



CAB CAKARAN CORPORATION BERHAD
(200201015998) (583661 W)
(Incorporated in Malaysia)

Superb Choice

for the **Whole Family**

Research & Development



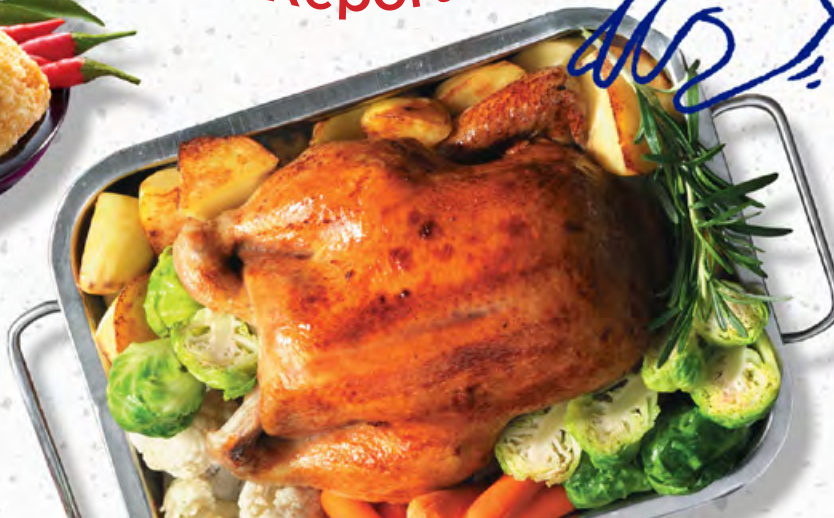
Innovation



Annual Report 2024



Quality



CONTENTS

| | | | |
|----|---|-----|---|
| 2 | About Us, Our Vision, Our Mission and Our Core Values | 43 | Corporate Governance Overview Statement |
| 3 | Corporate Information | 63 | Statement on Risk Management and Internal Control |
| 4 | Corporate Structure as at 31 December 2024 | 67 | Audit Committee Report |
| 5 | Profile of Board of Directors | 71 | Additional Compliance Information |
| 9 | Profile of Key Senior Management | 73 | Financial Statements 2024 |
| 12 | Management Discussion and Analysis | 187 | List of Top Ten (10) Properties |
| 22 | Sustainability Statement | 189 | Analysis of Shareholdings |
| | | 191 | Analysis of Warrant Holdings |
| | | 193 | Notice of Annual General Meeting |
| | | 198 | Statement Accompanying Notice of Annual General Meeting |
| | | 198 | Notice of Dividend Entitlement and Payment |
| | | | Enclosed Proxy Form |



23RD ANNUAL GENERAL MEETING



24th March 2025 (Monday)



10.30 a.m



CAB Cakaran Corporation Berhad
The Conference Room, Third Floor
Plot 21, Lorong Jelawat 4,
Seberang Jaya Industrial Park
Seberang Jaya, 13700 Perai,
Penang, Malaysia

www.cab.com.my



Please scan the QR code for
Annual Report 2024

ABOUT US

“SUSTAINABLE
GROWTH
WITH
INTEGRITY”



OUR VISION

To be a respectful leader in the regional food industry with strict adherence to high quality and safety standards for food production



OUR MISSION

To manage and conduct all business dealings with integrity and innovation to supply a wide range of high quality and safe food products to our customers



OUR CORE VALUES

- To always ensure premium quality and food safety standards are adhered to
- To actively participate in activities related to raising the standards of the food industry
- To form strategic long-term partnerships with our employees, customers and suppliers
- To optimise profit through efficient utilisation of resources
- To constantly invest in new facilities and research and development in order to produce a continuous stream of quality and safe food products

Incorporated in 2002 and listed on the Second Board of the Bursa Malaysia Securities Berhad (“Bursa Securities”) on 22 December 2003 and subsequently transferred to the Main Board of Bursa Securities on 03 May 2006. CAB Cakaran Corporation Berhad (“CAB” or “the Company”) together with its subsidiaries (“the Group” or “the CAB Group”) is anchored on its sterling commitment to fortify its position as one of the most efficient poultry farming players in the region. The Group continues to grow its capabilities and expertise and to ensure sustainable growth through the long-term within a challenging and evolving environment by continued improvement in its key strengths and resources.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Chuah Ah Bee

Executive Chairman

Chuah Hoon Phong

Group Managing Director

Wijanti Tjendera

Non-Independent Non-Executive Director

Datuk Sr. Haji Zakaria Bin Hashim

Independent Non-Executive Director

Lim Ghim Chai

Independent Non-Executive Director

Professor Dato' Dr. Mohd Fakhrudin Bin Abdul Mukti

Independent Non-Executive Director

REGISTERED OFFICE

51-8-A Menara BHL
Jalan Sultan Ahmad Shah
10050 George Town
Pulau Pinang
Telephone Number : 04-3736616
Email address :
enquiry@braxton.com.my

COMPANY SECRETARIES

Wong Yee Lin
(MIA15898)
SSM Practicing No : 201908001793

Hing Poe Pyng
(MAICSA 7053526)
SSM Practicing No : 202008001322

SHARE REGISTRAR

Braxton Consulting Sdn Bhd
198501008643 (141091-W)
51-8-A Menara BHL
Jalan Sultan Ahmad Shah
10050 George Town
Pulau Pinang
Telephone Number : 04-3736616
Email Address :
sharereg@braxton.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Code : 7174
Stock Name : CAB

AUDITORS

Grant Thornton Malaysia PLT
Chartered Accountants
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

PRINCIPAL BANKERS

DBS Bank Ltd.
Hong Leong Bank Berhad
Malayan Banking Berhad
United Overseas Bank (Malaysia)
Berhad

AUDIT COMMITTEE

Chairman
Lim Ghim Chai

Members
Datuk Sr. Haji Zakaria Bin Hashim
Professor Dato' Dr. Mohd Fakhrudin
Bin Abdul Mukti

NOMINATION COMMITTEE

Chairman
Datuk Sr. Haji Zakaria Bin Hashim

Members
Lim Ghim Chai
Professor Dato' Dr. Mohd Fakhrudin
Bin Abdul Mukti

REMUNERATION COMMITTEE

Chairman
Lim Ghim Chai

Members
Datuk Sr. Haji Zakaria Bin Hashim
Professor Dato' Dr. Mohd Fakhrudin
Bin Abdul Mukti

RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Chairman
Chuah Hoon Phong

Members
Datuk Sr. Haji Zakaria Bin Hashim
Lim Ghim Chai

HALAL COMMITTEE

Patron & Syariah Advisor
Professor Dato' Dr. Mohd Fakhrudin
Bin Abdul Mukti

Chairman
Haji Ahmad Fazil Bin Haji Hashim

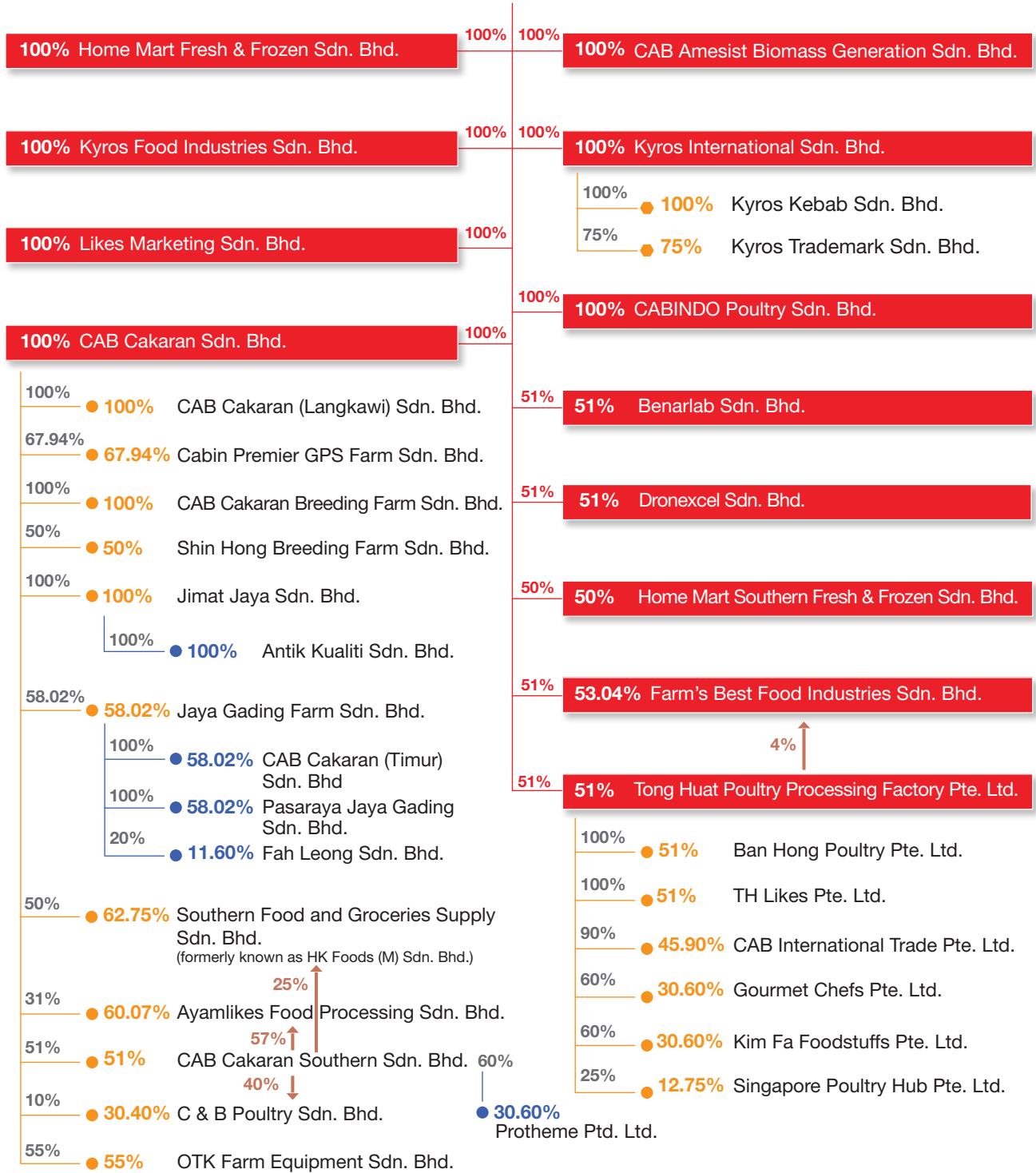
Member
Abdul Rahman Bin Din

CORPORATE STRUCTURE

AS AT 31 DECEMBER 2024



CAB CAKARAN CORPORATION BERHAD



PROFILE OF BOARD OF DIRECTORS



CHUAH AH BEE

Executive Chairman

| | | | |
|-------------------|-----------------------|---|----------------------------------|
| AGED 74 | GENDER Male | NATIONALITY  | Board Meetings Attendance 5/5 |
|-------------------|-----------------------|---|----------------------------------|

Mr. Chuah was appointed as Executive Chairman of CAB Cakaran Corporation Berhad ("CAB") on 17 February 2011. He is the founder of CAB Group and has more than 40 years of experience and expertise in the integrated poultry livestock industry. He has been leading the expansion of CAB's operation since its incorporation.

He is the Chairman of Persatuan Penjual-Penjual Ayam Itik Pulau Pinang since 2004 and had served as the Vice Chairman from 1995 to 2003. He is also a Committee Member of Penang & Province Wellesley Farmers Association since 2003.

His vision and strategies have led to the Group's successful growth track record as well as financial strength and is also instrumental in leading the executive team in implementing the Group's strategies. His leadership and entrepreneurial vision have been and will continue to be crucial in leading the Group into the future.

Date of Appointment to the Board :
11 August 2003

Board Committee: N/A



CHUAH HOON PHONG

Group Managing Director

| | | | |
|-------------------|-----------------------|---|----------------------------------|
| AGED 46 | GENDER Male | NATIONALITY  | Board Meetings Attendance 5/5 |
|-------------------|-----------------------|---|----------------------------------|

Mr. Chuah was appointed as Group Managing Director of CAB on 17 February 2011. He was appointed as Chairman of RMSC on 10 December 2024.

Mr. Chuah obtained his Advanced Diploma in Business Studies from International College, Penang in 2000. He joined the Group as a Marketing Manager in 2000 and was subsequently promoted as a Chief Operating Officer of the Group's food processing division in October 2002.

He has more than 20 years of experience and expertise in the integrated poultry industry, following in his father Mr. Chuah Ah Bee's footsteps into this industry.

Date of Appointment to the Board :
29 May 2007

Board Committee :
Chairman of Risk Management and
Sustainability Committee (RMSC)

As the Group Managing Director, he oversees the entire business operations of the Group. Supported by his extensive expertise in the upstream and downstream activities of livestock production, operation, development and marketing areas, he has spearheaded many business expansion projects which contributed to the growth of the Group.

PROFILE OF BOARD OF DIRECTORS (CONT'D)



WIJANTI TJENDERA

Non-Independent Non-Executive Director

| | | | |
|-------------------|-------------------------|---|----------------------------------|
| AGED 66 | GENDER Female | NATIONALITY  | Board Meetings Attendance 3/5 |
|-------------------|-------------------------|---|----------------------------------|

Ms. Wijanti is currently an independent professional practicing as Notary Public and Land Deed Officer (PPAT) in Jakarta Indonesia/ Capital City since year 2004.

Ms. Wijanti is also responsible for promoting Joint Venture Company establishment within Salim Group's various operating unit company with several Japanese companies and other international companies since year 2010. Prior to that, Ms. Wijanti was an independent professional practicing as Notary Public and PPAT in Riau Province from year 2000 to year 2004.

Ms. Wijanti is a member of Ikatan Notaris Indonesia/Indonesian Notary Public Association (INI) and Ikatan PPAT Indonesia/Indonesian Land Title and Land Affair Officer Association (IPPAT).

Date of Appointment to the Board :
26 August 2016

Board Committee : N/A



DATUK SR. HAJI ZAKARIA BIN HASHIM

Independent Non-Executive Director

| | | | |
|-------------------|-----------------------|---|----------------------------------|
| AGED 79 | GENDER Male | NATIONALITY  | Board Meetings Attendance 5/5 |
|-------------------|-----------------------|---|----------------------------------|

Datuk Sr. Haji Zakaria is a Chartered Quantity Surveyor (Fellow, Royal Institution Chartered Surveyors, and Fellow, Royal Institution of Surveyors, Malaysia) and obtained his Diploma in Quantity Surveying from Maktab Teknik, Kuala Lumpur in 1970 and Advance Diploma in Quantity Surveying from the Thames Polytechnic, London, United Kingdom in 1972. He obtained Masters in Business Administration (MBA) Henley Business School, University of Reading, United Kingdom in 1990. Datuk Sr. Haji Zakaria has more than 45 years' experience in Quantity Surveying and Project Management.

Datuk Sr. Haji Zakaria is the founding partner of Messrs Zakaria-Lee and Partners Sdn. Bhd., a Consultant Chartered Quantity Surveying Firm established in 1980. He was the Vice Chairman of the Commonwealth Association of Professional Centres (1996-2000), President of the Federation of Consultants from Islamic Countries (2004-2006), Chairman of the National Consumer Advisory Council, Ministry of Domestic Trade and Consumer Affairs (2002-2004) and Board Member of the National Accreditation Board, LAN/MQA under the Ministry of Education back in 1996-2009.

Datuk Sr. Haji Zakaria was the Chairman of CAB Cakaran Corporation Berhad and Audit Committee of CAB during the period from 2003-2011.

Currently, he is a Council Member of the National Professional Services Export Council (NAPSEC) MATRADE, Ministry of International Trade (MITI), Malaysia.

Date of Appointment to the Board :
13 September 2022

Board Committee :
(1) Chairman of the Nomination Committee

(2) Member of Audit Committee,
Remuneration Committee and Risk
Management and Sustainability
Committee

Length of Tenure as Independent Director
(as at 27 January 2025) :
(2 years 4 months)

PROFILE OF BOARD OF DIRECTORS (CONT'D)



LIM GHIM CHAI

Independent Non-Executive Director

| | | | |
|------------|----------------|--|----------------------------------|
| AGED 50 | GENDER Male | NATIONALITY  | Board Meetings Attendance 5/5 |
|------------|----------------|--|----------------------------------|

Mr. Lim obtained his Bachelor of Commerce (Accounting) Degree from La Trobe University of Melbourne, Australia. He is a qualified Chartered Accountant with membership of the Malaysian Institute of Accountants and Chartered Accountants of Australia since year 2003.

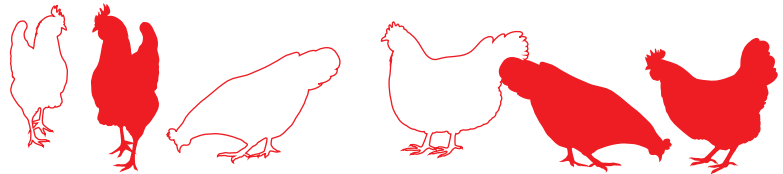
Mr. Lim began his career in finance and accounting with international companies in Malaysia as Financial Accountant and Financial Analyst. He subsequently assumed senior managerial position as a partner of a professional firm which was involved in providing services in taxation, business planning consultancy, accounting and company secretarial fields.

Date of Appointment to the Board :
23 March 2016

Board Committee :

- (1) Chairman of Audit Committee and Remuneration Committee
- (2) Member of Nomination Committee and Risk Management and Sustainability Committee

Length of Tenure as Independent Director
(as at 27 January 2025) :
(8 years 10 months)



PROFILE OF BOARD OF DIRECTORS (CONT'D)



PROFESSOR DATO' DR. MOHD FAKHRUDIN BIN ABDUL MUKTI

Independent Non-Executive Director

| | | | |
|-------------------|-----------------------|---|----------------------------------|
| AGED 68 | GENDER Male | NATIONALITY  | Board Meetings Attendance 4/5 |
|-------------------|-----------------------|---|----------------------------------|

Professor Dato' Dr. Mohd Fakhrudin Bin Abdul Mukti is also a Patron & Syariah Advisor to the Halal Committee of CAB.

Professor Dato' holds a PhD degree from Birmingham University UK (2001). After obtaining BA Hons. from a prestigious Islamic University AlAzhar in Egypt he obtained Master degree in Islamic Philosophy from Ain Shams University Cairo. He served as a lecturer in University of Malaya and further secured another Master degree from the Temple University Philadelphia USA. As a lecturer and associate professor, Professor Dato' was also elected as deputy dean of the faculty and Deputy Director in the Islamic Academy of UM. In 2005, he was appointed as a Director of MSD in Cairo under Ministry of Higher Education Malaysia. In 2010, he was then appointed as Ambassador of Malaysia to Arab Republic of Egypt. By 2016, Professor Dato' was elected by Kedah government as Rector /Vice Chancellor of the University of Unishams in Kedah.

In 2016-2018, he was a member of Majlis Agama Islam Negeri Kedah and also a member of Fatwa Committee of Negeri Kedah.

Professor Dato' is a member of Darul Quran's Board of Directors JAKIM since 2019 and President of the World Organization of AlAzhar Graduates Malaysia (WOAGM) since 2011. He was appointed by prime minister as Deputy Chairman of YADIM (2020-2022). He was also a member of Fatwa Committee of Pulau Pinang (2002-2022).

Currently, Professor Dato' is serving as Professor in Islamic Thought in the Sultan Sharif Ali Islamic University (UNISSA) of Brunei Darussalam.

Date of Appointment to th Board :
13 September 2022

Board Committee :
Member of Audit Committee, Nomination
Committee and Remuneration Committee

Length of Tenure as Independent Director
(as at 27 January 2025) :
(2 years 4 months)

Notes:

(1) Family Relationships and Major Shareholders

None of the Directors has any family relationship with any other Directors and/or Major Shareholders of the Company except Mr. Chuah Ah Bee is the husband of Madam Chan Kim Keow (Major Shareholder) and father of Mr. Chuah Hoon Phong. Mr. Chuah Hoon Phong is a child of Mr. Chuah Ah Bee and Madam Chan Kim Keow.

(2) Directors' Shareholdings

Details of the Directors' shareholdings in the Company are provided in the Analysis of Shareholdings Section in this Annual Report.

(3) No Conflict of Interest

All Directors of the Company do not have any conflict of interest with the Company other than as disclosed in the notes to the financial statements.

(4) Non-Conviction of Offences

All the Directors have not been convicted with any offences other than traffic offences (if any) in the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulator during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

The management team is headed by the Executive Chairman, Mr. Chuah Ah Bee and Group Managing Director, Mr. Chuah Hoon Phong. They are assisted by the following senior management team:

KOAY LAY EAN

Director
(Group's Finance Division)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 51 | Female |  |

She is the Director of CAB Group's Finance Division. She is an Associate of Chartered Management Accountant and obtained her CIMA qualification in 1999 and Diploma in Management Accounting from Tunku Abdul Rahman College in 1998. She started her accountancy career with accounting firms and gained her experience in auditing of various companies ranging from small to medium sized companies. She joined CAB Cakaran Sdn. Bhd. as an internal auditor in May 2002 and was subsequently transferred to the Accounts Department as an Accounts Manager in October 2002. She was promoted to the Group Finance Director in year 2013. At present, she is responsible for the accounting and finance functions of CAB Group.

CHEW CHEE KHONG

Director
(Food Processing and Restaurant Divisions)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 68 | Male |  |

Mr. Chew obtained his Bachelor Degree of Economics with Honours from the University of Malaya in 1980 and his Chartered Institute of Management Accountants ("CIMA") qualifications in 1983.

He began his career in the banking industry and has held various positions in both commercial and merchant banks over a period of 15 years. After leaving the banking industry, he joined Denko Industrial Corporation Berhad in 1994 as its Group General Manager. In 1996, he ventured into business and is one of the founding members of Kyros Kebab fast food chain.

Mr. Chew resigned as a Board member of CAB on 26 April 2024 and continue to serve CAB Group and in-charge of key operation of food processing and restaurant division.

LOO CHOO GEE

Director
(Poultry and Retailing Divisions)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 61 | Male |  |

Mr. Loo joined CAB Cakaran Sdn. Bhd. as Branch Manager in 1996 and has more than 30 years of experience in the poultry industry.

He was the Secretary of Persatuan Penternak dan Pengusaha Ayam, Kedah Darul Aman/Perlis Indera Kayangan from 2000 to 2008 and a member of the Committee of Unit Broiler of Federation of Livestock Farmers' Association of Malaysia, representing Kedah Darul Aman/Perlis Indera Kayangan region from 2001 to 2007. He has been a committee member of Federation of Livestock Farmers' Association of Malaysia since 2004 and the Secretary of Penang & Province Wellesley Farmers' Association from 2007 to 2012 and was promoted to Chairman from 2013 to 2016. Currently, Mr. Loo is an Honorable Advisor to the Penang and Province Wellesley Farmers' Association.

Mr. Loo retired as a Board member of CAB on 25 March 2024 and continue to serve the CAB Group and in-charge of certain key operations of poultry division and retailing division of the Group.

LIM CHIN SENG

Director
(Breeding Farm Division)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 63 | Male |  |

He is a Director of CAB Cakaran Breeding Farm Sdn. Bhd. ("CABBF") and was appointed to the Board of Directors of CABBF on 3 May 2012. Upon completing his primary education in 1974, he immediately began his career with various companies involved in hatching of eggs into day-old-chicks. He has more than 30 years of experience in managing various breeder farms and hatching of eggs into day-old-chicks. At present, he is in-charge of the day-to-day operations of CAB Group's breeder farms and hatchery centers.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

CHUAH HOON TENG

Director
(Breeding Farm and Retailing Divisions)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 37 | Male |  |

He is a Director of Cabin Premier GPS Farm Sdn. Bhd. ("CPGPS") and was appointed to the Board of Directors of CPGPS on 17 November 2016. He obtained his Bachelor of Commerce Degree in Marketing Management and Economics from Murdoch University in Perth, Australia. He joined the Group as a Manager and was later promoted to be a Director of CPGPS. He is currently in-charge of the day-to-day operations of CPGPS breeder farms and hatchery centers as well as the retailing division under the operation of Home Mart Fresh & Frozen Sdn. Bhd.

VINCENT LEONG WENG FAI


Director
(Food Processing Division)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 45 | Male |  |

He is a Director of Jimat Jaya Sdn. Bhd. ("JJSB") and was appointed to the Board of Directors of JJSB on 8 May 2012. He holds his Advanced Diploma in Business Studies from International College, Penang in 2000. Upon graduation in 2001, he joined JJSB as a Marketing Executive and undertook various job responsibilities in JJSB until his current position as a Director of JJSB. He is currently in charge of the day-to-day operations of JJSB.

LEONG YOUK LEEN

Managing Director
(East Coast Poultry and Retailing Divisions)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 56 | Female |  |

She is a Director of Jaya Gading Farm Sdn. Bhd. ("JGF") and was appointed to the Board of Directors of JGF on 10 August 1999. She was promoted as the Managing Director of JGF on 29 November 2022. After completing her secondary school education she joined JGF since the incorporation of JGF on 21 February 1984. She has more than 30 years of experience in poultry industry and more than 10 years of experience in supermarket industry respectively. She is currently responsible for managing and monitoring the day-to-day operations and management decisions of JGF and its group of companies including responsible for the accounting and finance functions.

CHUAH HOON HONG

Director
(Singapore's Food Processing and Malaysia Southern Poultry Divisions)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 39 | Male |  |


He was appointed as Managing Director of Tong Huat Poultry Processing Factory Pte. Ltd. ("THPPF") on 31 March 2020. He obtained his Diploma of Commerce from Murdoch Institute of Technology in Perth, Australia in the year 2010. He is currently in charge of managing and monitoring the day-to-day operations and management decisions of THPPF. He is also a Director of CAB Cakaran Southern Sdn. Bhd. ("CABS") and was appointed to the Board of Directors of CABS on 31 January 2017.



PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

DR. HUANG LIP CHIN


Senior Group Manager
(Poultry Technical Division)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 50 | Male |  |

Dr. Huang is the Senior Group Manager (Poultry Technical) of CAB Group. He graduated in 2001 with professional degree Doctor of Veterinary Medicine (UPM) and Master of Business Administration (USM) in 2013. He has held various senior management positions in multinational livestock industry companies covering Malaysia and Asia Pacific Region prior to joining CAB Group in November 2015. He is currently in charge of the operations of Cabin Premier GPS Farm Sdn. Bhd. and technically supports all Parent Stocks & Hatchery divisions of CAB Group.

ABDUL RAHMAN BIN DIN

Senior Business Development Manager
(Poultry cum Business Development Division)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 43 | Male |  |

He is the Senior Business Development Manager of CAB Cakaran Sdn. Bhd. ("CABC"). He graduated in 2002 with Bachelor of Environmental Sciences from University Malaysia Sabah. He has over 15 years of experience in the poultry livestock business. He was the head of Technical Coordinator Department of CP Brand Malaysia for Northern Region prior to joining CAB Group in 2006. He is currently in charge of the broiler business operations of CABC for the Northern and Eastern Peninsular Region.



GAN CHIN NAM

General Manager
(Southern Poultry Division)

| AGED | GENDER | NATIONALITY |
|------|--------|---|
| 60 | Male |  |

He is the General Manager of CAB Cakaran Southern Sdn. Bhd. ("CABS"). He obtained his Bachelor Degree of Business Administration from the University of Toledo, Ohio, USA. He has over 20 years of experience in poultry industry. He joined CABS as General Manager in 2014 and currently in charge of the Group's Southern Region operations.



Notes:

(1) Family Relationships and Major Shareholders

None of the Key Senior Management personnel has family relationship with any Directors or Major Shareholders of CAB except that Mr. Chuah Hoon Hong and Mr. Chuah Hoon Teng are the sons of Mr. Chuah Ah Bee and Madam Chan Kim Keow and brothers of Mr. Chuah Hoon Phong.

(2) No Conflict of Interest

All the Key Senior Management personnel of the Company do not have any conflict of interest with the Company other than as disclosed in the notes to the financial statements.

(3) Non-Conviction of Offences

All the Key Senior Management personnel have not been convicted with any offences other than traffic offences (if any) in the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulator during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS



“MANAGEMENT DISCUSSION AND ANALYSIS BY THE EXECUTIVE CHAIRMAN

This Statement contains the management discussion and analysis (“MD&A”) of the business operations and performance of CAB Cakaran Corporation Berhad (“the Company”) and its subsidiaries (“the Group” or “CAB Group”) for the financial year ended 30 September 2024 (“FY2024”).

This MD&A should be read in conjunction with the audited financial statements of the Group for FY2024 as set out in this Annual Report. ”

GROUP BUSINESS AND OVERVIEW

The CAB Group is one of the largest integrated poultry producers in Malaysia that undertakes the following major business operations:

- (1) breeding and farming of grand-parent stocks, to produce breeder eggs and hatching of eggs into parent-stock day-old chicks;
- (2) breeding and farming of parent-stocks to produce eggs and hatching of eggs into day-old chicks;
- (3) farming of broiler chicken as well as trading of poultry feeds and other farm consumables;
- (4) slaughtering and processing of chicken and manufacturing and marketing of meat based food products; and
- (5) operation of retail and fast food franchising business.

The Group’s grand-parent stock farms and breeder farms are primarily located in Penang, Kedah, Perak, Negeri Sembilan, Melaka and Johor whilst the broiler farms are located throughout the Peninsular making us the one of the largest integrated poultry farming producers in the country with such diverse locations in farm operation.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

The CAB Group's downstream business includes sales of poultry products which entail the slaughtering and processing of live broilers for sale as processed chicken or chicken parts as well as the production and trading of value-added products such as nuggets, sausages, burgers patties and deli meats. Our chicken products are packed and sold under the brand names of Likes, AyamLike's, Farm's Best, Segaria, Rasaria, Hennie's, Garing and Farm's Best Omega 3 Chicken. These downstream activities complement our livestock upstream business and form an integral part of our integrated poultry value chain.

The Group operates six (6) slaughtering and processing factories which are located in Kedah, Kuala Lumpur, Melaka, Johor, Pahang and Singapore. We have established strong distribution networks in the domestic and Singapore markets which encompass retail outlets, wholesalers, restaurants, hotels, supermarkets and hypermarkets.

The CAB Group operates medium-sized supermarkets under Pasaraya Jaya Gading Sdn. Bhd. and Home Mart Fresh & Frozen Sdn. Bhd. with the outlets located either in small towns or at the fringes of the bigger towns. The Group currently has a total of fourteen (14) outlets with five (5) in Pahang, two (2) in Kelantan, four (4) in Kedah, two (2) in Penang and one (1) in Perak. The Group's long-term strategy is to build a big network of such outlets throughout the Peninsular as one of the distribution channels for the Group's products.

The Group also owns and operates the Kyros Kebab fast food franchise chain in the country. Currently, there are four (4) company owned Kyros Kebab outlets operating in Malaysia. Plans are afoot to grow more Kyros Kebab outlets in the coming years after having successfully launched the rebranded outlets.

The joint venture project with the Salim Group of Indonesia, after some years of delay due to the Covid-19 pandemic, will be restructured with a more viable plan and business direction in 2025.

Considering that chicken is an essential food item and a cheap protein source, the Board believes that by being one of the large-scale broiler producers, the CAB Group can reap economies of scale in its operation as well as achieving more sustainable and consistent supply of its poultry products.

HIGHLIGHTS OF THE GROUP'S FINANCIAL INFORMATION FOR THE PAST 5 FINANCIAL YEARS

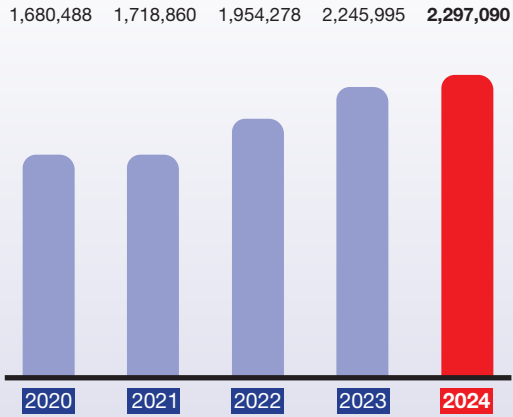
| Financial Years Ended September 30 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|-----------|-----------|-----------|-----------|------------------|
| Revenue (RM'000) | 1,680,488 | 1,718,860 | 1,954,278 | 2,245,995 | 2,297,090 |
| Earning/(loss) before interest and taxation (RM'000) | 17,621 | (13,264) | 101,961 | 207,429 | 147,012 |
| (Loss)/profit before taxation (RM'000) | (3,638) | (30,406) | 85,614 | 189,308 | 131,520 |
| (Loss)/profit after taxation (RM'000) | (11,131) | (36,273) | 56,328 | 141,379 | 93,188 |
| Net profit/(loss) attributable to equity holders (RM'000) | 2,760 | (20,188) | 57,720 | 107,131 | 75,467 |
| Total assets (RM'000) | 1,378,843 | 1,333,574 | 1,423,958 | 1,537,765 | 1,558,665 |
| Total borrowings (RM'000) | 525,390 | 509,789 | 480,458 | 409,355 | 359,558 |
| Shareholders' equity attributable to equity holders (RM'000) | 460,360 | 440,536 | 504,207 | 612,736 | 682,624 |
| Debt/Equity (%) | 114.13% | 115.72% | 95.29% | 66.81% | 52.67% |
| Net assets per share (RM) | 0.67 | 0.64 | 0.72 | 0.87 | 0.97 |
| Basis earnings/(loss) per share (sen) | 0.41 | (2.93) | 8.26 | 15.28 | 10.76 |
| Diluted earnings per share (sen) | N/A | N/A | N/A | N/A* | 10.38 |
| Return on equity (%) | 0.60% | (4.48%) | 12.22% | 19.18% | 11.65% |
| Dividend per share (sen) | N/A | N/A | N/A | 0.50 | 1.00# |

* The diluted earnings per ordinary share is not shown for the FY2023 as the effect of the conversion of share warrants to ordinary shares would be anti-dilutive.

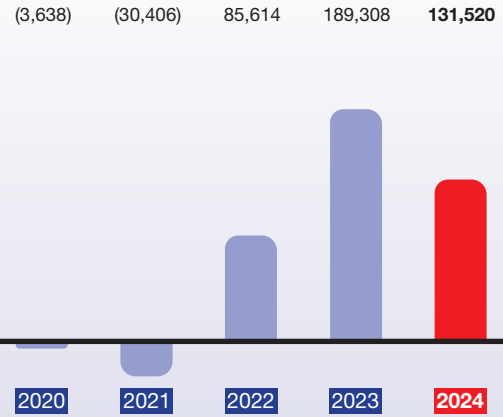
The proposed final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

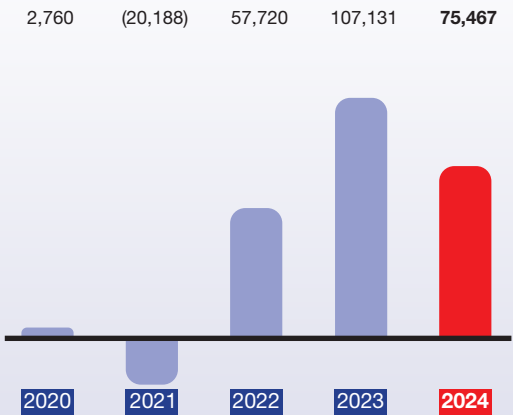
Revenue
(RM'000)



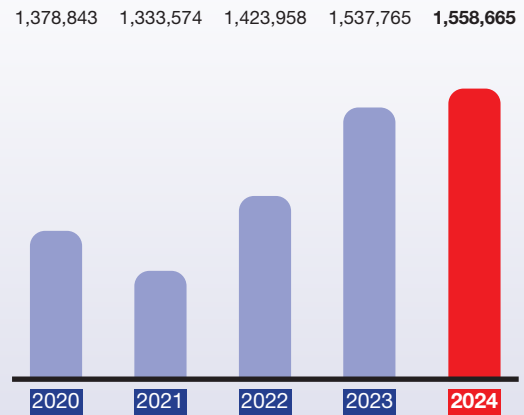
(Loss)/profit before taxation
(RM'000)



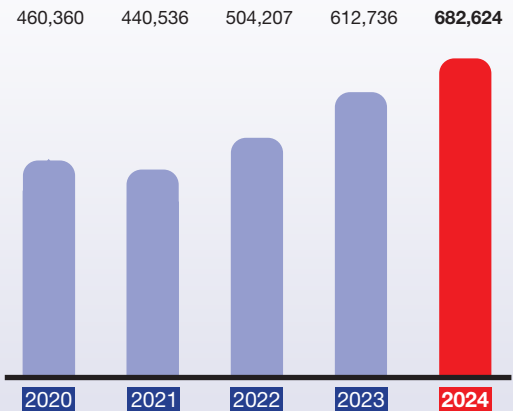
Net profit/(loss) attributable to equity holders
(RM'000)



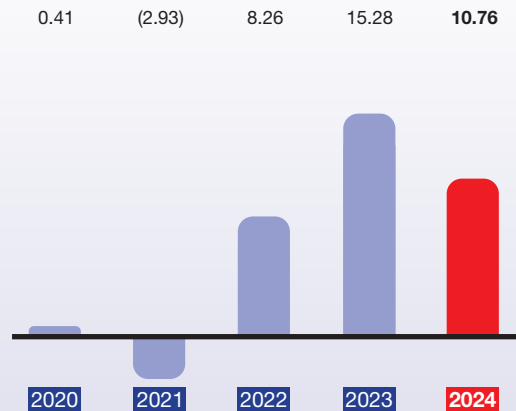
Total Assets
(RM'000)



Shareholders' equity attributable to equity holders
(RM'000)



Basis earnings/(loss) per share
(sen)



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

HIGHLIGHTS OF THE GROUP'S FINANCIAL INFORMATION FOR THE PAST 5 FINANCIAL YEARS (CONT'D)

GROUP FINANCIAL REVIEW

The purpose of this review is to highlight and provide brief insights on key financial and operating information at Group level. A more detailed commentary on operating performance is covered under the respective business segment reports.

Key Financial Indicators

The following are the key indicators used to measure the Group's financial performance for FY2024 as compared with the previous financial year 2023 ("FY2023"):

| | FY2024 (RM'000) | FY2023 (RM'000) |
|---|--------------------|--------------------|
| Revenue | 2,297,090 | 2,245,995 |
| Gross profit | 233,285 | 262,614 |
| Other income | 60,853 | 75,235 |
| Marketing and selling expenses | 83,334 | 75,962 |
| Administrative expenses | 60,337 | 52,220 |
| Operating profit | 149,907 | 207,819 |
| Other gains and losses | (381) | 2,104 |
| Share of result in a joint venture | 1,832 | (60) |
| Interest income | 3,236 | 1,881 |
| Finance costs | 18,728 | 20,001 |
| Profit after tax | 93,188 | 141,379 |
| Total assets | 1,558,665 | 1,537,764 |
| Biological assets | 118,056 | 115,021 |
| Short-term deposits with licensed banks | 120,682 | 76,641 |
| Total liabilities | 697,859 | 761,065 |
| Borrowings | 359,558 | 409,355 |
| Trade and other payables | 252,145 | 268,218 |

Financial Highlights and Insights

During the financial year under review, the Group recorded a total revenue of RM2.30 billion in FY2024, which is a slight increase of 2.27% over the previous year's revenue of RM2.25 billion in FY2023. This was mostly owing to the increased sales achieved by most of its divisions, particularly the integrated poultry division. The increased production of chicks and broilers, as well as increased sales of feed, processed chicken, and further processed food products, all contributed to the higher revenue. However, the lower average selling price of chicks, broilers and processed chicken has negated the increase in revenue. As a result, the Group's gross profit fell by 11% in FY2024 compared to FY2023.

The importation of frozen chicken from other countries thereby increasing the supply in Malaysia has resulted in a significant drop in broiler and processed chicken selling prices, as well as a decrease in demand for day-old chicks. This has adversely affected the Company's profit margin, even though feed costs have decreased.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Financial Highlights and Insights (Cont'd)

Furthermore, the reducing in government subsidies on chicken, which amounted to RM39.80 million in FY2024 compared to RM55.99 million in the previous financial year, has caused the Group's other income drop from 75.24 million in FY2023 to RM60.85 million in FY2024. In addition, the increase in marketing and selling expenses and administrative expenses by 9.7% and 15.5% respectively, further resulted in the Group's operating profit decreased by 27.8% to RM150 million in FY2024.

The other gains and losses decreased from a gain of RM2.10 million in FY2023 to a loss of RM0.38 million in FY2024. Despite the RM7.89 million gain on fair value adjustment of biological assets in FY2024, compared to a gain of RM0.35 million in the previous year, impairment loss on receivables of RM1.88 million and intangible assets of RM1.06 million, as well as bad debts written off of 2.81 million, have offset gains from biological asset fair value adjustment.

However, the share of profit in a joint venture, as well as higher interest income and lower finance costs, have all helped to cushion the profit drop. Consequently, the Group's profit after tax for FY2024 was RM93.19 million, down from RM141.38 million in FY2023.

The Group's total assets improved as of 30 September 2024, with a rise in short-term deposits with banks and biological assets. The increase in biological assets to RM118.06 million resulted from an expectation to a decrease in feed prices. However, the decline in the expected selling price of chicks and broilers has offset the increase in the value of biological assets.

The decrease in total liabilities of the Group by RM63.21 million, from 761.07 million in FY2023 to RM697.86 million in FY2024, was attributed to the decrease in the Group's total borrowings to RM359.56 million from RM409.36 million in FY2023. This reduction in total borrowings was mainly due to repayment of term loans and reduction in the Group's utilisation of bankers' acceptance during the year. Furthermore, the trade and other payables decreased to RM252.14 million in FY2024 from RM268.22 million in FY2023.

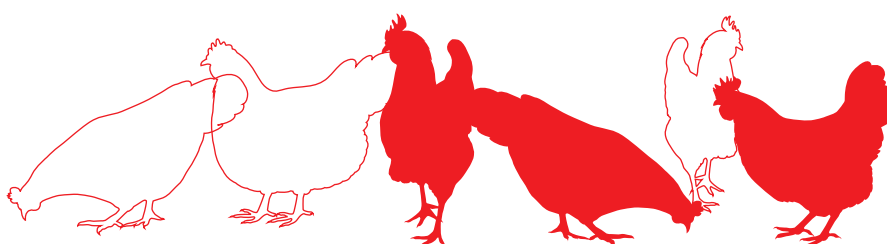
GROUP BUSINESS OPERATIONS REVIEW

Integrated Poultry Division

The integrated poultry division, as the Group's core and largest business segment, played a crucial role in generating revenue growth in FY2024. This division's revenue has increased by RM43 million in FY2024 to RM2.17 billion, representing an increase of about 2% over the previous year's revenue of RM2.13 billion in FY2023. The higher revenue was largely attributed to an increase in the sale of processed chicken and further processed products as well as an increase in the trading volume of feed.

Despite increased revenue, the division's operational profit dropped by 2.7% to RM174.86 million. This was mostly due to a decrease in profit earned as a result of a decrease in the average selling price for chicks and broilers. The selling price of chicks and broilers dropped by 14% and 2% respectively, as compared to last year. Furthermore, the government subsidy on chicken, which fell to RM39.80 million in FY2024 from RM55.99 million in the previous financial year, has had a negative impact on the division's operational profit.

Although the division managed to increase its production, oversupply of frozen chicken in Malaysia has led to the drop in the selling price of broilers and processed chicken. The division will continue to face challenges such as fluctuating selling price, rising production costs, disease outbreaks and changes in weather conditions.



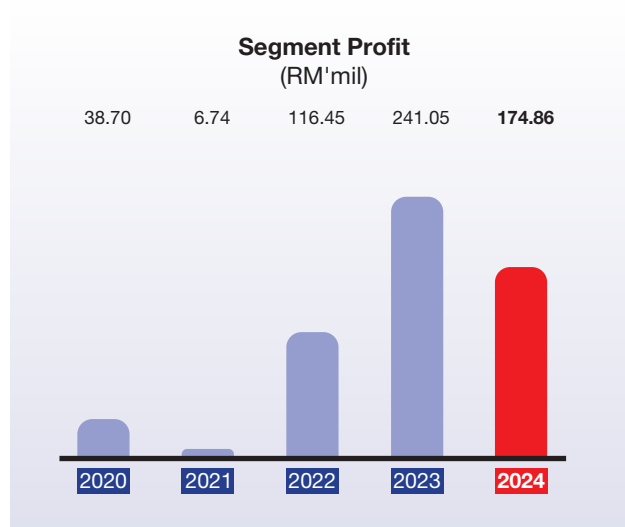
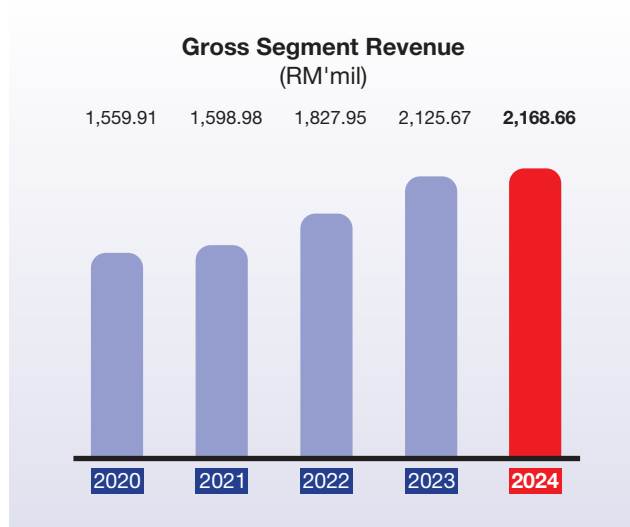
MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

GROUP BUSINESS OPERATIONS REVIEW (CONT'D)

Integrated Poultry Division (Cont'd)

HIGHLIGHTS OF THE GROUP'S INTEGRATED POULTRY DIVISION GROSS SEGMENT REVENUE AND PROFIT FOR THE PAST 5 FINANCIAL YEARS

| | 2020 (RM'mil) | 2021 (RM'mil) | 2022 (RM'mil) | 2023 (RM'mil) | 2024 (RM'mil) |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| Gross Segment Revenue | 1,559.91 | 1,598.98 | 1,827.95 | 2,125.67 | 2,168.66 |
| Segment Profit | 38.70 | 6.74 | 116.45 | 241.05 | 174.86 |



Presently, the Group operates more than 10 breeder farms, which are located in Penang, Kedah, Negeri Sembilan, Melaka and Johor. The Group also operates more than 100 broiler farms located throughout the Northern, Southern and Eastern regions of Peninsular.

During the year under review, the Group invested RM62.11 million in capital expenditure. Our investment is focus to ensuring a sustainable supply of chicken products in order to secure our internal supply chain to meet the demand from our customers.

The Group will continue to deploy resources towards our upstream and downstream business, such as to upgrade as well as modernising of existing open house farms to closed house farms and expanding our processed food business.

Retailing Division

The retailing division recorded an increase in revenue of 4.84% to RM148.55 million in FY2024 as compared to RM141.69 million in FY2023. This was mainly attributed to taking into account the sales from an additional outlet opened during the financial year under review.

Despite higher sales, a decrease in the profit margin and an increase in the distribution costs and administrative expenses have posted a larger loss on the division's operational loss of RM0.59 million in FY2024.

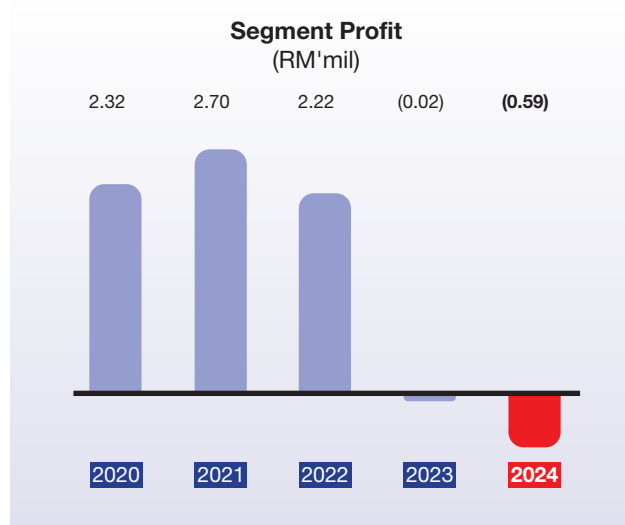
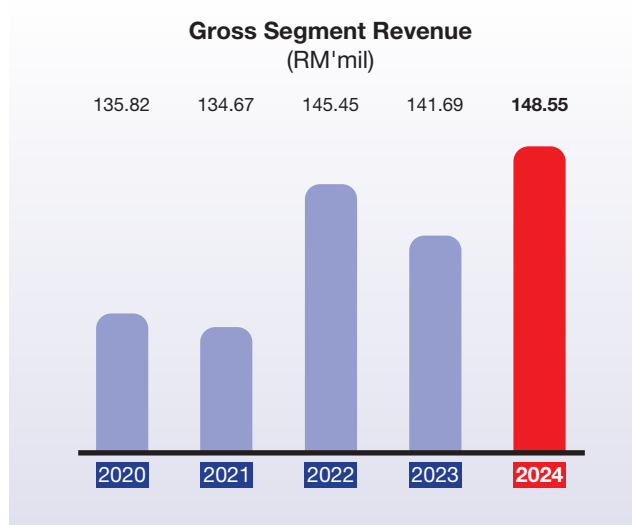
MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

GROUP BUSINESS OPERATIONS REVIEW (CONT'D)

Retailing Division (Cont'd)

HIGHLIGHTS OF THE GROUP'S RETAILING DIVISION GROSS SEGMENT REVENUE AND PROFIT FOR THE PAST 5 FINANCIAL YEARS

| | 2020 (RM'mil) | 2021 (RM'mil) | 2022 (RM'mil) | 2023 (RM'mil) | 2024 (RM'mil) |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| Gross Segment Revenue | 135.82 | 134.67 | 145.45 | 141.69 | 148.55 |
| Segment Profit/(Loss) | 2.32 | 2.70 | 2.22 | (0.02) | (0.59) |



During the year under review, the Group opened one (1) new outlet in Penang. Moving forward, the Group is planning to open twelve (12) more outlets in FY2025.

Drone Division

The Group has diversified its business into the provision of drone related services for the oil palm sector in FY2022. This division contributed a revenue of RM0.54 million in FY2024 and recorded a loss from operation of RM0.83 million due to insufficiency of revenue to breakeven. This business is still in its immature learning stage and requires more market penetration activities.

KEY BUSINESS RISK AND MITIGATION STRATEGIES

- **Disease Outbreaks**

Being in the livestock industry, we are always mindful of the risk associated with the outbreaks of infectious diseases such as Newcastle disease and Avian Influenza. The management has taken decisive steps over the past years to reduce the Group's exposure to such risk by:

- implementing strict bio-security control policy in all its farms and hatcheries;
- decentralised its farms and hatcheries operations over a larger geographical area;
- continue upgrading its existing open house farms to closed house farms in order to minimise the impact of disease transmission;
- good flock health management and practice in all its farms and hatcheries; and
- continuous employees training on disease control and prevention.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

KEY BUSINESS RISK AND MITIGATION STRATEGIES (CONT'D)

- **Volatility of Prices of Live Broilers and Processed Chicken Meat**

The major portion of the Group's revenue is derived from the sale of live broilers and processed chicken meats. The prices of these products are dependent on the overall demand and supply situation in the market which are determined by various factors. Therefore, the volatility of price of broiler in the local market will have an effect on the Group's revenue and profit. We minimise our exposure through vigilant and close monitoring of prevailing market condition and remain focused on our cost optimization strategy. To partly mitigate the price volatility, the Group enters into medium term contracts to supply dressed chicken and parts at a pre-determined fixed price to some of its major customers. In addition, the Group has geared up efforts to diversify from the volatile domestic market by increasing the export of its processed poultry products. The Group will continue to explore for more export markets for its poultry products.

- **Food Safety**

Being a food producer, the Group has always placed food safety as its utmost priority in its operations. Food safety breaches pose significant risks, including reputational damage, financial losses, and potential legal liabilities. We strictly adhere to operational best practices and processes to comply with governments requirements as well as customer expectation towards the quality and safety of the Group's products. Our Group's products are certified and accredited with the following recognized national and international food safety standards:

- Malaysian Good Agriculture Practices ("MyGAP") certification for its breeder and grand-parent stock farms;
- Sirim QAS International Quality Management System requirements ISO 9001:2015 for Farm's Best Food Industries Sdn. Bhd. and Jimat Jaya Sdn. Bhd.;
- Veterinary Health Mark ("VHM") and HALAL certification by Jabatan Kemajuan Islam Malaysia ("JAKIM") for its chilled/frozen chicken and further processed products;
- Good Manufacturing Practice ("GMP") and Hazard Analysis and Critical Control Point ("HACCP") certification for the chicken processing and further processed product manufacturing facilities in Kuala Lumpur and Melaka;
- Food Safety System Certification ("FSSC") 22000 for its slaughtering facility in Kedah and further processed product factory in Kuala Lumpur; and
- Certification from Singapore Food Agency ("SFA") for certain broiler farms in Johor as well as the processing and manufacturing facility in Melaka which enables the Group to export broilers, frozen dressed birds and parts, as well as further processed products to Singapore.

- **Risks of Reliance on a Single Market**

The Group has expanded into the Singapore market by acquiring a controlling stake in a slaughter house. The Group has continued to expand its business in areas such as manufacturing of delicatessen products, trading and supplying of marinated and fully-cooked meat products in the Island republic. In addition to trying to export more of our products overseas, it is very likely that the joint venture with the Salim Group would be an opportunity for the Group to penetrate into the Indonesia market.

- **Regulation and Policy Risk**

The Group's production is based mainly in Malaysia and Singapore and valid operating licence and veterinary licence are generally required for the purpose of carrying out poultry farming activities which are subject to yearly renewal. The Group constantly keeps abreast with the current political, economic and regulatory conditions so that counteractive measures can be implemented at a very short notice upon the awareness of any changes that can affect the Group's operations.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)



KEY BUSINESS RISK AND MITIGATION STRATEGIES (CONT'D)

- **Foreign Exchange Risk**

The Group has exposure to the Singapore dollar via its subsidiaries operating there as well as United States Dollar for its imported raw materials and foreign currency loan. The Group will continue to assess the need to utilise financial instruments to hedge our forex exposure.

DIVIDEND

After considering the following factors, the Board of Directors is pleased to recommend a final single-tier dividend of 1.0 sen per share for the financial year ended 30 September 2024 for the shareholders' approval at the forthcoming 23rd Annual General Meeting:

- The financial results of the Group for the financial year;
- The required and expected interest expenses, tax payment, cash flow, and retained earnings;
- The Group projected levels of capital expenditure and other investments plans, if any;
- The prevailing interest rate;
- The debt / equity ratio of the Group; and
- Maintaining of adequate reserves for the further growth of the Group.

FORWARD LOOKING STATEMENT

Malaysia's economy is projected to grow between 4.5% and 5.5% in 2025, against 4.8% and 5.3% in 2024. The Economy Outlook 2025 is boosted by the services sector, strong private sector expenditure and stable global trade.

On the supply side, the central bank observed that the services sector, driven by tourism, exports, and acceleration of information and communication technology, will continue to drive growth, with food, beverage, accommodation, retail, wholesale, and air transportation sectors expected to expand. The central bank has assured that growth will be bolstered by robust private sector spending and stable global trade.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

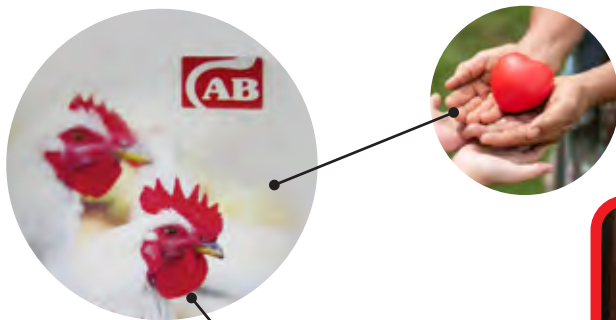
FORWARD LOOKING STATEMENT (CONT'D)

It has been a challenging year for the local poultry industry in the past year, having to overcome the negative impact of the Covid pandemic and also the oversupply of chicken situation following the government's policy of allowing for more import of frozen chicken into the country. This policy has negatively impacted on the selling price of broiler in the market which caused local producers to scale down on production. However, the price of feed has been on a downward trend which helps to cushion the negative impact from the lower selling price of broiler.

With the economy expected to grow at a steady rate of around 5% in 2025 and the increase in the minimum wage to RM1,700 from February 2025, the demand for chicken meat, being the cheapest meat protein, is expected to grow at a sustainable rate.

The Group, after having taken cognizant of the challenges outlined above, will be undertaking measures to further upgrade production efficiency and reduce wastages along the whole value chain. This is to ensure that the Group's operation is running at optimum level and is sustainable over the long run. In order to improve and increase the distribution network for its products, the Group will embark on expanding its supermarket outlets with a target of 12 new outlets in 2025. To better utilise its primary resource, the Group is expanding further into processed meat products manufacturing. In this regard, a new factory in Nibong Tebal, with a production capacity of 1,500 tons per month, is expected to be commissioned in the second quarter of 2025.

With the proactive measures taken by the management and barring any unforeseen circumstances, the Board is optimistic of the prospect of the Group in the next financial year.



SUSTAINABILITY STATEMENT

CAB Cakaran Corporation Berhad (“CAB” or “the Company”) is pleased to present this Sustainability Statement (this “Statement”) that reports the efforts, progress, and performance of the management of the sustainability matters of the CAB and its group of subsidiaries (“CAB Group” or “the Group”) for the financial year ended 30 September 2024 (“FY2024”). This Statement has been reviewed by the Board of Directors (“Board”) of CAB.

Scope And Reporting Framework

This Statement primarily covers the Group’s integrated poultry business segment, which is also the key revenue segment of the Group, the fast food business segment, and the retail segment. These include our operations in Malaysia and poultry operations in Singapore.

This Statement is prepared in accordance with the sustainability disclosure requirements of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa”) and the Group has also taken into consideration the Sustainability Reporting Guide – 3rd Edition and its accompanying Toolkits published by Bursa.

Assurance

This Statement has been reviewed by the Internal Auditors of CAB Group, covering the following:

- reviewing that the control measures disclosed in this Statement reflect the actual practices;
- reviewing selected data, which is disclosed in accordance with the Listing Requirements, to ascertain that they can be substantiated or have been prudently estimated.

This Sustainability Statement was approved by the Board on 18 December 2024.

Aligning Sustainability with CAB Group’s Vision, Mission, and Core Values

CAB Group’s sustainability strategies and approaches are guided by and are intended to support our Group’s Mission, Vision Statements, and Core Values which are illustrated as follows:



OUR VISION

To be a respectful leader in the regional food industry with strict adherence to high quality and safety standards for food production



OUR MISSION

To manage and conduct all business dealings with integrity and innovation to supply a wide range of high quality and safe food products to our customers



OUR CORE VALUES

- To always ensure premium quality and food safety standards are adhered to
- To actively participate in activities related to raising the standards of the food industry
- To form strategic long-term partnerships with our employees, customers and suppliers
- To optimise profit through efficient utilisation of resources
- To constantly invest in new facilities and research and development in order to produce a continuous stream of quality and safe food products

The management of sustainability matters is integrated into the Group’s business management processes, and the management of sustainability risks is also incorporated into the Group’s risk management system. In prioritising the sustainability matters which are important to focus resources on, we adopt materiality assessment to determine the material sustainability matters (“MSMs”).

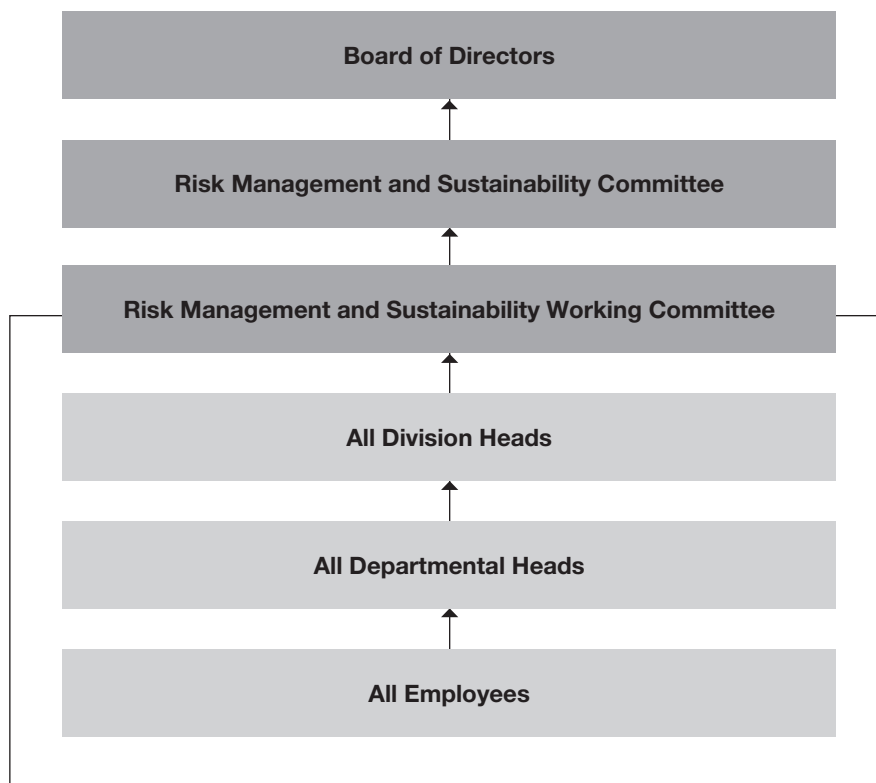
SUSTAINABILITY STATEMENT (CONT'D)

Sustainability Governance

In order to instil strong sustainability stewardship and a clear tone at the top, sustainability is also incorporated in CAB Group's corporate governance structure where the Board holds ultimate responsibility in ensuring sustainability is considered in the Group's corporate strategies in the long term.

CAB Group's governance framework is established to specify the roles and responsibilities of respective personnel in relation to sustainability initiatives and performance, in addition to day-to-day sustainability management such as compliance with environmental and social laws and regulations. This is also aligned with the promulgations of the Malaysian Code of Corporate Governance ("MCCG").

CAB Group's governance structure for sustainability is illustrated as follows:



The Board is responsible for ensuring sustainability aspects, including the economic, environmental, and social ("EES" or the "sustainability") aspects, are considered adequately and are able to support long-term value creation. The Management, led by the Group Managing Director, is responsible for developing strategies, proposing them for the Board's approval, and implementing relevant initiatives towards realising the Board-approved strategies.

In carrying out its oversight role, the Board is supported by the Risk Management and Sustainability Committee ("RMSC"), whose role is to oversee and monitor the effective implementation of the Group's sustainability framework and performance. The Group's key sustainability strategies, priorities, and targets are also reviewed by the RMSC before they are reported to the Board.

SUSTAINABILITY STATEMENT (CONT'D)

Sustainability Governance (Cont'd)

At the management level, the Group Managing Director leads the Management, including the Risk Management and Sustainability Working Committee ("RMSWC"), to develop implementation plans and drive sustainability strategies. The RMSWC's members include key management personnel of functions and operations. The achievement of sustainability targets which are developed to measure performance against sustainability priorities and key performance indicators ("KPIs") is the responsibility of the respective key management personnel, including ensuring sustainability-related activities are carried out effectively.

The management and performance of the Group's sustainability are also an integral part of the Group's risk management system where matters in relation to sustainability are treated as part of the key discussion topics during the quarterly management meetings.

This year, the Group appointed a dedicated Compliance Executive to monitor the Group's sustainability practices and performance, coordinating the efforts and performance reporting by the Group's various functions and departments. The Compliance Executive is part of the RMSWC, and he is also responsible for presenting the Group's sustainability progress and performance to the RMSC.

The Board is also responsible for ensuring key sustainability strategies, priorities, targets, as well as performance, are communicated with CAB Group's internal and external stakeholders, as appropriate. Amongst others, the Group's key communication and engagement with stakeholders include the annual publication of the Annual Report (including the Sustainability Report), the corporate website, corporate announcements via the Bursa's portal, and the annual general meeting.

Stakeholder Engagement

In ensuring our business strategies and sustainability strategies are aligned with the broad interest of our stakeholders and shareholders, the opinions and feedback of our stakeholders are important to the Group as they help to ensure the success of the sustainability journey throughout its course.

In CAB Group, we actively engage and communicate with our relevant stakeholders via various channels in order to better understand the stakeholders' concerns and needs. Through our stakeholder engagement activities, we are able to identify issues deemed important to our stakeholders and address their interests, expectations, and concerns.

Our stakeholder engagement processes and the outcomes arising from such processes also enable CAB Group to determine its MSMs to understand which sustainability matters are more significant to the Group's value creation for stakeholders.

SUSTAINABILITY STATEMENT (CONT'D)

Stakeholder Engagement (Cont'd)

The following table summarises our key stakeholders, engagement methods, and key focus areas during FY2024.

| Key Stakeholders | Engagement Methods | Frequency of Engagement | Key Focus Areas |
|----------------------------------|--|----------------------------------|--|
| Shareholders/ investors | Annual general meeting | Annually | <ul style="list-style-type: none"> Economic performance Corporate governance compliance with all relevant laws and regulations Anti-corruption and bribery measures |
| | Annual report and audited Financial statement | Annually | |
| | Quarterly financial report | Quarterly | |
| | Extraordinary general meeting | As and when needed | |
| | Announcement to bursa and corporate website | As and when needed | |
| Employees | Departmental and management meetings | Ongoing | <ul style="list-style-type: none"> Occupational health and safety working environment Employee, engagement and development Work-life balance and employee welfare Competitive compensation and benefit and remuneration packages |
| | Annual performance appraisal | Annually | |
| | Events and festive celebrations | Periodically | |
| | Briefing and training | As and when needed | |
| Customers and consumers | Feedback channels such as emails, phone calls, and walk-in | As and when needed | <ul style="list-style-type: none"> Product safety and quality Pricing competitiveness Variety of products Product availability Marketing and labelling |
| | Customer services | Ongoing | |
| | Website and social media platforms | As and when needed | |
| | Service satisfaction | Regular | |
| Suppliers and contract farmers | Collaboration contracts | As need arises | <ul style="list-style-type: none"> Continuous supply of key products Product quality Compliance with the supplier's code of conduct Similar good practices in the supply chain |
| | Sites visits | As and when needed | |
| | Suppliers selection and evaluation (via audit) | Regular | |
| | Business meetings | Regular | |
| Government bodies/ regulators | Meetings and discussions with authorities | As and when needed | <ul style="list-style-type: none"> Health and safety matters Product certification Environmental and social compliance Tax and pricing issues Labour practice Transparency and accountability |
| | Compliance activities | Ongoing | |
| | Timely reporting | As prescribed by law/ regulation | |
| Community | Corporate social responsibility activities | Regular | <ul style="list-style-type: none"> Waste and effluent management Community development Social impact Community living, care and development |
| | Local representative | Regular | |
| | Charitable contributions | As and when needed | |
| | Internship programmes and charity events | As and when needed | |

SUSTAINABILITY STATEMENT (CONT'D)

Materiality Assessment

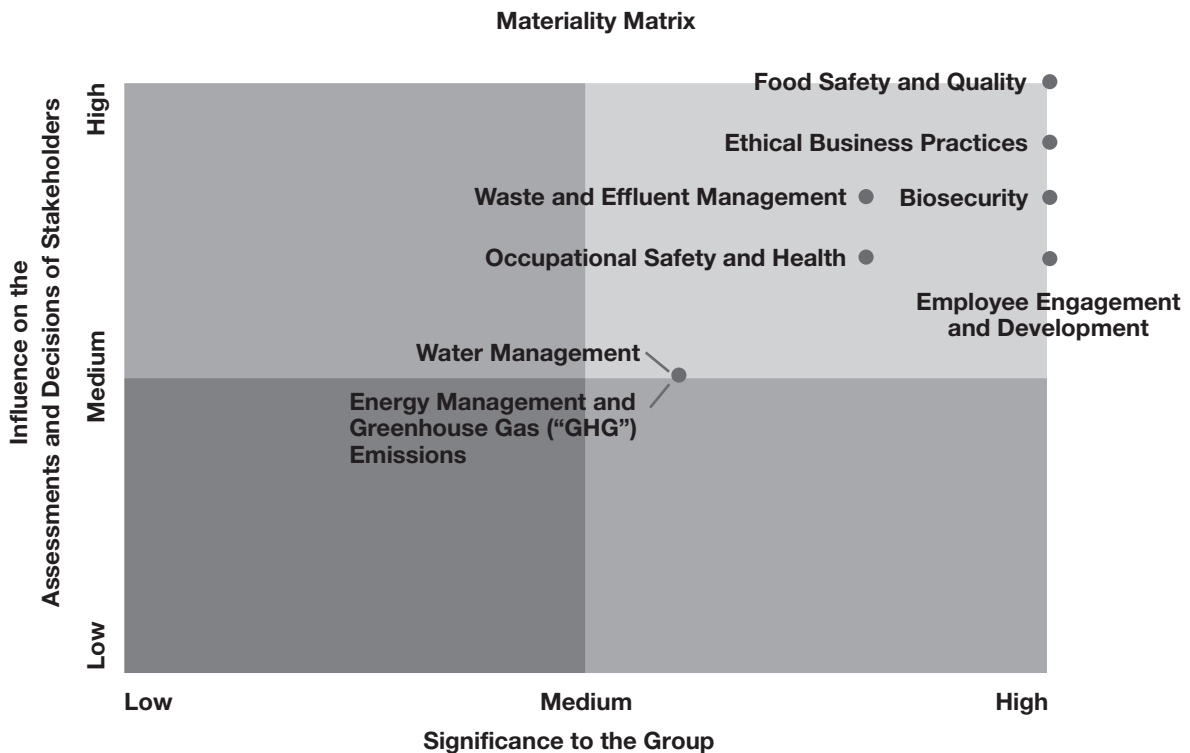
CAB Group assesses and determines its MSMs via a materiality assessment process, which takes into consideration Management’s assessment of the sustainability matters as well as the views of stakeholders. During the assessment process, the Management also obtained the input of relevant personnel who have a clear understanding of the Group’s stakeholders. The MSMs are reviewed every year to ensure the MSMs remain relevant and material to the Group.

A sustainability matter is considered material if it:

- reflects the Group’s significant sustainability impacts; or
- substantively influence the assessments and decisions of key stakeholders; and
- falls under the common material sustainability matters prescribed by the Bursa.

The Group performed a review of its materiality assessment in FY2024, participated by Senior Management personnel including the Group Managing Director, Division Heads, Heads of Department, and personnel who understand the views and concerns of the Group’s key stakeholders. Through materiality assessment review, CAB Group revealed that the materiality matrix for FY2024 remained unchanged from the previous year, as it continued to accurately represent the Group’s significant MSMs and align with both business priorities and stakeholder expectations.

The Group’s MSMs for FY2024 are illustrated in a materiality matrix, as follows.



SUSTAINABILITY STATEMENT (CONT'D)

Food Safety and Quality

Food safety and quality are considered the most important MSM to CAB Group and this principle is incorporated in the Group's Vision, Mission, and Core Values. We comply with the most stringent standards for food quality and safety, in addition to compliance with laws and regulations, across our food products from food processing to packaging.

CAB Group has a Food Safety Policy to guide our processing and manufacturing processes and practices. The Food Safety Policy is incorporated as part of our Quality Assurance Program. Ongoing improvement processes, including feedback and complaints mechanisms and recall procedures are also in place.

The Group's operations and processes are certified and recognised with national or international guidelines or food safety standards, as applicable, as follows:

- Malaysian Good Agriculture Practices ("MyGAP") certification for its breeder and grand-parent stock farms;
- Sirim QAS International Quality Management System requirements ISO 9001:2015 for Farm's Best Food Industries Sdn. Bhd. and Jimat Jaya Sdn. Bhd.;
- Veterinary Health Mark ("VHM") and HALAL certification by Jabatan Kemajuan Islam Malaysia ("JAKIM") for its chilled/ frozen chicken and further processed products;
- Good Manufacturing Practice ("GMP") and Hazard Analysis and Critical Control Point ("HACCP") certification for the chicken processing and further processed product manufacturing facilities in Kuala Lumpur and Malacca;
- Food Safety System Certification ("FSSC") 22000 for its slaughtering facility in Kedah and further processed product factory in Kuala Lumpur; and
- Certification from the Singapore Food Agency ("SFA") for certain broiler farms in Johor and processing and manufacturing facility in Malacca which enables the Group to export broilers, frozen dressed birds and parts, as well as further processed products to Singapore.

CAB Group's processing and manufacturing lines have incorporated controls that ensure the preservation and maintenance of optimum food safety and quality, including metal detectors, temperature controls, and the implementation of automation technology to minimise manual handling.

In some operations, we apply bar-coding technology which helps to enable effective storage and logistics planning and management, as well as enable our employees to trace batches, quickly react to any issues arising, identify root causes, and carry out remedial actions.

To prevent cross-contamination, we ensure proper segregation and compartmentalisation of processing areas between raw, semi-processed, and processed items. We also ensure sanitation procedures and hygiene practices are implemented and managed consistently.

In relation to antibiotic safety, the Group's broiler farms also have food safety and quality practices that observe a withdrawal period to maintain the antibiotic level in chicken meats within the regulated levels.

SUSTAINABILITY STATEMENT (CONT'D)

Food Safety and Quality (Cont'd)

Food Safety and Quality Awareness and Training

To ensure our employees are equipped with the relevant knowledge to safeguard food safety and quality in our operations, we provide them with regular education and training on standard operating procedures (“SOPs”), including but not limited to, identifying and overseeing the issues in the processing or manufacturing process, maintaining hygiene at all times, proper handling and storage of materials and products, etc. In addition, we also provide our employees with training specific to their scopes of work to ensure they carry out assigned, specialised tasks effectively, including managing associated food safety and quality matters.

Training relevant to food quality and safety provided to our employees during the financial year under review are summarised as follows:

- Food Handling Training;
- Food Safety Management System Awareness;
- FSSC 22000 Awareness & Effective Implementation Training;
- Critical Control Point Training;
- Cleaning and Sanitation Training;
- Root Cause Analysis (RCA) For Deviations in Food Safety Systems;
- Food Safety Standard and Course;
- Understanding The ISO Implementation Requirement;
- Allergen Management;
- Food Labelling Requirements;
- Understanding Measurement & Calibration System;
- Competency of Temperature Sensors Calibration Workshop;
- Hygiene Awareness Training (Pest Control);
- HACCP & The Science of Metal Detection in Food Production;
- Smokehouse Settings Training; and
- Integrating Climate Change into ISO 9001:2015.

Quality Assurance, Quality Control, and Audits

The Quality Assurance Department and Quality Control Department of the relevant business units conduct regular internal reviews of the Group’s operations, including food safety and quality compliance. Our facilities are also periodically audited by regulators and customers who apply stringent food quality and safety requirements.

As part of the Group’s Quality Assurance Policy and programme, we have an in-house laboratory to monitor the quality of incoming raw materials to factories and finished products before delivery to customers. Our qualified Quality Assurance staffs are also tasked to highlight any quality and safety issues that need to be improved as well as carry out review activities to ensure compliance with ISO audits.

SUSTAINABILITY STATEMENT (CONT'D)

Food Safety and Quality (Cont'd)

Quality Assurance, Quality Control, and Audits (Cont'd)

We are pleased to report that there were no cases of product recall or major issues reported on food safety and quality matters in FY2024.

| CAB Group | FY2022 | FY2023 | FY2024 |
|---|--------|--------|--------|
| Recall product cases (number) | 0 | 0 | 0 |
| Major food safety and quality issues (number) | 0 | 0 | 0 |

Ethical Business Practices

Business ethics and integrity is one of the core principles in how we do business, and the Group commits to upholding integrity and ethics in its business and operations. This commitment is also aligned with our Vision, Mission, and Core Values.

The Group has established a Code of Ethics and Conduct (“Code”), applicable to the Group’s Directors and employees, which set their expectation to display the highest levels of professionalism in all aspects of their work and dealings with internal and external stakeholders. The Group’s Code communicates the Group’s commitment to practising business ethically towards its stakeholders, including its employees, customers, suppliers, the environment, and the community. The Group’s commitment is to deal fairly and ethically in the market, with its customers, suppliers, competitors, and business partners to promote a healthy, competitive, and economically efficient marketplace.

Data Privacy and Confidentiality

The Code also requires our employees to safeguard confidential information and data including data relevant to customers and other personal data. CAB Group is committed to compliance with the requirements of applicable laws related to the protection of personal data.

We are pleased to report that there were no substantiated complaints concerning breaches of customer privacy and losses of customer data in FY2024.

| CAB Group | FY2022 | FY2023 | FY2024 |
|---|--------|--------|--------|
| Substantiated complaints concerning breaches of customer privacy and losses of customer data (number) | 0 | 0 | 0 |

Anti-Bribery and Corruption

The Group has also established an Anti-Bribery and Corruption Policy (“ABC Policy”). CAB Group adopts a zero-tolerance approach towards bribery and corrupt practices in all its operations. ABC Policy is applicable to all the Group’s business dealings and transactions in all the countries in which they operate and is available in three (3) versions, i.e. English, Malay, and Chinese. The forms of bribery and corruption covered in the ABC Policy include gifts and hospitality, facilitation payments to an officer of public body, third parties and agencies, political contributions as well as charitable contribution.

The ABC Policy is available on CAB’s corporate website at <http://www.cab.com.my>.

SUSTAINABILITY STATEMENT (CONT'D)

Ethical Business Practices (Cont'd)

Anti-Bribery and Corruption (Cont'd)

We adopt a risk-based approach towards managing corruption and corruption risk assessment and management is incorporated in CAB Group's annual risk management process. The corruption risk assessment covers all operations of the Group. The corruption risk assessment helps us to focus our efforts and resources on addressing areas with higher corruption risks.

| CAB Group | FY2022 | FY2023 | FY2024 |
|--|--------|--------|--------|
| Operations assessed for corruption-related risks (percentage) | 100% | 100% | 100% |

The ABC Policy is also regularly communicated with the internal and external stakeholders through various methods, including the company website, the company's internal communication and others. We communicate policies and procedures related to bribery and corruption to employees from time to time to raise employee awareness. We also obtain written acknowledgement of the ABC Policy from employees, and training will also be provided to Directors and employees from time to time.

| CAB Group (percentage) | FY2022 | | FY2023 | | FY2024 | |
|--|---------------|----------|---------------|----------|---------------|----------|
| | Communication | Training | Communication | Training | Communication | Training |
| Directors | 100% | 100% | 100% | 0% | 100% | 33% |
| Director-level positions ("EDs") and Key Senior Management | 100% | 100% | 100% | 0% | 100% | 81% |
| Managerial | 100% | 0% | 100% | 0% | 15% | 17% |
| Executive & Supervisory | 100% | 0% | 100% | 0% | 6% | 8% |
| Non-Executive | 100% | 0% | 100% | 0% | 1% | <1% |

Whistle-blowing

A whistle-blowing channel, which is formalised via the Group's Whistle-blowing Policy, has also been established to allow internal and external stakeholders report genuine concerns, about unethical behaviour, malpractices, illegal acts, or failure to comply with regulatory requirements, without fear of reprisal. Serious violations of the Group's Code or ABC Policy can also be reported via the whistle-blowing channel.

During the financial year under review, there were zero whistle-blowing cases reported and zero confirmed incidents of corruption. CAB Group also did not receive any cases in relation to discrimination, child labour, or workplace harassment.

| CAB Group | FY2022 | FY2023 | FY2024 |
|--|--------|--------|--------|
| Whistle-blowing cases (number) | 0 | 0 | 0 |
| Confirmed incidents of corruption (number) | 0 | 0 | 0 |
| Substantiated complaints concerning human rights violations (number) | 0 | 0 | 0 |

Biosecurity

Biosecurity is another element closely tied to food safety especially in our integrated poultry business. The management of CAB's biosecurity risks is guided by our Biosecurity Policy. Biosecurity control measures are in place in hatcheries and farms to minimise, prevent, confine, and control potential diseases and infection risks.

SUSTAINABILITY STATEMENT (CONT'D)

Biosecurity (Cont'd)

CAB Group's biosecurity-related controls are summarised as follows:

- CAB farms are managed in accordance with the Group's Farm Management Policy and SOPs. All hatcheries and farms had applied Flock Health Monitoring with due consideration given to excellent bird health and welfare.
- CAB's poultry farms are distanced from each other, spreading across the entire Peninsular Malaysia, covering Kedah, Malacca, Negeri Sembilan, Johor, Pahang, and Kelantan to minimise and avoid the impact of cross-infection in the case of a disease outbreak. Employees and/ or visitors who have been to poultry farms are forbidden from entering the Group's hatcheries within a specified period to prevent infection of day-old chicks.
- The physical movements of persons in and out of the operating premises are monitored and controlled, and persons entering the premises are required to wear disinfected apparel and gear. Entry to the farm is only allowed for those who are wearing the designated farm uniform, and who have undertaken the required shower, hand washing, and disinfectant boot-dipping procedures.
- Livestock quality control plays a crucial part throughout the entire production chain starting from grandparent stock down to parent stock and broiler. To keep good disease prevention and control, ongoing practices of stringent biosecurity and farm isolation are undertaken. CAB is moving forward with having all its farms, especially broiler farms, certified by the Department of Veterinary Services ("DVS") as MyGAP.
- Vehicle shower and wheel-dip are required for all authorised vehicles before entering farms and hatcheries whilst external vehicles are forbidden from entering the production and clean areas to minimise the risk of bringing disease-carrying microorganisms into farms.
- Good practices on a range of matters important to hygiene and disease control, such as rodent, insect and wild bird control, and waste management for farms and hatcheries, are adopted by the Group to monitor the internal conditions of its operations premises.
- The Group has employed qualified veterinarians who are responsible for poultry health monitoring and disease control. Ongoing monitoring of flock health is conducted across all CAB's farms and veterinarians will visit CAB's farms regularly.
- Evaporative Tunnel Ventilated Closed House System is adopted by the Group to regulate and enhance consistency of air quality and house temperature to avoid unnecessary stress on poultry in order to deliver excellent performance and also to minimise biosecurity risks. To improve the effectiveness of the Group's effort in managing biosecurity risks, the Group is gradually adopting the conversion of all its open-house farms to closed house farms.

There were no major disease outbreaks in CAB's poultry farms for the financial year under review.

| CAB Group | FY2022 | FY2023 | FY2024 |
|---|--------|--------|--------|
| Major disease outbreaks in CAB's poultry farms (number) | 0 | 0 | 0 |

Waste and Effluent Management

Environmental management is amongst some of the most important impacts that CAB Group manages. At CAB's farms and processing plants, we implement environmentally-conscious practices to reduce and mitigate the impact on the environment, as well as avoid environmental contamination from production waste and effluents. For example, the wastewater from our processing plant includes a mixture of, amongst others, blood, fat, feathers, skins, etc.

Our operations maintain systematic waste management systems in accordance with established SOPs. This includes proper waste segregation and handling, such as having licensed waste contractors to manage and dispose of scheduled waste, having designated processes to manage food and organic waste, and segregation of waste which can be sold or recycled.

SUSTAINABILITY STATEMENT (CONT'D)

Waste and Effluent Management (Cont'd)

Wastewater and Treatment Systems

Generally, wastewater is treated and monitored through wastewater treatment systems which may apply two (2) types of treatments, i.e. Biological Process and Physical Chemical Process, or a combination of both in some plants.

The purpose of the processes is to remove the contents such as suspended solids, grease and fat, and harmful substances which are then processed into sludge cake for disposal in accordance with environmental laws and regulations, while the treated effluent can be discharged safely into the public water system.

In order to ensure the quality of treated effluent is retained within the regulated levels, treated effluent is sampled and tested at least every week, to assess and determine its acidity, biochemical oxygen demand ("BOD") level, chemical oxygen demand ("COD"), etc.

From time to time, training on the maintenance and management of the wastewater treatment system is provided to our Group's technical officers to ensure that they are well-trained while certified by the Department of Environment ("DOE").

The Group's overall treated effluent discharge is mainly from our chicken slaughtering and processing plants.

| CAB Group | FY2024 |
|----------------------------------|--------|
| Effluent discharged (megalitres) | 762 |

We are also pleased to report that there were no non-compliance cases that resulted in significant penalties or fines in relation to wastewater treatment in FY2024.

Waste Management

We ensure that scheduled waste is managed in accordance with the applicable laws and regulations. On the other hand, non-scheduled waste generated by the Group's operations may have various other uses, and the Group donates or sells the waste where possible.

Poultry wastes, consisting of offal, feathers, manure, and eggshells, are amongst some of the more significant wastes from our slaughtering operations, which are not for human consumption. Whilst not commercially viable for us to process such wastes into another product, they contain nutritional values and may be used for other purposes such as animal feed, composting, or others.

We continue to carry out gradual conversion of all the Group's farms into closed house, which help to manage the problem of odour and flies relating to poultry manure. We also adopt the use of microorganism sprays on poultry manure which helps to accelerate decomposition and reduce odour.

We have a collaborative relationship with licensed contractors where they help to manage and measure the poultry manure generated from our operations, while we provide the poultry manure to them without charge.

SUSTAINABILITY STATEMENT (CONT'D)

Waste and Effluent Management (Cont'd)

Waste Management (Cont'd)

The following table summarises the generation and management of the Group's more significant waste for the FY2024:-

| CAB Group | FY2024 ¹ | | |
|--|---------------------|---------------------------------|-------------------------------|
| | Generated (tonnes) | Diverted from Disposal (tonnes) | Directed to Disposal (tonnes) |
| Scheduled Waste (Hazardous Waste) | | | |
| SW110 - Electronic Waste | 81.90 | 0.00 | 81.90 |
| SW410 - Rags, plastics, papers and filters waste | 0.15 | 0.00 | 0.15 |
| SW305 - Lubricating oil | 5.29 | 0.00 | 5.29 |
| Non-Hazardous Waste | | | |
| Poultry waste | 19,405.20 | 15,803.70 | 3,601.50 |
| Used oil | 9.50 | 9.50 | 0.00 |
| Organic and perishable waste | 503.61 | 180.00 | 323.61 |
| Plastic and packaging waste | 437.03 | 437.03 | 0.00 |
| Metal and scrap waste | 54.74 | 54.74 | 0.00 |
| E-waste | 0.01 | 0.01 | 0.00 |
| General and mixed solid waste | 1,063.88 | 61.55 | 1,002.33 |
| Total | 21,561.31 | 16,546.53 | 5,014.78 |

¹ CAB Group began to collect waste data in FY2024.

Water Management

Water is a significant input in CAB Group's operations, including in our integrated poultry operations and food processing operations. While the majority of the water we use is sourced from the municipal water supply, we also draw underground water in some operations.

Generally, our operations are not located in water-stressed areas. Nonetheless, the Group undertakes approaches and initiatives to ensure we use water effectively and do not waste water at all our business units. Our water management practices are highlighted as follows:

- rainwater harvesting system or water retention ponds in farms to enable the collection and reuse of collected rainwater; and
- maximising water efficiency in accordance with the 3Rs principle: reduce, reuse, and recycle.

| CAB Group (megalitres) | FY2024 |
|-------------------------------|--------------|
| Municipal water supply | 1,365 |
| Underground water | 57 |
| Total water withdrawal | 1,422 |

Energy Management and Greenhouse Gas ("GHG") Emissions

In addition to electricity consumption, the Group also reports on its energy consumption from the use of diesel and petrol in this Statement. Diesel and petrol are used in company vehicles, for the transportation of goods, as well as in equipment used in production and operations. The energy generated from the installed solar power generation systems is used entirely for the Group's own operations. This initiative not only reduces reliance on electricity purchased from Tenaga Nasional Berhad ("TNB") but also helps the Group lower its overall carbon footprint and operational costs.

SUSTAINABILITY STATEMENT (CONT'D)

Energy Management and Greenhouse Gas (“GHG”) Emissions (Cont'd)

During the financial under review, CAB Group has consumed 132,631 MWh of energy within the business operations.

| CAB Group (MWh) | FY2024 ² |
|--------------------------------------|---------------------|
| Petrol and diesel | 58,474.69 |
| Purchased electricity | 72,048.97 |
| Self-generated solar energy consumed | 2,107.66 |
| Total energy consumption | 132,631.32 |

² CAB Group began to collect energy consumption data in FY2024

We continue to carry out regular monitoring and management of our energy use, striving to utilise energy efficiently, controlling expenses, and reducing our carbon footprint. These initiatives include:

- corrective actions are taken to reduce abnormal power consumption and minimise energy waste during idle production time;
- continue to oversee and monitor energy consumption via supervisory control;
- utilising and prioritising energy-efficient equipment and electrical appliances across the operations such as installing of energy efficient chiller systems, LED lighting, condensers, and cooling tower fans;
- installation of stabilizers on air compressors, temperature control on relevant processes to reduce electrical usage whenever appropriate; and
- applying environmentally friendly designs and materials in our products.

Renewable Energy – Solar

In addition to the solar power generation systems, i.e. Photovoltaic (“PV”) Systems, previously installed at CAB’s Corporate Office in Seberang Jaya Penang and Chicken Processing Factory in Malacca, we have expanded our renewable energy efforts in 2024 by adding two (2) new PV Systems at CAB’s Sungai Petani Hatchery Center and poultry farms in Pendang, Kedah. These new installations were completed and commissioned in February and August 2024, respectively.

Furthermore, installation of PV Systems continues to be carried out in a few other sites, with completion targeted by FY2025. These developments are some of the key measures for the Group to increase its proportion of clean energy and to reduce reliance on purchased electricity, which is currently mainly fossil-fuel derived.

In FY2024, the Group avoided an estimated 1,631 tCO₂e of GHG emissions by utilising energy generated from solar power generation systems.

GHG Emissions

Following our enhanced scope of data reported for energy consumption, we are reporting our Scope 1 and Scope 2 GHG emissions this year. On the other hand, we continue to develop internal processes to gather Scope 3 GHG emissions, focusing on Category 6 – Business Travel and Category 7 – Employee Commuting.

| CAB Group (tCO ₂ e) | FY2024 ³ |
|--------------------------------|---------------------|
| Scope 1 (Direct) | 14,691.21 |
| Scope 2 (Indirect) | 54,514.06 |
| Scope 1 and Scope 2 | 69,205.27 |

³ CAB Group began to collect Scope 1 and Scope 2 GHG emissions data in FY2024.

SUSTAINABILITY STATEMENT (CONT'D)

Employment

Workforce Diversity

CAB Group is committed to fostering and maintaining a diverse and inclusive workforce, ensuring that every employee is treated fairly and equitably. As an equal-opportunity employer, we are also committed to developing an excellent workplace culture where employees of various backgrounds, gender, age, creed, ethnicity, and cultural affiliations are provided with equal opportunities for career development and advancement.

The Group has implemented a Gender Diversity Policy for the Directors and Senior Management to promote gender diversity at leadership levels. The primary focus remains on ensuring that recruitment and selection processes prioritise a strong combination of competencies, skills, extensive industry experience, knowledge, and the suitability of the candidate to the particular role being filled.

The table below summarises the total number of Board members and employees, categorised by gender and age group for the FY2024:

| 30 Sep 2024 ⁴ | | | | | | | |
|--|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Number (%) of CAB Group's Board | Gender | | Age | | | | |
| | Male | Female | < 30 | 30 - 50 | > 50 | | |
| Board of Directors | 5 (83%) | 1 (17%) | 0 (0%) | 2 (33%) | 4 (67%) | | |
| Employees By Employee Category for Malaysia | | | | | | | |
| Director-level positions ("EDs") and Key Senior Management | 17 (81%) | 4 (19%) | 0 (0%) | 13 (62%) | 8 (38%) | | |
| Managerial positions | 162 (74%) | 57 (26%) | 4 (2%) | 109 (50%) | 106 (48%) | | |
| Executive and Supervisor | 371 (57%) | 282 (43%) | 164 (25%) | 352 (54%) | 137 (21%) | | |
| Non-Executives | 2,788 (81%) | 646 (19%) | 1,756 (51%) | 1,444 (42%) | 234 (7%) | | |
| Total | 3,338 (77%) | 989 (23%) | 1,924 (45%) | 1,918 (44%) | 485 (11%) | | |
| Employees By Employee Category for Singapore | | | | | | | |
| Director-level positions ("EDs") and Key Senior Management | 6 (100%) | 0 (0%) | 0 (0%) | 1 (17%) | 5 (83%) | | |
| Managerial positions | 26 (74%) | 9 (26%) | 1 (3%) | 5 (14%) | 29 (83%) | | |
| Executive and Supervisor | 25 (68%) | 12 (32%) | 6 (16%) | 18 (49%) | 13 (35%) | | |
| Non-Executives | 137 (67%) | 69 (33%) | 42 (20%) | 99 (48%) | 65 (32%) | | |
| Total | 194 (68%) | 90 (32%) | 49 (17%) | 123 (43%) | 112 (40%) | | |
| Number (%) of employees by nationality | | | | | 30 Sep 2022 | 30 Sep 2023 | 30 Sep 2024 |
| Malaysia | Local | 2,152 (68%) | 1,809 (51%) | 2,462 (57%) | | | |
| | Foreign | 1,008 (32%) | 1,759 (49%) | 1,865 (43%) | | | |
| Singapore ⁵ | Local | - | - | 132 (46%) | | | |
| | Foreign | - | - | 152 (54%) | | | |

⁴ CAB Group began to collect and report the number of Board and employees (operations in Malaysia and Singapore) by gender and age group, for each employee category in FY2024.

⁵ CAB Group began to collect number of employees in Singapore by nationality in FY2024.

SUSTAINABILITY STATEMENT (CONT'D)

Employment (Cont'd)

Workforce Diversity (Cont'd)

In FY2024, the Group employed a total of 4,611 employees, with approximately 49% being permanent employees and 51% hired on a contract basis. There were also 23 non-contact-of-service workers involved in our business operations such as contractors, security guards, and cleaners.

| Number (%) of employees by employment contract | | 30 Sep 2024 ⁶ |
|--|-------------------------------|--------------------------|
| Malaysia | Full-time permanent employees | 2,059 (48%) |
| | Part-time permanent employees | 0 (0%) |
| | Full-time contract employees | 2,268 (52%) |
| | Part-time contract employees | 0 (0%) |
| Singapore | Full-time permanent employees | 216 (76%) |
| | Part-time permanent employees | 0 (0%) |
| | Full-time contract employees | 17 (6%) |
| | Part-time contract employees | 51 (18%) |

⁶ CAB Group began to collect employee by employment contract in FY2024.

Human Rights and Labour Standards

The Group is committed to promoting equal employment opportunities and preventing discrimination in the workplace, striving to ensure that employment practices fairly reflect diversity in terms of gender, ethnicity, and age.

Moreover, CAB Group is also committed to complying with all applicable and relevant laws and regulations in the regions where we operate, particularly those related to human rights and labour standards. This includes adhering to legal requirements such as the prohibition of child and forced labour, minimum wage requirements, maximum working hours, minimum rest periods, and ensuring the health and safety of our employees.

Recognition from KWSP (Employee Provident Fund)

We are happy to report that our Farm's Best Food Industries Sdn Bhd has received recognition from KWSP Malacca for being a responsible employer and maintaining good collaboration with KWSP.

Employee Engagement and Development

The Group fosters open and transparent communication with all our employees to maintain and improve engagement with the employees. Employees are encouraged to speak, discuss, and share their ideas and suggestions for business improvements, as it enables them to contribute to the company's growth while recognising their own personal potential. Additionally, managers are encouraged to engage continuously with their team members, including workers, to better understand and address the challenges and issues employees encounter in the workplace.

Training and Development

Continuous skill development and knowledge improvement are among the Group's top priorities, as talented and skilled individuals are essential assets that drive business success. Therefore, the Group has established employee training and development program aimed at helping employees enhance their personal skills and knowledge. This program not only helps to provide employees with opportunities for career development but also allows the Group to identify and assess the individuals with high potential that can be considered in its succession planning.

The training provided to our employees and workers is based on training need analyses conducted during employee and worker engagement activities, such as annual performance evaluation and appraisal sessions. This approach ensures that the training is relevant and aligned with both employee's and company's goals and objectives. To enhance and upskill the knowledge, skills, and experiences of our employees, training is provided for various levels, including executive team, management personnel, and employees.

SUSTAINABILITY STATEMENT (CONT'D)

Employee Engagement and Development (Cont'd)

Training and Development (Cont'd)

During the financial year under review, training topics attended by our employees are summarised as follows:

- Safety & Health & Environment (refer to Health and Safety Awareness and Training section for details);
- Quality Management and Food Safety (refer to Food Safety and Quality Awareness and Training section for details);
- Halal;
- Finance;
- Human Resources Management;
- Management Skill;
- Technical Skill;
- Work Ethics;
- Veterinary;
- Logistic;
- Anti-Bribery; and
- Sustainability.

In FY2024, the total hours of training attended by our employees are categorised by employee category and illustrated as follows:

| Number of training hours by employee category | FY2024 ⁷ |
|--|---------------------|
| Malaysia | |
| Director-level positions (“EDs”) and Key Senior Management | 162 |
| Managerial positions | 1,587 |
| Executive and Supervisor | 4,839 |
| Non-Executives | 2,489 |
| Total hours of training | 9,077 |
| Average hours of training per employee | 2.10 |
| Singapore ⁸ | |
| Director-level positions (“EDs”) and Key Senior Management | 10 |
| Managerial positions | 49 |
| Executive and Supervisor | 94 |
| Non-Executives | 247 |
| Total hours of training | 400 |
| Average hours of training per employee | 1.41 |

⁷ CAB Group began to collect and report the total number of training hours by employee category in FY2024.

⁸ CAB Group began to collect the training hours of employees in Singapore in FY2024.

Employee Welfare

Employees are crucial to our operations as they drive business growth and ensure the quality and safety of our products. To attract and retain talent while recognising their contributions, we provide a range of employee welfare initiatives.

The Group has implemented a fair and substantive employee reward system that connects rewards to individual contribution and performance, reflecting its adoption of the merits-based principle in its employment. Annual performance assessments are conducted to evaluate and assess employees and determine appropriate rewards, which may include bonuses, salary adjustments, and promotions, to be given to our employees. This employee reward system is participated by the employee under assessment, the employee’s superior, and the Group HR Department, which serves as a verifier to ensure transparency and appropriate checks and balances in the rewarding process.

SUSTAINABILITY STATEMENT (CONT'D)

Employee Engagement and Development (Cont'd)

Employee Welfare (Cont'd)

The benefits we provide to our employees are summarised as follows:

- healthcare benefits;
- compassionate leave;
- various insurance plans such as Group hospitalisation and Surgical and Group Personal Accident; and
- minimum benefits in accordance with local laws and regulations.

Apart from that, the Group ensures that all necessary documentation and legal permits are properly obtained and maintained, particularly for foreign employees, alongside their employment contracts.

Employee Retention

The Group's efforts in identifying training needs and enhancing employee welfare are key to improving our employee retention rate.

| CAB Group | 30 Sep 2024 ⁹ | |
|--|--------------------------|------------------|
| | Turnover number | New hires number |
| Malaysia | | |
| Director-level positions ("EDs") and Key Senior Management | 5 | 2 |
| Managerial positions | 36 | 42 |
| Executive and Supervisor | 125 | 117 |
| Non-Executives | 589 | 580 |
| Total | 755 | 741 |
| Singapore | | |
| Director-level positions ("EDs") and Key Senior Management | 0 | 0 |
| Managerial positions | 1 | 1 |
| Executive and Supervisor | 3 | 2 |
| Non-Executives | 36 | 40 |
| Total | 40 | 43 |

⁹ CAB Group began to collect turnover and new hires number in FY2024.

Occupational Safety and Health

We are committed to providing a safe, secure, and conducive working environment for our employees and workers.

Employees working on farms may be exposed to a range of occupational safety and health risks, including but not limited to industrial accidents, occupational poisoning (such as from chemical gases, ammonia, pesticides, etc), occupational diseases (such as musculoskeletal disorders and biological hazards), whereas employees that are working in a manufacturing and processing factory is exposed to physical harms due to activities like using with sharp tools, machinery, high temperature, etc.

The safety and health of the workplace are governed by the Group Safety and Health Policy which formalises our commitment. The Group Safety and Health Policy also serves as a communication tool to internal and external stakeholders. It is reviewed at least annually and updated when necessary to ensure effectiveness and compliance with relevant laws and regulations.

SUSTAINABILITY STATEMENT (CONT'D)

Occupational Safety and Health (Cont'd)

Health and Safety Management Governance and Processes

The Group has a registered competent Safety and Health Officer to manage and ensure matters in relation to the Group's overall occupational safety and health are kept in check.

Occupational safety and health are managed via a risk-based approach. Risk assessment processes, such as Hazard Identification, Risk Assessment and Risk Control ("HIRARC"), Chemical Health Risk Assessment ("CHRA") and assessment on Noise Monitoring, are undertaken to assess workplace hazards and risks.

Controls to manage the identified risks are established and incorporated into SOPs to ensure the controls are implemented consistently. These controls or initiatives include, amongst others, the provision of suitable and adequate personal protective equipment ("PPE"), training, safe work instructions, and the use of equipment with enhanced safety features. We also perform regular checks on the equipment and machinery to ensure they are in safe working condition.

Regular safety training and safety audits or reviews at the Group's farms, hatcheries, processing plants, and production sites are also conducted to increase the safety and health awareness of our employees, workers and contractors. Safety information, improvement opportunities, and non-compliance are communicated and reported via Notice Boards and regular management briefings.

It is the responsibility of all employees, suppliers, contractors, and consultants who perform their duties at our premises to comply with the safety and health work practices and guidelines. Safety campaigns are held to remind workers and employees of safety awareness and related issues to reduce injury, safety and health hazards. We ensure that every worker and employee understands that safety is their responsibility.

Health and Safety Awareness and Training

Safety and health-related training is provided to our workers and employees to develop strong safety awareness and develop safety and health management skills across the operations. During the financial year under review, training provided to employees and workers includes, but is not limited to the following subjects:

- Occupational First Aid Course;
- Forklift Safety and Technical Training and Driving Awareness;
- Hearing Conservation Training;
- OSH Principle of Prevention on Mental Health At Workplace;
- Emergency Response Plan and Preparedness;
- Basic Occupational First Aid, CPR and AED Training;
- Occupational Safety and Health Coordinator;
- Fire Drill Training;
- Understanding The Implementation of The Amendment of Occupational and Safety Health Act 1994 and Regulation;
- Safe Handling Gas Nitrogen & Basic VIE Operation;
- First Aid & CPR For Lorry Driver; and
- Chemical Application & Safety Handling.

In FY2024, there are 272 employees receiving training on health and safety standards.

| CAB Group | FY2024 ¹⁰ |
|--|----------------------|
| Employees in Malaysia trained on health and safety standards (number) | 256 |
| Employees in Singapore trained on health and safety standards (number) | 16 |

¹⁰ CAB Group began to collect the number of employees trained on health and safety standards in FY2024

SUSTAINABILITY STATEMENT (CONT'D)

Occupational Safety and Health (Cont'd)

During the financial year under review, there were no major accidents reported in all our operations, and this is aligned with the Group's target of maintaining zero major accidents throughout our operations. Most of the work-related injuries during the financial year were due to reasons such as being cut or stabbed by sharp objects or falling or slipping. Processes for enquiries and investigations are in place to assess and identify the causes of accidents or incidents to address control weaknesses and avoid recurrence in the future.

| CAB Group ¹¹ | FY2022 | FY2023 | FY2024 |
|--|-----------|-----------|------------|
| Total hours worked (hours) | 7,292,656 | 7,345,104 | 11,029,512 |
| Work-related fatalities (cases) | 0 | 0 | 0 |
| Total accidents reported/ resulted in lost workdays (cases) | 17 | 30 | 117 |
| Lost time injury frequency rate/ lost time incident rate ¹² (per million hours) | 2.33 | 4.08 | 10.60 |
| Lost day rate ¹³ | 6.03 | 11.76 | 20.13 |

¹¹ The data for FY2024 increased as we have updated our definition of accidents to cases with medical leave of one day and more. Prior to FY2024, accidents were defined as cases required to be reported to DOSH, i.e. accidents reported with medical leaves of four days or more.

¹² Lost time injury frequency rate/ lost time incident rate = (number of accident in the reporting period x 1,000,000) / total hours worked in the reporting period.

¹³ Lost day rate = (total number of workdays lost x 200,000) / total hours worked in the reporting period.

Corporate Social Responsibility

This year, we continued to support the society and community, focusing our efforts on those in need. We contributed to the community through various channels including government departments or agencies, religious organisations, charitable organisations, schools, orphanages, and other organisations in the form of monetary donations and/ or sponsorship, chicken meat supply, and others.

| CAB Group | FY2024 ¹⁴ |
|--|----------------------|
| Total amount invested in the community where the target beneficiaries are external to CAB Group (RM) | 121,439 |
| Total number of beneficiaries of the investment in communities (estimated), including individuals and institutions | 1,495 |

¹⁴ CAB Group began to collect total amount invested and estimated number of beneficiaries of the investment in FY2024.

The Group's contributions were intended to support the benefits of more than 1,430 individuals and 65 institutions including students, orphans, local communities, animals, mental health support organisations and religious organisations.

The Group also believes that the Group's business and operations help to support and contribute to the economy, especially the local economy, through its purchases, employment, and products and services. Approximately 95.7% of the Group's trading goods and raw materials was obtained locally.

| CAB Group | FY2024 ¹⁵ |
|---|----------------------|
| Proportion of spending on local suppliers | 95.7% |

¹⁵ CAB Group began to collect local procurement in FY2024.

SUSTAINABILITY STATEMENT (CONT'D)

Sustainability Performance Data

| Indicator | Measurement Unit | 2024 |
|---|------------------|------------|
| Bursa (Anti-corruption) | | |
| Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category | | |
| Director & Key Senior Management | Percentage | 81.00 |
| Management | Percentage | 17.00 |
| Executive | Percentage | 8.00 |
| Non-executive/Technical Staff | Percentage | 1.00 |
| Bursa C1(b) Percentage of operations assessed for corruption-related risks | Percentage | 100.00 |
| Bursa C1(c) Confirmed incidents of corruption and action taken | Number | 0 |
| Bursa (Community/Society) | | |
| Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer | MYR | 121,439.00 |
| Bursa C2(b) Total number of beneficiaries of the investment in communities | Number | 1,495 |
| Bursa (Diversity) | | |
| Bursa C3(a) Percentage of employees by gender and age group, for each employee category | | |
| Age Group by Employee Category | | |
| Director & Key Senior Management Under 30 | Percentage | 0.00 |
| Director & Key Senior Management Between 30-50 | Percentage | 51.85 |
| Director & Key Senior Management Above 50 | Percentage | 48.15 |
| Management Under 30 | Percentage | 1.97 |
| Management Between 30-50 | Percentage | 44.88 |
| Management Above 50 | Percentage | 53.15 |
| Executive Under 30 | Percentage | 24.64 |
| Executive Between 30-50 | Percentage | 53.62 |
| Executive Above 50 | Percentage | 21.74 |
| Non-executive/Technical Staff Under 30 | Percentage | 49.40 |
| Non-executive/Technical Staff Between 30-50 | Percentage | 42.39 |
| Non-executive/Technical Staff Above 50 | Percentage | 8.21 |
| Gender Group by Employee Category | | |
| Director & Key Senior Management Male | Percentage | 85.19 |
| Director & Key Senior Management Female | Percentage | 14.81 |
| Management Male | Percentage | 74.02 |
| Management Female | Percentage | 25.98 |
| Executive Male | Percentage | 57.39 |
| Executive Female | Percentage | 42.61 |
| Non-executive/Technical Staff Male | Percentage | 80.36 |
| Non-executive/Technical Staff Female | Percentage | 19.64 |
| Bursa C3(b) Percentage of directors by gender and age group | | |
| Male | Percentage | 83.00 |
| Female | Percentage | 17.00 |
| Under 30 | Percentage | 0.00 |
| Between 30-50 | Percentage | 33.00 |
| Above 50 | Percentage | 67.00 |

SUSTAINABILITY STATEMENT (CONT'D)

Sustainability Performance Data (Cont'd)

| Indicator | Measurement Unit | 2024 |
|--|------------------|--------------|
| Bursa (Energy management) | | |
| Bursa C4(a) Total energy consumption | Megawatt | 132,631.32 |
| Bursa (Health and safety) | | |
| Bursa C5(a) Number of work-related fatalities | Number | 0 |
| Bursa C5(b) Lost time incident rate ("LTIR") | Rate | 10.60 |
| Bursa C5(c) Number of employees trained on health and safety standards | Number | 272 |
| Bursa (Labour practices and standards) | | |
| Bursa C6(a) Total hours of training by employee category | | |
| Director & Key Senior Management | Hours | 172 |
| Management | Hours | 1,636 |
| Executive | Hours | 4,933 |
| Non-executive/Technical Staff | Hours | 2,736 |
| Bursa C6(b) Percentage of employees that are contractors or temporary staff | Percentage | 51.00 |
| Bursa C6(c) Total number of employee turnover by employee category | | |
| Director & Key Senior Management | Number | 5 |
| Management | Number | 37 |
| Executive | Number | 128 |
| Non-executive/Technical Staff | Number | 625 |
| Bursa C6(d) Number of substantiated complaints concerning human rights violations | Number | 0 |
| Bursa (Supply chain management) | | |
| Bursa C7(a) Proportion of spending on local suppliers | Percentage | 95.70 |
| Bursa (Data privacy and security) | | |
| Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data | Number | 0 |
| Bursa (Water) | | |
| Bursa C9(a) Total volume of water used | Megalitres | 1,422.000000 |

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of CAB Cakaran Corporation Berhad (“CAB” or “the Company”) is pleased to present the Corporate Governance (“CG”) Overview Statement to provide shareholders and investors with a summary of the CG practices of the Company for the year ended 30 September 2024 (“FY2024”) as set out in the Malaysian Code on Corporate Governance (“MCCG” or the “Code”) with reference to the following three key principles:

| PRINCIPLE A | PRINCIPLE B | PRINCIPLE C |
|--|---|--|
| BOARD LEADERSHIP AND EFFECTIVENESS | EFFECTIVE AUDIT AND RISK MANAGEMENT | INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS |
| A1 BOARD RESPONSIBILITIES A2 BOARD COMPOSITION A3 REMUNERATION | B1 AUDIT COMMITTEE B2 RISK MANAGEMENT AND INTERNAL CONTROL | C1 ENGAGEMENT WITH STAKEHOLDERS C2 CONDUCT OF GENERAL MEETINGS |

This overview statement is prepared in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“MMLR”) and should be read in conjunction with the CG Report of the Company for FY2024, which is available on the Company’s website at <http://www.cab.com.my>.

The Board is pleased to outline below the manner in which the Company and its subsidiaries (“the Group”) has applied the three (3) principles as set out in the Code.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

A1 BOARD RESPONSIBILITIES

The Board of Directors is primarily responsible for proper and good corporate governance of the Company and as such, leadership and effectiveness of the Board are critical and crucial as a fundamental part of discharging its duties and responsibilities to protect and create value for all stakeholders and raise the Company’s overall performance.

The Board sets the strategic direction, managing the business and affairs of the Group including ensuring achieving its strategic goals and realising long-term shareholders’ values. The Board is guided by the prevailing legal and regulatory requirements such as the Companies Act 2016, the MMLR and MCCG as well as the Company’s Constitution and Board Charter in discharging its fiduciary duties and responsibilities.

The Board assumes, amongst others, the following principal roles and responsibilities in discharging its stewardship role, fiduciary duties and leadership functions:

- (i) Promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
- (ii) Review, challenge and decide on Management’s proposals for the Group, and monitor their implementation;
- (iii) Review, approve and monitor the overall strategies and direction of the Group and to ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- (iv) Supervise and assess Management’s performance to determine whether the Group’s business is being properly managed;
- (v) Ensure that there is a sound and adequate framework for internal controls and risk management;
- (vi) Understand the principal risks of the Group’s business and recognise that business decisions involve the taking of appropriate risks;
- (vii) Assess and set the risk appetite within which Management should operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- (viii) Ensure that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A1 BOARD RESPONSIBILITIES (Cont'd)

- (ix) Ensure that the Group has in place procedures to enable effective communication with stakeholders;
- (x) Ensure the integrity of the Group's financial and non-financial reporting;
- (xi) Providing input and approved the annual operating budget as well as periodic review the Group's financial performance and operating results against budget and major capital commitments;
- (xii) Reviewing and approving any major corporate proposals, new business ventures or joint ventures of the Group;
- (xiii) Review the terms of office and performance of the Board Committees annually (with members of the respective Board Committees abstain from deliberation); and
- (xiv) Reviewing and monitoring systems of risk management and internal compliance and controls, codes of conduct, continuous disclosure, legal compliance and other significant corporate policies.

The Board is governed by the Board Charter which guides, regulates and delineates clearly relevant matters reserved for the Board's approval, and those which the Board may delegate to the Board Committees, the Group Managing Director and the Management.

The Board has five (5) Board Committees namely the Audit Committee, Nomination Committee, Remuneration Committee, Risk Management and Sustainability Committee and Halal Committee to assist the Board and each committee is governed by their Terms of Reference ("TOR") respectively. The TORs of the Board Committees are periodically reviewed by the Board Committees and approved by the Board on any changes/updates to ensure that they remain relevant and adequate in governing the responsibilities of the Board Committees and reflect the developments in the Listing Requirements, MCGG and other regulatory authorities. The TORs of the Board Committees are made available for reference at the Company's website at <http://www.cab.com.my>.

The Chairman of each Board Committee will report to the Board the outcome of the Board Committee meetings for the Board's consideration and approvals as well as matters which require the Board's deliberation. The extract of such reports are incorporated in the minutes of the Board meetings. The Board retains full responsibility for the direction and control of the Company and the Group.

The Board plays an active role in reviewing and monitoring the Group's overall strategic and financial plans. The Board reviews and approves on a yearly basis the proposed business plan and budget of the Group as well as the capital expenditure at the Board Meetings.

The Board reviews the performance and results of the business at individual business unit level and group level on a regular basis at its quarterly meetings by monitoring the Group's financial results against the budget and the preceding quarter's results. The Board receives updates on financial, operational, corporate, regulatory, business development and audit matters for the decisions to be made on an informed basis to effectively discharge the Board's responsibilities.

The Group Managing Director, Executive Directors and/or other relevant Board members with the assistance of senior management team will furnish comprehensive explanation on pertinent issues and recommendations by the Management to the Board. The issues are then deliberated and discussed thoroughly by the Board and the Board will give in depth consideration, guidance, ideas and feedback on the Company's strategy over short, medium and long-term, prior to decision making. In addition, the Board members are updated on the Company's activities and its operations on a regular basis.

The Board also deliberates and evaluates the feasibility of business propositions and corporate proposals as well as the principal risks that may have a significant impact on the Group's business. External advisers are invited to attend meetings to provide insights and professional views, advice and explanation on specific items on the meeting agenda, when required.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A1 BOARD RESPONSIBILITIES (Cont'd)

The Audit Committee assists the Board in reviewing financial reporting such as quarterly and annual financial results, major acquisitions and disposals, major investments, non-financial reporting such as disclosures and statements in the annual report before tabling the same to the Board for deliberation and approval to ensure the Group is in compliance with the relevant accounting standards and Listing Requirements.

The Management team conducted quarterly meetings with each business unit head to review, discuss, deliberate, consider and submit proposals to the Board for final decision on issues of financial performance, business plan, risk management, information technology support, corporate governance, business development, investment activities and current issues faced by the Group which require the Board's input and decision.

The Board, via the Risk Management and Sustainability Committee ("RMSC"), sets the risk tolerance levels, objectives, performance targets and policies to manage the key risks faced by the Group. The details of the risk management framework are set out in the Statement on Risk Management and Internal Control section of this Annual Report.

The Board is ultimately responsible in managing sustainability matters of the Company. The Board, via RMSC and headed by the Group Managing Director as well as supported by the sustainability working committee, discusses and resolves risk management and sustainability-related issues, in particular, the establishment of a sustainability framework, the review the adequacy of sustainability processes, ensuring effectiveness in the identification, management, and reporting of Material Sustainability Matters of the Group, monitoring and overseeing of all sustainability strategies and initiatives of the Group. The details of the sustainability matters are set out in the Sustainability Statement section of this Annual Report.

A1.1 Clear Segregation of Roles and Responsibilities of Executive Chairman and Group Managing Director

The roles of the Executive Chairman and Group Managing Director are distinct and separated to ensure a balance of power and authority. The Executive Chairman leads the Board and is responsible for the efficient functioning of the Board. The key roles of the Executive Chairman, amongst others, are as follows:

- (a) Leading the Board in setting the values and ethical standards of the Company;
- (b) Monitoring the workings of the Board, especially the conduct and lead of Board meetings and discussions;
- (c) Encouraging all Directors to play an active role in Board activities and allowing dissenting views to be freely expressed;
- (d) Liaising with the Group Managing Director and the Company Secretary on the agenda for Board meetings and ensure that all relevant issues for the effective running of the Company's business is on the agenda;
- (e) Ensuring the provision of accurate, timely and clear information to members of the Board;
- (f) Maintaining a relationship of trust with and between the Executive and Non-Executive Directors;
- (g) Ensuring effective communication with shareholders and relevant stakeholders;
- (h) Arranging regular evaluation of the performance of the Board, its Committees and individual Directors;
- (i) Manage the interface between Board and Management.;
- (j) Facilitating effective contribution of Non-Executive Directors and ensuring constructive discussion at Board meeting;
- (k) Chairing general meetings of shareholders;
- (l) Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;
- (m) Leading the Board in establishing and monitoring good corporate governance practices in the Group;
- (n) In determining policies matters, the Chairman should ensure that the following are carried out:
 - (i) All Directors are properly briefed on issues arising at Board meetings;
 - (ii) There is sufficient time allowed for the discussion of complex or contentious issues and where appropriate, arranging for informal meetings beforehand to enable thorough preparation; and

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A1 BOARD RESPONSIBILITIES (Cont'd)

A1.1 Clear Segregation of Roles and Responsibilities of Executive Chairman and Group Managing Director (Cont'd)

(o) Fulfilling such other responsibilities as are allocated by the Constitution from time to time.

The positions of Executive Chairman and Group Managing Director are held by different individuals.

The roles of the Executive Chairman and the Group Managing Director as well as their Terms of Reference are stated in detail in the Board Charter which is made available for reference at the Company's website.

The Board has delegated to the Group Managing Director, the authority and responsibility for implementing of the Board policies, strategies and decisions adopted by the Board. The Group Managing Director takes on primary responsibility to spearhead and manage the overall business activities of the various business divisions of the Group. The Group Managing Director is assisted by key senior management team and head of each division in implementing and running the Group's day-to-day business operations.

The Group Managing Director may delegate aspects of his authority and power but remains accountable to the Board for the Company and the Group's performance.

A1.2 Company Secretaries

The Company is supported by two (2) qualified named Company Secretaries who possess the requisite qualification and are qualified to act as Company Secretaries under section 235(2) of the Companies Act, 2016. They play a supportive role by ensuring adherence to the Company's Constitution, Board's policies, procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations from time to time. The Company Secretaries monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations.

A1.3 Access to Information and Confirmation of Minutes

The Board meets on a quarterly basis, with additional meetings convened as and when necessary. The notices of Board meetings are sent out to the Directors via email at least seven (7) days prior to the meeting. The meeting materials of the Board and Board Committees together with its detailed reports, proposition papers and other relevant information on matters requiring the consideration of the Board were circulated to all Directors via email for their perusal and consideration where possible, at least five (5) business days prior to each Board meeting, depending on the nature and complexity of the particular meeting material. This is to allow time for the Directors to review the Board papers and to facilitate full discussion at the Board meeting. In case where the subject matter or agenda item is price sensitive or otherwise confidential or in a state of flux, the particular meeting materials will be presented at the meeting. The Board papers are comprehensive and encompass both quantitative and qualitative factors so that informed decisions can be made.

All proceedings from the Board meetings are recorded and confirmed by the Chairman of the meeting. The minutes of the Board meetings are circulated to all Directors for their perusal prior to confirmation of the minutes to be carried out at the commencement of the following Board meeting. The Directors may request for clarification or raise comments before the minutes are tabled for confirmation. Upon receiving confirmation from all the members at the Board meetings, the minutes will be signed by the Chairman of the meeting as a correct record of the proceedings of the meeting. Signed copies of the minutes were kept in the minutes book maintained by the Company Secretaries.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A1 BOARD RESPONSIBILITIES (Cont'd)

A1.3 Access to Information and Confirmation of Minutes (Cont'd)

In line with the MCCG, the Company would ensure that the relevant meeting papers are provided to the Board not less than five (5) business days before the meeting and circulate the draft minutes of meeting in a timely manner after conclusion of the Board and Board Committee meetings.

A1.4 Board Charter

The Board Charter sets out the principles governing the Board of Directors of the Company and adopts the principles of good governance and practice in accordance with applicable laws, rules and regulations in Malaysia. The Board Charter also sets out the respective roles and responsibilities of the Board, Board Committees, individual Directors, independent Directors and the Management as well as issues and decisions reserved for the Board.

The Board will periodically review the Board Charter and make any changes whenever necessary in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities. The Board Charter is published on the Company's website at <http://www.cab.com.my>. The Board Charter was last reviewed on 18 December 2024.

A1.5 Time Commitment and Board Meetings

The Board ordinarily meets at least five (5) times a year to review the operations, financial performance, reports from the various Board Committees and other significant matters of the Group. Additional meetings will also be convened when urgent and important decisions are required to be made in between scheduled meetings. The dates scheduled for Board meetings, Board Committee meetings and Annual General Meeting are set in advance and circulated to the Directors to facilitate the Directors' time planning.

Five (5) Board Meetings were held during the financial year ended 30 September 2024. The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company.

Details of attendance of Directors at the Board Meetings and Board Committees' Meetings held during the financial year ended 30 September 2024 are as follows:

| Name | Board | Audit Committee | Nomination Committee | Remuneration Committee |
|--|-------|-----------------|----------------------|------------------------|
| Chuah Ah Bee | 5/5 | - | - | - |
| Chuah Hoon Phong | 5/5 | - | - | - |
| Wijanti Tjendera | 3/5 | - | - | - |
| Datuk Sr. Haji Zakaria Bin Hashim | 5/5 | 5/5 | 1/1 | 1/1 |
| Lim Ghim Chai | 5/5 | 5/5 | 1/1 | 1/1 |
| Professor Dato' Dr. Mohd Fakhrudin Bin Abdul Mukti | 4/5 | 4/5 | 1/1 | 1/1 |
| Chew Chee Khong (Resigned on 26 April 2024) | 3/3 | - | - | - |
| Loo Choo Gee (Retired on 25 March 2024) | 3/3 | - | - | - |

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A1 BOARD RESPONSIBILITIES (Cont'd)

A1.6 Code of Ethics and Conduct

The Board has formalised a Code of Ethics and Conduct that sets out the basic principles to guide all the Directors and employees of the Company and the Group. The Code of Ethics and Conduct clearly sets out expectations for all the Directors and employees of the Group to display the highest level of professionalism and corporate governance in the conduct of work and dealings with its internal and external stakeholders including its customers, suppliers, employees, the environment and the community. This includes the Group's commitment to dealing fairly and ethically in the market, with its customers, suppliers, competitors, and business partners to promote a healthy, competitive and economically efficient marketplace.

The Group's stance on zero-tolerance towards bribery and corrupt practices is also clearly stated in the Code of Ethics and Conduct and is applicable to all the Group's business dealings and transactions in all countries in which its subsidiaries operate. The Code of Ethics and Conduct further provides for how gifts, meals, entertainment and other benefits should be assessed and governed, as well as how actual or potential conflict of interest situations should be declared, in ensuring its Directors and employees demonstrate business ethics and integrity in all the Company's business dealings. The Anti-Bribery and Corruption Policy which was adopted in 2019 also requires all employees (including full time, probationary, contract and temporary staff) ("Employees") and Directors of the Group to be committed to acting professionally and with integrity in their business dealings.

The Directors and employees of the Group are obliged, at all times, to comply with the law and Code of Ethics and Conduct and are encouraged to report suspected unlawful and unethical behaviour.

The Directors have the duty to declare immediately to the Board of their interests in any transaction to be entered into directly or indirectly with the Company or the Group. The interested Director shall abstain from all deliberations and decision making of the Board on the transaction where conflict of interests may arise. In the event where a corporate proposal is required to be approved by the shareholders, the interested Director will abstain from voting in respect of their shareholdings in the Company and will further undertake to ensure that persons connected to them will similarly abstain from voting on the resolution.

Employees are obliged to observe the standards of ethical behaviours and the rules of conduct at the workplace as stated in the Employees' Handbook adopted by the Company.

The Board will periodically review the Code of Ethics and Conduct to ensure it remains relevant and appropriate. The details of the Code of Ethics and Conduct and the Anti-Bribery and Corruption Policy are available for reference at the Company's website at <http://www.cab.com.my>.

A1.7 Whistle-blowing Policy

The Board has put in place a Whistle-blowing Policy to provide an avenue for employees and stakeholders to report genuine concerns about unethical behaviour, malpractices and illegal acts on failure to comply with regulatory requirements without fear of reprisal. All cases shall be independently investigated and appropriate actions shall be taken where required.

The policy lays down explicitly the procedures and protection extended to the whistle-blower. The policy is published and promoted for enforcement across the Group, where the whistle-blower can report to the Group Managing Director, the Audit Committee Chairman or the Head of Group Internal Audit respectively.

The Board will periodically review the Whistle-blowing Policy to ensure it remains relevant and appropriate.

The details of the Whistle-blowing Policy are available for reference at the Company's website at <http://www.cab.com.my>.

A2 BOARD COMPOSITION

The Nomination Committee oversees and reviews the overall composition of the Board in terms of size, the required mix of skills, diversity including diversity of gender, ethnicity and age experience and other qualities and core competencies for the Directors of the Company on annual basis.

The Board of Directors of the Company currently consists of six (6) members including a woman Director; of whom two (2) are Executive, three (3) are Independent Non-Executive Directors and one (1) is Non-Independent Non-Executive Director.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A2 BOARD COMPOSITION (CONT'D)

The Board is headed by the Executive Chairman and the Group Managing Director. The Chairman of the Board is not a member of the Board Committees. The Board comprise at least half of Independent Directors complies with the recommendation under the Code and Paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

All Directors of the Company do not hold more than five (5) directorships under paragraph 15.06 of the Main Market Listing Requirements.

The Board practices no discrimination in terms of appointment of Directors as well as hiring employees wherein the Directors and Senior Management are recruited based on their merit, skills and experiences and not driven by age, cultural background and gender.

In searching for suitable candidates, the Board may rely on recommendations from existing Board members, Management, major shareholders or utilise external sources to identify suitable qualified candidates. The evaluation of the suitability of candidates as the new Board member or as a member of the workforce is based on the candidates' competency, skills, expertise, time commitment, knowledge, experience and other qualities in meeting the needs of the Group, regardless of gender.

A2.1 Board's Skill and Professional Development

The Board composition has taken into account adequate mix of skills, independence and diversity including diversity of gender, ethnicity and age of the members who are well-equipped with relevant knowledge and/or experience for contribution towards achievement of objectives of the Company. The Board comprises members of strong background on the basis of, in addition to the mix referred to above, their character, integrity and time who bring value to Board deliberations.

As part of the assessment, all Directors had declared and confirmed that they have the character, experience, integrity, competence, and time to discharge their roles continuously and responsibilities effectively.

The Board views continual learning and training as an integral part of the Directors' development to enhance their skills and knowledge to enable them to carry out their roles effectively as Directors in discharging their responsibilities and duties. The Board shall review and evaluate each Director's performance, its own performance and the performance of its Committees at least once a year. All Board related performance appraised shall be administered and conducted by the Nomination Committee who shall then report back to the Board. Based on the result of appraisal, the Nomination Committee shall assist the Board to undertake assessment of the training needs of each Board Member and recommend the appropriate educational/training programmes to the respective Board Members to equip themselves with the relevant knowledge.

The Directors can also request specific training they deem necessary or useful to address gaps in their knowledge and to receive updates on the latest industry developments and global trends.

The key learning areas and topics for which the Directors had undergone training during FY2024 and/or thereafter are listed below:

| Name of Directors | Date | Programmes |
|-------------------|------------------|--|
| Chuah Ah Bee | 25 March 2024 | Enhanced Sustainability Reporting Framework |
| | 10 July 2024 | Conflict of Interest (COI) and Governance of COI |
| | 11 July 2024 | Training and Workshop on Sustainability covering Greenhouse Gas Emissions, Task Force on Climate-Related Financial Disclosures and Anti-Corruption |
| | 2-3 October 2024 | Bursa Malaysia Mandatory Accreditation Programme Part II |

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A2.1 Board's Skill and Professional Development (Cont'd)

| Name of Directors | Date | Programmes |
|--|-------------------|--|
| Chuah Hoon Phong | 25 March 2024 | Enhanced Sustainability Reporting Framework |
| | 10 July 2024 | Conflict of Interest (COI) and Governance of COI |
| | 11 July 2024 | Training and Workshop on Sustainability covering Greenhouse Gas Emissions, Task Force on Climate-Related Financial Disclosures and Anti-Corruption |
| | 2-3 October 2024 | Bursa Malaysia Mandatory Accreditation Programme Part II |
| Wijanti Tjendera | 25 March 2024 | Enhanced Sustainability Reporting Framework |
| | 9-10 October 2024 | Bursa Malaysia Mandatory Accreditation Programme Part II |
| Datuk Sr. Zakaria Bin Hashim | 25 March 2024 | Enhanced Sustainability Reporting Framework |
| Lim Ghim Chai | 25 March 2024 | Enhanced Sustainability Reporting Framework |
| | 2-3 October 2024 | Bursa Malaysia Mandatory Accreditation Programme Part II |
| Professor Dato' Dr. Mohd Fakhrudin Bin Abdul Mukti | 25 March 2024 | Enhanced Sustainability Reporting Framework |
| Chew Chee Khong (Resigned on 26 April 2024) | 25 March 2024 | Enhanced Sustainability Reporting Framework |
| | 11 July 2024 | Training and Workshop on Sustainability covering Greenhouse Gas Emissions, Task Force on Climate-Related Financial Disclosures and Anti-Corruption |
| Loo Choo Gee (Retired on 25 March 2024) | 25 March 2024 | Enhanced Sustainability Reporting Framework |
| | 11 July 2024 | Training and Workshop on Sustainability covering Greenhouse Gas Emissions, Task Force on Climate-Related Financial Disclosures and Anti-Corruption |

A2.2 Re-appointment/re-election

The MCCG recommends that the tenure of an independent Director does not exceed a term limit of nine years. Upon completion of the nine years, an independent Director may continue to serve on the Board as a Non-Independent Director. If the Board intends to retain an Independent Director beyond nine years, the Board should provide justification and seek annual shareholders' approval through a two-tier voting process.

Presently, there is an Independent Non-Executive Director of the Company, namely Mr. Lim Ghim Chai who has served as an Independent Non-Executive Director since 23 March 2016, will reach the nine years limit on 23 March 2025.

The Letter of support and recommendation from the Group Managing Director to retain Mr. Lim Ghim Chai as an Independent Non-Executive Director of the Company and the Fit and Proper Declaration Form completed and submitted by Mr. Lim, were tabled and noted at the Nomination Committee Meeting held on 18 December 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A2.2 Re-appointment/re-election (Cont'd)

The Nomination Committee had carefully evaluated his qualifications, experience, time commitment, existing directorships, independence and potential conflict of interest. The Nomination Committee had then recommended the appointment of Mr Lim to the Board, being satisfied that he possessed the integrity, professionalism and calibre necessary to exercise independent judgement in the Board's decision-making process despite his long service extended to the Company.

The Board believes that despite his long service extended to the Company, Mr. Lim Ghim Chai still remain unbiased, objective and independent in expressing his opinions and in participating in decision making of the Board. The length of his service on the Board has not in any way interfered with his objectives and independent judgements in carrying out his role as a member of the Board and its Committees.

The Board has recommended that the approval of the shareholders be sought to re-appoint Mr. Lim Ghim Chai as an independent non-executive Director of the Company at the forthcoming AGM through a two-tier voting process.

The re-election of the Board is done in accordance with the Company's Constitution whereby one-third (1/3) of the Directors for the time being or, if their number is not a multiple of three (3), the number nearest to one-third (1/3) shall retire from office at the conclusion of the AGM in every year provided always all Directors shall retire from office once at least in every three (3) years but shall be eligible for re-election.

Newly appointed Directors shall hold office only until the next AGM and shall be eligible for re-election.

For the financial year ended 30 September 2024, the Nomination Committee has conducted its review pursuant to Practice 5.1 of Malaysian Code on Corporate Governance and in its assessment of the following Directors guided by the Fit and Proper Policy and Gender Policy for Boardroom and Senior Management:

1. Madam Wijanti Tjendera
2. Professor Dato' Dr. Mohd Fakhruddin Bin Abdul Mukti

The Nomination Committee is satisfied with their performance and contribution to the Board during the tenure referred to therein for submission to the Board for their re-election at the forthcoming Annual General Meeting.

During the FY2024, in an effort to comply with the MCCG whereby at least half of the Board comprises independent Directors, the Board had undergone the following changes in its composition:

- (1) At the 22nd Annual General Meeting held on 25 March 2024, Mr. Loo Choo Gee had retired from the Board;
and
- (2) Mr. Chew Chee Khong has resigned from the Board on 26 April 2024.

In view of the foregoing, the Board and Senior Management hereby record their appreciations and gratitude to Mr. Loo Choo Gee and Mr. Chew Chee Khong for their valuables and long-serving contributions to the Board and to the Group as a whole.

Immediate to the retirement and resignation of Mr. Loo Choo Gee and Mr. Chew Chee Khong, both of them continue to serve the CAB Group as Directors under the poultry and retailing division and food processing and restaurant division respectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A2.2 Re-appointment/re-election (Cont'd)

The Nomination Committee has examined and considered its present Board size and is satisfied that its current Board size facilitates effective decision-making and is appropriate for the nature and scope of the Group's operation. The Board comprise at least half of Independent Directors complies with the recommendation under the Code and is a good mix of members with diversified background and extensive experience and fair knowledge, who bring along a wide range of technical skills and expertise to the Group and have contributed significantly towards performance monitoring, control as well as governance.

A2.3 Diversity of Board and Senior Management

The Board acknowledges the importance of a diverse mix of skills and profiles of the Directors on the Board and Senior Management, in terms of age, ethnicity, gender, business experience and personal skills to provide the necessary perspective, experience and expertise required to achieve effective stewardship and management of the Company's operation.

The following is the Boardroom Gender, Ethnicity and Age of the Company:

| | 40 to 49 years | 50 to 59 years | 60 to 69 years | 70 to 79 years |
|-----------|----------------|----------------|----------------|----------------|
| Bumiputra | - | - | 1 (Male) | 1 (Male) |
| Chinese | 1 (Male) | 1 (Male) | - | 1 (Male) |
| Foreigner | - | - | 1 (Female) | - |

The Group adopted and guided by Fit and Proper Policy and Gender Policy for Boardroom and Senior Management. The evaluation of the suitability of candidates as the new Board member or as a member of the workforce is strictly based on the candidates' competency, skills, character, time commitment, knowledge, expertise, professionalism, suitability and character of a person in meeting the needs of the Group, regardless of gender, ethnicity and age.

The Group is an equal opportunity employer and does not practice discrimination of any form, whether based on age, gender, race and religion, throughout the organisation when deciding candidates on the composition of the Board and Senior Management.

A2.4 Director Appointment And Induction

Nomination Committee

The Nomination Committee comprises three members, all of whom are Independent Non-Executive Directors. The composition of the Nomination Committee as of the date of this Annual Report is as follows:

| Name | Position |
|--|----------|
| Datuk Sr. Haji Zakaria Bin Hashim (Independent Non-Executive Director) | Chairman |
| Lim Ghim Chai (Independent Non-Executive Director) | Member |
| Professor Dato' Dr Mohd Fakhruddin Bin Abdul Mukti (Independent Non-Executive Director) | Member |

The Nomination Committee shall meet at least annually or as and when the need arises. The Nomination Committee held one (1) meeting during the financial year ended 30 September 2024. The details of the Terms of Reference of Nomination Committee are available at the Company's website at <http://www.cab.com.my>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A2.4 Director Appointment And Induction (Cont'd)

Nomination Committee (Cont'd)

Minutes of each meeting shall be circulated to the Nomination Committee members and presented to the Board. Issues discussed and actions recommended by the Nomination Committee shall be presented and reported to the Board.

The Board, through the Nomination Committee, guided by our Fit and Proper Policy and Gender Policy for Boardroom and Senior Management of the Company which outlines the necessary criteria and processes for evaluation of candidates for appointment of new Directors to the Board. Generally, the following factors are taken into consideration when assessing the need for new Director appointment and the suitability of candidates:

- (1) A required skills, experience, characteristics and attributes, including but not limited to character and competency level;
- (2) Current composition, diversity level, size, independence and performance of the Board and Board Committees;
- (3) Time commitment required of the Directors;
- (4) Performance evaluation of the Board, Board Committees and individual Directors;
- (5) The Group's operational context, including strategic goals and external environment; and
- (6) Relevant guidelines and legislations, as well as Board Charter and Terms of Reference.

Every candidate for new Director appointments is subjected to a self-evaluation process to assess their fitness and propriety, including a declaration of conflict of interest, time commitment and financial standing. Where necessary, background checks covering previous employments, professional references, education history, criminal records and credit checks will be conducted (with the consent of the candidate) as part of the fitness and propriety assessment.

Upon successful appointment of new Directors, induction programmes are arranged for the newly appointed Directors to familiarise themselves with all aspects of the Group's operations. The induction process includes, but is not limited to, plant visits, briefings by the senior management on each business division, special sessions relating to areas of interest, and briefings by the internal company secretary on Board procedures, various governance-related matters, as well as Directors' legal obligations and responsibilities.

Nomination and election of members of the Board shall undergo a formal and transparent selection process of identification and evaluation of the candidates concerned. The process of nomination and election referred to above may be summarised as follows:

- (1) Identification of skills and other requisite qualities required to meet the needs of Board composition;
- (2) Sourcing of candidates;
- (3) Evaluation of candidates on the basis of the criteria used in relation to mix of skills, independence and diversity including diversity of gender, ethnicity and age of the members of the Board with the required expertise and experience as well as appropriate balance of Executive and Non-Executive Directors, in particular, apply the Company's Directors Fit and Proper Policy and Gender Diversity for Boardroom and Senior Management Policy which shall form part of their selection, assessment and recruitment exercise;
- (4) Selection of suitable candidates; and
- (5) Recommendation of candidates to the Board for appointment.

A2.5 Board Evaluation

The annual assessment on the Effectiveness of the Board, Board Committees and individual Directors is conducted internally via the Nomination Committee. The assessment undertaken by the Nomination Committee is via the evaluation in writing in respect of the Board, Board Committees and individual Directors taking into consideration the criteria referred to above as set out in the assessment forms in relation thereto with reference to the Corporate Governance Guide (4th edition) issued by Bursa Malaysia Berhad.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A2.5 Board Evaluation (Cont'd)

The Nomination Committee is chaired by Datuk Sr. Haji Zakaria Bin Hashim, an Independent Director of the Board. The Nomination Committee Chairman leads the annual assessment of Board of the skills and experience of each Director and the combined capabilities of the Board ("Board Skills Matrix Assessment") as well as the Board Committees.

In general, the Board effectiveness evaluation ("BEE") process is listed below:

- (1) Completion of evaluative questionnaires on individual Directors, Board and Board Committees, independence of independent non-executive Directors, and Board skills matrix;
- (2) Collation of findings and preparation of BEE report;
- (3) Review and deliberation at the Nomination Committee and Board levels
- (4) Preparation of action plan to address areas for improvement;

The BEE process in respect of FY2024 commenced with the distribution of questionnaires to each Director covering the following scope and criteria:

| Scope | Criteria |
|-------------------------------------|---|
| Individual Directors | <ul style="list-style-type: none"> • Fit and Proper • Contribution and Performance • Calibre and Personality |
| Board and Board Committees | <ul style="list-style-type: none"> • Board Mix and Composition • Quality of Information and Decision Making • Boardroom Activities • Board's Relationship with the Management • Board Committees' Assessment |
| Independent Non-Executive Directors | <ul style="list-style-type: none"> • Independence Self-Assessment |
| Board Skills Matrix | <ul style="list-style-type: none"> • Strategy and Entrepreneurship • Industry Knowledge/Experience • Technical Skills/Experience • Governance Competencies • Legal and Regulatory Requirements |

The Nomination Committee carried out the above assessment at the Nomination Committee Meeting held on 18 December 2024 and the assessment findings revealed, the Board was satisfied that the Directors have been discharging their respective duties and responsibilities effectively, and that the Board as a whole and the Board Committees continue to function effectively in accordance with the Board Charter and the Terms of Reference of each Board Committee. Each of the Directors had committed sufficient time to carry out their responsibilities effectively during FY2024.

As of the date of this Annual Report, the Board has 16.67% female representation and the Board will endeavour to comply with the recommendation of the Code where the Board comprises at least 30% women Directors. An additional female candidate, if they are suitable, may be considered for future appointments.

A2.6 Nomination Committee's activities during FY2024

During the FY2024, the following are the summary of the activities carried out by the Nomination Committee:

- (1) reviewed and assessed the structure, size, required mix of skills, experience, diversity and other qualities, including core competencies and effectiveness of the Board, as a whole and the Board Committees;
- (2) reviewed and assessed the contribution of each individual Director based on criteria, responsibilities, strength, time commitment and ability to act in the best interests of the Company in decision-making including the sustainability agenda;

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A2.6 Nomination Committee's activities during FY2024 (Cont'd)

- (3) reviewed and recommended to the Board for re-appointment of a Director who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years for continuation in office with justification and to seek shareholders' approval through a two-tier voting process;
- (4) reviewed and recommended to the Board the re-election of Directors who retired in accordance with the Company's Constitution were contingent on the satisfactory evaluation of the Directors' performances and contributions to the Board;
- (5) reviewed and assessed the character, experience, integrity and competency of the Group Finance Director;
- (6) reviewed and assessed the performance of Key Senior Management team;
- (7) reviewed the term of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and its members have carried out their duties in accordance with their Terms of Reference;
- (8) assessed the independence of each of the existing Independent Directors with each Director abstaining from deliberation on his own assessment;
- (9) Review and ensure the Group's Directors and Key Senior Management team are keeping abreast with the sustainability issues relevant to the Group and its business, including climate-related risks and opportunities;
- (10) Report in the Annual Report, a statement regarding the activities of the Nomination Committee in the financial year. Such statement must include information of its review to ensure that each of its Directors and Senior Management team has the character, experiences, integrity, competency and time to effectively discharge their respective role as well as:
 - i. the policy on Board composition having regard to the mix of skills, independence, and diversity (including gender diversity) required to meet the needs of the Company;
 - ii. the Board nomination and election process and criteria used by the Committee in the selection process; and
 - iii. the assessment undertaken by Nomination Committee in respect of the Board, Board Committees, and individual Directors and the criteria used for such assessment; and
- (11) reviewed the Terms of Reference of Nomination Committee.

A2.7 Halal Committee

The composition of the Nomination Committee as of the date of this Annual Report is as follows:

| Name | Position |
|--|--------------------------|
| Professor Dato' Dr. Mohd Fakhrudin Bin Abdul Mukti | Patron & Syariah Advisor |
| Haji Ahmad Fazil Bin Haji Hashim | Chairman |
| Encik Abdul Rahman Bin Din | Member |

The objective of the Halal Committee is to ensure that the relevant products produced by the Group complies with the requirements of the Malaysian Halal Standards and Halal Certification Procedures in accordance with the Shariah Laws and other related Acts, thereby ensuring that all products produced are 'halal, clean and safe' for consumption. Through the extensive efforts and initiatives of the Halal Committee, the Group has established and implemented a Halal Assurance Management System which provides clear guidelines on Halal standards.

The Halal Committee has formed working committees that represent respective subsidiary under CAB Group of Companies, in various disciplines of expertise, under the supervision of Halal Committee Member. An Executive Secretary is engaged to manage, administer and coordinate all Halal Committee activities such as Internal Halal Auditing, Halal Training Programme and act as liaison officer to Halal Committee.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A2.7 Halal Committee (Cont'd)

The Halal Committee Members meet every three months to discuss halal issues arising in each subsidiary. The reports carrying discussion outcome on halal issues are brought to the attention of the Board of Directors by the Chairman of the Halal Committee, in quarterly meeting. Halal Awareness Training is held annually to train employees in each subsidiary to enhance understanding, knowledge and awareness on halal. The vital roles of the Halal Committee encompass updating, keeping abreast with halal development, studying and analysing problems, challenges and resolving on the certification of Halal standard so as to attain reliability, credibility and acceptance by consumers and related organisations domestically and internationally.

The details of the Terms of Reference of Halal Committee are available for reference at the Company's website at <http://www.cab.com.my>.

A3 REMUNERATION COMMITTEE

The Remuneration Committee of the Company comprises three (3) members, all of whom are Independent Non-Executive Directors.

The composition of the Remuneration Committee as of the date of this Annual Report is as follows:

| Name | Position |
|--|----------|
| Lim Ghim Chai (<i>Independent Non-Executive Director</i>) | Chairman |
| Datuk Sr. Haji Zakaria Bin Hashim (<i>Independent Non-Executive Director</i>) | Member |
| Professor Dato' Dr. Mohd Fakhrudin Bin Abdul Mukti (<i>Independent Non-Executive Director</i>) | Member |

The Remuneration Committee held one (1) meeting during the financial year to carry out its function as stated within the Terms of Reference.

The details of the Terms of Reference of RC are available for reference at the Company's website at <http://www.cab.com.my>.

The primary function of the Remuneration Committee is to set up and review the policy and procedures of remuneration framework and recommend to the Board the remuneration packages of all the Directors and senior management according to the Group's financial performance includes the sustainability management of the Group, the skills, level of responsibilities, experience and performance of the Directors and senior management.

The remuneration of Directors is determined at levels which enables the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively. The Remuneration Committee reviews the Board remuneration policy and terms of service of each Director annually taking into consideration market conditions and comparisons, responsibilities held, business strategy, long term objectives and the overall financial performance of the Group includes the sustainability management of the Group.

The Remuneration Committee is also responsible to review the remuneration packages of the Non-Executive Directors of the Company and thereafter recommend to the Board for their consideration. Non-Executive Directors are paid by way of fixed monthly fees and a meeting allowance for each meeting attended. Individual Director is not allowed to participate in discussion of his / her own remuneration.

The Board will then recommend the Directors' fees and other benefits payable to Directors in accordance with Section 230(1) of the Companies Act 2016 to the shareholders for approval at the annual general meeting.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A3 REMUNERATION COMMITTEE (CONT'D)

The details and breakdown of the Directors' remuneration comprising remuneration received/receivable from the Company and subsidiaries respectively in FY2024 ended 30 September 2024 are as below.

Aggregate remuneration of Directors categorised into appropriate components are as follows:

| Company | Fee RM'000 | Allowance RM'000 | Salary RM'000 | Bonus RM'000 | Benefits in-kind RM'000 | Other Emoluments RM'000 | Total RM'000 |
|---|---------------|---------------------|------------------|-----------------|-------------------------------|-------------------------------|-----------------|
| Executive Directors | - | - | - | - | - | - | - |
| Non-Executive Non-Independent Director | - | - | - | - | - | - | - |
| Wijanti Tjendera | 68 | 2 | - | - | - | - | 70 |
| Independent Directors | | | | | | | |
| Datuk Sr. Haji Zakaria Bin Hashim | 50 | 3 | - | - | - | - | 53 |
| Lim Ghim Chai | 56 | 3 | - | - | - | Negligible | 59 |
| Professor Dato' Dr. Mohd Fakhruddin Bin Abdul Mukti | 55 | 3 | - | - | - | Negligible | 58 |
| Total ('000) | 229 | 11 | - | - | - | Negligible | 240 |

The Group

Executive Directors

| | | | | | | | |
|--|-----|---|-------|-----|----|-----|-------|
| Chuah Ah Bee | 150 | - | 1,468 | 202 | 19 | 71 | 1,910 |
| Chuah Hoon Phong | 213 | - | 1,030 | 143 | 15 | 145 | 1,546 |
| Chew Chee Khong (Resigned on 26 April 2024) | - | - | 251 | 8 | 6 | 12 | 277 |
| Loo Choo Gee (Retired on 25 March 2024) | - | - | 172 | 15 | 3 | 24 | 214 |

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A3 REMUNERATION COMMITTEE (CONT'D)

Aggregate remuneration of Directors categorised into appropriate components are as follows: (Cont'd)

| Company | Fee RM'000 | Allowance RM'000 | Salary RM'000 | Bonus RM'000 | Benefits in-kind RM'000 | Other Emoluments RM'000 | Total RM'000 |
|---|---------------|---------------------|------------------|-----------------|-------------------------------|-------------------------------|-----------------|
| Non-Executive Non-Independent Director | | | | | | | |
| Wijanti Tjendera | 98 | 2 | - | - | - | - | 100 |
| Independent Directors | | | | | | | |
| Datuk Sr. Haji Zakaria Bin Hashim | 50 | 3 | - | - | - | - | 53 |
| Lim Ghim Chai | 56 | 3 | - | - | - | Negligible | 59 |
| Professor Dato' Dr. Mohd Fakhruddin Bin Abdul Mukti | 55 | 3 | - | - | - | Negligible | 58 |
| Total ('000) | 622 | 11 | 2,921 | 368 | 43 | 252 | 4,217 |

The Company has not disclosed on a named basis the top five senior management's remuneration components in bands of RM50,000.

The Company acknowledges the need for corporate transparency in the remuneration of its key senior management's remuneration. In view of the highly competitive industry conditions in which the Company is operating, the Company is of the view that the disclosing of the remuneration of senior management would be a disadvantage to the Group and may be detrimental to the Company's business interests given the challenges faced by the Company in talent management and retention.

The Company's remuneration policy for Directors and senior management has alternatively explained how the senior management is rewarded. The policy is available at the Company's website at <http://www.cab.com.my>.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

B1 AUDIT COMMITTEE

The Audit Committee is entrusted with the responsibilities of reviewing the integrity and reliability of the Group's interim and annual financial statements as well as ensuring that these financial statements comply with relevant accounting and regulatory requirements prior to recommending to the Board for approval.

To preserve and enhance the effectiveness of audit on the financial affairs and results of financial performance of the Group, the Board of Directors has taken appropriate action to enable proper assessment of the External Auditors in the discharge of their duties.

The Audit Committee comprises three (3) Independent Directors all of whom are Independent Non-Executive Directors. The Chairman of the Audit Committee is not the Chairman of the Board.

The Audit Committee has established policies and procedures adopted by the Company to assess of External Auditors and such assessment would be carried out annually.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

B1 AUDIT COMMITTEE (CONT'D)

B1.1 Appointment Criteria for External Auditors

Before selecting the External Auditors for the Group and deciding their fees, the Audit Committee shall assess the suitability and independence of the External Auditors based on the following factors:

- i. Quality of service including level of knowledge, capabilities, experience and quality of previous work;
- ii. Communication and interaction such as ability to provide constructive observations, implications and recommendations in areas which require improvements;
- iii. Independence, objectivity, professionalism and calibre of external auditors;
- iv. Audit scope and fees as well as the provision of non-audit services does not impede the independence of external auditor;
- v. Ability to perform the audit work within the agreed timeframe;
- vi. The inputs and opinions from the Company's personnel who had constantly dealt with the external audit team throughout the year would be used as one of the tools in the judgement of the suitability of the external auditors; and
- vii. Requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee.

For the FY2024, the External Auditors has provided its written assurance to the Audit Committee that they are, and have been, independent through the conduct of the audit engagement in accordance with By-Laws of the Malaysian Institute of Accountants.

The External Auditors of the Company attended three (3) meetings with the Audit Committee for the FY2024 to discuss their audit plan and audit findings on the Company's yearly financial statements. During the meetings, the Audit Committee Members also had private sessions with the external auditors without the presence of the management to enable exchange of views on issues requiring attention.

The Audit Committee and the Board are satisfied with the performance, competence and independence of the external auditors, Grant Thornton Malaysia PLT, after considered the above appointment criteria for external auditors and the Board has recommended their re-appointment for shareholders' approval at the forthcoming annual general meeting of the Company.

Pursuant to the MCCG, the Audit Committee members should collectively possess a wide range of necessary skills to discharge its duties and that all members should also be financially literate and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

The Board regards the members of the Audit Committee collectively possess the accounting and related financial management expertise and experience required for the Audit Committee to discharge its responsibilities and assist the Board in its oversight over the financial reporting process. All members of the Audit Committee have also undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices, and rules as and when required.

The Group Finance Director briefs the Audit Committee members on the quarterly financial statements, budgets, and any other financial related matters. At intervals during the debriefing, questions are raised on the financial statements by members of the Audit Committee.

The Board, through the Nomination Committee, assesses the composition and performance of the Audit Committee through an annual Board Committee effectiveness assessment on 18 December 2024. Based on the assessment, the Board was satisfied that the Audit Committee and its members discharged their functions, duties and responsibilities in accordance with the Audit Committee's Terms of Reference.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

B1 AUDIT COMMITTEE (CONT'D)

B1.2 Appointment for Non-Audit Work

Independence of External Auditors can be impaired by provision of non-audit services to the Group. Therefore, in order to ensure the objectivity of auditing of the External Auditors, the circumstances in which the Group may use the External Auditors for non-audit services shall be evaluated by the Audit Committee before recommending any non-audit service engagements to the Board for approval.

Principally, the Group shall not engage External Auditors for provision of non-audit services that might be perceived to be materially in conflict with their role or potentially could influence their audit objective and independence.

During the FY2024, the non-audit fees paid were in respect of tax related services and review of Statement on Risk Management and Internal Control.

In considering the nature and scope of non-audit fees, the Audit Committee was satisfied that they were not likely to create any conflict or impair the independence and objectivity of the External Auditors.

B2 RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Company is concerned over the risk which the Group may be exposed in its operations and has therefore formulated a risk management policy for implementation across the Group. The primary responsibility of the Board in risk management is to assess and set the risk appetite within which Management should operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks.

Risk appetite is defined as the amount of risk that the Group is willing to accept in pursuit of its value creation process. When determining the risk appetite of the Group, the Board would consider its business priority and timing as well as the financial position and resources of the Group.

The Risk Management Committee was established on 29 November 2016 and was renamed to Risk Management and Sustainability Committee ("RMSC") on 29 November 2018. As of the date of this Annual Report, the RMSC shall comprise majority of Independent Directors as follows:

| Name | Position |
|--|----------|
| Chuah Hoon Phong (Group Managing Director) | Chairman |
| Datuk Sr. Haji Zakaria Bin Hashim (Independent Non-Executive Director) | Member |
| Lim Ghim Chai (Independent Non-Executive Director) | Member |

Mr. Chuah Hoon Phong, the Group Managing Director of the Company has appointed as the Chairman of RMSC on 10 December 2024.

During the FY2024, Mr. Loo Choo Gee who retires as an Executive Director of the Company is also resigned as a Chairman of RMSC on 25 March 2024.

The RMSC is chaired by the Group Managing Director, assisted by Independent Directors, key senior management team and the Risk Management and Sustainability Working Committee of the respective business divisions.

The responsibilities and purposes of the RMSC are:

- (i) to assist the Board in fulfilling its responsibility with respect to evaluating, reviewing and monitoring the Group's risk management framework and activities on on-going basis. The RMSC reports to the Board regarding the Group's risk exposures, including review risk assessment model used to monitor the risk exposures and Management's view on the acceptable and appropriate level of risks faced by the Group's business units; and

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

B2 RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

- (ii) to include the establishment and overseeing the implementation of the sustainability framework, review of the adequacy of the sustainability processes, ensuring effectiveness in identification, management and reporting of the Material Sustainability Matters pertaining to the Economic, Environmental and Social aspects of the Group (including the sustainability risk and opportunity), monitoring and overseeing all sustainable strategies and initiatives of the Group. This includes a review of the delivery of the responsibilities of the Risk Management and Sustainability Working Committee and making the necessary recommendations to the Board for its deliberation.

The process of the risk management and internal control are ongoing, which are undertaken by each business unit heads within the Group. The Company will continuously enhance the existing system of risk management and internal control by taking into consideration the changing business environment. Significant issues and risks identified are also discussed during quarterly management meeting which are attended by Executive Directors and key senior management personnel.

The RMSC is supported by the Group's internal audit department who will provide an assessment on:

- (1) the adequacy and effectiveness of the internal control systems operating within the Group; and
- (2) to review the Sustainability Statement for FY2024.

The key features of the Risk Management Framework are presented in the Statement on Risk Management and Internal Control of the Company as set out on pages 63 to 66 of this Annual Report.

The Board receives assurance from the Group Managing Director and the Group Finance Director that the Group's risk management and internal control system are working effectively and all key risks are being managed to an acceptable level based on the existing risk management and internal control system of the Group.

B2.1 Anti-Bribery And Corruption

Our CAB Core Values drive our behaviour, culture and conduct within the Group. We have a zero-tolerance approach towards misconduct of any kind corrupt practices and will take disciplinary action, up to and including dismissal, in the event of a breach of any provision in our Anti-Bribery and Corruption Policy (the "Policy"). This Policy was last updated in 28 December 2023.

B2.2 Internal Audit Function

The Board has established an internal audit function for the Group which critically reviews the adequacy of the operational controls and procedures so as to provide reasonable assurance that such system continues to operate satisfactorily and effectively within the Group. Comprehensive audits of the practices, procedures and internal controls of all business units and subsidiaries are undertaken on a regular basis.

The internal audit department of the Company which is led by the Head of Internal Audit reports directly to the Audit Committee.

The Head of Internal Audit Department presents audit reports, which detail the audit issues, Internal Audit's recommendations and Management's responses, to the Audit Committee during quarterly meetings. Apart from the audit report, the Head of Internal Audit Department also brings up outstanding issues stemmed from follow-up verification, if any, into the knowledge of the Audit Committee for further monitoring.

The results of the internal audit reviews and the recommendations are deliberated during the Audit Committee meetings. The Audit Committee Chairman briefs the Board on issues raised and highlights events requiring the Board's attention, if any.

The Statement on Risk Management and Internal Control furnished on page 63 to 66 of the Annual Report provides an overview on the state of internal controls within the Group, in an effort to manage risk.

The summary of activities of the internal audit function during the financial year are set out in the Audit Committee Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

C1 ENGAGEMENT WITH STAKEHOLDERS

The Board is committed to provide effective, transparent and regular communication with its shareholders and other stakeholders regarding the business, operations and financial performance of the Group to enable them to make informed decisions.

The policy of the Company is to maintain an active dialogue with its shareholders with the intention of giving its shareholders as clear and complete information of the Company's financial performance, major developments and position as possible. Such information is communicated through the Annual Report, the various disclosures and announcements to Bursa Securities, including quarterly and annual results. All timely disclosure and material information documents will be posted on the Company's website after released to Bursa.

The full version of the Annual Report is available online at the Company's website at <http://www.cab.com.my> and a printed full version will be provided to shareholders within four (4) market days upon receiving any formal request.

In addition to shareholders' participation at general meetings, the Board also encourages other channel of communication with shareholders. For this purpose, shareholders and other stakeholders may convey their concerns relating to the Company to the Group Finance Director, Ms Koay Lay Ean to whom any query and concern regarding the Group may be conveyed at the email at <http://www.cab.com.my>.

The Company maintains a website, <http://www.cab.com.my> that allows the shareholders, investors and members of the public to gain access to information and new events relating to the Group.

C2 CONDUCT OF GENERAL MEETINGS

The Board regards the Annual General Meetings ("AGM") as an important avenue for the communication and dialogue with its shareholders. The Board supports and encourages active shareholders' participation at its AGMs and any other general meetings.

At the AGM, shareholders are given time to ask questions and seek clarifications about the resolutions to be proposed or the Group's operation in general for more information. The Board members, senior management and the external auditors are present at the AGM to respond to shareholders' queries.

The Company will also ensure that the notice for AGM will be given to its shareholders at least twenty-eight (28) days prior to the meeting.

All resolutions set out in the notice of general meetings will be carried out by poll voting. The Board makes an announcement of the detailed results showing the number of votes cast for and against each resolution at general meetings for shareholders' information.

The Minutes of the 22nd AGM were published on the Company's website at <http://www.cab.com.my> within 30 days after AGM.

The above summary sets out how the three Principles pursuant to Practice Note 9 Part 1 Paragraph 3.1A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad are adhered to via adoption of the relevant Board Policies and implementation of appropriate measures.

The CG Overview Statement was approved by the Board of Directors of the Company on 18 December 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

The Malaysian Code on Corporate Governance 2021 (“MCCG”) requires public listed companies to maintain a sound risk management and system of internal controls to safeguard shareholders’ investment and the Group’s assets.

With reference to the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, the Board is pleased to present the Statement on Risk Management and Internal Control, which is prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Securities and Practice 10.2 of MCCG.

Board Responsibility

The Board is primarily responsible for the Group’s risk management and internal control system as well as reviewing its adequacy, effectiveness and integrity. In view of the inherent limitations in any system of internal control, the system is designed to manage rather than to eliminate the risk of failure to achieve corporate objectives. Accordingly it can only provide reasonable but not absolute assurance against material misstatement, loss and fraud. The system of internal control covers, inter-alia, financial, budgetary, risk management, organisational, operational, regulatory and compliance matters.

Enterprise Risk Management (“ERM”) Framework

The Board and the Management of the Group continue to strengthen the Group’s control environment and processes by taking into consideration the key risks in their review of strategic and business plans of the Group. The Board has established the mechanisms for the identification, evaluation and management of significant risks applicable to their respective areas of business together with the design and implementation of suitable internal controls, including the process of enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines. These risks may be associated with a variety of internal or external factors including disease outbreaks, disruption in operations, competition, natural catastrophe and regulatory requirements.

The ERM framework has been in place to ensure proper management of the risks that may impede the achievement of the Group’s goals and objectives. The Group has an ongoing process for identifying, evaluating and managing the principal risks.

Risk Management & Sustainability Committee (“RMSC”)

The Board has constituted the RMSC with the authorities necessary to perform duties as outlined in separate Terms of Reference. The RMSC is responsible to the Board for:

- (a) Overseeing the establishment and implementation of the risk management framework; and
- (b) Reviewing the effectiveness in identifying, evaluating and managing risks and internal control processes as well as sustainability matters.

RMSC membership composition as of the date of this Annual Report was as follows:

| Name | Position |
|---|-------------|
| Chuah Hoon Phong (Group Managing Director) (Appointed on 10 December 2024) | Chairman |
| Datuk Sr. Haji Zakaria Bin Hashim (Independent Non-Executive Director) | Member |
| Lim Ghim Chai (Independent Non-Executive Director) | Member |
| Loo Choo Gee (Executive Director) (Resigned as Chairman on 25 March 2024) | Ex-Chairman |

The RMSC reports to the Board regarding risk register updates and assessment on effectiveness of risk-mitigating actions.

Risk Identification, Evaluation and Management

The Group has in place the Risk Management and Sustainability Policy which lays down the responsibilities of the Board, the RMSC, the Risk Management & Sustainability Working Committee and others in relation to risk management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

Enterprise Risk Management (“ERM”) Framework (Cont'd)

Risk Identification, Evaluation and Management (Cont'd)

Fundamentally, the risk management process consists of the following elements:

| | | |
|---------------------------|---|--|
| Identify | : | Identify risk from internal/external sources, which may affect achievement of the Group's objectives, on on-going basis |
| Assess | : | Risks are assessed on both inherent and residual basis considering its likelihood of occurrence and impact |
| Plan | : | Mitigating action plan is availed for dealing on certain risks, to minimise/eliminate its foreseeable impact |
| Implement | : | Mitigating action plan is realised into actions |
| Monitor and review | : | Monitor the realisation progress of mitigating action plan and review its effectiveness in minimising/eliminating threat |
| Communicate | : | Make the RMSC aware of the outcome |

In the framework, root cause for each risk is identified for ascertaining consequence. Risk can be resulted from internal or external sources and by nature, either controllable or inherent. Each risk is graded. The business unit heads and/or risk owners are responsible for generating action plan to manage, minimise and mitigate the risks. Existing controls are also included as part of the action plan. The Management's perceived strength of the internal control is obtained. The department or person in-charge to realise the action plan is prescribed, for reinforcing accountability.

All the above-mentioned are recorded and updated in the Risk Register which serves:

- To develop risk profile for each company; and
- To ensure a well-structured and systematic process in place for identification, assessment and management of risks.

All executive directors make frequent visits to business units to assess operations and address key business issues inclusive of risk-mitigating actions. In the event of any emergency business issue that involves/provokes risk, the business unit head shall notify the Group Managing Director immediately, for resolving.

The key risk areas that the Board and Management continually address consist of:

Disease Challenge and Bio-Security

Outbreak of avian influenza in the poultry industry causes devastating economic effects, arising from the need to extensively cull infected chicks. The Group puts in place programs to vaccinate chicks, as prescribed by the qualified veterinarians. When any particular farm has high mortality rate, proper post-mortem is performed to identify root causes. Last but not least, stringent bio-security measures are in force on several aspects such as restricted entry into breeder farms, compulsory shower and sanitisation pre-entry into breeding area, washing of boots and tyres pre-vehicle entry into farms etc.

Anti-Bribery and Corruption

Corruption can lead to financial loss, damage to employee morale and corporate reputation as well as resources being diverted away from delivering core business. The Group has established and maintained policies and procedures on anti-corruption, as guided by the Guidelines on Adequate Procedures issued pursuant to the Malaysian Anti-Corruption Commission Act 2009 provisions. The policies and procedures are reviewed periodically, at least once every three years. Corruption risk is also included in annual risk assessment of the Group.

Halal Accreditation

In cognizance of Halal accreditation importance, the Group has in place the Halal Committee, which is directly overseen by the Halal Committee Chairman, Tuan Haji Ahmad Fazil Bin Haji Hashim, who was formerly a Senior Independent Non-Executive Director of CAB Cakaran Corporation Bhd. The Group deploys qualified Halal Executives at key business units, to oversee and monitor Halal compliance matters. The Halal Committee reports to the Board during quarterly meetings activities, events and issues concerning Halal accreditation and compliance.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

Internal Control System

The key elements that have been put in place to ensure the adequacy and effectiveness of the internal control system include the following:

- (i) Formal organisational structure is in place to define the function, reporting line and responsibility of the Management staff. This organisation structure serves to facilitate quick response to changes in the evolving business environment, supervision of day-to-day business operations and accountability for operation performance;
- (ii) Standard operating procedure manuals lay down explicitly the process controls and practices, aimed at enforcing guided workflow and sustaining quality of work processes;
- (iii) Financial authorisation matrix on capital expenditure, asset disposal and write-off, as well as jurisdiction of Corporate Office and business units in handling various types of agreement are spelt out, for enforcement across the whole Group;
- (iv) In relation to the governance of staff conduct,
 - *Code of Conduct and Ethics* as well as employee handbook are availed to employees, for understanding of employment terms and conditions, entitlements, discipline, code of ethics and job grading system;
 - *Whistleblowing Policy* is in force to provide an avenue for staff or any external party to report any breach or suspected breach of any law or regulation in a safe and confidential manner;
 - *Conflict of Interest Policy* is in force to help the Group effectively identify, disclose and manage any actual, potential or perceived conflict of interest in order to protect the integrity of the Group and its staffs and manage risk;
 - *Anti-Bribery and Corruption Policy* has been established and enforced across the board, among all business units within the Group, to reinforce ethical values, in particular, zero tolerance stance against bribery, as well as to comply with the Malaysian Anti-Corruption Commission (“MACC”) Act 2009 provisions; and
 - Segregation of duties is practiced, whereby check and balance mechanism exists to curb manipulation of certain workflows by particular staff, to the detriment of the Group’s interests.
- (v) Annual budget is prepared to determine allocation of resources and set performance benchmark at projected revenue level. Respective business unit heads are required to explain on negative variances in financial results, if any, during quarterly management meeting;
- (vi) Management meeting is conducted on quarterly basis for all business unit heads to present business performance results and highlight significant matters;
- (vii) Regular supervisory checks are performed to ensure strict adherence to operations, administration and accounting procedures;
- (viii) External consultants’ services are engaged and/or the GIAD is assigned, for the conduct of feasibility study or due diligence review, whichever relevant, for new investment venture and corporate acquisition; and
- (ix) All business units strive to observe and comply with health, safety, environmental and quality standards set forth by the Group as well as the accreditation and regulatory bodies.

Group Internal Audit Department (“GIAD”)

GIAD forms an integral part of the Group’s internal control system, whereby the GIAD is entrusted to conduct periodic audits on internal control matters to ensure their compliance with the systems and standard operating procedures, as well as to highlight the risks that respective subsidiaries encounter, within each subsidiary’s operations and business environment. The main objective of these audits is to provide reasonable assurance that these operations operate satisfactorily and effectively. Investigations are also made at the request of the Audit Committee and senior management on specific areas of concern. These investigations provide additional assurance and comfort on the integrity and robustness of the internal control systems.

The Board regularly reviews the adequacy and integrity of the system of internal controls and risk management, inter alia, as signaled in audit issues presented by the GIAD. Whilst, the Audit Committee reviews the scope, functions, resources and competency of the internal audit function on yearly basis. Whenever needed, the GIAD helps to review the content of Standard Operating Procedures and advise accordingly, in attempt to exert comprehensive controls and minimize loophole risk in process flows.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

Internal Audit Function

The GIAD assists the Audit Committee and the Board in providing independent assessment on the adequacy, efficiency as well as effectiveness of the Group's internal control system. The Head of the GIAD presents audit reports, which detail the audit issues, Internal Audit's recommendations and Management's responses, to the Audit Committee during quarterly meetings. Apart from the audit report, the Head of the GIAD also brings up outstanding issues stemmed from follow-up verification, if any, into the knowledge of the Audit Committee for further monitoring.

The results of the internal audit reviews and the recommendations are deliberated during the Audit Committee meetings. The Audit Committee Chairman briefs the Board on issues raised and highlights events requiring the Board's attention, if any.

Based on the internal audit reviews conducted, none of the weaknesses noted have resulted in material losses or uncertainties that would require separate disclosure in this Annual Report.

Pursuant to Bursa Malaysia Guidance on Conflict of Interest (ICN 1/2023) with issuance date: 26 May 2023, the GIAD has been furnishing the conflict of interest status of directors and key senior management staffs, to the Audit Committee, since the quarterly meeting of May 2024. In this respect, the GIAD assumes a role in framework design, data collection, assessment, discussion with the Group Managing Director to resolve actions on cases of actual and potential conflict of interests involving directors and key senior management staff.

Conclusion

The Board has received assurance from the Group Managing Director and the Group Finance Director that the Group's risk management and internal control system is operating adequately and effectively in material aspects based on the existing risk management and internal control system of the Group. The Board is of the view that the Group's system of internal control is adequate to safeguard shareholders' investments and the Group's assets. This Statement on Risk Management and Internal Control does not cover associates and jointly controlled business units where the internal control systems of these business units are managed by the respective management teams.

The review process has been in place for the year under review and up to the date of approval of this statement for inclusion in the annual report.

Review Of The Statement By External Auditors

Pursuant to paragraph 15.23 of Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this statement for inclusion in the Annual Report for the financial year ended 30 September 2024 and reported to the Board that nothing has come to their attention that caused them to believe that this statement was inconsistent with their understanding of the process, adequacy and integrity of the risk management and internal control system. The external auditors' limited assurance review was performed in accordance with the Audit and Assurance Practice Guide ("AAPG") 3, issued by the Malaysian Institute of Accountants ("MIA").

This Statement was approved by the Board on 18 December 2024.

AUDIT COMMITTEE REPORT

COMPOSITION

The Audit Committee (“AC”) membership composition is as follows:

| Name | Position |
|--|----------|
| Lim Ghim Chai (Independent Non-Executive Director) | Chairman |
| Datuk Sr. Hj. Zakaria Bin Hashim (Independent Non-Executive Director) | Member |
| Professor Dato’ Dr Mohd Fakhrudin Bin Abdul Mukti (Independent Non-Executive Director) | Member |

SECRETARY

The Secretary of the AC is the Company Secretary of the Company.

The present AC composition of being made up of only independent and non-executive directors fulfills requirements stipulated in Paragraph 15.09(1)(a) and (b) of the Main Market Listing Requirements of Bursa Securities.

TERMS OF REFERENCE

The Terms of Reference of the AC are aligned with the Main Market Listing Requirements of Bursa Securities and recommendations of the Malaysian Code on Corporate Governance. The Terms of Reference will be revised to cater for changes, if any. The Terms of Reference is available at the Company’s website at <http://www.cab.com.my>.

MEETINGS

The Committee met five (5) times during the financial year ended 30 September 2024.

Details of attendance of each member at the Committee meetings during financial year 2024 were as follows:

| | No. of Meetings Attended |
|--|--------------------------|
| Lim Ghim Chai | 5/5 |
| Datuk Sr. Haji Zakaria Bin Hashim | 5/5 |
| Professor Dato’ Dr. Mohd Fakhrudin Bin Abdul Mukti | 4/5 |

Apart from the above AC members, the Executive Director(s) and Group Finance Director were invited to join the AC meetings to facilitate direct communication and provide clarification on audit and financial issues as well as operations of the Group. In the financial year, the AC held three (3) meetings with the external auditors without the presence of the executive Board members and the Management, to provide a platform for the external auditors to discuss any issues arising from their auditing process or any other matters warranting the AC’s attention and actions.

The AC meeting minutes were prepared and tabled for confirmation and follow-up at the following meeting. The minutes were also circulated to the Board for notation. The AC Chairman reported to the Board the matters discussed and made recommendations for the Board’s consideration and resolution.

Through an annual evaluation, the Board was satisfied that the AC has discharged its functions, duties and responsibilities.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORK OF THE AUDIT COMMITTEE

During the financial year under review, the AC carried out the following activities in the discharge of its functions and duties:

A. Financial Reporting

The AC reviewed the quarterly financial results during the quarterly AC meetings. During the review process, the AC members raised questions related to significant changes, budgetary variances, adoption of accounting principles and standards and so forth. The Group Finance Director responded with explanation and answers.

Upon being satisfied that the financial statements have been prepared in due course, the AC recommended to the Board for approval and subsequent release to Bursa Malaysia Securities Berhad ("Bursa Securities") accordingly.

During the quarterly meetings, the AC also received the update on the statistics of subsidiaries encountering negative shareholders' funds, for the AC to understand the business scenarios and actions already in place or to be instituted, as part of going concern assessment.

Apart from the review on quarterly financial results, the AC held a meeting in December 2023 to review the audited financial statements and the Management Letter issued by the external auditors. The AC also sought a confirmation from the external auditors that all the business units across the Group had rendered satisfactory cooperation during the auditing process.

B. Internal Audit

The AC reviewed and endorsed the annual internal audit plan of the internal audit function to ensure adequate scope and comprehensive coverage of the activities of the Group.

During the financial year under review, the AC reviewed the internal audit reports, recommendations made by the internal auditors and Management's response to the audit issues, during quarterly meetings. The AC also noted the follow-up progress status for the resolved corrective actions on outstanding audit issues, to ensure that control weaknesses and non-compliances have been addressed and rectified.

In November 2023, the AC carried out a thorough yearly assessment on the adequacy of the scope, functions, resources and competency of the internal audit function, using the internal Quality Assessment Review form and Appendix of Code of Corporate Governance.

Since the quarterly meeting of May 2024, the Group Internal Audit Department has been furnishing the AC updates on conflict of interest status among the directors and key senior management, in compliance to the stipulations laid down in *Bursa Malaysia Guidance on Conflict of Interest (ICN 1/2023)* with issuance date: 26 May 2023.

The Executive Director(s) and the Group Finance Director were invited to attend the quarterly AC meetings, to give opinion and clarification on issues raised in internal audit reports, if relevant and when necessary.

C. External Audit

The AC reviewed the extent of assistance and cooperation during the conduct of external auditing and issues as well as reservations arising from audit for the financial year ended 30 September 2023 with the external auditors.

The AC obtained a confirmation from the external auditors that they were in compliance with the independence requirements set out in the By-Laws (On Professional Ethics, Conduct and Practice) for Professional Accountants of Malaysian Institute of Accountants. In addition, to fulfill disclosure requirements, the external auditors furnished information on their fees derived from the audit and non-audit services and their network firms.

In December 2023, the AC deliberated on the final report presented by the external auditors in regard to the matters arising from the statutory audit of the Company and its subsidiaries for the financial year ended 30 September 2023.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORK OF THE AUDIT COMMITTEE (CONT'D)

C. External Audit (Cont'd)

During the course of external audit of the Group's financial statements for the year ended 30 September 2023, the external auditors stated that –

- There was no material variance between results disclosed in the quarterly announcement and the audited report on the Group's revenue, profit before tax and profit after tax;
- Based on the audit work performed, Grant Thornton Malaysia PLT was not aware of any non-compliance of laws and regulations. Based on the discussion held with the AC in December 2023, the AC members have confirmed that there were no significant fraud-related matters that have come to their attention;
- The audited financial statement was a clean report as there was no audit qualification to the audited financial statement and the Group had complied with all the relevant accounting standards;
- Grant Thornton Malaysia PLT highlighted three key audit matters concerning goodwill on consolidation, fair value on biological assets and investment in subsidiaries and the Management has responded accordingly; and
- Grant Thornton Malaysia PLT also illustrated the key audit matters, risks involved and their review response.

In the regard to the external auditors' review on the Statement on Risk Management and Internal Control, for inclusion in Annual Report 2023, Grant Thornton Malaysia PLT stated that nothing has come to their attention that caused them to believe that the above statement was not prepared, in all material respects, in accordance with the disclosure requirements prescribed in *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers*, nor was factually inaccurate.

On 30 August 2024, the external auditors, Grant Thornton Malaysia PLT briefed the AC on their audit plan for the financial year ended 30 September 2024, encompassing:

- Audit objective and scope;
- Audit process;
- Audit approach;
- Important enquiries to the members of Audit Committee;
- Identified risks and planned audit procedures;
- Other audit approach on Group Reporting and review of information technology general controls relevant to the audit;
- Key audit matters;
- Other matters on pronouncements of Malaysian Financial Reporting Standards, Malaysian Code on Corporate Governance as well as Environment, Social and Governance ("ESG") for Sustainability Reporting;
- Proposed audit timeline and reporting schedule; and
- Proposed audit fees.

The AC had three (3) private sessions with the external auditors in the absence of Management staffs and executive Board members on 30 November 2023, 28 December 2023 and 30 August 2024. There was no area of concern raised by the external auditors, for which escalation to the Board was necessitated.

D. Related Party Transactions

The AC reviewed and noted all the Related Party Transactions ("RPT") including the Recurrent Related Party Transactions ("RRPT") that took place among the related parties, as presented by the Management and the Group Internal Audit Department, during the quarterly AC meetings.

The Group Internal Audit Department has performed check against shareholders' mandate, agreements etc. and arm's length test to ensure that the transactions were in the best interest of the Group, fair and reasonable, on normal commercial terms that were not more favourable to the related parties than those generally available to the public.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORK OF THE AUDIT COMMITTEE (CONT'D)

E. Corporate Governance and Other Matters

The AC evaluated the internal audit function, from the following perspectives:

- Academic background of the internal auditors;
- Fulfillment of the scope and functions, as required in the Listing Requirements;
- Frequency of the Internal Audit's reviews to test the effectiveness of the financial, operational and compliance controls and processes of business units;
- Sufficiency of resources and competency of the internal auditors in the discharge of audit assignment;
- Implementation of Quality Assessment Review of the internal audit function; and
- Collaboration between the internal auditors and the external auditors during the evaluation of internal controls.

The AC reviewed the Circular to Shareholders in relation to –

- Proposed renewal of existing shareholders' mandate for recurrent related party transactions;
- Proposed new shareholders' mandate for additional recurrent related party transactions.

The AC reviewed the AC Report and Statement on Risk Management and Internal Control prior to submission of the same to the Board for consideration and inclusion in the Annual Report 2023 of CAB Cakaran Corporation Berhad.

F. Statement on Employee Share Option Scheme ("ESOS")

There was no such scheme in place during the financial year ended 30 September 2024.

WORK OF THE GROUP INTERNAL AUDIT DEPARTMENT

The primary role of the internal audit function is to undertake regular review of the system of internal controls, procedures and operations so as to provide reasonable assurance that the overall internal control system is sound, adequate and satisfactory. The Group Internal Audit Department reports directly to the AC.

The activities carried out by the internal auditors during the financial year ended 30 September 2024 were as follows:

- Conducted internal audit sessions according to the approved internal audit plan and presented the reports to the AC at the quarterly meetings;
- Followed up on the implementation of audit recommendations and management action plans and reported to the AC on the status of their implementation of significant matters at the quarterly meetings of the AC;
- In conjunction with Bursa Securities issuance of *Guidance on Conflict of Interest* (ICN 1/2023) dated 26 May 2023, Internal Audit has participated actively in the process to revise and modify the previous Conflict of Interest Policy as well as re-shuffle mechanisms related to data collection, identification and assessment of Conflict of interest ("COI"), resolving counteracting measures, reporting to AC etc. Since the quarterly meeting of May 2024, the Group Internal Audit Department has been furnishing the AC updates on COI status, covering both actual or potential COI, among the directors and key senior management; and
- Performed various ad hoc reviews as requested by the Management.

The total costs incurred for the internal audit function for the financial year under review were approximately RM290,814.84.

ADDITIONAL COMPLIANCE INFORMATION

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests either still subsisting as at the end of the financial year or entered into since the end of the previous financial year.

AUDIT AND NON-AUDIT FEES

For the financial year, the amount of audit and non-audit fees paid and payable to the external auditors by the Company and the Group were as follows:

| | Group (RM'000) | Company (RM'000) |
|------------------------------|-------------------|---------------------|
| Grant Thornton Malaysia PLT: | | |
| Audit Fees: | | |
| Current year | 380 | 47 |
| Non-Audit Fees | 5 | 3 |
| Other Auditors | 183 | - |

The non-audit fees were in respect of tax exemption application and review of Statement on Risk Management and Internal Control for the financial year.

OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

At the Extraordinary General Meeting of the Company held on 12 May 2023, the shareholders of the Company had approved the Bonus issue of up to 233,964,247 warrants on the basis of one (1) warrant for every three (3) existing ordinary shares of in the Company.

A total of 233,781,206 free warrants ("Warrants 2023/2028") were issued on 1 June 2023 and listed on the Main Market of Bursa Malaysia Securities Berhad on 7 June 2023 with a 5 years' exercise period from 1 June 2023 to 31 May 2028. Each warrant carries the entitlement to subscribe for one (1) new CAB Share at the exercise price of RM0.63 each for cash subject to adjustments in accordance with the provisions of the Deed Poll.

During the financial year ended 30 September 2024, no warrants were exercised and the balance of unexercised warrants is 233,781,206.

Saved as disclosed above, there were no options, warrants or convertible securities exercised during the financial year ended 30 September 2024.

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Shareholders' Mandate for the Group to enter into recurrent related party transactions of a revenue or trading nature was obtained at the Twenty-Second Annual General Meeting held on 25 March 2024. Details of such transactions during the financial year are disclosed in Note 43 to the financial statements.

The said Mandate is subject to renewal at the forthcoming Annual General Meeting. Details of the Shareholders' Mandate to be sought will be furnished in the Circular to Shareholders dated 27 January 2025.

UTILISATION OF PROCEEDS

There were no funds raised by the Company through any corporate proposal during the financial year ended 30 September 2024.

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

DIRECTORS' RESPONSIBILITY STATEMENT IN RESPECT OF THE PREPARATION OF THE AUDITED FINANCIAL STATEMENTS

The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of their results and cash flows for the financial year then ended. In preparing the financial statements, the Directors have ensured that Malaysian Financial Reporting Standards, IFRS Accounting Standards, the requirements of the Companies Act, 2016 and the Listing Requirements of the Bursa Securities have been applied.

In preparing the financial statements, the Directors have selected and applied consistently appropriate accounting policies and made reasonable and prudent judgments and estimates where applicable.

The Directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Board is satisfied that it has met its obligation to present a balanced and comprehensive assessment of the Company's position and prospects in the Directors' Report and the Financial Statements of this Annual Report.

FINANCIAL STATEMENTS 2024



| | |
|-----|---|
| 74 | Directors' Report |
| 81 | Independent Auditors' Report |
| 84 | Statements of Profit or Loss and Other Comprehensive Income |
| 86 | Statements of Financial Position |
| 88 | Statements of Changes in Equity |
| 91 | Statements of Cash Flows |
| 95 | Notes to the Financial Statements |
| 186 | Statement by Directors |
| 186 | Declaration by the Director Primarily Responsible for the Financial Management of the Company |



DIRECTORS' REPORT

The Directors of **CAB CAKARAN CORPORATION BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 September 2024.

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding and provision of management services. There have been no changes in nature of these principal activities during the financial year.

The information on the name, principal place of business, country of incorporation, principal activities and percentage of issued share capital held by the holding company in each subsidiary is as stated in Note 19 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

| | The Group RM | The Company RM |
|--------------------------------------|-------------------|-------------------|
| Profit for the financial year | <u>93,188,331</u> | <u>8,440,061</u> |
| Profit attributable to: | | |
| Owners of the Company | 75,467,122 | |
| Non-controlling interests | <u>17,721,209</u> | |
| | <u>93,188,331</u> | |

In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

During the financial year, a final single tier dividend declared and paid by the Company in respect of the following:

| | RM |
|--|------------------|
| Final single tier dividend of RM0.005 per ordinary shares in respect of the financial year ended 30 September 2023 paid on 19 April 2024 | <u>3,506,733</u> |

Subsequent to 30 September 2024, the Company proposed a final single tier dividend of RM0.01 per ordinary share in respect of the current financial year. The proposed final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 September 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.

DIRECTORS' REPORT (CONT'D)

DIRECTORS

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

| | |
|--|--|
| Chuah Ah Bee | |
| Chuah Hoon Phong | |
| Datuk Sr. Hj Zakaria Bin Hashim | |
| Lim Ghim Chai | |
| Prof Dato' Dr Mohd Fakhrudin Bin Abdul Mukti | |
| Wijanti Tjendera | |
| Loo Choo Gee | (retired on 25 March 2024 as director of the Company, but remained as a Director of certain subsidiaries) |
| Chew Chee Khong | (resigned on 26 April 2024 as director of the Company, but remained as a Director of certain subsidiaries) |

The Directors who held office in the subsidiaries of the Company (excluding Directors who are also Directors of the Company) during the financial year and during the period from the end of the financial year to the date of this report are:

| | |
|--|---------------------------------|
| Alex Tan Kuan Hon | |
| Aman Tan Ho Peng | |
| Chan Kim Keow | |
| Chiew Hock You | |
| Ching Chin Huat | |
| Chuah Hoon Hong | |
| Chuah Hoon Teng | |
| Dato' Dr Quaza Nizamuddin Bin A Hassan Nizam | |
| Ho Chong Hee | |
| Ho Kheng Chew | |
| Jozef Franciscus Maria Bonang | |
| Khor Yu Beng | |
| Leong Youk Leen | |
| Lim Chin Seng | |
| Lin Wai Jet | |
| Maheran Binti Manan | |
| Mohd. Johar Bin Jahaya | |
| Ong Chuan Seng | |
| Ong Khoon Chuah | |
| Randall Low Jun Hoe | |
| Shafiqurrahman Bin Haji Shamsuddin | |
| Sia Hui Chen | |
| Tan Ah Baa @ Tan Chye Khoon | |
| Tan Chee Hee | |
| Tan Swee Seong | |
| Toh Chye Lam | |
| Toh Eng Say | |
| Vincent Leong Weng Fai | |
| Wan Azrain Bin Wan Adnan | |
| Wan Noor Ashikin Binti Wan Azizan | |
| Winston Yap Eng Chin | |
| Yap Kim Gee | |
| Yap Soon Chyuan | |
| Chong Mee Ting | (appointed on 13 October 2023) |
| Ong Bee Wah | (appointed on 22 January 2024) |
| Chan Kah Cheong | (appointed on 21 February 2024) |
| Gan Chin Nam | (appointed on 21 February 2024) |
| Chiew Kin Huat | (resigned on 22 January 2024) |
| Tan Chin Tee | (resigned on 15 September 2024) |
| Tan Wen Lee | (resigned on 15 September 2024) |

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

The shareholdings in the Company of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept under Section 59 of the Companies Act, 2016, are as follows:

| Shares in the Company | Number of ordinary shares | | | As at 30.9.2024 |
|---------------------------------|---------------------------|----------|----------|--------------------|
| | As at 1.10.2023 | Acquired | Disposed | |
| Direct interest: | | | | |
| Chuah Ah Bee | 198,032,079 | - | - | 198,032,079 |
| Chuah Hoon Phong | 14,344,061 | - | - | 14,344,061 |
| Datuk Sr. Hj Zakaria Bin Hashim | 1,000 | - | - | 1,000 |
| Indirect interest: | | | | |
| Chuah Ah Bee | 137,269,684 | 430,100 | - | 137,699,784 |
| Chuah Hoon Phong | 170,312 | 430,100 | - | 600,412 |

| Warrants in the Company | Number of Warrant over ordinary shares | | | As at 30.9.2024 |
|---------------------------------|--|-----------|--------------|--------------------|
| | As at 1.10.2023 | Exercised | Disposed | |
| Direct interest: | | | | |
| Chuah Ah Bee | 55,944,026 | - | (13,000,000) | 42,944,026 |
| Chuah Hoon Phong | 4,781,353 | - | - | 4,781,353 |
| Datuk Sr. Hj Zakaria Bin Hashim | 333 | - | - | 333 |
| Indirect interest: | | | | |
| Chuah Ah Bee | 45,756,559 | - | - | 45,756,559 |
| Chuah Hoon Phong | 56,770 | - | - | 56,770 |

By virtue of their interests in the shares of the Company, Mr. Chuah Ah Bee is also deemed to have beneficial interests in the shares of all the subsidiaries of the Company to the extent that the Company has an interest.

Other than the above, none of other Directors in office at the end of the financial year had any interest in the shares of the Company and its subsidiaries during the financial year.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' REMUNERATION

During the financial year, the fees and other benefits received and receivable by the Directors of the Group and of the Company are as follows:

| | The Group 2024 RM | The Company 2024 RM |
|--|-------------------------|---------------------------|
| Directors of the Company: | | |
| Executive Directors: | | |
| Fee | 362,649 | - |
| Contribution to employees provident fund | 239,407 | - |
| Other emoluments | 3,302,076 | - |
| Non-executive Directors: | | |
| Fee | 259,019 | 229,019 |
| Contribution to employees provident fund | 498 | 498 |
| Other emoluments | 10,700 | 10,700 |
| Directors of subsidiaries: | | |
| Executive Directors: | | |
| Fee | 340,144 | - |
| Contribution to employees provident fund | 525,939 | - |
| Other emoluments | 4,977,683 | - |
| | <u>10,018,115</u> | <u>240,217</u> |
| Benefits-in-kind (based on estimated monetary value) (Note 42) | <u>172,946</u> | <u>-</u> |

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains Directors' and Officers' liability insurance for purpose of Section 289 of the Companies Act, 2016, throughout the financial year, which provides appropriate insurance cover for the Directors and Officers of the Group and of the Company. The amount of indemnity coverage and insurance premium paid or payable during the financial year, which was borne by the Company and certain subsidiaries and have been accounted for in the financial statements of the Group amounted to RM20,000,000 and RM42,609 respectively.

The amount of indemnity coverage and insurance premium paid for the Directors and Officers of the Group during the financial year are amounted to RM4,671,438 and RM44,974 respectively.

The amount of indemnity coverage and insurance premium paid for the Directors and Officers of the Company, which was borne by the Company during the financial year are amounted to RM200,000 and RM2,343 respectively.

Other than disclosed above, there were no indemnity given to or insurance effected for other Directors, Officers and Auditors of the Company in accordance with Section 289 of the Companies Act, 2016.

DIRECTORS' REPORT (CONT'D)

ISSUE OF SHARES AND DEBENTURES

There were no changes on the issued and paid-up capital of the Company during the financial year.

There was no issuance of debentures during the financial year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As of the end of the financial year, there were no unissued shares of the Company under options.

WARRANTS

At the Extraordinary General Meeting of the Company held on 12 May 2023, the shareholders of the Company had approved the bonus issue of up to 233,964,247 warrants on the basis of one warrant for every three existing ordinary shares in the Company.

A total of 233,781,206 free warrants were issued on 1 June 2023 and listed on the Main Market of Bursa Malaysia Securities Berhad on 7 June 2023 with a five years' exercise periods and each warrant carries the entitlement to subscribe for one new CAB Share at the exercise price of RM0.63 per warrant. The maturity date for the warrants is on the 31 May 2028. The salient features and terms of the Warrants are set out in Note 30 to the financial statements.

As at 30 September 2024, no warrants have been converted into shares and the number of outstanding unexercised warrants are 233,781,206.

OTHER STATUTORY INFORMATION

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

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

- (a) which would render the amount written off as bad debts or the amount of provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION (CONT'D)

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

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year and secures the liability 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 liability or other liability 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 as and when they fall due.

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company.

SUBSEQUENT EVENT

On 28 November 2024, the Company proposed a final single tier dividend of RM0.01 per ordinary share in respect of the current financial year. The proposed final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 September 2025.

AUDITORS' REMUNERATION

The details of the auditors' remuneration for the financial year are as follows:

| | The Group 2024 RM | The Company 2024 RM |
|-------------------------------|-------------------------|---------------------------|
| Audit fees: | | |
| - Grant Thornton Malaysia PLT | 380,000 | 47,000 |
| - Other auditors | 183,396 | - |
| | 563,396 | 47,000 |
| Non-audit fee: | | |
| - Grant Thornton Malaysia PLT | 4,500 | 2,500 |
| | 567,896 | 49,500 |

DIRECTORS' REPORT (CONT'D)

AUDITORS

The Auditors, Grant Thornton Malaysia PLT have expressed their willingness to continue in office.

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT to the extent permissible under the requirements of the Companies Act, 2016 in Malaysia. However, no payment has been made arising from this indemnity for the financial year.

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

CHUAH AH BEE

CHUAH HOON PHONG

Penang
20 December 2024

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CAB CAKARAN CORPORATION BERHAD
(Incorporated in Malaysia) Registration No.: 200201015998 (583661 W)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CAB Cakaran Corporation Berhad, which comprise the statements of financial position as of 30 September 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policies information as set out on pages 84 to 185.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 September 2024, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matter

Key audit matter 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 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.

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|--|
| <p>Fair value on biological assets</p> <p>The value of livestock held as biological assets of the Group was RM118,055,577. The fair value of livestock was subject to poultry fluctuation. In addition, there was a high volume of livestock held at year end. We have identified the valuation of livestock as a key audit matter because of the significant judgement and estimates involved in applying the valuation method on the livestock. Specifically, we focused our audit efforts to determine whether the capitalisation of costs and standard in accordance with the Group's policy and ensure consistency with that of prior year.</p> | <p>We have obtained an understanding and tested the internal controls in respect of recording of purchase of broiler, breeders, feed and other consumables. We also have tested the capitalised cost as part of the valuation method which includes starter cost (Day-old-chick), cost of feed consumed and cost of other consumables and testing of amortisation of broiler and breeders in accordance with the Group's policy. We compared actual output and selling prices against assumptions to assess the accuracy of management's estimates. We also assessed the reasonableness of discount rate used to reflect the time value of money and the risk. Besides, we assessed the adequacy and appropriateness of the disclosures relating to the valuation methodology and estimation made in the financial statements.</p> |

There is no key audit matter to be communicated for the Company.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF CAB CAKARAN CORPORATION BERHAD
(Incorporated in Malaysia) Registration No.: 200201015998 (583661 W)

Report on the Audit of the Financial Statements (cont'd)

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 the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF CAB CAKARAN CORPORATION BERHAD
(Incorporated in Malaysia) Registration No.: 200201015998 (583661 W)

Report on the Audit of the Financial Statements (cont'd)

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

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

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as Auditors, are disclosed in Note 19 to the financial statements.

Other Matter

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

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

ANTONY LEONG WEE LOK
(NO: 03381/06/2026 J)
CHARTERED ACCOUNTANT

Kuala Lumpur
20 December 2024

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

| | Note | The Group | | The Company | |
|--|------|--------------------|--------------------|------------------|-------------------|
| | | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Revenue | 5 | 2,297,090,103 | 2,245,995,448 | 5,821,863 | 16,064,873 |
| Cost of sales | | (2,063,804,682) | (1,983,381,235) | - | - |
| Gross profit | | 233,285,421 | 262,614,213 | 5,821,863 | 16,064,873 |
| Investment revenue | 6 | 358,576 | 362,425 | - | - |
| Other income | | 60,853,159 | 75,234,644 | 4,150 | 1,037 |
| Marketing and selling expenses | | (83,334,108) | (75,961,849) | - | - |
| Administrative expenses | | (60,336,883) | (52,219,585) | (1,711,301) | (1,718,912) |
| Other expenses | | (919,448) | (2,210,552) | - | - |
| Operating profit | | 149,906,717 | 207,819,296 | 4,114,712 | 14,346,998 |
| Other gains and losses | 7 | (380,916) | 2,104,339 | 3,877,461 | 12,236,227 |
| Net remeasurement of expected credit loss | | (4,359,762) | (2,449,603) | - | - |
| Share of result in an associate | | 14,797 | 14,672 | - | - |
| Share of result in a joint venture | | 1,831,619 | (59,978) | - | - |
| Profit before interest and taxation | | 147,012,455 | 207,428,726 | 7,992,173 | 26,583,225 |
| Interest income | 8 | 3,235,961 | 1,880,623 | 688,227 | 676,619 |
| Finance costs | 9 | (18,728,408) | (20,001,423) | (98,928) | (765,817) |
| Profit before tax | | 131,520,008 | 189,307,926 | 8,581,472 | 26,494,027 |
| Tax expenses | 10 | (38,331,677) | (47,929,376) | (141,411) | (151,131) |
| Profit for the financial year | 11 | 93,188,331 | 141,378,550 | 8,440,061 | 26,342,896 |
| Other comprehensive (loss)/ income | | | | | |
| <i>Items that will be reclassified subsequently to profit or loss:</i> | | | | | |
| Exchange differences on translating foreign operations | | (4,824,469) | 3,468,747 | - | - |
| Other comprehensive (loss)/ income for the financial year, net of tax | | (4,824,469) | 3,468,747 | - | - |
| Total comprehensive income for the financial year | | 88,363,862 | 144,847,297 | 8,440,061 | 26,342,896 |

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

| | Note | The Group | | The Company | |
|--|------|-------------------|--------------------|------------------|-------------------|
| | | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Profit attributable to: | | | | | |
| Owners of the Company | | 75,467,122 | 107,130,652 | 8,440,061 | 26,342,896 |
| Non-controlling interests | | 17,721,209 | 34,247,898 | - | - |
| | | <u>93,188,331</u> | <u>141,378,550</u> | <u>8,440,061</u> | <u>26,342,896</u> |
| Total comprehensive income attributable to: | | | | | |
| Owners of the Company | | 73,393,795 | 108,529,067 | | |
| Non-controlling interests | | 14,970,067 | 36,318,230 | | |
| | | <u>88,363,862</u> | <u>144,847,297</u> | | |
| Earnings per share: | | | | | |
| Basic (sen per share) | 12 | 10.76 | 15.28 | | |
| Diluted (sen per share) | 12 | <u>10.38</u> | <u>N/A</u> | | |

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

STATEMENTS OF FINANCIAL POSITION

AS OF 30 SEPTEMBER 2024

| | Note | The Group | | The Company | |
|---|------|----------------------|----------------------|--------------------|--------------------|
| | | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Assets | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 13 | 667,643,385 | 658,119,788 | - | 1,603 |
| Right-of-use assets | 14 | 81,354,236 | 87,638,443 | - | - |
| Investment properties | 15 | 116,756,000 | 115,524,000 | - | - |
| Bearer plants | 16 | 625,721 | 571,131 | - | - |
| Other intangible assets | 17 | 4,980,609 | 7,268,690 | - | - |
| Goodwill | 18 | 6,218,940 | 6,218,940 | - | - |
| Interest in subsidiaries | 19 | - | - | 140,765,487 | 137,075,021 |
| Investment in an associate | 20 | 303,922 | 289,125 | - | - |
| Investment in a joint venture | 21 | 1,700,949 | - | - | - |
| Other financial assets | 22 | - | 1,609,308 | - | - |
| Deferred tax assets | 23 | 220,600 | 104,000 | - | - |
| Total non-current assets | | 879,804,362 | 877,343,425 | 140,765,487 | 137,076,624 |
| Current assets | | | | | |
| Biological assets | 24 | 118,055,577 | 115,020,866 | - | - |
| Inventories | 25 | 100,586,186 | 100,684,220 | - | - |
| Trade and other receivables | 26 | 241,063,545 | 248,656,814 | 15,977,844 | 14,884,639 |
| Other assets | 27 | 22,464,865 | 21,491,801 | 1,000 | 1,000 |
| Other financial assets | 22 | - | 29,260 | - | - |
| Current tax assets | | 1,944,428 | 2,218,109 | - | - |
| Short-term deposits with licensed banks | 28 | 120,681,999 | 76,640,917 | - | - |
| Cash and bank balances | 29 | 74,064,127 | 95,679,194 | 285,477 | 288,526 |
| Total current assets | | 678,860,727 | 660,421,181 | 16,264,321 | 15,174,165 |
| Total assets | | 1,558,665,089 | 1,537,764,606 | 157,029,808 | 152,250,789 |

STATEMENTS OF FINANCIAL POSITION (CONT'D)

AS OF 30 SEPTEMBER 2024

| | Note | The Group | | The Company | |
|--|------|----------------------|----------------------|--------------------|--------------------|
| | | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Equity and liabilities | | | | | |
| Capital and reserves | | | | | |
| Share capital | 30 | 145,979,553 | 145,979,553 | 145,979,553 | 145,979,553 |
| Treasury shares | | (69,304) | (69,304) | (69,304) | (69,304) |
| Reserves | 31 | 2,107,153 | 4,180,480 | - | - |
| Retained earnings | | 534,606,304 | 462,645,401 | 9,767,822 | 4,834,494 |
| Equity attributable to owners of the Company | | 682,623,706 | 612,736,130 | 155,678,071 | 150,744,743 |
| Non-controlling interests | 32 | 178,182,768 | 163,963,771 | - | - |
| Total equity | | 860,806,474 | 776,699,901 | 155,678,071 | 150,744,743 |
| Non-current liabilities | | | | | |
| Provisions | 33 | 1,121,720 | 1,121,720 | - | - |
| Borrowings | 34 | 151,771,654 | 174,504,757 | - | - |
| Lease liabilities | 35 | 9,191,228 | 8,991,129 | - | - |
| Other financial liabilities | 22 | 1,322,956 | - | - | - |
| Deferred tax liabilities | 23 | 59,393,551 | 58,742,914 | - | - |
| Deferred revenue | 36 | 101,464 | 145,150 | - | - |
| Total non-current liabilities | | 222,902,573 | 243,505,670 | - | - |
| Current liabilities | | | | | |
| Trade and other payables | 37 | 252,144,748 | 268,218,149 | 1,327,712 | 1,464,921 |
| Provisions | 33 | 4,480,122 | 3,816,612 | - | - |
| Borrowings | 34 | 207,786,202 | 234,850,605 | - | - |
| Lease liabilities | 35 | 2,767,800 | 2,823,631 | - | - |
| Other financial liabilities | 22 | 395,086 | - | - | - |
| Deferred revenue | 36 | 73,998 | 139,209 | - | - |
| Current tax liabilities | | 7,308,086 | 7,710,829 | 24,025 | 41,125 |
| Total current liabilities | | 474,956,042 | 517,559,035 | 1,351,737 | 1,506,046 |
| Total liabilities | | 697,858,615 | 761,064,705 | 1,351,737 | 1,506,046 |
| Total equity and liabilities | | 1,558,665,089 | 1,537,764,606 | 157,029,808 | 152,250,789 |

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

| The Group | Note | Share capital RM | Treasury shares RM | Translation reserve RM | Properties revaluation reserve RM | Retained earnings RM | Attributable to owners of the Company | | Non-controlling interests RM | Total RM |
|--|------|---------------------|-----------------------|---------------------------|--------------------------------------|-------------------------|---------------------------------------|--------------------|---------------------------------|-------------|
| | | | | | | | RM | RM | | |
| As at 30 September 2023 | | 145,979,553 | (69,304) | 4,098,540 | 81,940 | 462,645,401 | 612,736,130 | 163,963,771 | 776,699,901 | |
| Profit for the financial year | | - | - | - | - | 75,467,122 | 75,467,122 | 17,721,209 | 93,188,331 | |
| Other comprehensive income | | - | - | (2,073,327) | - | - | (2,073,327) | (2,751,142) | (4,824,469) | |
| Total comprehensive income for the financial year | | - | - | (2,073,327) | - | 75,467,122 | 73,393,795 | 14,970,067 | 88,363,862 | |
| <i>Transactions with owners of the Company:</i> | | | | | | | | | | |
| Disposal of partial interest in a subsidiary | | - | - | - | - | - | - | 7,500 | 7,500 | |
| Subscription of ordinary shares by non-controlling interests in a subsidiary | | - | - | - | - | - | - | 5 | 5 | |
| Dividend paid | 38 | - | - | - | - | (3,506,733) | (3,506,733) | - | (3,506,733) | |
| Dividend paid to non-controlling interests of subsidiaries | 32 | - | - | - | - | - | - | (758,061) | (758,061) | |
| Arising from decrease in equity interest in a subsidiary | | - | - | - | - | 514 | 514 | (514) | - | |
| As at 30 September 2024 | | 145,979,553 | (69,304) | 2,025,213 | 81,940 | 534,606,304 | 682,623,706 | 178,182,768 | 860,806,474 | |

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

| The Group (cont'd) | Note | Share capital | Treasury shares | Translation reserve | Properties revaluation reserve | Retained earnings | Attributable to owners of the Company | Non-controlling interests | Total |
|--|------|--------------------|-----------------|---------------------|--------------------------------|--------------------|---------------------------------------|---------------------------|--------------------|
| | | RM | RM | RM | RM | RM | RM | RM | RM |
| As at 30 September 2022 | | 145,979,553 | (69,304) | 2,700,125 | 81,940 | 355,514,749 | 504,207,063 | 127,991,896 | 632,198,959 |
| Profit for the financial year | | - | - | - | - | 107,130,652 | 107,130,652 | 34,247,898 | 141,378,550 |
| Other comprehensive income | | - | - | 1,398,415 | - | - | 1,398,415 | 2,070,332 | 3,468,747 |
| Total comprehensive income for the financial year | | - | - | 1,398,415 | - | 107,130,652 | 108,529,067 | 36,318,230 | 144,847,297 |
| <i>Transactions with owners of the Company:</i> | | | | | | | | | |
| Subscription of ordinary shares by non-controlling interests in a subsidiary | | - | - | - | - | - | - | 25 | 25 |
| Dividend paid to non-controlling interests of subsidiaries | 32 | - | - | - | - | - | - | (346,380) | (346,380) |
| As at 30 September 2023 | | 145,979,553 | (69,304) | 4,098,540 | 81,940 | 462,645,401 | 612,736,130 | 163,963,771 | 776,699,901 |

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

| The Company | Note | Share capital RM | Treasury shares RM | (Accumulated losses)/ Retained earnings RM | Total RM |
|---|------|---------------------|-----------------------|--|-------------|
| As at 1 October 2022 | | 145,979,553 | (69,304) | (21,508,402) | 124,401,847 |
| Profit for the financial year | | - | - | 26,342,896 | 26,342,896 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income for the financial year | | - | - | 26,342,896 | 26,342,896 |
| As at 30 September 2023 | | 145,979,553 | (69,304) | 4,834,494 | 150,744,743 |
| Profit for the financial year | | - | - | 8,440,061 | 8,440,061 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income for the financial year | | - | - | 8,440,061 | 8,440,061 |
| <i>Transactions with owners of the Company:</i> | | | | | |
| Dividend paid | 38 | - | - | (3,506,733) | (3,506,733) |
| As at 30 September 2024 | | 145,979,553 | (69,304) | 9,767,822 | 155,678,071 |

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

| | The Group | | The Company | |
|---|-------------|-------------|-------------|------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Cash flows from operating activities | | | | |
| Profit before tax | 131,520,008 | 189,307,926 | 8,581,472 | 26,494,027 |
| Depreciation and amortisation of non-current assets | 57,994,823 | 56,265,646 | 1,603 | 1,692 |
| Interest expense | 17,704,032 | 18,781,716 | 98,928 | 765,817 |
| Net remeasurement for expected credit loss | 4,359,762 | 2,449,603 | - | - |
| Net fair value loss on other financial assets/liabilities | 3,356,610 | 3,202,420 | - | - |
| Bad debts written off | 2,807,500 | 349,424 | - | - |
| Impairment loss recognised on receivables | 1,876,701 | 215,967 | - | - |
| Amortisation of intangible assets | 1,231,218 | 1,401,616 | - | - |
| Impairment loss recognised on intangible assets | 1,056,863 | - | - | - |
| Property, plant and equipment written off | 688,837 | 133,518 | - | - |
| Inventories written off | 238,363 | 20,375 | - | - |
| Deposit written off | 8,000 | 95,268 | - | - |
| Loss/(Gain) on forgiven lease payments | 2,625 | (41,425) | - | - |
| Gain on fair value adjustment of biological assets | (7,885,067) | (347,012) | - | - |
| Interest income | (3,235,961) | (1,880,623) | (688,227) | (676,619) |
| Share of result in a joint venture | (1,831,619) | 59,978 | - | - |
| Unrealised gain on foreign exchange | (1,466,492) | (4,446,148) | - | - |
| Gain on fair value adjustment of investment properties | (1,232,000) | (1,136,300) | - | - |
| Gain on disposal of property, plant and equipment | (244,761) | (2,046,759) | - | - |
| Amortisation of deferred revenue on government grant | (136,816) | (164,868) | - | - |
| Reversal of impairment loss recognised on receivables | (110,081) | (51,658) | - | - |
| Reversal of inventories written down | (16,200) | (21,071) | - | - |
| Share of result in an associate | (14,797) | (14,672) | - | - |
| Realisation of deferred revenue on franchise fee income | (2,865) | (3,125) | - | - |

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

| | The Group | | The Company | |
|--|--------------|--------------|-------------|--------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Cash flows from operating activities (cont'd) | | | | |
| Intangible assets written off | - | 753,364 | - | - |
| Gain on lease termination | - | (42,045) | - | - |
| Gain on remeasurement of right-of-use assets | - | (6,387) | - | - |
| Gross dividend received from subsidiaries | - | - | (5,458,725) | (15,700,000) |
| Reversal of impairment loss for investment in subsidiaries | - | - | (3,690,461) | (23,292,198) |
| Gain from waiver of debts | - | - | (157,000) | - |
| Gain from disposal of partial interest in a subsidiary | - | - | (30,000) | - |
| Impairment loss recognised on investment in subsidiaries | - | - | - | 11,055,971 |
| Operating profit/(loss) before changes in working capital | 206,668,683 | 262,834,728 | (1,342,410) | (1,351,310) |
| Movements in working capital: | | | | |
| Decrease/(Increase) in biological assets | 4,850,356 | (6,223,532) | - | - |
| Increase in inventories | (1,068,013) | (20,173,368) | - | - |
| Increase in trade and other receivables | (3,935,897) | (47,785,476) | - | - |
| Decrease in other assets | 1,686,152 | 59,391 | - | - |
| (Decrease)/Increase in trade and other payables | (14,997,666) | 27,168,877 | 14,386 | 28,134 |
| Increase in provisions | 663,510 | 2,052,370 | - | - |
| Increase in deferred revenue | 40,000 | 158,144 | - | - |
| Cash generated from/(used in) operations | 193,907,125 | 218,091,134 | (1,328,024) | (1,323,176) |
| Interest received | 2,509,230 | 1,420,720 | - | - |
| Taxes refunded | 194,971 | 519,873 | - | 13,869 |
| Taxes paid | (37,843,064) | (32,458,164) | (158,511) | (136,375) |
| Net cash from/(used in) operating activities | 158,768,262 | 187,573,563 | (1,486,535) | (1,445,682) |

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

| | Note | The Group | | The Company | |
|---|-------|--------------|--------------|-------------|-------------|
| | | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Cash flows from investing activities | | | | | |
| Interest received | | 724,471 | 425,367 | 688,227 | 676,619 |
| Proceeds from disposal of property, plant and equipment | | 547,004 | 8,891,444 | - | - |
| Proceed from disposal of partial interest in a subsidiary | | 7,500 | - | 30,000 | - |
| Payments for property, plant and equipment | 39(b) | (55,006,291) | (40,791,187) | - | - |
| Increase in other assets for acquisition of property, plant and equipment | | (3,171,280) | (941,768) | - | - |
| (Advances granted to)/Repayments from a joint venture | | (836,821) | 783,115 | - | - |
| Payments for right-of-use assets | 14 | (284,613) | (30,727) | - | - |
| Payments for bearer plants | 16 | (54,590) | (44,232) | - | - |
| Payments for investment properties | 15 | - | (354,200) | - | - |
| Dividend received | | - | - | 5,458,725 | 15,700,000 |
| (Advances granted to)/Repayments from subsidiaries | | - | - | (1,093,205) | 658,972 |
| Subscription of ordinary shares in a subsidiary | | - | - | (5) | - |
| Payments for purchase of additional shares in subsidiaries | | - | - | - | (1,000,000) |
| Net cash (used in)/from investing activities | | (58,074,620) | (32,062,188) | 5,083,742 | 16,035,591 |

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

| | Note | The Group | | The Company | |
|--|-------|--------------|---------------|-------------|--------------|
| | | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Cash flows from financing activities | | | | | |
| Proceeds from long-term loans | | 21,735,936 | 4,366,330 | - | - |
| Short-term deposits withdrawn as securities | | 1,460,243 | 894,979 | - | - |
| Advances granted from non-controlling interests of a subsidiary | | 328,680 | 134,735 | - | - |
| Advances granted from a joint venture | | 116,390 | 498,465 | - | - |
| Proceeds from issuance of shares by a subsidiary to non-controlling interests | | 5 | 25 | - | - |
| Repayment of long-term loans | | (40,899,321) | (40,158,066) | - | - |
| Repayment of short-term borrowings | | (23,189,612) | (34,152,535) | - | - |
| Interest paid | | (17,298,050) | (18,866,545) | (98,928) | (765,817) |
| Repayment of hire-purchase payables | | (8,040,703) | (10,066,291) | - | - |
| Repayment of lease liabilities | 39(c) | (4,122,735) | (4,195,677) | - | - |
| Dividend paid to shareholders of the Company | | (3,506,733) | - | (3,506,733) | - |
| Dividend paid to non-controlling interests of subsidiaries | | (758,061) | (346,380) | - | - |
| (Repayments to)/Advances granted from a director of a subsidiary | | (276,304) | 268,360 | - | - |
| Proceeds from hire-purchase | | - | 155,000 | - | - |
| Repayment to a Director | | - | (94,848) | - | - |
| Advances granted from/(Repayments to) subsidiaries | | - | - | 5,405 | (13,872,579) |
| Net cash used in financing activities | | (74,450,265) | (101,562,448) | (3,600,256) | (14,638,396) |
| Net increase/(decrease) in cash and cash equivalents | | 26,243,377 | 53,948,927 | (3,049) | (48,487) |
| Cash and cash equivalents at beginning of financial year | | 163,053,020 | 107,677,099 | 288,526 | 337,013 |
| Effects of exchange rates changes on the balances of cash held in foreign currencies | | (2,519,896) | 1,426,994 | - | - |
| Cash and cash equivalents at end of financial year | 39(a) | 186,776,501 | 163,053,020 | 285,477 | 288,526 |

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

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2024

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activity of the Company are investment holding and provision of management services. The information of the subsidiaries are disclosed in Note 19.

The address of the registered office of the Company is as follows:

51-8-A, Menara BHL
Jalan Sultan Ahmad Shah
10050 George Town
Pulau Pinang

The address of the principal place of business of the Company is as follows:

Plot 21, Lorong Jelawat 4
Seberang Jaya Industrial Park
Seberang Jaya
13700 Perai
Pulau Pinang

The financial statements of the Company were authorised by the Board of Directors for issuance in accordance with a resolution of the Directors on 20 December 2024.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The preparation of financial statements in conformity with MFRS and the Companies Act, 2016 requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. It also requires the Directors to exercise their judgments in the process of applying the Group's accounting policies. These estimates and judgments are based on Directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the Financial Statements.

The financial statements are presented in Ringgit Malaysia ("RM") except when otherwise indicated.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

2.1 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:-

On 1 October 2023, the Group and the Company have adopted the following MFRSs, IC Interpretations and amendments which are mandatory for annual financial periods beginning on or after 1 January 2023.

Description

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101 Presentation of Financial Statements

- Classification of Liabilities as Current or Non-current
- Disclosure of Accounting Policies

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

Amendments to MFRS 112 Income taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112 Income taxes - International Tax Reform - Pillar Two Model Rules

The adoption of the above new standards, IC interpretations and amendments to published standards have not given rise to any material impact on the financial statements of the Group and the Company.

2.2 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

| Description | Effective date |
|--|-----------------------|
| Amendments to MFRS 16 Leases Liability in a Sale and Leaseback | 1 January 2024 |
| Amendments to MFRS 101 Presentation of Financial Statements - Non-current Liabilities with Covenants | 1 January 2024 |
| Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current | 1 January 2024 |
| Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements | 1 January 2024 |
| Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability | 1 January 2025 |
| Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments | 1 January 2026 |
| Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards | 1 January 2026 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

2.2 Standards issued but not yet effective (cont'd)

| Description | Effective date |
|---|-----------------------------------|
| Amendments to MFRS 9 Financial Instruments | 1 January 2026 |
| Amendments to MFRS 10 Consolidated Financial Statements | 1 January 2026 |
| Amendments to MFRS 107 Statement of Cash Flows | 1 January 2026 |
| MFRS 18 Presentation and Disclosure in Financial Statements | 1 January 2027 |
| MFRS 19 Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |
| Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | To be announced by the MASB Board |

The initial application of the above standards and amendments are not expected to have any financial impact to the financial statements of the Group and the Company.

3. MATERIAL ACCOUNTING POLICIES INFORMATION

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group controls an investee if and only if the Group has all the following:-

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its investment with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting rights of an investee, the Group considers the following in assessing whether or not the Group's voting rights in an investee are sufficient to give it power over the investee:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statements of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

3. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

Basis of Consolidation (cont'd)

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the noncontrolling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the carrying amount of any non-controlling interests;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income.

The cost of a business combination is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the business combination. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill in the statements of financial position. The accounting policy for goodwill is set out in Note 3 to the financial statements. Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as at the acquisition date that, if known, would have affected the amounts recognised as at that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as at the acquisition date and is subject to a maximum of one year.

Transactions with non-controlling interest

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

Investment in subsidiaries

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

3. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Impairment of Goodwill

At the end of each reporting period, the carrying value of goodwill is tested for impairment by income approach (value-in-use). In the income approach, value-in-use is applied by estimating the discounted value of the sum of the expected future cash flows. If the carrying value of the cash-generating unit exceeds the higher of the value-in-use of the related assets and liabilities, an impairment of goodwill will be recognised in the profit or loss. Evaluations for impairment are impacted by estimates of future sales volume and selling prices of products, economic trends in the local and international construction sector and other factors. The result of these evaluations requires the Group to estimate the future cash flows expected to arise from the cash-generating units, constant growth rates and a suitable discount rate.

Investments in an Associate and a Joint Venture

Investment in associate is measured in the Company's statement of financial position at cost less any impairment.

Investment in a joint venture is measured in the Company's statement of financial position at cost less any impairment.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

3. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

3. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

(a) Revenue from contract with customers

Revenue from contract with customers is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group transfer control of the goods or services promised in a contract and the customer obtains control of the goods or services. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax (if any), returns, rebates and discounts. Depending on the terms of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

(b) Sales of chicken and other poultry products

Revenue from sales of chicken and other poultry related products are recognised net of discount and sales and services tax (if any) at the point in time when control of the goods has transferred to customer. Depending on the terms of the contract with the customer, control transfers either upon delivery of the goods to location specified by the customer and acceptance of the goods by the customer; or upon delivery of the chicken on board for onward delivery to the customers.

(c) Sales of poultry feed

Revenue from sales of poultry feed is recognised net of discount and sales and services tax (if any) at the point in time when control of the goods has transferred to customer. Revenue for sales of feed are recognised upon delivery of the goods to locations specified by the customer and acceptance of the goods by the customer which indicate the transfer of control.

(d) Rendering of services

Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

(e) Rental revenue

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(f) Dividend revenue

Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established.

(g) Interest income

Revenue is recognise as the interest income accrues, taking into account the effective yield on the assets.

(h) Other income

Management fee and other income are recognised on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

3. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

Leases

(a) Group as a lessee

(i) Right-of-use assets

(a) Recognition and measurement

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

(b) Depreciation

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

| | |
|--|---------------|
| Buildings | 1 - 30 years |
| Prepaid lease payments on leasehold land | 12 - 99 years |
| Lands and buildings | 1 - 30 years |
| Lands | 1 - 30 years |
| Market stalls | 2 & 6.5 years |
| Outlets | 3 years |
| Office equipment | 5 years |

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(ii) Lease Liabilities

(a) Lease and non-lease components

The Group applies the short-term lease recognition exemption to its short-term leases of hostels, premises, cold room, fowl house, motor vehicle and forklift (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of photocopiers, office equipment, premises and hostel that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

3. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Property, Plant and Equipment

(a) Recognition and measurement

Freehold land and construction-in-progress are not depreciated.

All other property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

(b) Depreciation

Depreciation is recognised so as to write off the cost of assets (other than freehold land and construction-in-progress) less their residual values over their useful lives, using the straight-line method, on the following bases:

| | |
|----------------------------------|-----------|
| Buildings | 2% - 21% |
| Farm houses | 2% - 21% |
| Plant, machinery and equipment | 2% - 33% |
| Electrical installation | 10% & 50% |
| Office equipment | 5% - 33% |
| Furniture, fixtures and fittings | 10% - 33% |
| Motor vehicles | 10% - 20% |
| Renovation | 5% - 50% |
| Supermarket equipment | 10% & 33% |
| Warehouse | 10% |
| Workshop | 3% |

Assets held under hire purchase are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Investment Properties

Investment properties are measured subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

3. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

The estimated useful economic lives of intangible assets are as follows:

| | |
|------------------------------|----------|
| Distribution network | 15 years |
| Technical services agreement | 5 years |

The following are the main categories of intangible assets:

(a) Distribution network

Distribution network relates to relationship established by the subsidiary with the customers.

(b) Technical services agreement

Technical services agreement is a legal document that outline the scope of provision of technical services from drone service provider.

Bearer Plants

Bearer plants comprising of immature durian trees are stated at cost less accumulated depreciation and accumulated impairment losses.

Immature crops, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognised impairment losses. Cost includes the cost of land preparation, new planting, fertilizing, maintenance of newly planted durian trees for a period of 8 years until maturity. Immature planted trees are reclassified to mature planted trees when they are commercially productive and available for harvest. Depreciation of bearer plants commence when they are ready for their intended use.

Costs incurred for infilling including block infilling are generally recognised in profit or loss unless there is a significant increase in the yield of the sections, in which case such costs are capitalised and depreciated over the remaining useful life of the respective fields.

Depreciation on bearer plants is recognised so as to write off its cost less residual values over useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Biological Assets

Biological assets comprising of breeders, broilers and hatching eggs are measured at fair value less cost to sell. Costs to sell includes the incremental selling costs, including estimated costs of transport but excludes finance costs and income taxes. The Group recognises a biological asset in its financial statements when, and only when the Group gains control over the asset as a result of past events, it is possible that the future economic benefits associated with the asset will flow to the Group, and when the fair value or cost of the asset can be measured reliably.

Purchases of livestock are directly expensed to profit or loss when incurred. Gains and losses arising on the initial recognition of biological assets at fair value less estimated point-of-sale costs and from a change in fair value less estimated point-of-sale costs are recognised in profit or loss in the period in which they arise.

The following are further information on determining the fair value of each livestock.

(a) Breeders

The fair value of grandparent and parent breeding stock is determined using discounted cash flows model based on the expected number of day-old-chick produced, the estimated market selling price of day-old-chick, salvage value for old birds, mortality rates of the breeding stocks, feed costs and consumption rates, farm house, equipment rentals, and other estimated farming cost that will be incurred throughout the remaining life of the breeder.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

3. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

Biological Assets (cont'd)

The following are further information on determining the fair value of each livestock (cont'd).

(b) Broilers

Live broilers are measured at fair value less costs to sell based on the discounted cash flows model, taking into consideration the estimated market selling price of broilers, management judgement's mortality rate, estimated consumption rate, feed costs and other estimated farm costs that will be incurred until the point of sale, as well as transportation costs at the point of sale. The assessment of the fair value is based on the internally available data, which includes saleable weight and historical selling price of birds, costs incurred and mortality rates.

Most of the live broilers are transferred to the processing plant at fair value less estimated point-of-sale costs. These broilers are then further process when slaughtered. Once slaughtered, the biological assets are transferred to finished goods.

(c) Hatching eggs

The fair value of hatching eggs is determined using a discounted cash flows model based on internal hatchability ratio, the actual selling price of day-old-chick, actual hatchery cost incurred for hatching the eggs into day-old-chick, contributory asset charges for the hatcheries owned by the Group.

Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials and frozen food consists of the original purchase price and, where applicable, includes an appropriate portion of fixed and variable overhead expenses that have been incurred in bringing the inventories to their present location and condition. Cost is determined based on first-in, first-out method.

Cost of finished goods consists of cost of raw materials, direct labour and a proportion of production overheads. Cost is determined based on first-in, first-out method.

Goods-in-transit is stated at cost.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Deferred Tax

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realization or settlement of the carrying amount of the asset and liabilities, using tax rates enacted or substantively enacted at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The following are the judgements made by the Directors in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(a) Critical Judgements in Applying the Group's and the Company's Accounting Policies

In the process of applying the Group's and the Company's accounting policies, the Directors are of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

(i) Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group and the Company determine the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group and the Company monitor financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's and the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the years presented.

(ii) Significant increase in credit risk

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. MFRS 9 *Financial Instruments* does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group and the Company take into account qualitative and quantitative reasonable and supportable forward-looking information.

- Stage 1 assets are financial assets whose credit risk has not increased significantly since initial recognition or that have low credit risk at the reporting date.
- Stage 2 assets are financial assets whose credit risk has increased significantly since initial recognition.
- Stage 3 assets are financial assets that have objective evidence of impairment.

(iii) Determining the lease term of contracts with renewal and termination options - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(b) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities of the Group and of the Company within the next financial year is discussed below.

(i) Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill

The Group and the Company carried out the impairment test based on the assessment of the fair value of the respective assets' or cash generating units' ("CGUs") fair value less costs to sell or based on the estimation of the value-in-use ("VIUs") of the CGUs to which the property, plant and equipment, right-of-use assets and intangible assets other than goodwill are allocated. Estimating the VIUs requires the Group and the Company to make an estimate of the expected future cash flows from the CGUs and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(ii) Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair values being realised in the statement of profit or loss. The Group engaged an independent professional qualified valuer to determine its fair value as at 30 September 2024. The relevant valuation bases, are disclosed in Note 15 to the financial statements.

(iii) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the VIU of the CGU to which the goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose the suitable discount rates and terminal growth rates in order to calculate the present value of those cash flows.

The carrying amount of goodwill of the Group as at 30 September 2024 was RM6,218,940 (2023: RM6,218,940). Further details are disclosed in Note 18.

(iv) Impairment of investments in subsidiaries

The Company carried out the impairment test based on the assessment of the fair value less costs to sell of the investees' assets or CGU or based on the estimation of the VIU of the CGUs of the investees. Estimating the VIUs required the Company to make an estimate of the expected future cash flows from the CGUs and also to choose a suitable discount rate in order to calculate the present value of those cash flows. An impairment loss will be recognised if the carrying values of these CGUs are assessed to be in excess of their VIUs. Further details are disclosed in Note 19.

(v) Fair value of biological assets

The Group's consumable biological assets are measured at fair value less point-of-sale costs. In measuring fair values of biological assets, management uses estimates of cash flows using inputs or assumptions of life to maturity, productivity quantity, mortality rate, selling prices of biological assets, variable costs and profit margins. The probability-weighted cash flows are discounted using an appropriate discount rate that reflects the time value of money and the risk. As prices in agricultural business are volatile, the actual cash flows and discount rate may not coincide with the estimates made and this may have a significant effect on the Group's financial position and results.

(vi) Provision for restoration costs

As part of the identification and measurement of right-of-use assets, the Group has recognised a provision for restoration costs. In determining the fair value of the provision, assumptions and estimates are made in relation to the expected cost to remove the facilities and restoring the premises.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(b) Key Sources of Estimation Uncertainty (cont'd)

(vii) MFRS 16 Leases

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

5. REVENUE

| | The Group | | The Company | |
|---|----------------------|----------------------|------------------|-------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Major goods and services: | | | | |
| Sale of goods | 2,296,386,311 | 2,245,291,995 | - | - |
| Drone spraying services | 544,927 | 544,328 | - | - |
| Rental of poultry farm | 156,000 | 156,000 | - | - |
| Franchise fee | 2,865 | 3,125 | - | - |
| Gross dividend income from subsidiaries | - | - | 5,458,725 | 15,700,000 |
| Management fee | - | - | 340,000 | 340,000 |
| Internal audit charges | - | - | 23,138 | 24,873 |
| | <u>2,297,090,103</u> | <u>2,245,995,448</u> | <u>5,821,863</u> | <u>16,064,873</u> |
| Timing of revenue recognition: | | | | |
| At a point in time | 2,296,545,176 | 2,245,451,120 | 5,481,863 | 15,724,873 |
| Over time | 544,927 | 544,328 | 340,000 | 340,000 |
| | <u>2,297,090,103</u> | <u>2,245,995,448</u> | <u>5,821,863</u> | <u>16,064,873</u> |

6. INVESTMENT REVENUE

| | The Group | |
|----------------------|----------------|----------------|
| | 2024 | 2023 |
| | RM | RM |
| Rental revenue from: | | |
| Premises | <u>358,576</u> | <u>362,425</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

7. OTHER GAINS AND LOSSES

| | The Group | | The Company | |
|--|------------------|------------------|------------------|-------------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Gain on fair value adjustment of biological assets (Note 24) | 7,885,067 | 347,012 | - | - |
| Unrealised gain on foreign exchange | 1,466,492 | 4,446,148 | - | - |
| Gain on fair value adjustment of investment properties (Note 15) | 1,232,000 | 1,136,300 | - | - |
| Gain on disposal of property, plant and equipment | 244,761 | 2,046,759 | - | - |
| Amortisation of deferred revenue on government grant | 136,816 | 164,868 | - | - |
| Reversal of impairment loss recognised on receivables (Note 26) | 110,081 | 51,658 | - | - |
| Reversal of inventories written down | 16,200 | 21,071 | - | - |
| Net fair value loss on other financial assets/liabilities | (3,356,610) | (3,202,420) | - | - |
| Bad debts written off | (2,807,500) | (349,424) | - | - |
| Impairment loss recognised on receivables (Note 26) | (1,876,701) | (215,967) | - | - |
| Amortisation of intangible assets (Note 17) | (1,231,218) | (1,401,616) | - | - |
| Impairment loss recognised on intangible assets | (1,056,863) | - | - | - |
| Property, plant and equipment written off | (688,837) | (133,518) | - | - |
| Inventories written off | (238,363) | - | - | - |
| Realised loss on foreign exchange | (205,616) | (47,757) | - | - |
| Deposit written off | (8,000) | (95,268) | - | - |
| (Loss)/Gain on forgiven lease payments | (2,625) | 41,425 | - | - |
| Gain on lease termination | - | 42,045 | - | - |
| Gain on remeasurement of right-of-use assets | - | 6,387 | - | - |
| Intangible assets written off | - | (753,364) | - | - |
| Reversal of impairment loss for investment in subsidiaries | - | - | 3,690,461 | 23,292,198 |
| Gain from waiver of debts | - | - | 157,000 | - |
| Gain from disposal of partial interest in a subsidiary | - | - | 30,000 | - |
| Impairment loss recognised on investment in subsidiaries | - | - | - | (11,055,971) |
| | <u>(380,916)</u> | <u>2,104,339</u> | <u>3,877,461</u> | <u>12,236,227</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

8. INTEREST INCOME

| | The Group | | The Company | |
|------------------------------|------------------|------------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Interest income on: | | | | |
| Bank balances | 2,656,363 | 1,566,467 | - | - |
| Short-term deposits | 512,119 | 225,852 | - | - |
| Trade receivables | 67,479 | 88,304 | - | - |
| Amount owing by subsidiaries | - | - | 688,227 | 676,619 |
| | <u>3,235,961</u> | <u>1,880,623</u> | <u>688,227</u> | <u>676,619</u> |

9. FINANCE COSTS

| | The Group | | The Company | |
|---|-------------------|-------------------|---------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Interest expenses for financial liabilities not classified as fair value through profit or loss: | | | | |
| Long-terms loans | 9,300,807 | 9,711,681 | - | - |
| Short-term borrowings | 6,761,277 | 7,367,885 | - | - |
| Hire-purchase | 961,093 | 977,146 | - | - |
| Lease liabilities | 680,855 | 725,004 | - | - |
| Amount owing to subsidiaries | - | - | 98,928 | 765,817 |
| Bank commission | 880,485 | 1,049,087 | - | - |
| Bank charges | 143,891 | 170,620 | - | - |
| | <u>18,728,408</u> | <u>20,001,423</u> | <u>98,928</u> | <u>765,817</u> |
| Total finance costs | | | | |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

10. TAX EXPENSES

Tax expenses recognised in profit or loss

| | The Group | | The Company | |
|---|-------------------|-------------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Malaysia | | | | |
| Estimated current tax payable: | | | | |
| Current financial year | 34,263,309 | 32,314,427 | 140,900 | 158,000 |
| Under/(Over) provision in prior financial years | 256,585 | (594,130) | 511 | (6,869) |
| Deferred tax: | | | | |
| Current financial year | 500,660 | 15,708,638 | - | - |
| (Over)/Under provision in prior financial years | (318,741) | 69,800 | - | - |
| | 34,701,813 | 47,498,735 | 141,411 | 151,131 |
| Foreign | | | | |
| Estimated current tax payable: | | | | |
| Current financial year | 3,260,308 | 721,552 | - | - |
| (Over)/Under provision in prior financial years | (30,709) | 10,755 | - | - |
| Deferred tax: | | | | |
| Current financial year | 393,983 | (301,666) | - | - |
| Under provision in prior financial years | 6,282 | - | - | - |
| | 3,629,864 | 430,641 | - | - |
| Total tax expenses | <u>38,331,677</u> | <u>47,929,376</u> | <u>141,411</u> | <u>151,131</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

10. TAX EXPENSES (CONT'D)

Tax expenses recognised in profit or loss (cont'd)

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

| | The Group | | The Company | |
|--|-------------|-------------|-------------|-------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Profit before tax | 131,520,008 | 189,307,926 | 8,581,472 | 26,494,027 |
| Tax credit calculated using the Malaysian income tax rate of 24% | 31,565,000 | 45,434,000 | 2,060,000 | 6,359,000 |
| Tax effects of: | | | | |
| - different tax rate of subsidiaries operating in other jurisdiction | (853,000) | (87,000) | - | - |
| - expenses that are not deductible in determining taxable profit | 6,877,260 | 10,076,951 | 283,900 | 504,000 |
| - income not taxable in determining taxable profit | (3,653,000) | (5,163,000) | (2,203,000) | (6,705,000) |
| - change in the unrecognised deferred tax assets | 4,820,000 | 2,918,000 | - | - |
| - deferred real property gains tax on fair value adjustment of investment properties | 143,000 | 94,000 | - | - |
| - utilisation of unused tax credits not previously recognised | (37,000) | (4,840,000) | - | - |
| - share of result in an associate | (4,000) | (4,000) | - | - |
| - share of result in a joint venture | (440,000) | 14,000 | - | - |
| - under/(over) provision of tax payable in prior financial years | 225,876 | (583,375) | 511 | (6,869) |
| - (over)/under provision of deferred tax in prior financial years | (312,459) | 69,800 | - | - |
| Tax expenses recognised in profit or loss | 38,331,677 | 47,929,376 | 141,411 | 151,131 |

Taxation of other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

10. TAX EXPENSE (CONT'D)

As of 30 September 2024, the approximate amounts of unused tax losses, unused tax capital allowances and unused allowance for increased export of the Group, which are available for set off against future taxable income are as follows:

| | The Group | |
|--|------------|------------|
| | 2024 | 2023 |
| | RM | RM |
| Unused tax losses: | | |
| Disregarded in year of assessment 2029 | 10,331,000 | 10,331,000 |
| Disregarded in year of assessment 2030 | 7,329,000 | 7,329,000 |
| Disregarded in year of assessment 2031 | 17,190,000 | 17,190,000 |
| Disregarded in year of assessment 2032 | 9,780,000 | 16,028,000 |
| Disregarded in year of assessment 2033 | 6,777,000 | 6,777,000 |
| Disregarded in year of assessment 2034 | 4,978,000 | 4,978,000 |
| Disregarded in year of assessment 2035 | 13,293,000 | - |
| With no expiry period | 5,204,000 | 2,835,000 |
| Unused tax capital allowances | 42,134,000 | 32,101,000 |
| Unused allowance for increased export | - | 1,155,000 |

The comparative figures of the Group have been revised to reflect the previous year final tax submission.

11. PROFIT FOR THE FINANCIAL YEAR

Profit for the financial year has been arrived at:

| | The Group | | The Company | |
|------------------------------|-----------|-----------|-------------|--------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| After charging: | | | | |
| Provision for profit sharing | 663,510 | 2,052,370 | - | - |
| Auditors' remuneration: | | | | |
| Grant Thornton Malaysia PLT: | | | | |
| Statutory audit fee: | | | | |
| Current year | 380,000 | 362,500 | 47,000 | 45,000 |
| Prior years | - | 3,500 | - | - |
| Non-audit fee | 4,500 | 18,500 | 2,500 | 2,500 |
| Other Auditors: | | | | |
| Statutory audit fee: | | | | |
| Current year | 183,396 | 188,876 | - | - |
| Prior years | (7,944) | - | - | - |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

11. PROFIT FOR THE FINANCIAL YEAR (CONT'D)

Employee benefits recognised as expenses during the financial year are as follows:

| | The Group | | The Company | |
|--|--------------------|--------------------|------------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Contribution to employees provident fund | 10,616,118 | 10,142,327 | 76,426 | 69,305 |
| Other emoluments | 182,593,672 | 168,585,358 | 979,370 | 888,442 |
| | <u>193,209,790</u> | <u>178,727,685</u> | <u>1,055,796</u> | <u>957,747</u> |

Other emoluments expenses of the Group and of the Company include Directors' remuneration, salaries, bonuses, contribution to employees provident fund and all other employee related expenses.

Details of remuneration of Executive Directors, who are also the only key management personnel of the Group, included in profit for the year are as follows:

| | The Group | |
|--|------------------|------------------|
| | 2024 | 2023 |
| | RM | RM |
| Directors of the Company: | | |
| Fee | 362,649 | 547,407 |
| Contribution to employees provident fund | 239,407 | 268,031 |
| Other emoluments | 3,302,076 | 3,764,767 |
| Directors of subsidiaries: | | |
| Fee | 340,144 | 315,080 |
| Contribution to employees provident fund | 525,939 | 428,279 |
| Other emoluments | 4,977,683 | 4,089,452 |
| | <u>9,747,898</u> | <u>9,413,016</u> |

Details of remuneration of Non-Executive Directors included in profit for the financial year are as follows:

| | The Group | | The Company | |
|--|----------------|----------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Directors of the Company: | | | | |
| Fee | 259,019 | 255,565 | 229,019 | 225,565 |
| Contribution to employees provident fund | 498 | 522 | 498 | 522 |
| Other emoluments | 10,700 | 14,300 | 10,700 | 13,300 |
| | <u>270,217</u> | <u>270,387</u> | <u>240,217</u> | <u>239,387</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

12. EARNINGS PER SHARE

Basic earnings per share

The net profit and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

| | The Group | |
|---|-------------|-------------|
| | 2024 | 2023 |
| Profit for the financial year attributable to owners of the Company (RM) | 75,467,122 | 107,130,652 |
| Weighted average number of ordinary shares for the purpose of basic earnings per share (unit) | 701,347,242 | 701,347,242 |
| Basic earnings per share (sen) | 10.76 | 15.28 |

Diluted earnings per share

The diluted earnings per share has been calculated by dividing the Group's profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares that would have been in issue assuming exercise of the remaining warrants, adjusted for the number of such ordinary shares that would have been issued at fair value:

| | The Group | |
|--|-------------|-------------|
| | 2024 | 2023 |
| Profit for the financial year attributable to owners of the Company (RM) | 75,467,122 | 107,130,652 |
| Weighted average number of ordinary shares for the purpose of basic earnings per share | 701,347,242 | 701,347,242 |
| Warrant shares deemed to be issued for no consideration | 25,363,055 | (4,192,909) |
| Weighted average number of ordinary shares used in the calculation of diluted earning per share (unit) | 726,710,297 | 697,154,333 |
| Basic earnings per share (sen) | 10.38 | N/A |

As of 30 September 2023, the effect of the assumed exercised of the outstanding Warrants of 233,781,206 units to ordinary shares would be anti-dilutive due to the market price of the ordinary shares is currently lower than the exercise price.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

13. PROPERTY, PLANT AND EQUIPMENT

The Group

| Cost | Beginning of financial year RM | Additions RM | Disposals/Write-off RM | Transfers RM | Effect of foreign currency exchange differences RM | End of financial year RM |
|--|--------------------------------|-------------------|------------------------|--------------|--|--------------------------|
| 2024: | | | | | | |
| Freehold land | 38,629,697 | 1,041,516 | - | - | - | 39,671,213 |
| Freehold land and buildings | 482,534,980 | 14,920,015 | - | 11,276,400 | - | 508,731,395 |
| Buildings | 75,610,333 | 228,340 | - | 55,000 | - | 75,893,673 |
| Farm houses under hire purchase | 2,800,000 | - | - | (2,800,000) | - | - |
| Plant, machinery and equipment | 235,689,308 | 10,489,187 | (2,939,364) | 18,034,686 | (1,008,768) | 260,265,049 |
| Plant, machinery and equipment under hire purchase | 26,144,449 | 215,110 | - | (14,905,449) | - | 11,454,110 |
| Electrical installation | 3,249,867 | 45,050 | (47,059) | 39,000 | - | 3,286,858 |
| Office equipment | 8,588,889 | 370,442 | (351,070) | 209,000 | (11,111) | 8,806,150 |
| Office equipment under hire purchase | 209,000 | - | - | (209,000) | - | - |
| Furniture, fixtures and fittings | 12,975,565 | 972,750 | (33,892) | 213,763 | (722,190) | 13,405,996 |
| Motor vehicles | 50,440,005 | 1,703,438 | (2,438,162) | 3,569,633 | (707,972) | 52,566,942 |
| Motor vehicles under hire purchase | 11,008,944 | 8,518,489 | - | (3,569,633) | (217,288) | 15,740,512 |
| Renovation | 14,425,618 | 1,139,623 | (6,872) | 127,371 | (383,981) | 15,301,759 |
| Renovation under hire purchase | 114,863 | - | - | (114,863) | - | - |
| Supermarket equipment | 7,573,063 | 218,908 | (101,727) | 66,688 | - | 7,756,932 |
| Supermarket equipment under hire purchase | 307,148 | - | - | - | - | 307,148 |
| Warehouse | 97,590 | - | - | - | - | 97,590 |
| Workshop | 58,000 | - | - | - | - | 58,000 |
| Construction-in-progress | 35,876,910 | 22,901,304 | (679,431) | (11,992,596) | - | 46,106,187 |
| Construction-in-progress under hire purchase | 890,000 | - | - | - | - | 890,000 |
| | <u>1,007,224,229</u> | <u>62,764,172</u> | <u>(6,597,577)</u> | <u>-</u> | <u>(3,051,310)</u> | <u>1,060,339,514</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

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

The Group (cont'd)

| Cost (cont'd) | Beginning of financial year | Additions | Disposals/ Write-off | Transfers | Effect of foreign currency exchange differences | End of financial year |
|--|-----------------------------|------------|----------------------|--------------|---|-----------------------|
| | RM | RM | RM | RM | RM | RM |
| 2023: | | | | | | |
| Freehold land | 44,000,000 | - | (5,370,303) | - | - | 38,629,697 |
| Freehold land and buildings | 463,751,390 | 7,493,437 | - | 11,290,153 | - | 482,534,980 |
| Buildings | 79,168,992 | 345,641 | (5,200,954) | 1,037,149 | 259,505 | 75,610,333 |
| Farm houses under hire purchase | 2,800,000 | - | - | - | - | 2,800,000 |
| Plant, machinery and equipment | 223,098,378 | 11,779,657 | (11,137,267) | 10,847,781 | 1,100,759 | 235,689,308 |
| Plant, machinery and equipment under hire purchase | 26,867,184 | 7,506,638 | - | (8,229,373) | - | 26,144,449 |
| Electrical installation | 3,007,692 | 152,155 | - | 90,020 | - | 3,249,867 |
| Office equipment | 7,907,357 | 528,226 | (30,178) | 154,354 | 29,130 | 8,588,889 |
| Office equipment under hire purchase | 209,000 | - | - | - | - | 209,000 |
| Furniture, fixtures and fittings | 14,577,330 | 666,599 | (3,037,854) | 105,637 | 663,853 | 12,975,565 |
| Motor vehicles | 46,097,506 | 1,935,008 | (3,915,966) | 5,724,921 | 598,536 | 50,440,005 |
| Motor vehicles under hire purchase | 14,110,173 | 2,446,582 | - | (5,695,021) | 147,210 | 11,008,944 |
| Renovation | 13,449,460 | 482,714 | (46,630) | 186,368 | 353,706 | 14,425,618 |
| Renovation under hire purchase | 114,863 | - | - | - | - | 114,863 |
| Supermarket equipment | 6,945,194 | 446,858 | - | 181,011 | - | 7,573,063 |
| Supermarket equipment under hire purchase | 34,640 | - | - | 272,508 | - | 307,148 |
| Warehouse | 97,590 | - | - | - | - | 97,590 |
| Workshop | 58,000 | - | - | - | - | 58,000 |
| Construction-in-progress | 35,070,184 | 16,453,259 | - | (15,646,533) | - | 35,876,910 |
| Construction-in-progress under hire purchase | 318,975 | 890,000 | - | (318,975) | - | 890,000 |
| | 981,683,908 | 51,126,774 | (28,739,152) | - | 3,152,699 | 1,007,224,229 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

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

The Group (cont'd)

| Accumulated depreciation | Beginning of | Charge | Disposals/ | Transfers | Effect of | End of |
|--|----------------|------------|-------------|-------------|-------------|-------------|
| | financial year | for the | Write-off | RM | foreign | financial |
| | RM | financial | RM | RM | currency | year |
| | | year | | | exchange | year |
| | | RM | | | differences | RM |
| | | | | | | RM |
| 2024: | | | | | | |
| Freehold land | - | - | - | - | - | - |
| Freehold land and buildings | 81,865,765 | 17,599,111 | - | 1,376,667 | - | 100,841,543 |
| Buildings | 20,725,734 | 3,679,535 | - | - | - | 24,405,269 |
| Farm houses under hire purchase | 1,260,000 | 116,667 | - | (1,376,667) | - | - |
| Plant, machinery and equipment | 161,969,107 | 18,423,781 | (2,880,140) | 6,813,130 | (577,606) | 183,748,272 |
| Plant, machinery and equipment under hire purchase | 6,623,750 | 1,635,740 | - | (6,813,130) | - | 1,446,360 |
| Electrical installation | 2,511,550 | 167,885 | (47,059) | - | - | 2,632,376 |
| Office equipment | 6,891,705 | 481,341 | (347,194) | 104,500 | (10,979) | 7,119,373 |
| Office equipment under hire purchase | 90,567 | 13,933 | - | (104,500) | - | - |
| Furniture, fixtures and fittings | 6,764,863 | 1,484,326 | (27,893) | - | (383,072) | 7,838,224 |
| Motor vehicles | 41,243,129 | 3,060,737 | (2,196,006) | 1,879,557 | (465,812) | 43,521,605 |
| Motor vehicles under hire purchase | 3,581,723 | 1,942,061 | - | (1,879,557) | (47,218) | 3,597,009 |
| Renovation | 7,575,321 | 1,816,274 | (6,529) | 27,279 | (215,419) | 9,196,926 |
| Renovation under hire purchase | 25,843 | 1,436 | - | (27,279) | - | - |
| Supermarket equipment | 5,788,396 | 420,538 | (101,676) | - | - | 6,107,258 |
| Supermarket equipment under hire purchase | 12,993 | 51,971 | - | - | - | 64,964 |
| Warehouse | 92,193 | 1,215 | - | - | - | 93,408 |
| Workshop | 11,600 | 1,740 | - | - | - | 13,340 |
| Construction-in-progress | - | - | - | - | - | - |
| Construction-in-progress under hire purchase | - | - | - | - | - | - |
| | 347,034,239 | 50,898,291 | (5,606,497) | - | (1,700,106) | 390,625,927 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

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

The Group (cont'd)

| Accumulated depreciation (cont'd) | Beginning of financial year | Charge for the financial year | Disposals/Write-off | Transfers | Effect of foreign currency exchange differences | End of financial year |
|--|-----------------------------|-------------------------------|---------------------|-------------|---|-----------------------|
| | | | | | | |
| 2023: | | | | | | |
| Freehold land | - | - | - | - | - | - |
| Freehold land and buildings | 66,627,861 | 15,237,904 | - | - | - | 81,865,765 |
| Buildings | 22,010,950 | 3,656,201 | (5,200,920) | - | 259,503 | 20,725,734 |
| Farm houses under hire purchase | 980,000 | 280,000 | - | - | - | 1,260,000 |
| Plant, machinery and equipment | 149,745,960 | 18,379,426 | (10,601,707) | 3,837,354 | 608,074 | 161,969,107 |
| Plant, machinery and equipment under hire purchase | 8,106,472 | 2,354,632 | - | (3,837,354) | - | 6,623,750 |
| Electrical installation | 2,291,679 | 219,871 | - | - | - | 2,511,550 |
| Office equipment | 6,429,798 | 463,717 | (29,508) | - | 27,698 | 6,891,705 |
| Office equipment under hire purchase | 69,667 | 20,900 | - | - | - | 90,567 |
| Furniture, fixtures and fittings | 8,051,320 | 1,447,871 | (3,023,416) | (24,275) | 313,363 | 6,764,863 |
| Motor vehicles | 37,380,899 | 3,003,456 | (2,858,801) | 3,347,326 | 370,249 | 41,243,129 |
| Motor vehicles under hire purchase | 5,023,682 | 1,865,760 | - | (3,347,326) | 39,607 | 3,581,723 |
| Renovation | 5,783,475 | 1,737,957 | (46,597) | - | 100,486 | 7,575,321 |
| Renovation under hire purchase | 20,100 | 5,743 | - | - | - | 25,843 |
| Supermarket equipment | 5,317,387 | 429,414 | - | 41,595 | - | 5,788,396 |
| Supermarket equipment under hire purchase | 15,588 | 14,725 | - | (17,320) | - | 12,993 |
| Warehouse | 90,969 | 1,224 | - | - | - | 92,193 |
| Workshop | 9,860 | 1,740 | - | - | - | 11,600 |
| Construction-in-progress | - | - | - | - | - | - |
| Construction-in-progress under hire purchase | - | - | - | - | - | - |
| | 317,955,667 | 49,120,541 | (21,760,949) | - | 1,718,980 | 347,034,239 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

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

The Group (cont'd)

| Accumulated impairment losses | Beginning of financial year RM | Charge for the financial year RM | Disposal/ Write-off RM | End of financial year RM |
|----------------------------------|-----------------------------------|-------------------------------------|------------------------------|-----------------------------|
| 2024: | | | | |
| Plant, machinery and equipment | 2,061,660 | - | - | 2,061,660 |
| Office equipment | 5,768 | - | - | 5,768 |
| Furniture, fixtures and fittings | 2,774 | - | - | 2,774 |
| | <u>2,070,202</u> | <u>-</u> | <u>-</u> | <u>2,070,202</u> |
| 2023: | | | | |
| Plant, machinery and equipment | 2,061,660 | - | - | 2,061,660 |
| Office equipment | 5,768 | - | - | 5,768 |
| Furniture, fixtures and fittings | 2,774 | - | - | 2,774 |
| | <u>2,070,202</u> | <u>-</u> | <u>-</u> | <u>2,070,202</u> |

The Company

| Cost | Beginning of financial year RM | Additions RM | Disposal/ Write-off RM | End of financial year RM |
|--------------------------|-----------------------------------|-------------------------------------|------------------------------|-----------------------------|
| 2024: | | | | |
| Office equipment | <u>18,472</u> | <u>-</u> | <u>(3,646)</u> | <u>14,826</u> |
| 2023: | | | | |
| Office equipment | <u>18,472</u> | <u>-</u> | <u>-</u> | <u>18,472</u> |
| Accumulated depreciation | Beginning of financial year RM | Charge for the financial year RM | Disposal/ Write-off RM | End of financial year RM |
| 2024: | | | | |
| Office equipment | <u>16,869</u> | <u>1,603</u> | <u>(3,646)</u> | <u>14,826</u> |
| 2023: | | | | |
| Office equipment | <u>15,177</u> | <u>1,692</u> | <u>-</u> | <u>16,869</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

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

| | The Group | | The Company | |
|--|--------------------|--------------------|-------------|--------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Net carrying value: | | | | |
| Freehold land | 39,671,213 | 38,629,697 | - | - |
| Freehold land and buildings | 407,889,852 | 400,669,215 | - | - |
| Buildings | 51,488,404 | 54,884,599 | - | - |
| Farm houses under hire purchase | - | 1,540,000 | - | - |
| Plant, machinery and equipment | 74,455,117 | 71,658,541 | - | - |
| Plant, machinery and equipment under hire purchase | 10,007,750 | 19,520,699 | - | - |
| Electrical installation | 654,482 | 738,317 | - | - |
| Office equipment | 1,681,009 | 1,691,416 | - | 1,603 |
| Office equipment under hire purchase | - | 118,433 | - | - |
| Furniture, fixtures and fittings | 5,564,998 | 6,207,928 | - | - |
| Motor vehicles | 9,045,337 | 9,196,876 | - | - |
| Motor vehicles under hire purchase | 12,143,503 | 7,427,221 | - | - |
| Renovation | 6,104,833 | 6,850,297 | - | - |
| Renovation under hire purchase | - | 89,020 | - | - |
| Supermarket equipment | 1,649,674 | 1,784,667 | - | - |
| Supermarket equipment under hire purchase | 242,184 | 294,155 | - | - |
| Warehouse | 4,182 | 5,397 | - | - |
| Workshop | 44,660 | 46,400 | - | - |
| Construction-in-progress | 46,106,187 | 35,876,910 | - | - |
| Construction-in-progress under hire purchase | 890,000 | 890,000 | - | - |
| | <u>667,643,385</u> | <u>658,119,788</u> | <u>-</u> | <u>1,603</u> |

As of 30 September 2024, certain property, plant and equipment of the Group with a total carrying value of RM448,423,726 (2023: RM429,740,567) are charged to local banks as securities for credit facilities granted to the Group as mentioned in Note 34.

Impairment losses recognised in respect of property, plant and equipment are attributable to greater than anticipated wear and tear. Those assets have been impaired in full and they belong to the Group's integrated poultry reportable segment.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

14. RIGHT-OF-USE ASSETS

The Group

| Carrying value | Beginning of financial year RM | Additions RM | Remeasurement RM | Termination RM | Depreciation during the financial year RM | Effect of foreign currency exchange differences RM | End of financial year RM |
|--|--------------------------------|------------------|------------------|------------------|---|--|--------------------------|
| 2024: | | | | | | | |
| Buildings | 59,938,662 | 2,137,643 | - | - | (4,051,866) | (3,781,122) | 54,243,317 |
| Prepaid lease payments on leasehold land | 16,623,744 | - | - | - | (589,757) | - | 16,033,987 |
| Lands and buildings | 7,823,960 | 745,153 | - | - | (1,107,290) | - | 7,461,823 |
| Lands | 1,999,432 | 215,543 | 187,517 | - | (279,086) | (114,092) | 2,009,314 |
| Market stalls | 1,178,451 | 1,116,268 | - | - | (925,007) | (92,304) | 1,277,408 |
| Outlets | 21,119 | 385,371 | - | - | (128,167) | - | 278,323 |
| Office equipment | 53,075 | 15,932 | - | - | (15,359) | (3,584) | 50,064 |
| | 87,638,443 | 4,615,910 | 187,517 | - | (7,096,532) | (3,991,102) | 81,354,236 |
| 2023: | | | | | | | |
| Buildings | 60,006,377 | 281,144 | 71,770 | (44,685) | (3,965,093) | 3,589,149 | 59,938,662 |
| Prepaid lease payments on leasehold land | 17,213,499 | - | - | - | (589,755) | - | 16,623,744 |
| Lands and buildings | 9,163,568 | 234,976 | 1,427 | (352,044) | (1,223,967) | - | 7,823,960 |
| Lands | 2,186,547 | - | - | - | (280,873) | 93,758 | 1,999,432 |
| Market stalls | 1,206,945 | 845,451 | - | - | (946,170) | 72,225 | 1,178,451 |
| Outlets | 147,837 | - | - | - | (126,718) | - | 21,119 |
| Office equipment | 45,949 | 16,709 | - | - | (12,529) | 2,946 | 53,075 |
| | 89,970,722 | 1,378,280 | 73,197 | (396,729) | (7,145,105) | 3,758,078 | 87,638,443 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

14. RIGHT-OF-USE ASSETS (CONT'D)

The Group leases various lands, buildings, premises and office equipment. Leases contracts are typically made for fixed periods as per below but may have extension option:

| | |
|--|----------------|
| Buildings | 1 - 30 years |
| Prepaid lease payments on leasehold land | 12 - 99 years |
| Lands and buildings | 1 - 30 years |
| Lands | 1 - 30 years |
| Market stalls | 2 & 6.5 years |
| Outlets | 3 years |
| Office equipment | <u>5 years</u> |

The Group and the Company have certain leases with lease terms of 12 months or less or leases of low-value items. The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for these leases.

The right-of-use assets of the Group were acquired by the following means:

| | The Group | |
|--|------------------|------------------|
| | 2024 | 2023 |
| | RM | RM |
| Future lease payment included in lease liabilities | 4,301,297 | 1,347,553 |
| Cash payments | 284,613 | 30,727 |
| Accrued expenses | 30,000 | - |
| | <u>4,615,910</u> | <u>1,378,280</u> |

As of 30 September 2024, certain right-of-use assets of the Group with a total carrying value of RM65,142,929 (2023: RM71,264,409) are charged to local banks as securities for credit facilities granted to the Group as mentioned in Note 34.

15. INVESTMENT PROPERTIES

| | The Group | |
|---|--------------------|--------------------|
| | 2024 | 2023 |
| | RM | RM |
| At fair value: | | |
| At beginning of financial year | 115,524,000 | 114,033,500 |
| Additions during the year | - | 354,200 |
| Gain on fair value adjustment at end of financial year (Note 7) | 1,232,000 | 1,136,300 |
| | <u>116,756,000</u> | <u>115,524,000</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

15. INVESTMENT PROPERTIES (CONT'D)

The investment properties are as follows:

| | The Group | |
|-----------------------------------|--------------------|--------------------|
| | 2024 | 2023 |
| | RM | RM |
| Freehold land | 59,106,000 | 58,308,000 |
| Freehold land and buildings | 56,190,000 | 55,776,000 |
| Long leasehold land and buildings | 1,100,000 | 1,080,000 |
| Short leasehold land | 360,000 | 360,000 |
| | <u>116,756,000</u> | <u>115,524,000</u> |
| Vacant | 61,526,000 | 61,194,000 |
| Leased out under operating lease | 55,230,000 | 54,330,000 |
| | <u>116,756,000</u> | <u>115,524,000</u> |

The fair values of certain buildings included under investment properties of the Group as of 30 September 2024 with a total carrying value of RMNil (2023: RM6,000) are determined by the Directors by reference to market evidence of transaction prices for similar properties.

The fair value of other investment properties of the Group as of 30 September 2024 have been arrived at on the basis of valuation carried out by the independent firms of professional valuers. These firms are registered under the Board of Valuer, Appraiser and Real Estate, and they have appropriate qualification and recent experience in the fair value measurement of properties in the relevant location.

The valuations were based on market value using comparison method of valuation, comparison and cost replacement methods of valuation and depreciated replacement cost approach of valuation.

Under the comparison method, properties' fair value is estimated based on comparable transactions. This method is categorised as Level 2 in the fair value hierarchy.

The comparison method of valuation entails separate valuations of the land and buildings to arrive at the market value of the subject property.

The land is valued by reference to transactions of similar lands in surrounding with adjustments made for differences in location, terrain, size and share of the land, tenure, title restrictions, if any and other relevant characteristics.

Completed buildings are valued by reference to the current estimates on constructional costs to erect equivalent buildings, taking into consideration of similar accommodation in terms of size, construction and profits. Appropriate adjustments are then made for the factors of age, obsolescence and existing physical condition of the building.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

15. INVESTMENT PROPERTIES (CONT'D)

The land and buildings valued using this method is categorised as level 3 in the fair value hierarchy. The significant unobservable inputs for this category of assets are the replacement cost per square meter which is RM361 per square meter (2023: RM366 per square meter) for a farm house and worker quarter, RM262 per square meter to RM713 per square meter (2023: RM275 per square meter to RM653 per square meter) for shop houses, office buildings, warehouses and workshops. It is further depreciated at about 20% to 40% (2023: 15% to 99%) after taking into consideration the building condition and other relevant factors.

Detail of the Group's investment properties and information about the fair value hierarchy are as follows:

| The Group | Level 1 RM | Level 2 RM | Level 3 RM | Total RM |
|-----------------------------------|---------------|---------------|---------------|-------------|
| 2024 | | | | |
| Freehold land | - | 59,106,000 | - | 59,106,000 |
| Freehold land and buildings | - | 6,500,000 | 49,690,000 | 56,190,000 |
| Long leasehold land and buildings | - | - | 1,100,000 | 1,100,000 |
| Short leasehold land | - | - | 360,000 | 360,000 |
| | - | 65,606,000 | 51,150,000 | 116,756,000 |
| 2023 | | | | |
| Freehold land | - | 58,308,000 | - | 58,308,000 |
| Freehold land and buildings | - | 6,770,000 | 49,006,000 | 55,776,000 |
| Long leasehold land and buildings | - | - | 1,080,000 | 1,080,000 |
| Short leasehold land | - | - | 360,000 | 360,000 |
| | - | 65,078,000 | 50,446,000 | 115,524,000 |

There were no transfers between Level 1 and 2 during the year.

The rental income earned by the Group from investment properties during the financial year is RM514,576 (2023: RM518,425). Direct operating expenses incurred by the Group on the investment properties during the financial year are as follows:

| | The Group | |
|----------------------------------|------------|------------|
| | 2024 RM | 2023 RM |
| Leased out under operating lease | 61,212 | 62,862 |
| Vacant | 32,033 | 30,132 |
| | 93,245 | 92,994 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

15. INVESTMENT PROPERTIES (CONT'D)

The operating lease payments to be received are as follows:

| | The Group | |
|-----------------------------------|-----------|---------|
| | 2024 | 2023 |
| | RM | RM |
| Less than 1 year | 417,590 | 353,805 |
| Between 1 and 5 years | 494,090 | 24,000 |
| Total undiscounted lease payments | 911,680 | 377,805 |

As of 30 September 2024, the unexpired lease periods of the leasehold land of the Group which are included under investment properties are 22, 75 and 869 years (2023: 23, 76 and 870 years).

As of 30 September 2024, certain investment properties of the Group with a total carrying value of RM59,260,000 (2023: RM58,803,000) are charged to local banks as securities for credit facilities granted to the Group as mentioned in Note 34.

16. BEARER PLANTS

Immature Planted Trees

| | The Group | |
|--------------------------------|-----------|---------|
| | 2024 | 2023 |
| | RM | RM |
| Cost | | |
| At beginning of financial year | 571,131 | 526,899 |
| Additions during the year | 54,590 | 44,232 |
| At end of financial year | 625,721 | 571,131 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

17. OTHER INTANGIBLE ASSETS

The Group

| Cost | Beginning of financial year RM | Additions RM | Write-off RM | Effect of foreign currency exchange differences RM | End of financial year RM |
|------------------------------|-----------------------------------|-----------------|--------------------|---|-----------------------------|
| 2024: | | | | | |
| Distribution network | 13,183,956 | - | - | - | 13,183,956 |
| Technical services agreement | 1,921,569 | - | - | - | 1,921,569 |
| | <u>15,105,525</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>15,105,525</u> |
| 2023: | | | | | |
| Distribution network | 13,183,956 | - | - | - | 13,183,956 |
| Technical services agreement | 1,921,569 | - | - | - | 1,921,569 |
| Customer lists | 1,780,075 | - | (1,844,975) | 64,900 | - |
| | <u>16,885,600</u> | <u>-</u> | <u>(1,844,975)</u> | <u>64,900</u> | <u>15,105,525</u> |

| Accumulated amortisation | Beginning of financial year RM | Amortisation during the year (Note 7) RM | Write-off RM | Effect of foreign currency exchange differences RM | End of financial year RM |
|------------------------------|-----------------------------------|---|--------------------|---|-----------------------------|
| 2024: | | | | | |
| Distribution network | 7,324,417 | 878,930 | - | - | 8,203,347 |
| Technical services agreement | 512,418 | 352,288 | - | - | 864,706 |
| | <u>7,836,835</u> | <u>1,231,218</u> | <u>-</u> | <u>-</u> | <u>9,068,053</u> |
| 2023: | | | | | |
| Distribution network | 6,445,487 | 878,930 | - | - | 7,324,417 |
| Technical services agreement | 128,105 | 384,313 | - | - | 512,418 |
| Customer lists | 919,706 | 138,373 | (1,091,611) | 33,532 | - |
| | <u>7,493,298</u> | <u>1,401,616</u> | <u>(1,091,611)</u> | <u>33,532</u> | <u>7,836,835</u> |

| Accumulated impairment losses | Beginning of financial year RM | Charge for the financial year RM | Write-off RM | End of financial year RM |
|-------------------------------|-----------------------------------|-------------------------------------|-----------------|-----------------------------|
| 2024: | | | | |
| Technical services agreement | - | 1,056,863 | - | 1,056,863 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

17. OTHER INTANGIBLE ASSETS (CONT'D)

| | The Group | |
|------------------------------|------------------|------------------|
| | 2024 | 2023 |
| | RM | RM |
| Net carrying value: | | |
| Distribution network | 4,980,609 | 5,859,539 |
| Technical services agreement | - | 1,409,151 |
| Customer lists | - | - |
| | <u>4,980,609</u> | <u>7,268,690</u> |

During the financial year, an impairment loss of RM1,056,863 was recognised based on the key assumption of the management as the management believes that the respective intangible assets will not bring any economic benefits to the Group.

18. GOODWILL

| | The Group | |
|---|------------------|------------------|
| | 2024 | 2023 |
| | RM | RM |
| At beginning and at end of financial year | <u>6,218,940</u> | <u>6,218,940</u> |

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating unit that is expected to benefit from that business combination. The carrying amounts of goodwill have been allocated to the following business segments as independent cash-generating units:

| | The Group | |
|--|------------------|------------------|
| | 2024 | 2023 |
| | RM | RM |
| Slaughtering, processing and marketing of poultry under Tong Huat Poultry Processing Factory Pte. Ltd. and its wholly-owned subsidiary, Ban Hong Poultry Pte. Ltd. | 4,548,812 | 4,548,812 |
| Poultry farming, trading in poultry and other related business under Jaya Gading Farm Sdn. Bhd. | <u>1,670,128</u> | <u>1,670,128</u> |
| | <u>6,218,940</u> | <u>6,218,940</u> |

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the cash-generating unit is determined based on the value in use. The value in use calculations is based on the discounted net cash projections based on financial budgets approved by management covering a period of 3 to 5 years (2023: 3 to 5 years) with an estimated growth rates range between 0% to 5% (2023: 0% to 4%) and a weighted average cost of capital of 8.50% to 9.23% (2023: 8.26% and 9.04%).

Cash flow projections during the budget period are based on the same expected gross margins and raw materials price inflation throughout the budget period. The Directors believe that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

19. INTEREST IN SUBSIDIARIES

The subsidiaries are as follows:

| Direct subsidiaries | Principal place of business/ Country of incorporation | Effective percentage of ownership | | Principal activities |
|---|--|-----------------------------------|--------|--|
| | | 2024 | 2023 | |
| Benarlab Sdn. Bhd. | Malaysia | 51% | 51% | Wholesaler of poultry feed, animal feed nutrition, supplements and feed additives for poultry. |
| CAB Amesist Biomass Generation Sdn. Bhd. | Malaysia | 100% | 100% | Dormant. |
| CAB Cakaran Sdn. Bhd. | Malaysia | 100% | 100% | Breeding of broiler chicken and trading of broiler chicken, poultry feeds and other farm consumables. |
| CABINDO Poultry Sdn. Bhd. | Malaysia | 100% | 100% | Dormant. |
| Dronexcel Sdn. Bhd. | Malaysia | 51% | 51% | Drone spraying services. |
| Farm's Best Food Industries Sdn. Bhd. | Malaysia | 53.04% | 53.04% | Poultry hatcheries, contract farming, poultry processing, marketing and distribution of poultry products. |
| Home Mart Fresh & Frozen Sdn. Bhd. | Malaysia | 100% | 100% | Trading and retailing of supermarket products. |
| Home Mart Southern Fresh & Frozen Sdn. Bhd. | Malaysia | 50% | - | Dormant. |
| Kyros Food Industries Sdn. Bhd. | Malaysia | 100% | 100% | Processing of meat products and trading. |
| Kyros International Sdn. Bhd. | Malaysia | 100% | 100% | Investment holding and fast-food franchising business. |
| Likes Marketing Sdn. Bhd. | Malaysia | 100% | 100% | Distributing and marketing of food products. |
| Tong Huat Poultry Processing Factory Pte. Ltd.* | Singapore | 51% | 51% | Supplier of slaughtered poultry and frozen poultry products, providers of other related services and investment holding. |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

19. INTEREST IN SUBSIDIARIES (CONT'D)

The subsidiaries are as follows (cont'd):

| Indirect subsidiaries | Principal place of business/ Country of incorporation | Effective percentage of ownership | | Principal activities |
|---|--|-----------------------------------|--------|--|
| | | 2024 | 2023 | |
| Antik Kualiti Sdn. Bhd. | Malaysia | 100% | 100% | Processing and marketing of chicken. |
| Ayamlikes Food Processing Sdn. Bhd. | Malaysia | 60.07% | 60.07% | Processing and marketing of chicken. |
| Ban Hong Poultry Pte. Ltd.* | Singapore | 51% | 51% | Importing and marketing of poultry products. |
| C&B Poultry Sdn. Bhd. | Malaysia | 30.40% | 30.40% | Breeding of parent stock of black chicken and colour birds to produce hatching eggs and chicks. |
| CAB Cakaran Breeding Farm Sdn. Bhd. | Malaysia | 100% | 100% | Breeding of parent stocks to produce broiler eggs and chicks. |
| CAB Cakaran (Langkawi) Sdn. Bhd. | Malaysia | 100% | 100% | Marketing of chicken and frozen foods. |
| CAB Cakaran Southern Sdn. Bhd. | Malaysia | 51% | 51% | Breeding of black chicken and colour birds and trading of chicken, poultry feeds and other farm consumables. |
| CAB Cakaran (Timur) Sdn. Bhd. | Malaysia | 58.02% | 58.02% | Trading of poultry and other related products with poultry contract farmers. |
| CAB International Trade Pte. Ltd.* | Singapore | 45.90% | 45.90% | Importer of frozen poultry and meat products. |
| Cabin Premier GPS Farm Sdn. Bhd. | Malaysia | 67.94% | 67.94% | Breeding of grandparent stocks to produce breeder chicks. |
| Gourmet Chefs Pte. Ltd.* | Singapore | 30.60% | 30.60% | Manufacturing of value-added food products and trading in food products. |
| Jaya Gading Farm Sdn. Bhd. | Malaysia | 58.02% | 58.02% | Poultry farming, trading in poultry and other related business. |
| Jimat Jaya Sdn. Bhd. | Malaysia | 100% | 100% | Processing and marketing of chicken. |
| Kim Fa Foodstuffs Pte. Ltd.* | Singapore | 30.60% | 30.60% | Dormant. |
| Kyros Kebab Sdn. Bhd. | Malaysia | 100% | 100% | Fast food restaurants operators and trading. |
| Kyros Trademark Sdn. Bhd. | Malaysia | 75% | 75% | Dormant. |
| OTK Farm Equipment Sdn. Bhd. | Malaysia | 55% | 55% | Manufacturers and trading of farm equipment and poultry feeds. |
| Pasaraya Jaya Gading Sdn. Bhd. | Malaysia | 58.02% | 58.02% | Trading of supermarket products. |
| Protheme Pte. Ltd.* | Singapore | 30.60% | 30.60% | Wholesale of livestock, meat and poultry products. |
| Shin Hong Breeding Farm Sdn. Bhd. | Malaysia | 50% | 50% | Renting of property, plant and equipment to generate rental income. |
| Southern Food And Groceries Supply Sdn. Bhd. (formerly known as HK Foods (M) Sdn. Bhd.) | Malaysia | 62.75% | 100% | Dormant. |
| TH Likes Pte. Ltd.* | Singapore | 51% | 51% | Wholesaler of food products. |

* The financial statements of these subsidiaries were audited by auditors other than Grant Thornton Malaysia PLT.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

19. INTEREST IN SUBSIDIARIES (CONT'D)

The Group considers C&B Poultry Sdn. Bhd., Shin Hong Breeding Farm Sdn. Bhd. and Protheme Pte. Ltd. as subsidiaries as the Group has power to exercise control through a casting vote given to the Managing Director of the Company who is also the Chairman of the Board of Directors of the subsidiaries.

The Group considers Home Mart Southern Fresh & Frozen Sdn. Bhd. as a subsidiary due to majority of the directors of this subsidiary were appointed by the Group.

| | The Company | |
|--------------------------|--------------------|--------------------|
| | 2024 | 2023 |
| | RM | RM |
| Unquoted shares, at cost | 175,729,489 | 189,800,482 |
| Less: Impairment losses | (34,964,002) | (52,725,461) |
| | <u>140,765,487</u> | <u>137,075,021</u> |

Movements of the allowance for impairment losses on interest in subsidiaries are as follow:

| | The Company | |
|--|-------------------|-------------------|
| | 2024 | 2023 |
| | RM | RM |
| At beginning of financial year | 52,725,461 | 64,961,688 |
| Amount written off due to struck off | (12,047,900) | - |
| Reversal of impairment loss for investment in subsidiaries | (3,690,461) | (23,292,198) |
| Amount written off due to disposal of partial interest in a subsidiary | (2,023,098) | - |
| Impairment loss recognised during financial year | - | 11,055,971 |
| At end of financial year | <u>34,964,002</u> | <u>52,725,461</u> |

During the previous financial year, an impairment loss of RM11,055,971 was recognised as the recoverable amounts of certain investments in subsidiary companies are assessed to be lower than their carrying amount. The recoverable amounts were determined based on fair value less costs of disposal of these subsidiary companies.

Fair value less costs of disposal

The fair value less costs of disposal of the assets and liabilities is determined based on the adjusted net assets of these subsidiary companies.

The fair value measurement for the fair value less costs of disposal is categorised as a Level 3 fair value based on the management best estimates.

| Description of valuation technique and input used | Significant unobservable assets and liabilities | Relationship between significant unobservable inputs and fair value measurements |
|--|---|--|
| Adjusted net asset method which derives the fair value of the assets and liabilities | Fair value of individual assets and liabilities | The higher the net assets, the higher the fair value |

The reversal of impairment loss for investment in subsidiaries was provided if the estimated recoverable amount of the subsidiaries exceeds its carrying amount.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

19. INTEREST IN SUBSIDIARIES (CONT'D)

On 6 July 2023, the wholly-owned subsidiary, Kyros International Sdn. Bhd. has incorporated a new subsidiary Company, Kyros Trademark Sdn. Bhd. in Malaysia. The initial issued share capital of Kyros Trademark Sdn. Bhd. was RM100 divided into 100 ordinary shares. Kyros International Sdn. Bhd. subscribed for the 75 ordinary shares by way of cash. Consequently, Kyros Trademark Sdn. Bhd. became a 75% owned subsidiary of the Group.

On 30 August 2023, the wholly-owned subsidiary, Home Mart Fresh & Frozen Sdn. Bhd. increased its issued share capital from RM4,000,000 to RM5,000,000 by issuance of 1,000,000 new ordinary shares. The Company subscribed for the entire additional shares by way of cash. Accordingly, the Company's equity interest in Home Mart Fresh & Frozen Sdn. Bhd. remains unchanged.

On 1 September 2023, Jimat Jaya Sdn. Bhd., a wholly-owned subsidiary of the Group increased its issued share capital from RM20,000,000 to RM26,500,000 by issuance of 6,500,000 new ordinary shares. The wholly-owned subsidiary of the Company, CAB Cakaran Sdn. Bhd. subscribed for the entire additional shares by way of converting the amount owing by Jimat Jaya Sdn. Bhd. of RM6,500,000 into equity shares. Accordingly, the Group's equity interest in Jimat Jaya Sdn. Bhd. remains unchanged.

On 13 October 2023, the Company has incorporated a new subsidiary company, Home Mart Southern Fresh & Frozen Sdn. Bhd. in Malaysia. The initial issued share capital of Home Mart Southern Fresh & Frozen Sdn. Bhd. was RM10, divided into 10 ordinary shares. The Company subscribed for the 5 ordinary shares by way of cash. Consequently, Home Mart Southern Fresh & Frozen Sdn. Bhd. became a 50% owned subsidiary of the Company.

On 13 December 2023, the wholly-owned subsidiary, CAB Marine Resources Sdn. Bhd., was struck off from the register and dissolved following the publication of the notice of striking off pursuant to Section 551(3) of the Companies Act 2016 in the Gazette.

On 27 February 2024, the Company disposed of its entire equity interest of 1,000,000 ordinary shares, representing 100% equity interest in Southern Food And Groceries Supply Sdn. Bhd. (formerly known as HK Foods (M) Sdn. Bhd.), for a cash consideration of RM30,000. The Company's wholly-owned subsidiary, CAB Cakaran Sdn. Bhd. acquired 50% of the disposal shares, while a 51% owned subsidiary, CAB Cakaran Southern Sdn. Bhd. acquired 25% of the disposal shares. The remaining 25% was acquired by another third party. Consequently, Southern Food And Groceries Supply Sdn. Bhd. became a 62.75% owned subsidiary of the Group.

On 6 November 2024, the wholly-owned subsidiary, Home Mart Fresh & Frozen Sdn. Bhd. increased its issued share capital from RM5,000,000 to RM6,000,000 by issuance of 1,000,000 new ordinary shares. The Company subscribed for the entire additional shares by way of cash. Accordingly, the Company's equity interest in Home Mart Fresh & Frozen Sdn. Bhd. remains unchanged.

Composition of the Group

Information about composition of the Group at the end of the reporting period is as follows:

| Principal Activities | Number of wholly-owned subsidiaries | |
|-----------------------------------|-------------------------------------|-----------|
| | 2024 | 2023 |
| Integrated poultry | 9 | 11 |
| Operator of fast food restaurants | 2 | 2 |
| Retailing | 1 | 1 |
| | <u>12</u> | <u>14</u> |

| Principal Activities | Number of non wholly-owned subsidiaries | |
|-----------------------------------|---|-----------|
| | 2024 | 2023 |
| Integrated poultry | 17 | 17 |
| Drone | 1 | 1 |
| Operator of fast food restaurants | 1 | 1 |
| Retailing | 3 | 1 |
| | <u>22</u> | <u>20</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

20. INVESTMENT IN AN ASSOCIATE

| | The Group | |
|--|----------------|----------------|
| | 2024 | 2023 |
| | RM | RM |
| At beginning of financial year | 289,125 | 274,453 |
| Share of results during financial year | 14,797 | 14,672 |
| At end of financial year | <u>303,922</u> | <u>289,125</u> |

Details of the associate are as follows:

| Associate | Principal place of business/ Country of incorporation | Effective percentage of ownership | | Principal activities |
|-----------------------|--|-----------------------------------|--------|--|
| | | 2024 | 2023 | |
| Fah Leong Sdn. Bhd. * | Malaysia | 11.60% | 11.60% | Renting of property to generate rental income. |

* The financial statements of this associate was audited by auditors other than Grant Thornton Malaysia PLT.

None of the Group's associate is material to the Group. Therefore, the summarised financial information is not presented.

21. INVESTMENT IN A JOINT VENTURE

| | The Group | |
|---|------------------|----------|
| | 2024 | 2023 |
| | RM | RM |
| At beginning of financial year | - | 57,868 |
| Share of results during the financial year | 1,831,619 | (59,978) |
| Effect of foreign currency exchange differences | (130,670) | 2,110 |
| At end of financial year | <u>1,700,949</u> | <u>-</u> |

Details of the joint venture are as follows:

| Joint Venture | Principal place of business/ Country of incorporation | Effective percentage of ownership | | Principal activities |
|-----------------------------------|--|-----------------------------------|--------|--|
| | | 2024 | 2023 | |
| Singapore Poultry Hub Pte. Ltd. * | Singapore | 12.75% | 12.75% | Providers of facility management and poultry slaughtering services |

* The financial statements of this joint venture were audited by auditors other than Grant Thornton Malaysia PLT.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

21. INVESTMENT IN A JOINT VENTURE (CONT'D)

Tong Huat Poultry Processing Factory Pte. Ltd., a 51% owned subsidiary of the Company holds a 25% of ownership interest in Singapore Poultry Hub Pte. Ltd.. Consequently, Singapore Poultry Hub Pte. Ltd. became a 12.75% joint venture to the Group.

At Group level, the carrying value of joint venture represents its share of net assets in the joint venture at end of the reporting period. Summarised financial information in respect of the Group's joint venture is as follows:

| | 2024 | 2023 |
|--|----------------------|----------------------|
| | RM | RM |
| Total assets | 148,974,400 | 153,269,557 |
| Total liabilities | <u>(142,170,606)</u> | <u>(154,837,539)</u> |
| Total revenue | 64,516,134 | 48,113,543 |
| Total profit/(loss) for financial year | <u>8,902,211</u> | <u>(1,770,344)</u> |

Reconciliation of the above summarised financial information to the carrying amount of the interest in a joint venture recognised in the consolidated financial statements:

| | 2024 | 2023 |
|--|------------------|-------------|
| Net assets/(liabilities) of the joint venture (RM) | 6,803,794 | (1,567,982) |
| Proportion of the Group's ownership interest (%) | <u>25</u> | <u>25</u> |
| Carrying amount of the Group's interest (RM) | <u>1,700,949</u> | <u>-</u> |

Unrecognised share of losses of a joint venture

| | 2024 | 2023 |
|--|----------|----------------|
| | RM | RM |
| The unrecognised share of loss of a joint venture for the year | <u>-</u> | <u>382,608</u> |
| Cumulative share of loss of a joint venture | <u>-</u> | <u>382,608</u> |

The Group has not recognised the cumulative loss of Singapore Poultry Hub Pte. Ltd., where its share of loss exceeds the Group's cost of investment. The Group has no obligation in respect of this loss.

22. OTHER FINANCIAL ASSETS/(LIABILITIES)

| | The Group | |
|--|-----------|------|
| | 2024 | 2023 |
| | RM | RM |

Financial (liability)/asset carried at fair value through profit or loss:

Derivative financial instrument:

Cross-currency interest rate swap

| | |
|--------------------|------------------|
| <u>(1,718,042)</u> | <u>1,638,568</u> |
|--------------------|------------------|

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

22. OTHER FINANCIAL ASSETS/(LIABILITIES) (CONT'D)

| | The Group | |
|---------------------|--------------------|------------------|
| | 2024 | 2023 |
| | RM | RM |
| Analysed as: | | |
| Current portion | (395,086) | 29,260 |
| Non-current portion | (1,322,956) | 1,609,308 |
| | <u>(1,718,042)</u> | <u>1,638,568</u> |

The Group's cross-currency interest rate swap denominated in United States Dollar is overlaid with monthly maturity interest rate swap and are maturing within 3 October 2024 to 12 April 2028 (2023: 6 November 2023 to 12 April 2028).

The cross-currency interest rate swap is used hedge cash flow interest rate risk arising from a floating rate bank loan amounting to RM22,026,617 (2023: RM29,397,541). The notional/contract amount of the cross-currency interest rate swap as of 30 September 2024 is USD5,344,628 (2023: USD6,270,628).

23. DEFERRED TAX ASSETS/(LIABILITIES)

| The Group | Beginning of financial year | Recognised in profit or loss (Note 10) | Effect of foreign currency exchange differences | End of financial year |
|--|-----------------------------|--|---|-----------------------|
| | RM | RM | RM | RM |
| 2024: | | | | |
| Deferred tax assets | | | | |
| Receivables | 5,753,000 | (54,000) | - | 5,699,000 |
| Unused tax capital allowances | 1,692,000 | 1,039,215 | (2,215) | 2,729,000 |
| Lease liabilities | 2,281,000 | 85,161 | (38,161) | 2,328,000 |
| Provisions | 1,184,000 | 160,000 | - | 1,344,000 |
| Unused tax losses | 1,630,000 | (1,462,425) | (575) | 167,000 |
| Others | 1,655,086 | 328,120 | (6,157) | 1,977,049 |
| | <u>14,195,086</u> | <u>96,071</u> | <u>(47,108)</u> | <u>14,244,049</u> |
| Deferred tax liabilities | | | | |
| Property, plant and equipment | (32,038,000) | (981,792) | 58,792 | (32,961,000) |
| Gain on revaluation of properties | (16,743,000) | 859,000 | - | (15,884,000) |
| Biological assets | (12,081,000) | (589,000) | - | (12,670,000) |
| Real property gains tax on investment property | (8,147,000) | (143,000) | - | (8,290,000) |
| Right-of-use-assets | (2,419,000) | (34,463) | 36,463 | (2,417,000) |
| Intangible assets | (1,406,000) | 211,000 | - | (1,195,000) |
| | <u>(72,834,000)</u> | <u>(678,255)</u> | <u>95,255</u> | <u>(73,417,000)</u> |
| Net | <u>(58,638,914)</u> | <u>(582,184)</u> | <u>48,147</u> | <u>(59,172,951)</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

23. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

| The Group (Cont'd) | Beginning of financial year RM | Recognised in profit or loss (Note 10) RM | Effect of foreign currency exchange differences RM | End of financial year RM |
|--|-----------------------------------|--|---|-----------------------------|
| 2023: | | | | |
| Deferred tax assets | 5,229,000 | 524,000 | - | 5,753,000 |
| Receivables | 2,961,000 | (727,800) | 47,800 | 2,281,000 |
| Lease liabilities | 6,515,000 | (4,832,901) | 9,901 | 1,692,000 |
| Unused tax capital allowances | 11,682,000 | (10,066,908) | 14,908 | 1,630,000 |
| Unused tax losses | 692,000 | 492,000 | - | 1,184,000 |
| Provisions | 1,357,017 | 292,763 | 5,306 | 1,655,086 |
| Others | | | | |
| | 28,436,017 | (14,318,846) | 77,915 | 14,195,086 |
| Deferred tax liabilities | | | | |
| Property, plant and equipment | (32,089,000) | 89,527 | (38,527) | (32,038,000) |
| Gain on revaluation of properties | (14,442,000) | (2,301,000) | - | (16,743,000) |
| Biological assets | (12,238,000) | 157,000 | - | (12,081,000) |
| Real property gains tax on investment property | (8,053,000) | (94,000) | - | (8,147,000) |
| Right-of-use-assets | (3,152,000) | 779,547 | (46,547) | (2,419,000) |
| Intangible assets | (1,617,000) | 211,000 | - | (1,406,000) |
| | (71,591,000) | (1,157,926) | (85,074) | (72,834,000) |
| Net | (43,154,983) | (15,476,772) | (7,159) | (58,638,914) |

Deferred tax balances are presented in the statement of financial position after appropriate offsetting as follows:

| | The Group | |
|--------------------------|--------------|--------------|
| | 2024 RM | 2023 RM |
| Deferred tax assets | 220,600 | 104,000 |
| Deferred tax liabilities | (59,393,551) | (58,742,914) |
| | (59,172,951) | (58,638,914) |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

23. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The tax effects of deductible temporary differences, unused tax losses and unused tax credits which would give rise to deferred tax assets are generally recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. As of 30 September 2024, deferred tax assets have not been recognised in respect of the following gross amounts of temporary differences:

| | The Group | |
|-------------------------------------|-------------|------------|
| | 2024 | 2023 |
| | RM | RM |
| Unused tax losses | 74,186,000 | 58,879,000 |
| Unused tax capital allowances | 30,763,000 | 27,118,000 |
| Temporary differences arising from: | | |
| Receivables | 3,676,000 | 1,396,000 |
| Property, plant and equipment | - | 16,000 |
| Others | 77,000 | 56,000 |
| Allowance for increased export | - | 1,155,000 |
| | 108,702,000 | 88,620,000 |

The comparative figures of the Group have been revised to reflect the previous year final tax submission.

24. BIOLOGICAL ASSETS

| | The Group | |
|--|-------------|-------------|
| | 2024 | 2023 |
| | RM | RM |
| Breeders (grandparent and parent stock) | 87,299,030 | 83,099,966 |
| Hatching eggs | 17,752,953 | 17,537,259 |
| Breeder of colour birds and colour birds | 6,845,000 | 9,778,000 |
| Broilers | 6,158,594 | 4,605,641 |
| | 118,055,577 | 115,020,866 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

24. BIOLOGICAL ASSETS (CONT'D)

The movements of biological assets can be analysed as follows:

| The Group | Beginning of financial year RM | Arising from cost of inputs RM | Decrease due to harvest RM | Fair value gain/(loss) recorded in profit or loss (Note 7) RM | End of financial year RM |
|--|---|---|-------------------------------------|--|-----------------------------------|
| 2024: | | | | | |
| Breeders (grandparent and parent stock) | 83,099,966 | 171,572,407 | (172,420,168) | 5,046,825 | 87,299,030 |
| Hatching eggs | 17,537,259 | 156,683,602 | (155,810,374) | (657,534) | 17,752,953 |
| Breeder of colour birds and colour birds | 9,778,000 | 68,868,616 | (72,823,759) | 1,022,143 | 6,845,000 |
| Broilers | 4,605,641 | 73,959,730 | (74,880,410) | 2,473,633 | 6,158,594 |
| | <u>115,020,866</u> | <u>471,084,355</u> | <u>(475,934,711)</u> | <u>7,885,067</u> | <u>118,055,577</u> |
| 2023: | | | | | |
| Breeders (grandparent and parent stock) | 78,173,250 | 167,621,484 | (163,654,560) | 959,792 | 83,099,966 |
| Hatching eggs | 16,430,072 | 175,940,614 | (174,307,064) | (526,363) | 17,537,259 |
| Breeder of colour birds and colour birds | 9,410,000 | 87,510,679 | (87,114,545) | (28,134) | 9,778,000 |
| Broilers | 4,437,000 | 69,957,849 | (69,730,925) | (58,283) | 4,605,641 |
| | <u>108,450,322</u> | <u>501,030,626</u> | <u>(494,807,094)</u> | <u>347,012</u> | <u>115,020,866</u> |

The fair value of biological assets was derived based on the management's estimates, assumptions and judgements. The unobservable inputs of biological assets are as following:

- expected number of day-old-chick produced by each type of breeder;
- expected hatchability of the hatching eggs;
- expected salvage value of breeders;
- expected selling price of each type of day-old-chick, broilers and colour birds;
- mortality rate of livestock;
- feed consumption rate and feed costs;
- discount rates; and
- other estimated costs to be incurred for the remaining life of the biological assets and at the point of sales.

The fair value of the Group biological assets is measured at fair value within Level 3 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

24. BIOLOGICAL ASSETS (CONT'D)

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 mode.

| Description of valuation technique and input used | Significant unobservable inputs | Relationship between significant unobservable inputs and fair value measurements |
|--|---|--|
| Breeders | | |
| Discounted cash flows: The valuation method considers the projected quantity and price of day-old-chick to be produced over the life of the breeder, taking into account of expected growing cost and the breeder's mortality rate. | <ul style="list-style-type: none"> Projected selling prices of day-old-chick based on management's estimate by reference to historical selling price adjusted for abnormal market movements; Management's estimate of feed and other variable cost expected to incur throughout the life cycle. | <p>The higher the projected selling price, the higher the fair value.</p> <p>The higher the costs, the lower the fair value.</p> |
| Hatching eggs | | |
| Discounted cash flows: The valuation method considers price of day-old-chick, taking into account of expected hatchery cost and the hatching eggs' hatchability. | <ul style="list-style-type: none"> Projected selling prices of day-old-chick based on management's estimate by reference to historical selling price adjusted for abnormal market movements; Management's estimate of hatchery and other variable cost expected to incur throughout the hatching process. | <p>The higher the projected selling price, the higher the fair value.</p> <p>The higher the costs, the lower the fair value.</p> |
| Broilers and colour birds | | |
| Discounted cash flows: The valuation method considers the projected selling price and weight of the broilers and colour birds, taking into account the broilers and colour birds mortality rate. | <ul style="list-style-type: none"> Projected selling prices of broilers and colour birds based on management's estimate by reference to historical selling price adjusted for abnormal market movements; Management's estimate of feed and other variable cost expected to incur throughout the life cycle. | <p>The higher the projected selling price, the higher the fair value.</p> <p>The higher the costs, the lower the fair value.</p> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

24. BIOLOGICAL ASSETS (CONT'D)

The key assumptions used in the fair value calculation are as follows:

| | The Group | |
|------------------------------------|---------------|---------------|
| | 2024 | 2023 |
| | RM | RM |
| Breeders and hatching eggs: | | |
| Projected selling price of | | |
| - Day-old-chick (parent stocks) | 16.00 - 17.30 | 15.00 - 16.30 |
| - Day-old-chick (colour birds) | 1.70 - 2.60 | 1.70 - 3.50 |
| - Day-old-chick (broilers) | 1.90 - 2.00 | 2.10 - 2.31 |
| Feed cost per kg for | | |
| - Grandparent stocks | 1.79 - 1.82 | 2.47 - 2.50 |
| - Parent stocks (colour birds) | 1.39 - 1.56 | 1.57 - 1.76 |
| - Parent stocks (broilers) | 1.80 - 1.95 | 2.39 - 2.64 |
| Colour birds and broilers | | |
| Projected selling price per kg for | | |
| - Colour birds | 9.18 - 12.87 | 9.44 - 11.90 |
| - Broilers | 5.38 - 6.60 | 5.18 - 6.30 |
| Feed cost per kg for | | |
| - Colour birds | 2.29 - 2.32 | 2.51 - 2.54 |
| - Broilers | 2.07 - 2.26 | 2.39 - 2.53 |

Sensitivity analysis of biological assets fair value to be possible changes in the key assumptions are disclosed in the table below:

| | The Group | |
|--|--------------|--------------|
| | 2024 | 2023 |
| | RM | RM |
| Projected selling price of | | |
| Day-old-chick/hatching eggs/broilers | | |
| - Increased by 10% | 34,210,000 | 39,087,000 |
| - Decreased by 10% | (34,210,000) | (39,087,000) |
| Number of hatching eggs/day-old-chick/being produced | | |
| - Increased by 10% | 30,118,000 | 32,575,000 |
| - Decreased by 10% | (30,118,000) | (32,575,000) |
| Feed cost per kg | | |
| - Increased by 10% | (14,708,000) | (20,226,000) |
| - Decreased by 10% | 14,708,000 | 20,226,000 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

25. INVENTORIES

| | The Group | |
|--------------------------|--------------------|--------------------|
| | 2024 | 2023 |
| | RM | RM |
| At costs: | | |
| Raw materials: | | |
| Meats and dressings | 8,243,172 | 10,543,771 |
| Feeds and consumables | 4,585,378 | 4,607,909 |
| Ingredient | 2,158,703 | 2,313,046 |
| Packing materials | 2,114,631 | 2,106,029 |
| Medicine and chemicals | 1,606,256 | 1,661,496 |
| Others | 178,659 | 74,321 |
| | <u>18,886,799</u> | <u>21,306,572</u> |
| Work-in-progress: | | |
| Frozen food | <u>141,449</u> | <u>171,305</u> |
| Finished goods: | | |
| Processed chicken | 57,416,021 | 41,705,216 |
| Supermarket products | 10,539,709 | 11,490,474 |
| Trading products | 7,922,853 | 13,460,524 |
| Frozen food | 5,360,662 | 12,377,925 |
| Farm equipment | 318,693 | 172,204 |
| | <u>81,557,938</u> | <u>79,206,343</u> |
| | <u>100,586,186</u> | <u>100,684,220</u> |

The following are the amounts recognised in profit or loss:

| | The Group | |
|---|---------------|---------------|
| | 2024 | 2023 |
| | RM | RM |
| Inventories recognised as cost of sales | 2,063,804,682 | 1,983,381,235 |
| Inventories written off | 238,363 | 20,375 |
| Reversal of inventories written down | <u>16,200</u> | <u>21,071</u> |

The reversal of inventories written down was made during the year when the related inventories were sold above their carrying amounts.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

26. TRADE AND OTHER RECEIVABLES

| | The Group | | The Company | |
|-----------------------------------|--------------------|--------------------|-------------------|-------------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Trade receivables | 239,532,974 | 249,082,351 | - | - |
| Amount owing by related parties | 12,002,407 | 10,255,725 | - | - |
| Loss allowance | (28,545,396) | (28,270,863) | - | - |
| | <u>222,989,985</u> | <u>231,067,213</u> | - | - |
| Amount owing by subsidiaries | - | - | 15,977,844 | 14,884,639 |
| Amount owing by a joint venture | 978,257 | 215,522 | - | - |
| Goods and Services Tax receivable | - | 326,214 | - | - |
| | <u>978,257</u> | <u>541,736</u> | <u>15,977,844</u> | <u>14,884,639</u> |
| Other receivables | 18,235,534 | 17,962,161 | - | - |
| Amount owing by related parties | 10,043 | 23,513 | - | - |
| Loss allowance | (1,150,274) | (937,809) | - | - |
| | <u>17,095,303</u> | <u>17,047,865</u> | - | - |
| | <u>241,063,545</u> | <u>248,656,814</u> | <u>15,977,844</u> | <u>14,884,639</u> |

Trade receivables of the Group comprise amounts receivable for the trading and sales of goods. The credit term for trade receivables of the Group ranges from 7 to 180 days (2023: 3 to 180 days). Included in trade receivables are an amount of RM1,497,307 (2023: RM1,395,202) which bear interest at rates ranging from 2.5% to 7.35% (2023: 2.5% to 7.35%) per annum.

The currency profile of trade and other receivables are as follows:

| | The Group | | The Company | |
|----------------------|--------------------|--------------------|-------------------|-------------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Ringgit Malaysia | 192,430,218 | 202,167,299 | 15,977,844 | 14,884,639 |
| Singapore Dollar | 48,469,446 | 45,802,731 | - | - |
| United States Dollar | 163,881 | 677,992 | - | - |
| Euro | - | 8,792 | - | - |
| | <u>241,063,545</u> | <u>248,656,814</u> | <u>15,977,844</u> | <u>14,884,639</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

26. TRADE AND OTHER RECEIVABLES (CONT'D)

The following table provides information about the exposure to credit risk and ECL for trade receivables, which are grouped together as they are expected to have similar risk nature:

| The Group | Gross amount RM | Loss allowance RM | Net RM |
|----------------------------|-----------------------|-------------------------|--------------------|
| 2024 | | | |
| Not past due | 185,445,644 | (431,187) | 185,014,457 |
| Past due 1 - 30 days | 20,306,324 | (158,372) | 20,147,952 |
| Past due 31 - 60 days | 9,574,758 | (317,309) | 9,257,449 |
| Past due 61 - 90 days | 3,493,409 | (453,651) | 3,039,758 |
| Past due more than 90 days | 21,616,622 | (16,092,539) | 5,524,083 |
| | <u>240,436,757</u> | <u>(17,453,058)</u> | <u>222,983,699</u> |
| Credit impaired | | | |
| Individually impaired | 11,098,624 | (11,092,338) | 6,286 |
| At end of financial year | <u>251,535,381</u> | <u>(28,545,396)</u> | <u>222,989,985</u> |
| 2023 | | | |
| Not past due | 174,727,259 | (492,660) | 174,234,599 |
| Past due 1 - 30 days | 26,168,384 | (142,205) | 26,026,179 |
| Past due 31 - 60 days | 10,453,714 | (230,125) | 10,223,589 |
| Past due 61 - 90 days | 4,724,884 | (284,544) | 4,440,340 |
| Past due more than 90 days | 28,337,494 | (12,223,507) | 16,113,987 |
| | <u>244,411,735</u> | <u>(13,373,041)</u> | <u>231,038,694</u> |
| Credit impaired | | | |
| Individually impaired | 14,926,341 | (14,897,822) | 28,519 |
| At end of financial year | <u>259,338,076</u> | <u>(28,270,863)</u> | <u>231,067,213</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

26. TRADE AND OTHER RECEIVABLES (CONT'D)

The movements in the loss allowance in respect of trade receivables during the financial year are as follows:

| The Group | Credit impaired RM | Lifetime ECL RM | Total RM |
|---|--------------------------|-----------------------|-------------------|
| 2024 | | | |
| At beginning of financial year | 14,897,822 | 13,373,041 | 28,270,863 |
| Loss allowance during financial year | 1,587,373 | 4,375,048 | 5,962,421 |
| Amounts written off | (5,121,012) | (106,253) | (5,227,265) |
| Loss allowance no longer required | (110,081) | - | (110,081) |
| Amounts recovered during the year | (91,153) | - | (91,153) |
| Effect of foreign currency exchange differences | (70,611) | (188,778) | (259,389) |
| At end of financial year | <u>11,092,338</u> | <u>17,453,058</u> | <u>28,545,396</u> |
| 2023 | | | |
| At beginning of financial year | 14,922,992 | 10,862,296 | 25,785,288 |
| Loss allowance during financial year | 215,967 | 2,449,603 | 2,665,570 |
| Amounts written off | (197,219) | - | (197,219) |
| Loss allowance no longer required | (51,658) | - | (51,658) |
| Effect of foreign currency exchange differences | 7,740 | 61,142 | 68,882 |
| At end of financial year | <u>14,897,822</u> | <u>13,373,041</u> | <u>28,270,863</u> |

The amount owing by subsidiaries arose mainly from payment made on behalf and management fee receivables are unsecured, interest free and receivable on demand except for an unsecured advances of RM15,933,504 (2023: RM14,863,868) which bear interest at a rate of 4.62% (2023: 4.62%) per annum.

The amount owing by a joint venture arose mainly from payment made on behalf, are unsecured, interest free and receivable on demand.

Other receivables of the Group include loans and advances given to staffs, amounts receivable for management of outlet, display income receivable, transport charges receivable, scrap sales receivable and payment of expenses made on behalf by the Group which are unsecured, interest free and repayable on demand.

Included in other receivables are an amount of RM5,957,056 (2023: RM6,840,692) as penalty to be reimbursed from former shareholders of subsidiaries, Tong Huat Poultry Processing Factory Pte. Ltd. and Ban Hong Poultry Pte. Ltd. in connection with infringement of the Competition Act of Republic of Singapore.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

26. TRADE AND OTHER RECEIVABLES (CONT'D)

The movement in the loss allowance in respect of other receivables during the financial year are as follows:

| The Group | Credit impaired RM | Lifetime ECL RM | Total RM |
|---|--------------------------|-----------------------|------------------|
| 2024 | | | |
| At beginning of financial year | 922,523 | 15,286 | 937,809 |
| Loss allowance during financial year | 289,328 | - | 289,328 |
| Loss allowance no longer required | - | (15,286) | (15,286) |
| Effect of foreign currency exchange differences | (61,577) | - | (61,577) |
| | <u>1,150,274</u> | <u>-</u> | <u>1,150,274</u> |
| 2023 | | | |
| At beginning of financial year | 868,758 | 15,286 | 884,044 |
| Effect of foreign currency exchange differences | 53,765 | - | 53,765 |
| | <u>922,523</u> | <u>15,286</u> | <u>937,809</u> |

The allowance for impairment loss on other receivables are made relating to entities that are in significant financial difficulties and have defaulted on payments. The Group does not hold any collateral over these balances.

27. OTHER ASSETS

| | The Group | | The Company | |
|--|-------------------|-------------------|--------------|--------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Prepayments | 8,102,057 | 10,615,247 | - | - |
| Deposits | 7,542,930 | 7,215,607 | 1,000 | 1,000 |
| Advance payment for acquisition of property, plant and equipment | 3,990,659 | 839,304 | - | - |
| Deposits for acquisition of property, plant and equipment | 2,829,219 | 2,821,643 | - | - |
| | <u>22,464,865</u> | <u>21,491,801</u> | <u>1,000</u> | <u>1,000</u> |

28. SHORT-TERM DEPOSITS WITH LICENSED BANKS

Short-term deposits with licensed banks of the Group are maturing within October 2024 to September 2025 (2023: October 2023 to September 2024) and earn interests at rates ranging from 1.82% to 3.80% (2023: 2% to 3.35%) per annum.

Short-term deposits with licensed banks of the Group with a total carrying value of RM7,766,297 (2023: RM9,226,540) are pledged to the banks as securities for credit facilities granted to the Group as mentioned in Note 34.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

28. SHORT-TERM DEPOSITS WITH LICENSED BANKS (CONT'D)

The currency profile of short-term deposits with licensed banks are as follows:

| | The Group | |
|------------------|--------------------|-------------------|
| | 2024 | 2023 |
| | RM | RM |
| Ringgit Malaysia | 120,600,351 | 76,640,917 |
| Singapore Dollar | 81,648 | - |
| | <u>120,681,999</u> | <u>76,640,917</u> |

29. CASH AND BANK BALANCES

The currency profile of cash and bank balances are as follows:

| | The Group | | The Company | |
|----------------------|-------------------|-------------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Ringgit Malaysia | 42,594,673 | 63,122,331 | 285,477 | 288,526 |
| Singapore Dollar | 28,951,034 | 31,715,774 | - | - |
| United States Dollar | 2,518,420 | 841,089 | - | - |
| | <u>74,064,127</u> | <u>95,679,194</u> | <u>285,477</u> | <u>288,526</u> |

30. SHARE CAPITAL

| | The Group and The Company | | | |
|---|---------------------------|--------------------|--------------------|--------------------|
| | 2024 | | 2023 | |
| | No. of shares | RM | No. of shares | RM |
| Issued and fully paid with no par value: | | | | |
| Ordinary shares | <u>701,892,742</u> | <u>145,979,553</u> | <u>701,892,742</u> | <u>145,979,553</u> |

The ordinary shares issued rank pari passu with the then existing ordinary shares of the Company.

As of 30 September 2024, out of the total number of 701,892,742 (2023: 701,892,742) ordinary shares issued and paid-up, 545,500 shares (2023: 545,500 shares) (adjusted perused through Share Split and Bonus Share Issue) are held as treasury shares. Hence, the number of outstanding ordinary shares in issue and fully paid is 701,347,242 (2023: 701,347,242) shares.

WARRANTS

On 1 June 2023, the Company issued a total of 233,781,206 free Warrants to the shareholders pursuant to the Bonus issue of one (1) warrant for every three (3) existing ordinary shares in the Company. The Warrants were granted listing and quotation on the Main Market of Bursa Malaysia Securities Berhad on 7 June 2023.

The Warrants are constituted by a Deed Poll dated 12 May 2023 ("Deed Poll").

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

30. SHARE CAPITAL (CONT'D)

WARRANTS (CONT'D)

The silent features of the Warrants are as follows:

- (a) The issue date of the Warrants is 1 June 2023 and the expiry date is 31 May 2028. Any Warrants not exercised at the expiry date will lapse and cease to be valid for any purpose;
- (b) Each Warrant entitles the registered holder to subscribe for one (1) new ordinary share at any time during the exercise period at the exercise price, subject to the adjustments in accordance with the provisions of the Deed Poll;
- (c) RM0.63, being the amount payable in respect of each new ordinary share to which a registered holder is entitled to subscribe for upon exercise of the exercise rights represented by the Warrant involving such new ordinary share, or such exercise price as may be adjusted under the provisions of the Deed Poll;
- (d) The Warrant holders will not be entitled to any voting rights in any general meeting of the Company or to participate in any form of distribution other than on winding up, compromise or arrangement of the Company and/or offer of further securities in the Company until and unless the Warrant holders exercise their Warrants into new ordinary shares; and
- (e) The new ordinary shares to be issued upon exercise of the Warrants shall, upon allotment and issue, rank pari passu with the then existing ordinary shares, including the entitlement to dividends, rights, allotment or other distributions except that they will not be entitled to the rights, allotments or other distributions declared by the Company which entitlement thereof precedes the allotment date of the new ordinary shares allotted pursuant to the exercise of the Warrants.

As at 30 September 2024, no warrants have been converted into shares and the number of outstanding unexercised warrants are 233,781,206 (2023: 233,781,206).

31. RESERVES

| | The Group | |
|------------------------------|-----------|-----------|
| | 2024 | 2023 |
| | RM | RM |
| Non-distributable: | | |
| Translation reserve | 2,025,213 | 4,098,540 |
| Property revaluation reserve | 81,940 | 81,940 |
| Total reserves | 2,107,153 | 4,180,480 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

31. RESERVES (CONT'D)

Translation Reserve

| | The Group | |
|---|------------------|------------------|
| | 2024 | 2023 |
| | RM | RM |
| At beginning of financial year | 4,098,540 | 2,700,125 |
| Exchange differences relating to translating the net assets of foreign operations | (2,240,674) | 1,601,645 |
| Exchange differences relating to share of result in a joint venture | 167,347 | (203,230) |
| At end of financial year | <u>2,025,213</u> | <u>4,098,540</u> |

Exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e., Ringgit Malaysia) are recognised directly in other comprehensive income and accumulated in the translation reserve.

Property Revaluation Reserve

| | The Group | |
|---|---------------|---------------|
| | 2024 | 2023 |
| | RM | RM |
| At beginning and at end of financial year | <u>81,940</u> | <u>81,940</u> |

The property revaluation reserve arises on the revaluation of land and buildings upon transfer from property, plant and equipment to investment property. When the revalued property is sold, the portion of the property revaluation reserve that relates to that asset is effectively realised and is transferred directly to retained earnings.

32. NON-CONTROLLING INTERESTS

| | The Group | |
|---|--------------------|--------------------|
| | 2024 | 2023 |
| | RM | RM |
| At beginning of financial year | 163,963,771 | 127,991,896 |
| Share of total comprehensive income for the financial year | 14,970,067 | 36,318,230 |
| Additional non-controlling interest arising on the disposal of partial interest in a subsidiary | 7,500 | - |
| Subscription of ordinary shares by non-controlling interests in a subsidiary | 5 | 25 |
| Dividend paid to non-controlling interests of subsidiaries | (758,061) | (346,380) |
| Arising from decrease in equity interest in a subsidiary | (514) | - |
| At end of financial year | <u>178,182,768</u> | <u>163,963,771</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

32. NON-CONTROLLING INTERESTS (CONT'D)

The subsidiaries of the Group that have non-controlling interests, which, in the opinion of the Directors, are material to the Group are as follows:

| Name of subsidiaries | Proportion of equity held by owners of non-controlling interests | | Principal place of business/ Country of incorporation |
|--|--|--------|--|
| | 2024 | 2023 | |
| Direct subsidiaries: | | | |
| Farm's Best Food Industries Sdn. Bhd. | 46.96% | 46.96% | Malaysia |
| Tong Huat Poultry Processing Factory Pte. Ltd. | 49% | 49% | Singapore |
| Indirect subsidiaries: | | | |
| CAB Cakaran Southern Sdn. Bhd. | 49% | 49% | Malaysia |
| Shin Hong Breeding Farm Sdn. Bhd. | 50% | 50% | Malaysia |

There are no significant restrictions on the ability of these subsidiaries to transfer funds to the Group in the form of cash dividends.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

32. NON-CONTROLLING INTERESTS (CONT'D)

The summarised financial information of the subsidiaries that have non-controlling interests to the Group is based on amounts before intercompany elimination.

The summarised statements of comprehensive income and dividends paid by each subsidiary that has non-controlling interests to the Group are as follows:

| | Farm's Best Food Industries Sdn. Bhd. RM | Tong Huat Poultry Processing Factory Pte. Ltd. RM | CAB Cakaran Southern Sdn. Bhd. RM | Shin Hong Breeding Farm Sdn. Bhd. RM | Others RM | Total RM |
|---|--|--|---|--|--------------|---------------|
| 2024 | | | | | | |
| Revenue | 647,915,765 | 273,176,204 | 332,881,291 | 468,000 | 665,753,039 | 1,920,194,299 |
| Profit for the financial year | 14,928,720 | 12,919,647 | 2,604,487 | 406,192 | 7,723,118 | 38,582,164 |
| Total comprehensive income for the financial year | 14,928,720 | 10,309,693 | 2,604,487 | 406,192 | 5,127,134 | 33,376,226 |
| Attributable to non-controlling interest: | | | | | | |
| Profit for the financial year | 7,010,527 | 6,330,627 | 1,276,199 | 203,096 | 2,900,760 | 17,721,209 |
| Total comprehensive income for the financial year | 7,010,527 | 5,051,750 | 1,276,199 | 203,096 | 1,428,495 | 14,970,067 |
| Additional non-controlling interest arising on the disposal of partial interest in a subsidiary | - | - | - | - | 7,500 | 7,500 |
| Subscription of ordinary shares by non-controlling interests in a subsidiary | - | - | - | - | 5 | 5 |
| Dividends paid to non-controlling interests | - | (507,709) | - | - | (250,352) | (758,061) |
| Arising from decrease in equity interest in a subsidiary | - | - | - | - | (514) | (514) |
| 2023 | | | | | | |
| Revenue | 666,269,217 | 238,752,962 | 343,930,021 | 468,000 | 585,098,683 | 1,834,518,883 |
| Profit for the financial year | 46,243,233 | 1,872,190 | 15,294,457 | 129,772 | 8,937,636 | 72,477,288 |
| Total comprehensive income for the financial year | 46,243,233 | 3,509,475 | 15,294,457 | 129,772 | 11,102,179 | 76,279,116 |
| Attributable to non-controlling interest: | | | | | | |
| Profit for the financial year | 21,715,822 | 917,373 | 7,494,284 | 64,886 | 4,055,533 | 34,247,898 |
| Total comprehensive income for the financial year | 21,715,822 | 1,719,643 | 7,494,284 | 64,886 | 5,323,595 | 36,318,230 |
| Subscription of ordinary shares by non-controlling interests in a subsidiary | - | - | - | - | 25 | 25 |
| Dividends paid to non-controlling interests | - | - | - | (100,000) | (246,380) | (346,380) |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

32. NON-CONTROLLING INTERESTS (CONT'D)

Summarised financial information (cont'd)

The summarised statements of financial position of each subsidiary that has non-controlling interests to the Group are as follows:

| | Farm's Best Food Industries Sdn. Bhd. | Tong Huat Poultry Processing Factory Pte. Ltd. | CAB Cakaran Southern Sdn. Bhd. | Shin Hong Breeding Farm Sdn. Bhd. | Others | Total |
|---------------------------|--|--|---|--|---------------|---------------|
| | RM | RM | RM | RM | RM | RM |
| 2024 | | | | | | |
| Non-current assets | 181,143,961 | 90,484,667 | 79,259,291 | 62,087,734 | 85,827,350 | 498,803,003 |
| Current asset | 163,644,105 | 67,614,642 | 90,475,532 | 1,369,970 | 151,555,124 | 474,659,373 |
| Non-current liabilities | (53,272,955) | (43,239,313) | (6,066,183) | (7,048,094) | (28,818,429) | (138,444,974) |
| Current liabilities | (143,582,233) | (68,935,090) | (122,018,057) | (8,718) | (113,905,216) | (448,449,314) |
| Net assets | 147,932,878 | 45,924,906 | 41,650,583 | 56,400,892 | 94,658,829 | 386,568,088 |
| Attributable to: | | | | | | |
| Owners of the Company | 80,654,878 | 23,421,702 | 21,241,797 | 28,200,446 | 54,866,497 | 208,385,320 |
| Non-controlling interests | 67,278,000 | 22,503,204 | 20,408,786 | 28,200,446 | 39,792,332 | 178,182,768 |
| | 147,932,878 | 45,924,906 | 41,650,583 | 56,400,892 | 94,658,829 | 386,568,088 |
| 2023 | | | | | | |
| Non-current assets | 185,560,487 | 99,283,369 | 84,173,746 | 61,966,750 | 87,956,164 | 518,940,516 |
| Current asset | 165,780,929 | 67,841,167 | 97,970,578 | 1,857,830 | 153,462,930 | 486,913,434 |
| Non-current liabilities | (68,246,081) | (52,249,883) | (9,302,368) | (7,053,589) | (28,608,667) | (165,460,588) |
| Current liabilities | (150,091,176) | (78,223,299) | (133,795,860) | (776,291) | (122,611,980) | (485,498,606) |
| Net assets | 133,004,159 | 36,651,354 | 39,046,096 | 55,994,700 | 90,198,447 | 354,894,756 |
| Attributable to: | | | | | | |
| Owners of the Company | 72,736,686 | 18,692,191 | 19,913,509 | 27,997,350 | 51,591,249 | 190,930,985 |
| Non-controlling interests | 60,267,473 | 17,959,163 | 19,132,587 | 27,997,350 | 38,607,198 | 163,963,771 |
| | 133,004,159 | 36,651,354 | 39,046,096 | 55,994,700 | 90,198,447 | 354,894,756 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

32. NON-CONTROLLING INTERESTS (CONT'D)

Summarised financial information (cont'd)

The summarised statements of cash flow of each subsidiary that has non-controlling interests to the Group are as follows:

| | Farm's Best Food Industries Sdn. Bhd. RM | Tong Huat Poultry Processing Factory Pte. Ltd. RM | CAB Cakaran Southern Sdn. Bhd. RM | Shin Hong Breeding Farm Sdn. Bhd. RM |
|--|--|--|---|--|
| 2024 | | | | |
| Net cash from/(used in) operating activities | 28,498,674 | 5,625,291 | 10,379,811 | (148,239) |
| Net cash (used in)/from investing activities | (11,048,543) | (2,504,414) | (841,267) | 38,981 |
| Net cash used in financing activities | (20,277,765) | (6,263,773) | (6,326,402) | (383,411) |
| Net (decrease)/increase in cash and cash equivalents | (2,827,634) | (3,142,896) | 3,212,142 | (492,669) |
| Cash and cash equivalents at beginning of financial year | 19,649,709 | 20,225,403 | 1,710,093 | 1,729,217 |
| Effects of exchange rates changes on the balances of cash held in foreign currencies | (359,696) | (1,125,791) | - | - |
| Cash and cash equivalents at end of financial year | 16,462,379 | 15,956,716 | 4,922,235 | 1,236,548 |
| 2023 | | | | |
| Net cash from operating activities | 38,612,971 | 21,024,640 | 1,878,326 | 117,835 |
| Net cash used in investing activities | (9,034,486) | (762) | (370,433) | (331,993) |
| Net cash (used in)/from financing activities | (18,547,938) | (15,272,542) | (2,206,244) | 183,411 |
| Net increase/(decrease) in cash and cash equivalents | 11,030,547 | 5,751,336 | (698,351) | (30,747) |
| Cash and cash equivalents at beginning of financial year | 8,572,023 | 13,525,787 | 2,408,444 | 1,759,964 |
| Effects of exchange rates changes on the balances of cash held in foreign currencies | 47,139 | 948,280 | - | - |
| Cash and cash equivalents at end of financial year | 19,649,709 | 20,225,403 | 1,710,093 | 1,729,217 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

33. PROVISIONS

| | The Group | |
|----------------------------------|-------------|-------------|
| | 2024 | 2023 |
| | RM | RM |
| Profit sharing ⁽ⁱ⁾ | 4,480,122 | 3,816,612 |
| Restoration cost ⁽ⁱⁱ⁾ | 1,121,720 | 1,121,720 |
| | 5,601,842 | 4,938,332 |
| Less: current portion | (4,480,122) | (3,816,612) |
| Non-current portion | 1,121,720 | 1,121,720 |

⁽ⁱ⁾ Provision of profit sharing represent to a sharing of 10% of the profit for the financial year which is generated from a breeder farm of a subsidiary to a third party.

⁽ⁱⁱ⁾ Provision for restoration cost represent estimated cost of restoring leased space used in the principal activities of a subsidiary. Provision made is capitalised as part of the carrying amount of the Group's right-of-use assets. The Group has obligation to restore the rental of premises after expiring or termination of the lease contracts.

34. BORROWINGS

| | The Group | |
|------------------------|-------------|-------------|
| | 2024 | 2023 |
| | RM | RM |
| Current | | |
| Secured: | | |
| Bankers' acceptances | 136,054,023 | 160,184,136 |
| Long-term loans | 32,295,573 | 33,579,069 |
| Hire-purchase payables | 6,119,981 | 6,888,463 |
| Fixed advance facility | 3,207,400 | 3,436,800 |
| Bank overdrafts | 203,328 | 40,551 |
| Unsecured: | | |
| Bankers' acceptances | 20,042,693 | 26,369,058 |
| Revolving credit | 6,414,800 | - |
| Long-term loans | 3,448,404 | 4,352,528 |
| | 207,786,202 | 234,850,605 |
| Non-current | | |
| Secured: | | |
| Long-term loans | 142,260,204 | 161,693,264 |
| Hire-purchase payables | 9,511,450 | 9,116,479 |
| Unsecured: | | |
| Long-term loans | - | 3,695,014 |
| | 151,771,654 | 174,504,757 |
| Total borrowings | 359,557,856 | 409,355,362 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

34. BORROWINGS (CONT'D)

The currency profile of borrowings is as follows:

| | The Group | |
|----------------------|--------------------|--------------------|
| | 2024 | 2023 |
| | RM | RM |
| Ringgit Malaysia | 281,641,816 | 320,018,820 |
| Singapore Dollar | 55,889,423 | 59,939,001 |
| United States Dollar | 22,026,617 | 29,397,541 |
| | <u>359,557,856</u> | <u>409,355,362</u> |

The maturity period of borrowings are as follows:

| | The Group | |
|---|--------------------|--------------------|
| | 2024 | 2023 |
| | RM | RM |
| Not later than 1 year | 207,786,202 | 234,850,605 |
| Later than 1 year and not later than 2 years | 32,973,515 | 39,430,971 |
| Later than 2 years and not later than 5 years | 67,243,541 | 78,429,968 |
| Later than 5 years | 51,554,598 | 56,643,818 |
| | <u>359,557,856</u> | <u>409,355,362</u> |

The fair value of borrowings approximate their carrying values as the impact of discounting is not significant. It is estimated based on discounted cash flows using prevailing market rates for borrowings with similar risk profile and is within Level 2 of the fair value hierarchy.

The range of effective interest rates at the reporting date for borrowings are as follows:

| | The Group | |
|------------------------|-------------|-------------|
| | 2024 | 2023 |
| | % | % |
| Long-term loans | 2.00 - 7.89 | 2.00 - 7.89 |
| Bankers' acceptances | 3.37 - 4.84 | 3.20 - 4.67 |
| Hire-purchase payables | 4.20 - 7.14 | 4.20 - 7.14 |
| Revolving credit | 5.06 - 5.55 | N/A |
| Fixed advance facility | 5.22 | 5.41 |
| Bank overdrafts | 7.89 | 7.89 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

34. BORROWINGS (CONT'D)

The term loans of the Group include the following:

Secured

- (i) A floating-rate term-loan amounting to RM160,000 repayable by 240 monthly instalments after the first drawdown date in October 2009;
- (ii) A floating-rate term-loan amounting to RM115,000 repayable by 240 monthly instalments after the first drawdown date in October 2009;
- (iii) A floating-rate term-loan amounting to RM170,000 repayable by 180 monthly instalments after the first drawdown date in January 2011;
- (iv) A floating-rate term-loan amounting to RM4 million repayable by 240 monthly instalments after the first drawdown in March 2012;
- (v) A floating-rate term-loan amounting to RM1,020,000 repayable by 180 monthly instalments after the first drawdown in January 2013;
- (vi) A floating-rate term-loan amounting to RM29,270,062 repayable by 153 monthly instalments after the first drawdown in July 2014;
- (vii) A floating-rate term-loan amounting to RM1,620,000 repayable by 300 monthly instalments after the first drawdown in July 2014;
- (viii) A floating-rate term-loan amounting to RM702,000 repayable by 300 monthly instalments after the first drawdown in July 2014;
- (ix) A floating-rate term-loan amounting to RM585,000 repayable by 300 monthly instalments after the first drawdown in July 2014;
- (x) A floating-rate term-loan amounting to RM558,000 repayable by 300 monthly instalments after the first drawdown in July 2014;
- (xi) A floating-rate term-loan amounting to RM6 million repayable by 120 monthly instalments after the first drawdown date in November 2014;
- (xii) A floating-rate term-loan amounting to RM9 million repayable by 120 monthly instalments after the first drawdown date in December 2014;
- (xiii) A floating-rate term-loan amounting to RM27.5 million repayable by 120 monthly instalments after the first drawdown date in April 2015;
- (xiv) A floating-rate term-loan amounting to RM8,152,000 repayable by 180 monthly instalments after the first drawdown date in May 2015;
- (xv) A floating-rate term-loan amounting to RM1.5 million repayable by 120 monthly instalments after the first drawdown date in May 2015;
- (xvi) A floating-rate term-loan amounting to RM500,000 repayable by 120 monthly instalments after the first drawdown date in May 2015;
- (xvii) A floating-rate term-loan amounting to RM1 million repayable by 120 monthly instalments after the first drawdown date in June 2015;
- (xviii) A floating-rate term-loan amounting to RM32.8 million repayable by 180 monthly instalments after the first drawdown in September 2016;
- (xix) A floating-rate term-loan amounting to RM585,000 repayable by 180 monthly instalments after the first drawdown date in October 2016;

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

34. BORROWINGS (CONT'D)

The term loans of the Group include the following (cont'd):

Secured (cont'd)

- (xx) A floating-rate term-loan amounting to RM585,000 repayable by 120 monthly instalments after the first drawdown date in October 2016;
- (xxi) A floating-rate term-loan amounting to RM2.2 million repayable by 180 monthly instalments after the first drawdown in September 2017;
- (xxii) A floating-rate term-loan amounting to RM1,360,000 repayable by 180 monthly instalments after the first drawdown date in September 2017;
- (xxiii) A floating-rate term-loan amounting to RM4,796,035 repayable by 84 monthly instalments after the first drawdown date in March 2018;
- (xxiv) A floating-rate term-loan amounting to USD9.6 million (equivalent to RM44 million) repayable by 54 monthly instalments after 7 months from the first drawdown in April 2018. The bank has extended the repayment tenure of this term-loan for another five years in previous financial year;
- (xxv) A floating-rate term-loan amounting to RM24,037,500 repayable by 120 monthly instalments after first drawdown in April 2018;
- (xxvi) A floating-rate term-loan amounting to RM14 million repayable by 120 monthly instalments after first drawdown in April 2018;
- (xxvii) A floating-rate term-loan amounting to RM3,397,500 repayable by 120 monthly instalments after first drawdown in April 2018;
- (xxviii) A floating-rate term-loan amounting to RM500,000 repayable by 120 monthly instalments after the first drawdown in April 2018;
- (xxix) A floating-rate term-loan amounting to RM6,525,000 repayable by 120 monthly instalments after first drawdown in May 2018;
- (xxx) A floating-rate term-loan amounting to USD890,000 (equivalent to RM3.7 million) repayable by 54 monthly instalments after 7 months from the first drawdown date in June 2018. The bank has extended the repayment tenure of this term-loan for another five years in previous financial year;
- (xxxi) A floating-rate term-loan amounting to SGD4,840,000 (equivalent to RM15.7 million) repayable by 240 monthly instalments after the first drawdown date in July 2018;
- (xxxii) A floating-rate term-loan amounting to RM6 million repayable by 120 monthly instalments after the first drawdown date in August 2018. This term-loan has been fully paid during the financial year;
- (xxxiii) A floating-rate term-loan amounting to RM22,160,000 repayable by 180 monthly instalments after the first drawdown date in January 2019;
- (xxxiv) A floating-rate term-loan amounting to SGD10,191,456 (equivalent to RM33 million) repayable by 240 monthly instalments after the first drawdown date in June 2019;
- (xxxv) A floating-rate term-loan amounting to RM750,000 repayable by 120 monthly instalments after the first drawdown in September 2019;
- (xxxvi) A floating-rate term-loan amounting to RM450,000 repayable by 120 monthly instalments after the first drawdown in September 2019;
- (xxxvii) A floating-rate term-loan amounting to RM1,113,200 repayable by 240 monthly instalments after the first drawdown date in November 2019;

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

34. BORROWINGS (CONT'D)

The term loans of the Group include the following (cont'd):

Secured (cont'd)

- (xxxviii) A floating-rate term-loan amounting to RM700,000 repayable by 180 monthly instalments after the first drawdown date in January 2020;
- (xxxix) A floating-rate term-loan amounting to RM3,150,000 repayable by 60 monthly instalments after the first drawdown date in February 2020;
- (xl) A floating-rate term-loan amounting to USD1,290,000 (equivalent to RM6 million) repayable by 54 monthly instalments after 7 months from the first drawdown in March 2020;
- (xli) A fixed-rate term-loan amounting to RM500,000 repayable by 84 monthly instalments after 6 months from the first drawdown date in September 2020;
- (xlii) A floating-rate term-loan amounting to RM17 million repayable by 120 monthly instalments after the first drawdown date in November 2020;
- (xliii) A floating-rate term-loan amounting to RM3,148,238 repayable by 120 monthly instalments after the first drawdown date in November 2020;
- (xliv) A floating-rate term-loan amounting to RM10 million repayable by 120 monthly instalments after the first drawdown date in December 2020;
- (xlv) A floating-rate term-loan amounting to SGD2,096,731 (equivalent to RM6.8 million) repayable by 96 monthly instalments after the first drawdown date in October 2021;
- (xlvi) A floating-rate term-loan amounting to RM1 million repayable by 120 monthly instalments after the first drawdown date in January 2022;
- (xlvii) A floating-rate term-loan amounting to RM528,000 repayable by 180 monthly instalments after the first drawdown date in September 2022;
- (xlviii) A floating-rate term-loan amounting to RM528,000 repayable by 180 monthly instalments after the first drawdown date in September 2022;
- (xlix) A floating-rate term-loan amounting to RM528,000 repayable by 180 monthly instalments after the first drawdown date in September 2022;
- (l) A floating-rate term-loan amounting to RM528,000 repayable by 180 monthly instalments after the first drawdown date in September 2022;
- (li) A floating-rate term-loan amounting to RM792,000 repayable by 180 monthly instalments after the first drawdown date in September 2022;
- (lii) A floating-rate term loan amounting to RM785,000 repayable by 180 monthly instalments after the first drawdown date in December 2022;
- (liii) A floating-rate term-loan amounting to RM8 million repayable by 96 monthly instalments after the first drawdown date in June 2023;
- (liv) A floating-rate term-loan amounting to RM3.5 million repayable by 120 monthly instalments after the first drawdown date in October 2023;
- (lv) A floating-rate term-loan amounting to RM2.3 million repayable by 180 monthly instalments after the first drawdown date in December 2023;
- (lvi) A floating-rate term-loan amounting to RM2.4 million repayable by 120 monthly instalments after the first drawdown date in February 2024;

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

34. BORROWINGS (CONT'D)

The term loans of the Group include the following (cont'd):

Secured (cont'd)

- (lvii) A floating-rate term-loan amounting to RM704,000 repayable by 72 monthly instalments after the first drawdown date in March 2024;
- (lviii) A floating-rate term-loan amounting to RM8.1 million repayable by 120 monthly instalments after the first drawdown date in May 2024;
- (lix) A floating-rate term-loan amounting to RM3.9 million repayable by 120 monthly instalments after the first drawdown date in August 2024; and
- (lx) A floating-rate term-loan amounting to RM731,936 repayable by 72 monthly instalments after the first drawdown date in August 2024.

Unsecured

- (i) A fixed-rate term-loan amounting to SGD5 million (equivalent to RM16.2 million) repayable by 60 monthly instalments after 12 months from the first drawdown date in August 2020.

35. LEASE LIABILITIES

| | The Group | |
|---|-------------|-------------|
| | 2024 | 2023 |
| | RM | RM |
| At beginning of financial year | 11,814,760 | 14,795,419 |
| Additions | 4,301,297 | 1,347,553 |
| Finance costs | 680,855 | 725,004 |
| Remeasurement | 187,517 | 66,810 |
| Loss/(Gain) on forgiven lease payments | 2,625 | (41,425) |
| Payments | (4,803,590) | (4,920,681) |
| Termination | - | (438,774) |
| Effect of foreign currency exchange differences | (224,436) | 280,854 |
| | 11,959,028 | 11,814,760 |
| Analysed as: | | |
| Current portion | 2,767,800 | 2,823,631 |
| Non-current portion | 9,191,228 | 8,991,129 |
| | 11,959,028 | 11,814,760 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

35. LEASE LIABILITIES (CONT'D)

The maturity period of lease liabilities are as follows:

| | The Group | |
|---|-------------------|-------------------|
| | 2024 | 2023 |
| | RM | RM |
| Not later than 1 year | 2,767,800 | 2,823,631 |
| Later than 1 year and not later than 2 years | 1,843,191 | 1,146,141 |
| Later than 2 years and not later than 5 years | 1,909,045 | 1,917,784 |
| Later than 5 years | 5,438,992 | 5,927,204 |
| | <u>11,959,028</u> | <u>11,814,760</u> |

The Group discounted the lease liabilities by using the Group's incremental borrowings rates which ranges from 3.22% to 6.89% (2023: 3.22% to 6.89%).

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs.

The following are the amounts recognised in profit or loss:

| | The Group | | The Company | |
|---------------------------------------|-------------------|-------------------|---------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Lease expenses: | | | | |
| Variable lease payments | 8,066,165 | 4,291,810 | - | - |
| Short-term leases | 3,416,440 | 2,865,566 | 24,000 | 24,000 |
| Lease of low-value assets | 959,068 | 754,089 | - | - |
| Depreciation of right-of-use assets | 7,096,532 | 7,145,105 | - | - |
| Interest expense on lease liabilities | 680,855 | 725,004 | - | - |
| | <u>20,219,060</u> | <u>15,781,574</u> | <u>24,000</u> | <u>24,000</u> |

36. DEFERRED REVENUE

| | The Group | |
|---|----------------|----------------|
| | 2024 | 2023 |
| | RM | RM |
| Asset related government grants ⁽ⁱ⁾ | 135,462 | 240,541 |
| Franchise fee ⁽ⁱⁱ⁾ | 40,000 | 2,865 |
| Income related government grants ⁽ⁱⁱⁱ⁾ | - | 40,953 |
| | <u>175,462</u> | <u>284,359</u> |
| Less: current portion | (73,998) | (139,209) |
| Non-current portion | <u>101,464</u> | <u>145,150</u> |

⁽ⁱ⁾ The deferred revenue arose from government grant received which is amortised over periods from 3 to 8 years.

⁽ⁱⁱ⁾ The deferred revenue arose from franchise fee received from franchisee for the non-executive right to operate a Kyros Kebab franchise unit over periods from 6 to 8 years.

⁽ⁱⁱⁱ⁾ The deferred revenue arose from government grant to carry out energy audit in order to manage and reduce energy consumption which was amortised over period of 38 months.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

37. TRADE AND OTHER PAYABLES

| | The Group | | The Company | |
|---|--------------------|--------------------|------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Trade payables | 184,785,674 | 203,751,339 | - | - |
| Amount owing to subsidiaries | - | - | 1,156,666 | 1,308,261 |
| Amount owing to a joint venture | 1,748,508 | 1,757,748 | - | - |
| Amount owing to a Director of a subsidiary | - | 274,944 | - | - |
| Amount owing to non-controlling interests of a subsidiary | 608,080 | 279,400 | - | - |
| Amount owing to related parties | 2,453,083 | 4,536,292 | - | - |
| Sales and Services Tax payable | 2,075,979 | 1,608,859 | - | - |
| Goods and Services Tax payable | 1,542,797 | 1,034,978 | - | - |
| Other payables | 38,767,013 | 36,590,722 | 389 | 9,040 |
| Accrued expenses | 20,163,614 | 18,383,867 | 170,657 | 147,620 |
| | <u>252,144,748</u> | <u>268,218,149</u> | <u>1,327,712</u> | <u>1,464,921</u> |

The currency profile of trade and other payables is as follows:

| | The Group | | The Company | |
|----------------------|--------------------|--------------------|------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Ringgit Malaysia | 234,635,582 | 245,853,812 | 1,327,712 | 1,464,921 |
| Singapore Dollar | 17,509,166 | 20,214,930 | - | - |
| United States Dollar | - | 1,935,453 | - | - |
| Euro | - | 213,954 | - | - |
| | <u>252,144,748</u> | <u>268,218,149</u> | <u>1,327,712</u> | <u>1,464,921</u> |

Trade payables of the Group comprise amounts outstanding for trade purchases. The credit term granted to the Group for trade purchases generally range from 7 to 120 days (2023: 7 to 120 days).

Certain of the Group's trade payables are guaranteed by the Company for RM161,049,059 (2023: RM145,430,000). Certain trade payables of two subsidiaries, CAB Cakaran Sdn. Bhd. and CAB Cakaran Breeding Farm Sdn. Bhd. are jointly guaranteed by the Company for RM33,000,000 (2023: RM33,000,000).

The amount owing to subsidiaries arose mainly from payment made on behalf, are unsecured, interest free and repayable on demand except for an unsecured advance of RM1,153,566 (2023: RM1,296,982) which bears interest at a rate of 6.65% (2023: 6.65% and 6.89%) per annum.

The amount owing to a joint venture arose mainly from management fee payable and slaughtering charges payable which are interest free and repayable on demand.

The amount owing to a Director of a subsidiary arose mainly from unsecured advances which are interest free and repayable on demand.

The amount owing to non-controlling interests of a subsidiary arose mainly from unsecured advances which are interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

37. TRADE AND OTHER PAYABLES (CONT'D)

The amount owing to related parties of the Group is as follows:

| | The Group | |
|-----------|------------------|------------------|
| | 2024 | 2023 |
| | RM | RM |
| Trade | 2,426,463 | 4,025,213 |
| Non-trade | 26,620 | 511,079 |
| | <u>2,453,083</u> | <u>4,536,292</u> |

The non-trade amount owing to related parties of the Group consists of amount outstanding for ongoing costs.

Other payables of the Group and of the Company consist of amount outstanding for ongoing costs and deposits received.

38. DIVIDEND

| | The Group and the Company | |
|--|---------------------------|----------|
| | 2024 | 2023 |
| | RM | RM |
| Dividend declared and paid: | | |
| Final single tier of RM0.005 per ordinary shares for the financial year ended September 2023 | <u>3,506,733</u> | <u>-</u> |

39. NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Cash and cash equivalents at end of the year comprise the following:

| | The Group | | The Company | |
|---|--------------------|--------------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Short-term deposits with licensed banks | 120,681,999 | 76,640,917 | - | - |
| Cash and bank balances (Note 29) | 74,064,127 | 95,679,194 | 285,477 | 288,526 |
| Bank overdrafts (Note 34) | <u>(203,328)</u> | <u>(40,551)</u> | <u>-</u> | <u>-</u> |
| | 194,542,798 | 172,279,560 | 285,477 | 288,526 |
| Less: Short-term deposits pledged as security (Note 28) | <u>(7,766,297)</u> | <u>(9,226,540)</u> | <u>-</u> | <u>-</u> |
| | <u>186,776,501</u> | <u>163,053,020</u> | <u>285,477</u> | <u>288,526</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

39. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(b) The additions to property, plant and equipment consist of:

| | The Group | | The Company | |
|------------------------------------|------------|------------|-------------|------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Payment by cash in current year | 55,006,291 | 40,791,187 | - | - |
| Financed by means of hire-purchase | 7,757,881 | 10,335,587 | - | - |
| Total (Note 13) | 62,764,172 | 51,126,774 | - | - |

(c) Cash outflows for leases as a lessee:

| | The Group | | The Company | |
|---|------------|------------|-------------|--------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Included in net cash from operating activities: | | | | |
| Payment relating to variable lease payments not include in the measurement of lease liabilities | 8,066,165 | 4,291,810 | - | - |
| Payment relating to short-term leases | 3,416,440 | 2,865,566 | 24,000 | 24,000 |
| Payment relating to leases of low-value assets | 959,068 | 754,089 | - | - |
| Included in net cash from financing activities: | | | | |
| Repayment of lease liabilities | 4,122,735 | 4,195,677 | - | - |
| Interest paid in relation to lease liabilities | 680,855 | 725,004 | - | - |
| Total cash outflows for leases | 17,245,263 | 12,832,146 | 24,000 | 24,000 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS

a. Capital Risk Management

The primary objectives of the Group's capital management are to ensure that it maintains healthy capital ratios in order to support its existing business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. There were no changes in the Group's approach to capital management during the year.

The capital structure of the Group consists of net debts (borrowings and lease liabilities as detailed in Notes 34 and 35, respectively offset by cash and bank balances) and equity of the Group (comprising share capital, reserves, retained earnings and non-controlling interests as detailed in Notes 30 to 32).

The gearing ratio at end of the reporting period is as follows:

| | The Group | |
|--|----------------------|----------------------|
| | 2024 | 2023 |
| | RM | RM |
| Debts ⁽ⁱ⁾ | 359,557,856 | 409,355,362 |
| Lease liabilities (Note 35) | 11,959,028 | 11,814,760 |
| Fixed deposits, cash and bank balances | <u>(194,746,126)</u> | <u>(172,320,111)</u> |
| Net debts | <u>176,770,758</u> | <u>248,850,011</u> |
| Equity ⁽ⁱⁱ⁾ | <u>860,806,474</u> | <u>776,699,901</u> |
| Net debt to equity ratio | <u>21%</u> | <u>32%</u> |

⁽ⁱ⁾ Debts are defined as short and long-term borrowings as disclosed in Note 34.

⁽ⁱⁱ⁾ Equity includes share capital, reserves, retained earnings and non-controlling interests of the Group that are managed as capital.

Under the requirement of Bursa Securities' Practice Note No.17/2005, the Group is required to maintain consolidated shareholders' equity equal to or not less than 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Group has complied with this requirement.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

b. Categories of Financial Instruments

The table below provides an analysis of financial instruments categorised as follows:

| | The Group | | The Company | |
|---|--------------------|--------------------|-------------------|-------------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Financial assets | | | | |
| Amortised cost: | | | | |
| Trade and other receivables | 241,063,545 | 248,330,600 | 15,977,844 | 14,884,639 |
| Refundable deposits | 10,372,149 | 10,037,250 | 1,000 | 1,000 |
| Short-term deposits | 120,681,999 | 76,640,917 | - | - |
| Cash and bank balances | 74,064,127 | 95,679,194 | 285,477 | 288,526 |
| Derivative other financial asset | | | | |
| Fair value through profit or loss: | | | | |
| Cross-currency interest rate swap | - | 1,638,568 | - | - |
| | <u>446,181,820</u> | <u>432,326,529</u> | <u>16,264,321</u> | <u>15,174,165</u> |
| Financial liabilities | | | | |
| Amortised cost: | | | | |
| Trade and other payables | 248,525,972 | 265,574,312 | 1,327,712 | 1,464,921 |
| Borrowings | 359,557,856 | 409,355,362 | - | - |
| Lease liabilities | 11,959,028 | 11,814,760 | - | - |
| Derivative other financial liabilities | | | | |
| Fair value through profit or loss: | | | | |
| Cross-currency interest rate swap | 1,718,042 | - | - | - |
| | <u>621,760,898</u> | <u>686,744,434</u> | <u>1,327,712</u> | <u>1,464,921</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

c. Financial Risk Management

The operations of the Group are subject to various financial risks which include market risk (including foreign currency risk and interest rate risk), credit risk, liquidity risk and cash flow risk, in connection with its use or holding of financial instruments. The Group has adopted a financial risk management framework with the principal objective of effectively managing these risks and minimising any potential adverse effects on the financial performance of the Group.

i. Market Risk Management

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see 40.c.ii. below) and interest rates (see 40.c.iii. below). The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency and interest rate risk including:

- cross currency swap arrangement to hedge the exchange rate risk arising on foreign currency purchases; and
- interest rate swap contract to mitigate the risk of rising interest rates.

ii. Foreign Currency Risk Management

The Group undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising foreign currency cross currency swap arrangement. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as disclosed in Note 26 for trade and other receivables, Note 29 for cash and bank balances, Note 34 for borrowings and Note 37 for trade and other payables.

Foreign currency risk sensitivity analysis

The Group is mainly exposed to United States Dollar and Singapore Dollar.

The following table details the Group's sensitivity to a 14% (2023: 11%) increase and decrease in RM against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or loss and equity where the RM strengthens 14% (2023: 11%) against the relevant currency. For a 14% (2023: 11%) weakening of the RM against the relevant currency, there would be an equal and opposite impact on the profit or loss and equity, and the balances below would be negative.

| | The Group | |
|--|------------------|-------------|
| | 2024 | 2023 |
| | RM | RM |
| Impact on profit or loss and equity | | |
| United States Dollar | 2,058,235 | 2,492,000 |
| Singapore Dollar | (436,616) | 221,000 |
| Euro | - | 17,000 |

The above sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the year-end exposure does not reflect the exposure during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

c. Financial Risk Management (cont'd)

iii. Interest Rate Risk Management

The Group is exposed to interest rate risk because entities in the Group borrow funds at fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by using interest rate swap contracts.

The significant interest-bearing financial assets are mainly fixed deposits and balances with licensed banks and they are not held for speculative purposes. The Group manages the interest rates of its fixed deposits and balances with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank.

The interest rate profile of the Group's significant interest-bearing financial liabilities are disclosed in the table below as follows:

| | The Group | |
|----------------------------------|-------------|-------------|
| | 2024 | 2023 |
| | RM | RM |
| Floating rate instruments | | |
| Long-term loans | 174,285,479 | 194,930,805 |
| Bankers' acceptances | 156,096,716 | 186,553,194 |
| Revolving credit | 6,414,800 | - |
| Fixed advance facility | 3,207,400 | 3,436,800 |
| Bank overdrafts | 203,328 | 40,551 |
| Hire-purchase payables | 105,168 | 162,188 |
| | 340,312,891 | 385,123,538 |
| Fixed rate instruments | | |
| Hire-purchase payables | 15,526,263 | 15,842,754 |
| Long-term loans | 3,718,702 | 8,389,070 |
| | 19,244,965 | 24,231,824 |
| | 359,557,856 | 409,355,362 |

Interest rate risk sensitivity analysis

Sensitivity analysis for floating rate instruments

A change of 100 basis points in interest rates would have increased or decreased in equity and profit or loss of the Group by RM2,755,000 (2023: RM3,180,000). This analysis assumes that all other variables remain constant. The sensitivity analysis in the foregoing paragraph has been determined based on the exposure to interest rate risks at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

c. Financial Risk Management (cont'd)

iii. Interest Rate Risk Management (cont'd)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

iv. Credit Risk Management

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group. Credit risk arises from cash and cash equivalents, amount owing by subsidiaries, other receivables and refundable deposits as well as credit exposures primarily from outstanding trade receivables.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit and certain financial guarantees given by shareholders or directors of customers are obtained.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous financial year.

Exposure to credit risk, credit quality and collateral

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

Concentration of credit risk

The Group has no significant concentration of credit risk with its exposure spread over a large number of customers.

As at the end of the reporting period, the exposure of credit risk for trade receivables by geographic region was:

| | The Group | |
|----------|--------------------|--------------------|
| | 2024 | 2023 |
| | RM | RM |
| Malaysia | 182,155,800 | 193,016,514 |
| Others | 40,834,185 | 38,050,699 |
| | <u>222,989,985</u> | <u>231,067,213</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

c. Financial Risk Management (cont'd)

iv. Credit Risk Management (cont'd)

Trade receivables (cont'd)

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 120 days. The Group's debt recovery process is as follows:

- (a) Above 120 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the sales management team; and
- (b) Above 210 days past due, the Group will consider to commence a legal proceeding against the customer.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Amounts Owing by Subsidiaries and Joint Venture

Risk management objectives, policies and processes for managing the risk

The Group and the Company undertake non-trade transactions, unsecured loans and advances to subsidiaries and joint venture. The Group and the Company monitor their results regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Loans and advances are only provided to subsidiaries and joint venture.

Recognition and measurement of impairment loss

As at the end of the reporting period, there was no indication that the intercompany balances are not recoverable.

Cash and Cash Equivalents

The cash and cash equivalents are held with banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These banks have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Other Receivables and Refundable Deposits

Credit risks on other receivables and refundable deposits are mainly arising from deposits paid for plants, advances given to staffs, amounts receivable for management of outlet, display income receivable, transport charges receivable, scrap sales receivable, penalty to be reimbursed from former shareholders of subsidiaries and payment of expenses made on behalf by the Group which are unsecured, interest free and repayable on demand. At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

Financial Guarantees

The Company provides unsecured financial guarantees to third parties in respect of provision for services to subsidiaries. The Company monitors on an ongoing basis, the results of the subsidiaries and repayments made by the subsidiaries.

The maximum exposure to credit risk is amounting to RM864,035,774 (2023: RM902,179,901) which represents the outstanding amount as at reporting date. As at reporting date, there was no indication that the subsidiaries would default on repayments.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

c. Financial Risk Management (cont'd)

v. Liquidity Risk Management

Liquidity risk is the risk that the Group or the Company will not be able to meet their financial obligations as they fall due.

The Group and the Company practice prudent liquidity risk management to minimise the mismatch of financial assets and liabilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's financial liabilities as at the reporting date based on undiscounted contractual obligations:

| The Group | Carrying value RM | Contractual interest rates per annum % | Contractual cash flows RM | On demand or within 1 year RM | 2 to 5 years RM | More than 5 years RM |
|------------------------------|----------------------|---|---------------------------------|-------------------------------------|--------------------|----------------------------|
| 2024: | | | | | | |
| Financial liabilities | | | | | | |
| Trade and other payables | 252,144,748 | - | 252,144,748 | 252,144,748 | - | - |
| Borrowings | 359,557,856 | 2.00 - 7.89 | 394,336,263 | 216,525,707 | 116,926,561 | 60,883,995 |
| Lease liabilities | 11,959,028 | 3.89 - 6.89 | 14,618,752 | 3,345,784 | 5,304,061 | 5,968,907 |
| | <u>623,661,632</u> | | <u>661,099,763</u> | <u>472,016,239</u> | <u>122,230,622</u> | <u>66,852,902</u> |
| 2023: | | | | | | |
| Financial liabilities | | | | | | |
| Trade and other payables | 268,218,149 | - | 268,218,149 | 268,218,149 | - | - |
| Borrowings | 409,355,362 | 2.00 - 7.89 | 446,551,055 | 243,447,183 | 137,547,105 | 65,556,767 |
| Lease liabilities | 11,814,760 | 3.22 - 6.89 | 14,894,043 | 3,464,484 | 4,694,240 | 6,735,319 |
| | <u>689,388,271</u> | | <u>729,663,247</u> | <u>515,129,816</u> | <u>142,241,345</u> | <u>72,292,086</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

c. Financial Risk Management (cont'd)

v. Liquidity Risk Management (cont'd)

Details of additional undrawn financing facilities that the Group has at its disposal to further reduce liquidity risk are set out below:

| | The Group | |
|-----------|--------------------|--------------------|
| | 2024 | 2023 |
| | RM | RM |
| Secured | 142,141,000 | 119,104,000 |
| Unsecured | 58,166,000 | 88,102,000 |
| | <u>200,307,000</u> | <u>207,206,000</u> |

The Company

All financial liabilities of the Company are repayable on demand or due within one year from the end of the reporting period.

For financial guarantees, it was not probable that the counterparties to financial guarantees will claim under the contract. Consequently, the amount included is negligible.

The financial guarantee contracts are the maximum amounts of the Company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

vi. Cash Flow Risk Management

The Group and the Company review their cash flow position regularly to manage their exposure to fluctuations in future cash flows associated with their monetary financial instruments.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

d. Cross-currency Interest Rate Swap

The Group enters into cross-currency interest rate swap contracts to exchange the principal payments of bank borrowings denominated in United States Dollar into Ringgit Malaysia to reduce the Group's exposure from adverse fluctuations in foreign currency.

The following table details cross-currency interest rate swap contracts outstanding as at the end of the reporting period:

The Group

| Outstanding contracts | Average exchange rate | Foreign currency | Contract value RM | Fair value RM |
|--------------------------------------|-----------------------|------------------|----------------------|------------------|
| 2024: | | | | |
| Purchase United States Dollar | | | | |
| Less than one year | 4.1209 & 4.1233 | 1,476,486 | 6,558,387 | (395,086) |
| More than one year | 4.1209 | 3,868,142 | 18,737,391 | (1,322,956) |
| 2023: | | | | |
| Purchase United States Dollar | | | | |
| Less than one year | 4.6880 | 426,974 | 1,974,100 | 29,260 |
| More than one year | 4.6880 | 5,843,654 | 28,698,190 | 1,609,308 |

e. Fair Value

The fair values of financial instruments refer to the amounts at which the instruments could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction. Fair values have been arrived at based on prices quoted in an active, liquid market or estimated using certain valuation techniques such as discounted future cash flows based upon certain assumptions. Amounts derived from such methods and valuation techniques are inherently subjective and therefore do not necessarily reflect the amounts that would be received or paid in the event of immediate settlement of the instruments concerned.

On the basis of the amounts estimated from the methods and techniques as mentioned in the preceding paragraph, the carrying amount of the various financial assets and financial liabilities reflected on the statements of financial position approximate their fair values.

The methodologies used in arriving at the fair values of the principal financial assets and financial liabilities of the Group and of the Company are as follows:

- **Fixed deposits, cash and bank balances, trade and other receivables, refundable deposits, intercompany indebtedness, trade and other payables, short-term borrowings and lease liabilities:**

The carrying amounts are considered to approximate the fair values as they are either within the normal credit terms or they have short-term maturity period.

- **Long-term borrowings and lease liabilities:**

The fair values of long-term borrowings and lease liabilities are determined by estimating future cash flows on a borrowing-by-borrowing basis, and discounting these future cash flows using an interest rate which takes into consideration the Group's incremental borrowing rate at year end for similar types of debt arrangements.

- **Derivative instruments:**

The fair values of cross currency interest rate swap contract were calculated using market prices that the Group would pay or receive to settle the related agreements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

e. Fair Value (cont'd)

i. Fair value measurements recognised in the statements of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents the Group's financial assets/(liabilities) that is measured at fair value at the end of the reporting date based on the three different levels as defined above:

| The Group | Level 1 RM | Level 2 RM | Level 3 RM | Total RM |
|--|---------------|---------------|---------------|-------------|
| 2024 | | | | |
| Financial liability | | | | |
| Derivative | | | | |
| Cross currency interest rate swap contract | - | (1,718,042) | - | (1,718,042) |
| 2023 | | | | |
| Financial asset | | | | |
| Derivative | | | | |
| Cross currency interest rate swap contract | - | 1,638,568 | - | 1,638,568 |

There were no transfers between Levels 1 and 2 in 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

e. Fair Value (cont'd)

ii. Fair value of the Group's financial asset/(liability) that is measured at fair value on a recurring basis

Some of the Group's financial asset/(liability) is measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial asset/(liability) is determined (in particular, the valuation technique(s) and input used).

The Group

| Financial asset | Fair value hierarchy | | Valuation technique(s) and key input(s) | Significant unobservable input(s) | Relationship of unobservable input(s) to fair value |
|---|----------------------|-----------|--|-----------------------------------|---|
| | 2024 | 2023 | | | |
| | RM | RM | | | |
| Derivative other financial asset/(liability) | | | | | |
| Cross currency interest rate swap contract | (1,718,042) | 1,638,568 | Level 2 The fair value of interest rate swap is based on banker quotes. Those reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date | Bankers' interest rate | The higher the interest rate, the higher the fair value |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

f. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from financing activities.

| The Group | Beginning of financial year RM | Financing cash flows ⁽ⁱ⁾ RM | Other non-cash changes ⁽ⁱⁱ⁾ RM | End of financial year RM |
|---|-----------------------------------|---|--|-----------------------------|
| 2024 | | | | |
| Borrowings (excluding bank overdrafts) | 409,314,811 | (50,393,700) | 433,417 | 359,354,528 |
| Lease liabilities | 11,814,760 | (4,122,735) | 4,267,003 | 11,959,028 |
| Amount owing to a joint venture | 1,757,748 | 116,390 | (125,630) | 1,748,508 |
| Amount owing to non-controlling interests of a subsidiary | 279,400 | 328,680 | - | 608,080 |
| Amount owing to a Director of a subsidiary | 274,944 | (276,304) | 1,360 | - |
| Total liabilities arising from financing activities | <u>423,441,663</u> | <u>(54,347,669)</u> | <u>4,576,150</u> | <u>373,670,144</u> |
| 2023 | | | | |
| Borrowings (excluding bank overdrafts) | 478,379,935 | (79,855,562) | 10,790,438 | 409,314,811 |
| Lease liabilities | 14,795,419 | (4,195,677) | 1,215,018 | 11,814,760 |
| Amount owing to a joint venture | 1,174,374 | 498,465 | 84,909 | 1,757,748 |
| Amount owing to non-controlling interests of a subsidiary | 144,665 | 134,735 | - | 279,400 |
| Amount owing to a Director of a subsidiary | - | 268,360 | 6,584 | 274,944 |
| Amount owing to a Director | 91,512 | (94,848) | 3,336 | - |
| Total liabilities arising from financing activities | <u>494,585,905</u> | <u>(83,244,527)</u> | <u>12,100,285</u> | <u>423,441,663</u> |

⁽ⁱ⁾ The cash flows from borrowings make up the net amount of drawdowns and repayments of borrowings and loans in the statements of cash flows.

⁽ⁱⁱ⁾ Other non-cash changes include the drawdown amounts of hire-purchase payables during the year, accretion of interest, additions of lease liabilities and effect of foreign currency exchange differences.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

f. Reconciliation of Liabilities Arising from Financing Activities (cont'd)

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from financing activities (cont'd).

| The Company | Beginning of financial year RM | Financing cash flows RM | Waiver of debts RM | End of financial year RM |
|------------------------------|--------------------------------------|-------------------------------|--------------------------|--------------------------------|
| 2024 | | | | |
| Amount owing to subsidiaries | 1,308,261 | 5,405 | (157,000) | 1,156,666 |
| 2023 | | | | |
| Amount owing to subsidiaries | 15,180,840 | (13,872,579) | - | 1,308,261 |

41. FINANCIAL GUARANTEES

| | The Company | |
|--|-------------|------|
| | 2024 | 2023 |
| | RM | RM |

Unsecured

| | | |
|---|-------------|-------------|
| Corporate guarantee given to third parties in respect of provision for services to subsidiaries | 864,035,774 | 902,179,901 |
|---|-------------|-------------|

The financial guarantees have not been recognised in the financial statements since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards credit enhancements to the subsidiaries.

42. DIRECTORS' BENEFITS-IN-KIND

| | The Group | |
|--|-----------|---------|
| | 2024 | 2023 |
| | RM | RM |
| Estimated cash value of benefits-in-kind provided to Directors | 172,946 | 138,319 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

43. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the details of related parties and their relationship with the Company and its subsidiaries are as follows:

| Name of related parties | Relationship |
|--|---------------------|
| Benarlab Sdn. Bhd. | Direct subsidiary |
| CAB Amesist Biomass Generation Sdn. Bhd. | Direct subsidiary |
| CAB Cakaran Sdn. Bhd. | Direct subsidiary |
| CABINDO Poultry Sdn. Bhd. | Direct subsidiary |
| Dronexcel Sdn. Bhd. | Direct subsidiary |
| Farm's Best Food Industries Sdn. Bhd. | Direct subsidiary |
| Home Mart Fresh & Frozen Sdn. Bhd. | Direct subsidiary |
| Home Mart Southern Fresh & Frozen Sdn. Bhd. | Direct subsidiary |
| Kyros Food Industries Sdn. Bhd. | Direct subsidiary |
| Kyros International Sdn. Bhd. | Direct subsidiary |
| Likes Marketing Sdn. Bhd. | Direct subsidiary |
| Tong Huat Poultry Processing Factory Pte. Ltd. | Direct subsidiary |
| Antik Kualiti Sdn. Bhd. | Indirect subsidiary |
| Ayamlikes Food Processing Sdn. Bhd. | Indirect subsidiary |
| Ban Hong Poultry Pte. Ltd. | Indirect subsidiary |
| C&B Poultry Sdn. Bhd. | Indirect subsidiary |
| CAB Cakaran Breeding Farm Sdn. Bhd. | Indirect subsidiary |
| CAB Cakaran (Langkawi) Sdn. Bhd. | Indirect subsidiary |
| CAB Cakaran Southern Sdn. Bhd. | Indirect subsidiary |
| CAB Cakaran (Timur) Sdn. Bhd. | Indirect subsidiary |
| CAB International Trade Pte. Ltd. | Indirect subsidiary |
| Cabin Premier GPS Farm Sdn. Bhd. | Indirect subsidiary |
| Gourmet Chefs Pte. Ltd. | Indirect subsidiary |
| Jaya Gading Farm Sdn. Bhd. | Indirect subsidiary |
| Jimat Jaya Sdn. Bhd. | Indirect subsidiary |
| Kim Fa Foodstuffs Pte. Ltd. | Indirect subsidiary |
| Kyros Kebab Sdn. Bhd. | Indirect subsidiary |
| Kyros Trademark Sdn. Bhd. | Indirect subsidiary |
| OTK Farm Equipment Sdn. Bhd. | Indirect subsidiary |
| Pasaraya Jaya Gading Sdn. Bhd. | Indirect subsidiary |
| Protheme Pte. Ltd. | Indirect subsidiary |
| Shin Hong Breeding Farm Sdn. Bhd. | Indirect subsidiary |
| Southern Food And Groceries Supply Sdn. Bhd. (formerly known as HK Foods (M) Sdn. Bhd.) | Indirect subsidiary |
| TH Likes Pte. Ltd. | Indirect subsidiary |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

43. RELATED PARTY TRANSACTIONS (CONT'D)

In addition to the related party information disclosed elsewhere in the financial statements, the details of related parties and their relationship with the Company and its subsidiaries are as follows (cont'd):

| Name of related parties | Relationship |
|---|---|
| Fah Leong Sdn. Bhd. | Associate |
| Singapore Poultry Hub Pte. Ltd. | Joint venture |
| Aqina Farming Sdn. Bhd. | A company in which the parent of a Director of a subsidiary is Directors and has interests |
| Aqinajaya Sdn. Bhd. | A company in which the parent of a Director of a subsidiary is Directors and has interests |
| Asiawe Sdn. Bhd. | A company in which certain Directors of the Company are also Directors and have interests |
| Chuah Ah Bee Sdn. Bhd. | A company in which certain Directors of the Company are also Directors and have interests |
| Chuah Ah Chui | Brother of a Director of the Company |
| Chyuan Heng Farming Sdn. Bhd. | A company in which a major shareholder of a subsidiary is also a director and has interest |
| Hwah Wai Agriculture Sdn. Bhd. | A company in which a major shareholder of a subsidiary is also a director and has interest |
| Intelmatrix Sdn. Bhd. | A company in which a Director of a subsidiary is also a Director and has interest |
| Kebun Ngohock (P.W.) Sdn. Bhd. | A company in which certain Directors of the Company are also Directors and have interests |
| Maju Jaya Farm | An entity which is owned by the brother-in-law of a Director and major shareholder of a subsidiary and has interest |
| Mata Aerotech Sdn. Bhd. | A corporate shareholder of a subsidiary in which a Director of a subsidiary is also a Director and has interest |
| Ni-On Marketing | An entity in which a Director of a subsidiary is also a Director and has interest |
| Nulab Sdn. Bhd. | A company in which certain Directors of a subsidiary are also Directors and have interests |
| OTO Agriculture Marketing Sdn. Bhd. | A company in which a Director of a subsidiary is also a Director and has interest |
| Shin Salim Japan Co. Ltd. | A company in which a Director of the Company is also a Director and a non-controlling interest of a subsidiary has interest |
| Sinmah Food Services (S) Pte. Ltd. | A company in which a Director of a subsidiary is also a Director and has interest |
| Sinmah Poultry Processing (S) Pte. Ltd. | A company in which a Director of a subsidiary is also a Director and has interest |
| Syarikat Sin Long Heng Breeding Farm Sdn. Bhd | A company in which certain Directors of a subsidiary are also Directors and have interests |
| Unisetali Sdn. Bhd. | A company in which a major shareholder and a director of a subsidiary and his brother has interest |
| YWT Contract Farming | An entity which is owned by a major shareholder and a Director of a subsidiary and has interest |
| Shern Wei Trading | An entity in which a brother of a Director of a subsidiary is a Director and has interest |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

43. RELATED PARTY TRANSACTIONS (CONT'D)

Significant Related Parties Transactions

| | The Group | | The Company | |
|-----------------------------------|-------------|------------|-------------|------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Subsidiaries: | | | | |
| Dividend received | - | - | 5,458,725 | 15,700,000 |
| Interest received | - | - | 688,227 | 676,619 |
| Management fee received | - | - | 340,000 | 340,000 |
| Waiver of debts | - | - | 157,000 | - |
| Interest paid | - | - | 98,928 | 765,817 |
| Management fee paid | - | - | 24,000 | 24,000 |
| Short-term leases paid | - | - | 24,000 | 24,000 |
| Internal audit charges received | - | - | 23,138 | 24,873 |
| Sundry purchases | - | - | 3,258 | 4,936 |
| An associate: | | | | |
| Short-term leases paid | 249,600 | 249,600 | - | - |
| A joint venture: | | | | |
| Slaughtering charges paid | 19,681,593 | 14,830,452 | - | - |
| Management fee paid | 959,680 | 640,096 | - | - |
| Labour and other charges received | 584,618 | 3,006,669 | - | - |
| Labour and other charges paid | 443,243 | 421,882 | - | - |
| A director of the Company: | | | | |
| Short-term leases paid | 93,000 | 93,000 | - | - |
| Directors of subsidiaries: | | | | |
| Short-term leases paid | 13,200 | 12,400 | - | - |
| Lease liabilities paid | - | 105,667 | - | - |
| Other related parties: | | | | |
| Purchases | 109,382,473 | 95,239,548 | - | - |
| Sales | 87,887,107 | 87,910,710 | - | - |
| Rental received | 1,946,928 | 1,841,489 | - | - |
| Transportation charges paid | 381,079 | 112,452 | - | - |
| Short-term leases paid | 365,700 | 366,000 | - | - |
| Labour charges paid | 316,863 | 228,992 | - | - |
| Management fee paid | 240,000 | 240,000 | - | - |
| Sundry purchases | 113,212 | 112,394 | - | - |
| Scrap sales | 36,000 | 36,000 | - | - |
| Training charges paid | 12,000 | - | - | - |
| Sales commission paid | 10,029 | 11,735 | - | - |
| Upkeep paid | - | 150 | - | - |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

44. CAPITAL COMMITMENTS

The Group has the following commitments in respect of capital expenditure:

| | The Group | |
|---------------------------------|-------------------|-------------------|
| | 2024 | 2023 |
| | RM | RM |
| Approved and contracted for | <u>28,069,090</u> | <u>36,649,341</u> |
| Approved but not contracted for | <u>59,221,226</u> | <u>72,755,678</u> |

45. SUBSEQUENT EVENT

Significant event subsequent to the financial year

On 28 November 2024, the Company proposed a final single tier dividend of RM0.01 per ordinary share in respect of the current financial year. The proposed final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 September 2025.

46. SEGMENT INFORMATION

Segment information is presented in respect of the Group's business segments which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purpose of allocating resources to the segment and assessing its performance.

For management purposes, the Group is organised into the operating divisions:

- a. investment holding;
- b. integrated poultry;
- c. fast food business;
- d. retailing; and
- e. drone service.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

46. SEGMENT INFORMATION (CONT'D)

Information regarding the Group's reportable segments is presented below.

Segment Revenue and Results

| The Group | Investment | Integrated | Fast food | Retailing | Drone | Eliminations | Consolidated |
|---|------------------|----------------------|------------------|--------------------|----------------|---------------------|----------------------|
| | holding | poultry | business | RM | service | RM | RM |
| | RM | RM | RM | RM | RM | RM | RM |
| 2024: | | | | | | | |
| Revenue | | | | | | | |
| External revenue | - | 2,145,522,624 | 2,484,823 | 148,537,729 | 544,927 | - | 2,297,090,103 |
| Inter-segment revenue | 5,821,863 | 23,141,253 | 558,456 | 8,594 | - | (29,530,166) | - |
| Total revenue | 5,821,863 | 2,168,663,877 | 3,043,279 | 148,546,323 | 544,927 | (29,530,166) | 2,297,090,103 |
| Results | | | | | | | |
| Segment results | 4,100,750 | 174,856,542 | (762,303) | (588,665) | (829,228) | (26,870,379) | 149,906,717 |
| Other gains and losses | | | | | | | (380,916) |
| Net remeasurement of expected credit loss | | | | | | | (4,359,762) |
| Share of result of an associate | | | | | | | 14,797 |
| Share of result of a joint venture | | | | | | | 1,831,619 |
| Profit before interest and taxation | | | | | | | 147,012,455 |
| Interest income | | | | | | | 3,235,961 |
| Finance costs | | | | | | | (18,728,408) |
| Profit before tax | | | | | | | 131,520,008 |
| Tax expense | | | | | | | (38,331,677) |
| Profit for the financial year | | | | | | | 93,188,331 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

46. SEGMENT INFORMATION (CONT'D)

Segment Revenue and Results (cont'd)

| The Group (cont'd) | Investment holding RM | Integrated poultry RM | Fast food business RM | Retailing RM | Drone service RM | Eliminations RM | Consolidated RM |
|---|--------------------------|--------------------------|--------------------------|--------------------|---------------------|---------------------|----------------------|
| 2023: | | | | | | | |
| Revenue | | | | | | | |
| External revenue | - | 2,102,240,565 | 1,531,435 | 141,679,120 | 544,328 | - | 2,245,995,448 |
| Inter-segment revenue | 16,064,873 | 23,433,367 | 598,152 | 8,553 | - | (40,104,945) | - |
| Total revenue | 16,064,873 | 2,125,673,932 | 2,129,587 | 141,687,673 | 544,328 | (40,104,945) | 2,245,995,448 |
| Results | | | | | | | |
| Segment results | 14,339,259 | 241,052,756 | (460,976) | (23,552) | (720,342) | (46,367,849) | 207,819,296 |
| Other gains and losses | | | | | | | 2,104,339 |
| Net remeasurement of expected credit loss | | | | | | | (2,449,603) |
| Share of result of an associate | | | | | | | 14,672 |
| Share of result of a joint venture | | | | | | | (59,978) |
| Profit before interest and taxation | | | | | | | 207,428,726 |
| Interest income | | | | | | | 1,880,623 |
| Finance costs | | | | | | | (20,001,423) |
| Profit before tax | | | | | | | 189,307,926 |
| Tax expense | | | | | | | (47,929,376) |
| Profit for the financial year | | | | | | | 141,378,550 |

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment profit/(loss) represents the profit earned/loss suffered by each segment without investment revenue, other gains and losses, finance costs and tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

46. SEGMENT INFORMATION (CONT'D)

Segment Assets and Liabilities

| The Group | Investment holding RM | Integrated poultry RM | Fast food business RM | Retailing RM | Drone service RM | Eliminations RM | Consolidated RM |
|---------------------------------------|--------------------------|--------------------------|--------------------------|-----------------|---------------------|--------------------|----------------------|
| 2024: | | | | | | | |
| Assets | | | | | | | |
| Segment assets | 141,051,966 | 1,382,911,961 | 2,406,501 | 37,201,960 | 1,423,514 | (129,177,840) | 1,435,818,062 |
| Interest revenue producing assets | | | | | | | 120,681,999 |
| Tax assets | | | | | | | <u>2,165,028</u> |
| Consolidated total assets | | | | | | | <u>1,558,665,089</u> |
| Liabilities | | | | | | | |
| Segment liabilities | 173,046 | 252,355,656 | 514,990 | 17,873,788 | 681,642 | - | 271,599,122 |
| Borrowings | | | | | | | 359,557,856 |
| Tax liabilities | | | | | | | <u>66,701,637</u> |
| Consolidated total liabilities | | | | | | | <u>697,858,615</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

46. SEGMENT INFORMATION (CONT'D)

Segment Assets and Liabilities (cont'd)

| The Group (cont'd) | Investment holding RM | Integrated poultry RM | Fast food business RM | Retailing RM | Drone service RM | Eliminations RM | Consolidated RM |
|---------------------------------------|--------------------------|--------------------------|--------------------------|-----------------|---------------------|--------------------|----------------------|
| 2023: | | | | | | | |
| Assets | | | | | | | |
| Segment assets | 137,366,152 | 1,394,210,586 | 1,150,590 | 36,526,862 | 2,980,912 | (113,433,522) | 1,458,801,580 |
| Interest revenue producing assets | | | | | | | 76,640,917 |
| Tax assets | | | | | | | <u>2,322,109</u> |
| Consolidated total assets | | | | | | | <u>1,537,764,606</u> |
| Liabilities | | | | | | | |
| Segment liabilities | 158,660 | 267,570,787 | 255,504 | 16,926,805 | 349,344 | (5,500) | 285,255,600 |
| Borrowings | | | | | | | 409,355,362 |
| Tax liabilities | | | | | | | <u>66,453,743</u> |
| Consolidated total liabilities | | | | | | | <u>761,064,705</u> |

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than short-term deposits, and current and deferred tax assets. Goodwill is allocated to reportable segments.
- All liabilities are allocated to reportable segments other than borrowings, and current and deferred tax liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

46. SEGMENT INFORMATION (CONT'D)

Other Segment Information

| The Group | Investment holding RM | Integrated poultry RM | Fast food business RM | Retailing RM | Drone service RM | Eliminations RM | Consolidated RM |
|--|--------------------------|--------------------------|--------------------------|-----------------|---------------------|--------------------|--------------------|
| 2024: | | | | | | | |
| Other information | | | | | | | |
| Additions to non-current assets | - | 62,107,278 | 907,862 | 4,525,812 | - | (106,280) | 67,434,672 |
| Depreciation and amortisation expenses | 1,603 | 50,372,761 | 230,876 | 1,816,209 | 563,268 | 6,241,324 | 59,226,041 |
| Net remeasurement of expected credit loss | - | 4,366,198 | - | - | (6,436) | - | 4,359,762 |
| Impairment loss recognised on receivables | - | 1,876,701 | - | - | - | - | 1,876,701 |
| Impairment loss recognised on intangible assets | - | - | - | - | 1,056,863 | - | 1,056,863 |
| Impairment loss recognised on investment in subsidiaries | - | 530,075 | - | - | - | (530,075) | - |
| Other non-cash expenses | - | 6,209,952 | - | 1,138,064 | - | (246,081) | 7,101,935 |
| 2023: | | | | | | | |
| Other information | | | | | | | |
| Depreciation and amortisation expenses | 1,692 | 48,683,643 | 222,583 | 1,753,703 | 578,149 | 6,427,492 | 57,667,262 |
| Additions to non-current assets | - | 48,347,309 | 4,825 | 4,279,532 | 355,820 | (84,000) | 52,903,486 |
| Net remeasurement of expected credit loss | - | 2,443,167 | - | - | 6,436 | - | 2,449,603 |
| Impairment loss recognised on receivables | - | 215,967 | - | - | - | - | 215,967 |
| Impairment loss recognised on investment in subsidiaries | 11,055,971 | 2,482,330 | - | - | - | (13,538,301) | - |
| Other non-cash expenses | - | 4,638,358 | - | 1 | - | (83,990) | 4,554,369 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 SEPTEMBER 2024

46. SEGMENT INFORMATION (CONT'D)

Revenue from Major Products and Services

Analysis of revenue from major products and services was not disclosed due to it is not practical to analyse these information without incurring excessive cost.

Geographical Information

The Group's integrated poultry business are located in Malaysia and Republic of Singapore. All the other operations are located in Malaysia.

The Group's revenue from external customers attributed to countries of domicile of the Company and its subsidiaries are detailed below:

| | The Group | |
|-----------------------|----------------------|----------------------|
| | 2024 | 2023 |
| | RM | RM |
| Malaysia | 1,977,598,493 | 1,965,928,966 |
| Republic of Singapore | 319,491,610 | 280,066,482 |
| | <u>2,297,090,103</u> | <u>2,245,995,448</u> |

The Group's revenue from external customers attributed to countries from which the Company and its subsidiaries derive revenue are detailed below:

| | The Group | |
|-----------|----------------------|----------------------|
| | 2024 | 2023 |
| | RM | RM |
| Malaysia | 1,949,065,666 | 1,959,027,883 |
| Singapore | 339,059,382 | 280,663,892 |
| Brunei | 4,001,000 | 3,459,041 |
| Hong Kong | 3,320,587 | - |
| Japan | 1,643,468 | 2,202,596 |
| Myanmar | - | 192,033 |
| Others | - | 450,003 |
| | <u>2,297,090,103</u> | <u>2,245,995,448</u> |

Information about the Group's non-current assets by locations are detailed below:

| | The Group | |
|-----------------------|--------------------|--------------------|
| | 2024 | 2023 |
| | RM | RM |
| Malaysia | 797,931,460 | 785,443,792 |
| Republic of Singapore | 81,652,302 | 90,186,325 |
| | <u>879,583,762</u> | <u>875,630,117</u> |

Non-current assets exclude other financial assets and deferred tax assets.

Information about Major Customers

Information about major customers was not disclosed as there was no customer that contributed 10% or more to the Group's revenue for both 2024 and 2023.

STATEMENT BY DIRECTORS

The Directors of **CAB CAKARAN CORPORATION BERHAD** state that, in their opinion, the financial statements set out on pages 84 to 185 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2024 and of their financial performance and their cash flows for the financial year then ended.

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

CHUAH AH BEE

CHUAH HOON PHONG

Penang
20 December 2024

DECLARATION BY THE DIRECTOR

PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **CHUAH AH BEE**, being the Director primarily responsible for the financial management of **CAB CAKARAN CORPORATION BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 84 to 185 are correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
the abovenamed **CHUAH AH BEE** at
GEORGETOWN in the State of **PENANG**
on 20 December 2024

Before me,

GOH SUAN BEE
NO. P.195
COMMISSIONER FOR OATHS

LIST OF TOP TEN (10) PROPERTIES

| Location/address | Description of Property/ Existing Use | Land/Built-Up Area (sq.m.) | Approximate Age of Building (year) | Tenure | Net Book Value as at September 30, 2024 (RM) | Date of Valuation/ Purchase |
|---|---|--|------------------------------------|---|--|-----------------------------|
| Lot 47, Geran No. 85373, Tempat Padang Bongor, Bandar Gurun, Daerah Kuala Muda, Kedah. | A parcel of Agricultural land/ vacant | 414,401.282/ - | - | Grant in perpetuity | 38,629,697 | 30.09.2017 |
| Lot Nos 1512 & 3037, Title Nos GRN 38752 & GRN 7314, Mukim 11, Province Wellesley South, Penang | Two parcels of Agricultural lands/Breeder farms | 168,264.23/ 24,140.41 | 34 - 39 | Grant in perpetuity | 38,327,734 | 30.09.2017 |
| JTC Space known as Pte Lot A3007536 at JTC Poultry Processing Hub @ Buroh, #03-04, 3 Buroh Lane Singapore 618285 | Three units of factories at JTC Poultry Processing Hub | 3,964.93 | 6 | Leahold 30 years commencing 1 June 2019 | 35,273,096 | 17.05.2019 |
| Lot No. 1623, Title No. GRN 40215, Mukim 14, District of Seberang Perai Tengah, State of Penang /No. 227, Kampung Nenas, Kuala Tasek, Permatang Tinggi, 14100 Bukit Mertajam, Penang | A parcel of Agricultural land/Poultry farms | 49,699.44/ Breeder house - 13,804.18/ Other - 1,899.75 | 22 - 29 | Grant in perpetuity | 29,018,847 | 30.09.2017 |
| Lot Nos. 43, 49, 368, 373, 256, 255, 251, 252, 253, 249, 257, 258, 246, 247, 248 & 250, Mukim Grant Nos. 120, 121, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 173, 174, 175 & 179, respectively, Mukim 6, Province Wellesley South, Penang | Sixteen parcels of lands/renting as Breeder farms | 91,667.22/ 15,063.73 | 34 - 39 | Grant in perpetuity | 23,760,000 | 30.09.2022 |
| Lot No. 26260, Lot No. 26261 and PT92181, Title Nos GRN 95669, GRN 95670 and HSD 109633 respectively, Town of Sungai Petani, District of Kuala Muda, Kedah /Plot 21-24, Bukit Makmur Industrial Estate, Sungai Lalang, 08100 Bedong, Kedah | Three parcels of industrial lands erected upon it a three-storey office cum a single-storey factory/ processing factory | 35,008/ 12,314.58 | 12 | Grant in perpetuity | 21,369,318 | 30.09.2017 |

LIST OF TOP TEN (10) PROPERTIES (CONT'D)

| Location/address | Description of Property/ Existing Use | Land/Built-Up Area (sq.m.) | Approximate Age of Building (year) | Tenure | Net Book Value as at September 30, 2024 (RM) | Date of Valuation/ Purchase |
|---|---|---|---------------------------------------|---|--|--------------------------------|
| Lot 2893 to 2899, Title Nos GRN 15721 to 15727, Mukim of Sungei Baru Ilir, District of Alor Gajah, State of Melaka. | 7 parcels of Agriculture lands/ Breeder farms | 286,339/ Breeder house 33,213.21/ Hatchery building 2,011.17/ Others 2,263.77 | 32 | Grant in perpetuity | 20,444,758 | 23.05.2018 |
| 24, Senoko Crescent, Singapore 758276 | A JTC "Type T6" 2-storey intermediate terrace factory/food factory | 1,470.3/ 1,983.6 | 33 | Leasehold 30 years + 30 years commencing 1 March 1991 | 17,657,103 | 29.11.2017 |
| Lot 429, Title No. GM302, Mukim Tebrau, Daerah Johor Bahru, Johor/Lot 429, Jalan Seelong Jaya 13, 81400 Senai, Johor | A parcel of industrial land erected upon it an office cum a single storey detached factory/ processing factory | 19,653/ 3,264.25 | 16 | Grant in perpetuity | 14,999,194 | 31.07.2019 |
| Lot 1441, Title No. HS(D) 57691, Mukim 12, Daerah Seberang Perai Tengah, Pulau Pinang | Part of the parcel of Agricultural land/Breeder farms | 242,811.4/ Breeder house & Others - 38,024.25 | 9 - 10 | Sub-lease for 30 years expiring on August 29, 2040 | 13,489,366 | 30.09.2017 |

ANALYSIS OF SHAREHOLDINGS

AS AT 31 DECEMBER 2024

Total number of Issued shares : 701,347,242 Ordinary shares
 Voting Rights : On show of hands, 1 vote for 1 person
 : On a poll, 1 vote for 1 ordinary share

* Excluding 545,500 ordinary shares held as treasury shares

ANALYSIS OF SHAREHOLDINGS AS AT 31 December 2024

| Size of shareholdings | Number of Shareholders | % of total shareholders | Number of Shares | % of total Issues Capital |
|--|------------------------|-------------------------|--------------------|---------------------------|
| Less than 100 shares | 375 | 12.02 | 14,695 | 0.00 |
| 100 to 1,000 shares | 323 | 10.36 | 155,474 | 0.02 |
| 1,001 to 10,000 shares | 1,156 | 37.06 | 6,715,426 | 0.96 |
| 10,001 to 100,000 shares | 989 | 31.71 | 35,506,253 | 5.06 |
| 100,001 to less than 5% of issued shares | 272 | 8.72 | 259,017,223 | 36.93 |
| 5% and above of issued shares | 3 | 0.13 | 399,938,171 | 57.03 |
| Total | 3,119 | 100.00 | 701,347,242 | 100.00 |

SUBSTANTIAL SHAREHOLDERS AS AT 31 DECEMBER 2024

| Name | Number of Shares Held | | | | |
|-------------------------------|-----------------------|--------|-------------|----|--------|
| | Direct | % | Deemed | | % |
| Chuah Ah Bee | 198,032,079 | 28.236 | 123,615,923 | * | 17.625 |
| Chan Kim Keow | 97,116,248 | 13.847 | 26,499,675 | ## | 3.778 |
| Plant Wealth Holdings Limited | 106,595,625 | 15.199 | - | | - |
| KMP Private Ltd | - | - | 106,595,625 | @ | 15.199 |
| KMP Investment Pte Ltd | - | - | 106,595,625 | @ | 15.199 |
| Mariton International Limited | - | - | 106,595,625 | @ | 15.199 |
| Anthoni Salim | - | - | 106,595,625 | @ | 15.199 |
| Tan Hang Huat | - | - | 106,595,625 | @ | 15.199 |

DIRECTORS' SHAREHOLDINGS AS AT 31 DECEMBER 2024

| Name | Number of Shares Held | | | | |
|--|-----------------------|--------|-------------|----|--------|
| | Direct | % | Deemed | | % |
| Chuah Ah Bee | 198,032,079 | 28.236 | 123,615,923 | * | 17.625 |
| Chuah Hoon Phong | 14,344,061 | 2.045 | 860,612 | ** | 0.123 |
| Lim Ghim Chai | - | - | - | | - |
| Wijanti Tjendera | - | - | - | | - |
| Datuk Sr. Haji Zakaria Bin Hashim | 1,000 | # | - | | - |
| Professor Dato' Dr. Mohd Fakhrudin Bin Abdul Mukti | - | - | - | | - |

Note :

* Indirect Interested pursuant to Section 59(11)(c) of the Companies Act 2016 via his spouse and children and pursuant to Section 8 of the Companies Act 2016 via his shareholding in CAB Family Holdings Sdn. Bhd.

** Indirect Interested pursuant to Section 59(11)(c) of the Companies Act 2016 via his spouse and pursuant to Section 8 of the Companies Act 2016 via his shareholding in CAB Family Holdings Sdn. Bhd.

Negligible

Indirect Interested pursuant to Section 59(11)(c) of the Companies Act 2016 via his children and pursuant to Section 8 of the Companies Act 2016 via his shareholding in CAB Family Holdings Sdn. Bhd.

@ Indirect Interested pursuant to Section 8 of the Companies Act 2016 by virtue of Plant Wealth Holdings Limited's shareholding.

ANALYSIS OF SHAREHOLDINGS (CONT'D)

AS AT 31 DECEMBER 2024

THIRTY LARGEST SHAREHOLDERS AS AT 31 DECEMBER 2024

(Without aggregating securities from different securities accounts belonging to the same registered holder)

| No. | Name | No. of Shares Held | % |
|-----|--|--------------------|--------------|
| 1 | CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR) | 107,274,687 | 15.30 |
| 2 | CHUAH AH BEE | 101,992,940 | 14.54 |
| 3 | CHUAH AH BEE | 96,039,139 | 13.69 |
| 4 | CHAN KIM KEOW | 94,631,405 | 13.49 |
| 5 | CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. URUSHARTA JAMAAH SDN BHD | 21,386,900 | 3.05 |
| 6 | PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SOON HUI (E-SJA) | 16,833,275 | 2.40 |
| 7 | MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEO BOON LEONG | 14,792,400 | 2.11 |
| 8 | CHUAH HOON HONG | 12,996,875 | 1.85 |
| 9 | CHUAH HOON TENG | 12,812,500 | 1.83 |
| 10 | CHUAH HOON PHONG | 7,814,609 | 1.11 |
| 11 | CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN BHD | 7,765,000 | 1.11 |
| 12 | CHUAH HOON PHONG | 6,529,452 | 0.93 |
| 13 | LEE YEW AUN | 6,473,075 | 0.92 |
| 14 | AMAN TAN HO PENG | 6,101,000 | 0.87 |
| 15 | MAYBANK NOMINEES (TEMPATAN) SDN BHD NATIONAL TRUST FUND (IFM MAYBANK) (412183) | 6,000,000 | 0.86 |
| 16 | UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS) | 5,535,727 | 0.79 |
| 17 | MAYBANK NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR MAYBANK ISLAMIC ASSET MANAGEMENT SDN BHD (OMNIBUS TRUST ACCOUNT FOR CLIENTS) | 4,716,900 | 0.67 |
| 18 | PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENTS) | 4,563,000 | 0.65 |
| 19 | TAN CHIN TEE | 4,211,700 | 0.60 |
| 20 | CHU KUM WENG | 4,129,700 | 0.59 |
| 21 | YEO BOON LEONG | 3,634,100 | 0.52 |
| 22 | MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOO CHOO GEE | 3,201,000 | 0.46 |
| 23 | LIM POH CHOO | 3,100,075 | 0.44 |
| 24 | CHEAH BOK CHUAN | 3,002,500 | 0.43 |
| 25 | RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHIN TEE | 2,747,700 | 0.39 |
| 26 | CHENG MOOH TAT | 2,697,175 | 0.39 |
| 27 | ONG CHUAN SENG | 2,500,000 | 0.36 |
| 28 | CHAN KIM KEOW | 2,484,843 | 0.35 |
| 29 | MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN BOON PUN | 2,300,000 | 0.33 |
| 30 | NG YEE XIN | 2,260,000 | 0.32 |
| | Total | 570,527,677 | 81.35 |

ANALYSIS OF WARRANT HOLDINGS

AS AT 31 DECEMBER 2024

Warrants 2023/2028

Total number of Warrant Outstanding : 233,781,206
 Exercise/Conversion Price : 0.63
 Exercise/Conversion Ratio : 1 warrant for 1 ordinary share
 Exercise Period of Warrant : 31 May 2028

ANALYSIS OF WARRANTS HOLDINGS AS AT 31 DECEMBER 2024

| Size of Warrant | Number of Warrant Holders | % of total Warrant Holders | Number of Warrant | % of total Issued capital |
|--|---------------------------|----------------------------|--------------------|---------------------------|
| Less than 100 | 847 | 29.512 | 27,852 | 0.012 |
| 100 to 1,000 | 389 | 13.554 | 195,834 | 0.084 |
| 1,001 to 10,000 | 986 | 34.355 | 3,799,452 | 1.625 |
| 10,001 to 100,000 | 502 | 17.491 | 16,412,912 | 7.020 |
| 100,001 to less than 5% of issued warrants | 143 | 4.983 | 114,196,955 | 48.848 |
| 5% and above warrants | 3 | 0.105 | 99,148,201 | 42.411 |
| Total | 2,870 | 100.000 | 233,781,206 | 100.000 |

THIRTY LARGEST WARRANTS HOLDERS AS AT 31 DECEMBER 2024

| No. | Name | Holdings | % |
|-----|--|------------|--------|
| 1 | CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR) | 35,591,354 | 15.224 |
| 2 | CHUAH AH BEE | 32,013,046 | 13.694 |
| 3 | CHAN KIM KEOW | 31,543,801 | 13.493 |
| 4 | CHUAH AH BEE | 10,930,980 | 4.676 |
| 5 | ONG CHUAN SENG | 8,305,600 | 3.553 |
| 6 | TAN WAI HENG | 8,150,000 | 3.486 |
| 7 | KONG GOON KHING | 7,000,000 | 2.994 |
| 8 | KONG GOON KHING | 7,000,000 | 2.994 |
| 9 | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEGDED SECURITIES ACCOUNT FOR KHOR KIM SEAH (PENANG-CL) | 6,229,183 | 2.665 |
| 10 | CHUAH HOON HONG | 4,332,291 | 1.853 |
| 11 | CHUAH HOON TENG | 4,270,833 | 1.827 |
| 12 | PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR TAN SOON HUI (E-SJA) | 3,518,325 | 1.505 |
| 13 | CHUAH HOON PHONG | 2,604,869 | 1.114 |
| 14 | ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR KONG KOK CHOY (8092812) | 2,500,000 | 1.069 |
| 15 | CHUAH HOON PHONG | 2,176,484 | 0.931 |
| 16 | LEE YEW AUN | 1,896,025 | 0.811 |
| 17 | PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENTS) | 1,827,699 | 0.782 |
| 18 | CHU KUM WENG | 1,763,233 | 0.754 |
| 19 | TANG KUANG HENG | 1,689,733 | 0.723 |
| 20 | UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS) | 1,575,909 | 0.674 |

ANALYSIS OF WARRANT HOLDINGS (CONT'D)

AS AT 31 DECEMBER 2024

THIRTY LARGEST WARRANTS HOLDERS AS AT 31 DECEMBER 2024 (CONT'D)

| No. | Name | Holdings | % |
|-----|--|--------------------|---------------|
| 21 | MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR LOO CHOO GEE | 1,339,856 | 0.573 |
| 22 | CHEAH BOK CHUAN | 1,324,733 | 0.567 |
| 23 | LIM POH CHOO | 1,233,358 | 0.528 |
| 24 | TUNG YIN WAI | 1,200,000 | 0.513 |
| 25 | YEO BOON LEONG | 1,043,500 | 0.446 |
| 26 | LEE CHI SHONG @ LEE AH MAT | 1,000,000 | 0.428 |
| 27 | CHENG MOOH TAT | 952,391 | 0.407 |
| 28 | CHOO KIAN LOO | 950,000 | 0.406 |
| 29 | CHAN KIM KEOW | 828,281 | 0.354 |
| 30 | SU KIM PENG | 800,033 | 0.342 |
| | TOTAL | 185,591,517 | 79.387 |

DIRECTORS' WARRANT HOLDINGS AS AT 31 DECEMBER 2024

| Name | Number of Shares Held | | | | |
|---|-----------------------|--------|------------|----|--------|
| | Direct | % | Deemed | | % |
| Chuah Ah Bee | 42,944,026 | 18.369 | 40,975,206 | * | 17.527 |
| Chuah Hoon Phong | 4,781,353 | 2.045 | 56,770 | ** | 0.024 |
| Lim Ghim Chai | - | - | - | | - |
| Wijanti Tjendera | - | - | - | | - |
| Datuk Sr. Haji Zakaria Bin Hashim | 333# | - | - | | - |
| Professor Dato' Dr Mohd Fakhrudin Bin Abdul Mukti | - | - | - | | - |

Note :

* Indirect Interested pursuant to Section 59(11)(c) of the Companies Act 2016 via his spouse and children and pursuant to Section 8 of the Companies Act 2016 via his shareholding in CAB Family Holdings Sdn. Bhd.

** Indirect Interested pursuant to Section 59(11)(c) of the Companies Act 2016 via his spouse and pursuant to Section 8 of the Companies Act 2016 via his shareholding in CAB Family Holdings Sdn. Bhd.

Negligible

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Third Annual General Meeting (“AGM”) of the Company will be held at the Conference Room, Third Floor, CAB Cakaran Corporation Berhad, Plot 21, Lorong Jelawat 4, Seberang Jaya Industrial Park, Seberang Jaya, 13700 Perai, Penang on Monday, 24 March 2025 at 10.30 a.m. for the following purposes:

AGENDA

As Ordinary Business:

- | | | |
|----|--|--|
| 1. | To receive the Audited Financial Statements of the Company for the financial year ended 30 September 2024 and the Reports of the Directors and Auditors thereon. | Please refer to the Explanatory Notes |
| 2. | To approve the payment of a final single tier dividend of 1.00 sen per share for the financial year ended 30 September 2024. | Ordinary Resolution 1 |
| 3. | To approve the payment of Directors’ fees up to an amount of RM971,400.00 for the financial year ending 30 September 2025. | Ordinary Resolution 2 |
| 4. | To approve the payment of Directors’ benefits in accordance with Section 230(1) of the Companies Act 2016 up to an amount of RM150,000.00 from 24 March 2025 until the next Annual General Meeting of the Company. | Ordinary Resolution 3 |
| 5. | To re-elect Madam Wijanti Tjendera, a Director who retires in accordance with Article 165 of the Constitution of the Company and being eligible, has offered herself for re-election. | Ordinary Resolution 4 |
| 6. | To re-elect Professor Dato’ Dr. Mohd Fakhruddin Bin Abdul Mukti, a Director who retires in accordance with Article 165 of the Constitution of the Company and being eligible, has offered himself for re-election. | Ordinary Resolution 5 |
| 7. | To re-appoint Messrs. Grant Thornton 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. | Ordinary Resolution 6 |

As Special Business :

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

- | | | |
|----|--|------------------------------|
| 8. | AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 | Ordinary Resolution 7 |
|----|--|------------------------------|

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 (the “Act”) and subject always to the approval of all the relevant regulatory authorities, the Board of Directors of the Company be and is hereby authorised to issue and allot from time to time such number of shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company for the time being.

AND THAT the Directors are also empowered to obtain the approval from Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing of and quotation for the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.”

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

As Special Business : (Cont'd)

9. PROPOSED RENEWAL OF THE EXISTING SHARE BUY-BACK AUTHORITY

**Ordinary
Resolution 8**

"That subject to the Act, provisions of the Company's Constitution and the requirements of the Bursa Securities and other relevant governmental and regulatory authorities where such authority shall be necessary, the Board of Directors be authorised to purchase the Company's shares through Bursa Securities, subject to the following:

- i. The maximum aggregate number of shares which may be purchased by the Company shall not exceed ten per centum (10%) of the total number of issued shares in the ordinary share capital of the Company at any point in time;
- ii. The maximum fund to be allocated by the Company for the purpose of purchasing the Company's shares shall not exceed the retained profits of the Company. As at the latest financial year ended 30 September 2024, the audited retained profits of the Company stood at RM9,767,822.00;
- iii. The authority conferred by this resolution will be effective immediately upon the passing of this resolution and shall continue to be in force until the conclusion of the next AGM of the Company, at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions or the expiration of the period within which the next AGM is required by law to be held or unless revoked or varied by ordinary resolution passed by the shareholders in a general meeting, whichever occurs first;
- iv. Upon completion of the purchase(s) of the shares by the Company, the shares shall be dealt with in the following manner:
 - to cancel the shares so purchased; or
 - to retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of the Bursa Securities or subsequently cancelled; or
 - retain part of the shares so purchased as treasury shares and cancel the remainder.

The Directors of the Company be and are hereby authorised to take all such steps as are necessary and entering into all other agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluation, variations and/or amendments, if any, as may be imposed by the relevant authorities from time to time to implement or to effect the purchase of its own shares with full powers to assent to any condition, modification, revaluation, variation and/or amendment (if any) as may be imposed by the relevant authorities and/or do such acts and things as the Directors may deem fit and expedient in the best interest of the Company.

10. PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

**Ordinary
Resolution 9**

"THAT approval be and is hereby given to the Company and/or its subsidiaries (the "Group") to enter into all arrangements and/or transactions as specified in Appendix I of the Circular to Shareholders of the Company dated 27 January 2025 (the "Circular"), involving the interests of directors, major shareholders or persons connected with such directors or major shareholders of the Company ("Related Parties") as detailed in Appendix I of the Circular, provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for day-to-day operations; and
- (iii) carried out in the ordinary course of business or the normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not to be detriment of the minority shareholders of the Company.

(the "Shareholders' Mandate")

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

As Special Business : (Cont'd)

10. PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (CONT'D)

THAT the Shareholders' Mandate shall take effect from this resolution and shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the general meeting at which such Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340 (2) of the Act but shall 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 earlier.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate."

11. RETENTION OF MR. LIM GHIM CHAI AS INDEPENDENT NON-EXECUTIVE DIRECTOR

**Ordinary
Resolution 10**

"THAT approval be and is hereby given to Mr. Lim Ghim Chai who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of next AGM."

12. To transact any other business of which due notice shall have been given in accordance with the Act and the Company's Constitution.

By Order of the Board,

WONG YEE LIN (MIA15898)
SSM Practicing No: 201908001793

HING POE PYNG (MAICSA 7053526)
SSM Practicing No: 202008001322
Joint Company Secretaries

Date: 27 January 2025

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Notes:

1. A member entitled to attend, speak and vote at this AGM is entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportions of shareholdings to be represented by each proxy are specified.
3. Where a member of the Company is an exempt authorised nominee as defined under Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
4. The instrument appointing the proxy shall be in writing, executed by or on behalf of the appointor. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
5. The instrument appointing a proxy must be deposited at the Registered Office, 51-8-A, Menara BHL, Jalan Sultan Ahmad Shah, 10050 George Town, Pulau Pinang not less than 24 hours before the time for holding the Meeting or any adjournments thereof PROVIDED that in the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/their proxy. You may also submit the proxy appointment electronically via <https://www.registrar-braxton.com.my> before the proxy form submission cut-off time as mentioned in the above. For further information on the electronic submission of proxy form, kindly refer to the Administrative Guide for 23rd AGM.
6. Last date and time for lodging the proxy form is on Sunday, 23 March 2025 at 10.30 a.m.
7. For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to the Article 129 of the Company's Constitution and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Securities, a Record of Depositors ("**ROD**") as at 13 March 2025 and only Depositors whose names appear on such ROD shall be entitled to attend, speak and vote at this meeting or appoint proxy to attend and/or speak and/or vote in his/her behalf.
8. All resolutions as set out in this notice of 23rd AGM are to be voted by poll.

Explanatory Notes on Ordinary Business

Item 1 of the Agenda

To receive the Audited Financial Statements for the financial year ended 30 September 2024 and the Reports of the Directors and Auditors thereon.

This item is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require shareholders' approval for the audited financial statements. Therefore, this item will not be put forward for voting.

Ordinary Resolution 2 - Directors' Fees

The proposed Ordinary Resolution 2, if passed, will authorise the payment of the Directors' fees up to the amount of RM971,400.00 for the financial year ending 30 September 2025.

Ordinary Resolution 3 - Directors' Benefits

The proposed Ordinary Resolution 3, if passed, will authorise the payment of the Directors' benefits up to an amount of RM150,000.00 from 24 March 2025 until the next AGM of the Company.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Explanatory Notes on Special Business

Ordinary Resolution 7 – Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act, 2016

The proposed Ordinary Resolution 7 is the renewal of the mandate obtained from the members at the last AGM (the “Mandate”), if passed, will give authority to the Directors to issue and allot shares up to 10% of the total number of issued shares of the Company at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

The Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

As at the date of this Notice, there were no new shares issued pursuant to the mandate granted to the Directors at the 22nd AGM held on 25 March 2024 and which will lapse at the conclusion of the 23rd AGM.

Ordinary Resolution 8 – Proposed Renewal of the Existing Share Buy-Back Authority

The proposed Ordinary Resolution 8, if passed, will give the Directors of the Company authority to purchase its own shares up to ten per centum (10%) of the total number of issued shares of the Company. In order to avoid any delay and costs involved in convening a general meeting, it is thus appropriate to seek shareholders’ approval. This authority, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM. Please refer to the Part A of the Circular dated 27 January 2025 for further information.

Ordinary Resolution 9 – Proposed New and Renewal of Shareholders’ Mandate (“Proposed Shareholders’ Mandate”)

The proposed Ordinary Resolution 9, if passed, will allow the Company and/or its subsidiaries to enter into recurrent related party transactions under the Proposed Shareholders’ Mandate pursuant to the provisions of the Main Market Listing Requirements of Bursa Securities without the necessity to convene separate general meetings from time to time to seek shareholders’ approval as and when such recurrent related party transactions occur. This would reduce substantial administrative time and expenses associated with the convening of such meetings without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group. The Proposed Shareholders’ Mandate is subject to renewal on an annual basis. Please refer to Part B of the Circular to Shareholders dated 27 January 2025 for further information.

Ordinary Resolution 10 - Continuing in office as an Independent Non-Executive Director

The Nomination Committee had assessed the independence of Mr. Lim Ghim Chai, who has served on the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years and the Board has recommended that the approval of the shareholders be sought to re-appoint Mr. Lim Ghim Chai as an Independent Non-Executive Director based on the following justification:

- (i) He has met the criteria under the definition of Independent Director pursuant to Chapter 1 of the Bursa Malaysia Securities Berhad’s Main Market Listing Requirements;
- (ii) He has vast experience in the various industries the Group is involved in and as such could provide the Board with a diverse set of experience, expertise and independent judgement;
- (iii) He consistently challenges management in an effective and constructive manner;
- (iv) He has good and thorough understanding of the main drivers of the business in a detailed manner;
- (v) He actively participates in Board deliberations and decision making in an objective manner; and
- (vi) He exercises due care in all undertakings of the Group and carries out his fiduciary duties in the interest of the Company and minority shareholders.

PERSONAL DATA POLICY

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the AGM, and any adjournment thereof.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Malaysia Securities Berhad)

As at date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at this forthcoming AGM.

The Company will seek shareholders' approval on the general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to the proposed Ordinary Resolution 7 as stated in the Notice of AGM of the Company for the details.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN that a final single tier dividend of 1.00 sen per share for the financial year ended 30 September 2024, if approved, will be paid on 18 April 2025 to Depositors registered in the Record of Depositors at the close of business on 4 April 2025. A Depositor shall qualify for entitlement to the Dividend in respect of:

- a) shares transferred into the Depositor's Securities Account before 4.30 p.m. on 4 April 2025 in respect of transfers;
- b) shares bought on the Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the rules of Bursa Securities.

By Order of the Board,

WONG YEE LIN (MIA15898)
SSM Practicing No: 201908001793

HING POE PYNG (MAICSA 7053526)
SSM Practicing No: 202008001322
Joint Company Secretaries

Date: 27 January 2025



PROXY FORM

CAB CAKARAN CORPORATION BERHAD
(200201015998) (583661-W)
(Incorporated in Malaysia)

| | |
|-----------------|--------------------|
| CDS Account No. | No. of shares held |
| | |

I/We _____ Tel: _____
[Full name in block, NRIC/Passport/Company No.]

of _____

being shareholder(s) of **CAB Cakaran Corporation Berhad**, hereby appoint:

| | | | |
|----------------------|-------------------|-----------------------------|---|
| Full Name (in Block) | NRIC/Passport No. | Proportion of Shareholdings | |
| | | No. of Shares | % |
| Address | | | |

and / or* (*delete as appropriate)

| | | | |
|----------------------|-------------------|-----------------------------|---|
| Full Name (in Block) | NRIC/Passport No. | Proportion of Shareholdings | |
| | | No. of Shares | % |
| Address | | | |

or failing him, the Chairperson of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Twenty-Third Annual General Meeting of the Company to be held at **the Conference Room, Third Floor, CAB Cakaran Corporation Berhad, Plot 21, Lorong Jelawat 4, Seberang Jaya Industrial Park, Seberang Jaya, 13700 Perai, Penang** on **Monday, 24 March 2025 at 10.30 a.m.** or any adjournment thereof, and to vote as indicated below:

| ORDINARY BUSINESS | Ordinary | For | Against |
|--|---------------|-----|---------|
| Approval of the payment of a final single tier dividend of 1.00 sen per share for the financial year ended 30 September 2024 | Resolution 1 | | |
| Approval of Directors' fees | Resolution 2 | | |
| Approval of Directors' benefits | Resolution 3 | | |
| Re-election of Madam Wijanti Tjendera | Resolution 4 | | |
| Re-election of Professor Dato' Dr. Mohd Fakhrudin Bin Abdul Mukti | Resolution 5 | | |
| Re-appointment of Grant Thornton Malaysia PLT as Auditors of the Company | Resolution 6 | | |
| Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 | Resolution 7 | | |
| Renewal of share buy-back authority | Resolution 8 | | |
| Proposed new and renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature | Resolution 9 | | |
| Retention of Mr. Lim Ghim Chai as Independent Non-Executive Director | Resolution 10 | | |

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this day of

Signature
Shareholder



Notes:

1. A member entitled to attend, speak and vote at this AGM is entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportions of shareholdings to be represented by each proxy are specified.
3. Where a member of the Company is an exempt authorised nominee as defined under Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
4. The instrument appointing the proxy shall be in writing, executed by or on behalf of the appointor. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
5. The instrument appointing a proxy must be deposited at the Registered Office, 51-8-A, Menara BHL, Jalan Sultan Ahmad Shah, 10050 George Town, Pulau Pinang not less than 24 hours before the time for holding the Meeting or any adjournments thereof PROVIDED that in the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/their proxy. You may also submit the proxy appointment electronically via <https://www.registrar-braxton.com.my> before the proxy form submission cut-off time as mentioned in the above. For further information on the electronic submission of proxy form, kindly refer to the Administrative Guide for 23rd AGM.
6. Last date and time for lodging the proxy form is on Sunday, 23 March 2025 at 10.30 a.m.
7. For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to the Article 129 of the Company's Constitution and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Securities, a Record of Depositors ("**ROD**") as at 13 March 2025 and only Depositors whose names appear on such ROD shall be entitled to attend, speak and vote at this meeting or appoint proxy to attend and/or speak and/or vote in his/her behalf.
8. All resolutions as set out in this notice of 23rd AGM are to be voted by poll.

PERSONAL DATA POLICY

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the AGM, and any adjournment thereof.

1st fold here

AFFIX
STAMP

The Secretaries


CAB CAKARAN CORPORATION BERHAD (200201015998) (583661-W)
51-8-A, Menara BHL,
Jalan Sultan Ahmad Shah,
10050 George Town,
Pulau Pinang


Then fold here

CAB CAKARAN CORPORATION BERHAD

(200201015998) (583661 W)

Plot 21, Lorong Jelawat 4
Seberang Jaya Industrial Park
Seberang Jaya, 13700 Perai
Penang, Malaysia

 604-398 2233

 604-398 0137 / 398 0370

 cab@cab.com.my

www.cab.com.my

