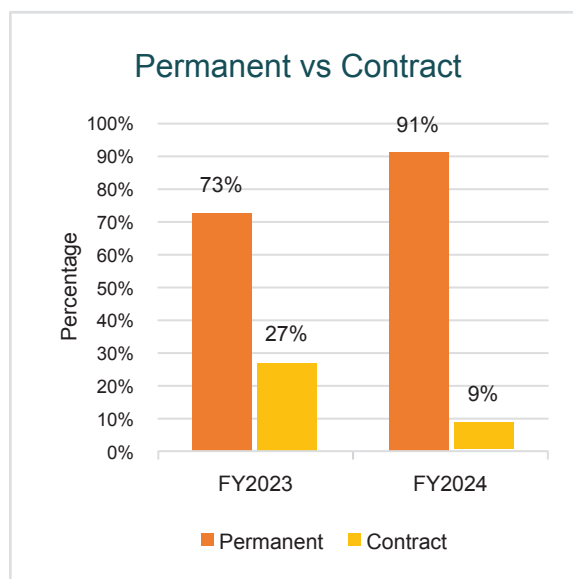
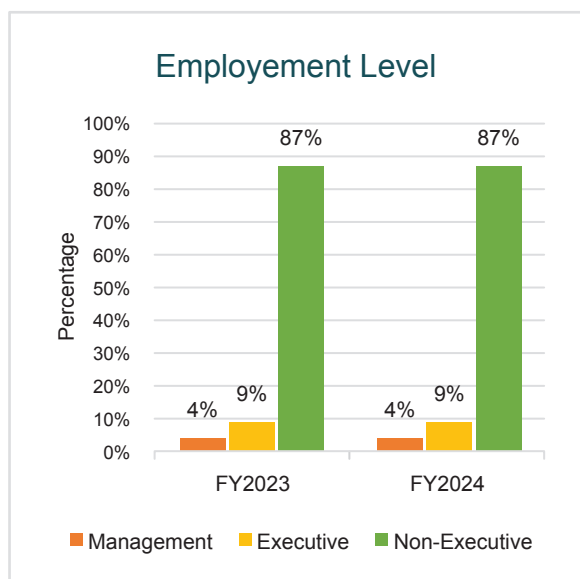
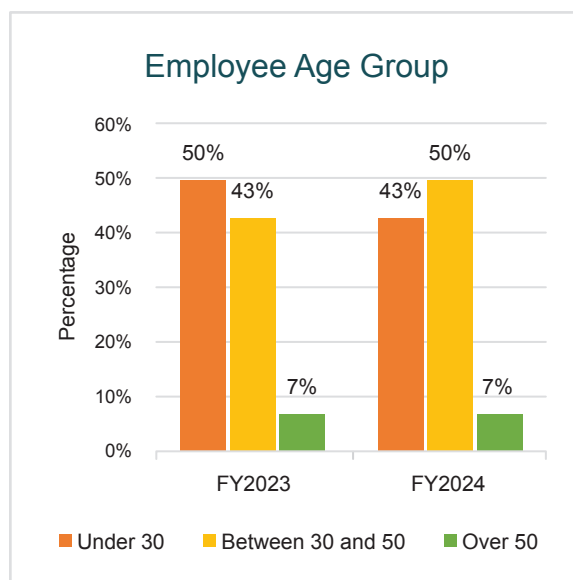
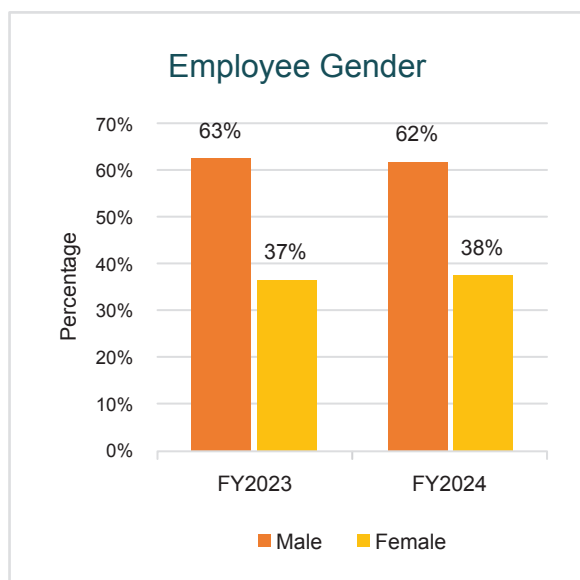
We maintain a safe and inclusive workplace, free from discrimination, forced labour, and child labour. Our employees receive fair wages, reasonable working hours, and a safe working environment. Additionally, we work closely with our suppliers to promote ethical employment practices across our supply chain.

To strengthen our commitment, we regularly review our policies and practices to ensure continuous improvement in human rights protections.

Diversity and Equal Opportunity

CCK is dedicated to promoting inclusivity, opposing discrimination, and ensuring equal opportunities for all, regardless of gender, age or ethnicity. Operating in East Malaysia, we are privileged to be part of a more diverse ethnic landscape, which broadens our perspectives and fosters an environment that values differences. This diversity enriches our organisation by integrating various ideas, cultural insights, and backgrounds.

The following charts provide an overview of how the Group nurtures and manages diversity:



SUSTAINABILITY STATEMENT (Cont'd)

The Group acknowledges that the overall distribution of employee diversity aligns well with the nature of CCK's operations. We are proud to have appointed a female Board member to further enhance diversity within the organisation.

CCK recognises the physically labour-intensive nature of its operations. As reflected in the employee distribution, 87% of the workforce comprises non-executive employees, with the majority engaged in retail, supermarkets, warehouses, factories, and logistics. Historically, these roles have attracted a predominantly male applicant pool. However, with technological advancements and increasing female workforce participation, CCK is committed to supporting and facilitating opportunities for women, particularly in office support and administrative roles.

Given the physical demands of our operations, 43% of our workforces is under the age of 30. Employees aged 30 to 50 account for 50% of the workforce, many of whom are long-serving members of CCK. Notably, 85% of our employees are local permanent staff, reinforcing our commitment to sustaining local employment.

While maintaining a balanced diversity distribution presents challenges, we firmly believe in the substantial benefits diversity brings, both tangible and intangible, contributing significantly to CCK's continued growth.

We remain committed to offering fair and competitive compensation, aligning salaries and benefits with industry standards. Additionally, we have enhanced our insurance package to ensure our employees' fundamental needs are well supported.

Training Development

Continuous learning and knowledge are integral to both our employees' development and CCK's progress. We prioritise ongoing learning and career growth opportunities, fostering a sense of fulfilment by nurturing talent from within.

In FY2024, we invested approximately RM321,000 in employee training, amounting to a total of 1,677 hours. These training sessions were primarily attended by Executive-level employees and Non-Executive/Technical staff, reflecting our strong commitment to workforce development and growth.

Product Quality and Safety

CCK is committed to retailing and supplying fresh produce that meets customer expectations. We prioritise quality consistency, ensuring that every stage of processing and storage upholds the high standards set by our certifications.

Biosecurity remains a core focus, particularly in our Poultry and Prawn farming operations. We rigorously monitor both the environment and personnel to maintain strict compliance with industry standards, continuously safeguarding the well-being of our employees and consumers.

We have implemented new methodologies and technologies in our poultry processing facility in Kuching, significantly reducing human touchpoints and strengthening CCK's biosecurity measures. Our goal is to progressively extend these advancements to our other factories.

Additionally, CCK has replaced wooden fittings and fixtures, including doors, and invested in additional blowers across our factories to reduce condensation, thereby minimising the risk of contamination.

We regularly conduct Polymerase Chain Reaction (PCR) testing to detect early-stage diseases, alongside monitoring pond pH levels and ammonia levels to maintain optimal water conditions for our prawn aquaculture farming. Our stringent wastewater treatment ensures clean water, vital for prawns due to their sensitivity. This approach supports the health and sustainability of our aquaculture operations.



SUSTAINABILITY STATEMENT (Cont'd)

Community Engagement

With a strong presence and continued support from communities across East Malaysia, CCK remains committed to uplifting the lives of those around us through meaningful and targeted CSR efforts. In FY2024, our contributions were focused on supporting schools, government bodies, and underprivileged communities.

We sustained our long-standing support for SMK Kampung Nangka's Food Bank, donating RM12,027 to ensure that 850 students continue to receive adequate nourishment throughout the school year.

Together with Majlis Bandaraya Kuching Selatan, CCK donated 500 whole chickens to 500 families residing in low-cost housing. Valued at RM9,963.36, this initiative aimed to ease the burden of daily essentials for families most in need. The handover event was officiated by the Mayor, with our staff participating in the distribution.

In Sibü, we contributed RM6,040 to SMK Tung Hua under the school's "We Care For You" programme, supporting 10 students from underprivileged backgrounds.

In addition, CCK extended smaller contributions to various community and government bodies, such as Balai Bomba, Biro Sekretariat & Kebajikan PBB, and several others. These donations reflect our ongoing commitment to community engagement across multiple fronts. Altogether, our total CSR contribution for FY2024 stands at RM41,874.44.

GOING FORWARD

Through innovation, collaboration, and responsible sourcing, we aim to create a more sustainable future for generations to come. Our efforts concentrate on reducing waste, optimising energy consumption, and supporting local communities, all while delivering high-quality products to our customers. Together, we are making significant strides towards a more sustainable and resilient food system.

We also recognise that we need to improve the data collection process going forward to better monitor and track our sustainability KPI, targets and initiatives.

SUSTAINABILITY PERFORMANCE DATA

In compliance to the Bursa LINK requirement, CCK has compiled the sustainability data across the Group and submitted via the Bursa LINK system. Table below illustrates the reporting data generated from the system.

No.	Indicator	Measurement Unit	FY 2023	FY 2024
Bursa (Anti-Corruption)				
1.	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
	Senior Management	Percentage	100	7
	Management		24	11
	Executive		12	13
	Non-Executive Technical Staff		0	40
2.	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100
3.	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0

SUSTAINABILITY STATEMENT (Cont'd)

No.	Indicator	Measurement Unit	FY 2023	FY 2024	
Bursa (Diversity)					
4.	Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
	Age Group by Employee Category				
	Senior Management Under 30	Percentage	0	22	
	Senior Management Between 30-50		0	14	
	Senior Management Above 50		100	64	
	Management Under 30		0	2	
	Management Between 30-50		52	69	
	Management Above 50		48	29	
	Executive Under 30		16	8	
	Executive Between 30-50		73	81	
	Executive Above 50		11	11	
	Non-Executive/Technical Workers Under 30		56	48	
	Non-Executive/Technical Workers Between 30-50		39	46	
	Non-Executive/Technical Workers Above 50		5	6	
	Gender Group by Employee Category				
	Senior Management Male	Percentage	92	93	
	Senior Management Female		8	7	
	Management Male		60	49	
	Management Female		40	51	
	Executive Male		39	50	
	Executive Female		61	50	
	Non-Executive/Technical Workers Male		65	64	
	Non-Executive/Technical Workers Female		35	36	
	Bursa C3(b) Percentage of directors by gender and age group				
	5.	Male	Percentage	95.1	80
		Female		4.9	20
		Under 30		2.4	0
Between 30-50		2.4		10	
Above 50		95.1		90	
Bursa (Community/Society)					
6.	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	223,064.44	41,874.44	
7.	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	18,292	1,370	
Bursa (Health and Safety)					
8.	Bursa C5(a) Number of work-related fatalities	Number	0	0	
9.	Bursa C5(b) Lost time incident Rate (“LTIR”)	Rate	10.28	4.18	
10.	Bursa C5(c) Number of employees trained on health and safety standards	Number	1,540	1,664	

SUSTAINABILITY STATEMENT (Cont'd)

No.	Indicator	Measurement Unit	FY 2023	FY 2024
Bursa (Energy management)				
11.	Bursa C4(a) Total energy consumption	Megawatt	26,155.73	9,991.84
Bursa (Supply chain management)				
12.	Bursa C7(a) Proportion of spending on local suppliers	Percentage	62	76.6
Bursa (Data privacy and security)				
13.	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Labour practices and standards)				
	Bursa C6(a) Total hours of training by employee category			
14.	Senior Management	Hours	77	12.6
15.	Management		727	58.4
16.	Executive		9,090	1,457.7
17.	Non-executive/Technical Staff		12,662	148.3
18.	Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	27	10
	Bursa C6(c) Total number of employee turnover by employee category			
19.	Senior Management	Number	0	0
20.	Management		3	8
21.	Executive		14	20
22.	Non-executive/Technical Staff		594	566
23.	Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Water)				
24.	Bursa C9(a) Total volume of water used	Megalitres	404.5	247
Bursa (Waste Management)				
25.	Bursa C10(a) Total waste generated	Metric tonnes	Not required to be disclosed in FY2023	2,053.17
26.	Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes		1.795
27.	Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes		2,051.38
Bursa (Emission Management)				
28.	Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	Not required to be disclosed in FY2023	525.35
29.	Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes		7,456.71
30.	Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes		We will disclose the data beginning on 1 Jan 2028, as required by NSRF

SUSTAINABILITY STATEMENT (Cont'd)

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This Statement is made in accordance with the resolution of the Board of Directors dated 14 April 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (“Board”) of the Company is pleased to present the Statement on Risk Management and Internal Control in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”), the Statement on Risk Management and Internal control: Guidelines for Directors of Listed Issuers (“Guidelines”) and the Malaysian Code on Corporate Governance 2021.

A sound risk management framework and internal control system (“System”) is embedded into the culture of the Group, which is responsive to changes in business, market, environment and economy. The System is to safeguard the Group’s assets and shareholders’ investments as well as the interests of customers, employees and other stakeholders.

BOARD’S RESPONSIBILITIES

The Board is committed to maintain a sound System and affirms its overall responsibility for the System by continuously reviewing the adequacy and effectiveness of the System. The task of scrutinising the System is delegated to the relevant Board Committees, i.e. Audit Committee (“AC”) and Risk Management Committee (“RMC”).

The System covers strategy, operations, finance, information technology, regulatory compliance, sustainability and responding to external environment. The System is designed to manage, rather than eliminate, the risks, and achieve the Group’s strategies and business objectives within the risk tolerance level determined by the Board. The System provides reasonable, but not absolute, assurance against any material misstatement, loss or fraud.

The Board has received assurance from the Group Managing Director that the System of the Group is operating adequately and effectively, in all material aspects, based on the System adopted by the Group. The System does not cover associated company as the management is not under the control of the Board. However, the Group’s interest is served through representation on the board of the associated company.

The Board has reviewed the adequacy and effectiveness of the System through the AC and RMC. Risk Management Reports and Internal Audit Reports were reviewed by the RMC and AC respectively in the quarterly meetings held during the financial year 2024. Necessary actions have been and are being taken to address key weaknesses identified from the review.

Significant risk and internal control matters which warrant the attention of the Board were reported by the RMC and AC to the Board for its deliberation and approval. Decisions made within the RMC’s and AC’s purview were escalated to the Board for its notation.

RISK MANAGEMENT FRAMEWORK AND PRACTICES

The principal responsibilities of the RMC are to establish and monitor the Group’s risk management framework, develop process to identify, assess, monitor, manage and report on all key business risks, and to provide guidance and strategic direction to the business units on the adequacy and effectiveness of the risk management practices in order to achieve the Group’s objectives and strategies within the acceptable risk appetite.

The RMC, with assistance of the outsourced external risk management advisor (“RMA”), assessed and monitored effectiveness and consistency of risk management practices in the Group. The RMA met the risk owners of major divisional units and business units, to identify, evaluate, and update risks associated to the Group, its businesses and processes.

A series of risk discussion sessions were carried out with the management and key executives by RMA to identify new risks (if any) faced by the Group. All identified and updated risks were assessed of their impact to the Group. The level of risk tolerance was expressed in the risk rating matrix, which was scaled in accordance to the likelihood of risk occurrence and the magnitude of risk impact.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

The risk identification, assessment and update covered the business processes of retail, poultry (farming and factory), prawn, food services, and corporate support functions. Risk owners (Heads of Departments) align their business management and operating actions with updated risk profiles, implementing controls that considered best suitable to manage and mitigate the risks. Risk owners continuously monitor their risk profile with regard to emerging risks, changes in external business environment, and regulatory changes. Major risks of the Group for the financial year under review are related to (a) warehouse capacity; (b) compliance with rules & regulations; (c) poultry processing capacity; (d) succession planning for head of departments; and (e) insurance coverage.

The RMC reviewed and deliberated the risk profile of the Group in the RMC meetings held during the financial year 2024. The RMC ensured that the overall risks were adequately identified and managed within an acceptable risk appetite. Critical risks, together with its impact, mitigating actions and improved results, were presented to the Board.

INTERNAL CONTROL PROCESS

Audit

The AC, with assistance of the external, independent appointed internal auditors ("Internal Audit Function"), is tasked by the Board with duty of reviewing and appraising the effectiveness of the system of internal control within the Group in accordance with the objectives of the Group.

In carrying out its responsibilities, the AC relies on the support of the outsourced Internal Audit Function. Based on an annual audit plan approved by the AC, the internal auditors conducted their internal audit assessment on key business units and processes in accordance with globally acceptable internal audit guidelines and practices. The internal auditors uphold the principles of independent, integrity, objectivity and confidentiality. The AC also reviewed and deliberated any matters relating to internal control which were highlighted by external auditors.

Meetings and discussions of internal auditors were held with Heads of Departments and employees concerned, to identify, discuss and resolve key operational issues. Where any significant weaknesses had been identified, the internal auditors together with the management recommended corrective measures to improve the internal control accordingly. The audit issues, findings and corrective measures were compiled into audit reports for deliberation in the AC meetings held quarterly. Follow up audits were also taken to assess the status of implementation thereof, and significant unresolved audit issues were escalated to the Board for deliberation.

Any cases of fraud, whether actual or suspected, are required to be reported to the Chairperson of the AC and the Group Managing Director immediately upon discovered. Any significant incident concerning security of cash, information and record keeping, as well as regulatory compliance are also required to be shared with the internal auditors.

The AC reviewed audit plans and reports of the external auditors annually. The AC also assess the performance, suitability, objectivity and independence of external auditors before recommended the external auditors for re-appointment.

Authority and Responsibilities

The Board delegates certain responsibilities to its committees with clearly defined authorities and responsibilities in respective committees' Terms of Reference.

Business performance of the Group is reviewed in quarterly meetings of the Board. Quarterly results of the Group are compared against budgeted figures and results of corresponding period last year.

Policies and Procedures

The Group has put in place a set of standard operating procedures to ensure the effectiveness of internal control, to mitigate risks, and to achieve the performance and targets of the Group. These procedures are continuously reviewed, monitored, updated and improved by the steering committee.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

Insurance

Insurance coverage and physical safeguards on major assets are in place to ensure that the assets of the Group are adequately covered against any mishap that could result in material loss to the Group.

REVIEW OF THIS STATEMENT

The Board ensures that this Statement has been reviewed by external auditors pursuant to Paragraph 15.23 of the Listing Requirements. The external auditors have reported to the Board that nothing has come to their attention which causes them to believe that the Statement is not prepared, in all material aspects, in accordance with the Guidelines, nor is the Statement factually inaccurate.

CONCLUSION

The Board is satisfied that the System is efficient and adequate to meet the Group's strategies and objectives for the financial year under review and up to the date of approval of this Statement. The Board will continue to ensure the effectiveness and adequacy of the System.

This Statement is made in accordance with the resolution of the Board of Directors dated 14 April 2025.

AUDIT COMMITTEE REPORT

The Board of Directors (“Board”) of the Company is pleased to present the Audit Committee Report which provides insights into the manner in which the Audit Committee (“AC”) discharged its functions for the Group during the financial year ended 31 December 2024 (“FY2024”).

COMPOSITION AND ATTENDANCE

The AC consists of the following four (4) members. All the AC members are non-executive directors, with a majority of them being independent directors, and none of them is alternate director. All members of AC are financially literate, possess appropriate knowledge, expertise and experience. One of the members is member of The Malaysian Institute of Accountants (MIA).

During FY2024, AC held a total of five (5) meetings. The attendance of each of the AC member is as follows:

AC Members	Attendance
Chairperson: Wong Siaw Wei <i>(Independent Director)</i> <i>[Appointed on 1 June 2024]</i>	2/2
Members: Tan Sri Datuk Tiong Su Kouk <i>(Non-Independent Non-Executive Director)</i>	5/5
Ling Ting Leong @ Ling Chong Seng <i>(Senior Independent Director)</i>	5/5
Dato Sim Kheng Boon <i>(Independent Director)</i>	5/5

FUNCTIONS OF AC

AC and its members have discharged their functions and duties in accordance with the Terms of Reference (“TOR”) of the AC. The term of office and performance of AC and its members are reviewed by the Nomination Committee annually. Summary of the TOR of AC are available at the Company’s website at www.cck.com.my.

The Group Managing Director, Head of Finance and Internal Auditor together with Company Secretaries attended the meetings held during the year. External auditors attended AC meetings upon invitation of the AC.

AC met twice with the external auditors and once with the internal auditors without presence of the other directors and employees of the Group to review matters including cooperation from management on access of records during audit;

All proceedings and deliberations in terms of the issues discussed, and recommendations and decisions made at the AC meetings were recorded in the minutes by the Company Secretaries and confirmed by the AC. Significant matters discussed at each meeting were reported to the Board by the AC Chairperson.

SUMMARY OF ACTIVITIES OF AC

The AC undertaken the following activities during the FY2024, which are in accordance with the terms of reference of AC:

- (a) reviewed and deliberated the unaudited quarterly results and annual audited financial statements of the Company and the Group to ensure that the financial reporting and disclosures presented a true and fair view of the financial positions of the Group and in compliance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, Companies Act 2016 and Main Market Listing Requirements of Bursa Malaysia Securities Berhad, prior to submission to the Board for consideration and approval;

AUDIT COMMITTEE REPORT (Cont'd)

- (b) reviewed related party transactions, recurrent related party transactions and conflict of interest (“COI”) and potential COI situations presented by management that may arise within the Group, including any transactions, procedures or course of conduct that raises questions of management integrity as well as the adequacy of the disclosure in the unaudited quarterly results and annual audited financial statement, prior to the Board’s consideration and approval;
- (c) reviewed revised Terms of Reference of AC, revised Related Party Transactions Policy and Procedures, and Policy on COI and recommended the same to the Board for approval;
- (d) reviewed and approved outsource of internal audit function;
- (e) reviewed and approved annual audit plans of the internal auditors and external auditors to ensure adequacy of resources, competencies and coverage of areas to be audited;
- (f) reviewed and deliberated audit reports of the internal auditors and external auditors, which included the major findings, observations, recommendations with respect to the system and control weaknesses, and management’s responses thereto;
- (g) assessed the performance, suitability, objectivity and independence of external auditors, and recommended re-appointment of external auditors and the proposed fees for the Board’s approval;
- (h) reviewed the adequacy of the scope, functions, competency and resources of the internal audit function;
- (i) reviewed the assistance given by the employees of the Group to the external auditors and internal auditors;
- (j) reviewed and deliberated the comparison of actual against budgeted results on quarterly basis;
- (k) reviewed and deliberated trade receivables and inter-company debts;
- (l) reviewed the Audit Committee Report and the Statement on Risk Management and Internal Control prior to the Board’s consideration and approval; and
- (m) reviewed the performance of the Group and made recommendation for appropriate corrective measures to the Board.

INTERNAL AUDIT FUNCTION

The Group’s Internal Audit Function (“IAF”) was outsourced to an independent professional services firm. It assisted the AC in discharging its duties and responsibilities by undertaking independent, objective, regular and systematic review of the internal control system so as to provide reasonable assurance that such system continues to operate effectively and satisfactorily within the Group. The IAF reports directly to the AC.

The engagement director-in-charge, Ms. Josephine Lim holds a Bachelor of Commerce (Finance) degree and a Master of Science in Information Technology. Josephine also possesses a Certified Internal Auditor certification from the global Institute of Internal Auditors from USA. She has more than 20 years of internal audit experiences with numerous clients in the retail, poultry, aquaculture, and food service industries. She was assisted by three (3) team members. The team members involved have knowledge in the area of internal controls assessment.

The firm has an internal policy that requires their staff to declare their professional independence, and potential COI situation. During the course of the internal audit engagement for FY2024, the firm did not encounter any COI situation with regards to its personnel.

IAF carried out the activities based on the risk-based approach and is guided, in all material aspects, the International Professional Practice Framework issued by the Institute of Internal Auditors. An Annual Internal Audit Plan was approved by AC. The audit conducted during the year covered three (3) areas of (a) corporate governance implementation; (b) procurement; and (c) inventory and warehouse.

AUDIT COMMITTEE REPORT (Cont'd)

The internal audit reports were presented to the AC, incorporating findings, recommendations to rectify any weaknesses and to enhance controls, together with corrective measures to be taken within an agreed timeline. Follow-up audits on significant engagements and relevant recommendations were conducted to ensure that corrective and preventive measures have been implemented accordingly with the intention to solve any underlying problems and to improve the processes and performance.

The total costs incurred by IAF in discharging its functions and responsibilities in 2024 amounted to RM51,000.

Further details of the Company's internal control functions are set out in the Statement on Risk Management and Internal Control of this Annual Report.

This Report is made in accordance with the resolution of the Board of Directors dated 14 April 2025.

DIRECTORS' RESPONSIBILITY STATEMENT FOR PREPARING THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 ("CA") to prepare the financial statements for each financial year which have been made out in accordance with the Malaysian Financial Reporting Standards, the International Financial Reporting Standards, the requirements of the CA and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are responsible to ensure that the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows of the Group and of the Company for the financial year ended 31 December 2024.

In preparing the financial statements, the Directors ensured that the Management has:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the CA.

The Directors are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities.

This Statement is made in accordance with the resolution of the Board of Directors dated 14 April 2025.



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DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	71,576,256	185,631,234
Attributable to:-		
Owners of the Company	71,492,507	185,631,234
Non-controlling interests	83,749	-
	71,576,256	185,631,234

DIVIDENDS

The Company paid a final dividend of 4.25 sen per ordinary share amounting to RM26,387,573 for the financial year ended 31 December 2023 on 19 June 2024.

On 26 December 2024, the Company declared a special interim dividend of 5.00 sen per ordinary share amounting to RM31,044,203 in respect of the current financial year, payable on 22 January 2025, to shareholders whose names appeared in the record of depositors on 10 January 2025. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2025.

At the forthcoming Annual General Meeting, a final dividend of 3.50 sen per ordinary share amounting to RM21,730,937 in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for as a liability in the financial year ending 31 December 2025.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

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

DIRECTORS' REPORT (Cont'd)

TREASURY SHARES

During the financial year, the Company purchased 464,700 of its issued ordinary shares from the open market at an average price of RM0.84 per share. The total consideration paid for the purchase was RM394,225 including transaction costs. The shares purchased are being held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 and are presented as a deduction from equity.

As at 31 December 2024, the Company held as treasury shares a total of 9,834,900 of its 630,718,960 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM5,846,877. The details of the treasury shares are disclosed in Note 20 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (a) 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
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

DIRECTORS' REPORT (Cont'd)

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature other than the partial disposal of equity interests in a subsidiary to non-controlling interests and the share subscription in the subsidiary by the non-controlling interests as disclosed in Note 35 to the financial statements.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

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

Tan Sri Datuk Tiong Su Kouk
 Tiong Chiong Hiiung
 Chong Shaw Fui
 Tiong Chiong Soon
 Lau Liong Kii
 Ling Ting Leong @ Ling Chong Seng
 Kueh Chung Peng
 Dato Sim Kheng Boon
 Wong Ping Eng (Retired on 31 May 2024)
 Wong Siaw Wei (Appointed on 1 June 2024)

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

Chong Min Fui
 Chong Pio
 Chong Su Khiun
 Ethan Tiong Ing Hung
 Joseph Tang Chiod Sui
 Goh Sung Hien @ Goh Soon Hien
 Lau Hieng Wuong
 Kueh Tiong Ching
 Lau Pek Kii
 Ung Yiik Hieng
 Wong Hua Tiing
 Wong Hua King
 Mizran Bin Md. Nahar
 Willbert Susastro
 Tiong Chiong Kuong (Resigned on 22 November 2024)
 Tiong Chiong Hong (Resigned on 22 November 2024)
 Nelly (Resigned on 22 November 2024)

DIRECTORS' REPORT (Cont'd)

DIRECTORS' INTERESTS

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

	Number of Ordinary Shares			
	At 1.1.2024	Bought	Sold	At 31.12.2024
The Company				
<i>Direct Interests</i>				
Tan Sri Datuk Tiong Su Kouk	30,871,288	100,000	-	30,971,288
Tiong Chiong Hiiung	1,699,624	-	-	1,699,624
Tiong Chiong Soon	1,515,360	-	-	1,515,360
Lau Liong Kii	15,668,752	-	-	15,668,752
Ling Ting Leong @ Ling Chong Seng	521,428	-	(200,000)	321,428
Kueh Chung Peng	9,480,664	150,000	-	9,630,664
<i>Indirect Interests</i>				
Tan Sri Datuk Tiong Su Kouk	244,185,380	192,000	(20,000)	244,357,380
Tiong Chiong Hiiung	244,567,888	-	-	244,567,888
Chong Shaw Fui	33,601,272	110,000	-	33,711,272
Kueh Chung Peng	7,407,400	-	-	7,407,400
Tiong Chiong Soon	241,596,156	-	-	241,596,156
Lau Liong Kii	40,758,352	-	(658,800)	40,099,552
Ling Ting Leong @ Ling Chong Seng	3,311,988	-	-	3,311,988

By virtue of their shareholdings in the Company, Tan Sri Datuk Tiong Su Kouk, Tiong Chiong Hiiung and Tiong Chiong Soon are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 38(b) to the financial statements.

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

DIRECTORS' REPORT (Cont'd)

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	The Group RM	The Company RM
Fees	479,123	451,883
Salaries, bonuses and other benefits	3,719,846	-
Defined contribution benefits	331,050	-
	4,530,019	451,883

INDEMNITY AND INSURANCE COST

During the financial year, there was no indemnity given to or professional indemnity insurance effected for directors, officers or auditors of the Company.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 43 to the financial statements.

AUDITORS

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

The auditors' remuneration of the Group and of the Company for the financial year were RM620,371 and RM90,000 respectively.

Signed in accordance with a resolution of the directors dated

Tan Sri Datuk Tiong Su Kouk
Director

Tiong Chiong Hiiung
Director

STATEMENT BY DIRECTORS

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

We, Tan Sri Datuk Tiong Su Kouk and Tiong Chiong Hiiung, being two of the directors of CCK Consolidated Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 63 to 140 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 14 April 2025.

Tan Sri Datuk Tiong Su Kouk
Director

Tiong Chiong Hiiung
Director

STATUTORY DECLARATION

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

I, Angeline Chye Nyook Lin, MIA membership number: 10892, being the officer primarily responsible for the financial management of CCK Consolidated Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 63 to 140 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Angeline Chye Nyook Lin, NRIC Number: 670403-13-5544
at Sibu
in the State of Sarawak
on this

Angeline Chye Nyook Lin
Officer

Before me

Adriana Chumang Anak Nyambong
Native Court Sarawak
91/JKM/USMN/SP/500-3/31/JLD.62

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CCK CONSOLIDATED HOLDINGS BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CCK Consolidated Holdings Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 63 to 140.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CCK CONSOLIDATED HOLDINGS BERHAD (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (Cont'd)

Partial Disposal of Equity Interests and Share Subscription in a Subsidiary Refer to Note 35 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>During the financial year ended 31 December 2024, the Company partially disposed of its equity interests in its wholly-owned subsidiary, PT Adilmart, to non-controlling interests for a cash consideration of RM88.1 million. As a result of this transaction, the Company's ownership in PT Adilmart was reduced to 74%. Subsequently, PT Adilmart increased its paid-up capital through the issuance of additional ordinary shares, which were fully subscribed by the non-controlling interests for RM59.8 million. This share subscription further diluted the Company's equity interests in PT Adilmart to 62.29%. Despite these transactions, the Company retained control over PT Adilmart.</p> <p>The partial disposal and subsequent share subscription are complex transactions that required significant judgement in assessing their accounting treatment. This included evaluating whether the Company continued to maintain control over PT Adilmart in accordance with MFRS 10 <i>Consolidated Financial Statements</i>. These transactions posed a risk of material misstatement, particularly in relation to the recognition of the consideration received, the adjustment to non-controlling interests, and the assessment of whether control was retained. Given the materiality of the transactions and the significant judgements involved in assessing the accounting treatment and retention of control, this matter was considered a key audit matter.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> (a) reviewing the conditional share purchase and subscription agreement (CSPSA) for the partial disposal of equity interests and additional share subscription to understand the terms and conditions of the transactions; verifying the accuracy of the consideration received by examining bank statements and other supporting documentation. (b) assessing the Company's application of MFRS 10 to ensure the appropriate recognition and derecognition of equity interests; evaluating the Company's determination that control was retained over PT Adilmart post-transaction, including reviewing the governance structure and decision-making authority. (c) Confirming the changes in the Company's ownership percentage in PT Adilmart by reviewing updated share registers and legal documentation; recalculating the impact of the transactions on the Company's equity interests and non-controlling interests in the consolidated financial statements. (d) assessing the adequacy of the financial statement disclosures related to the transactions to ensure compliance with applicable financial reporting requirements.
Revenue Recognition – Retail Segment Refer to Note 28 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The retail segment contributed 77.5% of the Group's revenue for the financial year ended 31 December 2024. Due to the high volume of cash sales transactions processed across multiple sales points, revenue recognition is subject to an inherent risk of misappropriation of cash. This risk arises from the decentralised nature of cash collection and the complexity of reconciling cash receipts with recorded revenue.</p> <p>Given the significance of the retail segment to the Group's financial performance and the associated risks, revenue recognition was identified as a key audit matter.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> (a) evaluating the design, implementation, and operating effectiveness of internal controls related to cash handling and revenue recording processes. (b) performing substantive testing procedures to verify the accuracy, occurrence, and integrity of revenue recognised during the financial year. (c) reviewing year-end cut-off procedures to ensure revenue transactions are recorded in the appropriate accounting period.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CCK CONSOLIDATED HOLDINGS BERHAD (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (Cont'd)

Valuation of Biological Assets Refer to Note 13 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As of 31 December 2024, the Group's biological assets, comprising breeders, broilers, hatching eggs, layers, and prawns, were carried at an aggregate fair value of RM21.9 million.</p> <p>The fair values of these biological assets were determined using the income approach, which involves discounting the expected future net cash flows to be generated from the sale of the agricultural produce. This valuation methodology relies on significant management assumptions, including projected selling prices, feed costs, mortality rates, and other relevant factors.</p> <p>Given the inherent subjectivity and complexity involved in estimating these assumptions, coupled with the materiality of the biological assets to the financial statements, the valuation of biological assets was identified as a key audit matter.</p>	<p>Our procedures included, amongst others:-</p> <p>(a) evaluating the appropriateness of the valuation methodology applied by management and assessing the reasonableness of the key assumptions used, including projected selling prices, feed costs, and mortality rates, by benchmarking them against historical data, industry trends, and external market indicators.</p> <p>(b) assessing the adequacy of the financial statement disclosures related to biological assets, including the disclosure of key assumptions, judgements, and the sensitivity of fair value estimates to changes in significant inputs.</p>

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CCK CONSOLIDATED HOLDINGS BERHAD (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditor's 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 skepticism throughout the audit. We also:-

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CCK CONSOLIDATED HOLDINGS BERHAD (Cont'd)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

OTHER MATTERS

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

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

Sim Aik Chiam
03123/02/2027 J
Chartered Accountant

Sibu, Sarawak
Date:

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	134,688,799	86,903,839
Investment in an associate	6	38,413,639	33,423,527	19,930,171	19,930,171
Property, plant and equipment	7	232,200,587	216,209,565	8,060,599	8,216,198
Investment properties	8	13,329,449	9,508,407	-	-
Intangible assets	9	616,460	3,657,571	-	-
Goodwill	10	380,224	380,224	-	-
Deferred tax assets	11	1,676,466	1,778,698	-	-
		286,616,825	264,957,992	162,679,569	115,050,208
CURRENT ASSETS					
Inventories	12	106,580,976	92,570,021	-	-
Biological assets	13	21,891,679	21,355,163	-	-
Trade receivables	14	48,709,311	48,939,944	-	-
Short-term investment	15	108,026,105	5,781,971	108,026,105	5,781,971
Other receivables, deposits and prepayments	16	22,724,228	17,657,821	1,244,604	908,285
Amount owing by subsidiaries	17	-	-	78,700,084	86,717,532
Current tax assets		452,757	397,952	25,000	-
Deposits with licensed banks	18	18,079,315	20,077,918	-	-
Cash and bank balances		154,879,807	104,507,295	11,865,941	831,582
		481,344,178	311,288,085	199,861,734	94,239,370
TOTAL ASSETS		767,961,003	576,246,077	362,541,303	209,289,578
EQUITY AND LIABILITIES					
EQUITY					
Share capital	19	158,968,930	158,968,930	158,968,930	158,968,930
Treasury shares	20	(5,846,877)	(5,452,652)	(5,846,877)	(5,452,652)
Reserves	21	412,312,485	277,459,853	201,822,973	42,579,312
Equity attributable to owners of the Company		565,434,538	430,976,131	354,945,026	196,095,590
Non-controlling interests		47,419,224	583,347	-	-
TOTAL EQUITY		612,853,762	431,559,478	354,945,026	196,095,590

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

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT 31 DECEMBER 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
NON-CURRENT LIABILITIES					
Bank borrowings	22	4,589,791	5,450,845	-	-
Lease liabilities	23	18,762,718	13,557,927	-	-
Deferred tax liabilities	11	8,562,802	9,600,885	1,428,062	1,342,492
		31,915,311	28,609,657	1,428,062	1,342,492
CURRENT LIABILITIES					
Trade payables	24	35,143,225	34,854,444	-	-
Other payables, deposits and accruals	25	21,706,834	23,006,150	584,313	747,049
Amount owing to subsidiaries	17	-	-	5,583,902	11,104,447
Amount owing to directors	26	720	-	-	-
Bank borrowings:-	22				
- bank overdrafts		7,059,105	4,258,686	-	-
- other borrowings		37,427,673	40,040,625	-	-
Lease liabilities	23	6,344,036	3,851,827	-	-
Provision for employee benefits	27	1,696,861	1,592,964	-	-
Current tax liabilities		13,813,476	8,472,246	-	-
		123,191,930	116,076,942	6,168,215	11,851,496
TOTAL LIABILITIES		155,107,241	144,686,599	7,596,277	13,193,988
TOTAL EQUITY AND LIABILITIES		767,961,003	576,246,077	362,541,303	209,289,578

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

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

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
REVENUE	28	1,057,646,780	980,749,590	115,468,236	17,217,000
COST OF SALES		(831,746,281)	(782,689,284)	-	-
GROSS PROFIT		225,900,499	198,060,306	115,468,236	17,217,000
OTHER INCOME		13,383,316	30,528,395	83,666,979	907,275
SELLING AND DISTRIBUTION EXPENSES		(22,685,853)	(23,905,025)	-	-
ADMINISTRATIVE EXPENSES		(37,789,056)	(30,853,595)	(3,330,024)	(1,959,031)
OTHER OPERATING EXPENSES		(68,147,976)	(68,910,469)	-	(100,000)
FINANCE COSTS		(2,949,455)	(2,655,069)	-	-
NET IMPAIRMENT (LOSSES)/GAIN ON FINANCIAL ASSETS	29	(672,298)	397,417	(357,582)	(969,541)
SHARE OF PROFITS OF AN EQUITY ACCOUNTED ASSOCIATE		4,990,112	4,779,040	-	-
PROFIT BEFORE TAXATION	30	112,029,289	107,441,000	195,447,609	15,095,703
INCOME TAX EXPENSE	31	(40,453,033)	(24,085,711)	(9,816,375)	132,649
PROFIT AFTER TAXATION		71,576,256	83,355,289	185,631,234	15,228,352
OTHER COMPREHENSIVE INCOME	32				
<u>Items that Will Not be Reclassified Subsequently to Profit or Loss</u>					
Remeasurement of defined benefits plan		33,947	(19,127)	-	-
<u>Items that Will be Reclassified Subsequently to Profit or Loss</u>					
Foreign currency translation differences		(11,420,814)	7,719,649	-	-
TOTAL OTHER COMPREHENSIVE INCOME		(11,386,867)	7,700,522	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		60,189,389	91,055,811	185,631,234	15,228,352

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (Cont'd)

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
PROFIT AFTER TAXATION					
ATTRIBUTABLE TO:-					
Owners of the Company		71,492,507	83,266,067	185,631,234	15,228,352
Non-controlling interests		83,749	89,222	-	-
		<u>71,576,256</u>	<u>83,355,289</u>	<u>185,631,234</u>	<u>15,228,352</u>
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO:-					
Owners of the Company		60,277,713	91,041,635	185,631,234	15,228,352
Non-controlling interests		(88,324)	14,176	-	-
		<u>60,189,389</u>	<u>91,055,811</u>	<u>185,631,234</u>	<u>15,228,352</u>
EARNINGS PER SHARE (SEN):-					
	33				
Basic		11.51	13.40		
Diluted		11.51	13.40		

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

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

	Note	Share Capital RM	Treasury Shares RM	Foreign Exchange Translation Reserve RM	Retained Profits RM	Attributable to Owners of the Company RM	Non- Controlling Interests RM	Total Equity RM
The Group								
Balance at 1.1.2023		158,968,786	(5,452,652)	(8,138,999)	216,393,640	361,770,775	479,949	362,250,724
Profit after taxation for the financial year		-	-	-	83,266,067	83,266,067	89,222	83,355,289
Other comprehensive income for the financial year:-	32							
- Remeasurement of defined benefit plans		-	-	-	(19,127)	(19,127)	-	(19,127)
- Foreign currency translation differences		-	-	7,705,473	-	7,705,473	14,176	7,719,649
Total comprehensive income for the financial year		-	-	7,705,473	83,246,940	90,952,413	103,398	91,055,811
Contributions by and distribution to owners of the Company:-								
- issuance of shares		144	-	-	-	144	-	144
- Dividends:-								
- by the Company	34	-	-	-	(21,747,201)	(21,747,201)	-	(21,747,201)
Total transactions with owners		144	-	-	(21,747,201)	(21,747,057)	-	(21,747,057)
Balance at 31.12.2023		158,968,930	(5,452,652)	(433,526)	277,893,379	430,976,131	583,347	431,559,478

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

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

The Group	Note	Share Capital RM	Treasury Shares RM	Foreign Exchange Translation Reserve RM	Retained Profits RM	Attributable to Owners of the Company RM	Non-Controlling Interests RM	Total Equity RM
Balance at 31.12.2023/1.1.2024		158,968,930	(5,452,652)	(433,526)	277,893,379	430,976,131	583,347	431,559,478
Profit after taxation for the financial year		-	-	-	71,492,507	71,492,507	83,749	71,576,256
Other comprehensive income for the financial year:-	32	-	-	-	33,947	33,947	-	33,947
- Remeasurement of defined benefit plans		-	-	(11,248,741)	-	(11,248,741)	(172,073)	(11,420,814)
- Foreign currency translation differences		-	-	-	-	-	-	-
Total comprehensive income for the financial year		-	-	(11,248,741)	71,526,454	60,277,713	(88,324)	60,189,389
Contributions by and distributions to owners of the Company:-		-	(394,225)	-	-	(394,225)	-	(394,225)
- purchase of treasury shares		-	-	-	(26,387,573)	(26,387,573)	-	(26,387,573)
- Dividends:-	34	-	-	-	-	-	-	-
- by the Company		-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries that do not result in loss of control	35	-	-	-	100,962,492	100,962,492	46,924,201	147,886,693
Transfer of reserve		-	-	(4,411,977)	4,411,977	-	-	-
Total transactions with owners		-	(394,225)	(4,411,977)	78,986,896	74,180,694	46,924,201	121,104,895
Balance as at 31.12.2024		158,968,930	(5,846,877)	(16,094,244)	428,406,729	565,434,538	47,419,224	612,853,762

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

STATEMENTS OF CHANGES IN EQUITY (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Share Capital RM	Treasury Shares RM	Retained Profits RM	Total Equity RM
The Company					
Balance at 1.1.2023		158,968,786	(5,452,652)	49,098,161	202,614,295
Profit after taxation/Total comprehensive income for the financial year		-	-	15,228,352	15,228,352
Contributions by and distributions to owners of the Company:-					
- Issuance of shares		144	-	-	144
- Dividends	34	-	-	(21,747,201)	(21,747,201)
		144	-	(21,747,201)	(21,747,057)
Balance at 31.12.2023/1.1.2024		158,968,930	(5,452,652)	42,579,312	196,095,590
Profit after taxation/Total comprehensive income for the financial year		-	-	185,631,234	185,631,234
Contributions by and distributions to owners of the Company:-					
- Purchase of treasury shares	20	-	(394,225)	-	(394,225)
- Dividends	34	-	-	(26,387,573)	(26,387,573)
		-	(394,225)	(26,387,573)	(26,781,798)
Balance at 31.12.2024		158,968,930	(5,846,877)	201,822,973	354,945,026

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
CASH FLOWS FROM/(FOR)				
OPERATING ACTIVITIES				
Profit before taxation	112,029,289	107,441,000	195,447,609	15,095,703
Adjustments for:-				
Allowance for impairment losses on receivables	1,680,708	169,685	-	-
Impairment losses on receivables no longer required	(1,008,410)	(567,102)	-	-
Allowance for stock obsolescence	-	1,469	-	-
Amortisation of intangible assets	96,004	301,642	-	-
Bad debts recovered	(12,324)	-	-	-
Bad debts written off	89,078	187,615	-	-
Changes in fair value of biological assets	(536,516)	(5,468,834)	-	-
Depreciation of investment properties	905,636	817,994	-	-
Depreciation of property, plant and equipment	28,595,969	25,904,519	160,571	160,847
Allowance for impairment losses on amount owing by subsidiary	-	-	357,582	969,541
Impairment loss on investment in a subsidiary	-	-	-	100,000
Dividend income	-	-	(115,102,236)	(16,851,000)
Gain on disposal of property, plant and equipment	(484,701)	(37,722)	-	-
Gain on disposal of investment properties	-	(1,379,446)	-	-
Gain on disposal of subsidiaries	-	-	(83,120,295)	-
Interest expense	2,949,455	2,655,069	-	-
Interest income	(2,088,512)	(592,283)	(303,916)	(525,511)
Property, plant and equipment written off	106,953	38,016	-	-
Provision for employee benefits	451,421	334,342	-	-
Share of profits of an equity accounted associate	(4,990,112)	(4,779,040)	-	-
Fair value gain on short-term investment	(101,170)	(201,493)	(101,170)	(201,493)
Unrealised (gain)/loss on foreign exchange	(15,949)	1,376	-	-
Operating profit/(loss) before working capital changes	137,666,819	124,826,807	(2,661,855)	(1,251,913)
(Increase)/decrease in inventories	(16,565,061)	15,442,719	-	-
Increase in trade and other receivables	(7,464,833)	(3,856,706)	(336,319)	(183,298)
Increase/(decrease) in trade and other payables	186,156	(4,089,355)	(162,736)	208,414
Employee benefits paid	(198,954)	(70,110)	-	-
CASH FROM/(FOR) OPERATIONS/				
BALANCE CARRIED FORWARD	113,624,127	132,253,355	(3,160,910)	(1,226,797)

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

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
BALANCE BROUGHT FORWARD		113,624,127	132,253,355	(3,160,910)	(1,226,797)
Income tax paid		(35,725,281)	(21,752,085)	(9,755,805)	-
Income tax refunded		74,873	2,795,058	-	-
Interest paid		(2,949,455)	(2,655,069)	-	-
Interest received		2,088,512	592,283	303,916	525,511
NET CASH FROM/(FOR) OPERATING ACTIVITIES		77,112,776	111,233,542	(12,612,799)	(701,286)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Acquisition of subsidiaries		-	-	(61,766,411)	-
Proceeds from disposal of short-term investment		-	13,500,000	-	13,500,000
Purchase of short-term investment		(102,142,964)	(11,035,688)	(102,142,964)	(11,035,688)
Advance from/(Repayment to) subsidiaries		-	-	7,659,866	(586,628)
Dividend received		-	-	115,102,236	16,851,000
Proceeds from issuance of ordinary shares		-	144	-	-
Proceeds from disposal of property, plant and equipment		825,076	174,405	-	-
Proceeds from disposal of investment properties		-	1,800,000	-	-
Proceeds from disposal of biological assets		-	765,967	-	-
Proceeds from disposal of subsidiaries		-	-	97,101,746	-
Purchase of intangible assets		(314,095)	-	-	-
Purchase of property, plant and equipment	36(a)	(37,098,257)	(33,670,214)	(4,972)	(1,850)
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(138,730,240)	(28,465,386)	55,949,501	18,726,834
BALANCE CARRIED FORWARD		(61,617,464)	82,768,156	43,336,702	18,025,548

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

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
BALANCE BROUGHT FORWARD		(61,617,464)	82,768,156	43,336,702	18,025,548
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Increase in amount owing (by)/to subsidiaries	36(b)	-	-	(5,520,545)	3,926,765
Increase in amount owing to directors		720	-	-	-
Dividend paid:- - by the Company	34	(26,387,573)	(21,747,201)	(26,387,573)	(21,747,201)
Purchase of treasury shares		(394,225)	-	(394,225)	-
Proceeds from disposal of partial interest in subsidiary that does not involved loss of control	35	147,886,693	-	-	-
Net (repayment)/drawdown of bankers' acceptance	36(b)	(2,642,947)	3,930,448	-	-
Proceeds from issuance of share		-	-	-	144
Repayment of lease liabilities	36(b)	(5,199,410)	(2,839,142)	-	-
Repayment of term loans	36(b)	(831,059)	(809,536)	-	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES		112,432,199	(21,465,431)	(32,302,343)	(17,820,292)
NET INCREASE IN CASH AND CASH EQUIVALENTS		50,814,735	61,302,725	11,034,359	205,256
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		(5,241,245)	1,987,648	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		120,326,527	57,036,154	831,582	626,326
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	36(c)	165,900,017	120,326,527	11,865,941	831,582

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad. The registered office, which is also the principal place of business, is Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, 93450 Kuching, Sarawak.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 14 April 2025.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

- 3.1 During the current financial year, the Group and the Company have adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including the Consequential Amendments)

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Group and the Company have not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 *Presentation and Disclosure in Financial Statements* will replace MFRS 101 Presentation of Financial Statements upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing", and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made 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 other than as disclosed below:-

(a) 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 its 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. 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. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 7 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(b) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 12 to the financial statements.

(c) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 14 to the financial statements.

(d) Impairment of Non-trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amounts owing by subsidiaries as at the reporting date are disclosed in Notes 16 and 17 to the financial statements respectively.

(e) 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 their 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 expense and deferred tax balances in the period in which such determination is made.

(f) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. 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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(g) Biological Assets

The fair value of biological assets is determined using a discounted cash flow model that takes into account the expected quantity and price of the agricultural produce over the lives of the biological assets. This approach also considers the mortality rate of the biological assets.

In measuring the fair value of biological assets, management makes estimates and judgements regarding several factors. These factors include the expected yield of agricultural produce, expected selling prices, mortality rates, consumption rates, feed costs, and other estimated costs over the remaining lives of the biological assets, as well as the appropriate discount rates. Any changes to these assumptions could significantly impact the fair value of the biological assets.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Classification between Investment Properties and Owner-occupied Properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

(b) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Treasury Shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

(d) Financial Guarantee Contracts

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

4.3 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

4.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries, which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

4.5 INVESTMENTS IN ASSOCIATES

Investments in associates are stated in the financial statements of the Company at cost less impairment losses, if any, and accounted for using the equity method in the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.6 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost. Subsequent to the initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	2% - 5%
Furniture, fittings and equipment	10% - 20%
Coldroom, plant and machinery	10% - 20%
Motor vehicles	20%
Renovation	10% - 20%
Electrical installation	10%

Capital work-in-progress represents factory buildings, broiler houses, broiler farms under construction and production machinery and equipment under installation. They are not depreciated until such time when the assets are available for use.

4.7 INVESTMENT PROPERTIES

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

Depreciation on investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation periods and rates are:-

Leasehold land	59 - 78 years
Buildings	10 - 59 years

4.8 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group applies the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.9 INTANGIBLE ASSETS

Intangible assets are initially measured at cost. Subsequent to the initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Land rights relate to right to use the land acquired as part of business combination, and are amortised using the straight-line method to allocate their depreciable amounts over 6 years.

Software are amortised on a straight-line basis over their estimated useful lives of 5 years.

4.10 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and comprises all costs of purchase plus other costs incurred in bringing the inventories to their present location and condition.

4.11 BIOLOGICAL ASSETS

Biological assets comprise broilers, layers, breeders and hatching eggs are measured at fair value less cost to sell.

The fair value of breeders and hatching eggs is determined using a discounted cash flow model based on the expected number of breeders produced by hatching eggs, the expected projected selling price of the breeders and salvage value for old hen and after allowing for feed costs, contributory asset charges for the land and farm houses owned the entity and other costs incurred in getting the pullets and layers to maturity.

Costs to sell include the incremental selling costs, including estimated costs of transport but excludes finance costs and income taxes.

Changes in fair value of livestock are recognised in the statement of profit and loss.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2024	2023
	RM	RM
Unquoted shares, at cost		
- in Malaysia	66,339,149	75,339,149
- outside Malaysia	74,893,912	18,108,952
	141,233,061	93,448,101
Less: Accumulated impairment losses	(6,544,262)	(6,544,262)
	134,688,799	86,903,839

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business Country of Incorporation	Percentage of Issued Share/ Capital Held by Parent		Principal Activities
		2024	2023	
Ableway Sdn. Bhd.	Malaysia	100%	100%	General trading and investment holding
Ataskota Sdn. Bhd.	Malaysia	100%	100%	Selling, spawning and culturing of prawns
CCK Fresh Mart Sdn. Bhd.	Malaysia	100%	100%	Retailing coldstorage products and investment holding
CCK Fresh Mart (West Malaysia) Sdn. Bhd.	Malaysia	100%	100%	Leasing of buildings
CCK Sea Products Industries Sdn. Bhd.	Malaysia	100%	100%	Culturing and trading of prawns
Central Coldstorage Kuching Sdn. Bhd.	Malaysia	100%	100%	Trading cold storage goods, poultry processing, importer and distributor of frozen goods and investment holding
C.S. Choice Food Industries Sdn. Bhd.	Malaysia	100%	100%	Manufacturing, processing, packing and distribution of meat and other food products
Kin Eastern Frozen Food Sdn. Bhd.	Malaysia	100%	100%	Processing and dealing of frozen seafood and ice
Kuok Sui Sea Products Industries (S) Sdn. Bhd.	Malaysia	100%	100%	Processing and exporting of sea products
Pt. Adilmart [^]	Indonesia	62.29%	100%	Retailing of coldstorage products
Zhang Agriculture Development (Sabah) Sdn. Bhd.	Malaysia	100%	100%	Poultry breeding, hatching of eggs and trading
Hawker Time Food Hall Sdn. Bhd. #	Malaysia	100%	100%	Proprietors of fast-food restaurants, catering services, food and beverage stall or hawkers and coffee shop
CCK Properties Sdn. Bhd. #	Malaysia	100%	100%	Investment and letting of properties
Pt. Central Coldstorage Khatulistiwa [^]	Indonesia	90%	-	Dormant
Pt. Bonanza Pratama Abadi [^]	Indonesia	99%	-	Processing, freezing and export of prawns
Pt. Central Investment Indonesia	Indonesia	100%	-	Investment holding

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (cont'd):-

Name of Subsidiary	Principal Place of Business Country of Incorporation	Percentage of Issued Share/ Capital Held by Parent		Principal Activities
		2024	2023	
Subsidiary of Ableway Sdn. Bhd.:-				
Angkutan Golden Plan Sdn. Bhd.	Malaysia	100%	100%	Provision of transportation services
Subsidiary of CCK Fresh Mart Sdn. Bhd.:-				
Mukah Seafoods Industries Sdn. Bhd.	Malaysia	100%	100%	Trading of seafood and coldstorage foodstuff
Subsidiaries of Central Coldstorage Kuching Sdn. Bhd.:-				
Poultry Industry (S) Sdn. Bhd.	Malaysia	100%	100%	Livestock breeding, egg laying and trading
Zhang Agriculture Development Sdn. Bhd.	Malaysia	100%	100%	Poultry farming and trading
Subsidiary of Poultry Industry (S) Sdn. Bhd.:-				
Farm Land Supplies & Veterinary Services Sdn. Bhd.	Malaysia	100%	100%	Providing veterinary supplies and related services
Subsidiaries of Pt. Adilmart:-				
Pt. Central Coldstorage Khatulistiwa^	Indonesia	-	90%	Dormant
Pt. Bonanza Pratama Abadi^	Indonesia	-	99%	Processing, freezing and export of prawns

[^] These subsidiaries were audited by member firms of Crowe Global of which Crowe Malaysia PLT is a member.

The auditors' report on the financial statements of the subsidiary includes a "Material Uncertainty Related to Going Concern" regarding the ability of the subsidiary to continue as a going concern in view of its capital deficiency position as at the end of the current reporting period. The financial statements were prepared on a going concern basis as the Company has undertaken to provide continued financial support to the subsidiary.

- (a) During the financial year, the Company partially disposed of its equity interests in its wholly-owned subsidiary, PT Adilmart. The details of the disposal are disclosed in Note 35 to the financial statements.
- (b) During the financial year, the Company has carried out a review of the recoverable amounts of its investments in certain subsidiaries that had been persistently making losses. A total impairment loss of RM Nil (2023 – RM100,000), representing the write-down of the investments to their recoverable amounts, was recognised in "other operating expenses" line item of the statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2024	2023	2024 RM	2023 RM
Pt. Central Coldstorage Khatulistiwa	10.0%	10.0%	86,208	92,114
Pt. Bonanza Pramata Abadi	1.0%	1.0%	408,815	491,233
Pt. Adilmart	37.71%	-	46,924,201	-
			47,419,224	583,347

(d) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group is as follows:-

	Pt. Adilmart	
	2024 RM	2023 RM
<u>At 31 December</u>		
Non-current assets	44,884,453	-
Current assets	99,504,574	-
Non-current liabilities	(60,695)	-
Current liabilities	(19,893,961)	-
Net assets	124,434,371	-
<u>Financial Year Ended 31 December</u>		
Revenue	200,743,519	-
Profit for the financial year	52,239,787	-
Total comprehensive income	55,333,079	-
Total comprehensive income attributable to non-controlling interests *	-	-
Dividends paid to non-controlling interests	-	-
Net cash flows from operating activities	55,293,443	-
Net cash flows for investing activities	(46,985,687)	-
Net cash flows from financing activities	10,382,309	-

* No total comprehensive income is attributable to non-controlling interests due to the Group assumes disposal of the subsidiary at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. INVESTMENT IN AN ASSOCIATE

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unquoted shares, at cost	19,930,171	19,930,171	19,930,171	19,930,171
Share of post-acquisition profits, net of dividend received	18,483,468	13,493,356	-	-
	38,413,639	33,423,527	19,930,171	19,930,171

The details of the associate are as follows:-

Name of Associate	Principal Place of Business	Effective Equity Interest		Principal Activities
		2024	2023	
Gold Coin Sarawak Sdn. Bhd.#	Malaysia	27.20%	27.20%	Manufacture and sale of animal feeds, trading in feed grains and livestock business

The associate was audited by another firm of chartered accountants.

The investment in the associate is a strategic investment for the Group as it secures a long-term supply of quality feeds for the Group's poultry operations and also allows the Group to venture into the feedmill business thus enhancing the Group's profitability.

(a) The summarised financial information for the associate is as follows:-

	Gold Coin Sarawak Sdn. Bhd.	
	2024	2023
	RM	RM
<u>At 31 December</u>		
Non-current assets	10,340,000	10,488,000
Current assets	140,020,000	153,991,000
Non-current liabilities	(11,000)	(228,000)
Current liabilities	(22,116,000)	(54,364,000)
Net assets	128,233,000	109,887,000
<u>Financial Year Ended 31 December</u>		
Revenue	313,028,000	334,488,000
Profit for the financial year	18,346,000	17,570,000
Total comprehensive income	18,346,000	17,570,000
Group's share of profit for the financial year	4,990,112	4,779,040
Dividend received	-	-
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets above	34,879,356	29,889,244
Goodwill	3,534,283	3,534,283
Carrying amount of the Group's interest in this associate	38,413,639	33,423,527

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At 1.1.2024 RM	Additions RM	Disposals RM	Derecog- nition RM	Reclasi- fication (Note 9) RM	Transfer to Investment Properties (Note 8) RM	Write-offs RM	Reassessment/ Modification of Lease Liabilities RM	Depreciation Charges RM	Exchange Differences RM	At 31.12.2024 RM
2024											
<i>Carrying Amount</i>											
<u>Owned assets</u>											
Freehold land	1,436,000	-	-	-	-	-	-	-	-	-	1,436,000
Buildings	55,767,824	5,558,991	(258,443)	-	-	-	-	-	(5,029,095)	(831,027)	55,208,250
Furniture, fittings and equipment	8,353,015	1,925,010	(18,201)	-	722,951	-	(16,153)	-	(2,191,492)	(38,950)	8,736,180
Coldroom, plant and machinery	51,466,282	6,374,442	(63,730)	-	-	-	(44,488)	-	(11,192,500)	(1,433,335)	45,106,671
Motor vehicles	5,340,575	3,743,880	(1)	-	-	-	-	-	(1,945,235)	(31,712)	7,107,507
Renovation	6,489,122	1,697,056	-	-	-	-	(46,312)	-	(1,684,427)	-	6,455,439
Electrical installation	766,209	243,605	-	-	-	-	-	-	(116,592)	-	893,222
Capital work in progress	10,949,345	9,529,546	-	-	(1,143,496)	(4,184,411)	-	-	(93,058)	212,828	15,270,754
	140,568,372	29,072,530	(340,375)	-	(420,545)	(4,184,411)	(106,953)	-	(22,252,399)	(2,122,196)	140,214,023
<u>Right-of-use assets</u>											
Leasehold land	59,887,472	8,028,748	-	-	3,657,571	(542,267)	-	-	(536,412)	(1,386,548)	69,108,564
Buildings	15,753,721	9,257,523	-	(248,108)	-	-	-	3,922,022	(5,807,158)	-	22,878,000
	75,641,193	17,286,271	-	(248,108)	3,657,571	(542,267)	-	3,922,022	(6,343,570)	(1,386,548)	91,986,564
	216,209,565	46,358,801	(340,375)	(248,108)	3,237,026	(4,726,678)	(106,953)	3,922,022	(28,595,969)	(3,508,744)	232,200,587

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At 1.1.2023 RM	Additions RM	Disposals RM	Reclassi- fication RM	Write-offs RM	Reassessment/ Modification				At 31.12.2023 RM
						Liabilities RM	Depreciation Charges RM	Exchange Differences RM		
2023										
Carrying Amount										
Owned assets										
Freehold land	1,436,000	-	-	-	-	-	-	-	-	1,436,000
Buildings	52,864,687	3,793,784	-	2,937,873	-	-	(5,201,036)	1,372,516	-	55,767,824
Furniture, fittings and equipment	8,531,987	1,919,415	(18,847)	61,573	(27,275)	-	(2,224,768)	110,930	-	8,353,015
Coldroom, plant and machinery	47,716,256	11,203,542	(2,052)	2,489,684	(10,741)	-	(11,537,504)	1,607,097	-	51,466,282
Motor vehicles	3,081,879	3,580,835	-	91,950	-	-	(1,471,110)	57,021	-	5,340,575
Renovation	5,652,750	2,288,229	-	69,859	-	-	(1,521,716)	-	-	6,489,122
Electrical installation	627,140	225,104	-	-	-	-	(86,035)	-	-	766,209
Capital work in progress	8,198,947	8,444,211	-	(5,700,868)	-	-	-	7,055	-	10,949,345
	128,109,646	31,455,120	(20,899)	(49,929)	(38,016)	-	(22,042,169)	3,154,619	-	140,568,372
Right-of-use assets										
Leasehold land	56,998,637	2,215,094	(115,784)	-	-	-	(557,300)	1,346,825	-	59,887,472
Buildings	15,727,553	2,044,431	-	-	-	1,286,787	(3,305,050)	-	-	15,753,721
	72,726,190	4,259,525	(115,784)	-	-	1,286,787	(3,862,350)	1,346,825	-	75,641,193
	200,835,836	35,714,645	(136,683)	(49,929)	(38,016)	1,286,787	(25,904,519)	4,501,444	-	216,209,565

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM	Accumulated Depreciation and Impairment Losses RM	Carrying Amount RM
2024			
<u>Owned assets</u>			
Freehold land	1,630,091	(194,091)	1,436,000
Buildings	123,067,775	(67,859,525)	55,208,250
Furniture, fittings and equipment	38,723,548	(29,987,368)	8,736,180
Coldroom, plant and machinery	188,993,707	(143,887,036)	45,106,671
Motor vehicles	28,758,437	(21,650,930)	7,107,507
Renovation	24,982,014	(18,526,575)	6,455,439
Electrical installation	1,258,384	(365,162)	893,222
Capital work-in-progress	15,647,177	(376,423)	15,270,754
	423,061,133	(282,847,110)	140,214,023
<u>Right-of-use assets</u>			
Leasehold land	80,441,367	(11,332,803)	69,108,564
Buildings	42,448,863	(19,570,863)	22,878,000
	122,890,230	(30,903,666)	91,986,564
	545,951,363	(313,750,776)	232,200,587
2023			
<u>Owned assets</u>			
Freehold land	1,630,091	(194,091)	1,436,000
Buildings	119,522,684	(63,754,860)	55,767,824
Furniture, fittings and equipment	36,618,094	(28,265,079)	8,353,015
Coldroom, plant and machinery	187,615,368	(136,149,086)	51,466,282
Motor vehicles	25,711,386	(20,370,811)	5,340,575
Renovation	23,351,118	(16,861,996)	6,489,122
Electrical installation	1,014,779	(248,570)	766,209
Capital work-in-progress	10,949,345	-	10,949,345
	406,412,865	(265,844,493)	140,568,372
<u>Right-of-use assets</u>			
Leasehold land	70,683,863	(10,796,391)	59,887,472
Buildings	29,585,780	(13,832,059)	15,753,721
Coldroom, plant and machinery	107,258	(107,258)	-
	100,376,901	(24,735,708)	75,641,193
	506,789,766	(290,580,201)	216,209,565

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At 1.1.2024 RM	Additions RM	Depreciation Charges RM	At 31.12.2024 RM
The Company				
2024				
<u>Owned assets</u>				
Equipment	15,582	4,972	(3,858)	16,696
Renovation	3,027	-	(713)	2,314
	18,609	4,972	(4,571)	19,010
<u>Right-of-use assets</u>				
Leasehold land	8,197,589	-	(156,000)	8,041,589
	8,216,198	4,972	(160,571)	8,060,599
	At 1.1.2023 RM	Additions RM	Depreciation Charges RM	At 31.12.2023 RM
The Company				
2023				
<u>Owned assets</u>				
Equipment	17,867	1,850	(4,135)	15,582
Renovation	3,739	-	(712)	3,027
	21,606	1,850	(4,847)	18,609
<u>Right-of-use assets</u>				
Leasehold land	8,353,589	-	(156,000)	8,197,589
	8,375,195	1,850	(160,847)	8,216,198
		At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
The Company				
2024				
<u>Owned assets</u>				
Equipment		82,382	(65,686)	16,696
Renovation		7,127	(4,813)	2,314
		89,509	(70,499)	19,010
<u>Right-of-use assets</u>				
Leasehold land		9,401,979	(1,360,390)	8,041,589
		9,491,488	(1,430,889)	8,060,599

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Company	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
2023			
<u>Owned assets</u>			
Equipment	77,410	(61,828)	15,582
Renovation	7,127	(4,100)	3,027
	84,537	(65,928)	18,609
<u>Right-of-use assets</u>			
Leasehold land	9,401,979	(1,204,390)	8,197,589
	9,486,516	(1,270,318)	8,216,198

- (a) The carrying amount of property, plant and equipment pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 22 to the financial statements is as follows:-

	The Group	
	2024 RM	2023 RM
Leasehold land	9,193,866	9,426,663
Buildings	9,653,910	10,586,120
	18,847,776	20,012,783

- (b) Included in the assets of the Group were freehold lands with a total carrying amount of RM936,000 (2023 – RM936,000) which were held in trust by a third party.
- (c) Leases – the Group as a lessee

The Group leases leasehold land, buildings, motor vehicles, coldroom, plant and machinery and other equipment for its operational purposes:-

- i) Leasehold land

The Group made upfront payment to secure the right-of-use of leasehold lands for lease periods ranging from 14 to 906 years. Certain leasehold lands are pledged to licensed banks as security for banking facilities granted to the Group as disclosed in (a) above. There is no option to purchase the leasehold land at the expiry of the lease periods.

- ii) Buildings

The Group leases a number of buildings which are used as retail stores that run between 1 year to 10 years, with an option to renew the leases upon the expiry of the respective lease terms. The lease agreements do not impose any covenant other than the ownership rights in the leased assets that are held by lessor. The Group is restricted from assigning and subleasing the leased assets without the written consent of the lessor and the leased assets may not be used as security for borrowing purposes.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(c) Leases – the Group as a lessee (Cont'd)

The Group leases leasehold land, buildings, motor vehicles, coldroom, plant and machinery and other equipment for its operational purposes:- (Cont'd)

iii) Other equipment

The Group also leases photocopier machines. The Group determines that these assets are low value when it is new, regardless of the age of the assets being leased. The Group elected not to recognised right-of-use assets and lease liabilities for these assets.

(d) Leases – the Group as an intermediate lessor

The Group subleases out buildings to third parties for monthly lease payments for a period ranging from 1 to 3 years and the subsequent renewals are renegotiated on a contract by contract basis. The sublease periods do not form part of the remaining lease terms under the head leases and accordingly, the subleases are classified as operating leases.

The Group does not require a financial guarantee. Instead, the Group requires 1 to 3 months of advance payments from the lessees. The leases do not include residual value guarantee and variable lease payments.

The lease income of the Group recognised during the financial year were RM4,000 (2023 – RM 19,820).

8. INVESTMENT PROPERTIES

	The Group	
	2024 RM	2023 RM
Cost:-		
At 1 January	11,875,889	12,424,089
Disposal	-	(548,200)
Transferred from property, plant and equipment (Note 7)	4,765,412	-
At 31 December	16,641,301	11,875,889
Accumulated depreciation:-		
At 1 January	2,367,482	1,677,134
Disposal	-	(127,646)
Depreciation during the financial year	905,636	817,994
Transferred from property, plant and equipment (Note 7)	38,734	-
At 31 December	3,311,852	2,367,482
	13,329,449	9,508,407
Fair value	17,137,571	12,276,000
Represented by:-		
Leasehold land	3,404,397	2,928,984
Buildings	9,925,052	6,579,423
At 31 December	13,329,449	9,508,407

- (a) The investment properties of the Group are leased to customers under operating leases with rental payable monthly. The leases contain initial non-cancellable periods of 1-5 years.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

8. INVESTMENT PROPERTIES (CONT'D)

- (a) The undiscounted operating lease payments receivable are as follows:-

	The Group	
	2024 RM	2023 RM
Within one year	19,650	18,000
Between 1 and 2 years	92,400	13,200
Between 2 and 3 years	138,270	26,400
	<u>250,320</u>	<u>57,600</u>

- (b) The leasehold land and buildings have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 22 to the financial statements.
- (c) The fair values of the investment properties are within level 2 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties and are performed by registered valuers having appropriate recognised professional qualification and recent experience in the locations and category of properties being valued. The most significant input into this valuation approach is the price per square foot of comparable properties.

9. INTANGIBLE ASSETS

The Group	At 1.1.2024 RM	Exchange Difference RM	Addition RM	Reclassification (Note 7) RM	Amortisation Charge RM	At 31.12.2024 RM
2024						
<i>Carrying Amount</i>						
Software	-	(22,176)	314,095	420,545	(96,004)	616,460
Land rights	3,657,571	-	-	(3,657,751)	-	-
	<u>3,657,571</u>	<u>(22,176)</u>	<u>314,095</u>	<u>(3,237,026)</u>	<u>(96,004)</u>	<u>616,460</u>

The Group	At 1.1.2023 RM	Exchange Difference RM	Amortisation Charge RM	At 31.12.2023 RM
2023				
<i>Carrying Amount</i>				
Land rights	3,754,512	204,701	(301,642)	3,657,571

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. INTANGIBLE ASSETS (CONT'D)

	At Cost RM	Accumulated Amortisation RM	Carrying Amount RM
The Group			
2024			
Software	716,012	(99,552)	616,460
2023			
Land rights	4,165,162	(507,591)	3,657,571

10. GOODWILL

	The Group	
	2024 RM	2023 RM
Cost:-		
At 1 January/31 December	380,224	380,224

Goodwill acquired through business combination has been allocated to the Group's trading and retailing cash-generating units. No impairment testing is done on cash-generating units which are considered immaterial to the Group.

11. DEFERRED TAX

The Group	2024 RM	2023 RM
At 1 January	7,822,187	5,533,199
Recognised in profit or loss (Note 31)	(951,895)	2,290,439
Recognised in other comprehensive income	(191,936)	(5,394)
Exchange differences	207,980	3,943
At 31 December	6,886,336	7,822,187

The deferred tax is attributable to the followings:-

The Group	2024 RM	2023 RM
Property, plant and equipment	9,186,516	9,438,109
Fair value gain on biological assets	42,065	682,490
Inventory	(102,353)	(121,716)
Lease liabilities	(26,349)	(2,234)
Provision for employee benefits	(373,305)	(350,449)
Receivables	2,843,347	2,488,544
Unused tax losses and unabsorbed capital allowance	(4,683,585)	(4,312,557)
	6,886,336	7,822,187

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

11. DEFERRED TAX

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	The Group	
	2024	2023
	RM	RM
Unused tax losses		
- expires in year of assessment 2028	5,618,284	5,713,222
- expires in year of assessment 2029	326,004	326,004
- expires in year of assessment 2030	315,791	315,791
- expires in year of assessment 2031	283,232	283,232
- expires in year of assessment 2032	74,493	74,493
- expires in year of assessment 2033	172,811	163,072
- expires in year of assessment 2034	239,726	-
Unabsorbed capital allowance	3,488,705	3,252,480
Other deductible temporary differences	1,563,669	1,375,033
	12,082,715	11,503,327
Deferred tax assets @ 24%, if recognised	2,899,852	2,760,799

The Company	2024	2023
	RM	RM
At 1 January	1,342,492	1,475,141
Recognised in profit or loss (Note 31)	85,570	(132,649)
At 31 December	1,428,062	1,342,492

The deferred tax is attributable to the followings:-

The Company	2024	2023
	RM	RM
Property, plant and equipment	1,470,717	1,501,935
Unused tax losses	(42,482)	(159,126)
Unabsorbed capital allowance	(173)	(317)
	1,428,062	1,342,492

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Analysed as:				
Deferred tax liabilities	8,562,802	9,600,885	1,428,062	1,342,492
Deferred tax assets	(1,676,466)	(1,778,698)	-	-
	6,886,336	7,822,187	1,428,062	1,342,492

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas, the unabsorbed agriculture/capital allowances are allowed to be carried forward indefinitely.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. INVENTORIES

	The Group	
	2024 RM	2023 RM
At cost:-		
Trading goods	95,669,134	82,093,266
Raw materials	3,465,939	3,058,165
Consumable stores	7,911,164	7,974,306
	107,046,237	93,125,737
Less: Allowance for obsolescence and impairment losses of inventories	(465,261)	(555,716)
	106,580,976	92,570,021
Recognised in profit or loss:- Inventories recognised as cost of sales	608,288,008	584,038,432

13. BIOLOGICAL ASSETS

	Balance as beginning RM	Arising from cost of inputs RM	Decrease due to sale/ depopulation/ livestock losses RM	Fair value gain in profit or loss RM	Balance at end RM
The Group					
2024					
<i>At fair value less costs to sell</i>					
Broiler breeders	12,157,218	24,675,534	(24,675,534)	744,749	12,901,967
Broilers	2,632,314	34,978,488	(34,978,488)	(771,453)	1,860,861
Hatching eggs	1,764,857	3,143,576	(3,143,576)	(271,694)	1,493,163
Layers	4,800,774	32,766,692	(32,766,692)	834,914	5,635,688
	21,355,163	95,564,290	(95,564,290)	536,516	21,891,679
	Balance as beginning RM	Arising from cost of inputs	Decrease due to sale/ depopulation/ livestock losses	Fair value gain/(loss) in profit or loss RM	Balance at end RM
2023					
<i>At fair value less costs to sell</i>					
Broiler breeders	9,294,158	23,221,636	(23,221,636)	2,863,060	12,157,218
Broilers	2,008,451	30,479,414	(30,479,414)	623,863	2,632,314
Hatching eggs	1,104,537	2,905,892	(2,905,892)	660,320	1,764,857
Prawns	765,967	-	(765,967)	-	-
Layers	3,479,183	37,491,514	(37,491,514)	1,321,591	4,800,774
	16,652,296	94,098,456	(94,864,423)	5,468,834	21,355,163

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. BIOLOGICAL ASSETS (CONT'D)

- (a) In measuring the fair value of biological assets, management estimates and judgements are required, which include the following:-
- (i) estimated selling price of table eggs, day-old chicks, broilers and spent hen;
 - (ii) estimated number of day-old chicks produced by each layer breeder and broiler breeder and table eggs to be produced by layers;
 - (iii) estimated hatchability rate of the hatching eggs and mortality rate of live birds;
 - (iv) estimated feed consumption rate and feed costs and other estimated costs to be incurred for the remaining life of the live birds and at the points of sales;
 - (v) Discount rate of 12.37% (2023: 11.97%)
- (b) The Group has classified its biological assets measured at fair value within Level 3 of the fair value hierarchy. The following table shows the valuation technique used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation model.

Type	Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Breeders	Discounted cash flows: The valuation method considers the estimated quantity of day-old chicks to be produced over the life of the breeders, taking into account the mortality rate of breeders and the estimated feed costs and other overheads.	<ul style="list-style-type: none"> • Estimated selling price of the agriculture produce. • Estimated feed costs and overheads expected to incur throughout the life cycle. 	<p>The estimated fair value would increase/(decrease) if:-</p> <ul style="list-style-type: none"> • the estimated selling price of the agriculture produce were higher/(lower). • the estimated feed costs and overheads were (higher)/lower.
Layers	Discounted cash flows: The valuation method considers the expected quantity and price of table eggs to be produced over the life of the layers, taking into account layers' mortality rate.	<ul style="list-style-type: none"> • Estimated selling price of the agriculture produce. • Estimated feed costs and overheads expected to incur throughout the life cycle. 	<p>The estimated fair value would increase/(decrease) if:-</p> <ul style="list-style-type: none"> • the estimated selling price of the agriculture produce were higher/(lower). • the estimated feed costs and overheads were (higher)/lower

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. BIOLOGICAL ASSETS (CONT'D)

- (b) The Group has classified its biological assets measured at fair value within Level 3 of the fair value hierarchy. The following table shows the valuation technique used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation model. (Cont'd)

Type	Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Broilers	Discounted cash flows: The valuation method considers the present value of net cash flows from sales of broilers less estimated feed costs and overheads incurred to the point of sale and taking into account the mortality rate of broilers.	<ul style="list-style-type: none"> Estimated selling price of the broilers at the points of sale. Estimated feed costs and overheads expected to incur throughout the life cycle. 	<p>The estimated fair value would increase/(decrease) if:-</p> <ul style="list-style-type: none"> the estimated selling price of the broilers at the points of sale were higher/(lower). the estimated feed costs and overheads were (higher)/lower.
Hatching eggs	Discounted cash flows: The valuation method considers the present value of net cash flows from sales of day-old chicks less estimated hatching costs and overheads incurred to the points of sale and taking into account the hatchability rate of hatching eggs.	<ul style="list-style-type: none"> Estimated selling price of the day-old chicks at the points of sale. Estimated hatching costs and overheads expected to incur throughout the hatching process. 	<p>The estimated fair value would increase/(decrease) if:-</p> <ul style="list-style-type: none"> the estimated selling price of the day-old chicks at the points of sale were higher/(lower). the estimated hatching costs and overheads were (higher)/lower.
Prawns	Discounted cash flows: The valuation method considers the expected quantity of prawns to be harvested and expected selling prices, taking into account the prawns' mortality rate.	<ul style="list-style-type: none"> Estimated selling price of the prawns at the points of sale. Estimated feed costs and other variable costs expected to incur up to the points of harvest. 	<p>The estimated fair value would increase/(decrease) if:-</p> <ul style="list-style-type: none"> the estimated selling price of the prawns at the points of sale were higher/(lower). the estimated feed costs and variable costs were (higher)/lower.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. BIOLOGICAL ASSETS (CONT'D)

- (c) The key assumptions used for the fair value calculations are as follows:-

	The Group	
	2024 RM	2023 RM
Breeders		
Estimated selling price of day-old chicks (parent stock)(per bird)	13.77 - 17.04	14.00 - 17.00
Estimated selling price of day-old chicks (broiler)(per bird)	1.40	1.40
Estimated feed costs and other overheads (per bird)	9.46 - 10.83	10.26 - 11.97
Broilers		
Estimated selling price of broilers at the points of sale (per KG)	6.27 - 6.83	6.81 - 7.15
Hatching eggs		
Estimated selling price of day-old chicks at the points of sale (per bird)	2.26 - 2.30	1.80 - 2.10
Layers		
Estimated selling price of egg (per piece)	0.39	0.40
Estimated feed costs and other overheads (per bird)	12.79	12.70

- (d) Reasonable possible changes at the reporting date to one of the key assumptions, holding other assumptions constant, would have affected the fair value of biological assets by the amounts shown below.

The Group	Increase/(decrease) in fair value of biological assets	
	2024 RM	2023 RM
Breeders		
Estimated selling price of day-old chicks (broiler)(per bird)		
- increase by 10%	1,447,874	1,339,498
- decrease by 10%	(1,447,874)	(1,339,498)
Estimated selling price of day-old chicks (parent)(per bird)		
- increase by 10%	27,000	24,000
- decrease by 10%	(27,000)	(24,000)
Estimated feed costs and other overheads (per bird)		
- increase by 10%	(185,000)	(148,000)
- decrease by 10%	185,000	148,000
Broilers		
Estimated selling price of broilers at the points of sale (per KG)		
- increase by 10%	185,848	262,812
- decrease by 10%	(11,848)	(262,812)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. BIOLOGICAL ASSETS (CONT'D)

- (d) Reasonable possible changes at the reporting date to one of the key assumptions, holding other assumptions constant, would have affected the fair value of biological assets by the amounts shown below. (Cont'd)

The Group

Increase/(decrease) in fair value of biological assets

	2024 RM	2023 RM
Hatching eggs		
Estimated selling price of day-old chicks at the points of sale (per bird)		
- increase by 10%	149,631	177,118
- decrease by 10%	(149,631)	(177,118)
Layers		
Estimated selling price of egg (per piece)		
- increase by 10%	563,569	480,077
- decrease by 10%	(563,569)	(480,077)

In respect of other variables, a reasonable possible change in the assumptions used will not result in any material change to the fair value of the biological assets.

14. TRADE RECEIVABLES

	The Group	
	2024 RM	2023 RM
Trade receivables:-		
- third parties	49,895,115	49,133,688
- related parties	886,697	1,060,763
	50,781,812	50,194,451
Less: Allowance for impairment losses (Note 42.1(b)(iii))	(2,072,501)	(1,254,507)
	48,709,311	48,939,944

The Group's normal trade credit terms range from 30 to 90 (2023 – 30 to 90) days.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. SHORT-TERM INVESTMENT

	The Group/The Company	
	2024	2023
	RM	RM
Money market fund, at fair value	108,026,105	5,781,971

The money market fund represents investment in highly liquid money market instruments and deposits with a financial institution in Malaysia which is redeemable with one (1) day notice at known amounts of cash, and are subject to an insignificant risk of changes in value.

The fair value of the money market funds is determined by reference to statements provided by the respective financial institution, with which the investments were entered into.

16. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Other receivables:-				
- third parties	4,587,910	3,102,768	1,144,796	622,295
- related parties	5,094,612	3,729,971	3,650	4,400
- goods and services tax recoverable	80,986	10,246	-	-
	9,763,508	6,842,985	1,148,446	626,695
Deposits	5,389,085	3,530,589	-	-
Prepayments	7,736,569	7,681,667	96,158	281,590
Less: Allowance for impairment losses (Note 42.1(b)(iii))	(164,934)	(397,420)	-	-
	22,724,228	17,657,821	1,244,604	908,285

The amount owing by related parties is unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

17. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	The Company	
	2024	2023
	RM	RM
Amount Owing by Subsidiaries		
<u>Current</u>		
Non-trade balances	80,027,207	87,687,073
Allowance for impairment losses (Note 42.1(b)(iii))	(1,327,123)	(969,541)
	78,700,084	86,717,532
Amount Owing to Subsidiaries		
<u>Current</u>		
Non-trade balances	(5,583,902)	(11,104,447)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

17. AMOUNTS OWING BY/(TO) SUBSIDIARIES (CONT'D)

Included in the amount owing by subsidiaries is a sum of RM7,931,000 (2023 – RM11,873,000), which is unsecured advances granted to subsidiary. The advances carry interest at rate ranging from 5.11% to 5.40% (2023 – 4.97% to 5.49%) per annum and are repayable on demand.

All other amounts are non-trade in nature, unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.

18. DEPOSITS WITH LICENSED BANKS

The deposits which represent overnight placements with licensed banks of the Group at the end of the reporting period bore effective interest at rates ranging from 0.28% to 2.90% (2023 – 0.03% to 2.80%) per annum.

19. SHARE CAPITAL

	The Group/The Company			
	2024	2023	2024	2023
	Number of Shares		RM	RM
Issued and Fully Paid-Up				
Ordinary Shares				
At 1 January	630,718,960	630,718,800	158,968,930	158,968,786
New shares issued under exercise of warrants 2018/2023	-	160	-	144
At 31 December	630,718,960	630,718,960	158,968,930	158,968,930

- (a) The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

20. TREASURY SHARES

During the financial year, the Company has purchased 464,700 (2023 – Nil) of its issued ordinary shares from the open market at an average price of RM 0.84 (2023 – RM Nil) per share. The total consideration paid for the purchase was RM 394,225 (2023 – RM Nil) including transaction costs. The ordinary shares purchased are held as treasury shares in accordance with Section 127(6) of the Companies Act 2016.

Of the total 630,718,960 (2023 - 630,718,960) issued and fully paid-up ordinary shares at the end of the reporting period, 9,834,900 (2023 - 9,370,200) ordinary shares are held as treasury shares by the Company.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

21. RESERVES

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Foreign exchange translation reserve	(16,094,244)	(433,526)	-	-
Retained profits	428,406,729	277,893,379	201,822,973	42,579,312
	412,312,485	277,459,853	201,822,973	42,579,312

Foreign Exchange Translation Reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

22. BANK BORROWINGS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Long-term borrowings:-				
- term loans, secured	4,589,791	5,450,845	-	-
Short-term borrowings:-				
- bank overdrafts, secured	6,872,090	4,258,686	-	-
- bank overdrafts, unsecured	187,015	-	-	-
- bankers' acceptance, secured	21,927,005	25,149,952	-	-
- bankers' acceptance, unsecured	14,602,000	14,022,000	-	-
- term loans, secured	898,668	868,673	-	-
	44,486,778	44,299,311	-	-
Total borrowings	49,076,569	49,750,156	-	-

The bank borrowings of the Group are secured by:-

- (a) a fixed charge over certain subsidiaries' landed properties;
- (b) a corporate guarantee provided by the Company; and
- (c) a joint and several guarantee provided by certain directors of the Company.

The Group has complied with the financial covenants.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

22. BANK BORROWINGS (CONT'D)

The repayment terms of the term loans are as follows:-

Term loan 1 at BLR - 0.70% per annum	Repayable in 180 monthly instalments of RM16,218 each, effective from March 2017.
Term loan 2 at CFR + 1.75% per annum	Repayable in 120 monthly instalments of RM10,519 each, effective from July 2018.
Term loan 3 at CFR + 1.75% per annum	Repayable in 120 monthly instalment of RM10,519 each effective from August 2018.
Term loan 4 at CFR + 1% per annum	Repayment in 120 monthly instalments of RM55,802 each, effective on the first day of the month following the full release of the term loan or the expiry of the initial Availability Period.

The bankers' acceptance of the Group at the end of the reporting period bore effective interest at rates ranging from 3.74% to 4.95% (2023 – 3.80% to 4.74%) per annum.

The bank overdrafts of the Group at the end of the reporting period bore effective interest rates at 8.14% (2023 – 3.85% to 8.75%) per annum.

The term loans of the Group at the end of the reporting period bore effective interest at rate ranging from 4.55% to 5.20% (2023 – 4.55% to 5.20%) per annum.

23. LEASE LIABILITIES

	The Group	
	2024 RM	2023 RM
At 1 January	17,409,754	16,917,678
Additions	9,260,544	2,044,431
Changes due to reassessment of lease term	173,196	-
Changes due to lease modification	3,748,826	1,286,787
Derecognition	(286,156)	-
Interest expense recognised in profit or loss	1,118,123	814,375
Repayment principal	(5,199,410)	(2,839,142)
Repayment of interest expense	(1,118,123)	(814,375)
At 31 December	25,106,754	17,409,754
Analysed by:-		
Current liabilities	6,344,036	3,851,827
Non-current liabilities	18,762,718	13,557,927
	25,106,754	17,409,754

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

24. TRADE PAYABLES

	The Group	
	2024 RM	2023 RM
Trade payables:-		
- third parties	26,229,906	24,379,722
- related parties	8,913,319	10,474,722
	<u>35,143,225</u>	<u>34,854,444</u>

The normal trade credit terms granted to the Group range from 60 to 90 (2023 – 60 to 90) days.

25. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other payables:-				
- third parties	462,174	2,408,168	223	200,284
Deposits	2,755,657	2,459,394	-	-
Accruals	18,489,003	18,138,588	584,090	546,765
	<u>21,706,834</u>	<u>23,006,150</u>	<u>584,313</u>	<u>747,049</u>
Accruals -breakdown:				
Audit fee	407,600	402,300	-	-
Bonus	11,969,572	12,268,963	-	-
Chairman fee	158,400	158,400	-	-
Director fee	308,505	247,900	-	-
Electricity charges	1,429,738	1,424,376	-	-
EPF contribution	453,908	400,549	-	-
Others	3,761,280	3,236,100	584,090	546,765
	<u>18,489,003</u>	<u>18,138,588</u>	<u>584,090</u>	<u>546,765</u>

26. AMOUNT OWING TO DIRECTORS

The amount owing to directors represents unsecured advances granted to the Group. The amounts are repayable on demand and are to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

27. PROVISION FOR EMPLOYEE BENEFITS

- (a) The provision for employee benefits consist of the followings:-

	The Group	
	2024 RM	2023 RM
Defined benefit plans	1,696,861	1,592,964

The Group provides benefits for its employees who has reached the retirement age of 55 based on the provisions of Perppu No. 2/2022 on Job Creation which was later passed into Law No. 6 in 2023. The employee benefits liability is unfunded.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and investment risk.

The most recent actuarial valuation of the present value of the defined benefit plans were carried out by KKA Nandi and Sutama, a member of Institute of Actuaries Indonesia.

- (b) The following table shows a reconciliation from the opening balance to the closing balance for defined benefit plans and its components:-

	The Group	
	2024 RM	2023 RM
At 1 January	1,592,964	1,226,648
Recognised in Profit or Loss		
- current service cost	448,707	243,124
- past service cost	2,399	40,159
- interest cost	93,438	80,920
- gain on settlement	(83,681)	(29,862)
	460,863	334,341
Recognised in Other Comprehensive Income		
Remeasurement of defined benefit plans:-		
- effect of changes in financial assumptions	(31,724)	15,324
- effect of experience adjustment	(11,798)	9,198
	(43,522)	24,522
Other		
Exchange differences	(114,490)	77,563
Utilisation during the financial year	(198,954)	(70,110)
At 31 December	1,696,861	1,592,964

- (c) Principal actuarial assumptions at the end of the reporting period:-

	The Group	
	2024	2023
Discount rate	7%	7%
Salary growth rate	10%	10%
Normal retirement age	55	55

Assumptions regarding future mortality have been based on published statistics and mortality tables.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

27. PROVISION FOR EMPLOYEE BENEFITS (CONT'D)

- (d) Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit plans by the amounts shown below:-

	The Group	
	2024 RM	2023 RM
Discount rate		
Increase of 1%	(87,338)	(36,720)
Decrease of 1%	98,847	42,224
Salary growth rate		
Increase of 1%	89,111	38,110
Decrease of 1%	(80,691)	(33,973)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

At 31 December 2024, the weighted-average duration of the defined benefit plans was 19.60 (2023 – 19.76) years.

28. REVENUE

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Revenue from Contracts with Customers				
<u>Recognised at a point in time</u>				
Cages rental income	23,969	12,440	-	-
Management fee	-	-	366,000	366,000
Trading sales	1,057,248,411	980,333,750	-	-
<u>Recognised over time</u>				
Transportation income	374,400	403,400	-	-
	1,057,646,780	980,749,590	366,000	366,000
Revenue from Other Sources				
Dividend income	-	-	115,102,236	16,851,000
	1,057,646,780	980,749,590	115,468,236	17,217,000

- (a) The information on the disaggregation of revenue is disclosed in Note 39 to the financial statements.
- (b) The information about the performance obligations in contracts with customers is summarised below:

Sale of Good (Credit sales)

Revenue from sale of goods is recognised when the Company has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bear the risk of obsolescence and loss in relation to the goods.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

28. REVENUE (CONT'D)

- (b) The information about the performance obligations in contracts with customers is summarised below: (cont'd)

Sale of Good (Credit sales) (Cont'd)

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The credit period is ranging from 30 days to 90 days from the invoice date. There is no significant financing component in the selling price as the sales are made on the normal credit terms not exceeding 12 months.

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

Sales of Goods (Cash sales)

Revenue from sale of goods is recognised when the Company has transferred control of the goods to the customer, being at the point the customer purchases the goods at the retail outlets. Payment for the transactions is the due immediately at the point the customer purchases the goods and takes delivery in outlet.

There is no significant financing component in the selling price as the sales are made on a cash term.

Transportation services

Revenue is recognised over time when service has been rendered as the customer simultaneously receives and consumes the benefit on the Company performs.

The credit period is 90 days from the invoice date. There is no significant financing component in the selling price as the sales are made on the normal credit terms not exceeding 12 months.

There is no warranty provided to the customers on the services rendered.

29. NET IMPAIRMENT LOSSES / (GAINS) ON FINANCIAL ASSETS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Impairment losses for the financial year				
- trade receivables (Note 42.1(b)(iii))	1,652,036	169,685	-	-
- other receivables (Note 42.1(b)(iii))	28,672	-	-	-
- amount owing by subsidiaries (Note 42.1(b)(iii))	-	-	357,582	969,541
Reversal of impairment losses for the financial year				
- trade receivables (Note 42.1(b)(iii))	(767,482)	(492,414)	-	-
- other receivables (Note 42.1(b)(iii))	(240,928)	(74,688)	-	-
	672,298	(397,417)	357,582	969,541

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. PROFIT BEFORE TAXATION

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit before taxation is arrived at after charging/(crediting):-				
Auditor's remuneration:-				
- current financial year	620,371	599,742	90,000	89,000
Amortisation of intangible assets	96,004	301,642	-	-
Bad debts recovered	(12,324)	-	-	-
Bad debts written off	89,078	187,615	-	-
Depreciation of investment properties	905,636	817,994	-	-
Depreciation of property, plant and equipment	28,595,969	25,904,519	160,571	160,847
Management fee	12,600	17,701	-	-
Impairment loss on investment in a subsidiary	-	-	-	100,000
Allowance for stock obsolescence	-	1,469	-	-
Directors' remuneration (Note 37)	5,642,760	4,976,582	451,883	447,600
Dividend income:-				
- subsidiaries	-	-	(115,102,236)	(16,851,000)
Changes in fair value on biological assets	(536,516)	(5,468,834)	-	-
Gain on derecognition of lease contract	(38,048)	-	-	-
Gain on disposal of property, plant and equipment	(484,701)	(37,722)	-	-
Gain on disposal of investment properties	-	(1,379,446)	-	-
Interest expense on financial liabilities not at fair value through profit or loss:-				
- bank overdrafts	44,534	36,642	-	-
- bankers' acceptance	1,511,651	1,420,472	-	-
- lease liabilities	1,118,123	814,375	-	-
- term loans	275,147	304,413	-	-
- other interest	-	79,167	-	-
Interest income				
- subsidiaries	-	-	(255,580)	(483,429)
- short-term investment	(31,609)	(35,688)	(31,609)	(35,688)
- others	(2,056,903)	(556,595)	(16,727)	(6,394)
Gain on disposal of subsidiary	-	-	(83,120,295)	-
(Gain)/loss on foreign exchange:-				
- realised	(554,073)	(711,568)	-	-
- unrealised	(15,949)	1,376	-	-
Fair value gain:-				
- short-term investment	(101,170)	(201,493)	(101,170)	(201,493)
Lease income:-				
- rental income from investment properties	(199,650)	(197,242)	-	-
- property, plant and equipment	(80,800)	-	-	-
Management fee income	-	-	(366,000)	(366,000)
Property, plant and equipment written off	106,953	38,016	-	-
Rental income on:-				
- property, plant and equipment	(906,662)	(448,420)	-	-
Share of profits in an equity accounted associate	(4,990,112)	(4,779,040)	-	-
Staff cost:-				
- short-term employee benefits	85,047,887	77,263,779	699,390	528,128
- defined contribution plan	5,863,973	5,392,695	83,722	63,921

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

31. INCOME TAX EXPENSE

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Income tax:-				
- Malaysian tax	15,116,934	11,368,291	-	-
- Foreign tax	16,809,820	10,399,559	-	-
- Withholding tax	10,088,545	-	9,710,224	-
	42,015,299	21,767,850	9,710,224	-
(Over)/underprovision in previous financial year:-				
- Malaysian tax	(610,371)	(26,578)	20,581	-
Real property gain tax	-	54,000	-	-
Deferred tax (Note 11):-				
- origination and reversal of temporary differences	786,454	2,623,448	85,289	(152,008)
- (Over)/underprovision in previous financial years	(1,738,349)	(333,009)	281	19,359
	(951,895)	2,290,439	85,570	(132,649)
	40,453,033	24,085,711	9,816,375	(132,649)

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

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit before taxation	112,029,289	107,441,000	195,447,609	15,095,703
Tax at statutory tax rate of 24%	26,887,031	25,785,839	46,907,426	3,622,969
Tax effects of:-				
Deferred tax recognised at different tax rates	(1,567,265)	(912,649)	-	-
Non-taxable income	3,928,332	(5,338,065)	(47,616,696)	(4,132,581)
Non-deductible expenses	2,896,127	5,034,153	794,559	357,604
Deferred tax assets not recognised during the financial year	139,053	82,922	-	-
(Over)/underprovision in the previous financial year:-				
- current tax	(610,371)	(26,578)	20,581	-
- deferred tax	(1,738,349)	(333,009)	281	19,359
Real property gain tax	-	54,000	-	-
Withholding tax	10,088,545	-	9,710,224	-
Others	429,930	(260,902)	-	-
Income tax expense for the financial year	40,453,033	24,085,711	9,816,375	(132,649)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

31. INCOME TAX EXPENSE (CONT'D)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

32. OTHER COMPREHENSIVE INCOME

	The Group	
	2024 RM	2023 RM
<u>Items that Will Not be Reclassified Subsequently to Profit or Loss</u>		
Remeasurement of defined benefit plans	33,947	(19,127)
<u>Items that Will be Reclassified Subsequently to Profit or Loss</u>		
Foreign exchange translation:-		
- changes during the financial year	(11,420,814)	7,719,649
	(11,386,867)	7,700,522

33. EARNINGS PER SHARE

(a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares in issue after adjusting for treasury shares during the financial year.

	The Group	
	2024 RM	2023 RM
Profit after taxation attributable to the owners of the Company (RM)	71,492,507	83,266,067
Weighted average number of ordinary shares:-		
Issued ordinary shares at 1 January	630,718,960	630,718,800
Warrant 2018/2023 exercise	-	160
Effect of treasury shares held	(9,834,900)	(9,370,200)
Weighted average number of shares at 31 Decembe	620,884,060	621,348,760
Basic earnings per share (sen)	11.51	13.40

(b) Diluted Earnings Per Share

The exercise of warrants was anti-dilutive as its exercise price was higher than the average market price of the Company's ordinary shares during the current financial year. Accordingly, the exercise of warrants had been ignored in the calculation of dilutive earnings per shares.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. DIVIDENDS

	2024		2023	
	Dividend per share sen	Amount of Dividend RM	Dividend per share sen	Amount of Dividend RM
Dividend paid in respect of the financial year ended 31 December 2023:-				
- final single tier dividend, on ordinary shares	4.25	26,387,573	-	-
Dividend paid in respect of the financial year ended 31 December 2022:-				
- final single tier dividend, on ordinary shares	-	-	3.50	21,747,201
	4.25	26,387,573	3.50	21,747,201

At the forthcoming Annual General Meeting, a final dividend of 3.50 sen per ordinary share in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for as a liability in the financial year ending 31 December 2025.

35. PARTIAL DISPOSAL OF INTEREST IN A SUBSIDIARY WITHOUT LOSS OF CONTROL

During the financial year, the Group disposed of 26.48% equity interest in its subsidiary, PT Adilmart, for a cash consideration of RM88.1 million. Following the disposal, the Group's equity interest in PT Adilmart decreased from 100% to 73.52%. PT Adilmart also increased its paid-up capital through the issuance of additional ordinary shares, which were fully subscribed by the non-controlling interests for RM59.8 million. This share subscription further diluted the Group's equity interest in PT Adilmart to 62.29%. Control over PT Adilmart was retained, as the Group continues to govern relevant activities through voting right.

The transactions above are treated as equity transactions (ie. transactions with non-controlling interests). No gain or loss is recognised in profit or loss. The difference between consideration received and the carrying amount of the disposal interests is adjusted directly in equity attributable to the parent which is summarised as follows:-

	RM
Carrying amount of interests in subsidiary disposed of	(46,924,201)
Consideration received from non-controlling interest	147,886,693
Excess of consideration received recognised in parents equity	100,962,492

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

36. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of property, plant and equipment is as follows:-

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cost of property, plant and equipment purchased (Note 7)	46,358,801	35,714,645	4,972	1,850
Less: additions of new lease liabilities (Note (c) below)	(9,260,544)	(2,044,431)	-	-
	37,098,257	33,670,214	4,972	1,850

- (b) The reconciliations of liabilities arising from financing activities are as follows: -

The Group	Bankers' Acceptance	Lease Liabilities	Term Loans	Total
	RM	RM	RM	RM
2024				
At 1 January 2024	39,171,952	17,409,754	6,319,518	62,901,224
<u>Changes in Financing Cash Flows</u>				
Proceeds from drawdown	38,784,000	-	-	38,784,000
Repayment of principal	(41,426,947)	(5,199,410)	(831,059)	(47,457,416)
	(2,642,947)	(5,199,410)	(831,059)	(8,673,416)
<u>Non-cash Changes</u>				
Acquisition of new leases (Note 23)	-	9,260,544	-	9,260,544
Derecognition of lease contract (Note 23)	-	(286,156)	-	(286,156)
Reassessments/Modifications of leases (Note 23)	-	3,922,022	-	3,922,022
	-	12,896,410	-	12,896,410
At 31 December 2024	36,529,005	25,106,754	5,488,459	67,124,218
2023				
At 1 January 2023	35,241,504	16,917,678	7,129,054	59,288,236
<u>Changes in Financing Cash Flows</u>				
Proceeds from drawdown	3,930,448	-	-	3,930,448
Repayment of principal	-	(2,839,142)	(809,536)	(3,648,678)
	3,930,448	(2,839,142)	(809,536)	281,770
<u>Non-cash Changes</u>				
Acquisition of new leases (Note 23)	-	2,044,431	-	2,044,431
Reassessments/Modifications of leases (Note 23)	-	1,286,787	-	1,286,787
	-	3,331,218	-	3,331,218
At 31 December 2023	39,171,952	17,409,754	6,319,518	62,901,224

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

36. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (cont'd): -

	Amount Owing To Subsidiaries RM	Total RM
The Company		
2024		
At 1 January 2024	11,104,447	11,104,447
<u>Changes in Financing Cash Flows</u>		
Repayment of borrowing principal	(5,520,545)	(5,520,545)
	(5,520,545)	(5,520,545)
At 31 December 2024	5,583,902	5,583,902
	Amount Owing To Subsidiaries RM	Total RM
The Company		
2023		
At 1 January 2023	7,177,682	7,177,682
<u>Changes in Financing Cash Flows</u>		
Advance from subsidiaries	3,926,765	3,926,765
	3,926,765	3,926,765
At 31 December 2023	11,104,447	11,104,447

(c) The cash and cash equivalents comprise the followings:-

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash and bank balances	154,879,807	104,507,295	11,865,941	831,582
Deposits with licensed banks	18,079,315	20,077,918	-	-
Bank overdrafts	(7,059,105)	(4,258,686)	-	-
	165,900,017	120,326,527	11,865,941	831,582

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

36. CASH FLOW INFORMATION (CONT'D)

(d) The total cash outflows for leases as a lessee are as follows:-

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Interest paid on lease liabilities	1,118,123	814,375	-	-
Payment of lease liabilities	5,199,410	2,839,142	-	-
Payment of short-term leases	14,400	14,400	-	-
Payment of leases of low-value assets	-	4,993	-	-
	6,331,933	3,672,910	-	-

37. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

(a) Directors

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<u>Directors of the Company</u>				
<i>Executive Directors</i>				
Short-term employee benefits:-				
- fees	73,180	75,180	64,900	66,900
- salaries, bonuses and other benefits	3,719,846	3,231,488	-	-
	3,793,026	3,306,668	64,900	66,900
Defined contribution plan	331,050	298,547	-	-
	4,124,076	3,605,215	64,900	66,900
<i>Non-executive Directors</i>				
Short-term employee benefits:-				
- fees	405,943	399,060	386,983	290,700
- other benefits	-	-	-	90,000
	405,943	399,060	386,983	380,700
	4,530,019	4,004,275	451,883	447,600

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

37. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows:- (Cont'd)

(a) Directors (Cont'd)

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Directors (Cont'd)				
<u>Directors of the Subsidiaries</u>				
<i>Executive Directors</i>				
Short-term employee benefits:-				
- fees	2,040	2,040	-	-
- salaries, bonuses and other benefits	1,026,385	897,630	-	-
	1,028,425	899,670	-	-
Defined contribution plan	84,316	72,637	-	-
	1,112,741	972,307	-	-
Total directors' remuneration (Note 30)	5,642,760	4,976,582	451,883	447,600

38. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Subsidiaries:-				
- accounting fee	-	-	24,000	24,000
- advisory fee income	-	-	(53,400)	(53,400)
- dividend income	-	-	(115,102,236)	(16,851,000)
- purchase on goods	-	-	11,387	10,827
- interest income	-	-	(255,580)	(483,429)
- management income	-	-	(366,000)	(366,000)
- service income	-	-	-	(67,370)
- sundry income	-	-	(48,190)	-
Associate:-				
- dividend income	-	-	-	-
- purchase of products	133,936,613	145,376,658	-	-
- freight charges	1,369	1,287,770	-	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. SIGNIFICANT RELATED PARTY DISCLOSURES

(b) Significant Related Party Transactions and Balances (Cont'd)

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:- (Cont'd)

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Companies in which the directors and their close family members have substantial financial interests:-				
- advisory fee	9,000	9,000	9,000	9,000
- freight charges	352,951	-	-	-
- purchase of products	4,409,192	5,139,458	-	-
- sale of products	(4,389,014)	(3,983,735)	-	-
- rental	1,433,051	1,348,227	-	-

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

39. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Managing Director, as the chief operating decision maker, in order to allocate resources to the segments and to assess their performances on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 5 main reportable segments as follows:-

- Poultry Segment – involved in the rearing and production of poultry and poultry products.
 - Prawn Segment – involved in the rearing and production of prawns and seafood products.
 - Food Service Segment – involved in the supply and trading of food products and related services.
 - Retail Segment – involved in the trading of coldstorage products, poultry products and fresh produce.
 - Corporate Segment – involved in the provision of management services.
- (a) The Group Managing Director assesses the performances of the reportable segments based on their profit before taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.
- (b) Each reportable segment's assets are measured based on all assets (including goodwill) of the segments other than investments in associates and tax-related assets.
- (c) Each reportable segment's liabilities are measured based on all liabilities of the segments other than borrowings and tax-related liabilities.
- (d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets and head office expenses.

Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

39. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS

2024	Poultry RM	Prawn RM	Food Service RM	Retail RM	Corporate RM	Elimination RM	Group RM
Revenue							
External revenue	125,635,213	91,344,689	20,827,775	819,839,103	-	-	1,057,646,780
Inter-segment revenue	249,275,975	14,966,031	2,949	113,313,255	97,468,236	-	475,026,446
	374,911,188	106,310,720	20,830,724	933,152,358	97,468,236	-	1,532,673,226
Consolidation adjustments							(475,026,446)
Consolidated revenue							1,057,646,780

Results

Segment profit before interest and taxation	24,655,374	9,078,718	1,491,217	80,783,156	103,725,160	(109,744,993)	109,988,632
Finance costs							(2,949,455)
Share of results in an associate							4,990,112
Consolidated profit before taxation							112,029,289

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

39. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

2024

Results (Cont'd)

Segment profit before interest and taxation includes the followings:-

Interest expense	503,825	61,812	-	1,092,119	173,576	1,831,332
Interest income	(1,857)	(649,501)	(30,273)	(1,358,545)	(48,336)	(2,088,512)
Interest expense on lease liabilities	3,078	16,992	-	1,098,053	-	1,118,123
Depreciation of investment properties	-	-	-	905,636	-	905,636
Depreciation of property, plant and equipment	5,538,235	1,973,546	157,413	20,896,023	30,752	28,595,969
Other material non-cash items	(553,703)	1,506,315	(26,666)	476,855	357,582	1,760,383
Share of results in an associate	-	-	-	-	4,990,112	4,990,112

Assets

Segment assets	124,346,934	72,451,443	14,586,453	386,873,436	128,779,651	727,037,917
Unallocated assets:-						
- investment in an associate						38,413,639
- goodwill						380,224
- deferred tax assets						1,676,466
- current tax assets						452,757

Consolidated total assets

767,961,003

Additions to non-current assets other than financial instruments and deferred tax assets are:-

Property, plant and equipment	10,517,740	351,552	80,436	35,404,101	4,972	46,358,801
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NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

39. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

2024	Poultry RM	Prawn RM	Food Service RM	Retail RM	Corporate RM	Group RM
Liabilities						
Segment liabilities	27,874,834	9,562,729	1,378,368	65,424,062	4,190,838	108,430,831
Unallocated liabilities:-						
- deferred tax liabilities						8,562,802
- lease liabilities						25,106,754
- current tax liabilities						13,813,476
- consolidated adjustments						(806,622)
Consolidated total liabilities						<u>155,107,241</u>
2023						
Revenue						
External revenue	111,213,530	93,502,736	24,073,689	751,959,635	-	980,749,590
Inter-segment revenue	225,377,793	16,364,457	660	106,460,391	17,217,000	365,420,301
	<u>336,591,323</u>	<u>109,867,193</u>	<u>24,074,349</u>	<u>858,420,026</u>	<u>17,217,000</u>	<u>1,346,169,891</u>
Consolidation adjustments						(365,420,301)
Consolidated revenue						<u>980,749,590</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

39. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

2023	Poultry RM	Prawn RM	Food Service RM	Retail RM	Corporate RM	Group RM
Results						
Segment profit before interest and taxation	24,539,228	9,492,369	2,982,786	71,400,109	(3,097,463)	105,317,029
Finance costs						(2,655,069)
Share of results in an associate						4,779,040
Consolidated profit before taxation						<u>107,441,000</u>
Segment profit before interest and taxation includes the followings:-						
Interest expense	551,561	45,130	-	1,052,536	191,467	1,840,694
Interest income	(2,768)	(154,357)	(7,342)	(385,734)	(42,082)	(592,283)
Interest expense on lease liabilities	3,151	12,609	-	798,615	-	814,375
Depreciation of investment properties	-	-	-	817,994	-	817,994
Depreciation of property, plant and equipment	5,596,586	1,104,332	119,427	19,053,146	31,028	25,904,519
Other material non-cash items	7,403	280,560	(31,667)	897,693	969,541	2,123,530
Share of results in an associate	-	-	-	-	4,779,040	4,779,040

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

39. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

2023	Poultry RM	Prawn RM	Food Service RM	Retail RM	Corporate RM	Group RM
Assets						
Segment assets	121,854,625	66,688,094	14,224,073	321,736,402	15,762,482	540,265,676
Unallocated assets:-						
- investment in an associate						33,423,527
- goodwill						380,224
- deferred tax assets						1,778,698
- current tax assets						397,952
Consolidated total assets						576,246,077
Additions to non-current assets other than financial instruments and deferred tax assets are:-						
Property, plant and equipment	15,726,306	761,280	275,444	18,949,765	1,850	35,714,645
Liabilities						
Segment liabilities	31,548,057	9,772,875	1,621,935	61,859,324	4,849,522	109,651,713
Unallocated liabilities:-						
- deferred tax liabilities						9,600,885
- lease liabilities						17,409,754
- current tax liabilities						8,472,246
- consolidated adjustments						(447,999)
Consolidated total liabilities						144,686,599

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

39. OPERATING SEGMENTS (CONT'D)

GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments and deferred tax assets.

Group	Revenue		Non-current Assets	
	2024 RM	2023 RM	2024 RM	2023 RM
Indonesia	212,590,641	197,857,777	53,412,682	52,573,490
Hong Kong	636,348	1,193,596	-	-
Japan	58,345,053	55,911,140	-	-
Korea	-	3,093,880	-	-
People's Republic of China	-	4,042,379	-	-
Singapore	1,598,998	-	-	-
Thailand	-	4,334,547	-	-
Malaysia	774,793,099	708,963,538	231,527,677	210,605,804
Taiwan	9,682,641	5,052,213	-	-
Vietnam	-	300,520	-	-
	1,057,646,780	980,749,590	284,940,359	263,179,294

MAJOR CUSTOMERS

There is no single customer that contributed 10% or more to the Group's revenue.

40. CAPITAL COMMITMENTS

	The Group	
	2024 RM	2023 RM
Purchase of property, plant and equipment	5,849,586	4,309,706
Digitalisation of the CCK Group's operations and upgrading of digital technologies	3,882,000	-
	9,731,586	4,309,706

41. CONTINGENT LIABILITIES

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	The Group	
	2024 RM	2023 RM
Performance guarantee extended by a subsidiary to third parties	6,380,237	7,538,840

The performance guarantee is supported by a corporate guarantee provided by the Company.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

42.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group and the Company are exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Japanese Yen ("JPY") and Indonesian Rupiah ("IDR"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

The Group	Indonesian Rupiah RM	Hong Kong Dollar RM	Japan Yen RM	United States Dollar RM	Ringgit Malaysia RM	Total RM
2024						
Financial Assets						
Trade receivables	7,371,351	-	-	575,443	40,762,517	48,709,311
Short-term investment	-	-	-	-	108,026,105	108,026,105
Other receivables and deposits	410,615	-	-	-	14,359,784	14,770,399
Derivative assets	-	-	-	-	136,274	136,274
Deposits with licensed banks	-	-	-	-	18,079,315	18,079,315
Cash and bank balances	93,541,267	301	8,235,852	1,961,006	51,141,381	154,879,807
	101,323,233	301	8,235,852	2,536,449	232,505,376	344,601,211

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group	Indonesian Rupiah RM	United States Dollar RM	Ringgit Malaysia RM	Total RM
2024				
<u>Financial Liabilities</u>				
Trade payables	6,806,695	-	28,336,530	35,143,225
Other payables, deposits and accruals	2,077,992	-	19,628,842	21,706,834
Amount owing to directors	-	-	720	720
Bank borrowings:-				
- bank overdrafts	2,502,000	1,572,563	2,984,542	7,059,105
- other borrowings	-	-	42,017,464	42,017,464
Lease liabilities	-	-	25,106,754	25,106,754
	11,386,687	1,572,563	118,074,852	131,034,102

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group	Indonesian Rupiah RM	Hong Kong Dollar RM	Japan Yen RM	United States Dollar RM	Ringgit Malaysia RM	Total RM
2024						
Net financial assets	89,936,546	301	8,235,852	963,886	114,294,250	213,430,835
Less: Net financial assets denominated in the respective entities' functional currencies	(89,936,546)	-	-	-	(114,294,250)	(204,230,796)
Currency exposure	-	301	8,235,852	963,886	-	9,200,039

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group	Indonesian Rupiah RM	Hong Kong Dollar RM	Japan Yen RM	United States Dollar RM	Ringgit Malaysia RM	Total RM
2023						
<u>Financial Assets</u>						
Trade receivables	7,266,878	-	-	456,751	41,216,315	48,939,944
Short-term investment	-	-	-	-	5,781,971	5,781,971
Other receivables and deposits	654,147	-	-	-	9,311,761	9,965,908
Deposits with licensed banks	-	-	-	-	20,077,918	20,077,918
Cash and bank balances	55,918,248	306	14,103	651,457	47,923,181	104,507,295
	63,839,273	306	14,103	1,108,208	124,311,146	189,273,036
<u>Financial Liabilities</u>						
Trade payables	8,070,531	-	-	-	26,783,913	34,854,444
Other payables, deposits and accruals	5,057,528	-	-	90,337	17,858,285	23,006,150
Bank borrowings:-						
- bank overdrafts	3,762,190	-	-	-	496,496	4,258,686
- other borrowings	-	-	-	-	45,491,470	45,491,470
Lease liabilities	-	-	-	-	17,409,754	17,409,754
	16,890,249	-	-	90,337	108,039,918	125,020,504

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group	Indonesian Rupiah RM	Hong Kong Dollar RM	Japan Yen RM	United States Dollar RM	Ringgit Malaysia RM	Total RM
2023						
Net financial assets/(liabilities)	46,949,024	306	14,103	1,017,871	16,271,228	64,252,532
Less: Net financial (assets)/liabilities denominated in the respective entities' functional currencies	(46,949,024)	-	-	-	(16,271,228)	(63,220,252)
Currency exposure	-	306	14,103	1,017,871	-	1,032,280

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	The Group	
	2024 RM	2023 RM
Effects on Profit after Taxation		
USD/RM - strengthened by 10%	- 73,000	- 77,000
- weakened by 10%	+ 73,000	+ 77,000
JPY/RM - strengthened by 10%	- 626,000	- 1,000
- weakened by 10%	+ 626,000	+ 1,000
Effects on Equity		
IDR/RM - strengthened by 10%	+ 6,757,000	+ 3,460,000
- weakened by 10%	- 6,757,000	- 3,460,000
USD/RM - strengthened by 10%	- 73,000	- 77,000
- weakened by 10%	+ 73,000	+ 77,000
JPY/RM - strengthened by 10%	- 626,000	- 1,000
- weakened by 10%	+ 626,000	+ 1,000

(ii) 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 exposure to interest rate risk arises mainly from its long-term borrowings with variable rates. The Group and the Company adopts a policy of obtaining the most favourable interest rates available.

The fixed rate debt instruments of the Group and of the Company are not subject to interest rate risk since neither carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 22 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
	2024	2023
	RM	RM
Effects on Profit after Taxation		
Increase of 25 basis points	- 23,000	- 20,000
Decrease of 25 basis points	+ 23,000	+ 20,000
Effects on Equity		
Increase of 25 basis points	- 23,000	- 20,000
Decrease of 25 basis points	+ 23,000	+ 20,000

(iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including deposits with licensed banks and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

The Group and the Company do not have any major concentration of credit risk related to any individual customer or counterparty.

(ii) Maximum exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries of RM44,614,283 (2023: RM44,232,183), representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition was not material.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses

At each reporting date, the Group and the Company evaluate whether any of financial assets at amortised cost are credit impaired.

The gross carrying amounts of those financial assets are written off when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:-

- significant financial difficulty of the receivable;
- a breach of contract, such as a default or a past due event;
- restructuring of a debt in relation to the receivable's financial difficulty;
- it is becoming probable that the receivable will enter bankruptcy and other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 90 days past due unless the Group and the Company have has reasonable and supportable information to demonstrate that a more a lagging default criterion is more appropriate.

Trade Receivables

The Group applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables (including related parties) have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on an individual basis.

The expected loss rates are based on the historical credit losses experienced, adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts using linear regressive analysis. The Group has identified the unemployment rate as the key macroeconomic factor of the forward-looking information.

For some of the subsidiaries, the historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward- looking assumptions which correlate to the historical loss rate.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Allowance for Impairment Losses

The reconciliations of allowance for impairment losses are as follows:-

The Group	Non-credit Impaired RM	Credit Impaired RM	Total RM
<u>Trade receivables</u>			
Balance at 1.1.2023	92,889	2,578,324	2,671,213
Additions	58,108	111,577	169,685
Reversals	-	(492,414)	(492,414)
Write off	-	(1,103,552)	(1,103,552)
Foreign exchange differences	-	9,575	9,575
Balance at 31.12.2023/1.1.2024	150,997	1,103,510	1,254,507
Additions	189,632	1,462,404	1,652,036
Reversals	(13,906)	(753,576)	(767,482)
Write off	-	(57,120)	(57,120)
Foreign exchange differences	-	(9,440)	(9,440)
Balance at 31.12.2024	326,723	1,745,778	2,072,501

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:-

The Group	Gross amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
2024				
Current (not past due)	41,514,014	-	(105,922)	41,408,092
1 to 30 days past due	4,391,959	-	(18,248)	4,373,711
31 to 60 days past due	845,238	-	(378)	844,860
61 to 90 days past due	1,237,771	-	(47,868)	1,189,903
More than 90 days past due	629,841	-	(227,623)	402,218
	48,618,823	-	(400,039)	48,218,784
Credit impaired	2,162,989	(1,672,462)	-	490,527
	50,781,812	(1,672,462)	(400,039)	48,709,311

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:-

The Group	Gross amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
2023				
Current (not past due)	34,183,720	-	(21,812)	34,161,908
1 to 30 days past due	9,575,216	-	(11,895)	9,563,321
31 to 60 days past due	3,166,557	-	(3,209)	3,163,348
61 to 90 days past due	1,468,483	-	(64,864)	1,403,619
More than 90 days past due	936,251	-	(581,640)	354,611
	49,330,227	-	(683,420)	48,646,807
Credit impaired	864,224	(324,278)	(246,809)	293,137
	50,194,451	(324,278)	(930,229)	48,939,944

Trade receivables that are individually determined to be impaired related to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

There has not been any significant change in the gross amounts of trade receivables that impacted the allowance for impairment losses.

Other Receivables (Including Related Parties)

The Group applies the 3-stage general approach to measure expected credit losses for its other receivables.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The reconciliations of allowance for impairment losses are as follows:-

	Non-Performing RM	Total RM
The Group		
<u>Other receivables</u>		
Balance at 1.1.2023	448,710	448,710
Reversals	(74,688)	(74,688)
Foreign exchange differences	23,398	23,398
Balance at 31.12.2023/1.1.2024	397,420	397,420
Additions	28,672	28,672
Reversals	(240,928)	(240,928)
Foreign exchange differences	(20,230)	(20,230)
Balance at 31.12.2024	164,934	164,934

The information about the credit exposure and loss allowances recognised for other receivables are as follows:-

	Gross amount RM	Lifetime Loss Allowance RM	Carrying Amount RM
The Group			
2024			
Low credit risk	14,906,673	-	14,906,673
Credit impaired	164,934	(164,934)	-
	15,071,607	(164,934)	14,906,673
2023			
Low credit risk	9,965,908	-	9,965,908
Credit impaired	397,420	(397,420)	-
	10,363,328	(397,420)	9,965,908

The allowance for impairment losses is individually determined and relates to:

- Other receivables of "non-performing" category who are in significant financial difficulties and defaulted on payments.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount owing by Subsidiaries

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on an individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through "repayable over time" or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The reconciliations of allowance for impairment losses are as follows:-

	Non-Performing RM	Total RM
The Company		
Balance at 1.1.2023	-	-
Additions	969,541	969,541
Balance at 31.12.2023/1.1.2024	969,541	969,541
Additions	357,582	357,582
Balance at 31.12.2024	1,327,123	1,327,123

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for amount owing by subsidiaries are as follows:-

	Gross amount RM	Lifetime Loss Allowance RM	Carrying Amount RM
The Company			
2024			
Low credit risk	78,700,084	-	78,700,084
Credit impaired	1,327,123	(1,327,123)	-
	80,027,207	(1,327,123)	78,700,084
	Gross amount RM	Lifetime Loss Allowance RM	Carrying Amount RM
2023			
Low credit risk	86,717,532	-	86,717,532
Credit impaired	969,541	(969,541)	-
	87,687,073	(969,541)	86,717,532

The allowance for impairment losses is individually determined and relates to subsidiaries of "non-performing" category who are in significant financial difficulties and defaulted on payments.

There has not been any significant change in the gross amounts of amount owing by subsidiaries that impacted the allowance for impairment losses.

Financial Guarantees Contract

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Financial Guarantees Contract (Cont'd)

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities 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):-

The Group	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	On Demand or Within 1 Year RM	1 - 2 Years RM	2 - 5 Years RM	Over 5 Years RM
2024							
Trade and other payables							
- non-interest bearing	-	56,850,059	56,850,059	56,850,059	-	-	-
Amount owing to directors		720	720	720	-	-	-
Borrowings:-							
- bank overdraft	8.14	7,059,105	7,059,105	7,059,105	-	-	-
- bankers' acceptance	3.74 - 4.95	36,529,005	36,529,005	36,529,005	-	-	-
- term loans	4.55 - 5.20	5,488,459	5,736,474	1,065,587	1,072,255	3,197,808	400,824
Lease liabilities	4.20 - 6.70	25,106,754	27,688,502	6,509,468	8,822,569	9,284,099	3,072,366
		131,034,102	133,863,865	108,013,944	9,894,824	12,481,907	3,473,190

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The Group	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	On Demand or Within 1 Year RM	1 - 2 Years RM	2 - 5 Years RM	Over 5 Years RM
2023							
Trade and other payables							
- non-interest bearing	-	57,860,594	57,860,594	57,860,594	-	-	-
Borrowings:-							
- bank overdraft	3.85 - 8.75	4,258,686	4,258,686	4,258,686	-	-	-
- bankers' acceptance	3.80 - 4.74	39,171,952	39,171,952	39,171,952	-	-	-
- term loans	4.55 - 5.20	6,319,518	6,681,800	1,116,686	1,183,266	3,992,616	389,232
Lease liabilities	4.20 - 6.45	17,409,754	19,585,798	3,683,578	6,104,210	9,073,810	724,200
		125,020,504	127,558,830	106,091,496	7,287,476	13,066,426	1,113,432

NOTES TO THE FINANCIAL STATEMENTS (Cont'd) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The Company	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	On Demand or Within 1 Year RM	1 - 2 Years RM	2 - 5 Years RM
2024						
Other payables	-	584,313	584,313	584,313	-	-
Amount owing to subsidiaries	-	5,583,902	5,583,902	5,583,902	-	-
Financial guarantee contract *	-	-	44,614,283	44,614,283	-	-
		6,168,215	50,782,498	50,782,498	-	-
2023						
Other payables	-	747,049	747,049	747,049	-	-
Amount owing to subsidiaries	-	11,104,447	11,104,447	11,104,447	-	-
Financial guarantee contract *	-	-	44,232,183	44,232,183	-	-
		11,851,496	56,083,679	56,083,679	-	-

* The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.2 CAPITAL RISK MANAGEMENT

The Group and the Company manages their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholder(s) value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group and the Company include within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interests. The debt-to-equity ratio of the Group and the Company at the end of the reporting period are as follows:-

	The Group	
	2024	2023
	RM	RM
Bank borrowings:-		
- bank overdrafts	7,059,105	4,258,686
- lease liabilities	25,106,754	17,409,754
- other borrowings	42,017,464	45,491,470
	74,183,323	67,159,910
Less: Deposits with licensed banks	(18,079,315)	(20,077,918)
Less: Cash and bank balances	(154,879,807)	(104,507,295)
Net debt	(98,775,799)	(57,425,303)
Total equity	612,853,762	431,559,478
Debt-to-equity ratio	*	*

* Not applicable as the Company's cash and cash equivalents exceed its borrowings.

There was no change in the approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Financial Assets				
<u>Fair value through profit or loss</u>				
Short-term investment	108,026,105	5,781,971	108,026,105	5,781,971
<u>Amortised Cost</u>				
Trade receivables	48,709,311	48,939,944	-	-
Other receivables and deposits	14,906,673	9,965,908	1,148,446	626,695
Amount owing by subsidiaries	-	-	78,700,084	86,717,532
Deposits with licensed banks	18,079,315	20,077,918	-	-
Cash and bank balances	154,879,807	104,507,295	11,865,941	831,582
	344,601,211	189,273,036	199,740,576	93,957,780
Financial Liabilities				
<u>Amortised Cost</u>				
Trade payables	35,143,225	34,854,444	-	-
Other payables, deposits and accruals	21,706,834	23,006,150	584,313	747,049
Amount owing to subsidiaries	-	-	5,583,902	11,104,447
Amount owing to directors	720	-	-	-
Bank borrowings:-				
- bank overdrafts	7,059,105	4,258,686	-	-
- other borrowings	42,017,464	45,491,470	-	-
Lease liabilities	25,106,754	17,409,754	-	-
	131,034,102	125,020,504	6,168,215	11,851,496

42.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Financial Assets				
<u>Amortised Cost</u>				
Net (gains)/losses recognised in profit or loss	(1,485,775)	(954,012)	(15,895)	278,225
Financial Liabilities				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	1,831,332	1,840,694	-	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

42. FINANCIAL INSTRUMENTS (CONT'D)

42.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

- (a) The fair values of the term loans approximate their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (b) The fair value of money market funds is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

43. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

On 12 September 2024, the Company entered into a Conditional Share Purchase and Subscription Agreement ("CSPSA") with PT Adilmart ("Adilmart"), a subsidiary of the Company, Astrantia Sdn Bhd ("Astrantia"), Tiong Chiong Hiiung (Managing Director of the Company), and Ethan Tiong Ing Hung (Deputy Chief Executive Officer of the Company) for the disposal of 31,772 existing ordinary shares in Adilmart ("Adilmart Shares"), representing approximately 26.5 % equity interest in Adilmart by the Company to Astrantia for a cash consideration of RM88.1 million and the allotment and issuance by Adilmart of 27,047 new Adilmart Shares into two tranches to Astrantia, representing approximately 18.4% of the enlarged issued Adilmart Shares, for a total cash consideration of RM75.0 million.

The transfer of 31,772 existing ordinary shares in PT Adilmart and the first tranche of the share subscription of 21,638 shares were completed on 23 December 2024.

Upon the completion of the above share transactions, the company's equity interests in PT Adilmart reduce from 100% to 62.29%.

ADDITIONAL COMPLIANCE INFORMATION

The following information is presented in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad:

AUDIT AND NON-AUDIT FEES

The amount of audit fees paid or payable to the Company's external auditors, Messrs Crowe Malaysia PLT ("CM") for the financial year ended 31 December 2024 by the Company and the Group are RM90,000 and RM407,600 respectively. The amount of non-audit fees incurred for services rendered to the Company and the Group for the financial year ended 31 December 2024 to CM and a firm or corporation affiliated to CM amounted to RM96,200 and RM180,650 respectively.

UTILISATION OF PROCEEDS FROM CORPORATE PROPOSALS

- (a) **Disposal of 31,772 existing ordinary shares in PT Adilmart ("Adilmart"), representing approximately 26.5% equity interest in Adilmart, by the Company to Astrantia Sdn. Bhd. ("Astrantia") for a cash consideration of RM88.1 million**

The disposal of shares was completed on 23 December 2024. As at 31 March 2025, the utilisation of funds is as follows:

Purpose	Approved utilisation (RM'000)	Actual utilisation (RM'000)	Deviation		Reasons for deviation	Intended timeframe
			(RM'000)	(%)		
Expansion of factory and construction of coldrooms in Kuching, Sarawak	20,000	0	0	0	N/A	33 months
Acquisition of land and construction of broiler farms in Sarawak	10,000	1,700	N/A	N/A	N/A	33 months
Digitalisation of operations and upgrading of digital technologies	6,338	1,165	N/A	N/A	N/A	33 months
Capital management activities (special dividend)	30,000	31,044	1,044	3.48	N/A	N/A
Working capital	20,900	0	0	0	N/A	33 months
Expenses related to the proposals	864	796	N/A	N/A	N/A	N/A
Total:	88,102	34,705				

N/A: Not Applicable

ADDITIONAL COMPLIANCE INFORMATION (Cont'd)

- (b) **Share subscription of 27,047 new Adilmart shares, representing approximately 18.4% of the enlarged issued Adilmart shares, by Astrantia for a total cash consideration of RM75 million**

The first tranche of the share subscription of 21,638 shares amounting to RM60 million was completed on 23 December 2024. The utilisation of funds as at 31 March 2025 is as follows:

Purpose	Approved utilisation (RM'000)	Actual utilisation (RM'000)	Deviation		Reasons for deviation	Intended timeframe
			(RM'000)	(%)		
Acquisition of land in the Republic of Indonesia	8,000	7,245	755	9.44	Negotiated for a lower price	N/A
Construction of manufacturing facilities	40,000	25,878	N/A	N/A	N/A	36 months
Purchase of machineries	22,000	0	0	0	N/A	36 months
Other costs	5,000	0	0	0	N/A	12 months
Total:	75,000	33,123				

N/A: Not Applicable

MATERIAL CONTRACT INVOLVING INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

There were no material contracts entered into by the Group, involving the interests of Directors, Deputy Chief Executive Officer and major shareholders, either still subsisting at the end of the financial year ended 31 December 2024 or entered into since the end of the previous financial year.

This Statement is made in accordance with the resolution of the Board of Directors dated 14 April 2025.

LIST OF TOP 10 PROPERTIES AS AT 31 DECEMBER 2024

Location	Description/ Existing Use	Tenure	Date of Acquisition/ Last Revaluation	Age of Building (Year)	Land Area (Acres)	Net Book Value (RM)
Jl. Bhumimas I No. 9, Kawasan Industrial Cikupamas Cikupa Tangerang 15710 Banten, Indonesia	Factory, Office and Warehouse	Leasehold Expiring on 17.06.2028	31.12.2020	24	2.802	12,210,080
Lot 4147, Block 19 Seduan Land District Upper Lanang Road 96000 Sibu, Sarawak	Corporate Office, Coldroom and Warehouse	Leasehold Expiring on 10.01.2071	31.12.2020	18	3.571	10,260,166
Lot 999, Section 66 Jalan Keluli Bintawa Industrial Estate 93450 Kuching, Sarawak	Corporate Office, Coldroom and Abattoir	Leasehold Expiring on 24.09.2117	31.12.2020	29	5.671	9,313,689
Jl. Adi Sucipto Arang Limbung Kubu Raya 78391 Pontianak, Indonesia	Factory, Office and Warehouse	Leasehold Expiring on 20.08.2045	31.12.2020	22	2.656	8,736,232
Lot 511, Block 9 Senggi-Poak Land District Bau, Sarawak	Layer Farm	Leasehold Expiring on 17.04.2116	31.12.2020	12	17.295	7,013,272
Bau Occupation Ticket No. 3574, Bau Land District Sarawak	Layer farm	Leasehold Expiring on 17.04.2116	31.12.2020	12	30.999	
Lot 16, Block 9 Senggi-Poak Land District Bau, Sarawak	Layer farm	Leasehold Expiring on 17.04.2116	31.12.2020	12	10.459	
Lot 2704, Block 24 Muara Tuang Land District Sarawak	Vegetable Farm	Leasehold Expiring on 16.05.2073	31.12.2024	7	12.531	6,482,147

LIST OF TOP 10 PROPERTIES (Cont'd)

AS AT 31 DECEMBER 2024

Location	Description/ Existing Use	Tenure	Date of Acquisition/ Last Revaluation	Age of Building (Year)	Land Area (Acres)	Net Book Value (RM)
Lot 604, Block 9 Senggi-Poak Land District Bau, Sarawak	Breeder Farm	Leasehold Expiring on 19.04.2116	31.12.2020	34	15.250	5,512,144
Lot 650, Block 9 Senggi-Poak Land District Bau, Sarawak	Vacant land	Leasehold Expiring on 11.05.2116	31.12.2020	-	5.501	
Lot 1097, Block 9 Senggi-Poak Land District Bau, Sarawak	Breeder Farm	Leasehold Expiring on 18.04.2116	31.12.2020	34	14.443	
Bau Occupation Ticket No. 2596 of 1934, Bau Land District, Sarawak	Breeder Farm	Leasehold Expiring on 21.11.2116	31.12.2020	34	8.520	
Lot 123, Senggi-Poak Land District Bau, Sarawak	Broiler Farm	Leasehold Expiring on 19.04.2116	31.12.2020	22	12.390	5,270,445
Lot 124, Senggi-Poak Land District Bau, Sarawak	Broiler Farm	Leasehold Expiring on 09.02.2116	31.12.2020	22	33.169	
Lot 202, Senggi-Poak Land District Bau, Sarawak	Broiler Farm	Leasehold Expiring on 10.04.2077	31.12.2020	22	2.720	
Lot 203, Senggi-Poak Land District Bau, Sarawak	Broiler Farm	Leasehold Expiring on 17.04.2077	31.12.2020	22	4.960	
Country Lease No. 025339753 & 025339762 Lok Kawi, District of Papar Sabah	Factory, Office and Warehouse	Leasehold Expiring on 31.12.2042	31.12.2021	27	2.679	4,852,300
Country Lease No. 025092602 Papar District of Papar, Sabah	Broiler Farm	Leasehold Expiring on 02.07.2929	31.12.2021	13	12.320	3,918,400

ANALYSIS OF SHAREHOLDINGS AS AT 2 APRIL 2025

SHARE CAPITAL

Total number of issued shares : 630,718,960
 Issued share capital : RM158,968,930
 Class of shares : Ordinary shares
 Voting rights : One vote per ordinary share

No. of holders	Size of shareholdings	% of holders	No. of shares	% of issued capital [#]
141	less than 100 shares	3.19	4,999	0.00
861	100 - 1,000 shares	19.48	436,860	0.07
1,914	1,001 - 10,000 shares	43.30	9,165,346	1.48
1,207	10,001 - 100,000 shares	27.31	37,093,671	5.98
294	100,001 - less than 5% of issued shares	6.65	298,885,756	48.14
3	5% and above of issued shares	0.07	275,297,428	44.34
4,420		100.00	620,884,060	100.00

Note:

excluding 9,834,900 ordinary shares bought back and retained as treasury shares based on the Record of Depositors as at 2 April 2025.

SUBSTANTIAL SHAREHOLDERS

(As per the Register of Substantial Shareholders as at 2 April 2025)

No.	Name	No. of shares held			
		Direct Interest	% [#]	Indirect Interest	% [#]
1.	Central Coldstorage Sarawak Sdn. Bhd.	138,170,076	22.25	-	-
2.	S.K. Tiong Enterprise Sdn. Bhd.	103,426,080	16.66	138,170,076 ^(a)	22.25
3.	Chong Nyuk Kiong Enterprise Sdn. Bhd.	33,701,272	5.43	-	-
4.	Tan Sri Datuk Tiong Su Kouk	30,971,288 ^(b)	4.99	241,596,156 ^(c)	38.91
5.	Lau Liong Kii	16,658,352 ^(d)	2.68	27,043,084 ^(e)	4.36
6.	Puan Sri Datin Wong Bak Hee	2,761,224	0.45	241,596,156 ^(c)	38.91
7.	Tiong Chiong Hiiung	1,699,624	0.27	241,596,156 ^(f)	38.91
8.	Tiong Chiong Soon	1,515,360	0.24	241,596,156 ^(f)	38.91
9.	Chong Shaw Fui	-	-	33,729,272 ^(g)	5.43

Notes:

excluding 9,834,900 ordinary shares bought back and retained as treasury shares as at 2 April 2025.

(a) Deemed interested through its wholly-owned subsidiary, Central Coldstorage Sarawak Sdn. Bhd.

(b) 14,000,000 shares are held through Alliancegroup Nominees (Tempatan) Sdn. Bhd. and 9,100,000 shares are held through UOB Kay Hian Nominees (Tempatan) Sdn. Bhd.

(c) Deemed interested by virtue of their substantial shareholdings in S.K. Tiong Enterprise Sdn. Bhd. and Central Coldstorage Sarawak Sdn. Bhd.

(d) 3,559,096 shares are held through Maybank Nominees (Tempatan) Sdn. Bhd. and 5,445,496 shares are held through CGS International Nominees Malaysia (Tempatan) Sdn. Bhd.

(e) Deemed interested by virtue of his substantial shareholding in Unione Enterprise (S) Sdn. Bhd.

(f) Deemed interested by virtue of their directorships in S.K. Tiong Enterprise Sdn. Bhd. and Central Coldstorage Sarawak Sdn. Bhd.

(g) Deemed interested by virtue of his substantial shareholdings in Chong Nyuk Kiong Enterprise Sdn. Bhd.

ANALYSIS OF SHAREHOLDINGS (Cont'd)

AS AT 2 APRIL 2025

DIRECTORS' INTERESTS

(As per the Register of Directors' Shareholdings as at 2 April 2025)

No.	Name	No. of shares held			
		Direct Interest	%#	Indirect Interest	%#
1.	Tan Sri Datuk Tiong Su Kouk	30,971,288 ^(a)	4.99	244,357,380 ^(b)	39.36
2.	Chong Shaw Fui	-	-	33,729,272 ^(c)	5.43
3.	Tiong Chiong Hiiung	1,699,624	0.27	244,567,888 ^(d)	39.39
4.	Tiong Chiong Soon	1,515,360	0.24	241,596,156 ^(e)	38.91
5.	Kueh Chung Peng	9,966,664 ^(f)	1.61	7,507,400 ^(g)	1.21
6.	Lau Liong Kii	16,658,352 ^(h)	2.68	40,259,552 ⁽ⁱ⁾	6.48
7.	Ling Ting Leong @ Ling Chong Seng	321,428	0.05	3,311,988 ^(j)	0.53
8.	Dato Sim Kheng Boon	-	-	-	-
9.	Wong Siaw Wei	-	-	-	-

The Directors by virtue of their interests in shares in the Company are also deemed to have interests in shares in all of its related corporations to the extent the Company has an interest, pursuant to Section 8 of the Companies Act 2016.

Notes:

excluding 9,834,900 ordinary shares bought back and retained as treasury shares as at 2 April 2025.

- (a) 14,000,000 shares are held through Alliancegroup Nominees (Tempatan) Sdn. Bhd. and 9,100,000 shares are held through UOB Kay Hian Nominees (Tempatan) Sdn. Bhd.
- (b) Deemed interested by virtue of his substantial shareholdings in Central Coldstorage Sarawak Sdn. Bhd. and S.K. Tiong Enterprise Sdn. Bhd., and the interest of his spouse in the Company.
- (c) Deemed interested by virtue of his substantial shareholdings in Chong Nyuk Kiong Enterprise Sdn. Bhd. and the interest of his child in the Company.
- (d) Deemed interested by virtue of his directorship in Central Coldstorage Sarawak Sdn. Bhd. and S.K. Tiong Enterprise Sdn. Bhd., and the interests of his spouse in the Company.
- (e) Deemed interested by virtue of his directorship in Central Coldstorage Sarawak Sdn. Bhd. and S.K. Tiong Enterprise Sdn. Bhd.
- (f) 7,931,892 shares are held through CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. and 2,034,772 shares are held through RHB Nominees (Tempatan) Sdn. Bhd.
- (g) Deemed interested by virtue of the interest of his children in the Company.
- (h) 3,559,096 shares are held through Maybank Nominees (Tempatan) Sdn. Bhd. and 5,445,496 shares are held through CGS International Nominees Malaysia (Tempatan) Sdn. Bhd.
- (i) Deemed interested by virtue of his substantial shareholdings in Unione Enterprise (S) Sdn. Bhd., and the interests of his spouse and children in the Company.
- (j) Deemed interested by virtue of his substantial shareholdings in Tseng Tseng Enterprise Sdn. Bhd. and De Supreme Sdn. Bhd.

ANALYSIS OF SHAREHOLDINGS (Cont'd)

AS AT 2 APRIL 2025

THIRTY LARGEST SECURITIES ACCOUNTS HOLDERS

No.	Name	No. of shares	% [#]
1.	Central Coldstorage Sarawak Sdn. Bhd.	138,170,076	22.25
2.	S.K. Tiong Enterprise Sdn. Bhd.	103,426,080	16.66
3.	Chong Nyuk Kiong Enterprise Sdn. Bhd.	33,701,272	5.43
4.	Unione Enterprise (S) Sdn. Bhd.	27,043,084	4.36
5.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Tan Sri Datuk Tiong Su Kouk (7006915)	14,000,000	2.26
6.	UOB Kay Hian Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Tan Sri Datuk Tiong Su Kouk	9,100,000	1.47
7.	Lembaga Tabung Haji	8,240,000	1.33
8.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged securities account for Kueh Chung Peng (MQ0352)	7,931,892	1.28
9.	Tan Sri Datuk Tiong Su Kouk	7,871,288	1.27
10.	Lau Liong Kii	7,653,760	1.23
11.	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Yii Ching Yii	6,555,876	1.06
12.	UOB Kay Hian Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Goh Sung Hien @ Goh Soon Hien	5,724,060	0.92
13.	CIMB Group Nominees (Tempatan) Sdn. Bhd. - CIMB Commerce Trustee Berhad for Kenanga Syariah Growth Opportunities Fund (50156 TR01)	5,595,300	0.90
14.	Amanahraya Trustees Berhad - PMB Shariah Growth Fund	5,500,000	0.89
15.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged securities account for Lau Liong Kii (MQ0348)	5,445,496	0.88
16.	Wong See Khong	5,012,268	0.81
17.	Public Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Kueh Tiong Ching (E-SRK)	5,010,900	0.81
18.	UOB Kay Hian Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Ng Ai Choo	4,844,300	0.78
19.	Annie Lau Ting Ting	4,610,272	0.74
20.	Tokio Marine Life Insurance Malaysia Bhd. - As Beneficial Owner (PF)	4,297,000	0.69
21.	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Ting Yong Ding	4,180,600	0.67
22.	Betty Lau Mei Mei	4,094,932	0.66
23.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged securities account for Kueh Tze Liang (MQ0543)	4,007,400	0.65
24.	Tokio Marine Life Insurance Malaysia Bhd. - As Beneficial Owner (TMEF)	3,983,000	0.64
25.	Tiong Su Sing	3,940,100	0.64
26.	CIMB Group Nominees (Tempatan) Sdn. Bhd. - Hong Leong Asset Management Bhd. for Hong Leong Assurance Berhad (LP Fund ED102)	3,800,000	0.61
27.	HLB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Lee Poh Kwee	3,580,000	0.58
28.	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Lau Liong Kii	3,559,096	0.57
29.	Kueh Tze Siong	3,500,000	0.56
30.	Nahoorammah A/P Sithamparam Pillay	3,500,000	0.56

Note:

excluding 9,834,900 ordinary shares bought back and retained as treasury shares based on the Record of Depositors as at 2 April 2025.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Ninth Annual General Meeting of CCK Consolidated Holdings Berhad ("the Company") will be held at the Company's Conference Room at Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, 93450 Kuching, Sarawak, Malaysia on Wednesday, 28 May 2025 at 12.00 noon to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS:

- | | | |
|----|---|---------------------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon. | <i>(Please refer to Note 1)</i> |
| 2. | To declare and approve the payment of a final single-tier dividend of 3.50 sen per share in respect of the financial year ended 31 December 2024. | Resolution 1 |
| 3. | To approve the payment of Directors' fees amounting to RM430,400 for the financial year ended 31 December 2024. | Resolution 2 |
| 4. | To approve the meeting allowance up to RM35,400 payable to the Directors for the period from 1 June 2025 until the next annual general meeting of the Company to be held in 2026. | Resolution 3 |
| 5. | To re-elect the following Directors retiring pursuant to Article 122 of the Company's Constitution and being eligible, have offered themselves for re-election. | |
| | (i) Chong Shaw Fui | Resolution 4 |
| | (ii) Tiong Chiong Hiiung | Resolution 5 |
| | (iii) Kueh Chung Peng | Resolution 6 |
| 6. | To re-elect Wong Siaw Wei who retires pursuant to Article 127 of the Company's Constitution and being eligible, has offered herself for re-election. | Resolution 7 |
| 7. | To re-appoint Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next annual general meeting and to authorise the Directors to fix their remuneration. | Resolution 8 |

AS SPECIAL BUSINESS:

To consider and if thought fit, pass the following ordinary resolutions:

- | | | |
|-----------|---|---------------------|
| 8. | Proposed renewal of authority for the Company to purchase its own shares | Resolution 9 |
|-----------|---|---------------------|

"THAT, subject always to the Companies Act 2016 (as may be amended, modified or re-enacted from time to time) ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and any other relevant authorities, where applicable, the Company be hereby unconditionally and generally authorised to purchase and/or hold such an amount of ordinary shares in the Company ("Proposed Share Buy-Back") as may be determined by the Directors from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company provided that the total aggregate number of shares purchased and/or held or to be purchased and/or held pursuant to this resolution shall not exceed ten percent (10%) of the total number of issued shares of the Company for the time being and an amount of funds not exceeding the Company's total retained profits at the time of purchase be allocated by the Company for the Proposed Share Buy-Back AND THAT such shares purchased are to be retained as treasury shares and distributed as dividends and/or resold on the market of Bursa Malaysia Securities Berhad, or subsequently may be cancelled;

AND THAT the Directors be and are hereby authorised and empowered to do all acts and things and to take all such steps and to enter into and execute all commitments, transactions, deeds, agreements, arrangements, undertakings, indemnities, transfers, assignments

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

and/or guarantees as they may deem fit, necessary, expedient and/or appropriate in order to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments, as may be required or imposed by any relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company;

AND FURTHER THAT the authority hereby given will commence immediately upon the passing of this resolution and will continue to be in force until:

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

whichever occurs first.”

9. **Proposed new shareholders mandate for recurrent related party transactions of a revenue or trading nature (“Proposed New Shareholders Mandate”)** Resolution 10

“THAT approval be and is hereby given to the Company and its subsidiaries (“the Group”) to enter into related party transactions which are of a revenue or trading nature, and which are necessary for the day-to-day operations of the Group as outlined in the Circular of Shareholders dated 29 April 2025, with the specific related parties mentioned therein, from time to time, subject further to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company; and
- (b) disclosure is made in the annual report a breakdown of the aggregate value of the transactions conducted pursuant to the Proposed New Shareholders Mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

AND THAT such approval will continue to be in force until:

- (a) the conclusion of the next annual general meeting of the Company, at which time it will lapse, unless by resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next annual general meeting after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed New Shareholders Mandate.”

10. To transact any other business which may properly be transacted at an annual general meeting, due notice of which shall have been given in accordance with the Companies Act 2016 and the Company’s Constitution.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that a final single-tier dividend of 3.50 sen per share in respect of the financial year ended 31 December 2024, if approved at the Twenty-Ninth Annual General Meeting, will be payable on 23 June 2025 to depositors whose names appear in the Record of Depositors on 4 June 2025.

A depositor shall qualify for entitlement only in respect of:

- (a) shares transferred into the depositor's securities account before 4.30 p.m. on 4 June 2025 in respect of transfers; and
- (b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board of Directors

Voon Jan Moi (MAICSA 7021367)
(SSM Practising Certificate No. 202008001906)
Yap Hui Yih (MAICSA 7048748)
(SSM Practising Certificate No. 202008000570)
Joint Company Secretaries

Dated: 29 April 2025
Kuching, Sarawak

NOTES:

1. This agenda item is meant for discussion only as under the provision of Section 340 of the Companies Act 2016 and the Company's Constitution, the Audited Financial Statements do not require the formal approval of shareholders and hence, this matter will not be put forward for voting.

2. **Re-election of Directors**

The Nomination Committee has assessed the performance and contribution of Chong Shaw Fui, Tiong Chiong Hiiung, Kueh Chung Peng and Wong Siaw Wei and was satisfied with their performance and recommended them for re-election. The Board endorsed the Nomination Committee's recommendation that Chong Shaw Fui, Tiong Chiong Hiiung, Kueh Chung Peng and Wong Siaw Wei be elected as Directors of the Company. All the aforesaid Directors met the criteria in accordance with the Directors' Fit and Proper Policy.

3. **Proposed renewal of authority for the Company to purchase its own shares**

The proposed Resolution 9 if passed, will renew the authority for the Company to purchase and/or hold its own shares up to ten per cent (10%) of the total number of issued shares of the Company through Bursa Malaysia Securities Berhad. This authority will expire at the conclusion of the next annual general meeting, unless revoked or varied by ordinary resolution passed by shareholders at general meeting.

Please refer to the Statement to Shareholders dated 29 April 2025 for further information.

4. **Proposed new shareholders mandate for recurrent related party transactions of a revenue or trading nature**

The proposed Resolution No. 10 if passed, will authorise the Group to enter into recurrent related party transactions with the mandated related parties as identified in the Circular. This authority will expire at the conclusion of the next annual general meeting, unless revoked or varied by ordinary resolution passed by shareholders at general meeting.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

By obtaining the Proposed New Shareholders Mandate, the necessity to convene separate meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur would not arise. This would reduce substantial administrative time and costs associated with the convening of such meetings without compromising on the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

Please refer to the Circular to Shareholders dated 29 April 2025 for further information.

5. Proxy

- (a) A proxy or attorney or a duly authorised representative may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
- (b) To be valid, the duly completed proxy form must be deposited at the Registered Office of the Company at Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, 93450 Kuching, Sarawak, Malaysia not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- (c) If the appointor is a corporation, the form of proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.
- (d) A member shall not be entitled to appoint more than two (2) proxies to attend and vote at a meeting of the Company. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

- (f) Depositors whose names appear in the Record of Depositors as at 21 May 2025 shall be regarded as members of the Company entitled to attend this Annual General Meeting or appoint proxy to attend, speak and vote on their behalf.

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CCK CONSOLIDATED HOLDINGS BERHAD

Registration no. 199601024340 (396692-T)

Number of shares held

CDS Account No.

FORM OF PROXY

*I/We, _____ (full name) _____ (*I.C./passport/company No.)

of _____ (full address)

being a member of CCK Consolidated Holdings Berhad ("the Company") hereby appoint _____

_____ (full name) _____ (*I.C./passport No.)

of _____ (full address)

*and/or failing *him/her, _____ (full name) _____ (*I.C./passport No.)

of _____ (full address)

or failing *him/her, the Chairman of the meeting as *my/our proxy to vote for *me/us on *my/our behalf at the Twenty-Ninth Annual General Meeting of the Company to be held at the Company's Conference Room at Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, 93450 Kuching, Sarawak, Malaysia on Wednesday, 28 May 2025 at 12.00 noon and any adjournment thereof.

*My/our proxy shall vote as indicated with an "X" below. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion:

Resolutions		For	Against
1.	Declaration and payment of a final single-tier dividend of 3.50 sen per share for the financial year ended 31 December 2024.		
2.	Payment of Directors' fees amounting to RM430,400 for the financial year ended 31 December 2024.		
3.	Payment of meeting allowance up to RM35,400 to the Directors for the period from 1 June 2025 until the next annual general meeting to be held in 2026.		
4.	Re-election of Chong Shaw Fui as Director.		
5.	Re-election of Tiong Chiong Hiiung as Director.		
6.	Re-election of Kueh Chung Peng as Director.		
7.	Re-election of Wong Siaw Wei as Director.		
8.	Re-appointment of Crowe Malaysia PLT as auditors.		
9.	Proposed renewal of authority for the Company to purchase its own shares.		
10.	Proposed new shareholders mandate for recurrent related party transactions of a revenue or trading nature.		

The proportions of *my/our holdings to be presented by *my/our proxy are as follows:

	No. of shares	%
First named proxy	:	_____
Second named proxy	:	_____
Total	:	_____

In case of a vote taken by a show of hands, the first named proxy shall vote on *my/our behalf.

Dated this _____ day of _____ 2025

*Signature / common seal of shareholder(s)

* Strike out whichever is not applicable

Notes:

- A proxy or attorney or a duly authorised representative may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
- To be valid, the duly completed proxy form must be deposited at the Registered Office of the Company at Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate, 93450 Kuching, Sarawak, Malaysia not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- If the appointor is a corporation, the form of proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.
- A member shall not be entitled to appoint more than two (2) proxies to attend and vote at a meeting of the Company. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his 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 for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- Depositors whose names appear in the Record of Depositors as at 21 May 2025 shall be regarded as members of the Company entitled to attend this Annual General Meeting or appoint proxy to attend, speak and vote on their behalf.

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PLEASE
AFFIX STAMP
HERE

The Company Secretary
CCK CONSOLIDATED HOLDINGS BERHAD

199601024340 (396692-T)

Lot 999, Section 66, Jalan Keluli
Bintawa Industrial Estate
93450 Kuching
Sarawak, Malaysia

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CCK CONSOLIDATED HOLDINGS BERHAD

199601024340 (396692-T)

(Incorporated in Malaysia)

Lot 999, Section 66, Jalan Keluli, Bintawa Industrial Estate

93450 Kuching, Sarawak, Malaysia

Tel : 082-336 520 Fax : 082-331 479