



CB INDUSTRIAL PRODUCT HOLDING BERHAD

199701013434 (428930-H)

ANNUAL
REPORT

20
25



EQUIPPING PALM OIL MILLS
WITH GREEN AND INNOVATIVE
TECHNOLOGIES AROUND THE WORLD

FIVE YEARS FINANCIAL HIGHLIGHTS

LOSS BEFORE TAX



REVENUE

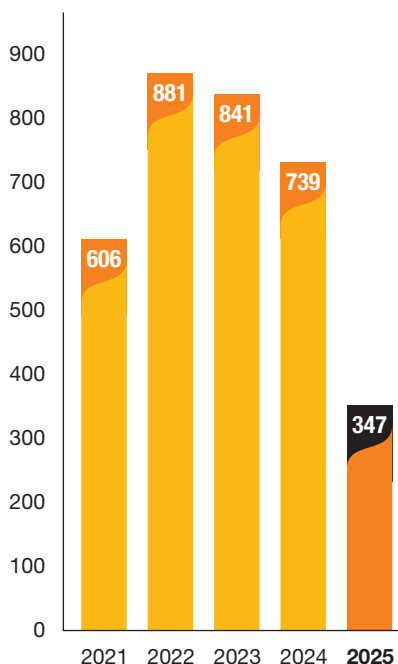


SHAREHOLDERS' EQUITY

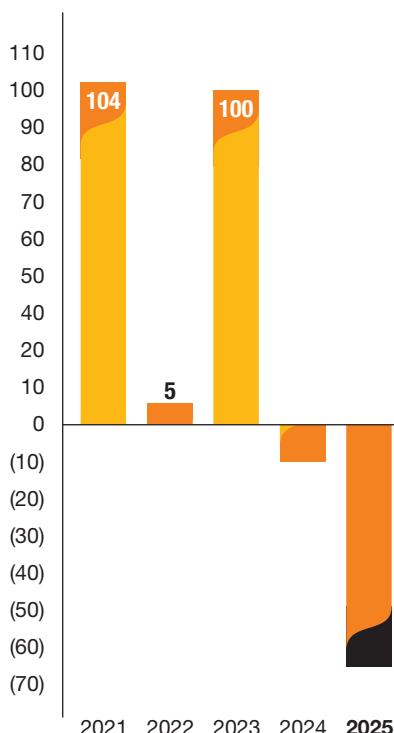


In RM'000	2021	2022	2023	2024	2025
Revenue	606,038	881,342	841,040	739,160	346,930
Profit/(Loss) Before Tax	104,355	4,658	100,030	(9,960)	(63,504)
Profit/(Loss) Attributable To Shareholders	86,664	(6,104)	74,507	(30,693)	(60,983)
Shareholders' Equity	805,800	783,476	832,501	771,714	684,274
Earnings Per Share (Sen)	17.8	(1.2)	15.4	(6.2)	(12.9)

REVENUE (RM Million)



PROFIT/(LOSS) BEFORE TAX (RM Million)



SHAREHOLDERS' EQUITY (RM Million)

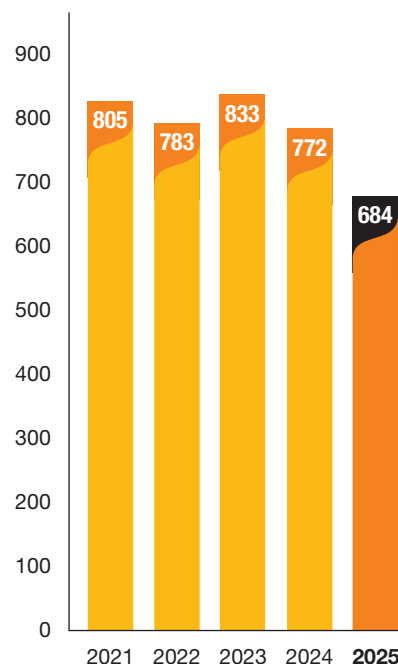


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Form of Proxy

Corporate Structure

29th ANNUAL GENERAL MEETING

Date: 26 May 2026

Time: 10:00 a.m.

Venue: Ballroom
 The Saujana Hotel Kuala Lumpur
 Jalan Lapangan Terbang SAAS
 40150 Shah Alam
 Selangor Darul Ehsan, Malaysia

VISION & MISSION

OUR VISION

To be the preferred provider of innovative engineering products and solutions to the global oil palm industry and related sectors.





OUR MISSION

LEADER

To be the leading global manufacturer and supplier of technologically advanced and cost effective palm oil mills.

INNOVATOR

To be a reliable, reputable, speedy and competitive provider of quality and innovative engineering products and solutions.

CUSTOMERS

To exceed customers expectations through our expertise, research & development and strategic collaborations.

SHAREHOLDERS

To continue to enhance shareholders value.

CORPORATE CITIZEN

To continue to be a responsible corporate citizen who contributes towards its social and environmental responsibilities.

WORKFORCE

To develop a highly motivated, efficient and creative workforce by providing opportunities for growth and a clear career path.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tengku Dato' Ardy Esfandiari Bin Tengku Abdul Hamid Shah

Chairman/Executive Director

Datuk Lim Chai Beng

Managing Director

Lim Zee Ping

Deputy Managing Director

Lim Chai Huat

Non-Independent Non-Executive Director

Lee Poi Keong

Senior Independent Non-Executive Director

Karpanadevi A/P K R Somasundram

Independent Non-Executive Director

Datin Chua Suat Khim

Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Lee Poi Keong

Chairman, Senior Independent Non-Executive Director

Lim Chai Huat

Non-Independent Non-Executive Director

Karpanadevi A/P K R Somasundram

Independent Non-Executive Director

Datin Chua Suat Khim

Independent Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Karpanadevi A/P K R Somasundram

Chairperson, Independent Non-Executive Director

Lim Chai Huat

Non-Independent Non-Executive Director

Lee Poi Keong

Senior Independent Non-Executive Director

Datin Chua Suat Khim

Independent Non-Executive Director

BOARD SUSTAINABILITY COMMITTEE

Datin Chua Suat Khim

Chairperson, Independent Non-Executive Director

Lim Chai Huat

Non-Independent Non-Executive Director

Karpanadevi A/P K R Somasundram

Independent Non-Executive Director

Lee Poi Keong

Senior Independent Non-Executive Director

REGISTERED OFFICE

Lot 4, Jalan Waja 15
Kawasan Perusahaan Telok Panglima Garang
42500 Telok Panglima Garang
Selangor Darul Ehsan, Malaysia

Telephone No. : 603-3122 7117
Facsimile No. : 603-3122 2629
E-mail : info@cbip.com.my
Website : www.cbip.com.my

PRINCIPAL BANKERS

AmBank (M) Berhad
HSBC Bank Malaysia Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : CBIP
Stock Code : 7076

COMPANY SECRETARIES

Tan Bee Hwa (MAICSA 7058049)
(SSM PC No. 202008001174)

Angelina Cheah Gaik Suan (MAICSA 7035272)
(SSM PC No. 202008002177)

Goh Xin Yee (MAICSA 7077870)
(SSM PC No. 202008000375)

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.

Registration No. 199601006647 (378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

Telephone No. : 603-7890 4700
Facsimile No. : 603-7890 4670

AUDITORS

Crowe Malaysia PLT

201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
Suite 50-3, Setia Avenue
No. 2, Jalan Setia Prima U13/S
Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan, Malaysia

Telephone No. : 603-3343 0730
Facsimile No. : 603-3344 3036

CHAIRMAN'S STATEMENT



Dear Shareholders,

On behalf of the Board of Directors of CB Industrial Product Holding Berhad (“**CBIP**” or “**the Company**” or “**the Group**”), I am pleased to present the Annual Report and Audited Financial Statements of the Group and the Company for the financial year ended 31 December 2025.

INTRODUCTION

For the financial year under review, the Group registered a revenue of RM346.9 million with a loss before tax of RM63.5 million, as compared to the preceding financial year's revenue of RM739.2 million and loss before tax of RM10.0 million respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

The detailed analysis of the performance for the financial year ended 31 December 2025 is discussed in the enclosed Management Discussion and Analysis Report.

Moving Forward

The Group enters the new financial year within a measured and disciplined outlook, amid an increasingly complex global operating environment shaped by geopolitical uncertainties, inflationary pressures and evolving market dynamics. In particular, the ongoing conflict involving the United States of America and Iran has introduced heightened volatility in global energy markets, with disruptions to oil supply. These developments are expected to have broader implications on operating costs.

Against the backdrop, the Equipment and Engineering Segment is expected to remain supported by recurring demand for maintenance, refurbishment, and selective capacity expansion within the palm oil industry. However, cost pressures are expected to persist. The Group continue to prioritise margin resilience through disciplined project selection, enhanced procurement strategies and operational efficiency improvements. At the same time, emphasis will be placed on delivering higher value-added engineering solutions and strengthening execution capabilities to sustain competitiveness.

The special purpose vehicles segment continues to operate in a more challenging environment influenced by project-specific risks, financing conditions and heightened economic uncertainty. The Group is adopting a more cautious and selective approach towards new initiatives, with a focus on strengthening governance, enhancing risk management frameworks and improving project oversight. The Group will continue to evaluate opportunities within this segment with greater discipline, focusing on projects with clear return visibility and manageable risk profiles.

The Plantation and Milling Segment is anticipated to operate within a relatively stable environment, underpinned by steady global demand. Nevertheless, the segment may face indirect cost pressures arising from higher fuel and transportation costs linked to global energy market volatility. The Group will continue to focus on operational excellence through improved mill utilisation, enhanced oil extraction rates and stringent cost management.

Other Developments

During the financial year, the Group continued to execute strategic initiatives to strengthen its operational and financial position. The disposal of non-core assets, together with ongoing efforts to streamline and enhance the performance of the Group, has enabled the Group to improve efficiency and sharpen its focus on core activities. The Board remains confident that these efforts will position the Group to manage short-term challenges while sustaining long-term value creation for its stakeholders.

The Group strengthened its sustainability governance and risk management practices, enhancing oversight of climate-related risks and opportunities across the organisation. This was supported by the continued development of a structured governance framework and the integration of climate considerations into risk management and operational planning. These efforts reinforce the Group's commitment to sound environmental, social and governance (ESG) practices and long-term value creation for stakeholders.

Dividends

The Board remains committed to a prudent and sustainable dividend policy that balances the interests of shareholders with the Group's funding requirements for operations and future growth. The Company paid a first interim single tier dividend of 2.0 sen per share for the financial year ended 31 December 2025 on 18 September 2025 and will be paying its second single tier dividend of 2.0 sen per share for the financial year ended 31 December 2025 payable on 4 May 2026.

Acknowledgement

On behalf of the Board, I extend our sincere appreciation to our management team and employees for their dedication and commitment throughout the year. We also thank our valued customers, business partners, shareholders and stakeholders for their continued trust and support.

**Tengku Dato' Ardy Esfandiari Bin
Tengku Abdul Hamid Shah**
Chairman / Executive Director

BOARD OF DIRECTORS

**TENGGU DATO' ARDY ESFANDIARI BIN
TENGGU ABDUL HAMID SHAH**
CHAIRMAN / EXECUTIVE DIRECTOR

DATUK LIM CHAI BENG
MANAGING DIRECTOR

LIM ZEE PING
DEPUTY MANAGING DIRECTOR

LIM CHAI HUAT
NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

KARPANADEVI A/P K R SOMASUNDRAM
INDEPENDENT NON-EXECUTIVE DIRECTOR

LEE POI KEONG
SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

DATIN CHUA SUAT KHIM
INDEPENDENT NON-EXECUTIVE DIRECTOR

PROFILE OF DIRECTORS

TENGGU DATO' ARDY ESFANDIARI BIN TENGGU ABDUL HAMID SHAH

CHAIRMAN / EXECUTIVE DIRECTOR

TENGGU DATO' ARDY ESFANDIARI BIN TENGGU ABDUL HAMID SHAH, Male, Age 66, Malaysian, was appointed to the Board on 3 February 1999 and was redesignated as the Chairman of the Board on 1 March 2022.

He is an established business entrepreneur with extensive networking and great public relations skills. He was previously the Director/Project Director of Worldwide Holdings Berhad for more than 8 years and was involved in the restructuring exercise of the Company.

He was appointed as a director of C.B. Industrial Product Sdn. Bhd. in 1994 and is responsible for the public affairs and government liaison of this subsidiary company. He is also the Managing Director of the subsidiary company, AVP Engineering (M) Sdn. Bhd., principally involved in the retrofitting of special purpose vehicles.

He was bestowed with the Darjah Kebesaran Dato'- Sultan Sharafuddin Idris Shah (D.S.I.S.) award in conjunction with the 67th birthday of the Sultan of Selangor.

He is a Member of the Selangor Islamic Religious Council (2021-2023) and the Board Member of Perbadanan Wakaf Selangor (2023-2025).

DATUK LIM CHAI BENG

MANAGING DIRECTOR

DATUK LIM CHAI BENG, Male, Age 67, Malaysian, was appointed to the Board on 3 February 1999.

He is one of the founders of C.B. Industrial Product Sdn. Bhd. and also the Managing Director of this subsidiary company, a position he has held until today. He is also the Managing Director of the subsidiary companies, Modipalm Engineering Sdn. Bhd. and CB Palm Industrial Sdn. Bhd. He has vast experience in the engineering industry. He is the driving force behind the Group's growth and responsible for the overall management and formulation of the Group's strategic plans and policies. He possesses strong interpersonal and management skills, which inculcate a good rapport with the highly motivated and dedicated workforce.

On 28 July 2009, Datuk Lim was awarded the Outstanding Entrepreneurship Award 2009 by Enterprise Asia.

LIM ZEE PING

DEPUTY MANAGING DIRECTOR

LIM ZEE PING, Male, Age 40, Malaysian, was appointed as the Executive Director of the Company on 10 March 2022 and was redesignated as Deputy Managing Director on 15 May 2023.

Mr. Lim graduated from Monash University of Australia with a Bachelor of Engineering in the field of Mechanical Engineering. He has worked at Modipalm Engineering Sdn. Bhd. since his graduation in 2010. Subsequently, Mr. Lim was appointed to the Board of CB Palm Industrial Sdn. Bhd. on 3 May 2016 to further strengthen the Company's leadership structure. Having spent his time in production, he is currently involved in the sales & marketing department, where he oversees the overseas markets such as Africa, Central America and Papua New Guinea.

PROFILE OF DIRECTORS

LIM CHAI HUAT

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

LIM CHAI HUAT, Male, Age 65, Malaysian, was appointed to the Board on 3 February 1999. He is a member of the Audit and Risk Management Committee, Nomination and Remuneration Committee as well as the Board Sustainability Committee.

He is one of the founders of C.B. Industrial Product Sdn. Bhd. He joined Chin Beng Engineering Works in 1980 as the Operations Manager. When Chin Beng Engineering Works was incorporated into a private limited company under its present name of C.B. Industrial Product Sdn. Bhd. in 1983, he was promoted to Production Manager due to his vast experience and track record in the manufacturing division.

In 1985, he was further promoted to Project Director, where he headed the project team and managed the Project Division, e.g., the construction of the plants in Telok Panglima Garang, Klang currently housed as the Head Office of CBIP Group. He currently acts as an Advisor for Palm Oil Mill projects and the administration of the factory and Property Division.

He is the Managing Director of Freiberg (Malaysia) Sdn. Bhd. and Freiberg Office System Sdn. Bhd., companies which were granted a license from Australia to manufacture environmentally friendly office furniture and partitions. He is also a Director of Office 2 Go (M) Sdn. Bhd. and Freiberg Properties Private Limited Company which are involved in the trading of office furniture and property leasing businesses, and D'Home Elderly Care Centre, a charitable organisation that provides elderly care in Klang.

KARPANADEVI A/P K R SOMASUNDRAM

INDEPENDENT NON-EXECUTIVE DIRECTOR

KARPANADEVI A/P K R SOMASUNDRAM, Female, Age 63, Malaysian, was appointed to the Board on 14 November 2019. She is the Chairperson of the Nomination and Remuneration Committee and a member of the Audit and Risk Management Committee as well as the Board Sustainability Committee.

She holds a Post Graduate Diploma in Law (CPE) and BA (Hons) in Law and Politics from the University of North London, United Kingdom. She has completed Harvard Business School online certificate program on Sustainability Strategy. She has over 38 years of cross-functional experiences in the United Kingdom and Asia, including the Government Department in the United Kingdom.

She has vast experience in the areas of Business Strategy, Enterprise Risk Management, Corporate Governance, Legal and Compliance. She has held several senior management positions with financial institutions and listed companies in Malaysia and also sits on the Board of the private limited companies of Healthcare and Investment Holdings. She was awarded the Global Woman Leader at Global Women Leadership Conference in February 2024. She is a mentor for Aspiring Directors at the Institute of Corporate Directors (“**ICDM**”).

She is a member of the ICDM, the Malaysian Institute of Corporate Governance (MICG), and KPMG Board Leadership Centre, and is also an alumni member of Harvard Business School Online.

PROFILE OF DIRECTORS

LEE POI KEONG

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

LEE POI KEONG, Male, Age 70, Malaysian, was appointed to the Board on 26 August 2021 and was redesignated as Senior Independent Non-Executive Director on 24 August 2022. He is the Chairman of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee as well as the Board Sustainability Committee.

He is a Fellow of the Institute of Chartered Accountants in England & Wales (ICAEW) and a member of the Malaysian Institute of Accountants (MIA) and the Institute of Internal Auditors Malaysia (IIAM). He also holds a Harvard Premier Business Management Certificate from the Harvard Business School Alumni Club of Malaysia.

Mr. Lee started his career with an accounting firm in England after graduating in 1983. Subsequently, he joined a multinational consortium as a Financial Controller. He also held various senior management positions in a conglomerate public listed company in Malaysia until his retirement in 2016. He has more than 40 years of experience in the areas of risk management and system, auditing, accountancy, management development and business entrepreneurship.

Currently, he also serves as Director in two local private limited companies.

DATIN CHUA SUAT KHIM

INDEPENDENT NON-EXECUTIVE DIRECTOR

DATIN CHUA SUAT KHIM, Female, Age 68, Malaysian, was appointed to the Board on 28 November 2023. She is the Chairperson of the Board Sustainability Committee and a member of the Audit and Risk Management Committee and the Nomination and Remuneration Committee.

Datin Chua graduated with a Masters in Business from the University of Newcastle, Australia in June 2006. She has been a member of Malaysian Institute of Accountants (MIA) since September 1989, a fellow member of Chartered Institute of Management Accountants (CIMA) since August 2001 and ASEAN Chartered Professional Accountant (CPA) since October 2017.

Datin Chua has more than 30 years of experience in the operation and management functions in the professional accounting bodies and private education industry particularly in strategic planning, finance reporting, formulation of human resources policies and manpower planning and implementation of management information systems and IT infrastructure.

Datin Chua is currently an Independent Non-Executive Director of Mercury Securities Group Berhad.

KEY SENIOR MANAGEMENT PROFILE

TAN HOCK YEW

CHIEF FINANCIAL OFFICER

TAN HOCK YEW, Male, Age 58, Malaysian.

Mr. Tan joined the Company as the Group Accountant in 1997 and was later promoted to Chief Financial Officer. Prior to joining the Company, he had worked for a public accounting firm for 4 years. He has more than 20 years of experience in the areas of auditing, accounting and finance.

He graduated with his professional qualification from the Chartered Institute of Management Accountants (“**CIMA**”) in 1993. He was admitted as an associate member of CIMA in 1996. He has also been a member of the Malaysian Institute of Accountants since 1997.

He is also the Director of several subsidiaries of CBIP in Indonesia.

He does not hold any directorship in other public companies and listed corporations.

TAN YU HWA

EXECUTIVE DIRECTOR, ENGINEERING SEGMENT

TAN YU HWA, Male, Age 67, Malaysian.

Mr. Tan graduated with a B.Sc. (Hons) Mechanical Engineering from the University of Sussex and a Master of Business Administration from University of Hull. He was appointed as the Executive Director of C.B. Industrial Product Sdn. Bhd. on 8 August 2000. Subsequently, he was also appointed as the Executive Director of Modipalm Engineering Sdn. Bhd. and CB Palm Industrial Sdn. Bhd. in 2005 and 2016, respectively. Prior to joining the Company, he had worked as a Palm Oil Mill Engineer and Manager at Golden Hope Plantations Berhad and as the General Manager of Guthrie Medium Density Fiberboard Sdn. Bhd. He has more than 35 years of experience in engineering and palm oil industries.

He is currently overseeing the project and engineering segment. He is also the Director of several companies within CBIP Group.

He does not hold any directorship in other public companies and listed corporations.

KOO BOON HOE

EXECUTIVE DIRECTOR, BOILER SEGMENT

KOO BOON HOE, Male, Age 68, Malaysian.

Mr. Koo was appointed as the Executive Director of Advance Boilers Sdn. Bhd. on 12 January 2006. Prior to joining the Company, he had worked with American and German based Multi-National Companies for 23 years where he was responsible for the Industrial Control and Fluid Automation Division. Thereafter, he was promoted to General Manager.

Currently, he oversees the overall operations of the boiler segment including sales and marketing.

He does not hold any directorship in other public companies and listed corporations.

KEY SENIOR MANAGEMENT PROFILE

DATO' KU AZHAR BIN KU AHMAD

EXECUTIVE DIRECTOR, SPECIAL PURPOSE VEHICLES SEGMENT

DATO' KU AZHAR BIN KU AHMAD, Male, Age 61, Malaysian.

Dato' Ku Azhar graduated from the University of New South Wales, Australia with a Bachelor of Engineering in Mechanical Engineering. Before joining the Company, he had worked with UMW Engineering (M) Sdn. Bhd. and Guthrie Industries (M) Sdn. Bhd. as an Assistant Design Manager and Production Manager for 6 years and 9 years respectively.

He was appointed as the Executive Director of AVP Engineering (M) Sdn. Bhd. in 2004. He is currently involved in the overall marketing and production of the Special Purpose Vehicles Segment. He is also the Director of several companies within the CBIP Group and a shareholder of AVP Engineering (M) Sdn. Bhd.

He does not hold any directorship in other public companies and listed corporations.

SITI ZAWIYAH BINTI ALIAS

OPERATION DIRECTOR, SPECIAL PURPOSE VEHICLES SEGMENT

SITI ZAWIYAH BINTI ALIAS, Female, Age 56, Malaysian.

Puan Siti Zawiyah graduated from the University Technology of Malaysia (UTM) with a Bachelors' Degree of Mechanical Engineering in Industrial. She joined AVP Engineering (M) Sdn. Bhd. as Senior Manager in 2005 and was appointed as the Operation Director of AVP Engineering (M) Sdn. Bhd. in 2017. She is also a shareholder of AVP Engineering (M) Sdn. Bhd.

Prior to joining the Company, she had worked with Wagon Engineering Sdn. Bhd. as Manager for 8 years and with Guthrie Industries Sdn. Bhd. as Head of Specialised Vehicles for 5 years.

Currently, she is responsible for the daily operation of the AVP Engineering (M) Sdn. Bhd. and managing all potential projects, projects in hand, and after sales support.

She does not hold any directorship in other public companies and listed corporations.

Notes to Directors' and Key Senior Management's Profile

1. Family Relationships

- Datuk Lim Chai Beng is a major shareholder of the Company.
- Mr. Lim Chai Huat is the brother of Datuk Lim Chai Beng.
- Mr. Lim Zee Ping is Datuk Lim Chai Beng's son and Mr. Lim Chai Huat's nephew.
- The other Directors and Key Senior Management do not have any family relationship with any Director and/or major shareholder of the Company.

2. Conflict of Interest

None of the Directors and Key Senior Management has any actual or potential conflict of interest, including any interest in any competing business with the Company and its subsidiaries.

3. Conviction of Offences

None of the Directors and Key Senior Management has been convicted for offences within the past five (5) years other than traffic offences or any public sanction or penalty imposed on him/her by the relevant regulatory bodies during the financial year 2025.

4. Attendance at Board Meetings

The details of attendance of the Directors at the Board Meeting are set out on page 73 of this Annual Report.

5. Directors' Shareholdings

The details of the Directors' interest in the securities of the Company are set out in the Analysis of Shareholdings on page 184 of this Annual Report.

6. Directorships in Public Companies and Listed Issuers

Save as disclosed herein, none of the Directors and Key Senior Management hold any other directorship of public companies and listed issuers.

MANAGEMENT DISCUSSION AND ANALYSIS

COMMENTARY ON THE FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2025

The historical five years financial information of CBIP is set out below:

	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Revenue	606,038	881,342	841,040	739,160	346,930
Profit/(Loss) before tax	104,355	4,658	100,030	(9,960)	(63,504)
Finance costs	8,312	11,645	14,158	14,208	6,278
Profit/(Loss) attributable to owners of the Company	86,664	(6,104)	74,507	(30,693)	(60,983)
Shareholders' equity	805,800	783,476	832,501	771,714	684,274
Total assets	1,157,609	1,205,055	1,240,006	1,168,598	909,650
Interest-bearing debts	171,846	175,008	171,952	151,593	55,284
Debt-to-equity (%)	20.47	21.62	19.95	18.84	8.00
Basic earnings per share (sen)	17.80	(1.20)	15.40	(6.20)	(12.93)
Net assets per share (RM)	1.70	1.64	1.75	1.63	1.40
Dividend per share (sen)	4.00	2.00	5.00	4.00	4.00

The share performance of CBIP during 2025 is set out below:

Year high	RM1.36
Year low	RM1.03
Year close	RM1.22
Market capitalisation as at 31 December 2025	RM563,553,000

BUSINESS SEGMENTS

1) Palm Oil Equipment and Engineering Segment

Our Palm Oil Equipment and Engineering Segment has been supplying palm oil mills globally with high quality processing parts since the 1970s. Our business model is centred around the supply of machineries and turnkey construction of both the Modipalm Continuous Sterilisation and conventional palm oil mills for both the local and overseas oil palm plantation companies. We serve a wide array of clientele which includes, but not limited to Sime Darby Plantation, TH Plantations, United Plantation Berhad and PT Sinarmas in Indonesia. Besides turnkey construction, we are also involved in the sales of palm oil equipment and spare parts to the palm oil milling industry.

Our primary products among others, includes fresh fruit bunch crushers, pressure vessels and threshers. Geographically, our customers includes well-established companies in Indonesia, Malaysia, Papua New Guinea, Thailand, Africa and Central American region.

MANAGEMENT DISCUSSION AND ANALYSIS

Our suppliers provide us with various raw materials used in the palm oil mill manufacturing which includes but not limited to mild steel plates, stainless steel plates, pumps and motors.

The historical five years revenue and profit before tax of the Palm Oil Equipment and Engineering Segment are set out below:

Year	Revenue RM'000	Profit Before Tax RM'000
2021	243,887	68,587
2022	283,422	35,797
2023	269,911	54,380
2024	253,065	51,135
2025	207,335	22,433

Our strategy for the Palm Oil Equipment and Engineering Segment is to grow our revenue by expanding existing clientele business while developing new ones to achieve a sustainable growth path. We also target to expand our sales of palm oil equipment and spare parts business by creating and expanding our distribution network through fostering of strategic partnership with local dealers.

Continued investment in research & development remains as the core of the overall strategy of the group. We have invested our resources with the expectation of commercialising the zero-discharge technology which is an innovative solution focused on making waste management within palm oil mills, a sustainable and environmentally friendly process. We plan to commercialise this technology in the near to the medium term.

Our Palm Oil Equipment and Engineering Segment is exposed to certain risk factors affecting its business, namely the depreciation of US Dollars against the Malaysian Ringgit as some of our contracts are denominated in US Dollars, the prices of steel which is the main raw material used in the manufacture of palm oil mills and equipment have increased which due to the tight labour market, supply chain disruptions and ongoing geopolitical uncertainties.

2) Special Purpose Vehicles Segment

Our Special Purpose Vehicles Segment is involved in the retrofitting of special purpose vehicles wherein we supply various types of specialised vehicles which includes, among others, medium and heavy-duty trucks, fire-fighting vehicles and ambulances.

Our customer base includes various agencies such as the Malaysia Airports Sdn Bhd. and others. Currently our market is only within Malaysia.

Our local and foreign suppliers provide us with various work in progress materials such as vehicle chassis and equipment needed to be retrofitted into the vehicles by us.

MANAGEMENT DISCUSSION AND ANALYSIS

The historical five years revenue and profit/(loss) before tax of the Special Purpose Vehicles Segment are set out below:

Year	Revenue RM'000	Profit/(Loss) Before Tax RM'000
2021	23,353	2,701
2022	46,099	(15,938)
2023	90,725	6,230
2024	108,496	3,008
2025	(41,480)	(39,468)

Our strategy for the Special Purpose Vehicles Segment is to continue to pursue opportunities and grow our vehicles portfolio to meet the increasing needs for such specialised vehicles by the government bodies. This strategy will ensure a long-term growth pathway as the Special Purpose Vehicles segment continues to strengthen and grow its capabilities. Our Special Purpose Vehicles segment will also continue to pursue business developments with government bodies in overseas market.

Our Special Purpose Vehicles Segment is exposed to certain risk factors affecting its business, namely the foreign exchange risk for the purchases of materials as well as the government's expenditure budget which will affect the demand of our products.

3) Palm Oil Plantation and Milling Segment, Associates and Joint Venture

Our plantation is involved in the cultivation of oil palm in Indonesia and Sarawak. In Indonesia, we have a land bank of approximately 24,197 hectares, of which 12,590 hectares have been planted as at 31 December 2025. We have interest of approximately 7,021 hectares of mature oil palms in Sarawak through our Associates and Joint Venture companies. Our main suppliers amongst other are made up of fertiliser and chemical companies.

The historical five years revenue and profit/(loss) before tax of the Palm Oil Plantation and Milling Segment and share of results of Associates and Joint Venture are set out below:

Year	Revenue RM'000	Profit/(Loss) Before Tax RM'000
2021	146,799	6,306
2022	147,028	9,826
2023	167,441	19,342
2024	197,500	(3,941)
2025	182,433	(21,588)

Year	Share of results of Associates and Joint Venture Profit/(Loss) after tax RM'000
2021	29,764
2022	17,196
2023	2,701
2024	3,802
2025	(1,613)

MANAGEMENT DISCUSSION AND ANALYSIS

Our strategy for the palm oil plantation is to complete our new planting in Indonesia soonest possible. Our second palm oil mill has been completed and commenced operation in 2026. With the commissioning of the second palm oil mill, the Milling Segment will add another new revenue stream to our Group.

4) Refinery Segment

In 2025, the Group disposed of its entire equity interest in TPG Oil & Gas Sdn. Bhd. and Gulf Lubes Malaysia Sdn. Bhd. Therefore, the Group ceased and discontinued its operations in refinery segment.

OPERATIONS REVIEW

Financial Results

For the financial year ended 31 December 2025, the Group achieved a revenue of RM346.9 million representing a decrease of 53.1%. The decrease in revenue was mainly due to the absent of revenue by Refinery Segment and reversal of project billing by Special Purpose Vehicle Segment.

The Group has recorded a loss before tax of RM63.5 million as compared to a loss before tax of RM10.0 million in the previous financial year. The loss before tax was largely due to the losses incurred by the Special Purpose Vehicles Segment and Palm Oil Plantation and Milling Segment.

The Palm Oil Equipment and Engineering Segment has recorded a RM22.4 million profit before taxation, a decrease by 56.1% as compared to profit before tax of RM51.1 million of previous financial year. The decrease was mainly due to decrease in revenue by 18.1% during the current financial year. In addition, the result was undermined by loss on foreign exchange and impairment on receivables.

The Special Purpose Vehicles Segment reported a loss before tax of RM39.5 million as compared to a profit of RM3.0 million in previous financial year. The loss was mainly due to reversal of project billing and provision of liquidated ascertain damages resulting from cancellation of partial of a project due to postponement of delivery.

The Palm Oil Plantation and Milling Segment reported a loss before tax of RM21.6 million as compared to a loss before tax of RM3.9 million in the previous financial year. The loss was mainly due to lower production and higher operating expenses during the current financial year. Further loss incurred with the impairment on receivables and loss on foreign exchange.

The Associates and Joint Venture reported a combined share of loss of RM1.6 million as compared to a profit of RM3.8 million in the previous financial year. The loss was mainly due to lower contribution posted by the joint venture resulting from its replanting program implemented during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and Capital Resources

The Group's cash and cash equivalents decreased by 13.9% to RM79.1 million from RM91.9 million in the previous financial year mainly due to higher net cash outflows for financing activities.

The Group's interest-bearing debts decreased by 63.5% from RM151.6 million at the end of previous financial year to RM 55.3 million mainly due to higher repayment of loans and borrowings following partial early settlement of a foreign currency term loan during the financial year. The Group's debt/equity ratio has decreased to 8.0% as compared to 18.8% at the end of previous financial year. The overall capital management objective of the Group is to safeguard its ability to continue as a going concern so as to provide fair returns to shareholders and benefits to other stakeholders. In order to meet this objective, the Group always strive to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

Working Capital Position

As at 31 December 2025, the Group has receivables of RM314.6 million, a increase of 31.1% as compared to RM240.0 million as at 31 December 2024. This was mainly due to the increase in other receivables resulting from a disposal consideration that received subsequent to the current financial year.

As at 31 December 2025, the Group has payables of RM78.3 million, a decrease of 25.4% as compared to RM105.0 million as at 31 December 2024 mainly due to decrease in trade payables.

RISK FACTORS

Social, Political and Economic Risks

Similar to all other businesses, adverse developments in the economic, political and social conditions in Malaysia and other international markets, in which our Group has material operations could materially and adversely affect the business and financial performance of our Group as well and cause a slowdown of the Group's growth plans. These include risks of changes in political leadership, Iran and America War, expropriation, nationalisation, changes in government policies, global economic downturn, epidemic outbreaks, social unrests, changes in currency exchange rates, interest rates and accounting standards and unfavourable changes in government policies such as introduction of new regulations, interest rate hikes and increase in taxation.

Our Group continues to take corrective measures to mitigate these risks including close monitoring of the Government's masterplan in respect of long term economic and development policies so that we can stay ahead as well as capitalise on any regulatory changes in the industries that our Group operates.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Team and Experienced Personnel

The management team has the breadth and depth of expertise necessary to manage the Group. Together with a large pool of home-grown talent, the management team is well-tuned to the domestic, regional, global dynamics and challenges of the industry. Representatives of our major shareholders on our Board bring an invaluable set of expertise and relationships to guide our long-term strategic growth. Moreover, CBIP has one of the best workforces in the industry with positive employee relations and strong employee loyalty.

Our Directors recognise the importance of our Group's ability to attract and retain its key personnel and retain a sufficient number of highly skilled employees. Therefore, we continue to provide our employees with long-term career prospects within our Group and job rotation opportunities to develop multiple skills. Our productivity driven reward structure motivates our employees to reach our competitive productivity standards and continuously seek for improvements.

Price and Foreign Currency Fluctuation Risks

The price of crude palm oil and palm kernel are based on global prices, which tend to be cyclical and subject to fluctuations. Global prices are in turn affected by the availability of agricultural commodities, of which supply is affected by unpredictable factors such as weather conditions, while demand is affected by factors such as changes in population growth, changes in standard of living, bio-diesel demand and global production of substitute and competitive crops.

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The foreign currency risk is partially managed through a natural hedge between the sales and purchases in the same currencies, the remaining is monitored closely on an on-going basis to ensure that the net exposure is at an acceptable level.

Competitive Environment

In its operations, CBIP competes with many companies of various sizes. There can be no assurances that we will not be affected by our competitors especially those who operate in the palm oil milling and special purpose vehicle. However, we are confident with our competitive advantages as we are able adapt through continuous business development and innovation in order to maintain and grow our standing in both market places.

PROSPECT MOVING FORWARD

Global economic factors have not been favourable to the economy and our business environment remain challenging moving forward. However, the Group is cautiously optimistic that it will able to perform despite such a challenging environment.

SUSTAINABILITY STATEMENT

OUR STATEMENT AT A GLANCE

CB Industrial Product Holding Berhad (“CBIP” or “the Group”) is pleased to present our Sustainability Statement for the Financial Year 2025 (“FY2025”). As a manufacturer of equipment and engineering solutions serving the oil palm industry, we recognise the importance of strengthening operational resilience, managing sustainability-related risks and supporting long-term value creation across the agricultural value chain. The Statement reflects our continued focus on integrating sustainability considerations into business strategy, operations and decision-making as the Group grows.

In FY2025, we strengthened our sustainability governance and risk management approach, enhancing oversight of sustainability and climate-related risks and opportunities across the organisation. This includes the continued development of a structured governance framework and the integration of climate considerations into risk management and operational planning, supporting more informed and consistent decision-making.

In response to evolving regulatory and investor expectations, the Group enhanced sustainability disclosures in line with Bursa Malaysia’s Sustainability Reporting Requirements, while commencing the incorporation of selected elements of the International Financial Reporting Standards (“IFRS”) S2. These enhancements support more structured, transparent and decision-useful climate-related disclosures.

Building on these developments, we refined our approach to identifying and managing climate-related risks and opportunities across short, medium and long-term horizons. This strengthens the Group’s ability to anticipate and respond to operational and market changes, reinforcing resilience across our engineering, manufacturing and supply chain activities.

Collectively, these efforts position CBIP to better manage emerging risks, support operational performance and sustain long-term value creation in an increasingly complex and evolving operating environment, underpinned by continued focus on operational efficiency, supply chain resilience and the delivery of reliable engineering solutions.

Our Reporting Scope and Boundary

This Sustainability Statement covers the operations of CBIP and our subsidiary, CB Palm Industries Sdn. Bhd. for the period from 1 January 2025 to 31 December 2025 (“FY2025”). Where relevant, data from the past three reporting periods have been included to support the assessment of performance trends.

Frameworks Guiding Our Reporting

This statement has been prepared in compliance with Bursa Malaysia’s Main Market Listing Requirements and with reference to Bursa Malaysia’s Sustainability Reporting Guide (3rd Edition). Our disclosures were further guided by the IFRS Sustainability Disclosure Standards S2, as well as the Global Reporting Initiative (“GRI”) Standards while our sustainability initiatives are aligned with the United Nations Sustainable Development Goals (“UN SDGs”) most relevant to our operations.



SUSTAINABILITY STATEMENT

Ensuring Data Accuracy

The information disclosed in this statement has been internally reviewed by the respective business divisions and data owners. Established internal controls and validation processes were applied to support the reliability and consistency of the reported data.

Your Feedback Matters












Stakeholder feedback plays an important role in our sustainability journey, providing valuable insights that help us refine and enhance our practices. We welcome your perspectives and invite you to share your views through the contact details provided below.

	Mr. Lim Zee Ping Deputy Managing Director		Email zee ping@cbip.com.my
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Reflecting On Our Sustainability Performance

The Group monitors sustainability performance to support disciplined decision-making, operational efficiency and long-term value creation. In FY2025, we sustained our focus on strong governance, enhanced selected climate-related disclosures and progressed resource efficiency initiatives across our manufacturing operations.

The following highlights summarise key sustainability outcomes for the reporting period.

Practicing Good Governance			
	Continuous use of MYBSolution System and Fortigate Firewall to mitigate cybersecurity risks		Maintained policy alignment with Malaysian Code on Corporate Governance (“MCCG”) 2021
Fostering Economic Growth			
	81% Procurement budget allocated to local suppliers		Maintained ISO 9001:2015 Quality Management System certification
Building Climate Resilience			
	52% Reduction in fuel consumption		5% Decrease in total Greenhouse Gas (“GHG”) emissions
	14% Reduction in non-scheduled waste generation		Climate disclosures enhanced using IFRS S2 requirements
Uplifting Social Sustainability			
	91% Customer satisfaction score achieved		Reduced Lost Time Incident Rate (“LTIR”) by 54% from FY2024
	RM102,500 Invested in Corporate Social Responsibility (“CSR”) programmes		

SUSTAINABILITY STATEMENT

Our Path to Sustainable Progress

CBIP continues to make steady progress in integrating sustainability across our operations, governance and strategic decision-making. These milestones demonstrate our commitment to maintaining alignment with evolving regulatory expectations, enhancing transparency and managing sustainability-related risks and opportunities.












FY2017	FY2018 - FY2020	FY2021- FY2023	FY2024	FY2025
<ul style="list-style-type: none"> Published our inaugural sustainability statement in FY2017 in accordance with Bursa Malaysia's Main Market Listing Requirements ("MMLR") Disclosed initiatives and performance across three sustainability pillars: Environmental, Social and Economic ("ESE") Established a Sustainability Governance Structure comprising the Board of Directors and the Sustainability Committee ("SC") Conducted our first materiality assessment and identified 20 material sustainability priorities Identified six key stakeholder groups 	<ul style="list-style-type: none"> Adopted Bursa Malaysia's Sustainability Reporting Guide (2nd Edition) Enhanced disclosures with reference to the Global Reporting Initiative ("GRI") Standards Strengthened alignment of initiatives with selected UN SDGs Introduced structured waste management practices for scheduled and non-scheduled waste Conducted a materiality reassessment to refine priority sustainability matters 	<ul style="list-style-type: none"> Formalised a Sustainability Policy and a five-year Sustainability Roadmap to guide sustainable business practices Strengthened governance by establishing a Sustainability Working Committee. Expanded climate-related disclosures, including initial Scope 3 greenhouse gas emissions Enhanced reporting alignment with Bursa Malaysia's Sustainability Reporting Guide (3rd Edition) 	<ul style="list-style-type: none"> Achieved full compliance with Bursa Malaysia's disclosure requirements for common and sector-specific material sustainability matters Initiated the reporting and monitoring of climate-related matters Initiated the disclosure of selected Scope 3 greenhouse gas emissions, including Category 6: Business Travel (by land) and Category 7: Employee Commuting Enhanced the governance structure to a four-tier framework by including the Board Sustainability Committee Enhanced the Group's Whistleblowing Policy to align with the Organisational Anti-Corruption Plan 2024-2027 	<ul style="list-style-type: none"> Enhanced the Sustainability Statement in line with Bursa Malaysia's amended Sustainability Reporting Requirements Conducted a structured gap analysis against evolving disclosure expectation Refined climate-related disclosures and governance framework through the incorporation of IFRS S2 elements, strengthening a more structured approach to climate-related risk management Advanced the identification and categorisation of climate-related risks and opportunities across short-, medium- and long-term horizons

SUSTAINABILITY STATEMENT

SUSTAINABILITY AT OUR CORE

A Structured Approach to Sustainability

Anchored in our corporate vision and goals, our Sustainability Strategy guides the integration of sustainability across our operations, decision-making and the solutions we deliver. It is built on four core pillars covering governance, economic, environmental and social aspects, aligned with our material sustainability matters and selected UN SDGs. This ensures that our business activities support global sustainability objectives while remaining consistent with our corporate commitments.

VISION						
To be preferred provider of innovative engineering products and solutions to the global oil palm industry and related sectors						
Strategic Thrusts						
Thrust Area 1	Thrust Area 2	Thrust Area 3	Thrust Area 4	Thrust Area 5		
Upholding high standards of corporate governance while ensuring compliance with all applicable laws and regulations.	Dedicated to delivering high-quality, innovative products to our customers while optimising the use of available resources.	Aiming to reduce our carbon footprint and progressing towards net-zero greenhouse gas emissions by 2050.	Continuing to support education and professional development to strengthen employees' knowledge and capabilities to foster a performance-driven culture.	Striving to make a positive impact on the communities in which we operate by engaging consistently through community outreach initiatives.		
Core Pillars & Focus Areas						
Peace	Prosperity & Partnership	Planet	People			
<ul style="list-style-type: none"> Responsible Business Conduct & Compliance Risk Response Strategy 	<ul style="list-style-type: none"> Product Quality & Leveraging Technology Responsible Procurement & Sourcing 	<ul style="list-style-type: none"> Climate Resilience & Energy Efficiency Waste and Water Management 	<ul style="list-style-type: none"> Managing Workplace Safety & Health Decent Work, Diversity & Inclusivity Community Enrichment 			
Material Sustainability Matters						
<ul style="list-style-type: none"> Corporate Governance & Anti-Corruption Regulatory Compliance Data Privacy & Cybersecurity 	<ul style="list-style-type: none"> Product Quality Supply Chain Management Technology & Innovation 	<ul style="list-style-type: none"> Climate Change & Energy Management Water Consumption Waste and Effluent Management 	<ul style="list-style-type: none"> Customer Satisfaction Occupational Health & Safety Labour Practices & Standards Diversity & Inclusion Local Community 			
Contribution to UN SDGs	Stakeholder Groups					
    	 <p>Shareholders and Investors</p>	 <p>Regulatory Agencies</p>	 <p>Customers</p>	 <p>Suppliers</p>	 <p>Employees</p>	 <p>Local Communities</p>

SUSTAINABILITY STATEMENT

Embracing The 5Ps

The Group utilises the 5Ps framework to map sustainability priorities to the UN SDGs, supporting sustainable and inclusive development. These principles are embedded across our operations, strengthening governance, environmental stewardship, workforce well-being and long-term value creation within the oil palm equipment and engineering solutions industry.






Consistent with Malaysia’s Shared Prosperity Vision 2030, this approach ensures that sustainability priorities and disclosures remain relevant to business objectives and stakeholder expectations.



SUSTAINABILITY STATEMENT

Driving Impact Towards Global Goals

The UN SDGs provide a global framework for addressing key sustainability challenges. In FY2025, the Group focused on five SDGs that are most relevant to our business and material sustainability matters, aligning initiatives and disclosures with specific targets where we can contribute meaningfully.

SDG	Target	Our Actions
	Target 8.5: Achieve full and productive employment and decent work	<ul style="list-style-type: none"> Supported employment through a workforce of 211 employees, contributing to stable and productive employment within labour-intensive manufacturing operations. Provided 1,894 hours of employee training to strengthen workforce capability and support operational efficiency. Conducted 22 employee development programmes to support consistent skills uplift and career development.
	Target 8.7: End modern slavery, trafficking and child labour	<ul style="list-style-type: none"> Conducted foreign workers recruitment processes in accordance with Ministry of Home Affairs and the Department of Labour regulations to ensure ethical hiring practices.
	Target 8.8: Protect labour rights and promote safe and secure working environments	<ul style="list-style-type: none"> Recorded zero substantiated cases of human rights violations and discrimination in FY2025, supporting a respectful and compliant workplace. Delivered health and safety training across 772 participant attendances, reinforcing workforce safety awareness and safe-work practices. Maintained structured recruitment and selection practices to promote fair access to employment and reduce bias.
	Target 9.4: Upgrade all industries and infrastructures for sustainability	<ul style="list-style-type: none"> Developed and deployed the Modipalm Continuous Sterilisation System (“CS”) to improve energy efficiency, optimise steam utilisation and support more sustainable palm oil mill operations. Delivered the design, supply, construction and installation of the Modipalm CS, strengthening execution capability for engineered solutions.
	Target 12.2: Achieve sustainable management and efficient use of resources	<ul style="list-style-type: none"> Implemented water conservation initiatives, maintaining water usage and wastage in operations.
	Target 12.4: Responsible management of chemicals and waste	<ul style="list-style-type: none"> Managed scheduled waste in line with regulatory requirements by tracking and reporting disposal via the DOE Electronic Scheduled Waste Information System (“DOE eSWIS”), strengthening traceability and compliance assurance. Enforced segregation and designated storage of scheduled waste, reducing handling risk and supporting safer waste management practices.
	Target 12.5: Reduce waste through prevention, reduction, recycling and reuse	<ul style="list-style-type: none"> Diverted 705 metric tonnes of waste from landfill through recycling, reducing disposal burden and supporting circularity effort.
	Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards	<ul style="list-style-type: none"> Monitored and reported Scope 1, Scope 2 and Scope 3 emissions to support climate risk management and informed decision-making. Assessed climate-related risks and opportunities across short-, medium- and long-term horizons, improving visibility of potential operational and financial impacts. Expanded climate-related disclosures with reference to selected IFRS S2 elements, strengthening transparency on climate risk exposure and response.
	Target 13.2: Integrate climate change measures into policies, strategies and planning	<ul style="list-style-type: none"> Reported Scope 1, Scope 2 and limited Scope 3 (business travel and employee commute), broadening the emissions boundary covered in disclosures. Outlined climate-related management approaches, supporting clearer governance and decision-useful reporting as expectations evolve.
	Target 16.5: Reduce instances of corruption and bribery	<ul style="list-style-type: none"> Updated the Whistleblower Policy and Gift Policy to align with the Organisational Anti-Corruption Plan (“OACP”) 2024-2027, strengthening anti-corruption governance and internal controls. Recorded zero substantiated cases of corruption and bribery in FY2025, supporting stakeholder confidence and ethical business conduct.

SUSTAINABILITY STATEMENT

Our Guiding Policy Driving Sustainability

Our Sustainability Policy outlines the Group’s commitments and principles for responsible business practices. It guides the integration of sustainability considerations into our governance, operations and decision-making, ensuring alignment with regulatory expectations and stakeholder priorities.

Governance (Peace)



- CBIP is dedicated to upholding ethical business practices while ensuring full compliance with all applicable laws, regulations and industry standards. The organisation fosters a strong culture of integrity and ethical conduct across all levels of its operations and engages with stakeholders in a transparent and inclusive manner to maintain trust and accountability.

Economic Growth (Prosperity & Partnership)



- CBIP focuses on enhancing competitiveness and profitability through continuous innovation and operational efficiency. The organisation supports local suppliers and businesses to promote economic growth while maintaining product quality aligned with sustainable standards.

Environmental Sustainability (Planet)



- Energy-efficient measures are implemented to minimise carbon emissions, alongside responsible water management practices to enhance sustainability. Waste management practices are also conducted in compliance with all applicable regulatory requirements.

Social Sustainability (People)



- CBIP acknowledges our responsibility to uphold occupational health and safety requirements through effective safety management systems. The organisation also promotes diversity and equal opportunities to foster an inclusive workplace and aligns service standards to meet customer expectations.

SUSTAINABILITY STATEMENT

Advancing Governance and Oversight

Our sustainability governance structure provides effective oversight and integrates sustainability across the Group. It establishes clear roles and responsibilities at Board and management levels, supporting alignment with strategic priorities, regulatory expectations and emerging climate-related risks and opportunities.

The four-tier structure strengthens governance and accountability across the organisation, embeds sustainability into decision-making and daily operations and promotes consistent implementation of sustainability initiatives.






The Board	The Board provides strategic oversight of the Group’s sustainability governance, including climate-related strategies, policies, targets and material matters. It guides the integration of climate-related risks and opportunities into the Group’s risk management framework. The Board also evaluates and endorses related policies, strategies, material matters and the annual Sustainability Report.
BSC	The BSC provides high-level oversight and reviews the implementation of the sustainability strategy, including climate-related initiatives. It advises the Board on sustainability strategies and targets, oversees implementation across the Group and provides regular updates on sustainability and climate-related matters.
MSC	The MSC supports BSC by executing and monitoring the Group’s sustainability strategies, policies, standards and initiatives and reports on implementation progress. It reviews sustainability data, tracks operational performance against objectives and ensures the consistent application of sustainability initiatives across the Group.
SWG	The SWG translates the Group’s strategic sustainability goals into actionable initiatives and manages day-to-day implementation across operations. It identifies relevant material sustainability matters, submits recommendations to the MSC and regularly monitors and reports sustainability-related data to ensure effective implementation.




SUSTAINABILITY STATEMENT

Forging Stakeholder Relations

We actively engage with our stakeholders through multiple channels to understand their priorities and address their expectations. This helps us ensure that our focus remains aligned with wider economic, social and environmental objectives. Such engagements also provide valuable insights into emerging trends and risks, enabling us to strengthen our sustainability strategy and adapt our business practices to respond to evolving stakeholder needs.

Stakeholder Group	Areas of Interest	Our Response	Method and Frequency
<p>Shareholders and Investors</p> <p>Establishing credibility with shareholders and investors helps secure continued backing, encourages new investment and supports long-term financial strength.</p> 	<ul style="list-style-type: none"> • Financial performance • Global business strategy • Sustainable dividend policy • Corporate governance and compliance 	<ul style="list-style-type: none"> • Publish quarterly financial results and annual reports • Uphold good governance practices • Develop and communicate climate-related and carbon reduction strategies • Continuously monitor sustainability performance against set targets 	<p>Annually</p> <ul style="list-style-type: none"> • Annual report • General meeting <p>Ad hoc</p> <ul style="list-style-type: none"> • Investor Meeting • Company website
<p>Regulatory Agencies</p> <p>Government and regulatory authorities at local, national and international levels support the Group's value by setting and enforcing standards and regulations, ensuring compliance and promoting a stable environment for sustainable growth.</p> 	<ul style="list-style-type: none"> • Compliance with regulations and industry standards • Compliance with corporate governance • Compliance with labour, environmental, health and safety regulations 	<ul style="list-style-type: none"> • Comply with all regulatory requirements • Incorporate assessments of climate-related risks in the register • Maintain compliance with required regulations across jurisdictions 	<p>As needed</p> <ul style="list-style-type: none"> • Annual report <p>Ad hoc</p> <ul style="list-style-type: none"> • Seminar or information sessions held by authorities • Inspection by local authority
<p>Customers</p> <p>Understanding customer requirements and expectations guides our actions to consistently deliver high-quality products, strengthen business relationships, enhance product and service quality and sustain CBIP's market position.</p> 	<ul style="list-style-type: none"> • Efficient complaint resolution • Customer engagement and relationship management • Product quality and pricing • Customer data privacy • Health and Safety 	<ul style="list-style-type: none"> • Ensure timely and reliable delivery of services and respond responsibly to customers' concerns • Comply with the Personal Data Protection Act ("PDPA") 2010 	<p>Annually</p> <ul style="list-style-type: none"> • Community and networking events <p>Ad hoc</p> <ul style="list-style-type: none"> • Regular feedback and meetings • Participation in industry networking events • Active engagement initiatives • Product launches, roadshows and newsletters • Customer satisfaction surveys

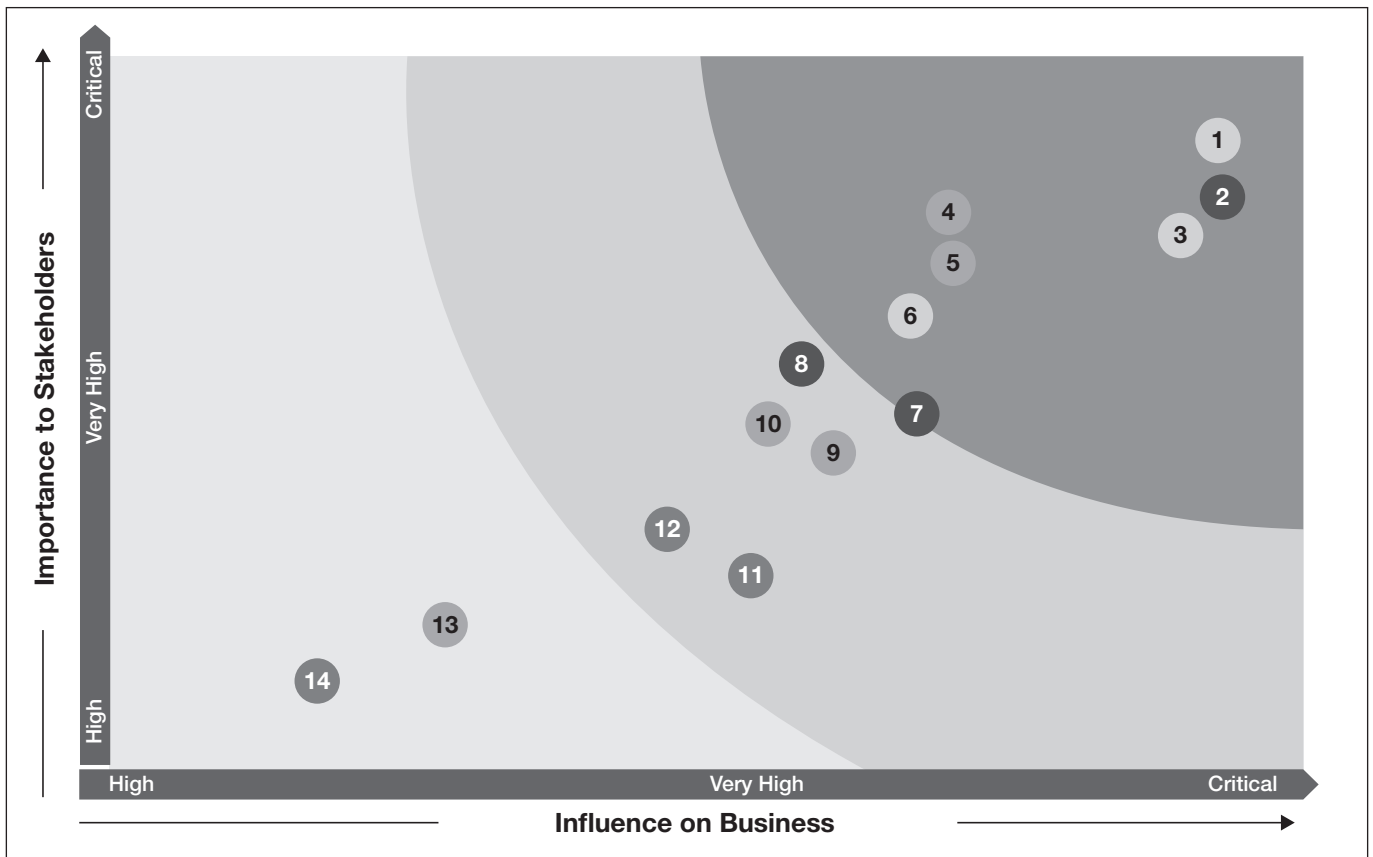
SUSTAINABILITY STATEMENT

Stakeholder Group	Areas of Interest	Our Response	Method and Frequency
<p>Suppliers</p> <p>Building strategic partnerships with suppliers ensures quality, reliability and long-term collaboration that strengthen CBIP's reputation</p> 	<ul style="list-style-type: none"> • Transparent procurement practices • Supplier screening and evaluation • Occupational health and safety • Quality delivery • Fair contract terms and conditions 	<ul style="list-style-type: none"> • Maintain ongoing and consistent supplier engagement • Apply a structured supplier pre-qualification, registration and performance review processes • Ensure adherence to the Occupational Health and Safety (Amendment) Act 2022 • Conduct regular quality assessments • Implement a fair, transparent and competitive tendering process 	<p>Quarterly</p> <ul style="list-style-type: none"> • Supplier assessments and performance reviews <p>Ad hoc</p> <ul style="list-style-type: none"> • New vendor evaluations and registrations • Vendor registration • Open tenders
<p>Employees</p> <p>Supporting our employees' well-being and professional growth through continuous engagement, recognise them as key partners whose contributions drive CBIP's product quality, operational efficiency and overall performance</p> 	<ul style="list-style-type: none"> • Training and development • Occupational health and safety • Fair and competitive remuneration and rewards • Labour and human rights • Work-life balance • Job security 	<ul style="list-style-type: none"> • Provide targeted upskilling and professional development opportunities • Conduct third-party audits to ensure compliance with labour standards • Maintain employee feedback channels and a confidential whistleblowing system • Deliver health and safety training programmes • Conduct regular employee performance evaluations 	<p>Annually</p> <ul style="list-style-type: none"> • Performance appraisals <p>Ongoing</p> <ul style="list-style-type: none"> • Safety training and awareness • Training and development <p>Ad hoc</p> <ul style="list-style-type: none"> • Whistleblower Policy
<p>Local Communities</p> <p>By actively engaging and supporting local communities, we address key concerns, foster positive socio-economic impacts, strengthen social ties and enhance CBIP's reputation while promoting mutual growth</p> 	<ul style="list-style-type: none"> • Build and maintain strong relationships with local communities • Manage and address the environmental and social impacts of operations at the local level • Encourage active community participation and engagement • Identify and respond to community impacts and local concerns 	<ul style="list-style-type: none"> • Implement Corporate Social Responsibility ("CSR") programmes to address local community needs • Provide financial contributions to community fundraising initiatives focused on educational development 	<p>As needed</p> <ul style="list-style-type: none"> • Communication with local representatives • Participate and events

SUSTAINABILITY STATEMENT

Materiality Assessment

Materiality assessments help us identify the sustainability matters that most significantly affect our business and stakeholders. These matters reflect the impacts of our operations on the local economy, the environment and the well-being of our people. It also informs our strategic priorities, risk management approach and resource allocation decisions. In FY2023, we conducted a materiality assessment to identify and prioritise sustainability matters relevant to CBIP’s operations and key stakeholders. A Materiality Matrix was developed to evaluate the relative importance of each matter based on stakeholder impact and business relevance. The matrix continues to guide our sustainability strategy and disclosures in FY2025, as the identified matters remain relevant to CBIP’s operations and long-term sustainability objectives.



No.	Material Sustainability Matters	Level of Importance
1	Corporate Governance and Anti-Corruption	Critical
2	Product Quality	
3	Regulatory Compliance	
4	Occupational Health and Safety	
5	Customer Satisfaction	
6	Data Privacy and Cybersecurity	
7	Supply Chain Management	Very High
8	Technology and Innovation	
9	Diversity and Inclusion	
10	Labour Practices and Standards	
11	Climate Change and Energy Management	
12	Waste and Effluent Management	High
13	Local Community	
14	Water Consumption	

Legend:

- Practicing Good Governance
- Fostering Economic Growth
- Building Climate Resilience
- Uplifting Social Sustainability

SUSTAINABILITY STATEMENT

Mapping Our Priority with Global Goals

The material sustainability matters identified through the materiality assessment are mapped against corresponding UN SDGs. This mapping ensures alignment between the Group’s sustainability priorities, global development objectives and stakeholder expectations. By linking material matters to the UN SDGs, we strengthen the strategic focus and long-term impact of our sustainability initiatives.

Practicing Good Governance

We uphold ethical leadership and a culture of integrity by ensuring compliance with applicable laws, corporate governance and data privacy, fostering responsible decision-making and maintaining stakeholder trust.


Material Matters

- Corporate Governance and Anti-Corruption
- Regulatory Compliance
- Data Privacy and Cybersecurity

UN SDGs



Key Stakeholder Groups



Fostering Economic Growth

We drive long-term sustainable growth by fostering innovation, delivering high-quality engineering solutions, enhancing operational efficiency and strengthening resilient and sustainable supply chain partnerships.

Material Matters

- Product Quality
- Supply Chain Management
- Technology and Innovation

UN SDGs




Key Stakeholder Groups





Building Climate Resilience

The environmental footprint of operations is minimized through low-carbon initiatives, efficient management of waste and water and active monitoring and reducing carbon emissions to ensure sustainable practices.


Material Matters

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

UN SDGs

Key Stakeholder Groups



Uplifting Social Sustainability

Human rights and workplace safety are upheld by promoting fair labour practices, enforcing robust safety measures, fostering an inclusive and diverse work environment and supporting community well-being through engagement and social initiatives.

Material Matters

- Customer Satisfaction
- Occupational Health and Safety
- Labour Practices and Standards
- Diversity and Inclusion
- Local Community

UN SDGs



Key Stakeholder Groups



SUSTAINABILITY STATEMENT

FOCUS AREA 1: PRACTICING GOOD GOVERNANCE (PEACE)



Material Sustainability Matters

- Corporate Governance and Anti-Corruption
- Regulatory Compliance
- Data Privacy and Cybersecurity

Key Stakeholders



We believe sustainable growth is anchored in trust, transparency and responsible conduct. To uphold these principles, we maintain strong ethical standards, comply with applicable laws and safeguard information assets to ensure a secure and reliable operating environment. These commitments strengthen long-term partnerships and contribute to a stable, resilient business ecosystem.

Corporate Governance and Anti-Corruption

Strong corporate governance underpins sustainable business operations by promoting ethical conduct, transparency and accountability, while robust anti-corruption practices strengthen risk controls, protect the Group’s reputation and reduce exposure to misconduct. Guided by the Malaysian Code on Corporate Governance (“MCCG”) 2021, we apply a structured governance framework with clearly defined roles and delegated responsibilities across Board Committees, underpinned by regularly reviewed policies and governance practices to ensure effectiveness and alignment with evolving standards.

The Group continues to remain vigilant towards corruption through the anti-corruption governance framework, consisting of 13 components. Periodic policy reviews and assessments support continuous improvement, while reinforcing a culture of integrity and accountability across the organisation.

CBIP’s Corporate Governance Policies

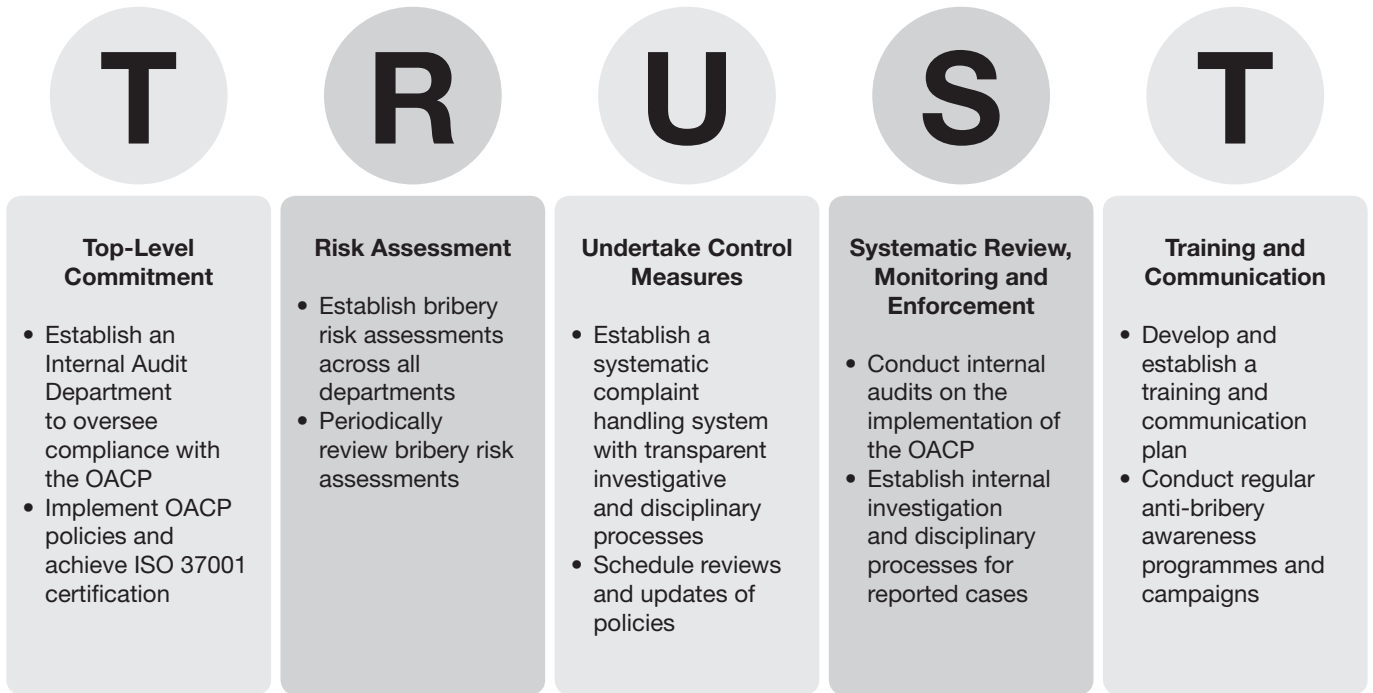
Occupational Safety and Health	Gender Policy	Employee Handbook
Corporate Disclosure Policy	Whistleblower Policy	Directors’ Fit and Proper Policy
Anti-Corruption and Bribery Policy	Corporate Code of Business Conduct and Work Ethics Policy for Directors, Senior Management and Employees	Gift Policy
Board Charter	Environmental Policy	Group Remuneration Policy



For more information on our corporate policies, please visit our website: [Corporate Governance - CB Industrial Product Holding Berhad](#)

SUSTAINABILITY STATEMENT

As of FY2025, the Organisational Anti-Corruption Plan (“OACP”) 2024-2027 continues to be in effect this reporting year. Our Whistleblower Policy and Gift Policy have also been further refined to be more aligned with the OACP. The Group’s anti-corruption practices are guided by five principles in alignment with the OACP, reinforcing the culture of integrity, accountability and ethical conduct across our operations.



Anti-Corruption and Bribery Policy

Maintaining high standards of ethics and transparency is fundamental to building stakeholder trust and ensuring regulatory compliance at CBIP. Our operations are guided by robust anti-corruption practices that reinforce accountability and strengthen the integrity of our business conduct. With support from our Internal Audit Department, the Board provides oversight of the Group’s anti-corruption framework. In FY2025, we continued to uphold our policies in alignment with the MCCG 2021, across business activities.

Our Anti-Corruption and Bribery Policy (“ACB”) outlines clear guidelines on prohibited practices including bribery, facilitation payments and improper gifts or donations. To increase compliance with the ACB Policy, employees receive regular anti-corruption training to enhance awareness and equip them with the knowledge to identify and mitigate potential corruption risks across the Group’s operations.

SUSTAINABILITY STATEMENT

Whistleblower Policy

Our Whistleblower Policy provides internal and external parties affiliated with CBIP with a secure and confidential channel to report suspected misconduct and unethical behaviour. Submitted reports are directed to the Chairman of the Audit and Risk Management Committee. Reports may be made through two available channels, and whistleblowers may choose to remain anonymous.

Whistleblowing reports may be submitted through the following channels:

Emailing a Whistleblower Form to robert.leepoikeong@cbip.com.my

Submitting a physical form, to the following address:
 Lot 4, Jalan Waja 15, Kawasan Perusahaan Telok Panglima Garang, 42500, Telok Panglima Garang, Selangor

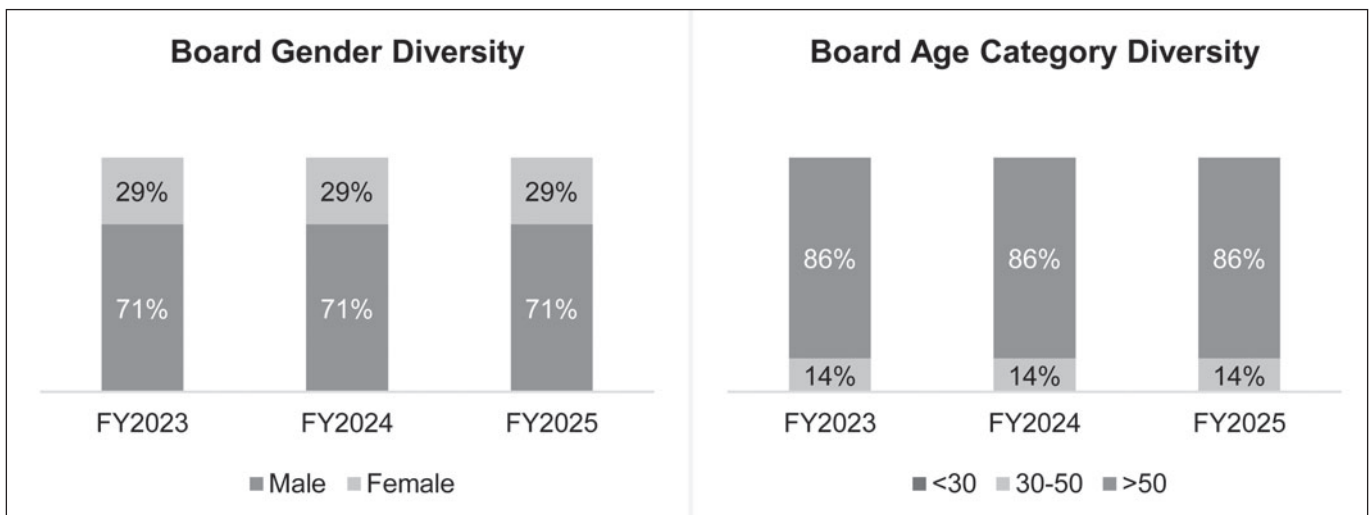
Risk Management

Our Risk Management Committee (“RMC”), supported by the Risk Working Committee (“RWC”), manages the identification, assessment and management of operational and climate-related risks through our structured risk management framework. The implementation of risk mitigation strategies is overseen by the RMC and RWC, strengthening organisational resilience and reinforcing sustainable operations. Under the Board’s oversight, the Audit and Risk Management Committee (“ARMC”) conducts independent reviews of potential risks to ensure the Group’s risk management processes remain robust. The Internal Audit Department performs regular audits of key financial and operational controls and reports its findings to the ARMC.



Board Diversity

In FY2025, the Board’s composition remained consistent to FY2023 and FY2024, comprising of seven members, consisting of 71% male and 29% female with the majority being above 50 years of age.



SUSTAINABILITY STATEMENT

Regulatory Compliance

CBIP adheres to applicable legal and industry standards governing safety, quality and operational integrity across its equipment manufacturing processes. The Group's ISO 9001 certification demonstrates our commitment to consistent product quality, operational reliability and regulatory compliance across our operations. The following outlines the key regulatory requirements applicable to the Group.

CBIP's Key Regulatory Bodies

Malaysian Anti-Corruption Commission
("MACC") Act 2019 and its Amendment

Capital Markets and Services Act 2007

Companies Act 2016

Minimum Wages Order 2020

Main Market Listing Requirements ("MMLR")

Environmental Quality (Clean Air) Regulations 2005

Environmental Quality (Scheduled Waste)
Regulations 2005

Occupational Safety and Health Act 1994 and
its Amendment, 2022

Data Privacy and Cybersecurity

As digital technologies become increasingly integral to business operations, safeguarding data privacy and information security is critical to maintaining operational continuity, regulatory compliance and stakeholder trust. The Group has implemented structured data management and network security measures, including the MYBSolution system and FortiGate Firewall, to ensure secure handling of information, improve threat monitoring capabilities and enhance overall cybersecurity resilience. Periodic updates are applied to the system, ensuring potential emerging cyber risks are mitigated.

Our digital systems rely on the implementation of data privacy and cybersecurity, preventing any unauthorised access on any sensitive information regarding CBIP's equipment manufacturing operations. These measures also safeguard business partner, employee and customer information, sustaining our integrity and trust in an evolving digital environment.

SUSTAINABILITY STATEMENT

FOCUS AREA 2: FOSTERING ECONOMIC GROWTH (PROSPERITY AND PARTNERSHIP)



Material Sustainability Matters	Key Stakeholders
<ul style="list-style-type: none"> • Product Quality • Supply Chain Management • Technology and Innovation 	

Responsible procurement plays a critical role in driving sustainable economic value, strengthening supplier partnerships and managing environmental and social impacts beyond our direct operations. In delivering sustainable value, we also seek to create positive impacts across supply chain, local communities and the wider ecosystem in which we operate.

Product Quality

Product quality is essential to the safe, reliable and efficient operation of palm oil mills. CBIP equips palm oil mills with processing equipment and replacement parts, integrating quality assurance across the full lifecycle of our solutions through structured quality control processes and established engineering practices.

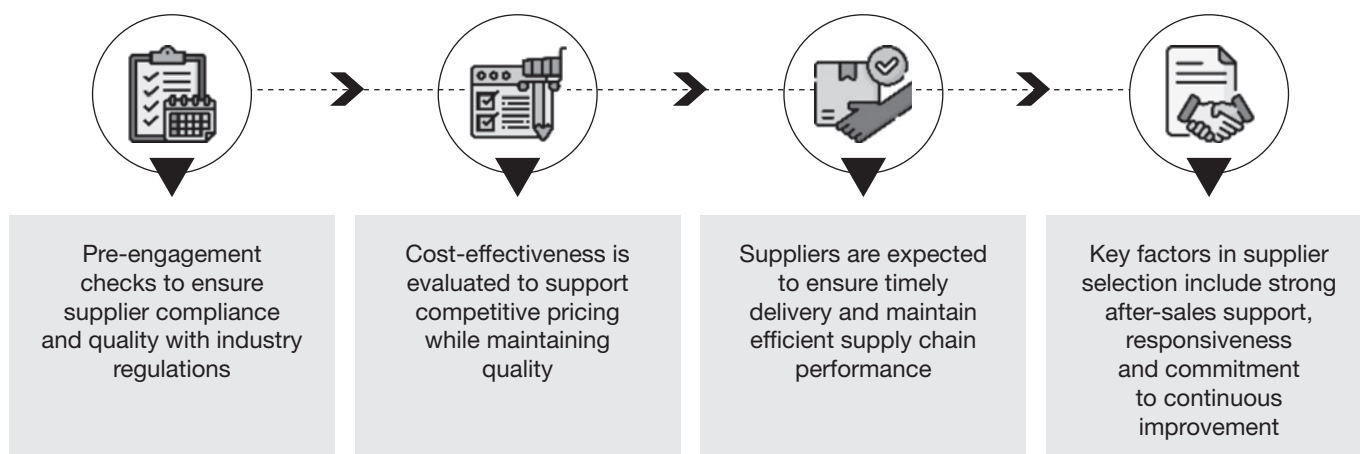
To uphold industry standards, we maintain our ISO 9001:2015 Quality Management System certification, reflecting our commitment to recognised best practices and continuous improvement across our operational processes, products and services. This is further supported by regular audits and continuous improvement to ensure consistent and reliable outcomes for customers.

	<p>To support regulatory compliance across customer markets, the Group implements structured non-compliance reporting and quality controls to promote continuous improvement and safeguard supply chain reliability.</p>
	<p>Pre-engagement quality validation Suppliers are assessed against defined quality parameters prior to engagement.</p>
	<p>Inspection Request Protocol A formal inspection request process is used to improve clarity and consistency in Material Verification and Component Evaluation, reducing communication gaps.</p>

Supply Chain Management

At CBIP, effective supply chain management is fundamental to ensuring the reliability, quality and continuity of our operations. By integrating sustainability considerations into our supply chain, we manage operational, environmental and social risks beyond our direct operations, strengthening business resilience and maintaining stakeholder trust. The Group works with both local and international suppliers that meet defined technical, environmental and ethical standards, while prioritising local procurement where feasible to support domestic suppliers. A structured supplier evaluation framework incorporating green procurement principles guides purchasing decisions and promotes responsible sourcing in line with our long-term sustainable development objective.

SUSTAINABILITY STATEMENT



Local Procurement

The Group prioritises sourcing products and services from local vendors wherever operationally feasible, demonstrating support for domestic industry and community growth.

In FY2025, 81% of our procurement expenditure was directed to local suppliers. The remaining portion reflects sourcing requirements for specialised technologies not available locally, as well as considerations for optimal delivery outcomes.

	FY2023	FY2024	FY2025
Proportion of Group Spending on Local Suppliers	90%	91%	81%

Technology and Innovation

Technology and innovation are central to strengthening competitiveness and supporting the continuous improvement of manufacturing processes and equipment solutions. For CBIP, this focus remains on developing practical, reliable technologies that enhance operational performance while contributing to more sustainable outcomes for palm oil mills.

The Group continues to maintain and advance its collaboration with Malaysian Palm Oil Board (“MPOB”) through the Modipalm Continuous Sterilisation System (“CS”), reflecting our ongoing commitment to operational efficiency and sustainability. The system is designed to optimise mill operations by improving steam utilisation, reducing diesel consumption and enhancing energy efficiency. Its integrated process which combines continuous sterilisation, bunch conditioning and post-heating has contributed to improved workplace safety, reduced material losses and greater process consistency, delivering measurable environmental and operational benefits.



The operational outcomes associated with Modipalm CS include higher levels of automation, lower labour requirements and improved oil extraction efficiency. Through CB Palm Industrial, the Group provides integrated services covering the design, supply, construction and installation of both Modipalm CS and conventional palm oil mills. The Group undertakes turnkey projects with processing capacities ranging from 5 to 120 tonnes per hour.

The Group continues to refine and monitor system performance, ensuring that operational improvements are sustained while delivering measurable environmental benefits. This initiative advances our strategy to develop energy-efficient and sustainable technologies, while improving process efficiency and reliability.

SUSTAINABILITY STATEMENT

FOCUS AREA 3: BUILDING CLIMATE RESILIENCE (PLANET)



Material Sustainability Matters

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

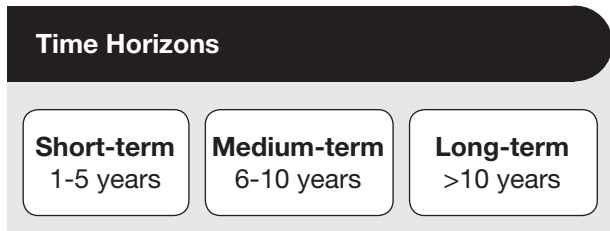
Key Stakeholders



Operating within the palm oil milling and manufacturing sector places us in close interaction with the natural environment, requiring careful and responsible management of environmental impacts. We prioritise efficient energy use, climate-conscious practices, responsible water stewardship and effective waste management to reduce our environmental footprint and enhance operational resilience. Through these efforts, we reaffirm our commitment to safeguarding natural resources and advancing sustainable outcomes for the communities we serve.

Building Climate Resilience

Climate-related risks are increasingly relevant to the oil palm sector, driven by rising temperatures, changing rainfall patterns and more frequent extreme weather events. These developments have direct operational and financial implications, with potential impacts on project delivery timelines, asset performance and supply chain reliability. CBIP recognises the importance of addressing these risks to maintain operational resilience, manage cost pressures and protect margins, and support long-term sustainability across the industry.



We assess climate-related risks, impacts and opportunities across our value chain by evaluating both transition and physical risks over short (1-5 years), medium (6-10 years) and long-term (>10 years) horizons to inform strategic and operational decisions-making. This assessment informs capital allocation, project prioritisation and operational planning, integrating climate considerations into core business strategies. In line with evolving reporting practices, we further enhanced our climate-related disclosures by incorporating selected elements of IFRS S2, strengthening the transparency, comparability and decision-usefulness of disclosures to investors and stakeholders.

Strategy

Transition risks arise from evolving climate-related regulations, carbon pricing mechanisms and changing customer and investor expectations, which can increase compliance costs, influence demand for low-carbon solutions and require further investment in technology and process optimisation. At the same time, these shifts create opportunities to enhance market positioning through expansion into more sustainable and energy-efficient solutions.

Physical risks relate to the direct impacts of climate change, including extreme weather events, rising temperatures and supply chain disruptions, which may affect project execution, operational continuity and asset integrity across the Group’s engineering and manufacturing activities. These risks are considered in project planning, design specifications and supplier selection to enhance resilience and minimise potential disruptions.

SUSTAINABILITY STATEMENT

Transition Risk

Transition Risks	Potential Financial Impact	Potential Opportunities
Policy and Legal (Short- to Medium-term)		
Future implementation of carbon taxes or other carbon pricing mechanisms.	<ul style="list-style-type: none"> Increased operating costs for carbon-intensive operations due to the potential implementation of carbon pricing mechanisms. Financial penalties and fines resulting from non-compliance with increasingly stringent environmental regulations. 	<ul style="list-style-type: none"> Invest in energy-efficient machinery and technologies such as adaptation of solar panels to reduce carbon footprint. Proactive regulatory monitoring supports compliance readiness, business continuity and investor confidence.
Technology (Short- to Long-term)		
Challenges in adopting low-carbon and resource-efficient technologies across engineering and manufacturing processes.	<ul style="list-style-type: none"> High upfront capital expenditure required for low-carbon technologies, digitalisation and integration of renewable energy solutions. 	<ul style="list-style-type: none"> Increase operational efficiency and cost savings over time through prefabrication and energy-efficient technologies.
Market (Short- to Long-term)		
Volatility in raw material prices arising from supply chain disruptions, low-carbon transition pressures and changing market demand.	<ul style="list-style-type: none"> Rising material and component costs may increase project delivery expenses and compress margins. Higher product pricing could affect demand and competitiveness in price-sensitive markets. 	<ul style="list-style-type: none"> Strengthen supplier partnerships and long-term sourcing strategies to improve cost stability, supply resilience and project predictability. Enhancing energy and material efficiency can further improve margins and operational performance.
Reputational (Short- to Long-term)		
Rising stakeholder and customer expectations for sustainable and energy-efficient engineering solutions aligned with climate and sustainability goals.	<ul style="list-style-type: none"> Negative public perception and reputational damage may reduce customer confidence, affect project opportunities and limit access to environmentally conscious markets. 	<ul style="list-style-type: none"> Enhance sustainability performance, product innovation and climate disclosures to strengthen market positioning, attract environmentally conscious customers and support investor confidence.

Physical Risk

Physical Risks	Potential Financial Impact	Potential Opportunities
Acute (Short-term to Long-term)		
Potential extreme climate-related events, including heatwaves, flooding and severe weather affecting operations and supply chains.	<ul style="list-style-type: none"> Extreme weather events may disrupt supply chains, damage infrastructure and pose safety risks, affecting operational continuity. Damage to machinery, production sites and warehouse inventories may lead to delays, increased repair costs and revenue loss. 	<ul style="list-style-type: none"> Diversify supplier networks and prioritise local sourcing to improve supply chain resilience and minimise disruption risks. Strengthen inventory management, infrastructure resilience and risk assessment processes to reduce operational losses and maintain production continuity.
Chronic (Long-term)		
Potential long-term climate impacts, including rising temperatures, changing precipitation patterns and water stress affecting customers' operations and supply stability.	<ul style="list-style-type: none"> Long-term climate impacts may lead to raw material shortages, supply instability and increased operating costs, including higher capital expenditure, insurance premiums and project delivery risks. 	<ul style="list-style-type: none"> Invest in supply chain resilience and strategic sourcing to minimise disruption risks. Invest in climate-resilient and energy-efficient infrastructure and technologies to reduce long-term operating costs, enhance efficiency and improve insurance risk profiles.

SUSTAINABILITY STATEMENT

Risk Management

Risk management is embedded within a structured framework to identify, assess and manage risks that may affect strategic objectives and operational performance, including climate-related risks. Climate risks are identified and assessed through the Group’s risk management processes, with evaluations based on their likelihood of occurrence and potential impact on operations, financial performance and long-term resilience. Identified risks are addressed through appropriate mitigation measures and internal controls, supported by ongoing monitoring to assess effectiveness and emerging exposures. These climate-related risks are integrated into strategic and operational planning to support informed decision-making and strengthen organisational resilience.

Risk Management	
Identifying Climate-related Risks	
Climate-related risks are identified, assessed and evaluated through the Group’s Risk Management Framework. The Risk Management Committee (“RMC”) conducts quarterly reviews to monitor emerging issues and evaluate the significance of climate-related risks.	
Assessing Climate-related Risks	
Climate-related risks are assessed by the Risk Management Committee (“RMC”) based on their likelihood and potential business impact. These risks are reviewed quarterly by the Audit and Risk Management Committee (“ARMC”) to ensure appropriate oversight and governance.	
Managing Climate-related Risks	
The Risk Working Committee (“RWC”) monitors the effectiveness of these controls and reassesses risks on an ongoing basis. The ARMC provides oversight by reviewing assessment outcomes and the overall effectiveness of the risk management framework.	

Metrics and Targets

We evaluate our climate-related performance and identify opportunities for improvement by monitoring and reporting on the following metrics.

Metric	Unit	Description
GHG Emissions	tCO ₂ e	Quantifies Scope 1, 2 and 3 (limited to business travel and employee commute) GHG emissions
Waste	MT	Measures total amount of waste generated
Energy Usage	GJ	Tracks total fuel and electricity consumption
Water Usage	m ³	Measures total water consumption

Climate Change and Energy Management

Climate action and energy management are critical to our business, given our role in supporting the agricultural and palm oil value chain. Climate-related disruptions may affect customers’ operations, supply stability and project delivery timelines, creating downstream impacts across the industry. To address these, we monitor Scope 1, Scope 2 and selected Scope 3 emissions to track performance, manage resource use and reduce emissions intensity over time. Targeted energy efficiency initiatives are implemented across our operations to reinforce long-term resilience.



Prevent Excessive Electricity Usage
Switching off electricity in production and office areas during non-operational hours.



Energy-Saving Lighting
Transitioning to light-emitting diode (“LED”) lighting for two phases of production lines.



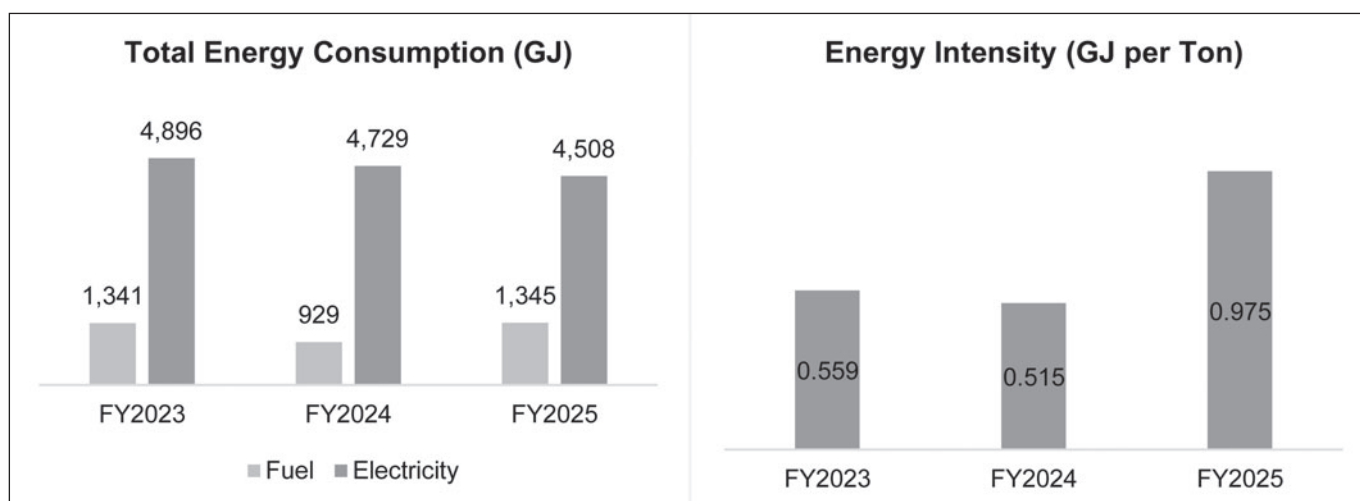
Maintaining Production Efficiency
Refurbishing damaged water pipelines used in the Group’s operations, resulting in a reduction of energy required for pumping and heating.

SUSTAINABILITY STATEMENT

Total Energy Consumption

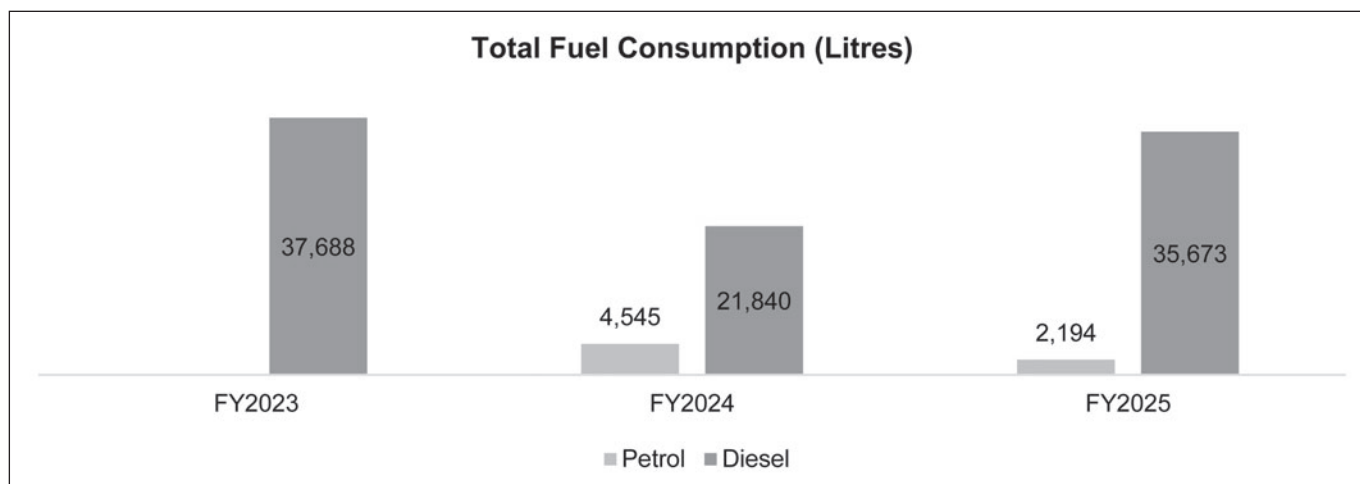
CBIP recorded a total energy consumption of 5,853 GJ in FY2025, representing a 3% increase compared with FY2024. Energy consumption from fuel increased by 45%, primarily due to improved data capture and expanded reporting coverage, resulting in a more comprehensive account of energy use across operations.

During the reporting year, the Group recorded an energy intensity of 0.975 GJ per tonne.



Fuel and Electricity Consumption

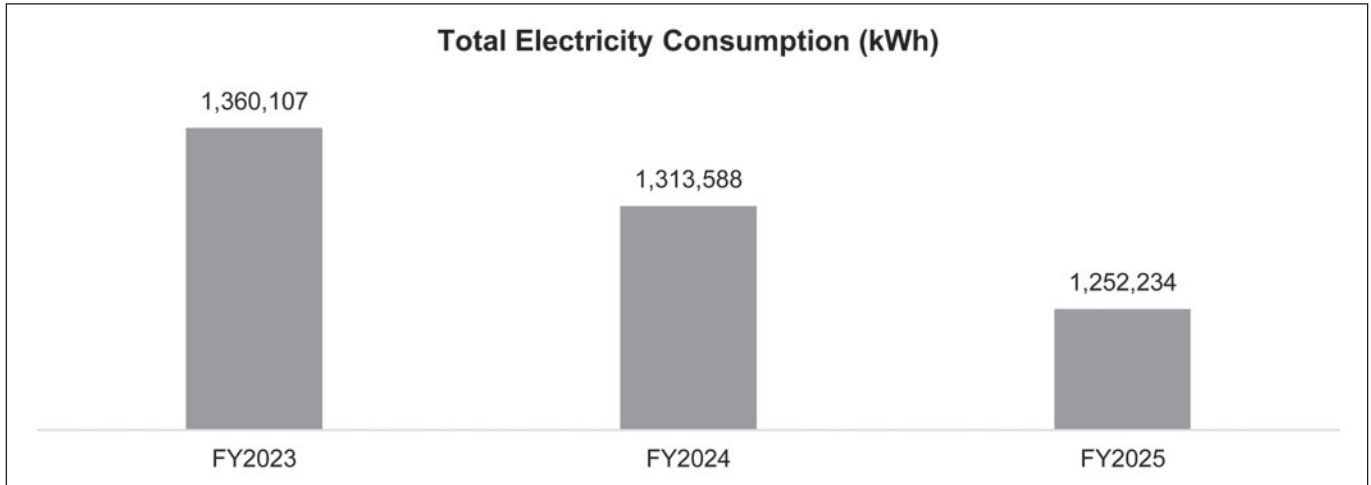
Fuel consumption is primarily associated with the Group’s operational and logistics activities as well as company-owned vehicles, including forklifts, lorries and company cars that utilise diesel and petrol respectively. In FY2025, the Group achieved a 52% reduction in petrol consumption, reflecting lower usage of company-owned vehicles across operations. This was, however, offset by an increase in diesel consumption, attributable to higher operational and logistics activities during the year.



Note:
 Scope 1 GHG Emissions were calculated following the GHG Protocol Scope 1 Guidance, using emission factors derived from the UK Government’s GHG Conversion Factors for FY2023, FY2024 and FY2025.

SUSTAINABILITY STATEMENT

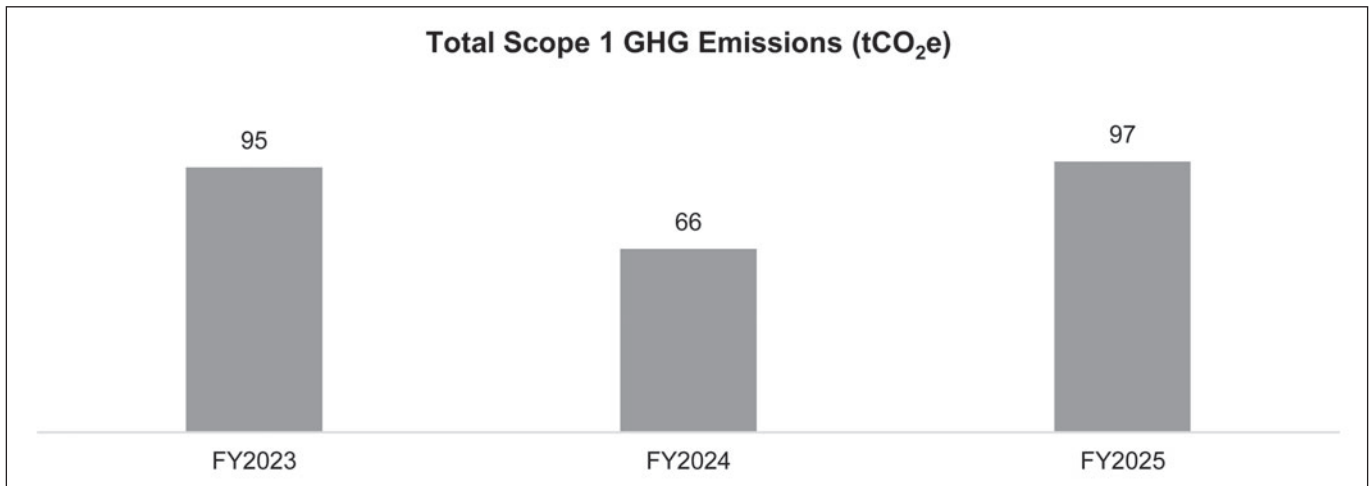
The Group recorded total electricity consumption of 1,252,234 kWh in FY2025, representing a 5% reduction compared with FY2024. This decrease was supported by ongoing efforts to optimise energy use, including operational controls and energy conservation initiatives implemented across production and office facilities.



Total GHG Emissions

GHG emissions arise primarily from the consumption of fuel and electricity across the Group’s operations.

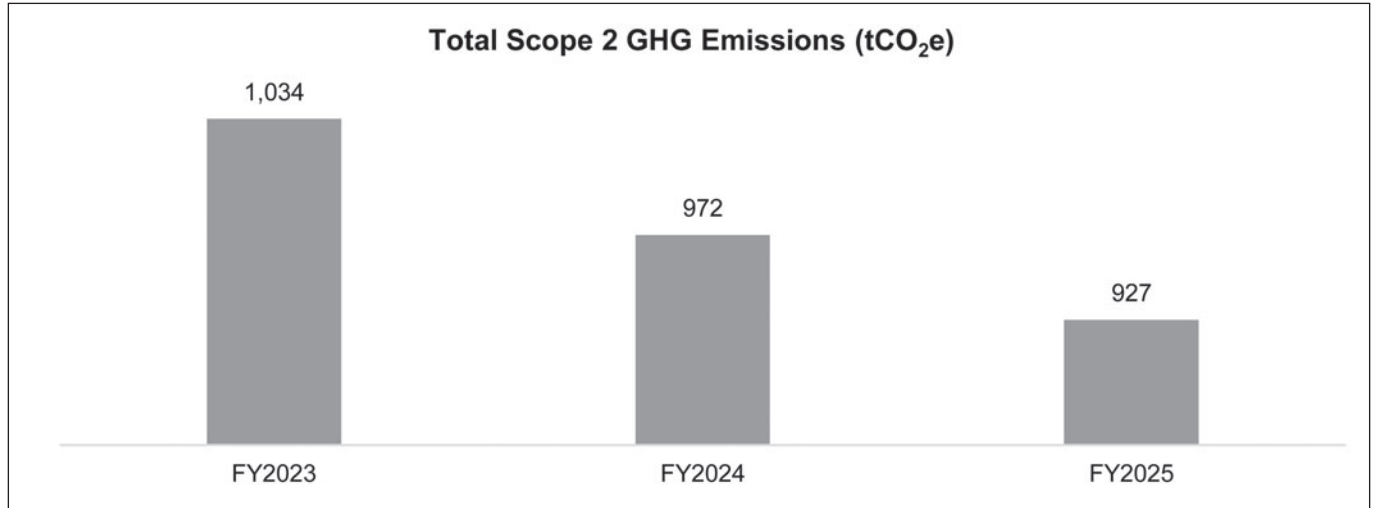
Scope 1 comprises direct GHG emissions generated from sources owned or controlled by CBIP, including company vehicles, forklifts and lorries. During the reporting year, 97 tCO₂e was recorded under Scope 1.



Note:
 Scope 1 GHG Emissions were calculated following the GHG Protocol Scope 1 Guidance, using emission factors derived from the UK Government’s GHG Conversion Factors for FY2023, FY2024 and FY2025.

SUSTAINABILITY STATEMENT

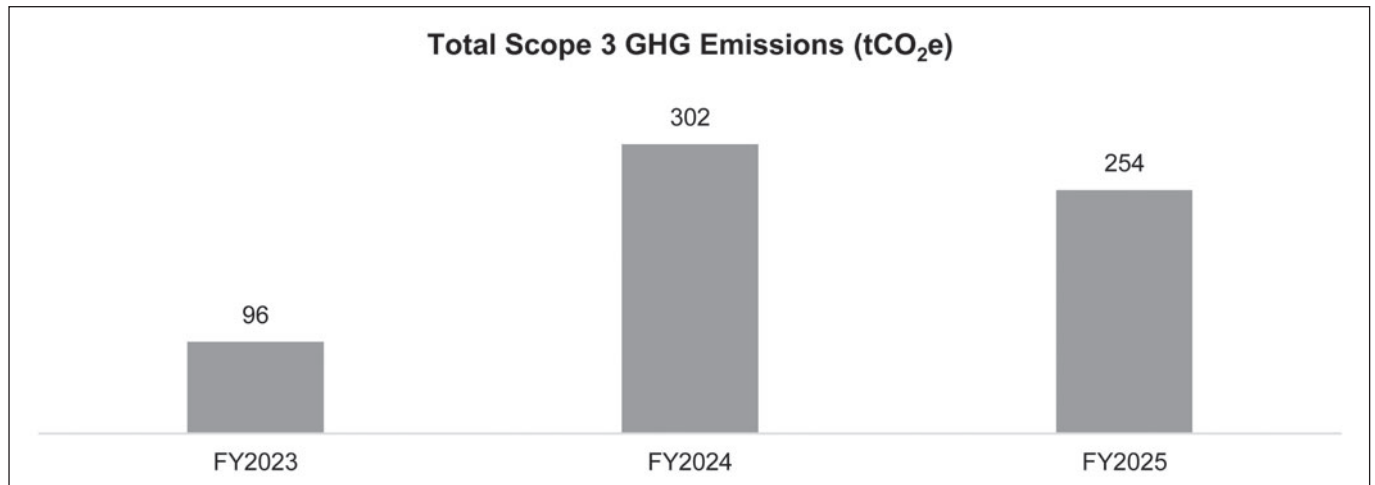
Scope 2 emissions relate to indirect emissions from purchased electricity supplied by Tenaga Nasional Berhad (“TNB”). The Group recorded 927 tCO₂e of Scope 2 emissions in FY2025, reflecting a 5% reduction compared with FY2024.



Note:

1. In accordance with the GHG Protocol Scope 2 Guidance, Scope 2 GHG emissions were calculated using the location-based approach. The emission factors were derived from the 2022-2024 Grid Emission Factors provided by Grid Malaysia, specifically for Peninsular Malaysia.
2. The Scope 2 GHG emissions data for FY2023 and FY2024 have been restated to reflect the latest GHG emission factors for FY2023 and FY2024.

Scope 3 emissions include indirect emissions from business activities such as land and air travel as well as employee commuting. In FY2025, Scope 3 emissions totalled 254 tCO₂e, representing an 16% reduction compared with FY2024.

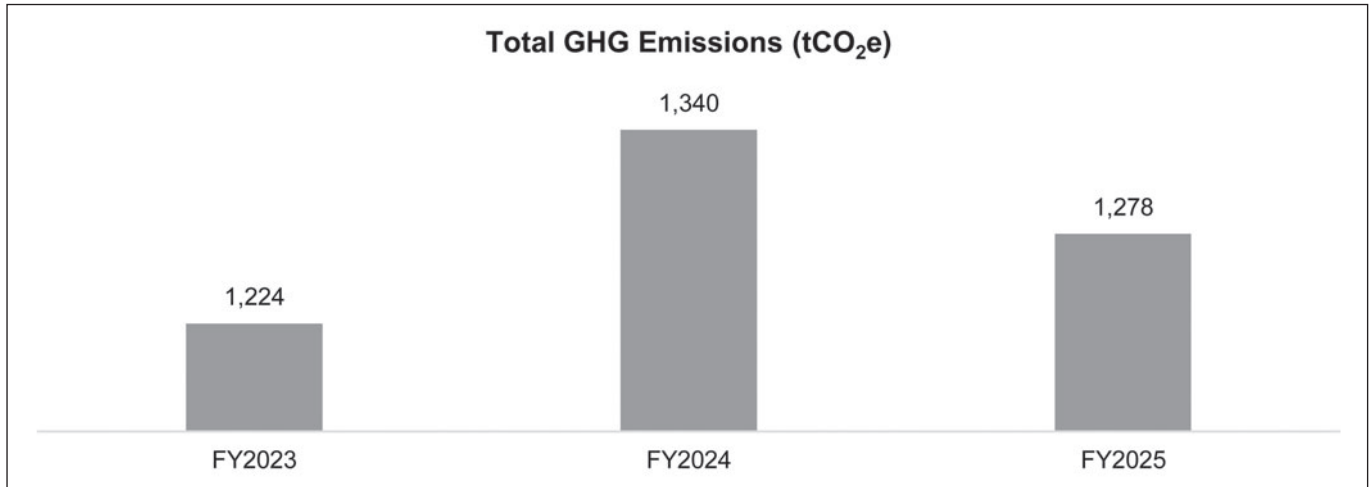


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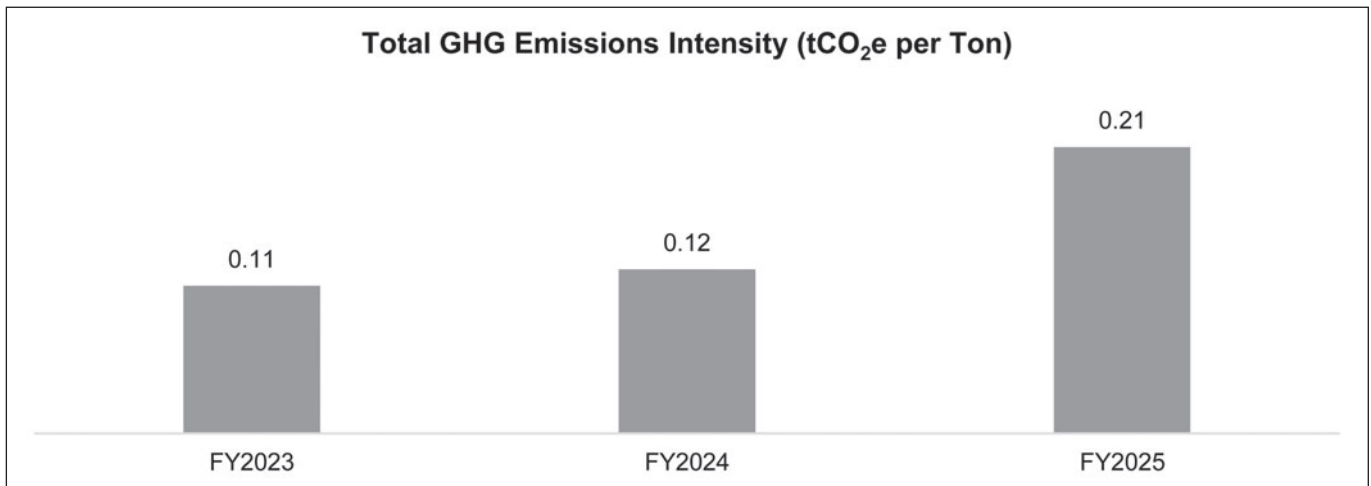
1. Scope 3 GHG emissions for business travel and employee commute are calculated using the average-data method and spend-based method as outlined by the GHG Protocol Scope 3 Guidance, using emission factors from the UK Government’s GHG Conversion Factors for 2025.
2. The Scope 3 GHG emissions data for FY2024 has been restated to reflect the latest provided data and GHG emission factor for FY2024.

SUSTAINABILITY STATEMENT

Overall, the Group generated 1,278 tCO₂e of GHG emissions in FY2025 encompassing Scope 1, Scope 2 and Scope 3. This represents a 5% reduction compared with FY2024.



The Group recorded a total GHG emissions intensity of 0.21 tCO₂e per tonne in FY2025. This represents a 75% increase compared with FY2024.



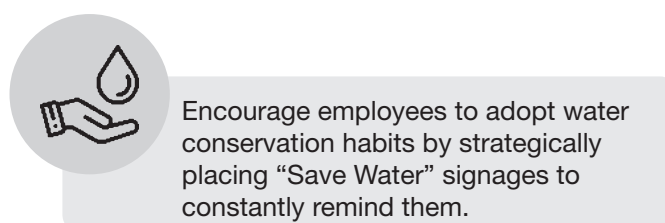
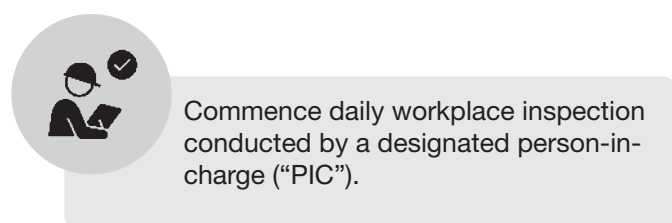
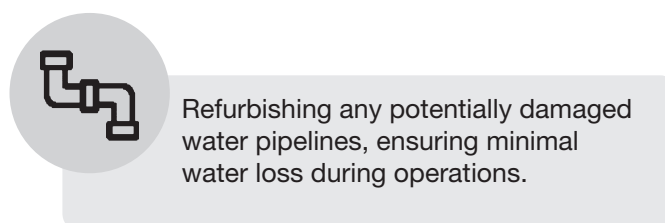
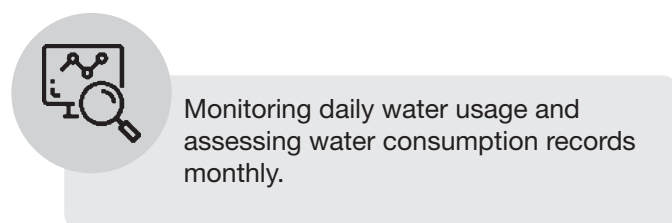
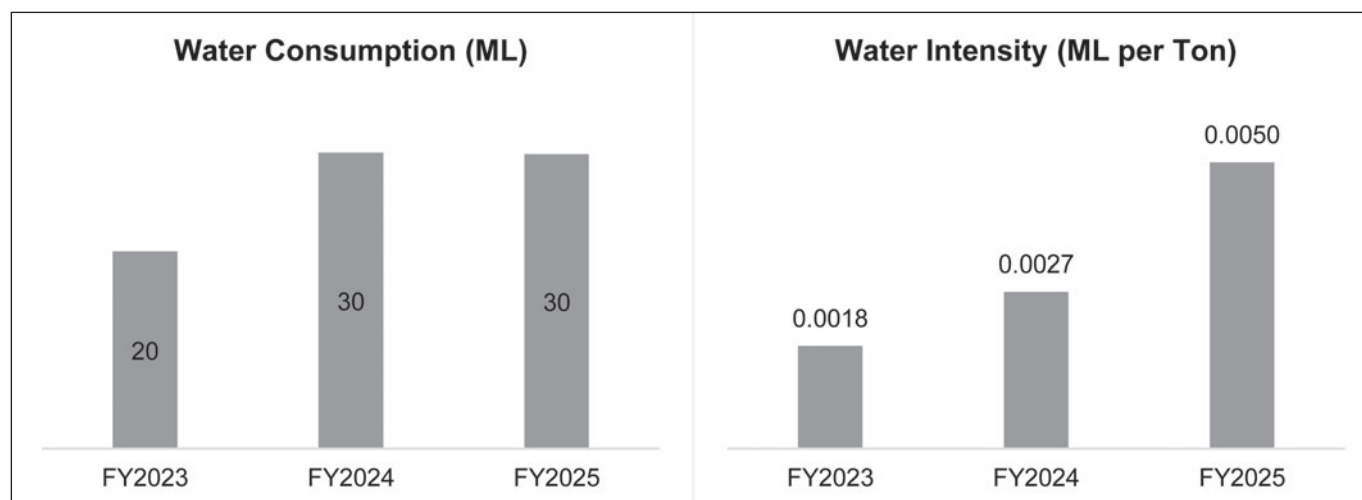
SUSTAINABILITY STATEMENT

Water Consumption

Water is a vital resource for CBIP's manufacturing operations, particularly in processes related to the production of machinery and equipment used in palm oil mills. Effective water management improves operational efficiency, reduces resource risks and supports long-term business continuity.

The Group's water consumption is sourced from municipal supply at our Lot 3 and Lot 4 facilities. In FY2025, total water consumption remained at 30 ML, consistent with FY2024, reflecting stable operational requirements and ongoing monitoring of water use.

Water intensity for FY2025 was 0.0050 ML per tonne, representing an 82% increase from FY2024.



Waste and Effluent Consumption

Effective waste and effluent management remain a key priority in minimising environmental impact and ensuring regulatory compliance across CBIP's manufacturing operations. The Group focuses on responsible waste handling, reduction of landfill disposal and continuous monitoring of waste streams to improve operational efficiency and resource management. Structured waste segregation, recycling and monitoring practices are implemented to enhance transparency in waste tracking and support continuous improvement in environmental performance.

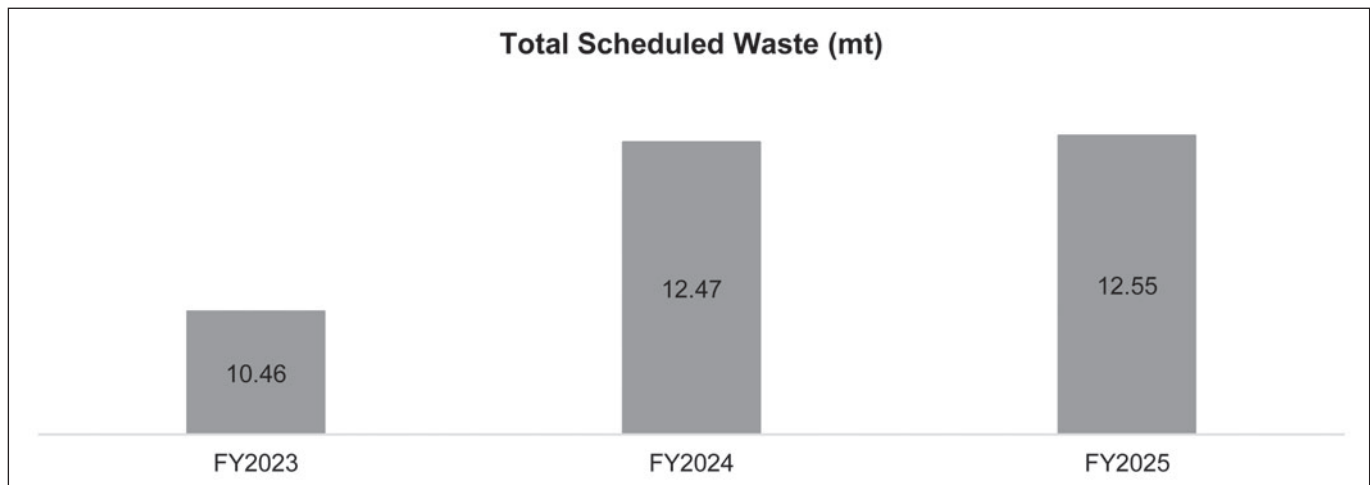
SUSTAINABILITY STATEMENT

Scheduled Waste

In compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005, CBIP tracks and reports scheduled waste disposal through verified consignment records submitted via the Department of Environment’s (“DOE”) Electronic Scheduled Waste Information System (“eSWIS”). Scheduled waste is segregated and stored in designated areas prior to collection by licensed contractors. Employees are trained to handle scheduled waste in accordance with regulatory requirements, ensuring proper storage and minimising environmental risks associated with hazardous materials.

Scheduled Waste	Breakdown	Unit (mt)	FY2023	FY2024	FY2025
SW307	Spent mineral oil-water emulsion	Metric Tonnes	8.570	9.753	9.910
SW305	Spent lubricating oil	Metric Tonnes	0.800	0.600	0.828
SW409	Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes	Metric Tonnes	0.670	1.300	0.546
SW410	Rags, plastics, papers or filters contaminated with scheduled wastes	Metric Tonnes	0.420	0.819	1.266

Higher demand for project fabrication in FY2025 resulted in increased glove usage. This, along with the disposal of unused and expired coolant, contributed to a 0.6% increase in total scheduled waste.



Non-Scheduled Waste

The Group continues to implement the non-scheduled waste management initiatives introduced in FY2024, focusing on monitoring paper, plastic and domestic waste generated from production and office activities. Recyclable waste, particularly scrap metal, is managed through appointed contractors for collection and repurposing, supporting responsible resource use and reducing landfill disposal.

Waste produced during the manufacturing process is effectively reduced through optimised trimming practices during fabrication, minimising scrap metal generation. This includes improving cutting layouts, implementing precise measurement controls and enhancing material utilisation to ensure that raw materials are used as efficiently as possible. By adopting these measures, CBIP is able to lower material wastage, reduce disposal requirements and improve overall production efficiency.

SUSTAINABILITY STATEMENT

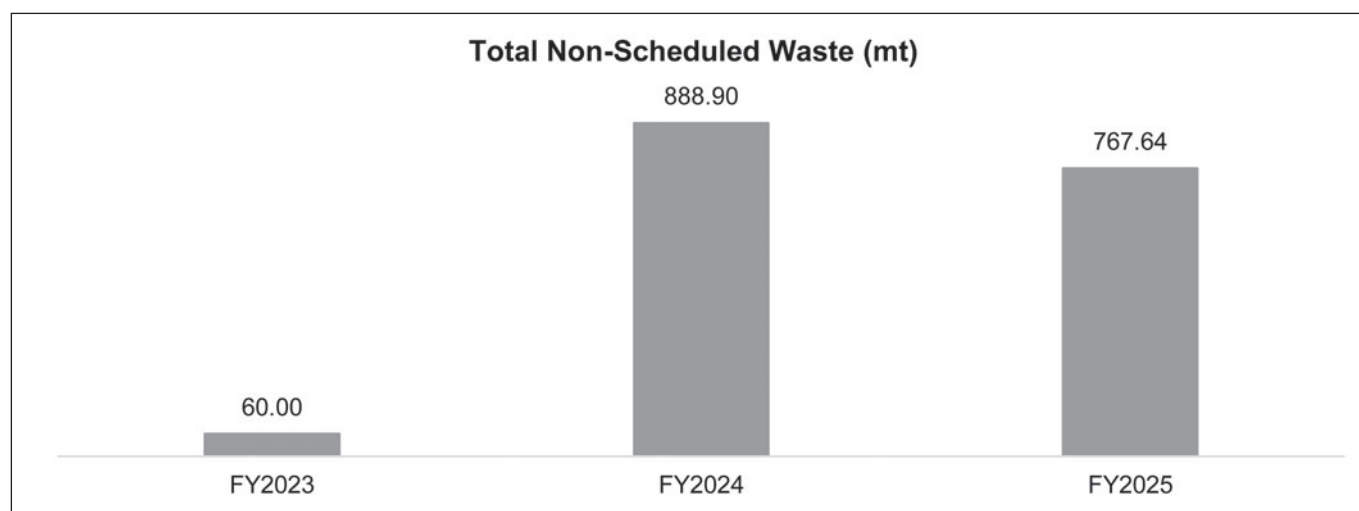
Type of Non-Hazardous Waste	Type of Waste	Unit (mt)	FY2023	FY2024	FY2025	Total Waste Generation for FY2025
Domestic Waste	Domestic Waste	Metric Tonnes	60.00	61.10	62.60	62.60
Recyclable Waste	Scrap Metal	Metric Tonnes	N/A	816.00	696.90	705.04
	Paper	Metric Tonnes	N/A	4.70	4.04	
	Plastics	Metric Tonnes	N/A	7.10	4.10	

Note:

1. N/A indicates that the data was unavailable during the reporting period.

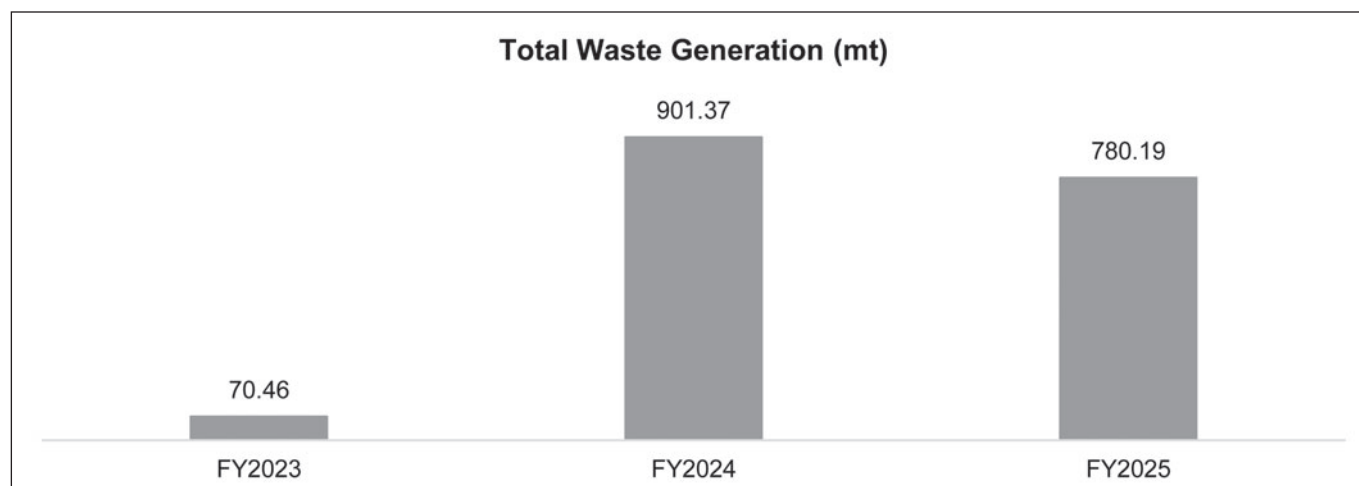
In FY2025, recyclable waste decreased by 15%, mainly reflecting lower operational activity and improved material efficiency.

Overall, total non-scheduled waste generation declined by 14% compared with FY2024.



Total Waste Generation

In FY2025, total waste generation, including both scheduled and non-scheduled waste, decreased by 13% compared with the previous reporting period. The reduction was primarily driven by the improved waste management including increased employee awareness of waste segregation at point of source.



SUSTAINABILITY STATEMENT

FOCUS AREA 4: UPLIFTING SOCIAL SUSTAINABILITY (PEOPLE)



Material Sustainability Matters

- Customer Satisfaction
- Occupational Health and Safety
- Labour Practices and Standards

Key Stakeholders

- Diversity and Inclusion
- Local Community



Our sustainability ambitions are realised through the dedication and commitment of our people, who play a central role in translating purpose into performance. By upholding strong social safeguards, protecting workforce well-being and fostering an inclusive culture, we aim to ensure that progress is meaningful and shared. These principles extend beyond our workforce to how we engage with the communities in which we operate, recognising the importance of strong social relationships in creating shared value.

Customer Satisfaction

Long-term customer relationships are built on the consistent delivery of reliable products and responsive service. Our commitment to meet customer expectations while ensuring timely delivery has strengthened the Group’s reputation and fostered long-term relationships with our valued customers. Meeting performance, quality and reliability expectations supports repeat business, strengthens customer confidence and reinforces our standing within the industry. Customer satisfaction is supported through a structured approach that integrates quality assurance, timely issue resolution and service efficiency across our operations, enabling us to sustain trust and responsible growth over time.


We deploy structured feedback mechanisms to identify concerns early and ensure timely resolution.

Dedicated maintenance teams deliver scheduled servicing and rapid-response repairs to sustain operational continuity.


Active participation in industry platforms enables us to stay aligned with changes in customer requirements.

All products are designed and delivered in compliance with stringent safety, quality, and performance standards.


Over the past two years, customer satisfaction levels reflected in our survey results have shown consistent improvement, achieving an overall score of 91 % in FY2025. These results underscore our commitment to delivering high quality products and services and continue to exceed our internal benchmark of a 70% customer satisfaction score. The survey was conducted based on the following criteria.




Timeliness and Reliability of Delivery



Quality of Products and Services



Responsiveness to Customer Needs



Effectiveness of Customer Communication

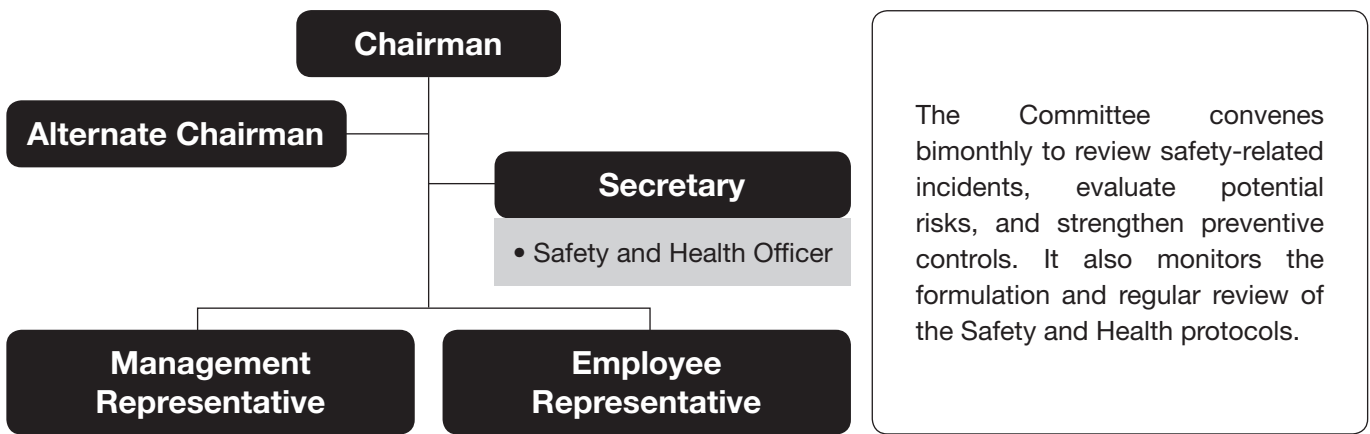
SUSTAINABILITY STATEMENT

Occupational Health and Safety

Employee safety remains our top priority. Over the past year, we improved safety performance through the implementation of more consistent systems and processes, supported by the sharing of best practices across the Group. We remain committed to maintaining high safety standards and fostering a work environment where employees can perform their roles safely and confidently. These efforts will continue to guide further enhancements to our safety practices and controls.

Safety, Health and Environment (“SHE”) Committee

The Group’s three-tier Safety and Health Committee supports the effective management of Occupational Safety and Health (“OSH”) across operations. Led by the Safety and Health Chairman and supported by the Safety and Health Officer, the Committee comprises management and employee representatives and provides clear oversight and accountability for the implementation of the OSH management system.

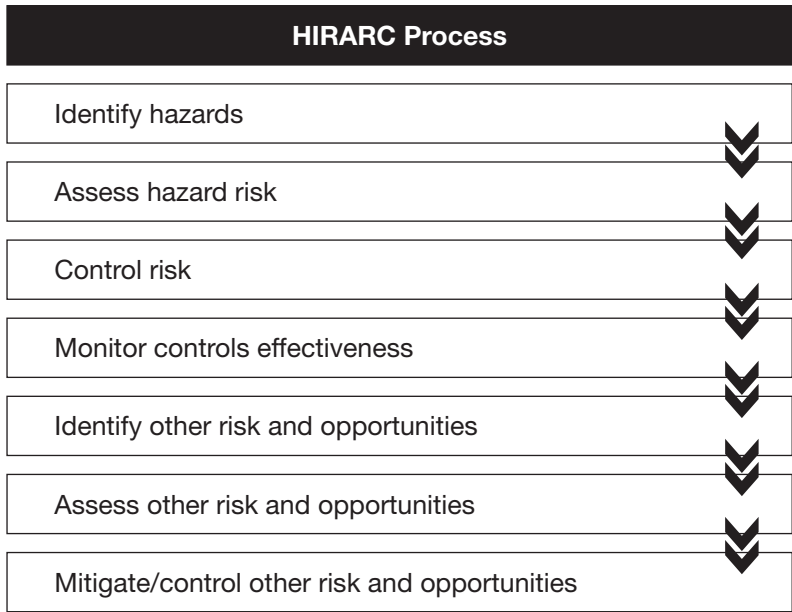


Safety Risk Management

The Group places strong emphasis on the health and safety of our workforce through the implementation of a structured OSH management system. OHS practices are integrated across operations to prevent incidents, maintain a safe working environment and support operational continuity.

Regular assessments form the foundation of the Group’s workplace safety management. Through Hazard Identification, Risk Assessment and Risk Control (“HIRARC”) processes aligned with Department of Occupational Safety and Health (“DOSHS”) guidelines, potential hazards are systematically identified and evaluated based on their severity and likelihood. Comprehensive annual reviews, together with risk assessments conducted for every operational process and sections, support continuous improvement in safety controls. Regular training and awareness initiatives further equip employees with the knowledge needed to recognise hazards and apply safe work practices.

SUSTAINABILITY STATEMENT



HIRARC are conducted for each process and section to identify potential hazards and establish control measures prior to the commencement of work, particularly high-risk activities such as machinery operations with elevated noise levels and ergonomic risk when handling machinery.

In FY2025, the Group recorded a 54% reduction in the Lost Time Incident Rate (“LTIR”) compared to the previous financial year. During the year a total of 616,248 work hours were recorded with zero work-related fatalities, extending the Group’s record of no fatal incidents over the past three years.

The table below summarises key health and safety metrics across our operations.

	FY2023	FY2024	FY2025
Total number of hours worked	641,472	606,528	616,248
Number of lost-time injuries	151	15	7
Number of fatalities as a result of work-related injuries or ill health	0	0	0
First Aid Recordable Cases	9	1	0
Lost Time Incident Rate (“LTIR”)	47.08	4.95	2.27

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

Employee Health and Safety Training

As part of our OSH management, the Group conduct regular emergency drills to ensure preparedness and effective response to changing conditions. We also provide targeted OSH training to equip employees with the skills and knowledge to identify, prevent and respond to workplace hazards.

During the year, a total of 780 training hours were delivered, with 772 employees participating. In addition, eight employees remained certified as authorised personnel for gas testing, entry supervision and standby roles in confined space operations.

Number of employees received OSH training

FY2025: 772
 FY2024: 1,234
 FY2023: 1,078

SUSTAINABILITY STATEMENT

Personal Protective Equipment (“PPE”) Training



Employees are briefed on the importance of PPE usage in the workplace and provided with training on its proper use, maintenance and storage to minimise occupational health risks.

Hearing Conservation Programme

The Hearing Conservation Programme briefs employees on preventing noise-induced hearing loss through noise monitoring and the provision of hearing protection, protected from unwanted sound and health effects.



Systematic Occupational Health Enhancement Level Programme (“SOHELP”)



A safety improvement and enhancement programme for workplace health to promote well-being and safety by identifying and mitigating occupational risks.

Internal Fire Fighting Training

Firefighting training equips employees with the skills to respond effectively to fire emergencies, including hands-on demonstrations on the proper use of fire extinguishers and fire safety procedures.



Labour Practices and Standards

Our approach to fair labour practices and human rights is guided by international frameworks such as the UN Guiding Principles on Business and Human Rights (“UNGPs”) and aligned with UN SDG 8 on Decent Work and Economic Growth. We are committed to fostering safe, inclusive and productive employment that provides fair income and protects employees’ rights across our operations. The salient issues that we focus on include eliminating forced and child labour, promoting equal opportunity and inclusivity, maintaining a safe and healthy working environment and ensuring proper handling of grievances. This approach supports workforce well-being and reinforced alignment with the Group’s core values.

SUSTAINABILITY STATEMENT

Employee Benefits and Welfare

CBIP conducts local hiring through established online platforms including JobStreet and MyFutureJob, ensuring access to a wide pool of qualified candidates. The recruitment of foreign workers is carried out in strict compliance with regulatory requirements, including approvals and quota allocations from the Ministry of Home Affairs and the Department of Labour with licensed employment agencies facilitating placements.

To safeguard the well-being of foreign employees, the Group provides suitable accommodation in line with regulatory standards, supported by a bank guarantee, coverage under the Foreign Worker Hospitalisation and Surgical Insurance Scheme (“FWHSIS”) and the Social Security Organisation (“SOCSO”).

The Group offers a range of statutory and non-statutory benefits, prioritising employee well-being and development.

Annual Increment and Bonus	Leave Entitlements (Annual leave and Parental leave)
Employees’ Provident Fund (“EPF”)	Social Security Organisation (“SOCSO”)
General Healthcare and Hospitalisation Insurance Medical Card Benefit	

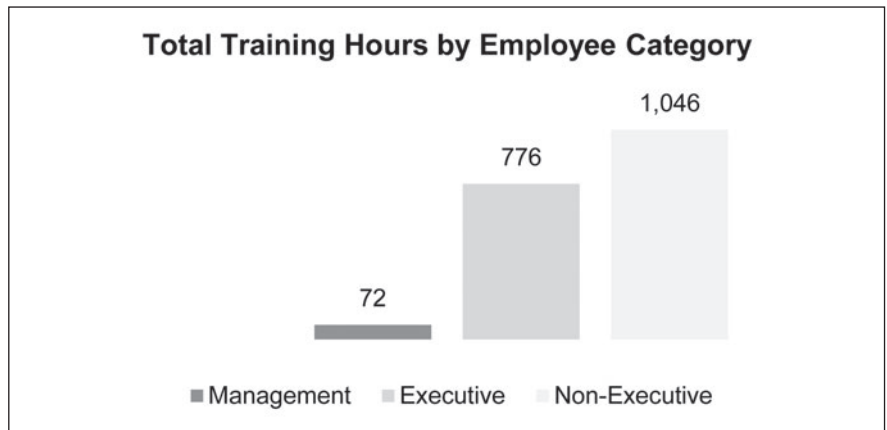
Employee Training and Development

During the year under review, we invested RM125,532 in training and development initiatives, delivering more than 1,894 hours of training. These programmes support continuous learning, address current competency gaps and build workforce capabilities to meet future challenges and opportunities.

A total of **22** development training programmes were conducted across the Group in FY2025

1,894
Hours of Training Provided

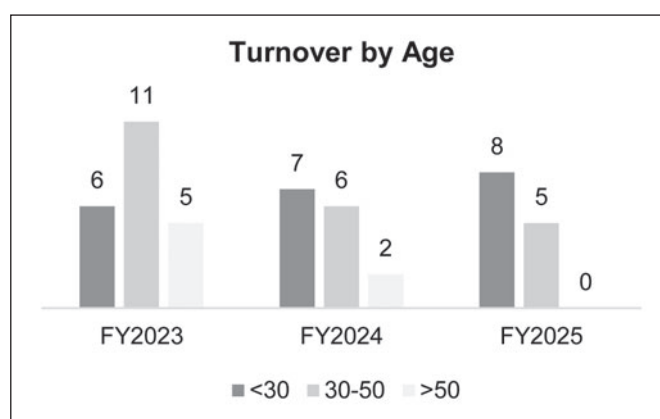
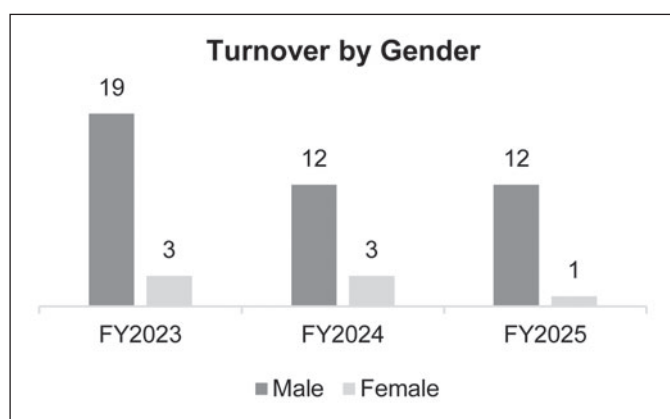
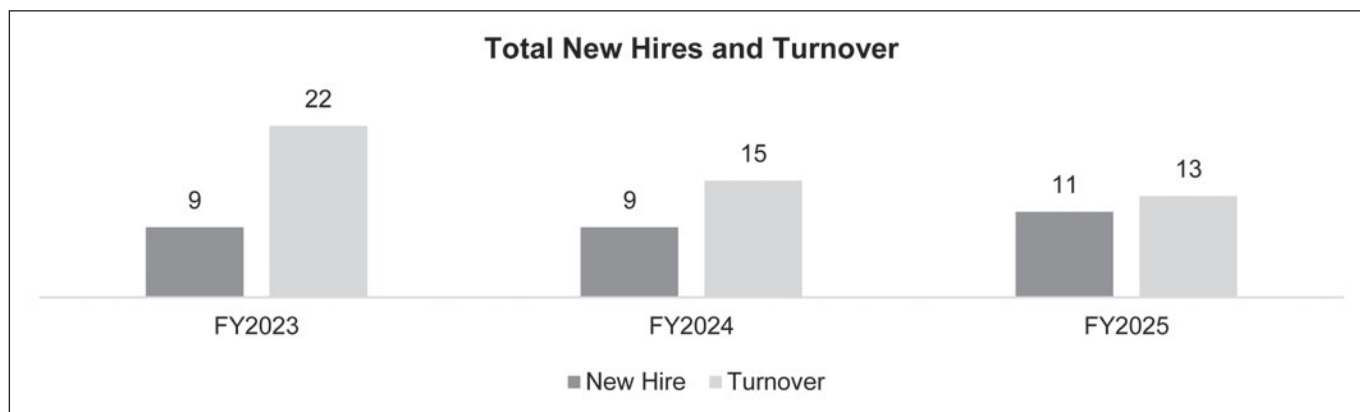
Average 9.6 hours
of Training per Employee



SUSTAINABILITY STATEMENT

Employee New Hires and Turnover

In FY2025, the Group onboarded 11 new hires, comprising of 8 men and 3 women. Additionally, we recorded a turnover of 13 employees across Executive and Non-Executive categories during the same period, reflecting workforce movement during the year. The Group continues to monitor workforce trends to support operational requirements and maintain workforce stability.



Performance Appraisal

Performance appraisals at CBIP assess employees' capabilities, identify opportunities for professional growth and align individual performance with organisational objectives. Insights derived from these appraisals support talent development and enhance overall workforce effectiveness. During the reporting year, permanent employees who were eligible for appraisal were successfully assessed, demonstrating the Group's continued commitment to comprehensive and consistent performance evaluation.

Number of employees received appraisal



FY2025: 211
 FY2024: 236
 FY2023: 249

SUSTAINABILITY STATEMENT

Employee Engagement Programmes

The Group recognises the importance of employee engagement in supporting a positive and cohesive workplace culture. During the year, engagement activities were modest and focused on fostering goodwill and inclusivity through festive celebrations, as well as recreational initiatives that promoted employee well-being and camaraderie. These initiatives provided opportunities for employees to connect and reinforce a sense of belonging within the organisation.



Hari Raya *Buka Puasa* gathering with 250 employees



Chinese New Year dinner attended by 300 employees



Program Panglima Fun Run & Karnival Jualan Komuniti 2025, organised by the Jawatankuasa Pembangunan dan Keselamatan Kampung, Telok Panglima, with the participation of 50 employees



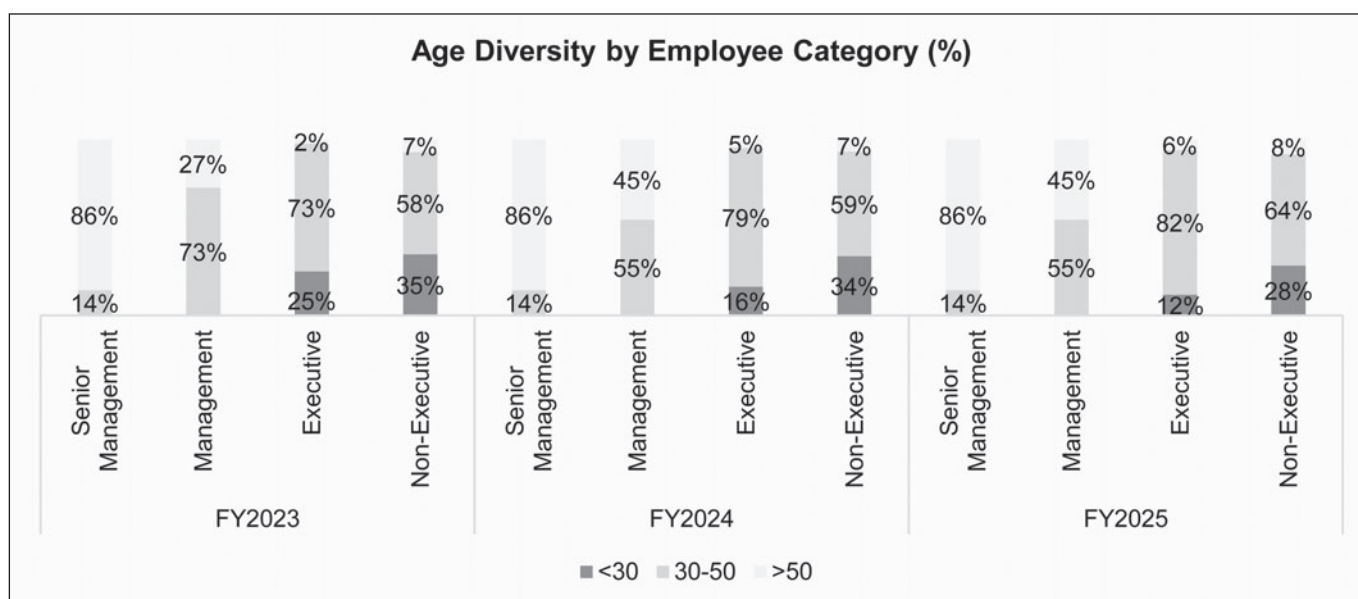
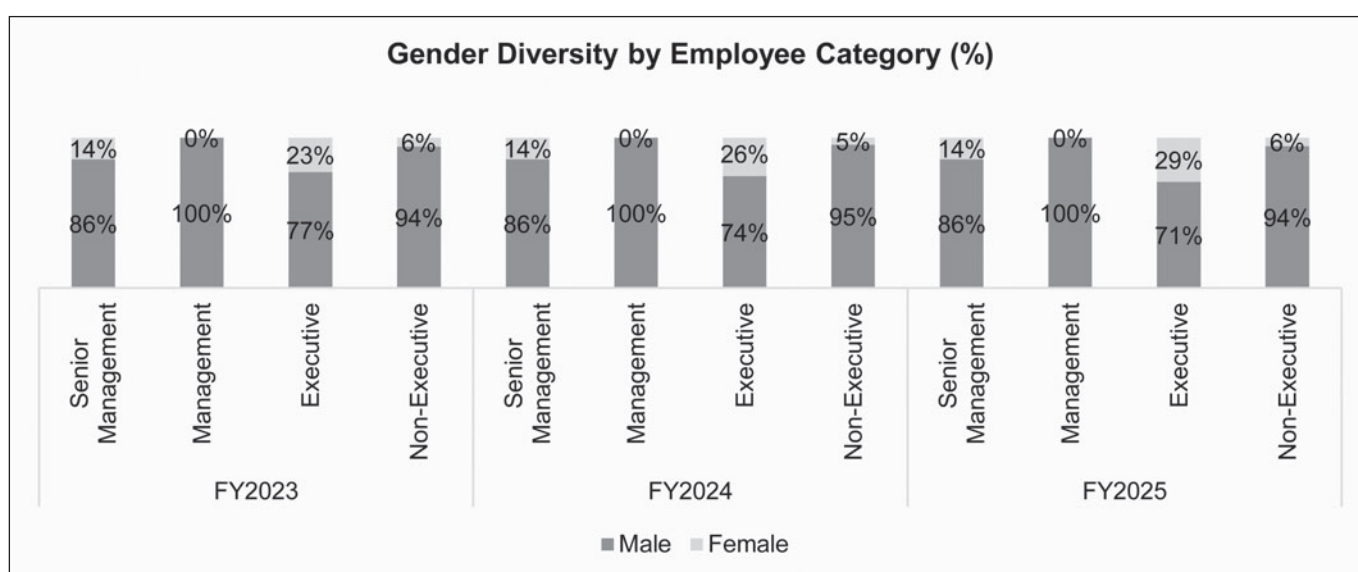
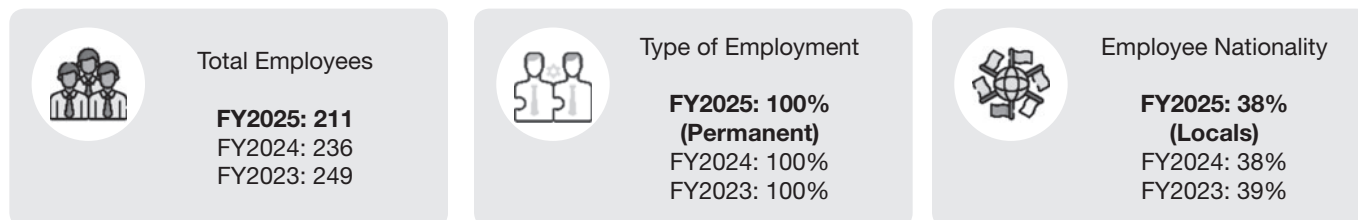
Diversity and Inclusion

At CBIP we value the diverse perspectives and experiences of our workforce and are guided by our Board Diversity Policy in promoting diversity, equity and inclusion across our operations. We aim to build a workforce with diverse skills, experiences, ages, cultural backgrounds and genders. While our workforce is predominantly male due to the labour-intensive nature of our manufacturing operations, we remain committed to fostering an inclusive environment where all employees are valued and respected. Employees are provided with formal grievance and whistleblowing channels to raise concerns confidentially and without fear of retaliation.

SUSTAINABILITY STATEMENT

Workforce Diversity

In the reporting year, our total workforce comprised 211 employees. Male employees comprised 91%, reflecting the labour-intensive nature of our operations. Locals represented 38% of the total workforce, while 100% were permanently employed.



SUSTAINABILITY STATEMENT

Local Community

Meaningful and lasting community impact is achieved through strong understanding of community needs. By prioritising dialogue, collaboration and inclusivity, we ensure that our initiatives are shaped by the unique needs and aspirations of those we serve. Our approach is through Corporate Social Responsibility (“CSR”) initiatives that focus on targeted contributions that address identified community needs, guided by management decisions to ensure effective resource allocation. Anchored by a community development framework, our CSR initiatives aim to enhance socio-economic conditions, promote empowerment and contribute to sustainable economic growth.

In FY2025, the Group provided financial support and donation to local organisations to promote community welfare and social equity. Contributions were extended to the Heart Beat Fundraiser, Yayasan Jantung Malaysia and KCCCCI 79th Anniversary Dinner, amounting to a total of RM102,500.

Committed to Responsible Growth

CBIP remains committed to contributing positively to the environment and society, recognising that “business as usual” is no longer sufficient in an evolving sustainability landscape. We approach sustainability with discipline, embedding structured processes, clear accountability and measurable outcomes into how we operate. While we acknowledge that there is more to be done, we view sustainability as a continuous and deliberate journey, where each action is guided by careful assessment and builds on prior progress.

Guided by this approach, we will continue to strengthen governance, enhance climate-related disclosures and improve operational efficiency, reinforcing performance monitoring and supporting more disciplined decision-making. Anchored by our vision to be the preferred provider of innovative engineering products and solutions to the global oil palm industry and related sectors, we remain focused on delivering disciplined, resilient and value-driven growth.

PERFORMANCE DATA TABLE

Governance

Indicator	Unit	FY2023	FY2024	FY2025
Anti-Corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
• Senior Management	%	-	-	0
• Management	%	-	80	0
• Executive	%	-	20	0
• Non-Executive	%	-	-	0
Bursa C1(b) Percentage of operations assessed for corruption related risks	%	22	50	20
Bursa C1(c) Confirmed incidents of corruption and actions taken	Number	0	0	0
Data Privacy and Security				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	0
Supply Chain Management				
Bursa C7(a) Proportion of spending on local suppliers	%	90	91	81

SUSTAINABILITY STATEMENT

Environment

Indicator	Unit	FY2023	FY2024	FY2025
Climate Change and Energy Management				
Bursa C4(a) Total energy consumption	GJ	6,238	5,658	5,853
Bursa C4(a) Total energy consumption	MW	377.44	262.77	378.04
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	95	66	97
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	1,034*	972*	927
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (business travel and employee commuting)	tCO ₂ e	96	302*	254
Waste Management				
Bursa C10(a) Total waste generated	Metric tonnes	70.5	901	780
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	0	828	705
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	70.5	73.6	75.2
Water Consumption				
Bursa C9(a) Total volume of water used	ML	20	30	30

Note: Data labelled with asterisks (*) were restated this year for accuracy using the latest updated data and emission factors.

Social

Indicator	Unit	FY2023	FY2024	FY2025
Occupational Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	47.08	5.0	2.27
Bursa C5(c) Number of employees (crews) trained on health and safety standards	Number	1,078	1,234	772
Labour Practices and Standards				
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0
Bursa C6(a) Total hours of training by employee category				
• Management (include senior management)	Hours	26.6	13	72
• Executive	Hours	26.6	889	776
• Non-Executive	Hours	24.1	901	1,046
Bursa C6(c) Total number of employee turnover by employee category				
• Management (include senior management)	Number	0	0	0
• Executive	Number	9	9	8
• Non-Executive	Number	13	6	5

SUSTAINABILITY STATEMENT

Indicator	Unit	FY2023	FY2024	FY2025
Diversity and Inclusion				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Gender group by employee category				
• Senior Management (Male)	%	86	86	86
• Senior Management (Female)	%	14	14	14
• Management (Male)	%	100	100	100
• Management (Female)	%	0	0	0
• Executive (Male)	%	77	74	71
• Executive (Female)	%	23	26	29
• Non-Executive (Male)	%	94	95	94
• Non-Executive (Female)	%	6	5	6
Age group by employee category				
• Senior Management (<30)	%	0	0	0
• Senior Management (30-50)	%	14	14	14
• Senior Management (>50)	%	86	86	86
• Management (<30)	%	0	0	0
• Management (30-50)	%	73	55	55
• Management (>50)	%	27	45	45
• Executive (<30)	%	25	16	12
• Executive (30-50)	%	73	79	82
• Executive (>50)	%	2	5	6
• Non-Executive (<30)	%	35	34	28
• Non-Executive (30-50)	%	58	59	64
• Non-Executive (>50)	%	7	7	8
Bursa C3(b) Percentage of directors by gender and age				
Male	%	71	71	71
Female	%	29	29	29
<30	%	0	0	0
30-50	%	14	14	14
>50	%	86	86	86
Bursa C6(b) Percentage of employees that are contractors or temporary staff	%	0	0	0
Local Community				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	13,700	111,550	102,500
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	2 organisations	250	3 organisations

SUSTAINABILITY STATEMENT

GRI CONTENT INDEX

Statement of use	CB Industrial Product Holding Berhad has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 2: General Disclosures 2021	2-1 Organisational details	1
	2-2 Entities included in the organisation's sustainability reporting	1
	2-3 Reporting period, frequency and contact point	1 – 2
	2-6 Activities, value chain and other business relationships	-
	2-7 Employees	-
	2-8 Workers who are not employees	-
	2-9 Governance structure and composition	10
	2-10 Nomination and selection of the highest governance body	10
	2-12 Role of the highest governance body in overseeing the management of impacts	10
	2-13 Delegation of responsibility for managing impacts	10
	2-14 Role of the highest governance body in sustainability reporting	10
	2-16 Communication of critical concerns	-
	2-22 Statement on sustainable development strategy	5
	2-23 Policy commitments	9
	2-24 Embedding policy commitments	9
	2-25 Processes to remediate negative impacts	-
	2-26 Mechanisms for seeking advice and raising concerns	2
2-27 Compliance with laws and regulations	-	
2-29 Approach to stakeholder engagement	11 – 12	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	13
	3-2 List of material topics	13
	3-3 Management of material topics	-
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	21
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	16, 41
	205-2 Communication and training about anti-corruption policies and procedures	16, 41
	205-3 Confirmed incidents of corruption and actions taken	-
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	25
	302-2 Energy consumption outside of the organisation	-
	302-3 Energy intensity	25
	302-4 Reduction of energy consumption	25
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	-
	303-3 Water withdrawal	-
	303-5 Water consumption	29

SUSTAINABILITY STATEMENT

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	27
	305-2 Energy indirect (Scope 2) GHG emissions	27
	305-3 Other indirect (Scope 3) GHG emissions	28
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	29 – 31
	306-2 Management of significant waste-related impacts	29 – 31
	306-3 Waste generated	31
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	37
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	36
	401-3 Parental leave	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	33
	403-2 Hazard identification, risk assessment, and incident investigation	34
	403-4 Worker participation, consultation, and communication on occupational health and safety	34
	403-5 Worker training on occupational health and safety	34 – 35
	403-8 Workers covered by an occupational health and safety management system	35
	403-9 Work-related injuries	34
	403-10 Work-related ill health	34
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	36
	404-2 Programmes for upgrading employee skills and transition assistance programs	36
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	38 – 39
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	-
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	-
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	-
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	40
	413-2 Operations with significant actual and potential negative impacts on local communities	-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	18

Please refer to page 187 for the details of the report generated from Bursa Malaysia CSI Platform.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Audit and Risk Management Committee (“**ARMC**” or “**Committee**”) was established by the Board of Directors (“**Board**”) to assist them in carrying out their responsibilities. The Committee is guided by its Terms of Reference (“**TOR**”) which sets out the authority, duties and functions of the Committee.

The Board is pleased to present the ARMC Report and its activities for the financial year ended 31 December 2025 (“**FY2025**”) in accordance with Paragraph 15.15 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

COMPOSITION AND MEETINGS

The ARMC comprises four (4) members, all of whom are Non-Executive Directors with the majority being Independent Directors. This meets the requirements of Paragraph 15.09(1) and (2) of the MMLR of Bursa Securities. None of the members of the ARMC was a former partner of the External Auditors of the Group.

The Chairman of the Committee is not the Chairman of the Board to ensure there is check and balance as well as objective review by the Board.

Mr. Lee Poi Keong, the Chairman of the Committee, is a member of the Malaysian Institute of Accountants (MIA), the Institute of Internal Auditors Malaysia (IIAM) and the Institute of Chartered Accountants in England & Wales (ICAEW) and accordingly, the Company complies with Paragraph 15.09(1)(c) of the MMLR of Bursa Securities.

During FY2025, the Committee held a total of seven (7) meetings. The details of attendance of each member at the Committee meetings were as follows:

Members/Designation	Meeting Attendance
Lee Poi Keong <i>Chairman/Senior Independent Non-Executive Director</i>	7/7
Lim Chai Huat <i>Member/Non-Independent Non-Executive Director</i>	6/7
Karpanadevi A/P K R Somasundram <i>Member/Independent Non-Executive Director</i>	7/7
Datin Chua Suat Khim <i>Member/Independent Non-Executive Director</i>	7/7

The ARMC meetings were conducted with a quorum of two (2) ARMC members. The meetings were appropriately structured using agendas, which were distributed together with the minutes of the previous meeting(s), the relevant papers and reports to the Committee members at least seven (7) days before the meeting to allow the members to have sufficient time to review the information in order to discharge their duties and responsibilities diligently and effectively in compliance with the MMLR of Bursa Securities and its TOR. The ARMC may inspect the minutes of the Committee at the office of the Company Secretaries.

The Committee has been given adequate resources to discharge its functions and has full and unrestricted access to and the co-operation of Management. The Committee also has full discretion to invite Senior Management, Chief Financial Officer, employees of the Group, External Auditors and Internal Auditors to attend and brief the members on specific issues during the Committee meetings.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

In addition, the Committee held meetings with the External Auditors without the presence of Management where they were given the opportunity to raise any concern(s) or seek for professional opinion(s) and thus, be able to exert their functions independently.

The Company Secretaries are the Secretaries of the Committee and are responsible, together with the Committee Chairman, for drafting the agenda and circulating it prior to each meeting. The Secretaries and/or its representative(s) were present to record the proceedings of the Committee meetings.

In order to assess the term of office of the Committee members and the performance of the ARMC in accordance with Paragraph 15.20 of the MMLR of Bursa Securities, each of the ARMC members has performed self-evaluation and the results were tabled to the Nomination and Remuneration Committee for review and discussion prior to presenting to the Board for evaluation.

The ARMC was assessed based on three key areas, namely quality and composition, skills and competencies, and meeting administration and conduct, to determine whether the ARMC had carried out its duties in accordance with its TOR.

As the appropriate level of knowledge, skills, experience, and commitment of its members is critical to the ARMC's ability to discharge its responsibilities effectively, an assessment of the ARMC members through self-evaluation was also carried out for the FY2025.

During FY2025, the Board is satisfied that the ARMC and its members have discharged their functions, duties and responsibilities in accordance with the ARMC's TOR and supports the Board in ensuring that the Group upholds appropriate standards of corporate governance.

The TOR of the ARMC is accessible through the Company's website at <https://www.cbip.com.my/corporate-governance>.

SUMMARY OF WORK DONE DURING THE FINANCIAL YEAR

The work carried out by the Committee in discharging its duties and functions with respect to their responsibilities during FY2025 was summarised as follows:

Financial Reporting

The Committee reviewed the quarterly and annual financial statements prior to recommending the same to the Board for approval. The review focused on changes in accounting policies and practices, major judgmental and risk areas, significant adjustments resulting from the audit, the going concern assumption, compliance with accounting standards, compliance with the MMLR of Bursa Securities and other requirements.

The Committee keeps abreast of changes in accounting policies and guidelines through regular updates by the External Auditors.

External Audit

The Committee discussed with the External Auditors its audit plan and the report on the audit of the year-end financial statements and was updated by the External Auditors' audit reviews and Management's responses. Through the reviews, the Committee assesses the External Auditors' suitability, objectivity and independence.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

In assessing the independence of the External Auditors, the Committee reviewed the fees paid to the External Auditors, including fees paid for non-audit services during the year. The Committee ensures the reasonableness of the fee charge against the size and complexity of the Group so that the auditors' independence has not been compromised and is suitable for re-appointment.

The Committee held a private session with the External Auditors without the presence of the Management during the financial year in order to provide the External Auditors with an avenue to candidly express any concerns they may have, including those relating to their ability to perform their work without restraint or interference, and to notify the Committee on any issues such as major financial and control issues encountered during the audit of the Group.

The Committee evaluated the External Auditors' suitability, independence, and objectivity, taking into consideration their technical competencies, audit quality and manpower resource sufficiency to perform the audit of the Group.

Following an evaluation of the performance and independence of the External Auditors, Crowe Malaysia PLT, the ARMC was satisfied that the External Auditors have the capability and expertise to act as the Auditors for the Company and recommended the re-appointment of Crowe Malaysia PLT as the External Auditors of the Company for the financial year ending 31 December 2026 to the Board for consideration. The re-appointment of Crowe Malaysia PLT is subject to shareholders' approval being sought at the forthcoming Annual General Meeting ("AGM").

Internal Audit

The Committee reviewed the adequacy of the scope of functions and competency of the Internal Audit Function and the annual audit plan, including the review of all major findings during the financial year, Management's responses thereto, and the progress of action plans implemented by the Management.

The Committee also reviewed the effectiveness and efficiency of the internal control systems in place and the risk factors affecting the Company as well as the action plans taken by Management to resolve the issues and ensure the adequacy of the internal control system and identify the principal risks.

The Committee reviewed the effectiveness of the risk management framework and internal control systems based on the reports and recommendations of the Internal Auditors, and the findings were reported to the Board.

Related Party Transactions

The Committee reviewed the related party transactions entered into by the Group on a quarterly basis and ensured that all transactions were made on an arm's length basis, and on normal commercial terms that are not favourable to the related party than those generally available to the public and are not detriment of the minority shareholders of the Company. There were no material related party transactions noted during the financial year under review.

The Committee also reviewed the recurrent related party transactions of a revenue or trading nature and any outstanding amounts due/owing to the Group by its related parties on a quarterly basis to ensure the amounts transacted were within the approved shareholders' mandate, as well as the circular to shareholders in respect of the recurrent related party transactions prior to recommending it for the Board's approval to seek a shareholders' mandate at the AGM of the Company.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

Conflict of Interest

The Company has adopted a Conflict-of-Interest Policy, for the purpose of identifying, evaluating, disclosing/reporting, monitoring and managing actual and/or potential conflict of interest situations.

The ARMC reviewed all the conflict-of-interest or potential conflict-of-interest declarations made by Key Persons as at the financial year ended under review and concluded that sufficient disclosure of all conflict-of-interest or potential conflict-of-interest had been made and documented. The Committee is satisfied that there was no other conflict of interest or potential conflict of interest noted during the financial year under review.

Others

During the annual preparation of the Annual Report, the Committee reviewed the Statement on Risk Management and Internal Control, ARMC Report, and the Corporate Governance Overview Statement to ensure adherence to legal and regulatory reporting requirements and appropriate resolution of all accounting matters requiring significant judgement and recommended the same to the Board for approval.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The Internal Audit Function is carried out by the Group Internal Audit Department (“GIAD”) which is responsible for the overall internal audit activities of the Group. The GIAD reports directly to the Committee.

The GIAD assisted the Committee in fulfilling its duties by conducting independent, objective, and systematic reviews of internal control processes. This helped provide reasonable assurance on the adequacy and effectiveness of governance, risk management and the internal control process within the Group. The GIAD has unfettered access to the Board, Committee and Management, with the authority to seek information and explanations, to conduct its audit.

The activities of the Internal Audit Function during FY2025 were as follows:

- (a) Development of the Internal Audit Plan for 2025 for the ARMC’s approval.
- (b) Execution of the approved 2025 Internal Audit Plan and ad-hoc assignments.
- (c) Presentation of the internal audit and risk findings, including areas for improvement, to the Committee for discussion and consideration. This included recommending corrective measures along with the Management’s response.
- (d) Conduct follow-up reviews on the previous audit performed to ensure the action plans had been implemented by Management within the agreed timelines.

The total cost incurred for the Internal Audit Function for the FY2025 was RM276,498.00.

The internal audits conducted did reveal a number of internal control deficiencies, but they were not expected to result in any material losses, contingencies, or uncertainties that would require a separate disclosure in the Annual Report.

Further details of the Internal Audit Functions are set out in the Statement on Risk Management and Internal Control on pages 63 to 65 of this Annual Report.

The ARMC Report was approved by the Board on 22 April 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board is committed towards ensuring that a sound risk management framework and system of internal control exist in order to safeguard the Group's assets and minimise its losses and liabilities.

The Board is pleased to present this statement of risk management and internal control of the Group prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers ("Guidelines") and the Malaysian Code on Corporate Governance 2021 ("Code").

This Statement does not include the state of risk management and internal control system in joint venture and associate companies, which has not been dealt with as part of the Group.

BOARD RESPONSIBILITIES

The Board recognises the importance of a sound framework for risk management and internal control as a platform for good corporate governance. The Board acknowledges its responsibility and re-affirms its commitment to maintaining sound systems of risk management and internal control to safeguard shareholders' investments and the Group's assets as well as reviewing its adequacy and effectiveness on an ongoing basis.

The Board has delegated the review of the adequacy and integrity of the internal control system to the Audit and Risk Management Committee ("ARMC"), which keeps the Board informed of all significant issues on risk management and internal control brought to the attention of the ARMC by Management, the Internal Auditors and the External Auditors.

Due to inherent limitations in any system of internal control and risk management, the Board recognises that such systems are designed to manage rather than eliminate all the risks that may hinder the Group from achieving its business objectives, and as such, can only provide reasonable but not absolute assurance against material misstatement, loss or fraud. The Board remains responsible for the governance of risk and for all the actions by the Board Committees with regard to the execution of delegated oversight responsibilities.

KEY FEATURES OF THE GROUP'S RISK MANAGEMENT SYSTEM AND INTERNAL CONTROL SYSTEM

1. Control Environment

- **Organisation Structure & Authorisation Procedures**

The Group maintains a formal organisational structure with well-defined delegation of responsibilities and accountability within the Group's Management. It sets out the roles and responsibilities, appropriate authority limits, review and approval procedures in order to enhance the internal control system of the Group's various operations.

- **Periodic Performance Review**

The actual performance of the Group is monitored against plans to identify and address significant variances during every quarterly meeting.

- **Group Policies and Procedures**

The Group has documented policies and procedures that are reviewed and updated as and when required to ensure that they are effective and efficient and continue to support the Group's business activities at all times as the Group continues to grow.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- **Operational Meetings**

Operation meetings were conducted between the Internal Auditors and the Management to keep the ARMC abreast of the updates on the Group's operational status.

2. Risk Management Framework and its Implementation

Risk Management is regarded by the Board as an integral part of managing business operations. The Risk Management Committee ("**RMC**") is made up of the respective Heads of the key operating companies ("**HOC**") who are in charge of managing risks related to their functions on a daily basis, while the Managing Director ("**MD**") and the Chief Financial Officer ("**CFO**") are in charge of business/operations and accounting/finance matters at the Group level respectively.

The Board, through the ARMC (which oversees the RMC), obtained assurance that the system of risk management and internal control of the Group is functioning effectively to protect operational resilience and maintain investor confidence over long term.

Management and departmental meetings are held to ensure that risks faced by the Group are discussed, monitored and appropriately addressed. It is at these meetings that key risks and corresponding controls implemented are communicated amongst the Management team.

The abovementioned practices and initiatives by Management serve as an ongoing process to manage key business, operational, environmental, social, Information Technology (IT), human capital, supply chain and financial risks faced by the Group and this process has been in place for the entire financial year under review and up to the date of approval of this Statement.

In addition, the internal auditor updates the ARMC quarterly on the status of implementation of previously identified management action plans to mitigate significant business/operating risks of the Group.

3. Internal Audit Function

The Group Internal Audit Department is independent from the day-to-day operations of the Group. The duties of the Internal Auditors are performed with professional care and impartiality, with the primary goal of providing the ARMC and the Board with assurance and an independent assessment of the adequacy, efficiency and effectiveness of the risk management practices and internal control systems.

The Internal Auditors report directly to the ARMC and the internal audit plans are tabled to the ARMC for review and approval to ensure adequate coverage. Based on internal policies, procedures and frameworks as well as the Committee of Sponsoring Organisations of the Treadway Commission ("**COSO**"), the Internal Auditors assess the Group's internal control based on the following five interrelated control elements:

- Control environment;
- Risk assessment;
- Control activities;
- Information and communication; and
- Monitoring activities.

This is documented in the ARMC Report on pages 59 to 62 of this Annual Report.

On a quarterly basis, the Group Internal Auditors table the results of their review of the business processes of different operating units to the ARMC. The status of the implementation of corrective actions to address control weaknesses is also followed up by the Internal Auditors to ensure that these actions have been satisfactorily implemented.

Based on the internal audit reviews conducted during the financial year 2025, none of the weaknesses noted have resulted in any material losses or liabilities that would require a separate disclosure in this Annual Report.

The total cost incurred for the Internal Audit Function of the financial year 2025 was RM276,498.00.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

4. Information and Communication

Information critical to the achievement of the Group's business objectives is communicated through established reporting lines across the Group. This is to ensure that matters that require the Board and Management's attention are highlighted for review, deliberation and decision on a timely basis.

5. Monitoring and Review

- **Business Planning and Budgeting Review**

The Board plays an active role in discussing and reviewing the business plans, strategies, performance and risks faced by the Group. Business plan and annual budget prepared by Management are tabled to the Board for their review and approval prior to implementation.

- **Financial, Currency Correlation and Operational Review**

The quarterly financial statements containing key financial results, currency correlation and operational performance results are monitored against budgets and plans to identify and address significant variances quarterly, and these are presented to the Board for their review, consideration and approval.

ASSURANCE PROVIDED BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

In line with the Guidelines, the MD and the CFO have provided assurance to the Board that the Group's risk management and internal control systems have operated adequately and effectively, in all material aspects, to meet the Group's objectives during the financial year under review.

REVIEW OF THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL BY THE EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in this Annual Report. Their review was performed in accordance with Malaysia Approved Standard on Assurance Engagements, ISAE 3000 (Revised): *Assurance Engagements Other than Audits or Reviews of Historical Financial Information and recommended Audit and Assurance Practice Guide 3 ("AAPG 3") - Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control* included in the Annual Report issued by the Malaysian Institute of Accountants.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosure required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidance for Directors of Listed Issuers to be set out, nor it factually inaccurate.

AAPG 3 does not require the External Auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

CONCLUSION

The Board is of the view that the Group's system of risk management and internal control are adequate and effective to safeguard the Group's assets and minimise its losses and liabilities. However, the Board is also cognisant of the fact that the Group's system of internal control and risk management practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board will continue to enhance the risk management and internal control system of the Group.

This Statement on Risk Management and Internal Control was approved by the Board on 22 April 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of CB Industrial Product Holding Berhad (“**CBIP**” or “**the Company**”) is committed in ensuring that CBIP and its Group of Companies (“**Group**”) cultivates and instills good governance and that conducts of the Group are in the best interests of the Group and its shareholders.

This Statement provides an overview on the Group’s corporate governance practices as set out in the Malaysian Code on Corporate Governance 2021 (“**Code**”) and the extent of the Company’s compliance with the three (3) key principles and practices of the Code during the financial period under review, and this Statement is to be read together with the Corporate Governance Report of the Company which is available on the Company’s website at www.cbip.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

PART I – BOARD RESPONSIBILITIES

1.1 Strategic Aims, Values and Standards

The Board has the overall responsibility for the performance of the Group by maintaining full and effective control over strategic, financial, operational, compliance, and governance matters. The Board undertakes the key roles in charting the strategic direction, developing and exercising control over the Group, which includes reviewing and monitoring matters of strategy to promote sustainability, performance, evaluation, resource allocation, standards of conduct, financial matters, succession planning, corporate disclosure, effectiveness and adequacy of the Group’s system of internal controls and risk management practices.

The Board delegates and confers some of its authority and discretion to the Chairman, Executive Directors and Management as well as to properly constituted Board Committees comprising exclusively of Non-Executive Directors which operate within clearly defined Terms of Reference as approved by the Board to oversee and deliberate matters within their purviews.

The Board Committees, comprising the Audit and Risk Management Committee (“**ARMC**”), the Nomination and Remuneration Committee (“**NRC**”) and the Board Sustainability Committee (“**BSC**”), are entrusted with specific responsibilities to oversee the Group’s affairs, with the authority to act on behalf of the Board in accordance with their respective Terms of Reference. Nevertheless, the Board retains the role of overall oversight over the decisions made by the Board Committees at all times. At each Board meeting, the Minutes of the respective Board Committees are tabled to the Board for notation and the Chairmen of the respective Board Committees will report on key issues deliberated at their respective meetings requiring the Board’s attention and approval.

In addition to the Board Committees, the Group has established a Risk Management Committee at Management level comprising the heads of the respective key operating subsidiaries and led by the Managing Director (“**MD**”) of the Company, as part of the Company’s risk management and internal control framework for the purpose of identifying and managing risks affecting the Group. The findings of significant key risk areas of each subsidiaries by the Risk Management Committee (if any) would be reported to the ARMC by the Internal Auditor.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Key Matters Reserved which would significantly impact on the performance and operations of the Group, would be deliberated and approved by the Board, including but not limited to the annual business plan and budget, capital management and investment policies, authority limits/levels, risk management practices, new businesses/projects, declaration of dividends, business continuity plans, issuance of new securities, business restructuring, expenditure above a certain limit, material acquisitions and disposition of assets.

During the financial year under review, the Board, in addition to the above matters, has reviewed the Company's policies and procedures to be in line with the Companies Act 2016 ("**CA 2016**"), National Anti-Corruption Plan (2019-2023) ("**NACP**"), the Code and the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and implemented the following as part of its continuous efforts in enhancing corporate governance:

- (1) Review and update the Terms of Reference of the NRC;
- (2) Review and update the Board Charter;
- (3) Review and adopt the revised Conflict-of-Interest Policy and the list of Key Persons; and
- (4) Review and adopted the updated Group Organisational Chart.

Looking ahead to 2026, the continuous effort of the Board will be in the following areas:

1. To have at least 30% women Directors on the Board; and
2. To have at least 50% Independent Directors on the Board.

The Board regularly reviews the strategic direction of the Company and the progress of the Company's operations, taking into account changes in the business and political environment and risk factors.

1.2 Chairman

Tengku Dato' Ardy Esfandiari Bin Tengku Abdul Hamid Shah ("**Tengku Dato' Ardy Esfandiari**"), an Executive Director, is the Chairman of the Company throughout the financial year 2025 ("**FY2025**"). The Chairman leads the Board with a keen focus on governance and compliance and acts as a facilitator at Board meetings to ensure that contributions by Directors are forthcoming on matters being deliberated and that no Board member dominates any discussion. Together with the other Non-Executive and Independent Directors, he leads the discussion on the strategies and policies recommended by Management. Tengku Dato' Ardy Esfandiari chairs the general meetings thus ensuring effective communication with the shareholders as well as the relevant stakeholders.

The Chairman of the Board is not a member of the ARMC, NRC or BSC and has not participated in any meetings of the Board Committees, to ensure there is a check and balance as well as objective by the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

1.3 Separation of the Positions of the Chairman and Managing Director

The positions of the Chairman and the MD are held by different individuals. Tengku Dato' Ardy Esfandiari is the Chairman of the Company whereas Datuk Lim Chai Beng is the MD of the Company.

The Board recognises the importance of having a clear separation of responsibilities between the Chairman and the MD to promote accountability and ensure an appropriate balance of roles and powers, responsibilities, and accountability at Board level such that no one individual can influence the Board's discussions and decision making.

The distinct roles of the Chairman and the MD are clearly defined in the Board Charter of the Company, which is available on the Company's website at <https://cbip.com.my/corporate-governance/>.

1.4 Qualified and Competent Secretary

The Company is supported by two (2) suitably qualified and competent Company Secretaries, who are qualified Chartered Secretaries under Section 235(2)(a) of CA 2016.

All Directors have access to the advice and services of the Company Secretaries. The Company Secretaries play an advisory role in ensuring good information flow within the Board, Board Committees and Management.

The Company Secretaries and/or its representative(s) attends all meetings of the Board and Board Committees and advises the Directors on the issues relating to corporate governance matters, requirements encapsulated in the Company's Constitution and legislative promulgations such as the CA 2016, MMLR, the Code, etc. The Company Secretaries shall continuously guide the Directors on the requirements to be observed arising from new and/or amendments to the regulations and guidelines issued by the authorities.

The Company Secretaries and/or its representative(s) are entrusted to record the proceedings of the Board, in terms of the issues discussed and ensure that the deliberations at Board and Board Committees meetings are well documented and subsequently communicated to Management for appropriate actions or follow-ups.

The minutes of the previous Board and Board Committees meetings would be distributed to the Directors or Committees prior to the meeting for their perusal before confirmation of the minutes at the forthcoming Board and Board Committees meetings. The Directors may comment and seek clarification before the minutes are tabled for confirmation as a correct record of the proceedings of the meeting. The Management provides Directors with complete and timely information prior to meetings and on an ongoing basis to enable the Directors to make informed decisions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

1.5 Access to Information and Advice

All Directors may seek independent professional advice at the Company's expense on specific issues to enable them to discharge their duties where necessary.

The Board understands that the supply, timeliness, and quality of the information affect the effectiveness of the Board in the oversight of the conduct of business and to evaluate the Management's performance of the Group. All Board members have full and unrestricted access to all information pertaining to the Group's business and affairs, including amongst others, major financial, operational, and corporate matters, as well as the activities and performance of the Group to enable them to discharge their duties effectively.

1.6 Board Charter

The Board has formalised a Board Charter which sets out the roles, functions, compositions, operations and processes of the Board.

The Board Charter serves to ensure that all Board members are aware of their expanding roles and responsibilities. It sets out the strategic intent and specific responsibilities to be discharged by the Board members collectively and individually. It also regulates how the Board conducts business in accordance with Corporate Governance principles.

The Board Charter will be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the corporate governance practices of the Company and the responsibilities of the Board in discharging its governance function.

The Board Charter was last reviewed by the Board on 26 February 2026 and is available on the Company's website at <https://cbip.com.my/corporate-governance/>.

1.7 Code of Ethics and Conduct

The Group is committed to achieving and monitoring high standards of behaviour at work.

The Board adheres strictly to the Corporate Code of Business Conduct and Work Ethics Policy for Directors, Senior Management and Employees ("**Corporate Code**") in discharging its oversight role effectively. The Corporate Code requires all Directors, Senior Management and Employees of the Group to observe high ethical business standards, and to apply these values to all aspects of the Group's business and professional practice and to act in good faith in the best interests of the Group and its shareholders.

The Corporate Code is available on the Company's website at <https://cbip.com.my/corporate-governance/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

1.8 Whistleblower Policy

The Board has adopted a Whistleblower Policy for the Group as a measure to promote the highest standard of corporate governance. The Whistleblower Policy outlines the avenues for employees and stakeholders to raise concerns or disclose in good faith any improper conduct within the Group and to enable prompt corrective action and measures to resolve them effectively.

Any party who has a reasonable belief that there is serious malpractice relating to any matter disclosed, may direct such complaint, and report it to the ARMC in writing. The Company will ensure that any employee who raises a genuine complaint in good faith shall not be penalised for such disclosure and the identity of such complainant shall be kept confidential.

The Whistleblower Policy is available on the Company's website at <https://www.cbip.com.my/corporate-governance/>.

1.9 Anti-Corruption and Bribery Policy

In compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 and guided by the principles of the Ministerial Guidelines and Paragraph 15.29 of the MMLR of Bursa Securities in relation to anti-bribery, the Board has adopted an Anti-Corruption and Bribery Policy in order to achieve and maintain the highest standard of integrity and work ethics in the conduct of its business and operations.

The Anti-Corruption and Bribery Policy provide guidance to all Directors, employees and associates of the Group relating to specific acts of bribery and corruption and also to related matters such as proper reporting and accounting.

The Anti-Corruption and Bribery Policy is available on the Company's website at <http://www.cbip.com.my/corporate-governance/>.

1.10 Conflict-of-Interest ("COI") Policy

The Group has formalised and adopted the revised COI Policy for the Directors, Key Senior Management and Legal Representative of the Group. The policy aims to effectively identify, address and manage the COI situations, including those that are actual, potential, or perceived in nature. The policy also serves as a guide to the Board in discharging their role, which is to provide insight and review any COI situation that arose or may arise within the Group.

The Conflict-of-Interest Policy is available on the Company's website at <http://www.cbip.com.my/corporate-governance/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

1.11 Sustainability Governance

The Board takes cognisance of the importance of improving the values affecting stakeholders, employees, society, and the environment towards the sustainability of the Group's business. The Board with consultation from management, oversees and evaluates the economic, environmental, social, and governance ("ESG") issues and any other external matters that may affect the development of the Group's business or the interests of the shareholders, ensuring that the Company's strategies promote sustainability. The sustainability focus areas of the Group had been extended to the Group's greenhouse gas reporting to include Scope 3 emissions to complement the existing Scope 1 and 2 data, which the Group has also commenced its reporting on recycled waste which are disclosed in the Sustainability Statement, which was reviewed and approved by the Board.

The BSC was established to assist the Board in its oversight responsibilities in relation to the Group's objective, policies and practices in respect of the sustainability that comprised all areas of Economic, Social and Governance, to ensure the strategic plan for the Group supports long-term value creation and sustainability goals as well as to ensure the development and implementation of the strategic plan for the Group is effective and takes into account sustainability considerations. The BSC was assisted by a Management Sustainability Committee ("MSC") spearheaded by Mr. Lim Zee Ping and the MSC comprised the Head of the respective of the Business segment, save for the Refinery segment.

The Group is fully committed to discharge its duty in curbing environmental concerns, ensuring safety and health of employees and consumers are safeguarded.

The Company recognises the importance of stakeholder engagement and engages with stakeholders through communication avenues such as dialogues, media engagement, general meetings, survey/feedback, annual/quarterly reports and announcements, and designated email, allowing stakeholders to communicate their views and concerns to the Board and Management.

Aside from environmental and social sustainability practices, the Group has adopted the Corporate Code of Business Conduct and Work Ethics Policy, Whistleblower Policy, Conflict-of-Interest Policy and Anti-Corruption and Bribery Policy to uphold high standards of governance practice across the Group and exercises zero tolerance against all forms of bribery and corruption. The codes and policies are accessible to the public on the Company's website.

PART II – BOARD COMPOSITION

2.1 Board Composition

The NRC oversees and reviews on an on-going basis, the overall composition of the Board in terms of size, the required mix of skills, experience and other qualities and core competencies for the Directors of the Company. The effectiveness of the Board as a whole and the contribution and performance of each individual Director to the effectiveness of the Board and the Board Committees will also be assessed by the NRC on an annual basis.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

During the FY2025, the Board consisted of seven (7) members, comprising one (1) Executive Director/Chairman, two (2) Executive Directors, one (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors. In respect of Independent Non-Executive Directors, the composition of the Board exceeded the requirements as set out in Paragraph 15.09 of the MMLR of Bursa Securities, which stipulated that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be independent.

The Board is aware that its current composition departed from Practice 5.2 of the Code which stated that at least half of the Board comprises Independent Directors. Nonetheless, the Board believes that the goal of independence and objectivity in such practice has not been compromised as a result of such composition. In fact, the Board is of the view that independence and objectivity are present and preserved with the current set of Directors in view of the weight given to the opinions of its three (3) Independent Non-Executive Directors, which brings the necessary checks and balance in the Board's decision-making process.

The three (3) Independent Non-Executive Directors fulfilled the criteria of independence as defined in the MMLR. In order not to compromise their objectivity, the Independent Non-Executive Directors do not participate in the day-to-day management of the Company and do not involve themselves in business transactions or relationships with the Company. In keeping clear of any potential conflict of interest, the Independent Non-Executive Directors remained in a position whereby they were able to fulfil their responsibility and act independently to provide checks and balances to the Board.

The Company is helmed by an experienced Board comprising members of high calibre with integrity and is capable of providing a wealth of diverse knowledge, experience and skills in the key areas of accountancy, finance, business operations and development, legal and compliance, corporate governance, risk management and oil palm plantation know-how amongst others.

2.2 Tenure of Independent Director

The Board has adopted the recommendation of the Code that the tenure of its Independent Directors should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, the Independent Director may continue to serve on the Board subject to the re-designation of the director as a Non-Independent Director. If the Board intends to retain the Independent Director after nine (9) years, the Board will provide justification and seek shareholders' approval at the Annual General Meeting ("**AGM**") through a two-tier voting process in accordance with the Code.

The independence of Directors is measured based on the criteria prescribed under the MMLR of Bursa Securities, in which an independent director should be independent and free from any business or other relationship that could interfere with the exercise of independent judgement or the ability to act in the best interests of the Company.

The NRC evaluates the independence of each independent director on an annual basis. During FY2025, the NRC reviewed and assessed the independence of the Independent Directors and was satisfied that they were able to discharge their responsibilities in an independent manner. The Independent Directors have also declared their independence to the Board during the annual assessment carried out by the NRC.

None of the Independent Directors has exceeded a cumulative term of nine (9) years as at the date of this Statement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

2.3 Diverse Board and Senior Management Team

The Board acknowledged the importance of a diverse Board and Senior Management. The Group adhered strictly to the practice of non-discrimination of any form, whether based on race, age, religion or gender throughout the organisation, in the selection of Board members and Senior Management.

The Board encouraged a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity, and other qualities necessary to meet the needs of the Company.

The Group will make every effort to meet diversity at the Senior Management level, and the Group's Key Senior Management team is made up of a mixture of both genders.

The Board has established a Board Diversity Policy whereby the Board will endeavor to achieve a minimum of 30% women directors as soon as practicable and suitable.

As at the date of this statement, there are two (2) women Directors on the Board that comprises seven (7) board members in total, which was slightly lesser than the intended 30% of women representation on the Board.

Presently, there is one (1) female representation at the Senior Management level. The Board will endeavour to increase the number of female representations at the Senior Management level if there are appropriate candidates available when vacancies arise.

2.4 Board's Commitment

The Directors allocate sufficient time to discharge their responsibilities effectively and attend Board Meetings and Board Committee Meetings to deliberate on matters under their purview. Board Meetings and ARMC Meetings are held at quarterly intervals, with additional meetings convened whenever necessary. During the financial year, the Board has deliberated on business strategies and issues concerning the Group including the business plan, annual budget, financial results, etc.

The attendance record of the Directors at Board and Board Committee meetings during the FY2025 was set out as follows:

Director	Meeting Attendance				
	Board	ARMC	NRC	BSC	AGM
Tengku Dato' Ardy Esfandiari Bin Tengku Abdul Hamid Shah	5/5	-	-	-	1/1
Datuk Lim Chai Beng	4/5	-	-	-	1/1
Lim Zee Ping	5/5	-	-	-	1/1
Lim Chai Huat	5/5	6/7	2/2	2/2	1/1
Lee Poi Keong	4/5	7/7	2/2	2/2	1/1
Karpanadevi A/P K R Somasundram	5/5	7/7	2/2	2/2	1/1
Datin Chua Suat Khim	5/5	7/7	2/2	2/2	1/1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

To ensure that the Directors have the time to focus and fulfil their roles and responsibilities effectively, the Directors must not hold more than five (5) directorships in public listed companies and shall notify the Chairman, before accepting any new directorships.

The Directors shall remain fully committed in carrying out their duties and responsibilities by:

- (1) ensuring the total number of directorships held by each Directors are below the maximum number set by the Board; and
- (2) the time commitment in full attendance at the Board Meetings.

During FY2025, all the Directors attended the following training, seminars, conferences, and exhibitions to keep themselves abreast with the changes in laws and regulations, business environment, and corporate governance development:

DIRECTOR	COURSE/ PROGRAMME ATTENDED
Tengku Dato' Ardy Esfandiari Bin Tengku Abdul Hamid Shah	<ul style="list-style-type: none"> • MAP Part II - Leading for Impact (LIP) (22-23 January 2025)
Datuk Lim Chai Beng	<ul style="list-style-type: none"> • MAP Part II - Leading for Impact (LIP) (15-16 January 2025) • 2nd ASEAN Operational Excellence & Business Transformation Summit 2025 (2nd OPEX 2025) (18-19 February 2025) • MPOB International Palm Oil Congress and Exhibition (PIPOC) 2025 (18-20 November 2025)
Lim Zee Ping	<ul style="list-style-type: none"> • Palm Oil Economic Review & Outlook Seminar (R&O) 2025 (14 January 2025) • MAP Part II - Leading for Impact (LIP) (15-16 January 2025) • 2nd ASEAN Operational Excellence & Business Transformation Summit 2025 (2nd OPEX 2025) (18-19 February 2025) • MPOB International Palm Oil Congress and Exhibition (PIPOC) 2025 (18-20 November 2025)
Lim Chai Huat	<ul style="list-style-type: none"> • Audit Committee Conference 2025 – Navigating Risk, Driving Resilience (29 September 2025) • MPOB International Palm Oil Congress and Exhibition (PIPOC) 2025 (18-20 November 2025)
Karpanadevi A/P K R Somasundram	<ul style="list-style-type: none"> • ICDM Advocacy Dialogue and Networking Session: e-Invoicing and its Impact on Directors (9 May 2025) • ASEAN Women Economic Summit 2025 (24-25 May 2025) • The Journey into the AI Age: Game Changer for your Digital Transformation Era Programme (17 June 2025) • MIA Webinar Series: Companies Act 2016 – Voluntary Winding Up, Judicial Management & Corporate Voluntary Arrangement (21 July 2025) • Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level (28 July 2025) • Board Simulation – Balancing Risks & Opportunity in Sustainability Leadership (9 September 2025) • Audit Committee Conference 2025 – Navigating Risk, Driving Resilience (29 September 2025) • Corporate Finance for Non-Finance Directors (13 October 2025) • The Responsible AI Advantage: Strategic Leadership for Board (23 December 2025)

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DIRECTOR	COURSE/ PROGRAMME ATTENDED
Lee Poi Keong	<ul style="list-style-type: none"> • The Journey into the AI Age: Game Changer for your Digital Transformation Era Programme (17 June 2025) • Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level (28 July 2025) • MIA Webinar Series: Joint Ventures, Shareholders Agreement and Conflict of Interest Situations (16 December 2025) • MPOB International Palm Oil Congress and Exhibition (PIPOC) 2025 (18-20 November 2025)
Datin Chua Suat Khim	<ul style="list-style-type: none"> • Navigating 2024/2025 Transfer Pricing Changes in Malaysia and Singapore (13 March 2025) • Reserved Matters for Shareholder (10 April 2025) • The Future of Corporate Reporting: Embracing IFRS S1 & S2 and the continued relevance of Integrated Thinking and Reporting (16 April 2025) • Strategic Leadership in the Age of AI and RPA: Driving Purpose and Innovation (19 May 2025) • Ethics in Sustainability Reporting (22 May 2025) • MIA International Accountants Conference 2025 (26-27 May 2025) • Sales Tax Amendments & Service Tax Expansion (30 June 2025) • Broadening the Base: The New Landscape of Sales and Service Tax (2 July 2025) • From Vulnerable to Vigilant: Is your Organisation Cyber Ready? (4 July 2025) • Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level (28 July 2025) • Reverse Governance: What if the Algorithm Assessment the Board (21 August 2025) • Audit Committee Conference 2025 (29 September 2025) • Bringing AI Technology to Bear (30 September 2025) • Raising the Bar: Strengthening Board Audit Committee Oversight (23 October 2025) • Directors' Interest in Contracts and Conflict of Interest (18 December 2025)

The Company will continue to identify suitable trainings for the Directors to equip and update themselves with the necessary knowledge in discharging their duties and responsibilities as Directors.

The Company Secretaries, together with the Management undertake the role as the co-ordinator to manage and co-ordinate the Directors' training requirements.

The Directors are encouraged to attend briefing, conferences, forums, trade fairs (locally and internationally), seminars and training related to their functions or roles to keep abreast with the latest developments in the industry and to enhance their skills and knowledge.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

2.5 Nomination and Remuneration Committee

The NRC consisted of entirely Non-Executive Directors with the majority being Independent Directors, as follows:

Chairperson	Karpanadevi A/P K R Somasundram <i>(Independent Non-Executive Director)</i>
Members	Lim Chai Huat <i>(Non-Independent Non-Executive Director)</i> Lee Poi Keong <i>(Senior Independent Non-Executive Director)</i> Datin Chua Suat Khim <i>(Independent Non-Executive Director)</i>

The full details of the NRC's Terms of Reference are published on the Company's website at <http://www.cbip.com.my/corporate-governance/>.

The NRC is responsible for new appointments and re-election to the Board based on the Company's Director's Fit and Proper Policy, assessing the adequacy and appropriateness of the board composition, identifying and recommending suitable candidates for Board membership and assessing the performance of the Directors on an ongoing basis.

The Board has the ultimate responsibility and final decision on the appointment. This process shall ensure that the Board membership accurately reflects the long-term strategic direction and needs of the Company and determines the skill matrix to support the strategic direction and needs of the Company.

In identifying the candidates for appointment to the Board, other than solely relying on the recommendations from existing Board members, Management and/or Major Shareholders, the NRC also explore independent sources to identify suitably qualified candidates. The Board is allowed by the Board Charter to use a variety of approaches and sources to ensure that it is able to identify the most suitable candidates and will consider independent sources such as Institute of Corporate Directors Malaysia ("**ICDM**"), Lead Women, etc. as and when required.

The NRC evaluates the qualifications and experience of the candidate against the Board's requirements, including the Director's Fit and Proper Policy as well as gender diversity policy and where appropriate recommends them to the Board for appointment.

During FY2025, the NRC held two (2) meetings and the work carried out by the NRC in discharging its functions and duties was as follows:

- evaluated the balance of skills, knowledge, experience and diversity on the Board;
- reviewed the Group Organisational Chart;
- assessed the effectiveness of the Board as a whole and the contribution of each individual Director;
- reviewed and assessed the size, composition and the required mix of skills of the Board and Board Committees;
- reviewed and assessed the performance of the Chief Financial Officer ("**CFO**");
- reviewed the re-election of retiring Directors in accordance with the Director's Fit and Proper Policy;
- assessed and evaluated the level of independence of Independent Directors;
- assessed Directors' training needs;
- reviewed the terms of office and performance of the Audit and Risk Management Committee and each of its members;
- reviewed the remuneration of Executive Directors based on the key performance indicators achieved; and
- reviewed the Directors' fee and benefit payable to the Non-Executive Directors from 1 July 2026 to 30 June 2027.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

2.6 Annual Evaluation

The NRC oversees and reviews annually, the overall composition of the Board in term of size, the required mix of skills, experience and other qualities and core competencies for the Directors of the Company. The effectiveness of the Board as a whole, Board Committees, and the contribution and performance of each individual Director will also be assessed by the NRC on an annual basis.

The Board, through the NRC, reviews and evaluates the effectiveness of the Board and the performance of the Board Committees on an annual basis. The annual evaluation comprises Board Assessment, Individual Director Self-Assessment and an Assessment of the Independence of the Independent Directors.

The assessment of the Board is based on specific criteria, covering areas such as the Board structure, Board operations, roles and responsibilities of the Board, the Board Committees and the Chairman's roles and responsibilities. As for the Individual Director self-assessment, the assessment criteria include contribution to interaction, quality of input, understanding of role and time commitment.

The results of the assessment would form the basis of the NRC's recommendation to the Board for the re-election of the retiring Directors at the next AGM.

In addition, the NRC reviews and evaluates the performance of the CFO on an annual basis.

Based on the results of the assessments, the NRC was satisfied with the existing Board composition and was of the view that the Directors and Board Committees of the Company had discharged their responsibilities in a commendable manner and had performed competently and effectively. All assessments and evaluations carried out by the NRC in the discharge of its functions were properly documented.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities. All Directors have given their utmost commitment to the Board meetings by attending almost all Board and Board Committees meetings as shown in the details of attendance of Directors at the meetings held during the financial year.

2.7 Re-election of Retiring Director

In accordance with Clause 97 of the Company's Constitution, one third of the Directors (with the exception of the Alternate Director) are subject to retirement by rotation annually, and all Directors shall retire from office once every three years. The Directors to retire each year are the Directors who have been the longest in office since their last appointment or re-election.

The Directors appointed to fill the casual vacancy are subject to retirement at the next AGM held following their appointments in accordance with Clause 104 of the Company's Constitution.

The following Directors are subject to retirement at the forthcoming 29th AGM and, being eligible for re-election, have expressed their willingness to seek re-election:

Provision of Constitution	Name of Director
Clause 97	<ul style="list-style-type: none"> • Mr. Lim Chai Huat • Ms. Karpanadevi A/P K R Somasundram

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The NRC and the Board have considered the annual performance assessment together with the fit and proper criteria set out in the Company's Fit and Proper Policy, for Mr. Lim Chai Huat and Ms. Karpanadevi A/P K R Somasundram, and collectively agreed that they can each meet the criteria of character, experience, integrity, competence, and time required to effectively discharge their respective roles as Directors.

The Board approved the NRC's recommendation that these Directors who retire in accordance with the Company's Constitution are eligible to stand for re-election.

The profiles of retiring Directors standing for re-election are set out in the Directors' Profile in the Annual Report 2025.

PART III - REMUNERATION

3.1 Remuneration Policy

The NRC and the Board ensure that the Company's remuneration remains supportive of the Company's corporate objectives and is in tune with the market rate, and further that the remuneration packages of Directors and Key Senior Management are sufficiently attractive to attract and retain persons of high calibre.

The Group Remuneration Policy recognises the need for the Company and its Group to attract, motivate, and retain qualified members of the Board and Management as well as align the interests of the Board and Management with those of the Company's shareholders. As such, the Group Remuneration Policy adopted by the Board embodies the following principles:

- Providing fair, consistent and competitive rewards to attract and retain high calibre executives;
- Motivating the Company's Directors and executives to achieve superior performance; and
- A remuneration framework that incorporates both short- and long-term incentives linked to the Company performance and total shareholders' returns.

The Group Remuneration Policy is published on the Company's website at <https://www.cbip.com.my/corporate-governance/>.

3.2 Remuneration of Directors and Senior Management

The NRC evaluates the performance of the Executive Directors ("**EDs**") on an annual basis and makes recommendations to the Board on specific adjustments in remuneration and/or reward payments that reflect their respective contributions for the year, and achievement of the goals and/or quantified organisational targets established at the beginning of each year.

The Board as a whole determines the Directors' fee of the Non-Executive Directors ("**NEDs**") and recommends the same for the shareholders' approval.

The remuneration package of the EDs consists of a monthly salary, allowance, bonus, and benefits-in-kind ("**BIK**") such as company cars and coverage under the Directors and Officers Liability Insurance in respect of any significant liability arising from acts committed in their capacity as Directors and Officers of the Company. The Directors and principal officers are required to contribute jointly towards the premium of the said policy.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The aggregate remuneration of Directors received from the Company and on a Group basis for the financial year ended 31 December 2025 was as follows:

Name	Company (RM'000)							Group (RM'000)						
	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
Executive Directors*														
Tengku Dato' Ardy Esfandiari Bin Tengku Abdul Hamid	-	29	-	-	-	-	29	24	29	276	-	7	12	348
Datuk Lim Chai Beng	-	28	-	-	-	-	28	24	40	912	190	28	45	1,239
Lim Zee Ping	-	30	-	-	-	-	30	-	66	460	75	-	70	671
Non-Executive Directors														
Lim Chai Huat	65	38	-	-	-	-	103	-	-	-	-	-	-	-
Karpanadevi A/P K R Somasundram	67	38	-	-	-	-	105	-	-	-	-	-	-	-
Lee Poi Keong	69	37	-	-	-	-	106	-	-	-	-	-	-	-
Datin Chua Suat Khim	67	38	-	-	-	-	105	-	-	-	-	-	-	-

*The remuneration paid to the EDs were in respect of their employment with the Company/Group.

3.3 Remuneration of Top Five (5) Senior Management

The number of top five (5) Senior Management whose remuneration (comprising salary, bonus, BIK and other emoluments) for the financial year ended 31 December 2025 within the successive bands of RM50,000 was as follows:

Range of Remuneration	Top Five Senior Management
RM250,001 to RM300,000	1
RM300,001 to RM350,000	2
RM600,001 to RM 650,000	1
RM850,001 to RM 900,000	1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – AUDIT AND RISK MANAGEMENT COMMITTEE

4.1 ARMC

The ARMC is relied upon by the Board, amongst others, to provide advice in the areas of financial reporting, external audit, internal control environment, and internal audit process, review of related party transactions and conflict of interest situations. The ARMC also undertakes to provide oversight of the risk management framework of the Group.

The ARMC is chaired by an Independent Non-Executive Director, who is distinct from the Chairman of the Board, and all members of the ARMC are financially literate and have a good understanding of the business of the Group. The composition of the ARMC, including its roles and responsibilities, as well as a summary of its activities carried out in the year 2025, is set out in the ARMC Report on pages 59 to 62 of this Annual Report.

Collectively, the ARMC possesses a wide range of necessary skills to discharge its duties. The ARMC has completed the Financial Literary Questionnaire and confirmed their abilities and competencies to read, analyse and interpret financial statements and are qualified to review the accuracy of the Group's financial statements.

All members of the ARMC will continue to undertake continuous professional development and have an annual discussion with the External Auditors on financial reporting development to keep themselves abreast with the relevant developments in accounting and auditing standards, practices and rules.

4.2 External Auditors

Annually, the ARMC reviews the suitability, objectivity, independence and remuneration of the External Auditors before recommending them to the shareholders for re-appointment at the AGM. The ARMC would convene private meetings with the External Auditors without the presence of the EDs and employees of the Group as and when necessary. As part of the ARMC's review processes, the ARMC has obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

At the ARMC meeting held in February 2026, the ARMC had assessed the suitability and independence of the External Auditors, Messrs. Crowe Malaysia PLT ("**Crowe**"). The ARMC was satisfied with the performance and suitability of Crowe based on the quality of services, time commitment and resources of Crowe, and their professionalism and dedication in relation to the FY2025 audit. Having been satisfied with the performance, technical competency, and audit independence of the External Auditors, the ARMC recommended the re-appointment of Crowe to the Board, upon which shareholders' approval will be sought at the coming AGM.

Based on the ARMC's assessment of the External Auditors, the Board has recommended the re-appointment of the External Auditors for the approval of shareholders at the forthcoming AGM.

4.3 Cooling-off Period for Key Former Audit Partners

The ARMC has adopted a policy that requires any Director who is 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 ARMC, and the said policy has been incorporated into the Terms of Reference of the ARMC, which is published on the Company's website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

4.4 Internal Auditors

The Group Internal Audit (“**GIA**”) Department was established to support the Board through the ARMC in discharging its duties and governance responsibilities of maintaining a sound internal control system within the Group. The Group’s Internal Auditors report directly and functionally to the ARMC. They are also independent of the functions and activities that they audit and perform its duties in accordance with the Internal Audit Plan approved by the ARMC.

The GIA Department is staffed with two (2) Internal Auditors who are free from any relationship or conflict of interest, which could impair their objectivity and independence.

The GIA Department has adopted professional guides such as the International Professional Practices Framework (“**IPPF**”) and COSO’s Internal Control—Integrated Framework as references during the conduct of assignments.

Details of the Internal Audit Function and activities are presented in the ARMC Report on pages 59 to 62 of this Annual Report.

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board has overall responsibility for maintaining a sound system of risk management and internal control of the Group that provides reasonable assurance of effective and efficient business operations, compliance with laws and regulations, as well as internal procedures and guidelines.

The ARMC is assigned by the Board to oversee the risk management of the Group and advise the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation. The ARMC also reviews the action plans implemented and makes relevant recommendations to the Board to manage residual risks.

The Group has established a formal risk management framework to oversee the risk management of the Group. The Risk Management Committee (“**RMC**”) comprised of the Heads of key operating subsidiaries, was formed to assist the ARMC and Board in identifying, assessing, managing, monitoring, and reporting underlying risks. The RMC will report the risk findings of the subsidiaries to the Head of GIA Department, who will then report to the ARMC. The Board is provided with assurance that the Group’s risk management and internal control systems were functioning effectively through the ARMC.

The Statement on Risk Management and Internal Control included on pages 63 to 65 of this Annual Report provides an overview of the Internal Control Framework adopted by the Company during the financial year ended 31 December 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

PART I – COMMUNICATION WITH STAKEHOLDERS

The Board recognises the importance of being transparent and accountable to the Company's stakeholders and acknowledges the continuous communication between the Company and stakeholders would facilitate mutual understanding of each other's objectives and expectations. The Board has put in place a Corporate Disclosure Policy with the objective of ensuring communications to the public are timely, factual, accurate, complete, broadly disseminated and, where necessary, filed with regulators in accordance with applicable laws. The Corporate Disclosure Policy is published on the Company's website.

The Company's website provides all relevant corporate information and is accessible by the public. The Company's website includes its Annual Report, financial results, share price information, and all corporate announcements made by the Company. Where possible and applicable, the Group provides additional disclosures on a voluntary basis. The Board believes that ongoing communication with shareholders is vital for both shareholders and the investors to make informed investment decisions.

The Company encourages effective, transparent and regular communication with the shareholders and the stakeholders including employees and any queries can be directed to the Corporate's website by an e-mail address: info@cbip.com.my.

PART II – CONDUCT OF GENERAL MEETINGS

AGM is the principal forum for dialogue and interaction with shareholders and provides an opportunity for the shareholders to enquire and seek clarification on the Groups' business performance and corporate developments.

At the 28th AGM held on 30 May 2025, all the Directors of the Company were present physically to engage with shareholders and proxies proactively. During the AGM, shareholders participate in deliberating resolutions being proposed or on the Group's operations in general. The Directors responded to all questions raised and provided clarification as required by the shareholders.

The minutes of the 28th AGM, which included the questions raised by shareholders together with the responses by the Company and outcome of the voting results, were made available to the shareholders within thirty (30) business days after the 28th AGM at the Company's website.

The notice of the forthcoming 29th AGM, together with the Form of Proxy and the 2025 Annual Report will be issued to the shareholders at least twenty-one (21) days prior to the AGM, in accordance with the provisions of the CA 2016, MMLR and the Constitution of the Company. This allows the shareholders sufficient time to read and consider the resolutions to be resolved at the 29th AGM. The Directors of the Company will endeavour to attend all general meetings, and the Chairpersons of the Board Committees will be available to provide a meaningful response to questions raised to them.

This Corporate Governance Overview Statement was approved by the Board on 22 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

(i) Utilisation of Proceeds

There were no proceeds raised from any corporate proposal during the financial year.

(ii) Audit and Non-Audit Fees

The amount of audit and non-audit fees paid or payable to the External Auditors and their affiliates for services rendered to the Company and Group for the financial year ended 31 December 2025 are as follows:

	Company (RM)	Group (RM)
Audit fees	180,000	535,000
Non-audit fees	15,876	66,476

(iii) Material Contracts involving Directors, Chief Executive who is not a Director, and Major shareholder's Interest

Except for what is disclosed in the Recurrent Related Party Transaction as stated below, there were no other material contracts entered into by the Group involving the interests of the Directors, chief executive who is not a Director or Major Shareholder either subsisting as at 31 December 2025 or entered into since the end of the previous financial year.

(iv) Recurrent Related Party Transaction ("RRPT") of Revenue or Trading Nature

At the 28th AGM held on 30 May 2025, the Company obtained a mandate from its shareholders to enter into RRPT with a person who is considered a Related Party as defined in Chapter 10 of the Main Market Listing Requirements. Details of the RRPT during the financial year ended 31 December 2025 pursuant to the shareholders' mandate obtained are as follows:

Transacting Parties	Interested Related Parties	Nature of Transaction	Actual Value Transacted (RM'000)
ENBPOL and the Group	DLCB, LZP, LCH and LCG	a. Purchase of palm oil mills equipment, spare parts from CBIP Group. b. Provision of engineering works by CBIP Group.	84
TPL and the Group	DLCB, LZP, LCH and LCG	a. Purchase of Palm Oil Mill equipment, boiler and spare parts from CBIP Group. b. Provision of engineering work by CBIP Group.	82
Presspalm and the Group	LCT, DLCB, LZP, LCH and LCG	a. Sale of palm oil mills spare parts and machining items to CBIP Group. b. Purchase of palm oil mills spare parts from CBIP Group.	187 138
RSB and the Group	DLCB, LZP, LCH and LCG	a. Supply of boiler spare parts, palm oil mills equipment and spare parts by CBIP Group. b. Provision of engineering works by CBIP Group.	2,515
PWEB and the Group	DLCB, LZP, LCH, TYH, LCG and LST	a. Supply of effluent treatment system and spare parts to CBIP Group. b. Provision of engineering works to CBIP Group.	3,800

ADDITIONAL COMPLIANCE INFORMATION

Transacting Parties	Interested Related Parties	Nature of Transaction	Actual Value Transacted (RM'000)
WISSB and the Group	LCHong, DLCB, LZP, LCH and LCG	Purchase of Palm Oil Mills Spare parts from CBIP Group.	206

Notes:

- (1) The nature of relationship with the above Related Parties is as follows:
- DLCB is a director and major shareholder of the CBIP. He is also the director and major shareholder of ENBPOL, TPL, RSB and PWEB.
 - LZP is the son of DLCB and an Executive Director of CBIP. He has direct interest of 4.91% in CBIP.
 - DLCB, LCH, LCG, LCT and LCHong are siblings.
 - LCH is a director of CBIP and has direct interest of 4.60% in CBIP.
 - LCG is a director of CBIP Group and has direct interest of 5.66% and indirect interest of 0.22% through the shares held by his spouse in CBIP.
 - LCT is a director and major shareholder of Presspalm and he has direct interest of 1.06% in CBIP.
 - LCHong is a director and major shareholder of WISSB and he has direct interest of 0.68% in CBIP.
 - TYH is a director of CBIP Group and has direct interest of 1.73% in CBIP. He is also a director and major shareholder of PWEB.
 - LST is the daughter of DLCB and sister of LZP, and she has direct interest of 2.02% in CBIP. She is also a Director of PWEB.

Abbreviations:

CBIP	- CB Industrial Product Holding Berhad
CBIP Group	- Subsidiary(ies) of CB Industrial Product Holding Berhad
DLCB	- Datuk Lim Chai Beng
ENBPOL	- East New Britain Palm Oil Limited
Group	- CBIP and the subsidiary(ies)
LCG	- Lim Chai Guan
LCH	- Lim Chai Huat
LCHong	- Lim Chye Hong
LCT	- Lim Chai Tiong
LST	- Lim Sim Tong
LZP	- Lim Zee Ping
Presspalm	- Presspalm Engineering Sdn. Bhd.
PWEB	- PW Eco Biotech Sdn. Bhd.
RSB	- Resourcecity Sdn. Bhd.
TPL	- Tzen Plantation Limited
TYH	- Tan Yu Hwa
WISSB	- Wismech Industries Supply Sdn. Bhd.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards and give a true and fair view of the state affairs of the Company and the Group at the end of the financial year and of their results and cash flows for that financial year.

In preparing the financial statements of the Company and of the Group for the financial year ended 31 December 2025, the Directors of the Company have:

- adopted appropriate accounting policies and have applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- ensured applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

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

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

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025. All values shown in this report are rounded to the nearest thousand ("RM'000") unless otherwise indicated.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in the "Subsidiaries" section of the Directors' Report.

RESULTS

	Group RM'000	Company RM'000
Loss for the financial year attributable to:		
- Owners of the Company	(60,983)	(60,236)
- Non-controlling interests	(22,344)	-
	<u>(83,327)</u>	<u>(60,236)</u>

DIVIDENDS

During the financial year, the Company paid the following dividends:

	RM'000
Second interim single tier dividend of 2 sen per ordinary share in respect of the financial year ended 31 December 2024, paid on 27 February 2025.	9,309
First interim single tier dividend of 2 sen per ordinary share in respect of the financial year ended 31 December 2025, paid on 18 September 2025.	9,309
	<u>18,618</u>

On 1 April 2026, the Company declared a second interim single tier dividend of 2 sen per ordinary share in respect of the financial year ended 31 December 2025. The dividend is payable on 4 May 2026.

The financial statements for the current financial year do not reflect this interim dividend. Such a dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2026.

The directors do not recommend the payment of any further dividends for the financial year.

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

ISSUE OF SHARES AND DEBENTURES

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

BAD AND DOUBTFUL DEBTS

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

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

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including the value of current assets as shown in the accounting records of the Group and of the Company, have 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 which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

DIRECTORS' REPORT

CONTINGENT AND OTHER LIABILITIES (CONT'D)

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

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

DIRECTORS

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

Directors of the Company

Datuk Lim Chai Beng
Tengku Dato' Ardy Esfandiari Bin Tengku Abdul Hamid Shah
Lim Chai Huat
Lim Zee Ping
Lee Poi Keong
Karpanadevi A/P K R Somasundram
Datin Chua Suat Khim

Directors of subsidiaries (other than directors of the Company)

Chiang Chuen Shin
Dato' Ku Azhar Bin Ku Ahmad
Koo Boon Hoe
Lim Chai Guan
Siti Zawiyah Binti Alias
Tan Hock Yew
Tan Yu Hwa
Tengku Ezrique Ezzuddean Bin Tengku Ardy Esfandiari

DIRECTORS' REPORT

DIRECTORS' INTERESTS

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

Names of Directors	Number of Ordinary Shares			Balance at 31.12.2025
	Balance at 1.1.2025	Bought	Sold	
Datuk Lim Chai Beng				
- Direct	150,339,720	35,000,000	(37,500,000)	147,839,720
- Indirect ^{(a)/(b)}	51,603,800	28,658,500	(40,737,300)	39,525,000
Tengku Dato' Ardy Esfandiari Bin Tengku A. Hamid Shah				
- Direct	3,360,000	-	-	3,360,000
Lim Chai Huat				
- Direct	22,222,222	-	(1,000,000)	21,222,222
- Indirect ^(a)	-	1,000,000	-	1,000,000
Lim Zee Ping				
- Direct	4,684,000	18,000,000	-	22,684,000

^(a) Deemed interest by virtue of shares held by family members.

^(b) Deemed interest by virtue of shares held by a company in which the director has a substantial financial interest.

By virtue of his shareholdings in the Company, Datuk Lim Chai Beng is deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 31 to the financial statements.

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

DIRECTORS' REPORT

DIRECTORS' REMUNERATION

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

	Group RM'000	Company RM'000
Directors of the Company:-		
Fee	315	267
Other short-term employee benefits	2,202	238
Defined contribution plans	124	-
	<u>2,641</u>	<u>505</u>

The estimated monetary value of benefits-in-kind provided by the Group and the Company to certain directors of the Company amounted to approximately RM34,750.

INDEMNITY AND INSURANCE COST

There was no indemnity given to any director or officer of the Group or the Company during the financial year. The Group maintains a liability insurance of RM10,000,000 for its directors and officers and the insurance costs incurred during the financial year amounted to RM28,500. There was no indemnity given to or liability insurance effected for the auditors during the financial year.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and effective ownership interest held by the Company in each subsidiary are disclosed as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Ownership Interest		Principal Activity
		2025 %	2024 %	
Modipalm Engineering Sdn. Bhd.	Malaysia	100	100	Manufacturer of palm oil mill equipment and related spare parts, providing services for engineering support, mechanical fabrication, commissioning and other contracting work for palm oil mills.
AVP Engineering (M) Sdn. Bhd. ("AVPSB")	Malaysia	49	49	Retrofitting special purpose vehicles.
Advance Boilers Sdn. Bhd.	Malaysia	100	100	Manufacturing and servicing boilers.

DIRECTORS' REPORT

SUBSIDIARIES (CONT'D)

The details of the subsidiary name, place of incorporation, principal activities and effective ownership interest held by the Company in each subsidiary are disclosed as follows:- (Cont'd)

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Ownership Interest		Principal Activity
		2025 %	2024 %	
CB Palm Industrial Sdn. Bhd.	Malaysia	100	100	Manufacturer of palm oil mill equipment and related spare parts, providing services for engineering support, mechanical fabrication, commissioning and other contracting work for palm oil mills.
Avecpalm Marketing Resources Sdn. Bhd.	Malaysia	100	100	Dormant.
Admiral Potential Sdn. Bhd. ("APSB")	Malaysia	100	100	Investment holding.
AV-Ecopalms Sdn. Bhd. ("AVESB")	Malaysia	100	100	Investment holding.
C.B. Industrial Product Sdn. Bhd. ("CBIPSB")	Malaysia	100	100	Investment holding.
Steam-Mech Engineering Sdn. Bhd. ("SMESB")	Malaysia	100	100	Investment holding.
TPG Oil & Gas Sdn. Bhd.	Malaysia	-	100	Trading and processing of crude palm oil and related products.
Gulf Lubes Malaysia Sdn. Bhd. ("GLM")	Malaysia	-	100	Biodiesel refinery.

DIRECTORS' REPORT

SUBSIDIARIES (CONT'D)

The details of the subsidiary name, place of incorporation, principal activities and effective ownership interest held by the Company in each subsidiary are disclosed as follows:- (Cont'd)

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Ownership Interest		Principal Activity
		2025 %	2024 %	
<u>Subsidiaries of CBIPSB</u>				
PT CB Polaindo	Indonesia	70	70	Providing engineering support and contracting works for palm oil mills.
CBIP (PNG) Limited	Papua New Guinea	100	100	Providing engineering support and contracting works for palm oil mills.
Modipalma Latin America	Republic of Guatemala	99.6	99.6	Supply and sale of spare parts for palm oil mills.
<u>Subsidiary of AVPSB</u>				
TPG Aeronautik Sdn. Bhd.	Malaysia	49	49	Design, fabricate, supply, procure, maintain and service aviation related equipment.
<u>Subsidiary of SMESB</u>				
PT Sawit Lamandau Raya	Indonesia	85	85	Cultivation of oil palm.
<u>Subsidiary of APSB</u>				
PT Jaya Jadi Utama	Indonesia	94	94	Cultivation of oil palm.
<u>Subsidiaries of AVESB</u>				
PT Berkala Maju Bersama	Indonesia	94	94	Cultivation of oil palm.
PT CBI Ecopalms Group	Indonesia	95	95	Inactive.

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

DIRECTORS' REPORT

AUDITORS

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

The auditors' remuneration of the Group and of the Company for the financial year were RM535,000 and RM180,000 respectively.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 30 APRIL 2026**

Datuk Lim Chai Beng

Tengku Dato' Ardy Esfandiari Bin Tengku A. Hamid Shah

STATEMENT BY DIRECTORS

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

We, Datuk Lim Chai Beng and Tengku Dato' Ardy Esfandiari Bin Tengku A. Hamid Shah, being two of the directors of CB Industrial Product Holding Berhad, state that, in the opinion of the directors, the financial statements set out on pages 102 to 180 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 of 31 December 2025 and of their financial performance and cash flows for the financial year ended on that date.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 30 APRIL 2026**

Datuk Lim Chai Beng

**Tengku Dato' Ardy Esfandiari
Bin Tengku A. Hamid Shah**

STATUTORY DECLARATION

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

I, Tan Hock Yew, (MIA membership no.: 11747) being the officer primarily responsible for the financial management of CB Industrial Product Holding Berhad, do solemnly and sincerely declare that the financial statements set out on pages 102 to 180 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Tan Hock Yew, at Klang
in the State of Selangor Darul Ehsan
on this 30 April 2026

Tan Hock Yew

Before me
Lee Pei Nam
No : B186
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CB INDUSTRIAL PRODUCT HOLDING BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CB Industrial Product Holding Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2025, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 102 to 180.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CB INDUSTRIAL PRODUCT HOLDING BERHAD

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

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p><u>Impairment of investments in associates (Refer to Notes 3.3 and 7 to the financial statements)</u></p> <p>The carrying amounts of the Group's investments in its associates, namely Bahtera Bahagia Sdn. Bhd. and Kumpulan Kris Jati Sdn. Bhd. include a significant amount of goodwill. As the carrying amounts of the investments exceed the Group's share of the associates' net assets, there is an indication of impairment. Accordingly, the Group performed impairment tests which involved significant judgements and estimation uncertainty in making key assumptions about future market and economic conditions, growth rates, profit margins and discount rate.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Making enquiries of and challenging management on the key assumptions and inputs used in the measurement method. • Evaluating the reliability of management's projections through the comparison of actual past financial performances against previous forecasted results. • Evaluating whether the key assumptions and inputs used are reasonable and consistent by taking into consideration the past performance, future growth, market development, etc. • Performing stress tests and sensitivity analysis to assess the impacts of those key assumptions and inputs on the measurement of recoverable amount.
<p><u>Valuation of inventories (Refer to Notes 3.7 and 11 to the financial statements)</u></p> <p>The Group carries significant inventories. Management periodically reviews the inventories for potential write-downs by considering the ageing profile, estimation of market price fluctuations and net realisable value. These reviews involve judgements and estimation uncertainty in forming expectations about future consumptions, sales and demands.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Obtaining an understanding of: <ul style="list-style-type: none"> • the Group's inventory management process; • how the Group identifies and assesses inventory write-downs; and • how the Group ascertains the accounting estimates for inventory write downs. • Examining the perpetual records for inventories movements and identifying slow-moving, aged and obsolete inventories. • Making inquiries of management regarding the action plans to clear slow-moving, aged and obsolete inventories. • Reviewing net realisable value of major inventories. • Evaluating the reasonableness and adequacy of the allowance for inventories recognised for identified exposures.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CB INDUSTRIAL PRODUCT HOLDING BERHAD

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

<i>Key audit matter</i>	<i>How our audit addressed the key audit matters</i>
<p><u>Impairment of receivables (Refer to Notes 3.12 and 13 to the financial statements)</u></p> <p>The Group carries significant receivables and is subject to major credit risk exposure. The Group applied assumptions in assessing the level of allowance for impairment losses on receivables based on the customers' payment profiles of past sales and corresponding historical credit losses, specific known facts or circumstances on customers' ability to pay or by reference to past default experience. Such assessment involves judgements and estimation uncertainty in analysing information about past events, current conditions and forecast of future economic conditions.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Obtaining an understanding of: <ul style="list-style-type: none"> • the Group's control over the receivables collection process; • how the Group identifies and assesses the impairment of receivables; and • how the Group makes the accounting estimates for impairment. • Reviewing the ageing analysis and past due status of receivables and testing the reliability thereof. • Reviewing the subsequent cash collections for major receivables and overdue amounts. • Making inquiries of management regarding the action plans to recover overdue amounts. • Examine other evidences including customers correspondences, proposed settlement plans, etc. • Comparing and challenging management's view on the recoverability of overdue amounts to historical patterns of collections. • Evaluating the reasonableness and adequacy of the loss allowance for ECL provided on receivables. • Reviewing management's computation on historical observed default rate and adjustment for forward-looking estimates. • Due to the nature of plasma receivables disclosed in Note 13 to the financial statements, the recovery of plasma receivable is largely dependent on the future sales of fresh fruit bunches ("FFB"). In addition to the above procedures, we have checked the projected cash flows and the following key assumptions:- <ul style="list-style-type: none"> • reasonableness of the market prices of the fresh fruit bunches included in the projected cash flows; • reasonableness of management's basis used in projecting the production yields and the length of economic life of the oil palms for the related plasma estates, by comparing against historical data; and • assess the valuation methodology used and the appropriateness of the discount rates used and benchmark to similar peers' discount rates.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CB INDUSTRIAL PRODUCT HOLDING BERHAD

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

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p><u>Construction contracts (Refer to Notes 3.12 and 15 to the financial statements)</u></p> <p>The recognition of revenue on contracts is based on the construction progress using the input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. The determination of the construction progress requires the management to exercise significant judgement in estimating the total costs to complete the contracts.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Reviewing the contract value secured and budgeted costs. • Assessing the estimated total costs to complete through inquiries with the operational and financial personnel of the Group. • Comparing budgeted costs to actual results to assess the reasonableness of assumptions used in the budgeted costs. • Performing verification on the actual progress billings issued and actual costs incurred for the financial year. • Performing recomputation on the revenue recognised in corresponding with costs for the contracts during the financial year.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CB INDUSTRIAL PRODUCT HOLDING BERHAD

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

Responsibilities of the Directors for the Financial Statements

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

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

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 skepticism throughout the audit. We also:

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CB INDUSTRIAL PRODUCT HOLDING BERHAD

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 skepticism throughout the audit. We also: (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CB INDUSTRIAL PRODUCT HOLDING BERHAD

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 6 to the financial statements.

OTHER MATTERS

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

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

Tan Wai Wah
03621/11/2027 J
Chartered Accountant

Shah Alam

30 April 2026

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	4	189,640	380,987	544	593
Right-of-use assets	5	74,442	109,566	-	-
Investments in subsidiaries	6	-	-	36,001	88,581
Investments in associates	7	95,255	91,267	49,430	49,430
Investment in joint venture	8	19,581	25,182	20,187	20,187
Investment in club membership, at cost		350	350	-	-
Other investments	9	22	2,164	-	-
Receivables	13	86,649	98,924	-	-
Deferred tax assets	10	11,681	8,791	-	-
		<u>477,620</u>	<u>717,231</u>	<u>106,162</u>	<u>158,791</u>
CURRENT ASSETS					
Inventories	11	57,264	27,697	-	-
Biological assets	12	4,478	6,079	-	-
Receivables	13	227,934	141,121	381,050	417,039
Contract costs	14	336	105	-	-
Contract assets	15	48,099	163,339	-	-
Deposits and prepayments	16	12,827	10,729	1,320	-
Current tax assets		1,996	10,413	33	20
Highly liquid investments	17	27,503	29,487	-	-
Cash and cash equivalents	17	51,593	62,397	4,257	907
		<u>432,030</u>	<u>451,367</u>	<u>386,660</u>	<u>417,966</u>
TOTAL ASSETS		<u>909,650</u>	<u>1,168,598</u>	<u>492,822</u>	<u>576,757</u>

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

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	18	248,544	248,544	248,544	248,544
Treasury shares	18	(39,103)	(34,628)	(39,103)	(34,628)
Reserves		474,833	557,798	32,276	111,130
Equity attributable to owners of the Company		684,274	771,714	241,717	325,046
Non-controlling interests	19	7,082	32,954	-	-
TOTAL EQUITY		691,356	804,668	241,717	325,046
NON-CURRENT LIABILITIES					
Loans and borrowings	20	10,112	65,512	-	-
Lease liabilities	21	350	16,233	-	-
Retirement benefits	22	10,098	10,151	-	-
Deferred tax liabilities	10	4,631	26,105	-	-
		25,191	118,001	-	-
CURRENT LIABILITIES					
Payables	23	78,263	104,981	251,105	243,682
Contract liabilities	15	59,714	65,080	-	-
Loans and borrowings	20	44,362	67,605	-	8,029
Lease liabilities	21	460	2,243	-	-
Current tax liabilities		10,304	6,020	-	-
		193,103	245,929	251,105	251,711
TOTAL LIABILITIES		218,294	363,930	251,105	251,711
TOTAL EQUITY AND LIABILITIES		909,650	1,168,598	492,822	576,757

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	24	346,930	739,160	22,000	33,600
Cost of sales		(309,835)	(630,922)	-	-
Gross profit		37,095	108,238	22,000	33,600
Other income		37,791	6,534	3,407	47
Administrative and other operating expenses		(129,320)	(111,518)	(84,177)	(28,530)
Net impairment losses on contract assets and financial assets		(1,179)	(2,808)	-	-
Finance costs		(6,278)	(14,208)	(1,455)	(1,320)
Share of loss of joint venture		(5,601)	(1,345)	-	-
Share of profit of associates		3,988	5,147	-	-
(Loss)/Profit before tax	25	(63,504)	(9,960)	(60,225)	3,797
Tax expense	27	(19,823)	(18,127)	(11)	(17)
(Loss)/Profit for the financial year		(83,327)	(28,087)	(60,236)	3,780
Other comprehensive (loss)/income:-					
<u>Items that will not be reclassified to profit or loss:</u>					
- Remeasurement of defined benefit obligations		1,373	1,445	-	-
- Deferred tax effects on remeasurement of defined benefit obligations		(319)	(301)	-	-
<u>Item that may be reclassified subsequently to profit or loss:</u>					
- Currency translation differences for foreign operations		(6,416)	(4,866)	-	-
		(5,362)	(3,722)	-	-
Total comprehensive (loss)/income for the financial year		(88,689)	(31,809)	(60,236)	3,780

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(Loss)/Profit for the financial year attributable to:					
- Owners of the Company		(60,983)	(30,693)	(60,236)	3,780
- Non-controlling interests		(22,344)	2,606	-	-
		<u>(83,327)</u>	<u>(28,087)</u>	<u>(60,236)</u>	<u>3,780</u>
Total comprehensive (loss)/income for the financial year attributable to:					
- Owners of the Company		(64,347)	(33,249)	(60,236)	3,780
- Non-controlling interests		(24,342)	1,440	-	-
		<u>(88,689)</u>	<u>(31,809)</u>	<u>(60,236)</u>	<u>3,780</u>
Earnings per share:	28				
- Basic (sen)		<u>(12.93)</u>	<u>(6.20)</u>		
- Diluted (sen)		<u>(12.93)</u>	<u>(6.20)</u>		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Group	Non-distributable		Distributable		Equity attributable to owners of the Company		Non-controlling interests	Total equity
	Share capital	Treasury shares	Currency translation reserve	Retained profits	Company	RM'000		
Balance at 1 January 2024, as restated	248,544	(25,865)	(733)	610,555	832,501	29,332	861,833	
Remeasurement of defined benefit obligations	-	-	-	1,282	1,282	163	1,445	
Deferred tax effects on remeasurement of defined benefit obligations	-	-	-	(275)	(275)	(26)	(301)	
Currency translation differences for foreign operations	-	-	(3,563)	-	(3,563)	(1,303)	(4,866)	
Other comprehensive (loss)/income for the financial year	-	-	(3,563)	1,007	(2,556)	(1,166)	(3,722)	
(Loss)/Profit for the financial year	-	-	-	(30,693)	(30,693)	2,606	(28,087)	
Total comprehensive (loss)/income for the financial year	-	-	(3,563)	(29,686)	(33,249)	1,440	(31,809)	
Purchase of treasury shares	-	(8,763)	-	-	(8,763)	-	(8,763)	
Dividends to owners of the Company (Note 29)	-	-	-	(18,775)	(18,775)	-	(18,775)	
Dissolution of subsidiaries	-	-	-	-	-	2,182	2,182	
Total transactions with owners	-	(8,763)	-	(18,775)	(27,538)	2,182	(25,356)	
Balance at 31 December 2024	248,544	(34,628)	(4,296)	562,094	771,714	32,954	804,668	

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Group	Non-distributable		Distributable		Equity attributable to owners of the Company		Non-controlling interests	Total equity
	Share capital	Treasury shares	Currency translation reserve	Retained profits	RM'000	RM'000		
Balance at 1 January 2025	248,544	(34,628)	(4,296)	562,094	771,714	32,954	804,668	
Remeasurement of defined benefit obligations	-	-	-	1,238	1,238	135	1,373	
Deferred tax effects on remeasurement of defined benefit obligations	-	-	-	(284)	(284)	(35)	(319)	
Currency translation differences for foreign operations	-	-	(4,318)	-	(4,318)	(2,098)	(6,416)	
Other comprehensive (loss)/income for the financial year	-	-	(4,318)	954	(3,364)	(1,998)	(5,362)	
Loss for the financial year	-	-	-	(60,983)	(60,983)	(22,344)	(83,327)	
Total comprehensive loss for the financial year	-	-	(4,318)	(60,029)	(64,347)	(24,342)	(88,689)	
Purchase of treasury shares	-	(4,475)	-	-	(4,475)	-	(4,475)	
Dividends to owners of the Company (Note 29)	-	-	-	(18,618)	(18,618)	-	(18,618)	
Dividends by a subsidiary to non-controlling interests	-	-	-	-	-	(1,530)	(1,530)	
Total transactions with owners	-	(4,475)	-	(18,618)	(23,093)	(1,530)	(24,623)	
Balance at 31 December 2025	248,544	(39,103)	(8,614)	483,447	684,274	7,082	691,356	

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Company	Share capital RM'000	Treasury shares RM'000	Distributable	Total equity RM'000
			Retained profits RM'000	
Balance at 1 January 2024	248,544	(25,865)	126,125	348,804
Profit (representing total comprehensive income) for the financial year	-	-	3,780	3,780
Purchase of treasury shares	-	(8,763)	-	(8,763)
Dividends (Note 29)	-	-	(18,775)	(18,775)
Total transactions with owners	-	(8,763)	(18,775)	(27,538)
Balance at 31 December 2024/ 1 January 2025	248,544	(34,628)	111,130	325,046
Loss (representing total comprehensive loss) for the financial year	-	-	(60,236)	(60,236)
Purchase of treasury shares	-	(4,475)	-	(4,475)
Dividends (Note 29)	-	-	(18,618)	(18,618)
Total transactions with owners	-	(4,475)	(18,618)	(23,093)
Balance at 31 December 2025	248,544	(39,103)	32,276	241,717

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Group		Company		
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM/(FOR)					
OPERATING ACTIVITIES					
(Loss)/Profit before tax		(63,504)	(9,960)	(60,225)	3,797
Adjustments for:-					
Amortisation on discount on plasma receivables		896	8,315	-	-
Bad debts written off		56	-	-	398
Depreciation of property, plant and equipment		25,884	27,125	49	175
Depreciation of right-of-use assets		4,161	5,140	-	-
Investment written off		-	-	1,711	636
Dividend income		-	(306)	(22,000)	(33,600)
Fair value loss for financial assets mandatorily measured at fair value through profit or loss		102	651	-	-
Fair value changes in biological assets		853	10,119	-	-
Gain on disposal of property, plant and equipment		(4,159)	(101)	-	-
Impairment losses on receivables		19,646	19,412	-	-
Increase in defined benefit costs		2,890	2,255	-	-
Interest expense for financial liabilities measured at amortised cost		6,076	13,103	1,456	1,318
Interest expense for lease liabilities		27	772	-	-
Interest income for financial assets measured at amortised cost		(6,544)	(2,563)	(23)	(211)
Interest income for financial assets measured at fair value through profit or loss		-	(649)	-	-
Reversal of interest expense for financial assets measured at amortised cost		(49)	(47)	-	-
Reversal of impairment losses on receivables		(18,467)	(16,604)	-	-
Inventories written off		1,937	-	-	-
Impairment loss on other investment		1,383	-	-	-
Reversal of impairment loss on property, plant and equipment		(7,212)	-	-	-
Loss on disposal of subsidiaries		13,297	-	39,250	-
Property, plant and equipment written off		131	34	-	-
Share of profit of associates		(3,988)	(5,147)	-	-
Share of loss of joint venture		5,601	1,345	-	-
Unrealised loss on foreign exchange		51,827	25,410	40,602	24,932
Waiver of debts		(3,891)	-	(3,345)	-
Operating profit/(loss) before working capital changes and balance carried forward		<u>26,953</u>	<u>78,304</u>	<u>(2,525)</u>	<u>(2,555)</u>

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Group		Company		
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Balance brought forward		26,953	78,304	(2,525)	(2,555)
Changes in:-					
Contract costs		(231)	2,275	-	-
Contract assets/liabilities		109,874	(53,897)	-	-
Inventories		(31,504)	69,607	-	-
Receivables and prepayments		569	(16,034)	(1,322)	9
Payables		(24,853)	(9,328)	170	8
Cash from/(for) operations		80,808	70,927	(3,677)	(2,538)
Contribution paid		(137)	(225)	-	-
Interests paid		(6,103)	(13,875)	(1,456)	(1,318)
Tax paid		(16,082)	(24,727)	(24)	(24)
Net cash from/(for) operating activities		58,486	32,100	(5,157)	(3,880)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Repayment to subsidiaries		-	-	(12,778)	(11,216)
Repayment to related parties		(2,428)	-	-	-
Changes in term deposits pledged as security		(3,263)	249	-	-
Dividends received		-	306	22,000	33,600
Interests received		6,544	3,212	23	211
Purchase of property, plant and equipment		(44,613)	(21,674)	-	(9)
Acquisition of right-of-use assets	30	(585)	(2,343)	-	-
Proceeds from disposal of investments in subsidiaries	34	19,134	-	19,503	-
Proceeds from disposal of other investments		657	-	-	-
Proceeds from disposal of property, plant and equipment		12,686	2,197	-	-
Net cash (for)/from investing activities		(11,868)	(18,053)	28,748	22,586
Balance carried forward		46,618	14,047	23,591	18,706

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Balance brought forward		46,618	14,047	23,591	18,706
CASH FLOWS FOR FINANCING ACTIVITIES					
Advances from directors		4,454	4,869	-	-
Advances from subsidiaries		-	-	10,881	1,599
Dividends paid to owners of the Company	29	(18,618)	(18,775)	(18,618)	(18,775)
Dividends paid to non-controlling interests		(1,531)	-	-	-
Net (decrease)/increase in short-term loans and borrowings	30	(33,710)	26,477	(8,029)	5,979
Purchase of treasury shares		(4,475)	(8,763)	(4,475)	(8,763)
Repayment of lease liabilities	30	(2,793)	(261)	-	-
Repayment of term loans	30	(34,509)	(38,795)	-	-
Net cash for financing activities		(91,182)	(35,248)	(20,241)	(19,960)
Net (decrease)/increase in cash and cash equivalents		(44,564)	(21,201)	3,350	(1,254)
Cash and cash equivalents brought forward		88,850	96,458	907	2,161
Currency translation differences		28,513	13,593	-	-
Cash and cash equivalents carried forward	17	72,799	88,850	4,257	907

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

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

The registered office and principal place of business of the Company are located at Lot 4, Jalan Waja 15, Kawasan Perusahaan Telok Panglima Garang, 42500 Telok Panglima Garang, Selangor Darul Ehsan, Malaysia.

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

The presentation currency of the financial statements is Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") unless otherwise indicated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 30 April 2026.

2. BASIS OF PREPARATION

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

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

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

Amendments to MFRS 121: Lack of Exchangeability

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. BASIS OF PREPARATION (CONT'D)

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Freehold land and capital work-in-progress are not depreciated. Bearer plants, which represent the capitalised costs on new planting and replanting of oil palm, are depreciated on a straight-line basis over the estimated useful life of the oil palm of 20 years. Other property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets using the following annual rates:-

Buildings	5% - 10%
Computer and software	10%
Plant and machinery	5% - 20%
Furniture, fittings and office equipment	10% - 20%
Motor vehicles	10% - 20%
Renovation	10% - 20%

The residual value, useful life and depreciation method of an asset are reviewed at least at the end of each reporting period and any changes in expectations from previous estimates are accounted for prospectively as changes in accounting estimates.

3.2 Investments in Subsidiaries

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

3.3 Investments in Associates

Investments in associates are accounted for using the equity method in the consolidated financial statements.

3.4 Investment in Joint Venture

Investment in joint venture is accounted for using the equity method in the consolidated financial statements.

3.5 Investment in Club Membership

Investment in club membership is stated at cost less impairment losses, if any.

3.6 Biological Assets

Biological assets (excluding bearer plants but including the produce growing thereon) and agricultural produce harvested therefrom are measured at fair value less costs of disposal. Any gain or loss arising from initial recognition at or a change in the fair value less costs of disposal is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

3.8 Financial Assets

(i) Amortised Cost

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

(ii) Fair Value Through Profit or Loss

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

3.9 Financial Liabilities

Financial Liabilities at Amortised Cost

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

3.10 Financial Guarantee Contracts

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.11 Right-of-use Assets and Lease Liabilities

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

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

(ii) Right-of-use Assets

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

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

(iii) Lease Liabilities

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.12 Judgements Made in Applying Accounting Policies

In the process of applying the accounting policies of the Group and of the Company, management is not aware of any judgements, apart from those involving estimations, that can significantly affect the amounts recognised in the financial statements.

Sources of Estimation Uncertainty

The key assumptions about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:-

(a) Impairment of non-financial assets

The Group reviewed its non-financial assets for indications of impairment and where such indications exist, the Group performed impairment test which involved significant judgements and estimation uncertainty in making key assumptions about future market and economic conditions, growth rates, profit margins, discount rate, etc. Possible changes in these estimates may result in revisions to the carrying amounts of non-financial assets.

(b) Impairment of investments in associates

When there is objective evidence that an investment in associate is impaired, the Group performs impairment test by comparing the recoverable amount of the investment (higher of fair value less costs of disposal and value in use) with its carrying amount. In determining the value in use of the investment, the Group estimates its share of the present value of the estimated future cash flows expected to be generated by the associate, including the cash flows from its operations and the proceeds from the ultimate disposal of the investment. Such determination of the value in use involves significant judgements and estimation uncertainty in making key assumptions about future market and economic conditions, growth rates, profit margins, discount rate and etc. The carrying amounts of investments in associates are disclosed in Note 7 to the financial statements.

(c) Valuation of Inventories

Reviews are made periodically by management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. These reviews involve judgements and estimation uncertainty in forming expectations about future sales and demands. Any changes in these accounting estimates will result in revisions to the valuation of inventories as disclosed in Note 11 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.12 Judgements Made in Applying Accounting Policies (Cont'd)

Sources of Estimation Uncertainty (Cont'd)

The key assumptions about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:- (Cont'd)

(d) Impairment of receivables and contract assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts them for qualitative and quantitative, reasonable and supportable, forward-looking information, where applicable. If the expectation is different from the estimation, such a difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 13 and 15 to the financial statements respectively.

(e) Revenue recognition for construction contracts

The Group considers the effects of variable consideration in determining the transaction price of a performance obligation satisfied over time, and recognises revenue accordingly by measuring the progress towards complete satisfaction of the performance obligation. These procedures involve judgements and estimation uncertainty in predicting the outcome of the performance obligation based on past experience, work of experts and continuous monitoring mechanism. Any changes in these accounting estimates will affect the carrying amounts of contract assets and contract liabilities as disclosed in Note 15 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. PROPERTY, PLANT AND EQUIPMENT

Group	At 1.1.2025		Disposals/ Write-offs	Reclassification	Transfer	Depreciation	Reversal of impairment loss	Currency translation differences	Disposal of subsidiaries (Note 34)	At 31.12.2025	
	RM'000	RM'000								RM'000	RM'000
<u>Carrying Amount</u>											
Freehold land	3,010	-	(2,667)	-	-	-	-	(45)	-	-	298
Buildings	38,411	300	(4,975)	1,034	-	(1,959)	-	(2,162)	(3,962)	-	26,687
Computer and software	-	209	-	-	-	-	-	-	-	-	209
Plant and machinery	201,513	13,389	(338)	(770)	-	(13,528)	-	(4,810)	(158,661)	-	36,795
Furniture, fittings and office equipment	1,457	344	(22)	(22)	-	(307)	-	(209)	(182)	-	1,059
Motor vehicles	3,872	2,884	(84)	750	2,300	(1,379)	-	(473)	-	-	7,870
Renovation	584	203	(262)	-	-	(145)	-	(1)	-	-	379
Capital work-in-progress	21,654	26,264	(1)	(992)	-	-	-	(9,704)	(12,652)	-	24,569
Bearer plants	110,486	1,020	(308)	-	-	(8,566)	7,212	(18,070)	-	-	91,774
	380,987	44,613	(8,657)	-	2,300	(25,884)	7,212	(35,474)	(175,457)	-	189,640

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

Group	At		Disposals/ Write-offs	Reclassification	Transfer	Depreciation	Currency	
	1.1.2024	Additions					RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Carrying Amount</u>								
Freehold land	3,038	-	-	-	-	-	(28)	3,010
Buildings	40,958	188	-	-	230	(2,020)	(945)	38,411
Plant and machinery	198,123	7,975	(1,278)	14,063	(1,908)	(13,532)	(1,930)	201,513
Furniture, fittings and office equipment	1,438	413	(19)	-	-	(364)	(11)	1,457
Motor vehicles	7,269	797	(833)	-	-	(1,575)	(1,786)	3,872
Renovation	820	69	-	-	-	(304)	(1)	584
Capital work-in-progress	39,808	9,793	-	(14,063)	(12,874)	-	(1,010)	21,654
Bearer plants	129,900	2,439	-	-	-	(9,330)	(12,523)	110,486
	421,354	21,674	(2,130)	-	(14,552)	(27,125)	(18,234)	380,987

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

Group	At cost	Accumulated	Accumulated	Carrying
	RM'000	depreciation	impairment	amount
	RM'000	RM'000	losses	RM'000
			RM'000	
At 31.12.2025				
Freehold land	298	-	-	298
Buildings	43,327	(16,640)	-	26,687
Computer and software	209	-	-	209
Plant and machinery	75,934	(39,139)	-	36,795
Furniture, fittings and office equipment	6,042	(4,983)	-	1,059
Motor vehicles	20,402	(12,532)	-	7,870
Renovation	3,207	(2,828)	-	379
Capital work-in-progress	24,569	-	-	24,569
Bearer plants	148,658	(53,619)	(3,265)	91,774
	<u>322,646</u>	<u>(129,741)</u>	<u>(3,265)</u>	<u>189,640</u>
At 31.12.2024				
Freehold land	3,010	-	-	3,010
Buildings	56,318	(17,907)	-	38,411
Plant and machinery	255,713	(54,200)	-	201,513
Furniture, fittings and office equipment	6,642	(5,185)	-	1,457
Motor vehicles	16,733	(12,861)	-	3,872
Renovation	3,776	(3,192)	-	584
Capital work-in-progress	21,654	-	-	21,654
Bearer plants	183,519	(62,556)	(10,477)	110,486
	<u>547,365</u>	<u>(155,901)</u>	<u>(10,477)</u>	<u>380,987</u>

The carrying amounts of property, plant and equipment pledged to a licensed bank as security for credit facilities granted to the Group as disclosed in Note 20 to the financial statements are as follows:-

	Group	
	2025	2024
	RM'000	RM'000
Freehold land	-	2,667
Buildings	<u>3,287</u>	<u>7,815</u>
	<u>3,287</u>	<u>10,482</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

Company	At 1.1.2025 RM'000	Depreciation RM'000	At 31.12.2025 RM'000
<u>Carrying Amount</u>			
Buildings	536	(7)	529
Furniture, fittings and office equipment	26	(11)	15
Motor vehicle	31	(31)	-
	<u>593</u>	<u>(49)</u>	<u>544</u>

	At 1.1.2024 RM'000	Addition RM'000	Depreciation RM'000	At 31.12.2024 RM'000
<u>Carrying Amount</u>				
Buildings	543	-	(7)	536
Furniture, fittings and office equipment	34	9	(17)	26
Motor vehicle	63	-	(32)	31
Renovation	119	-	(119)	-
	<u>759</u>	<u>9</u>	<u>(175)</u>	<u>593</u>

	At cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
At 31.12.2025			
Buildings	655	(126)	529
Furniture, fittings and office equipment	283	(268)	15
Motor vehicle	159	(159)	-
Renovation	996	(996)	-
	<u>2,093</u>	<u>(1,549)</u>	<u>544</u>

At 31.12.2024			
Buildings	655	(119)	536
Furniture, fittings and office equipment	283	(257)	26
Motor vehicle	159	(128)	31
Renovation	996	(996)	-
	<u>2,093</u>	<u>(1,500)</u>	<u>593</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. RIGHT-OF-USE ASSETS (CONT'D)

Group	At cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
At 31.12.2025			
Long leasehold land	8,322	(1,717)	6,605
Land use rights	83,962	(16,343)	67,619
Buildings	343	(221)	122
Motor vehicles	690	(594)	96
	<u>93,317</u>	<u>(18,875)</u>	<u>74,442</u>
At 31.12.2024			
Long leasehold land	29,583	(4,026)	25,557
Land use rights	96,099	(15,509)	80,590
Buildings	375	(204)	171
Motor vehicles	4,262	(1,014)	3,248
	<u>130,319</u>	<u>(20,753)</u>	<u>109,566</u>

The Group acquired the rights to use the long leasehold land as its principal places of business for 30 to 91 years. The rights to use the motor vehicles were acquired under lease financing whereby ownership will be transferred by the end of the lease terms of 2 to 3 years.

The land use rights represent the payment of premium for obtaining the Hak Guna Usaha (lease certificates) of the estate lands from the Indonesian authorities.

The carrying amounts of right-of-use assets pledged to licensed banks as security for credit facilities granted to the Group as disclosed in Note 20 to the financial statements are as follows:-

	Group	
	2025 RM'000	2024 RM'000
Long leasehold land	2,617	2,690
Land use rights	<u>22,223</u>	<u>25,608</u>
	<u>24,840</u>	<u>28,298</u>

6. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025 RM'000	2024 RM'000
Unquoted shares, at cost	<u>36,001</u>	<u>88,581</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Ownership Interest		Principal Activity
		2025 %	2024 %	
Modipalm Engineering Sdn. Bhd.	Malaysia	100	100	Manufacturer of palm oil mill equipment and related spare parts, providing services for engineering support, mechanical fabrication, commissioning and other contracting work for palm oil mills.
AVP Engineering (M) Sdn. Bhd. ("AVPSB") ^(b)	Malaysia	49	49	Retrofitting special purpose vehicles.
Advance Boilers Sdn. Bhd.	Malaysia	100	100	Manufacturing and servicing boilers.
CB Palm Industrial Sdn. Bhd.	Malaysia	100	100	Manufacturer of palm oil mill equipment and related spare parts, providing services for engineering support, mechanical fabrication, commissioning and other contracting work for palm oil mills.
Avecpalm Marketing Resources Sdn. Bhd.	Malaysia	100	100	Dormant.
Admiral Potential Sdn. Bhd. ("APSB")	Malaysia	100	100	Investment holding.
AV-Ecopalms Sdn. Bhd. ("AVESB")	Malaysia	100	100	Investment holding.
C.B. Industrial Product Sdn. Bhd. ("CBIPSB")	Malaysia	100	100	Investment holding.
Steam-Mech Engineering Sdn. Bhd. ("SMESB")	Malaysia	100	100	Investment holding.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Ownership Interest		Principal Activity
		2025 %	2024 %	
TPG Oil & Gas Sdn. Bhd. ("TPGOG") ^(c)	Malaysia	-	100	Trading and processing of crude palm oil and related products.
Gulf Lubes Malaysia Sdn. Bhd. ("GLM") ^(c)	Malaysia	-	100	Biodiesel refinery.
<u>Subsidiaries of CBIPSB</u>				
PT CB Polaindo ^(a)	Indonesia	70	70	Providing engineering support and contracting works for palm oil mills.
CBIP (PNG) Limited ^(a)	Papua New Guinea	100	100	Providing engineering support and contracting works for palm oil mills.
Modipalma Latin America ^(a)	Republic of Guatemala	99.6	99.6	Supply and sale of spare parts for palm oil mills.
<u>Subsidiary of AVPSB</u>				
TPG Aeronautik Sdn. Bhd.	Malaysia	49	49	Design, fabricate, supply, procure, maintain and service aviation related equipment.
<u>Subsidiary of SMESB</u>				
PT Sawit Lamandau Raya ^(a)	Indonesia	85	85	Cultivation of oil palm.
<u>Subsidiary of APSB</u>				
PT Jaya Jadi Utama ^(a)	Indonesia	94	94	Cultivation of oil palm.
<u>Subsidiaries of AVESB</u>				
PT Berkala Maju Bersama ^(a)	Indonesia	94	94	Cultivation of oil palm.
PT CBI Ecopalms Group ^(a)	Indonesia	95	95	Inactive.

^(a) Not audited by Crowe Malaysia PLT.^(b) Although the Group owns less than half of the voting power in AVPSB, the directors have determined that the Group has de facto control over AVPSB on the basis that the remaining voting rights in this investee are dispersed and that there is no indication that all the other shareholders have the intention to exercise their votes collectively. The Board of Directors of CBIPH assess and determine that CBIPH has the right to control relevant activities and is able to direct the rate of variable returns from its investee.^(c) During the financial year, the Group has disposed of its entire equity interest in TPGOG And GLM. The details of the disposal of subsidiaries are disclosed in Note 34 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unquoted shares, at cost	49,430	49,430	49,430	49,430
Share of post-acquisition changes in net assets	64,771	60,783	-	-
Accumulated impairment losses	(18,946)	(18,946)	-	-
	<u>95,255</u>	<u>91,267</u>	<u>49,430</u>	<u>49,430</u>

The details of the associates are as follows:-

Name of Associate	Principal Place of Business/ Country of Incorporation	Effective Ownership Interest		Principal Activity
		2025 %	2024 %	
Bahtera Bahagia Sdn. Bhd. ("BBSB") ^(a)	Malaysia	30	30	Cultivation of oil palm.
Kumpulan Kris Jati Sdn. Bhd. ("KKJSB") ^(a)	Malaysia	30	30	Cultivation of oil palm and production of crude palm oil and palm kernel.

^(a) Not audited by Crowe Malaysia PLT.

In prior financial years, the Group had recognised impairment losses on its investments in associates amounting to RM18,946,000. The impairment of investments in associates was determined based on the recoverable amounts, calculated using the cash flow projections derived from plantation held by associates to support the recoverability of its investments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. INVESTMENTS IN ASSOCIATES (CONT'D)

The summarised financial information for each associate that is material to the Group is as follows:-

	<u>BBSB</u>	
	2025 RM'000	2024 RM'000
<u>At 31 December</u>		
Non-current assets	59,488	47,077
Current assets	43,054	43,192
Non-current liabilities	(11,513)	(9,479)
Current liabilities	(8,246)	(5,148)
Net assets	<u>82,783</u>	<u>75,642</u>
<u>12-month Period Ended 31 December</u>		
Revenue	28,111	33,794
Profit (representing total comprehensive income) for the financial year	<u>7,142</u>	<u>10,023</u>
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets	24,835	22,693
Goodwill	<u>25,642</u>	<u>25,642</u>
	50,477	48,335
Accumulated impairment losses	<u>(3,946)</u>	<u>(3,946)</u>
Carrying amount of the Group's interest in this associate	<u>46,531</u>	<u>44,389</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. INVESTMENTS IN ASSOCIATES (CONT'D)

The summarised financial information for each associate that is material to the Group is as follows (Cont'd):-

	<u>KKJSB</u>	
	2025 RM'000	2024 RM'000
<u>At 31 December</u>		
Non-current assets	228,820	189,990
Current assets	29,052	18,428
Non-current liabilities	(32,875)	(39,867)
Current liabilities	<u>(102,365)</u>	<u>(52,072)</u>
Net assets	<u>122,632</u>	<u>116,479</u>
<u>12-month Period Ended 31 December</u>		
Revenue	180,389	118,917
Profit (representing total comprehensive income) for the financial year	<u>6,152</u>	<u>7,132</u>
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets	36,790	34,944
Goodwill	<u>26,934</u>	<u>26,934</u>
	63,724	61,878
Accumulated impairment losses	<u>(15,000)</u>	<u>(15,000)</u>
Carrying amount of the Group's interest in this associate	<u>48,724</u>	<u>46,878</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8. INVESTMENT IN JOINT VENTURE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unquoted shares, at cost	20,187	20,187	20,187	20,187
Share of post-acquisition changes in net assets	(606)	4,995	-	-
	<u>19,581</u>	<u>25,182</u>	<u>20,187</u>	<u>20,187</u>

The details of the joint venture are as follows:-

Name of Joint Venture	Principal Place of Business/ Country of Incorporation	Effective Ownership Interest		Principal Activity
		2025 %	2024 %	
Pride Palm Oil Mill Sdn. Bhd. ("PPOM") ^(a)	Malaysia	50	50	Investment holding.
<u>Subsidiary of PPOM</u>				
Solar Green Sdn. Bhd. ^(a)	Malaysia	50	50	Cultivation of oil palm.

^(a) Not audited by Crowe Malaysia PLT.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8. INVESTMENT IN JOINT VENTURE (CONT'D)

The summarised financial information of PPOM that is material to the Group is as follows:-

	2025 RM'000	2024 RM'000
<u>At 31 December</u>		
Non-current assets	58,928	45,178
Current assets	8,812	15,143
Non-current liabilities	(5,759)	(16)
Current liabilities	(20,093)	(7,215)
Net assets	<u>41,888</u>	<u>53,090</u>
<u>12-month Period Ended 31 December</u>		
Revenue	26,835	28,222
Depreciation and amortisation	(2,130)	(5,053)
Interest income	191	415
Interest expense	(29)	(92)
Loss (representing total comprehensive loss) for the financial year	<u>(11,202)</u>	<u>(2,689)</u>
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets	20,944	26,545
Gain on bargain purchase	(1,363)	(1,363)
Carrying amount of the Group's interest in this joint venture	<u>19,581</u>	<u>25,182</u>

9. OTHER INVESTMENTS

	Group	
	2025 RM'000	2024 RM'000
Quoted investments, at fair value:		
- in Malaysia	22	26
- outside Malaysia	-	300
	22	326
Unquoted investments:		
- at fair value, in Malaysia	-	503
- at amortised cost, in Malaysia	1,383	1,335
	1,383	1,838
- accumulated impairment loss	(1,383)	-
	<u>22</u>	<u>2,164</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

9. OTHER INVESTMENTS (CONT'D)

The fair values of quoted investments were directly measured using their unadjusted closing prices in active markets (i.e. Level 1).

The fair values of unquoted investments were determined to approximate the net assets of the investee (i.e. Level 3) as it was immaterial in the context of the financial statements.

10. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2025 RM'000	2024 RM'000
Balance at 1 January	(17,314)	(19,350)
Disposal of subsidiaries (Note 34)	20,775	-
Deferred tax recognised in:		
- Profit or loss (Note 27)	3,542	2,194
- Other comprehensive loss	(319)	(301)
Overprovision of deferred tax liabilities in the previous financial year	413	52
Currency translation differences	(47)	91
Balance at 31 December	<u>7,050</u>	<u>(17,314)</u>
Disclosed as:		
- Deferred tax assets	11,681	8,791
- Deferred tax liabilities	<u>(4,631)</u>	<u>(26,105)</u>
	<u>7,050</u>	<u>(17,314)</u>
In respect of:		
- (Taxable)/Deductible temporary differences of:		
- Biological assets	(985)	(1,337)
- Financial instruments	9,263	6,213
- Lease liabilities	(273)	(164)
- Retirement benefits	1,933	1,976
- Property, plant and equipment	<u>(2,888)</u>	<u>(24,002)</u>
	<u>7,050</u>	<u>(17,314)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

10. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Save as disclosed above, as at 31 December 2025, deferred tax liabilities and deferred tax assets have also effectively been recognised and offset against each other by the Group to the extent of approximately RM10,325,000 (2024 - RM10,629,000). No further deferred tax assets have been recognised for the following excess of deductible temporary differences, unutilised tax losses and unutilised capital allowances over taxable temporary differences which relates to subsidiaries that are not expected to report a profit in the foreseeable future. The details are appended below:-

	Group	
	2025	2024
	RM'000	RM'000
Deductible/(Taxable) temporary differences of:		
- Financial instruments		
- Impairment losses on receivables	16,225	20,684
- Unrealised loss on foreign exchange for bank balances	1,375	629
- Property, plant and equipment	(2,478)	(2,551)
Unutilised tax losses	103,833	49,276
Unutilised capital allowances	296	13
	<u>119,251</u>	<u>68,051</u>

The unutilised tax losses of RM103,833,000 (2024 - RM49,276,000) which will expire in the following financial years:-

	Group	
	2025	2024
	RM'000	RM'000
<u>Financial years:-</u>		
Expiring not more than five years	45,529	32,569
Expiring not more than ten years	58,304	16,707
	<u>103,833</u>	<u>49,276</u>

The deductible temporary differences and unutilised capital allowances have no expiry date.

Deferred tax assets have not been recognised in respect of these items as they may not be used to offset against future taxable profits of other subsidiaries within the Group and they have arisen in subsidiaries that have recent history of losses, thus it is not probable that future taxable profits of these subsidiaries will be available against which the deferred tax assets can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

11. INVENTORIES

	Group	
	2025 RM'000	2024 RM'000
At cost/net realisable value:-		
Raw materials	7,218	6,406
Work-in-progress	111	-
Finished goods	46,306	15,962
Consumables	3,629	5,329
	<u>57,264</u>	<u>27,697</u>
Recognised in profit or loss:-		
Inventories recognised as cost of sales	361,672	387,078
Inventories written off	1,937	-
	<u>363,609</u>	<u>387,078</u>

12. BIOLOGICAL ASSETS

	Group	
	2025 RM'000	2024 RM'000
Balance at 1 January	6,079	17,110
Changes in fair value	(853)	(10,119)
Currency translation differences	(748)	(912)
Balance at 31 December	<u>4,478</u>	<u>6,079</u>

The fair value measurement of the biological assets is determined by using the market approach, which takes into consideration the market prices of fresh fruits bunches ("FFB"), adjusted for the estimated oil content of unharvested FFB, less harvesting, transport and other costs to sell and is categorised within Level 3 of the fair value hierarchy. A reasonable change in the key assumptions would not result in a material impact to the financial statements.

The key assumptions used to determine the fair value are as follows:-

	2025	2024
<u>Fresh fruit bunches</u>		
FFB production (MT)	7,298	13,562
Average FFB selling price (RM/MT)	<u>792</u>	<u>876</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

12. BIOLOGICAL ASSETS (CONT'D)

A 10% increase/decrease in the average oil palm FFB selling price (RM/MT) and FFB production (MT) would result in the following changes to the fair value of the biological assets:-

	Group	
	Decrease/ (Increase) in Loss 2025 RM'000	Decrease/ (Increase) in Loss 2024 RM'000
Increase in FFB production by 10%	448	608
Decrease in FFB production by 10%	(448)	(608)
Increase in FFB selling price by 10%	640	653
Decrease in FFB selling price by 10%	(626)	(571)

13. RECEIVABLES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Non-current assets</u>				
Plasma receivables	86,649	98,924	-	-
<u>Current assets</u>				
Trade receivables:				
- Related parties ^(a)	1,154	7,263	-	-
- Third parties	92,950	120,118	-	-
	94,104	127,381	-	-
- Accumulated impairment losses	(52,071)	(54,608)	-	-
	42,033	72,773	-	-
Other receivables:				
- Subsidiaries	-	-	358,750	415,578
- Third parties	160,140	39,301	22,300	1,461
	160,140	39,301	381,050	417,039
- Accumulated impairment losses	(25,749)	(25,549)	-	-
	134,391	13,752	381,050	417,039
Plasma receivables	51,510	54,596	-	-
	227,934	141,121	381,050	417,039
Total receivables	314,583	240,045	381,050	417,039

^(a) Being companies in which a director of the Company has a substantial financial interest.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. RECEIVABLES (CONT'D)

The currency profile of receivables is as follows:-

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Euro	1,398	809	-	-
Guatemalan Quetzal	441	606	-	-
Indonesian Rupiah	148,031	175,031	278,380	326,370
Kina	1,307	723	-	-
Ringgit Malaysia	141,738	41,756	102,670	90,669
United States Dollar	21,668	21,120	-	-
	<u>314,583</u>	<u>240,045</u>	<u>381,050</u>	<u>417,039</u>

Trade Receivables

Included in trade receivables are retention sums for contract work totalling RM3,849,000 (2024 - RM8,757,000) which are expected to be received from customers within 12 months.

The Group determines credit risk concentrations in terms of counterparties and geographical areas. As at 31 December 2025, the Group did not have any major credit risk concentration relating to any individual customer or counterparty. The credit risk concentration profile by geographical areas of trade receivables (stated at gross) is as follows:-

	Group	
	2025 RM'000	2024 RM'000
Africa	6,311	3,216
Central America	1,300	3,984
Indonesia	48,602	55,187
Liberia	614	3,294
Malaysia	19,870	21,337
Papua New Guinea	8,304	23,192
Others	9,103	17,171
	<u>94,104</u>	<u>127,381</u>

Trade receivables are unsecured, non-interest bearing and generally on 30 to 90 days terms.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. RECEIVABLES (CONT'D)

Trade Receivables (Cont'd)

The Group uses past due information to assess the credit risk of trade receivables. The analysis by past due status (stated at gross) is as follows:-

	Group	
	2025 RM'000	2024 RM'000
Not past due	5,388	39,282
1 to 30 days past due	10,901	12,547
31 to 90 days past due	12,660	13,372
More than 90 days past due	65,155	62,180
	<u>94,104</u>	<u>127,381</u>

The Group determines that a trade receivable is credit-impaired when the customer is experiencing significant financial difficulty and has defaulted in payments. Unless otherwise demonstrated, the Group generally considers a default to have occurred when the trade receivable is more than 90 days past due. The gross carrying amount of a credit-impaired trade receivable is directly written off when there is no reasonable expectation of recovery. This normally occurs when there is reasonable proof of customer insolvency.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. Such lifetime expected credit losses are calculated using a provision matrix based on historical observed default rates (adjusted for forward-looking estimates). The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the diversity of customer base.

	Not past due RM'000	1 to 30 days past due RM'000	31 to 90 days past due RM'000	More than 90 days past due RM'000	Credit- impaired RM'000	Total RM'000
As at 31 December 2025						
Gross carrying amount	5,388	10,901	12,660	29,847	35,308	94,104
Loss allowance	4,489	1,884	6,194	4,196	35,308	52,071
As at 31 December 2024						
Gross carrying amount	39,282	12,547	13,372	19,515	42,665	127,381
Loss allowance	968	964	1,889	8,122	42,665	54,608

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. RECEIVABLES (CONT'D)**Trade Receivables (Cont'd)**

The average credit loss rates were based on the payment profile of revenue over a period of 12 months (2024 - 12 months) and the corresponding historical credit losses experienced during the period. The rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The changes in the accumulated impairment losses are as follows:-

	Group	
	2025 RM'000	2024 RM'000
Balance at 1 January	54,608	53,977
Impairment losses	19,446	18,012
Reversal of impairment losses	(18,467)	(16,604)
Write offs	(3,516)	(777)
Balance at 31 December	<u>52,071</u>	<u>54,608</u>

Other Receivables

Other receivables are unsecured and non-interest bearing. The amounts due from subsidiaries are repayable on demand. The amounts owing by third parties mainly consist of advances which have no fixed repayment terms.

The Group applies the general approach in measuring expected credit losses for its other receivables. Under this approach, the Group assesses whether there is a significant increase in credit risk for other receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition.

The changes in the accumulated impairment losses are as follows:-

	Group	
	2025 RM'000	2024 RM'000
Balance at 1 January	25,549	24,549
Impairment losses	200	1,400
Write offs	-	(400)
Balance at 31 December	<u>25,749</u>	<u>25,549</u>

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulty and has defaulted on payment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. RECEIVABLES (CONT'D)

Plasma Receivables

In accordance with the policy of the Government of the Republic of Indonesia (“Indonesian Government”), companies involved in plantation developments are required to provide support to develop and cultivate palm oil lands for local communities as part of their social obligation which is known as “Plasma” schemes. In line with this requirement, the Group’s subsidiaries in Indonesia participated in several plasma cooperative programs for the development and cultivation of oil palm plantation land for the local communities. The Group’s subsidiaries manage the plasma plantation activities and purchase the plantation produce arising therefrom at prices determined by the Indonesian Government.

Advances made by the Group’s subsidiaries to the plasma schemes in the form of plantation development costs are recoverable either through bank loans obtained by the plasma cooperatives or direct repayments from the cooperatives when these plasma designated areas mature and are ready for harvest. Impairment losses are made when the estimated recoverable amounts are less than the outstanding advances.

The maturity profile of these plasma receivables is as follows:-

	Group	
	2025	2024
	RM'000	RM'000
Within 1 year	51,510	54,596
More than 1 year	86,649	98,924
	<u>138,159</u>	<u>153,520</u>

Plasma receivables bear effective interest rates ranging from 6.88% to 7.02% per annum.

14. CONTRACT COSTS

	Group	
	2025	2024
	RM'000	RM'000
Costs in fulfilling contracts	<u>336</u>	<u>105</u>

The costs in fulfilling contracts represents costs incurred in the preliminary stage that will be used to fulfil the contract in future. The costs are to be amortised on a straight-line method over the term of the specific contract it relates to, consistent with the pattern of recognition of the associated revenue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

15. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2025	2024
	RM'000	RM'000
Contract Assets		
Construction contracts (Note (i))	48,099	163,339
Contract Liabilities		
Construction contracts (Note (i))	(49,582)	(55,980)
Sale of goods (Note (ii))	(10,132)	(9,100)
	<u>(59,714)</u>	<u>(65,080)</u>

(i) Contract Assets and Contract Liabilities from Construction Contracts

	Group	
	2025	2024
	RM'000	RM'000
Balance at 1 January	107,359	54,322
Revenue recognised during the financial year	85,920	286,423
Progress billings during the financial year	(191,098)	(231,260)
Currency translation differences	(3,664)	(2,126)
Balance at 31 December	<u>(1,483)</u>	<u>107,359</u>
Disclosed as:		
- Contract assets relating to construction contracts	48,099	163,339
- Contract liabilities relating to construction contracts	(49,582)	(55,980)
	<u>(1,483)</u>	<u>107,359</u>

The Group generally satisfies its performance obligations over time during the construction period. Any excess of revenue recognised over progress billings is presented as contract asset, whereas any deficit is presented as contract liability.

The Group measures the loss allowance for contract assets at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. Such lifetime expected credit losses are calculated using a provision matrix based on historical observed default rates (adjusted for forward-looking estimates). The following table details the risk profile of contract assets based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the diversity of customer base.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

15. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(i) Contract Assets and Contract Liabilities from Construction Contracts (Cont'd)

	Group	
	2025 RM'000	2024 RM'000
Gross carrying amount - not past due	52,007	167,247
Accumulated impairment losses	<u>3,908</u>	<u>3,908</u>

The changes in the accumulated impairment losses are as follows:-

	Group	
	2025 RM'000	2024 RM'000
Balances at 1 January/31 December	<u>3,908</u>	<u>3,908</u>

Remaining Performance Obligations

As at 31 December 2025, the aggregate transaction price allocated to the remaining performance obligations amounted to approximately RM190,149,000 (2024 - RM485,028,000) and the Group expects to recognise this revenue when the projects are completed over the next 1 to 2 (2024 - 1 to 2) years.

(ii) Contract Liabilities from Sale of Goods

	Group	
	2025 RM'000	2024 RM'000
Balance at 1 January	(9,100)	(7,834)
Revenue recognised from opening contract liabilities	9,100	7,834
Excess of consideration over revenue recognised	<u>(10,132)</u>	<u>(9,100)</u>
Balance at 31 December	<u>(10,132)</u>	<u>(9,100)</u>

The Group generally satisfies its performance obligations at a point in time upon delivery of goods. Any consideration received or due in advance before a performance obligation is satisfied is presented as contract liabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. DEPOSITS AND PREPAYMENTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deposits	129	90	-	-
Prepayments	12,698	10,639	1,320	-
	<u>12,827</u>	<u>10,729</u>	<u>1,320</u>	<u>-</u>

The prepayments represent downpayments made to suppliers which are unsecured, non-interest bearing and will be offset against future purchases.

17. CASH AND CASH EQUIVALENTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Highly liquid investments in money market funds	27,503	29,487	-	-
Deposits with licensed banks (fixed rate)	6,297	3,034	-	-
Cash and bank balances	45,296	59,363	4,257	907
	<u>51,593</u>	<u>62,397</u>	<u>4,257</u>	<u>907</u>
Cash and cash equivalents	<u>79,096</u>	<u>91,884</u>	<u>4,257</u>	<u>907</u>

Cash and cash equivalents are placed with reputable financial institutions with low credit risk. Accordingly, their expected credit losses are not considered to be material and hence, have not been recognised.

Deposits of the Group totaling RM6,297,000 (2024 - RM3,034,000) have been pledged as security for credit facilities granted to the Group. Accordingly, these deposits are not freely available for use.

Included in the cash and bank balances of the Group at the end of reporting period is an amount of RM5,196,000 (2024 - RM3,826,000) denominated in Kina held by the subsidiary, CBIP (PNG) Limited which is not freely convertible in the international market. The remittance of funds out of the Papua New Guinea ("PNG") is subject to the exchange restrictions imposed by the PNG government.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

17. CASH AND CASH EQUIVALENTS (CONT'D)

The effective interest rates of deposits as at 31 December 2025 ranged from 4.10% to 5% (2024 - 4.10% to 5%) per annum.

Highly liquid investments in money market funds managed by financial institutions that invest in low-risk instruments, and are readily redeemable with insignificant risk of changes in value. Their fair values were directly measured using the unadjusted market values quoted by the financial institutions (i.e. Level 1).

The currency profile of cash and cash equivalents is as follows:-

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Australian Dollar	65	136	-	-
Euro	37	750	-	-
Guatemalan Quetzal	451	694	-	-
Indonesian Rupiah	14,873	6,059	-	-
Kina	5,196	3,826	-	-
Ringgit Malaysia	46,934	47,103	4,257	907
United States Dollar	11,540	33,316	-	-
	<u>79,096</u>	<u>91,884</u>	<u>4,257</u>	<u>907</u>

For the purpose of statements of cash flows, cash and cash equivalents are presented net of pledged deposits as follows:-

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and cash equivalents	79,096	91,884	4,257	907
Deposit pledged to bank as security for facilities	(6,297)	(3,034)	-	-
	<u>72,799</u>	<u>88,850</u>	<u>4,257</u>	<u>907</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. SHARE CAPITAL

	Group/Company	
	2025	2024
	RM'000	RM'000
<u>Issued and Fully Paid-Up</u>		
493,248,685 ordinary shares	<u>248,544</u>	<u>248,544</u>

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

Treasury Shares

The shareholders of the Company, by a resolution passed at the Annual General Meeting held on 30 May 2025, approved the Company's plan to purchase its own shares. The directors are committed to enhance the value of the Company to its shareholders and believe that the purchase plan can be applied in the best interests of the Company and its shareholders.

The details of the shares purchased from the open market using internally generated funds and held as treasury shares during the financial year are as follows:-

Group/Company	2025		2024	
	No. of Ordinary Shares	Cost	No. of Ordinary Shares	Cost
	'000	RM'000	'000	RM'000
Balance at 1 January	27,800	34,628	21,299	25,865
Shares purchased	3,520	4,475	6,501	8,763
Balance at 31 December	<u>31,320</u>	<u>39,103</u>	<u>27,800</u>	<u>34,628</u>
Average unit cost for the year (RM)		<u>1.25</u>		<u>1.25</u>

The number of outstanding shares in issue after excluding the treasury shares is as follows:-

	2025	2024
	No. of Ordinary Shares '000	No. of Ordinary Shares '000
Balance at 1 January	465,449	471,950
Shares purchased	<u>(3,520)</u>	<u>(6,501)</u>
Balance at 31 December	<u>461,929</u>	<u>465,449</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. NON-CONTROLLING INTERESTS (“NCI”)

Group	Accumulated NCI		(Loss)/Profit allocated to NCI	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
AVP Engineering (M) Sdn. Bhd.	(5,668)	13,926	(19,594)	1,546
TPG Aeronautik Sdn. Bhd.	(95)	2,226	(792)	(602)
PT CB Polaindo	14,588	17,244	(380)	1,305
PT Sawit Lamandau Raya	272	676	(430)	918
PT Jaya Jadi Utama	(260)	(167)	(123)	(218)
PT Berkala Maju Bersama	(1,756)	(954)	(1,025)	(343)
Modipalma Latin America	1	3	-	-
	<u>7,082</u>	<u>32,954</u>	<u>(22,344)</u>	<u>2,606</u>

The details of the subsidiaries that have NCI are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Ownership Interest Held by NCI		Principal Activity
		2025 %	2024 %	
AVP Engineering (M) Sdn. Bhd. ("AVPSB")	Malaysia	51	51	Retrofitting special purpose vehicles.
<u>Subsidiaries of CBIPSB</u>				
PT CB Polaindo ("PTCB") ^(a)	Indonesia	30	30	Providing engineering support and contracting works for palm oil mills.
Modipalma Latin America ^(a)	Republic of Guatemala	0.4	0.4	Supply and sale of spare parts for palm oil mills.
<u>Subsidiary of AVPSB</u>				
TPG Aeronautik Sdn. Bhd.	Malaysia	51	51	Design, fabricate, supply, procure, maintain and service aviation related equipment.
<u>Subsidiary of SMESB</u>				
PT Sawit Lamandau Raya ^(a)	Indonesia	15	15	Cultivation of oil palm.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. NON-CONTROLLING INTERESTS (“NCI”) (CONT’D)

The details of the subsidiaries that have NCI are as follows (Cont’d):-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Ownership Interest Held by NCI		Principal Activity
		2025 %	2024 %	
<u>Subsidiary of APSB</u>				
PT Jaya Jadi Utama ^(a)	Indonesia	6	6	Cultivation of oil palm.
<u>Subsidiaries of AVESB</u>				
PT Berkala Maju Bersama ^(a)	Indonesia	6	6	Cultivation of oil palm.
PT CBI Ecopalms Group ^(a)	Indonesia	5	5	Inactive.

^(a) Not audited by Crowe Malaysia PLT.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. NON-CONTROLLING INTERESTS (“NCI”) (CONT’D)

The financial information for the rest of the subsidiaries have not been disclosed as their NCI are not material to the Group. The summarised financial information of AVPSB and PTCB is as follows:-

	AVPSB		PTCB	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>At 31 December</u>				
Non-current assets	13,988	14,575	10,243	12,576
Current assets	50,572	118,312	57,478	68,885
Non-current liabilities	(816)	(978)	(1,653)	(1,608)
Current liabilities	(74,857)	(104,603)	(17,444)	(22,373)
Net assets	<u>(11,113)</u>	<u>27,306</u>	<u>48,624</u>	<u>57,480</u>
<u>Financial Year Ended 31 December</u>				
Revenue for the financial year	(41,480)	108,496	32,449	46,331
(Loss)/Profit for the financial year	(38,419)	3,031	(1,268)	4,350
Total comprehensive (loss)/income	<u>(38,419)</u>	<u>3,031</u>	<u>(1,345)</u>	<u>4,429</u>
Total comprehensive (loss)/income for the financial year attributable to non-controlling interests	<u>(19,594)</u>	<u>1,546</u>	<u>(404)</u>	<u>1,329</u>
Net cash from/(for) operating activities	18,560	(50,397)	4,480	(18,071)
Net cash from/(for) investing activities	2,967	(127)	(653)	(6,569)
Net cash (for)/from financing activities	<u>(34,065)</u>	<u>56,200</u>	<u>1,068</u>	<u>20,100</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. LOANS AND BORROWINGS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Secured</u>				
Term loans (floating rate)	35,700	80,633	-	-
Revolving credits (fixed rate)	-	8,029	-	8,029
Bankers' acceptances (fixed rate)	18,774	44,455	-	-
	<u>54,474</u>	<u>133,117</u>	<u>-</u>	<u>8,029</u>
Disclosed as:				
- Current liabilities	44,362	67,605	-	8,029
- Non-current liabilities	10,112	65,512	-	-
	<u>54,474</u>	<u>133,117</u>	<u>-</u>	<u>8,029</u>

The currency profile of loans and borrowings is as follows:-

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Indonesian Rupiah	-	7,196	-	-
Ringgit Malaysia	18,774	54,842	-	8,029
United States Dollar	35,700	71,079	-	-
	<u>54,474</u>	<u>133,117</u>	<u>-</u>	<u>8,029</u>

Term loans are secured against certain property, plant and equipment (Note 4) and right-of-use assets (Note 5).

Other loans and borrowings include revolving credits and bankers' acceptances secured by corporate guarantee provided by the Company.

The interest rate profile of the loans and borrowings of the Group are summarised below:-

	Group		Company	
	2025	2024	2025	2024
Term loans (floating rate)	10.40%	4.74% - 10.00%	-	-
Revolving credits (fixed rate)	-	5.51%	-	5.51%
Bankers' acceptances (fixed rate)	3.53% - 5.35%	5.70% - 6.96%	-	-

Except for term loans, other loans and borrowings are generally short-term in nature and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. LOANS AND BORROWINGS (CONT'D)

Term Loans

Term loans are repayable over 1 to 2 years. The repayment analysis is as follows:-

	Group	
	2025 RM'000	2024 RM'000
Gross loan instalments:		
- Within 1 year	34,008	22,836
- Later than 1 year and not later than 2 years	12,637	14,988
- Later than 2 years and not later than 5 years	-	43,203
- Later than 5 years	-	28,186
Total contractual undiscounted cash flows	46,645	109,213
Future finance charges	(10,945)	(28,580)
Present value of term loans:		
- Within 1 year	25,588	15,121
- Later than 1 year and not later than 2 years	10,112	10,268
- Later than 2 years and not later than 5 years	-	35,202
- Later than 5 years	-	20,042
	<u>35,700</u>	<u>80,633</u>

The fair values of term loans are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2). The fair values measured are considered to be reasonably close to the carrying amounts reported as the observable current market interest rates also approximated to the effective interest rates of term loans.

21. LEASE LIABILITIES

	Group	
	2025 RM'000	2024 RM'000
Gross lease liabilities:		
- Within 1 year	505	3,184
- Later than 1 year and not later than 2 years	145	2,027
- Later than 2 years and not later than 5 years	238	3,458
- Later than 5 years	-	19,664
Total contractual undiscounted cash flows	888	28,333
Future finance charges	(78)	(9,857)
Present value of lease liabilities	<u>810</u>	<u>18,476</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21. LEASE LIABILITIES (CONT'D)

	Group	
	2025 RM'000	2024 RM'000
Disclosed as:		
- Current liabilities	460	2,243
- Non-current liabilities	350	16,233
	<u>810</u>	<u>18,476</u>

The currency profile of lease liabilities is as follows:-

	Group	
	2025 RM'000	2024 RM'000
Guatemalan Quetzal	128	173
Indonesian Rupiah	306	2,068
Ringgit Malaysia	376	16,235
	<u>810</u>	<u>18,476</u>

The incremental borrowing rates applied to lease liabilities as at 31 December 2025 ranged from 4.31% to 8.77% (2024 - 4.31% to 8.77%) per annum.

22. RETIREMENT BENEFITS

The amounts recognised in the statements of financial position are as follows:-

	Group	
	2025 RM'000	2024 RM'000
<u>Non-current liabilities</u>		
Present value of defined benefit obligations:-		
Balance at 1 January	10,151	10,374
Defined benefit costs	2,890	2,255
Contributions paid	(137)	(225)
Actuarial gain recognised in other comprehensive income	(1,373)	(1,445)
Currency translation differences	(1,433)	(808)
Balance at 31 December	<u>10,098</u>	<u>10,151</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22. RETIREMENT BENEFITS (CONT'D)

The components of defined benefit obligations are as follows:-

	Group	
	2025 RM'000	2024 RM'000
Current service cost	2,255	1,563
Interest expense	635	692
Remeasurements adjustment of defined benefit obligations:		
- Actuarial gain arising from changes in financial assumptions	(809)	(568)
- Experience adjustments	(564)	(877)
	<u>1,517</u>	<u>810</u>

The principal actuarial assumptions used to determine the present value of the defined benefit obligations are as follows:-

	Group	
	2025 %	2024 %
Discount rates	6.16 to 7.62	6.82 to 7.11
Future salary growth	<u>7 to 10</u>	<u>7 to 10</u>

The following table demonstrates the sensitivity of the defined benefit obligations to changes in each principal actuarial assumption that were reasonably possible at the end of the reporting period, with all other variables held constant:-

	Group	
	(Decrease)/Increase in defined benefit obligations	
	2025 RM'000	2024 RM'000
Increase in discount rate by 1%	(8,916)	(9,280)
Decrease in discount rate by 1%	10,474	10,941
Increase in future salary growth by 1%	10,428	10,911
Decrease in future salary growth by 1%	<u>(8,953)</u>	<u>(9,289)</u>

The remaining duration of the defined benefit obligations range from 7 to 24 years (2024 - 7 to 24 years) for the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

23. PAYABLES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade payables:				
- Related parties ^(a)	175	5,668	-	-
- Third parties	30,900	45,145	-	-
	31,075	50,813	-	-
Other payables:				
- Related parties ^(a)	5,128	7,730	200	200
- Subsidiaries	-	-	235,139	227,767
- Directors	32,044	27,590	13,983	13,983
- Third parties	10,016	18,848	1,783	1,732
	47,188	54,168	251,105	243,682
	78,263	104,981	251,105	243,682

^(a) Being companies in which certain directors of the Company and their close family members have substantial financial interests.

The currency profile of payables is as follows:-

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Indonesian Rupiah	21,575	14,139	-	-
Kina	2,753	197	-	-
Ringgit Malaysia	45,738	74,423	251,105	243,682
United States Dollar	7,774	13,412	-	-
Others	423	2,810	-	-
	78,263	104,981	251,105	243,682

Trade and other payables are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

Trade Payables

Trade payables are unsecured, non-interest bearing and generally on 30 to 120 days terms.

Other Payables

Other payables are unsecured and non-interest bearing. The amounts owing to subsidiaries and directors are repayable on demand. The amounts owing to related parties and third parties mainly consist of sundry payables and accruals for operating expenses which are generally due within 30 to 90 days.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. REVENUE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers:				
- Sale of goods	77,690	254,504	-	-
- Sale of agricultural produce	182,433	197,500	-	-
- Rendering of services	887	733	-	-
- Construction contracts (Note 15)	85,920	286,423	-	-
Other source of revenue:				
- Dividend income	-	-	22,000	33,600
	<u>346,930</u>	<u>739,160</u>	<u>22,000</u>	<u>33,600</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. REVENUE (CONT'D)**Disaggregation of revenue from contracts with customers**

Group	Operating segments (Note 33)			Total RM'000
	Plantation and milling RM'000	Equipment and engineering RM'000	Special purpose vehicles RM'000	
2025				
Major products/services:				
- Construction of palm oil mills	-	128,287	-	128,287
- Trading of palm oil equipment	-	77,690	-	77,690
- Sale of fresh fruit bunches	182,433	-	-	182,433
- Rendering of services	-	-	887	887
- Retrofitting of special purpose vehicles	-	-	(42,367)	(42,367)
	<u>182,433</u>	<u>205,977</u>	<u>(41,480)</u>	<u>346,930</u>
Geographical areas:				
- Africa	-	11,248	-	11,248
- Central America	-	2,697	-	2,697
- Indonesia	182,433	87,526	-	269,959
- Liberia	-	8,926	-	8,926
- Malaysia	-	16,023	(41,480)	(25,457)
- Papua New Guinea	-	29,841	-	29,841
- Others	-	49,716	-	49,716
	<u>182,433</u>	<u>205,977</u>	<u>(41,480)</u>	<u>346,930</u>
Timing of revenue recognition:				
- Over time	-	128,287	(42,367)	85,920
- At a point in time	182,433	77,690	887	261,010
	<u>182,433</u>	<u>205,977</u>	<u>(41,480)</u>	<u>346,930</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. REVENUE (CONT'D)

Disaggregation of revenue from contracts with customers (Cont'd)

Group	Operating segments (Note 33)				Total RM'000
	Plantation and milling RM'000	Equipment and engineering RM'000	Special purpose vehicles RM'000	Refinery RM'000	
2024					
Major products/services:					
- Construction of palm oil mills	-	143,652	-	-	143,652
- Trading of palm oil equipment	-	74,405	-	-	74,405
- Sale of fresh fruit bunches	197,500	-	-	-	197,500
- Trading and processing of crude palm oil and related products	-	-	-	180,099	180,099
- Manufacturing, installation and repair of bio-energy systems	-	34,803	-	-	34,803
- Rendering of services	-	205	528	-	733
- Retrofitting of special purpose vehicles	-	-	107,968	-	107,968
	197,500	253,065	108,496	180,099	739,160
Geographical areas:					
- Africa	-	9,821	-	-	9,821
- Central America	-	13,458	-	-	13,458
- Indonesia	197,500	138,249	-	-	335,749
- Liberia	-	7,247	-	-	7,247
- Malaysia	-	15,412	108,496	7,148	131,056
- Papua New Guinea	-	44,188	-	-	44,188
- Singapore	-	-	-	172,951	172,951
- Others	-	24,690	-	-	24,690
	197,500	253,065	108,496	180,099	739,160
Timing of revenue recognition:					
- Over time	-	178,455	107,968	-	286,423
- At a point in time	197,500	74,610	528	180,099	452,737
	197,500	253,065	108,496	180,099	739,160

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. REVENUE (CONT'D)**Company**

Information about disaggregation of revenue has not been disclosed as the Company derives revenue mainly from dividend income received from subsidiaries in Malaysia.

25. (LOSS)/PROFIT BEFORE TAX

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(Loss)/Profit before tax is arrived at after charging/(crediting):-				
Amortisation on discount on plasma receivables	896	8,315	-	-
Auditors' remuneration:				
- Current year	535	534	180	120
- Underprovision in the previous financial year	-	5	-	3
Bad debts written off	56	-	-	398
Depreciation of property, plant and equipment	25,884	27,125	49	175
Depreciation of right-of-use assets	4,161	5,140	-	-
Employee benefits expenses (Note 26)	30,224	31,598	1,507	1,530
Fair value changes in biological assets	853	10,119	-	-
Interest expense for financial liabilities measured at amortised cost	6,076	13,103	1,456	1,318
Interest expense for lease liabilities	27	772	-	-
Reversal of impairment loss on property, plant and equipment	(7,212)	-	-	-
Lease expense relating to:				
- Short-term leases	13	107	-	72
- Leases of low-value assets	2	1,215	-	-
Loss on disposal of subsidiaries	13,297	-	39,250	-
Net impairment losses on contract assets and financial assets:				
- Impairment losses on receivables	19,646	19,412	-	-
- Reversal of impairment losses on receivables	(18,467)	(16,604)	-	-
Property, plant and equipment written off	131	34	-	-
Provision for defect cost	-	2,731	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

25. (LOSS)/PROFIT BEFORE TAX (CONT'D)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(Loss)/Profit before tax is arrived at after charging/(crediting) (Cont'd):-				
Dividend income from:				
- Subsidiaries	-	-	(22,000)	(33,600)
- Quoted and unquoted investments	-	(306)	-	-
Fair value loss for financial assets mandatorily measured at fair value through profit or loss	102	651	-	-
Gain on disposal of property, plant and equipment	(4,159)	(101)	-	-
Loss on foreign exchange:				
- Realised	2,556	728	-	-
- Unrealised	51,827	25,410	40,602	24,932
Interest income for financial assets measured at amortised cost	(6,544)	(2,563)	(23)	(211)
Interest income for financial assets measured at fair value through profit or loss	-	(649)	-	-
Impairment loss on other investment	1,383	-	-	-
Investment written off	-	-	1,711	636
Inventories written off	1,937	-	-	-
Operating lease income	(255)	(279)	-	-
Reversal of interest expense for financial assets measured at amortised cost	(49)	(47)	-	-
Waiver of debts	(3,891)	-	(3,345)	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

26. EMPLOYEE BENEFITS EXPENSES (INCLUDING DIRECTORS' REMUNERATION)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors of the Company:				
- Fee	315	309	267	261
- Other short-term employee benefits	2,202	2,042	238	250
- Defined contribution plans	124	105	-	-
	2,641	2,456	505	511
Directors of subsidiaries:				
- Fee	36	36	-	-
- Other short-term employee benefits	2,649	2,509	-	-
- Defined contribution plans	146	177	-	-
	2,831	2,722	-	-
	5,472	5,178	505	511
Other employees:				
- Short-term employee benefits	20,816	22,967	917	915
- Defined contribution plans	1,046	1,198	85	104
- Defined benefit plans	2,890	2,255	-	-
	24,752	26,420	1,002	1,019
	30,224	31,598	1,507	1,530

The estimated monetary value of benefits received or receivable by certain directors otherwise than in cash from the Group amounted to approximately RM124,265 (2024 - RM89,202).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

27. TAX EXPENSE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Tax based on results for the year:				
- Malaysian income tax	17,389	14,095	24	24
- Overseas income tax	4,345	4,139	-	-
- Deferred tax (Note 10)	(3,542)	(2,194)	-	-
	18,192	16,040	24	24
Tax under/(over) provided in prior years:				
- Malaysian income tax	1,063	239	(13)	(7)
- Overseas income tax	462	-	-	-
- Deferred tax (Note 10)	(413)	(52)	-	-
	1,112	187	(13)	(7)
Real property gains tax	363	1,862	-	-
Withholding tax	156	38	-	-
Tax expense	19,823	18,127	11	17

The numerical reconciliation between the applicable tax rate, which is the statutory income tax rate, and the average effective tax rate is as follows:-

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(Loss)/Profit before tax	(63,504)	(9,960)	(60,225)	3,797
Tax at applicable tax rate of 24%	(15,241)	(2,390)	(14,454)	911
Tax effects of:-				
Non-deductible expenses	42,022	24,028	19,758	7,177
Non-taxable income	(21,265)	(11,406)	(5,280)	(8,064)
Increase in unrecognised deferred tax assets	12,288	5,869	-	-
Real property gains tax	363	1,862	-	-
Effect of differential in tax rates	388	(61)	-	-
Under/(Over)provision in the previous financial year:				
- Malaysian income tax	1,063	239	(13)	(7)
- Overseas income tax	462	-	-	-
- Deferred tax	(413)	(52)	-	-
Withholding tax	156	38	-	-
Tax expense	19,823	18,127	11	17

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the Group's loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year as follows:-

	Group	
	2025	2024
Loss for the financial year attributable to owners of the Company (RM'000)	<u>(60,983)</u>	<u>(30,693)</u>
Number of shares in issue at 1 January ('000)	493,249	493,249
Effect of shares purchased ('000)	<u>(21,508)</u>	<u>(250)</u>
Weighted average number of shares in issue ('000)	<u>471,741</u>	<u>492,999</u>
Basic earnings per share (sen)	<u>(12.93)</u>	<u>(6.20)</u>

The diluted earnings per share equals the basic earnings per share as the Company did not have any dilutive potential ordinary shares during the financial year.

29. DIVIDENDS

	Group and Company	
	2025	2024
	RM'000	RM'000
Second interim single tier dividend of 2 sen per ordinary share in respect of the financial year ended 31 December 2024, paid on 27 February 2025.	9,309	-
First interim single tier dividend of 2 sen per ordinary share in respect of the financial year ended 31 December 2025, paid on 18 September 2025.	9,309	-
Second interim single tier dividend of 2 sen per ordinary share in respect of the financial year ended 31 December 2023, paid on 26 February 2024.	-	9,402
First interim single tier dividend of 2 sen per ordinary share in respect of the financial year ended 31 December 2024, paid on 28 August 2024.	-	9,373
	<u>18,618</u>	<u>18,775</u>

On 1 April 2026, the Company declared a second interim single tier dividend of 2 sen per ordinary share in respect of the financial year ended 31 December 2025. The dividend is payable on 4 May 2026.

The financial statements for the current financial year do not reflect this interim dividend. Such a dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2026.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30. NOTES TO STATEMENTS OF CASH FLOWS

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Acquisition of Right-Of-Use Assets				
Cost of right-of-use assets acquired	585	2,529	-	-
Acquisition by means of leases	-	(186)	-	-
Net cash disbursed	<u>585</u>	<u>2,343</u>	<u>-</u>	<u>-</u>
Short term Loans and Borrowings				
Balance at 1 January	52,484	26,007	8,029	2,050
<u>Changes in Financing Cash Flows</u>				
Repayments	(52,484)	(25,978)	(8,029)	(2,021)
Drawdown	18,774	52,455	-	8,000
Balance at 31 December	<u>18,774</u>	<u>52,484</u>	<u>-</u>	<u>8,029</u>
Represented by:				
- Revolving credits (Note 20)	-	8,029	-	8,029
- Bankers' acceptances (Note 20)	18,774	44,455	-	-
	<u>18,774</u>	<u>52,484</u>	<u>-</u>	<u>8,029</u>
Term Loans				
Balance at 1 January	80,633	127,394	-	-
<u>Changes in Financing Cash Flows</u>				
Repayments	(34,509)	(38,795)	-	-
<u>Others Changes</u>				
Currency translation differences	(10,424)	(7,966)	-	-
Balance at 31 December (Note 20)	<u>35,700</u>	<u>80,633</u>	<u>-</u>	<u>-</u>
Lease Liabilities				
Balance at 1 January	18,476	18,551	-	-
<u>Changes in Financing Cash Flows</u>				
Repayments	(2,793)	(261)	-	-
<u>Others Changes</u>				
Acquisition of right-of-use assets	-	186	-	-
Disposal of subsidiaries (Note 34)	(14,873)	-	-	-
Balance at 31 December (Note 21)	<u>810</u>	<u>18,476</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30. NOTES TO STATEMENTS OF CASH FLOWS (CONT'D)

The total cash outflow for leases is as follows:-

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Operating Activities				
Lease expense recognised in profit or loss (Note 25):				
- Short-term leases	13	107	-	72
- Leases of low-value assets	2	1,215	-	-
Interest portion of lease liabilities (Note 25)	27	772	-	-
Investing Activities				
Acquisition of right-of-use assets	-	186	-	-
Financing Activities				
Principal portion of lease liabilities	2,793	261	-	-
	<u>2,835</u>	<u>2,541</u>	<u>-</u>	<u>72</u>

31. RELATED PARTY DISCLOSURES

Transactions with related parties during the financial year other than those disclosed elsewhere in the financial statements are as follows:-

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Administrative and accounting fees received from a subsidiary	-	-	48	48
Disposal of motor vehicles to directors	-	19	-	-
Dividends declared from subsidiaries	-	-	22,000	33,600
Interest charged on loans given by a director	56	-	-	-
Interest charged on loans given by subsidiaries	-	-	1,148	980
Purchase of goods from related parties ^(a)	3,987	179	-	-
Rental charged by a subsidiary	-	-	-	72
Receiving of contract services from a related party ^(a)	-	12,667	-	-
Rental charged to a related party ^(a)	-	24	-	-
Sale of goods to related parties ^(a)	<u>3,160</u>	<u>6,260</u>	<u>-</u>	<u>-</u>

^(a) Being companies in which a director of the Company has a substantial financial interest.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

32. KEY MANAGEMENT PERSONNEL COMPENSATION

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

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

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors of the Company:-				
<i>Executive directors:</i>				
- Fee	48	48	-	-
- Other short-term employee benefits	2,051	1,882	87	90
- Defined contribution plans	124	105	-	-
	<u>2,223</u>	<u>2,035</u>	<u>87</u>	<u>90</u>
<i>Non-Executive directors:</i>				
- Fee	267	261	267	261
- Other short-term employee benefits	151	160	151	160
	<u>418</u>	<u>421</u>	<u>418</u>	<u>421</u>
	<u>2,641</u>	<u>2,456</u>	<u>505</u>	<u>511</u>
Directors of the subsidiaries:				
- Fee	36	36	-	-
- Other short-term employee benefits	2,649	2,509	-	-
- Defined contribution plans	146	177	-	-
	<u>2,831</u>	<u>2,722</u>	<u>-</u>	<u>-</u>
Other key management personnel:				
- Short-term employee benefits	386	388	386	388
- Defined contribution plans	46	46	46	46
	<u>432</u>	<u>434</u>	<u>432</u>	<u>434</u>
	<u>5,904</u>	<u>5,612</u>	<u>937</u>	<u>945</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. OPERATING SEGMENTS

Group

For management purposes, the Group is organised into business units based on their products and services and has the following reportable operating segments:

- (i) Plantation and milling - Cultivation of oil palm and production of crude palm oil and palm kernel.
- (ii) Equipment and engineering - Manufacture of palm oil equipment and related products, commissioning and contracting works for palm oil mills and trading of palm oil mill processing equipment.
- (iii) Special purpose vehicles - Retrofitting special purpose vehicles.
- (iv) Refinery - Trading and processing of crude palm oil and related products.
- (v) Investing - Investment holding.

The refinery segment consists of two former subsidiaries, TPG Oil & Gas Sdn. Bhd. and Gulf Lubes Malaysia Sdn. Bhd. whereby their shares have been fully disposed of during the financial year. The details of disposal of subsidiaries are disclosed in Note 34 to the financial statements.

Except as indicated above, no other operating segments have been aggregated to form the above reportable segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with external parties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. OPERATING SEGMENTS (CONT'D)

	Plantation and milling RM'000	Equipment and engineering RM'000	Special purpose vehicles RM'000	Refinery ^(a) RM'000	Investing RM'000	Consolidation adjustments and eliminations RM'000	Total RM'000
<u>2025</u>							
Segment assets	826,125	867,449	62,550	-	387,172	(1,362,159)	781,137
Investments in associates	-	-	-	-	49,430	45,825	95,255
Investment in joint venture	-	-	-	-	20,187	(606)	19,581
Income tax and deferred tax assets	2,272	9,545	1,828	-	32	-	13,677
Total assets	828,397	876,994	64,378	-	456,821	(1,316,940)	909,650
<u>Additions to non-current assets other than financial instruments</u>							
Property, plant and equipment	40,383	3,896	334	-	-	-	44,613
Right-of-use assets	585	-	-	-	-	-	585
Segment liabilities	871,456	266,187	56,015	-	251,105	(1,296,688)	148,075
Loans and borrowings	35,700	-	18,774	-	-	-	54,474
Lease liabilities	307	178	325	-	-	-	810
Income tax and deferred tax liabilities	4,083	10,287	565	-	-	-	14,935
Total liabilities	911,546	276,652	75,679	-	251,105	(1,296,688)	218,294

(a) Disposed during the financial year

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. OPERATING SEGMENTS (CONT'D)

2025	Plantation and milling RM'000	Equipment and engineering RM'000	Special purpose vehicles RM'000	Refinery ^(a) RM'000	Investing RM'000	Consolidation adjustments and eliminations RM'000	Total RM'000
External revenue	182,433	207,335	(41,480)	-	-	(1,358)	346,930
Inter-segment revenue	-	37,100	-	-	22,000	(59,100)	-
Total revenue	182,433	244,435	(41,480)	-	22,000	(60,458)	346,930
Segment (loss)/profit	(21,588)	22,433	(39,468)	-	(60,226)	36,958	(61,891)
Share of profit of associates	-	-	-	-	-	3,988	3,988
Share of loss of joint venture	-	-	-	-	-	(5,601)	(5,601)
(Loss)/Profit before tax	(21,588)	22,433	(39,468)	-	(60,226)	35,345	(63,504)
Tax expense	(2,848)	(16,460)	(504)	-	(11)	-	(19,823)
(Loss)/Profit for the financial year	(24,436)	5,973	(39,972)	-	(60,237)	35,345	(83,327)

(a) Disposed during the financial year

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. OPERATING SEGMENTS (CONT'D)

	Plantation and milling RM'000	Equipment and engineering RM'000	Special purpose vehicles RM'000	Refinery ^(a) RM'000	Investing RM'000	Consolidation adjustments and eliminations RM'000	Total RM'000
<u>2025</u>							
<u>Other information</u>							
Amortisation on discount on plasma receivables	(896)	-	-	-	-	-	(896)
Bad debt written off	(28)	(28)	-	-	-	-	(56)
Depreciation and amortisation	(17,126)	(2,953)	(620)	(9,296)	(50)	-	(30,045)
Fair value loss on other investment	-	(102)	-	-	-	-	(102)
Fair value loss on biological assets	(853)	-	-	-	-	-	(853)
Inventories written off	-	(1,937)	-	-	-	-	(1,937)
Interest income	86	13,798	94	-	23	(7,457)	6,544
Interest expenses	(8,729)	(1,172)	(1,380)	(823)	(1,456)	7,457	(6,103)
Impairment of receivables	(1,503)	(21,390)	(200)	-	-	3,447	(19,646)
Loss on disposal of subsidiaries	-	(39,810)	-	9,257	(39,250)	56,506	(13,297)
(Loss)/Gain on disposal of property, plant and equipment	(63)	4,222	-	-	-	-	4,159
Reversal of impairment of receivables	-	18,467	-	-	-	-	18,467
Reversal of interest expenses	-	-	49	-	-	-	49
Unrealised (loss)/gain on foreign exchange	(4,016)	(7,501)	608	(315)	(40,603)	-	(51,827)
Waiver of debts	-	544	2	-	3,345	-	3,891

(a) Disposed during the financial year

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. OPERATING SEGMENTS (CONT'D)

2024	Plantation and milling RM'000	Equipment and engineering RM'000	Special purpose vehicles RM'000	Refinery RM'000	Investing RM'000	Consolidation adjustments and eliminations RM'000	Total RM'000
Segment assets	897,683	910,155	135,196	287,052	418,540	(1,615,681)	1,032,945
Investments in associates	-	-	-	-	49,430	41,837	91,267
Investment in joint venture	-	-	-	-	20,187	4,995	25,182
Income tax and deferred tax assets	1,978	8,669	2,064	6,474	19	-	19,204
Total assets	899,661	918,824	137,260	293,526	488,176	(1,568,849)	1,168,598
<u>Additions to non-current assets other than financial instruments</u>							
Property, plant and equipment	14,310	2,134	145	5,076	9	-	21,674
Right-of-use assets	2,343	186	-	-	-	-	2,529
Segment liabilities	877,128	284,585	60,155	214,716	243,682	(1,500,054)	180,212
Loans and borrowings	78,275	2,358	44,455	-	8,029	-	133,117
Lease liabilities	2,067	269	414	15,726	-	-	18,476
Income tax and deferred tax liabilities	5,163	5,624	564	32,281	-	(11,507)	32,125
Total liabilities	962,633	292,836	105,588	262,723	251,711	(1,511,561)	363,930

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. OPERATING SEGMENTS (CONT'D)

	Plantation and milling RM'000	Equipment and engineering RM'000	Special purpose vehicles RM'000	Refinery RM'000	Investing RM'000	Consolidation adjustments and eliminations RM'000	Total RM'000
<u>2024</u>							
External revenue	197,500	253,065	108,496	180,099	-	-	739,160
Inter-segment revenue	-	14,760	-	-	33,600	(48,360)	-
Total revenue	197,500	267,825	108,496	180,099	33,600	(48,360)	739,160
Segment (loss)/profit	(3,941)	51,135	3,008	(29,600)	3,798	(38,162)	(13,762)
Share of profit of associates	-	-	-	-	-	5,147	5,147
Share of loss of joint venture	-	-	-	-	-	(1,345)	(1,345)
(Loss)/Profit before tax	(3,941)	51,135	3,008	(29,600)	3,798	(34,360)	(9,960)
Tax expense	(1,018)	(15,156)	(1,156)	(780)	(17)	-	(18,127)
(Loss)/Profit for the financial year	(4,959)	35,979	1,852	(30,380)	3,781	(34,360)	(28,087)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. OPERATING SEGMENTS (CONT'D)

	Plantation and milling RM'000	Equipment and engineering RM'000	Special purpose vehicles RM'000	Refinery RM'000	Investing RM'000	Consolidation adjustments and eliminations RM'000	Total RM'000
<u>2024</u>							
<u>Other information</u>							
Amortisation on discount on plasma receivables	-	-	-	-	-	(8,315)	(8,315)
Depreciation and amortisation	(18,608)	(3,261)	(606)	(9,615)	(175)	-	(32,265)
Fair value loss on other investment	-	(651)	-	-	-	-	(651)
Fair value loss on biological assets	(10,119)	-	-	-	-	-	(10,119)
(Loss)/Gain on disposal of property, plant and equipment	(5)	87	19	-	-	-	101
Interest income	94	11,654	73	45	-	(8,654)	3,212
Interest expenses	(12,741)	(266)	(418)	(7,786)	(1,318)	8,654	(13,875)
Impairment of receivables	(153)	(19,819)	(1,400)	-	-	1,960	(19,412)
Reversal of impairment of receivables	160	16,443	1	-	-	-	16,604
Reversal of interest expenses	-	-	47	-	-	-	47
Unrealised loss on foreign exchange	(5,729)	(4,993)	-	-	(24,932)	10,244	(25,410)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. OPERATING SEGMENTS (CONT'D)

Geographical Information

In presenting information about geographical areas, segment revenue is based on the geographical location of customers, whereas segment assets are based on the geographical location of assets.

	External Revenue		Non-current Assets	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Africa	11,248	9,821	-	-
Central America	2,697	13,458	260	348
Indonesia	269,959	335,749	285,097	350,978
Liberia	8,926	7,247	-	-
Malaysia	(25,457)	131,056	192,135	365,732
Papua New Guinea	29,841	44,188	128	173
Singapore	-	172,951	-	-
Others	49,716	24,690	-	-
	<u>346,930</u>	<u>739,160</u>	<u>477,620</u>	<u>717,231</u>

Major Customers

The following was a major customer with revenue equal to or more than 10% of the Group's total revenue:-

	Revenue	
	2025	2024
	RM'000	RM'000
Customer A	<u>-</u>	<u>82,232</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. DISPOSAL OF SUBSIDIARIES

On 26 September 2025, the Group and the Company disposed of its entire equity interests in TPG Oil & Gas Sdn. Bhd. ("TPGOG") and Gulf Lubes Malaysia Sdn. Bhd. ("GLM") for a total cash consideration of RM20,816,000.

The following summarises the major classes of the consideration received, the amounts of net assets disposed of and liabilities transferred at the date of disposal.

(a) Fair value of disposal proceeds

	Group 2025 RM'000	Company 2025 RM'000
Cash proceeds	20,816	20,816
Less: settlement of liabilities on behalf of purchaser	<u>(1,313)</u>	<u>(1,313)</u>
Net disposal proceeds	<u>19,503</u>	<u>19,503</u>

(b) Financial effect arising from disposal

	Group 2025 RM'000	Company 2025 RM'000
Cost of investment	-	(50,869)
Bad debt written off on amount owing by subsidiaries	-	(7,884)
Settlement of liabilities on behalf of purchaser	<u>-</u>	<u>(1,313)</u>
	<u>-</u>	<u>(60,066)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. DISPOSAL OF SUBSIDIARIES (CONT'D)

(b) Financial effect arising from disposal (Cont'd)

	Group 2025 RM'000	Company 2025 RM'000
Carrying amount disposed	-	(60,066)
<u>Assets disposed of:-</u>		
Property, plant and equipment	(211,896)	-
Right-of-use assets	(18,730)	-
Receivables	(57,209)	-
Current tax liabilities	(6,317)	-
Cash and cash equivalents	(369)	-
	(294,521)	-
<u>Liabilities disposed of:-</u>		
Payables	245,211	-
Lease liabilities	14,873	-
Deferred taxation	20,775	-
	280,859	-
Carrying amount of net assets disposed of	<u>(13,662)</u>	<u>(60,066)</u>
<u>Group consolidation adjustments:-</u>		
Bad debt written off on amount owing by subsidiaries	(47,694)	-
Reversal of adjustment on property, plant and equipment arising from purchase price allocation during acquisition	36,439	-
Reversal of goodwill	(13,537)	-
Other consolidation adjustments	4,341	-
Net consolidation adjustments	(20,451)	-
Net disposal proceeds	<u>20,816</u>	<u>20,816</u>
Loss on disposal of subsidiaries	<u>(13,297)</u>	<u>(39,250)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. DISPOSAL OF SUBSIDIARIES (CONT'D)

(c) Cash flows arising from disposal

	Group 2025 RM'000	Company 2025 RM'000
Cash proceeds from disposal	20,816	20,816
Less: settlement of liabilities on behalf of purchaser	<u>(1,313)</u>	<u>(1,313)</u>
Net disposal proceeds	19,503	19,503
Cash and cash equivalents of subsidiary disposed of	<u>(369)</u>	<u>-</u>
Net cash inflow from the disposal of subsidiaries	<u>19,134</u>	<u>19,503</u>

35. FINANCIAL GUARANTEE CONTRACTS

The Company has entered into financial guarantee contracts to provide financial guarantees to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of RM341,083,000 (2024 - RM428,362,000). The total utilisation of these credit facilities as at 31 December 2025 amounted to approximately RM91,495,000 (2024 - RM156,553,000). No maturity analysis is presented for the financial guarantee contracts as the entire amount could be called at any time in the event of default by the subsidiaries.

The probability of the subsidiaries defaulting on the credit lines is remote, the financial guarantee contracts have not been recognised as the fair values on initial recognition are not expected to be material.

Company	2025 RM'000	2024 RM'000
Carrying Amount	<u>-</u>	<u>-</u>
Contractual Undiscounted Cash Flows		
- On demand or within one year	<u>91,495</u>	<u>156,553</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. FINANCIAL RISK MANAGEMENT

The activities of the Group expose it to certain financial risks, including credit risk, liquidity risk, currency risk, interest rate risk and other price risk. The overall financial risk management objective of the Group is to ensure that adequate financial resources are available for business development whilst minimising the potential adverse impacts of financial risks on its financial position, performance and cash flows.

The aforementioned financial risk management objective and its related policies and processes explained below have remained unchanged from the previous financial year.

Credit Risk

The Group's exposure to credit risk arises mainly from receivables and deposits placed with financial institutions. The maximum credit risk exposure of these financial assets is best represented by their respective carrying amounts in the statements of financial position. The Company is also exposed to credit risk in respect of its financial guarantees provided for credit facilities granted to certain subsidiaries. The maximum credit risk exposure of these financial guarantees is the total utilisation of the credit facilities granted as disclosed in Note 35 to the financial statements.

As the Group only deals with reputable financial institutions, the credit risk associated with deposits placed with them is minimal. The Group manages its credit risk exposure of receivables by assessing counterparties financial standings on an on-going basis, setting and monitoring counterparties limits and credit terms. The quantitative information about such credit risk exposure is disclosed in Note 13.

Liquidity Risk

The Group's exposure to liquidity risk relates to its ability to meet obligations associated with financial liabilities as and when they fall due. The remaining contractual maturities of financial liabilities are disclosed in their respective notes.

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities whilst maintaining sufficient cash and the availability of funding through standby credit facilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. FINANCIAL RISK MANAGEMENT (CONT'D)**Currency Risk**

The Group's exposure to currency risk arises mainly from transactions entered into by individual entities within the Group in currencies other than their functional currencies. The major functional currencies within the Group are Ringgit Malaysia ("RM") and Indonesian Rupiah ("IDR"), whereas the major foreign currencies transacted are US Dollar ("USD"), Indonesian Rupiah ("IDR") and Kina ("PGK"). The gross carrying amounts of foreign currency denominated monetary items at the end of the reporting period are as follows:-

	Denominated in USD		Denominated in IDR		Denominated in PGK	
	2025	2024	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Receivables	21,668	21,120	148,031	175,031	1,307	723
Cash and cash equivalents	11,540	33,316	14,873	6,059	5,196	3,826
Payables	(7,774)	(13,412)	(21,575)	(14,139)	(2,753)	(197)
Loans and borrowings	(35,700)	(71,079)	-	(7,196)	-	-
Lease liabilities	-	-	(306)	(2,068)	-	-
	<u>(10,266)</u>	<u>(30,055)</u>	<u>141,023</u>	<u>157,687</u>	<u>3,750</u>	<u>4,352</u>

The Group observes the movements in exchange rates and acts accordingly to minimise its exposure to currency risk. Where necessary, the Group enters into derivative contracts to hedge the exposure. Such exposure is also partly mitigated in the following ways:-

- (i) The Group's foreign currency sales and purchases provide a natural hedge against fluctuations in foreign currencies.
- (ii) The Group maintains part of its cash and cash equivalents in foreign currency accounts to meet future obligations in foreign currencies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. FINANCIAL RISK MANAGEMENT (CONT'D)

Currency Risk (Cont'd)

Based on a symmetric basis which uses the foreign currency as a stable denominator, the following table demonstrates the sensitivity of profit or loss (and equity) to changes in exchange rates that were reasonably possible at the end of the reporting period, with all other variables held constant:-

	Group	
	(Increase)/ Decrease in Loss	(Increase)/ Decrease in Loss
	2025 RM'000	2024 RM'000
Appreciation of USD against RM by 10%	(780)	(2,284)
Depreciation of USD against RM by 10%	780	2,284
Appreciation of IDR against RM by 10%	10,718	11,984
Depreciation of IDR against RM by 10%	(10,718)	(11,984)
Appreciation of PGK against RM by 10%	285	331
Depreciation of PGK against RM by 10%	(285)	(331)
Appreciation of USD against IDR by 10%	2,785	5,544
Depreciation of USD against IDR by 10%	<u>(2,785)</u>	<u>(5,544)</u>

Interest Rate Risk

The Group's exposure to interest rate risk arises mainly from interest-bearing financial instruments, namely term deposits, loans and borrowings and lease liabilities.

The Group observes the movements in interest rates and always strives to obtain the most favourable rates available for new financing or during repricing. It is also the Group's policy to maintain a mix of fixed and floating rate financial instruments as follows:-

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Fixed rate instruments				
Financial assets	6,297	3,034	-	-
Financial liabilities	(19,584)	(70,960)	-	(8,029)
Floating rate instruments				
Financial liabilities	<u>(35,700)</u>	<u>(80,633)</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. FINANCIAL RISK MANAGEMENT (CONT'D)**Interest Rate Risk (Cont'd)**

As the Group does not account for its fixed rate financial instruments at fair value through profit or loss, any changes in interest rates at the end of the reporting period would not affect its profit or loss (and equity). For floating rate financial instruments measured at amortised cost, the following table demonstrates the sensitivity of profit or loss (and equity) to changes in interest rates that were reasonably possible at the end of the reporting period, with all other variables held constant:-

	Group	
	(Increase)/ Decrease in Loss 2025 RM'000	(Increase)/ Decrease in Loss 2024 RM'000
Increase in interest rates by 100 basis points	(271)	(613)
Decrease in interest rates by 100 basis points	<u>271</u>	<u>613</u>

Other Price Risk

The Group's exposure to other price risk arises mainly from quoted investments. The Group manages these investments on an individual basis by continuously evaluating the share price movements, investment returns and the general industrial conditions relevant to the investees.

The following table demonstrates the sensitivity of profit or loss (and equity) to reasonably possible share price movements in quoted investments at the end of the reporting period, with all other variables held constant:-

	Group	
	Decrease/ (Increase) in Loss 2025 RM'000	Decrease/ (Increase) in Loss 2024 RM'000
Increase in share price by 10%	2	1
Decrease in share price by 10%	<u>(2)</u>	<u>(1)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. CAPITAL MANAGEMENT

The overall capital management objective of the Group is to safeguard its ability to continue as a going concern so as to provide fair returns to shareholders and benefits to other stakeholders. In order to meet this objective, the Group always strives to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

The Group considers its total equity (including non-controlling interests) and total interest-bearing debts to be the key components of its capital structure and may, from time to time, adjust the dividend payouts, purchase own shares, issue new shares, sell assets, raise or redeem debts, where necessary, to maintain an optimal capital structure. The Group monitors capital using a debt-to-equity ratio, which is calculated as total interest-bearing debts divided by total equity as follows:-

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Loans and borrowings	54,474	133,117	-	8,029
Lease liabilities	810	18,476	-	-
Total interest-bearing debts	55,284	151,593	-	8,029
Total equity	691,356	804,668	241,717	325,046
Debt-to-equity ratio	0.08	0.19	-	0.02

The aforementioned capital management objective, policies and processes have remained unchanged from the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. FINANCIAL INSTRUMENTS**38.1 Classification of Financial Instruments**

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Financial Assets				
<u>Amortised Cost</u>				
Receivables	314,583	240,045	381,050	417,039
Cash and cash equivalents	79,096	91,884	4,257	907
Other investments	-	1,335	-	-
	<u>393,679</u>	<u>333,264</u>	<u>385,307</u>	<u>417,946</u>
<u>Fair Value Through Profit or Loss</u>				
Other investments	<u>22</u>	<u>829</u>	<u>-</u>	<u>-</u>
Financial Liabilities				
<u>Amortised Cost</u>				
Payables	78,263	104,981	251,105	243,682
Loans and borrowings	54,474	133,117	-	8,029
Lease liabilities	810	18,476	-	-
	<u>133,547</u>	<u>256,574</u>	<u>251,105</u>	<u>251,711</u>

38.2 Fair Value Information

The methods used in determining the fair values of financial instruments recognised on the statements of financial position are disclosed in Notes 9, 13, 17 and 20 to the financial statements.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data relevant for the purpose of Integrated Annual Report 2025 disclosures. These include financial data on Shariah non-compliance income arising from the Group's business activities and interest-based on financial position.

(A) Group Total Income and Total Assets

	Group	
	2025 RM'000	2024 RM'000
Total income		
Revenue	346,930	739,160
Other income	37,791	6,534
Total	384,721	745,694
Total Assets	909,650	1,168,598

(B) Business Activities

	Group	
	2025 RM'000	2024 RM'000
Shariah Non-Compliance Activities		
Interest Income	6,544	3,212
Total	6,544	3,212

(C) Component of Financial Position

(i) Cash Component

	Group	
	2025 RM'000	2024 RM'000
Islamic Account/Instruments		
Cash at bank	2,046	42
Total Cash	2,046	42
Conventional Account/Instruments		
Cash at bank	43,250	59,321
Deposit with licensed bank	6,297	3,034
Money market instruments	27,503	29,487
Total Cash	77,050	91,842

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

(ii) Debt Component

	Group	
	2025 RM'000	2024 RM'000
Islamic Financing		
Current		
Term loans	25,588	15,121
Non-Current		
Term loans	10,112	65,512
Total Financing	35,700	80,633
Conventional Borrowing		
Current		
Bankers' acceptances	18,774	44,455
Lease liabilities	460	2,243
Revolving credits	-	8,029
Non-Current		
Lease liabilities	350	16,233
Total Debt	19,584	70,960

LIST OF PROPERTIES

AS AT 31 DECEMBER 2025

Location	Description Of Property/ Usage	Tenure	Year Of Acquisition/ Revaluation (if any)	Land Area (Sq. M)	Net Carrying Amount (RM'000)	Approximate Age Of Building (Years)
Lot No. 4 Jalan Waja 15, Telok Panglima Garang Industrial Estate, Mukim of Telok Panglima Garang, District of Kuala Langat, Selangor	Industrial land with a 3 storey office block cum factory building	Leasehold for 99 years/ Expiring on 9 September 2103	1998	22,286	7,574	29
Lot No. 3 Jalan Waja 16, Telok Panglima Garang Industrial Estate, Mukim of Telok Panglima Garang, District of Kuala Langat, Selangor	Industrial land with factory building	Leasehold for 99 years/ Expiring on 9 September 2103	2003	24,654	5,663	21
Lot No. 4 Jalan Waja 16, Telok Panglima Garang Industrial Estate, Mukim of Telok Panglima Garang, District of Kuala Langat, Selangor	Industrial land with a 3 storey office block cum factory building	Leasehold for 99 years/ Expiring on 9 September 2103	2006	20,369	5,790	20
No.1C, 3C & 5C, 3 rd Floor, Block 2, Pusat Perniagaan Worldwide, Shah Alam, Selangor	3 units office lot	Leasehold for 99 years/ Expiring on 25 March 2102	2008	360	544	30
Jl. Jenderal Sudirman KM8 No. 18 A, Kel. Pasir Putih, Kec. M.B Ketapang, Kec. Kotawaringin Timur Kalimantan Tengah Indonesia	Industrial land with office cum factory building	Leasehold for 44 years/ Expiring on 13 January 2046	2016	4,829	1,120	9
Kecamatan Lamandau, Kabupaten Lamandau, Kalimantan Tengah. Indonesia	Plantation land with estate buildings and oil palm plantation	Leasehold for 35 years/ Expiring on 23 October 2049	2014	5,898 (Hectares)	10,537	15
Kecamatan Damang Batu and Kahayan Hulu Utara, Kabupaten Gunung Mas, Kalimantan Tengah. Indonesia	Plantation land with estate buildings and oil palm plantation	Leasehold for 25 years/ Expiring on 2 December 2045	2020	7,169 (Hectares)	16,221	9
Kecamatan Manuhing, Tewah and Kurun, Kabupaten Gunung Mas, Kalimantan Tengah. Indonesia	Plantation land with estate buildings and oil palm plantation	Leasehold for 35 years/ Expiring on 8 November 2053-25 March 2056	2018-21	11,130 (Hectares)	40,463	12

ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2026

CLASS OF SHARES	: Ordinary shares
ISSUED SHARE CAPITAL	: 461,742,658 ordinary shares (excluding Treasury Shares of 31,506,027)
VOTING RIGHTS	: One vote per ordinary share
NUMBER OF SHAREHOLDERS	: 3,603

DISTRIBUTION TABLE ACCORDING TO THE NUMBER OF SECURITIES HELD IN RESPECT OF ORDINARY SHARES

Size of Holding	No. of Holders	No. of Holdings	Percentage (%)
Less than 100	244	3,558	0.00
100 – 1,000	487	256,278	0.06
1,001 – 10,000	1,735	8,828,029	1.91
10,001 – 100,000	927	28,818,876	6.24
100,001 – 23,087,132 ¹	206	275,382,145	59.64
23,087,133 ² and above	4	148,453,772	32.15
Total:	3,603	461,742,658 ³	100.00

Notes:

1. Less than 5% of issued shares
2. 5% and above of issued shares
3. Excluding Treasury Shares of 31,506,027

LIST OF SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Names	Direct Holdings		Indirect Holdings	
	No. of shares	%	No. of shares	%
Datuk Lim Chai Beng	148,014,720	32.06	39,525,000 ¹	8.56
Lim Chai Guan	26,142,120	5.66	1,017,500 ²	0.22
Tan Sow Peng	1,017,500	0.22	26,142,120 ²	5.66

LIST OF DIRECTORS' SHAREHOLDINGS

Names	Direct Holdings		Indirect Holdings	
	No. of shares	%	No. of shares	%
Datuk Lim Chai Beng	148,014,720	32.06	39,525,000 ¹	8.56
Lim Chai Huat	21,222,222	4.60	1,000,000	0.22
Tengku Dato' Ardy Esfandiari Bin Tengku A. Hamid Shah	3,360,000	0.73	-	-
Karpanadevi A/P K R Somasundram	-	-	-	-
Lee Poi Keong	-	-	-	-
Datin Chua Suat Khim	-	-	-	-
Lim Zee Ping	22,684,000	4.91	-	-

Notes:

1. Deemed interested under Section 59(11)(c) of the Companies Act 2016 by virtue of shares held by his children and deemed interested under Section 8 of the Companies Act 2016 by virtue of his direct interest in Zee Capital Sdn. Bhd.
2. Deemed interested under Section 59(11)(c) of the Companies Act 2016 by virtue of shares held by his/her spouse.

ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2026

LIST OF THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS

(Without aggregating the securities from different securities account belonging to the same Depositors)

No.	Name	No. of Holdings	Percentage (%)
1.	Lim Chai Beng	52,359,452	11.34
2.	Lim Chai Beng	35,924,100	7.78
3.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lim Chai Beng	34,028,100	7.37
4.	Lim Chai Guan	26,142,120	5.66
5.	Lim Zee Ping	22,684,000	4.91
6.	HLB Nominees (Tempatan) Sdn Bhd Lim Chai Beng (CUST.SIN 10081)	17,610,364	3.81
7.	Mak Chee Meng	15,876,660	3.44
8.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Exempt An For UOB Kay Hian Pte Ltd (A/C Clients)	15,520,000	3.36
9.	Lim Chai Huat	14,603,142	3.16
10.	Citigroup Nominees (Asing) Sdn Bhd USB For Emerald Bay Fund, LP	11,320,000	2.45
11.	Lim Chye Ooi	10,911,780	2.36
12.	Cartaban Nominees (Asing) Sdn Bhd The Bank of New York Mellon For AMG Yacktman Global Fund	10,384,000	2.25
13.	Teoh Kim Huat	10,171,900	2.20
14.	Lim Sim Tong	9,308,400	2.02
15.	Ong Lea Ping	8,499,200	1.84
16.	Tan Yu Hwa	7,983,100	1.73
17.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lim Chai Beng	7,092,704	1.54
18.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lim Zee Yang	4,882,600	1.06
19.	Lim Chai Tiong	4,872,340	1.06
20.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Goh Gee Kim	4,687,400	1.02

ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2026

LIST OF THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS

(Without aggregating the securities from different securities account belonging to the same Depositors)

No.	Name	No. of Holdings	Percentage (%)
21.	Public Invest Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Mohamed Nizam Bin Abdul Razak	4,294,840	0.93
22.	Lim Chai Huat	3,565,680	0.77
23.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tengku Ardy Esfandiari Bin Tengku A Hamid Shah (E-SS2)	3,360,000	0.73
24.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lim Chye Hong (E-TWU)	3,134,900	0.68
25.	Teh Huat Seng	2,849,000	0.62
26.	Tan Ah Wah	2,683,900	0.58
27.	Citigroup Nominees (Asing) Sdn Bhd CBNY For Emerging Market Core Equity Portfolio DFA Investment Dimensions Group Inc	2,650,178	0.57
28.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Zee Capital Sdn Bhd	2,650,000	0.57
29.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ang Siow Cheng	2,553,400	0.55
30.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Teng Hock	2,492,100	0.54
	TOTAL	355,095,360	76.90

BURSA CSI DISCLOSURE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Governance & anti corruption	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Senior Management	%	0	0	No assurance
Governance & anti corruption	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Management	%	0	0	No assurance
Governance & anti corruption	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Executive	%	0	0	No assurance
Governance & anti corruption	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Non-Executive	%	0	0	No assurance
Governance & anti corruption	Bursa C1(b) Percentage of operations assessed for corruption related risks	%	20	20	No assurance
Governance & anti corruption	Bursa C1(c) Confirmed incidents of corruption and actions taken	no	0	0	No assurance
Data privacy	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	no	0	0	No assurance
Supply chain management	Bursa C7(a) Proportion of spending on local suppliers	%	81	80	No assurance
Environmental - Climate change & energy management	Bursa C4(a) Total energy consumption	GJ	5853	5500	No assurance
Environmental - Climate change & energy management	Bursa C4(a) Total energy consumption	MWh	378.04	350	No assurance
Environmental - Climate change & energy management	Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	97	90	No assurance
Environmental - Climate change & energy management	Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	927	900	No assurance
Environmental - Climate change & energy management	Bursa C11(c) Scope 3 emissions in tonnes of	tCO ₂ e	254	250	No assurance

BURSA CSI DISCLOSURE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Environmental - Waste management	Bursa C10(a) Total waste generated	Metric Tonne	780	750	No assurance
Environmental - Waste management	Bursa C10(a)(i) Total waste diverted from disposal	Metric Tonne	705	700	No assurance
Environmental - Waste management	Bursa C10(a)(ii) Total waste directed to disposal	Metric Tonne	75	70	No assurance
Environmental - Water consumption	Bursa C9(a) Total volume of water used	ML	30	30	No assurance
Social - Occupational health & safety	Bursa C5(a) Number of work-related fatalities	Number	0	0	No assurance
Social - Occupational health & safety	Bursa C5(b) Lost time incident rate ("LTIR")	Rate	2.27	0	No assurance
Social - Occupational health & safety	Bursa C5(c) Number of employees trained on health and safety standards	Number	772	0	No assurance
Social - Labour Practices and Standards	Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	No assurance
Social - Labour Practices and Standards	Bursa C6(a) Total hours of training by employee category - Management	Hours	72	50	No assurance
Social - Labour Practices and Standards	Bursa C6(a) Total hours of training by employee category - Executive	Hours	776	700	No assurance
Social - Labour Practices and Standards	Bursa C6(a) Total hours of training by employee category - Non Executive / Technical	Hours	1046	1000	No assurance
Social - Labour Practices and Standards	Bursa C6(c) Total number of employee turnover by employee category - Management	Number	0	0	No assurance
Social - Labour Practices and Standards	Bursa C6(c) Total number of employee turnover by employee category - Executive	Number	8	0	No assurance
Social - Labour Practices and Standards	Bursa C6(c) Total number of employee turnover by employee category - Non Executive	Number	5	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender - Senior Management (Male)	%	86	0	No assurance

BURSA CSI DISCLOSURE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender - Senior Management (Female)	%	14	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender - Management (Male)	%	100	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender - Management (Female)	%	0	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender - Executive (Male)	%	71	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender - Executive (Female)	%	29	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender - Non Executive (Male)	%	94	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender - Non Executive (Female)	%	6	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Senior Management (<30)	%	0	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Senior Management (30-50)	%	14	0	No assurance

BURSA CSI DISCLOSURE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Senior Management (>50)	%	86	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Management (<30)	%	0	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Management (30-50)	%	55	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Management (>50)	%	45	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Executive (<30)	%	12	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Executive (30-50)	%	82	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Executive (>50)	%	6	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Non Executive (<30)	%	28	0	No assurance

BURSA CSI DISCLOSURE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Non Executive (30-50)	%	64	0	No assurance
Social - Diversity & Inclusion	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age group by employee category - Non Executive (>50)	%	8	0	No assurance
Social - Diversity & Inclusion	Bursa C3(b) Percentage of directors by gender and age - Male	%	71	71	No assurance
Social - Diversity & Inclusion	Bursa C3(b) Percentage of directors by gender and age - Female	%	29	29	No assurance
Social - Diversity & Inclusion	Bursa C3(b) Percentage of directors by gender and age <30	%	0	0	No assurance
Social - Diversity & Inclusion	Bursa C3(b) Percentage of directors by gender and age - 30-50	%	14	0	No assurance
Social - Diversity & Inclusion	Bursa C3(b) Percentage of directors by gender and age - >50	%	86	0	No assurance
Social - Diversity & Inclusion	Bursa C6(b) Percentage of employees that are contractors or temporary staff	%	0	0	No assurance
Social - Diversity & Inclusion	Local Community - Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	102,500	0	No assurance
Social - Diversity & Inclusion	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3	0	No assurance

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Ninth Annual General Meeting (“**29th AGM**”) of CB INDUSTRIAL PRODUCT HOLDING BERHAD (“**the Company**”) will be held at the Ballroom, The Saujana Hotel Kuala Lumpur, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Tuesday, 26 May 2026 at 10:00 a.m. for the following purposes:

AGENDA

ORDINARY BUSINESS

- | | |
|---|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. | (Please refer to Explanatory Note 1) |
| 2. To re-elect the following Directors who retire by rotation in accordance with Clause 97 of the Constitution of the Company and who being eligible, offer themselves for re-election: | Ordinary Resolution 1 |
| (a) Mr. Lim Chai Huat | Ordinary Resolution 2 |
| (b) Ms. Karpanadevi A/P K R Somasundram | Ordinary Resolution 3 |
| 3. To approve the payment of Directors’ Remuneration amounting to RM700,000.00 for the financial period from 1 July 2026 until 30 June 2027. | Ordinary Resolution 4 |
| 4. To re-appoint Messrs. Crowe Malaysia PLT as the Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 5 |

SPECIAL BUSINESS

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

- | | |
|---|------------------------------|
| 5. AUTHORITY TO ISSUE AND ALLOT SHARES | Ordinary Resolution 5 |
|---|------------------------------|

“THAT, subject always to the Companies Act 2016 (“**the Act**”), Constitution of the Company and approvals from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and any other governmental or regulatory bodies, where such approval is necessary, authority be and is hereby given to the Directors pursuant to Section 75 of the Act to issue and allot not more than ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force until the conclusion of the next Annual General Meeting (“**AGM**”) of the Company pursuant to Section 76 of the Act.

THAT the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof.

THAT pursuant to Section 85 of the Act, read together with Clause 54 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered with new shares ranking equally to the existing issued shares of the Company arising from any issuance of new shares in the Company pursuant to this mandate.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or other forms of distribution that may be declared, made or paid before the date of allotment of such new shares.”

NOTICE OF ANNUAL GENERAL MEETING

6. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

Ordinary Resolution 6

“THAT, subject always to the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- (i) the aggregate number of shares purchased does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase;
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall be backed by an equivalent amount of retained profits of the Company as at the time of purchase(s); and
- (iii) the Directors of the Company may decide either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividends or transfer the shares under an employee share scheme or as purchase consideration.

THAT the authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:

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

whichever occurs first.

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act 1991 of Malaysia, and the entering into all other agreements, arrangements and guarantee 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, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares or to resell the shares or distribute the shares as dividends or transfer the shares under an employee share scheme or as purchase consideration) in accordance with the Constitution of the Company and the requirements and/or guidelines of Main Market Listing Requirements of Bursa Securities and all other relevant governmental and/or regulatory authorities.”

NOTICE OF ANNUAL GENERAL MEETING

7. PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")

Ordinary Resolution 7

"THAT, subject always to the Main Market Listing Requirements of Bursa Securities, approval be and is hereby given to the Company and/or its subsidiary companies to enter into all arrangements and/or transactions as specified in Section 1.3 of Part A of the Circular to Shareholders dated 30 April 2026, provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the day-to-day operations of the Company and/or its subsidiaries;
- (iii) carried out on arm's length basis, in the ordinary course of business of the Company and/or its subsidiaries, and on terms which are not more favourable to the related parties than those generally available to the public; and
- (iv) not detrimental to the interests of the minority shareholders of the Company.

AND THAT the authority conferred by this resolution shall commence upon passing of 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 mandate was passed, at which time the authority will lapse, unless the authority is renewed by a resolution passed at the next AGM; or
- (b) the expiration of the period within which the next AGM after that date is required by law to be held pursuant to Section 340(2) of the Act (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby empowered and authorised to complete and to do all such acts, deeds and things as they may consider expedient or necessary and/or appropriate in order to implement the Proposed Renewal of Shareholders' Mandate, with full power to assent to all or any condition, modification, variation and/or amendment (if any) in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements, and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed Renewal of Shareholders' Mandate in the best interest of the Company."

8. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

ANGELINA CHEAH GAIK SUAN (MAICSA 7035272 & SSM PC No. 202008002177)
GOH XIN YEE (MAICSA 7077870 & SSM PC No. 202008000375)
TAN BEE HWA (MAICSA 7058049 & SSM PC No. 202008001174)
Company Secretaries

Selangor Darul Ehsan
30 April 2026

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member of the Company entitled to attend, participate, speak and vote at the meeting is entitled to appoint more than one (1) proxy (subject always to a maximum of two (2) proxies) to attend, participate, speak and vote in his stead. A proxy may, but need not, be a member of the Company and a member may appoint any person to be his proxy without limitation.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportions of his/her shareholdings to be represented by each proxy.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, such member may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.
6. The instrument appointing a proxy must be deposited at the office of the Share Registrar, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or via electronic means through the Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
8. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Clause 62 of the Constitution of the Company, a Record of Depositors as at 19 May 2026 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.
9. Pursuant to Paragraph 8.29(A) of the Main Market Listing Requirements of Bursa Securities, all resolutions at the 29th AGM of the Company shall be put to vote by way of poll.

Explanatory notes on Ordinary and Special Business

Item 1 of the Agenda

Audited Financial Statements for the financial year ended 31 December 2025

This Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders. Hence, this Agenda is not put forward for voting.

Ordinary Resolutions 1 to 2

Re-election of Directors

Clause 97 of the Constitution of the Company provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at each AGM of the Company and be eligible for re-election.

Mr. Lim Chai Huat and Ms. Karpanadevi A/P K R Somasundram are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 29th AGM.

The profile of the retiring Directors are set out in the Annual Report 2025.

The Nomination and Remuneration Committee has considered the Board Performance Evaluation including the results of assessment for the retiring Directors and concurred that they have met the Board's expectation in terms of experience, expertise, integrity, competency, commitment and individual contribution by continuously performing their duties diligently as Directors of the Company. The Board recommended them to be re-elected as Directors of the Company.

NOTICE OF ANNUAL GENERAL MEETING

Ordinary Resolution 3

Directors' Remuneration of the Company

Section 230(1) of the Act provides amongst others, that the fee of the Directors, and any benefits payable to the Directors including any compensation for loss of employment of a director or former director of a public company or a listed company and its subsidiaries, shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 29th AGM on the Directors' remuneration for the financial period from 1 July 2026 until 30 June 2027.

The Directors' remuneration comprises the fee and benefits which consist of allowances and benefit-in-kind payable to the Directors of the Company and its subsidiaries as follows:

	Fee (RM)	*Benefits Payable (RM)
Company		
Executive Directors	-	96,000
Non-Executive Directors	288,000	188,000
Subsidiaries		
Executive Directors	92,000	-
Non-Executive Directors	36,000	-
Total	416,000	284,000

Note:

* Inclusive of meeting allowance, travelling allowance, and benefit-in-kind.

Payment of Directors' remuneration will be made by the Company and its subsidiaries on a monthly basis and/or as and when incurred if the proposed Ordinary Resolution 3 has been passed at the 29th AGM. The Board is of the view that it is just and equitable for the Directors to be paid such payment on a monthly basis and/or as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company throughout the period as stated herein.

Ordinary Resolution 4

Re-appointment of Auditors

The Audit and Risk Management Committee ("**ARMC**") has assessed the suitability, objectivity and independence of the external auditors, Messrs. Crowe Malaysia PLT ("**Crowe Malaysia**") and was satisfied with the suitability of Crowe Malaysia based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Group.

The Board therefore approved the ARMC's recommendation on the re-appointment of Crowe Malaysia as the external auditors of the Company be put forward for the shareholders' approval at the forthcoming 29th AGM.

Ordinary Resolution 5

Authority to Issue and Allot Shares

The proposed resolution is primarily to give flexibility to the Board of Directors to issue and allot shares to such persons at any time in their absolute discretion without convening a general meeting. This authorisation will expire at the conclusion of the next AGM of the Company.

The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares, for purpose of funding current and/or future investment projects, working capital, repayment of borrowings and/or acquisitions.

This is the renewal of the mandate obtained from the members at the last AGM ("**the Previous Mandate**"). The Previous Mandate was not utilised and accordingly no proceeds were raised.

NOTICE OF ANNUAL GENERAL MEETING

By voting in favour for the proposed resolution, the shareholders of the Company are deemed to have waived their pre-emptive rights pursuant to Section 85(1) of the Act and Clause 54 of the Constitution of the Company to be first offered any new shares ranking equally to the existing issued shares of the Company which will result in a dilution of their shareholding percentage in the Company.

Ordinary Resolution 6

Proposed Renewal of Authority for the Company to Purchase its Own Shares

The proposed resolution, if passed, will empower the Company to purchase and/or hold up to ten per centum (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the retained earnings of the Company.

For further information, please refer to Share Buy-Back Statement dated 30 April 2026.

Ordinary Resolution 7

Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed resolution, if passed, will provide a renewed mandate for the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions involving the interests of related parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations are undertaken in the ordinary course of business at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally made available to the public and not to the detriment of the minority shareholders of the Company.

For further information, please refer to the Circular to Shareholders dated 30 April 2026.

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CB INDUSTRIAL PRODUCT HOLDING BERHAD

Registration No.: 199701013434 (428930-H)
(Incorporated in Malaysia)

FORM OF PROXY

*I/We *NRIC/Passport/Registration No.....

of

being a member(s) of **CB INDUSTRIAL PRODUCT HOLDING BERHAD [199701013434 (428930-H)]** (“the Company”) hereby appoints

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)
Email Address:		Contact No.:	
*And/or (delete as appropriate)			
Email Address:		Contact No.:	

or failing *him/her, THE CHAIRMAN OF THE MEETING, as *my/our *proxy/proxies, to vote for *me/us on *my/our behalf at the **TWENTY-NINTH ANNUAL GENERAL MEETING (“29TH AGM”)** of the Company to be held at Ballroom, The Saujana Hotel Kuala Lumpur, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Tuesday, 26 May 2026 at 10:00 a.m. or at any adjournment thereof.

If you wish to appoint other person/persons to be your proxy/proxies, kindly delete the words “or failing him/her, THE CHAIRMAN OF THE MEETING” and insert the name/names of the person/persons desired.

Please indicate with an “X” in the space provided, how you wish your vote to be cast in respect of the following resolutions. In the absence of specific directions, your proxy may vote or abstain at his/her discretion. If you appoint two (2) proxies, please specify the proportions of holdings to be represented by each proxy.

My/our proxy/proxies is/are to vote as indicated below:

Ordinary Business		Resolution	For	Against
1	To re-elect Mr. Lim Chai Huat as a Director.	Ordinary Resolution 1		
2	To re-elect Ms. Karpanadevi A/P K R Somasundram as a Director.	Ordinary Resolution 2		
3	To approve the payment of Directors’ Remuneration of RM700,000.00 for the financial period from 1 July 2026 until 30 June 2027.	Ordinary Resolution 3		
4	To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company.	Ordinary Resolution 4		
Special Business				
5	Authority to Issue and Allot Shares.	Ordinary Resolution 5		
6	Proposed Renewal of Authority for the Company to Purchase its Own Shares.	Ordinary Resolution 6		
7	Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	Ordinary Resolution 7		

* Delete if not applicable

Dated this day of..... 2026

Signature/Common Seal of Shareholder

Number of shares held	:	
CDS account no.	:	
Telephone no.	:	

Notes:

1. A member of the Company entitled to attend, participate, speak and vote at the meeting is entitled to appoint more than one (1) proxy (subject always to a maximum of two (2) proxies) to attend, participate, speak and vote in his stead. A proxy may, but need not, be a member of the Company and a member may appoint any person to be his proxy without limitation.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportions of his/her shareholdings to be represented by each proxy.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, such member may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.
6. The instrument appointing a proxy must be deposited at the office of the Share Registrar, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or via electronic means through the Boardroom Smart Investor Portal ("**BSIP**") at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
8. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Clause 62 of the Constitution of the Company, a Record of Depositors as at 19 May 2026 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.
9. Pursuant to Paragraph 8.29(A) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions at the 29th AGM of the Company shall be put to vote by way of poll.

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CB INDUSTRIAL PRODUCT HOLDING BERHAD

[Registration No. 199701013434 (428930-H)]

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

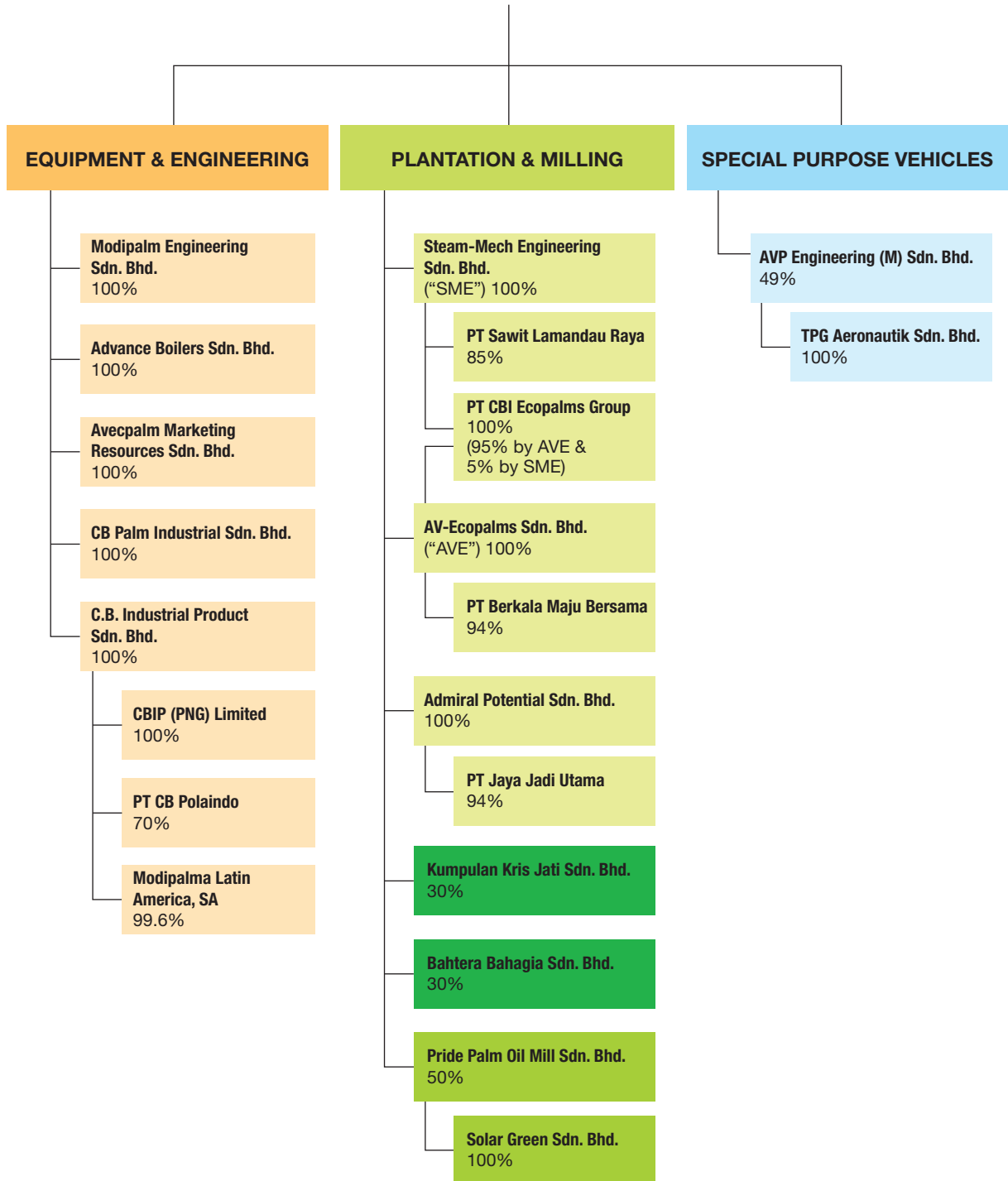
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CORPORATE STRUCTURE

AS AT 31 DECEMBER 2025



CB INDUSTRIAL PRODUCT HOLDING BERHAD



Associates

Joint Ventures



CB INDUSTRIAL PRODUCT HOLDING BERHAD

199701013434 (428930-H)

Lot 4, Jalan Waja 15, Kawasan Perusahaan Telok Panglima Garang
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