

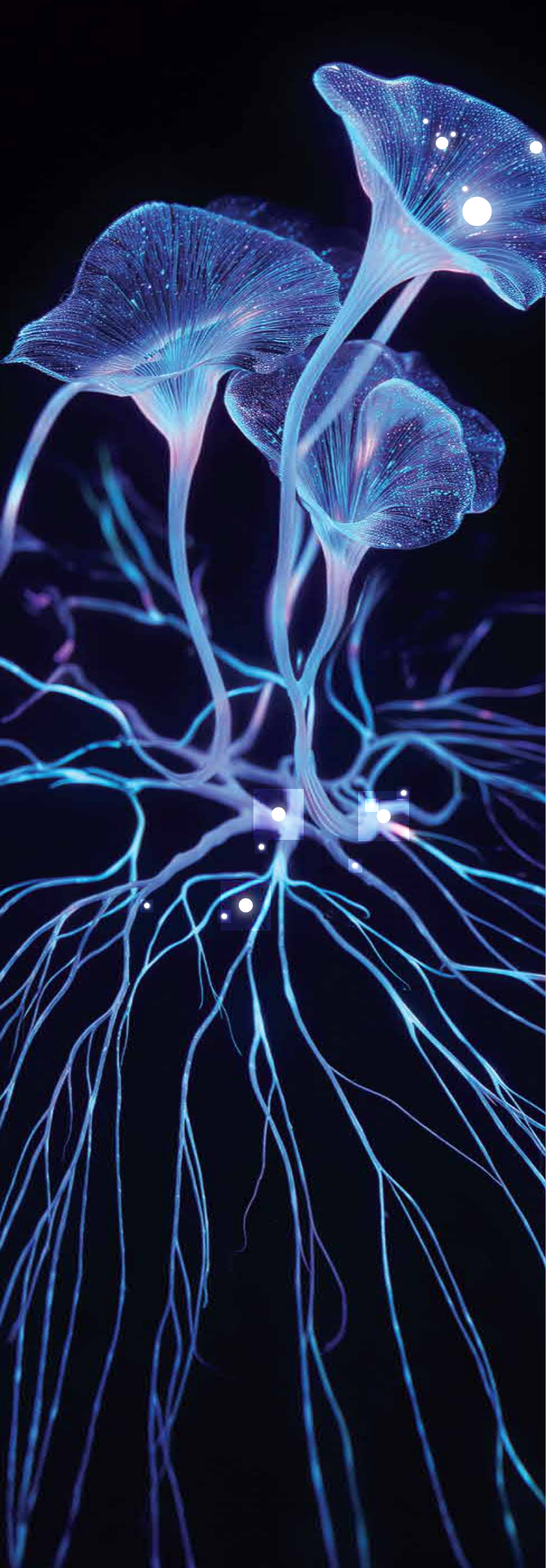


**CITRA  
NUSA**

CITRA NUSA HOLDINGS BERHAD  
198901004452 (181758-A)

# **STRENGTHENING FOUNDATION ACCELERATING GROWTH**

**ANNUAL REPORT 2025**



## STRENGTHENING FOUNDATION ACCELERATING GROWTH

“Strengthening Foundation, Accelerating Growth” marks a critical phase in the Group’s transformation by prioritizing the reinforcement of governance, leadership, and digital enablement to ensure scalable expansion. By optimising internal structures and workflows, the Group aims to build a performance-driven culture where growth is supported by dependable systems rather than chance. This internal stability serves as a springboard for external momentum, driven by intensified brand-building, omnichannel expansion, and digital commerce integration within the wellness and FMCG sectors. Central to this milestone is the 40th Anniversary slogan, “Resonate Together – Wellness Advocate Since 1986” which celebrates a legacy of unity among stakeholders, while reaffirming a long-term commitment to advancing holistic wellness.

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# VISION —

To build a resilient and progressively AI-enabled wellness and entrepreneurship ecosystem that creates long-term value for stakeholders by combining Asian values, trusted products, responsible innovation and practical market access across the communities we serve.

# MISSION —

To enrich lives through wellness-oriented products, entrepreneurship opportunities and responsible business practices, supported by strong manufacturing capabilities, disciplined execution, digital and AI-enabled tools, and continuous engagement with our customers, CBOs, employees, business partners and communities.

# PHILOSOPHY —

We are more than a business. Guided by teamwork, partnership, entrepreneurial spirit, innovation, integrity and empathy, we seek to build a community of wellness advocates who create meaningful impact through trusted products, shared opportunity, responsible growth and future-ready ways of working.



# CORPORATE PROFILE

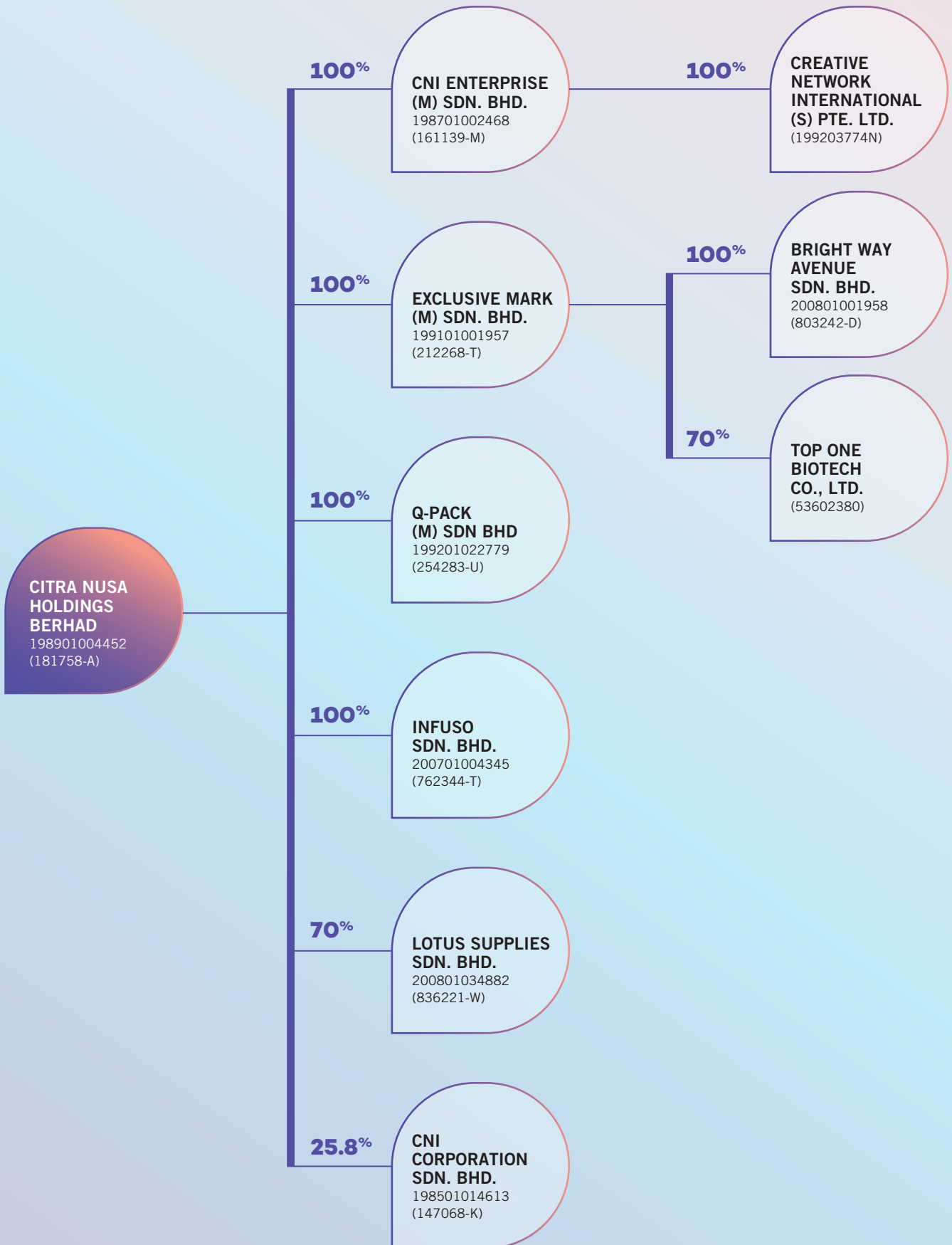
Citra Nusa Holdings Berhad (“CNH”) was officially listed on the Main Market of Bursa Malaysia Securities Berhad on 4 August 2005. The Company assumed its current name, Citra Nusa Holdings Berhad, on 25 May 2021.

CNH’s primary activities are investment holding and the provision of management services. Our subsidiary companies are engaged in marketing and trading, manufacturing, and other related businesses.

The marketing and trading segment, operating under the well-known CNI brand, CNI has since become a household name, offering a comprehensive array of wellness, food & beverage, beauty, personal care, and household products. Over four decades, CNI has developed an extensive and efficient distribution network, achieving market penetration across Malaysia, Brunei, and Singapore. Currently, our business presence is supported by 73 branches, distribution centres and sales points nationwide.

In our manufacturing segment, the factories adhere to high-quality standards, evidenced by accreditations such as Good Manufacturing Practice (GMP), ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, Food Safety Management System (FSSC 22000), and MS1480:2019 certifications. Furthermore, we actively collaborate with various laboratories and research institutions on research and development (R&D) activities to continuously enhance our products.

# GROUP CORPORATE STRUCTURE



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

DATO' KOH PENG CHOR  
(Non-Independent Non-Executive Chairman)

KOH HOW LOON  
(Group Chief Executive Officer)

CHEW BOON SWEE  
(Executive Director)

CAROLYN ANNE KAM FOONG KHENG  
(Independent Non-Executive Director)

AN LI FONG  
(Independent Non-Executive Director)

YEE KEE BING  
(Independent Non-Executive Director)

## COMPANY SECRETARY

CHIN YOKE KWAI (MAICSA 7032000)  
SSM Practicing Cert. No. 201908002010

## AUDIT COMMITTEE

AN LI FONG  
(Chairman)

CAROLYN ANNE KAM FOONG KHENG

YEE KEE BING

## NOMINATION AND REMUNERATION COMMITTEE

YEE KEE BING  
(Chairman)

CAROLYN ANNE KAM FOONG KHENG

AN LI FONG

## RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

CAROLYN ANNE KAM FOONG KHENG  
(Chairman)

AN LI FONG

YEE KEE BING

KOH HOW LOON

## AUDITORS

GRANT THORNTON MALAYSIA PLT  
Chartered Accountants  
Level 11, Sheraton Imperial Court  
Jalan Sultan Ismail  
50250 Kuala Lumpur  
Tel: 03-2692 4022 Fax: 03-2691 5229

## REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

Wisma CNI, No. 2 Jalan Perunding U1/17  
Hicom-Glenmarie Industrial Park, Seksyen U1  
40150 Shah Alam, Selangor  
Tel: 03-5569 4000 Fax: 03-5569 3308  
Email: info@citranusaholdings.com  
Website: <https://citranusaholdings.com>

## SHARE REGISTRAR

BOARDROOM SHARE REGISTRARS SDN BHD  
11th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13  
46200 Petaling Jaya, Selangor  
Tel: 03-7890 4700 Fax: 03-7890 4670  
Email: bsr.helpdesk@boardroomlimited.com  
Website: [www.boardroomlimited.com](http://www.boardroomlimited.com)

## PRINCIPAL BANKER

Citibank Berhad

## SOLICITORS

Messrs Ong & Kok

## STOCK EXCHANGE LISTING

Listed on Main Market of Bursa Malaysia  
Securities Berhad on 4 August 2005  
Stock Code: 5104  
Stock Name: CNH

# FINANCIAL HIGHLIGHTS

YEAR ENDED 31 DECEMBER	2025	2024	2023	2022	2021
<b>Performance (RM'000)</b>					
Revenue	61,086	58,001	61,997	77,148	74,132
Profit/(Loss) Before Tax	1,623	(1,842)	(1,294)	(492)	2,062
Attributable Profit/(Loss)	848	(1,983)	(1,462)	(1,781)	657
<b>Key Balance Sheet Data (RM'000)</b>					
Share Capital	72,000	72,000	72,000	72,000	72,000
Shareholders' Equity	66,970	65,785	67,582	69,296	71,382
Total Equity	67,336	66,369	68,201	70,071	72,633
Total Assets	81,712	82,394	83,514	86,679	90,043
Borrowings	2,691	2,251	2,734	2,107	2,284
<b>Financial Ratios</b>					
Net Earnings Per Share ("EPS") (sen)	0.13	(0.28)	(0.20)	(0.25)	0.09
Net Assets Per Share ("APS") (sen)	9.30	9.14	9.39	9.62	9.91
Gearing Ratio (%)	0.40	0.34	0.40	0.30	0.31



### Chinese World Cultural Award

CNI was awarded the “Malaysian Chinese Culture Promotion Award” at the Chinese World Cultural Conference, affirming CNI’s dedication to promoting local culture and fostering social values in bridging business development with cultural heritage to be passed down for the next generation.



# AWARDS & RECOGNITION



### “Brand of the Year” Award 2025

CNI Well3 received the prestigious “Brand of the Year” title at the 2025 International Prestige Brand Awards, presented during the Asian Leaders Gala in Kuala Lumpur. This recognition underscores Well3’s position as a highly influential and trusted brand within the competitive health and wellness sector, locally and internationally.



# CORPORATE EVENTS

The **Sinar Cemerlang CNI (SCC) Annual Gala** served as a cornerstone event to honor the exceptional milestones achieved by CBOs across the Malaysia, Brunei and Singapore regions throughout 2025. By gathering top regional talent at the Dorsett Grand Ballroom, the event reinforced CNI’s regional synergy and its “Resonate Together” philosophy, fostering a high-performance culture of unity and ambition.



SCC Annual Gala



MIHAS @ Shanghai

At the **MIHAS @ Shanghai 2025** exhibition, CNI reaffirmed its leadership in the global Halal and wellness sectors, highlighted by a high-level visit from Malaysia’s Deputy Prime Minister and the Chairman of MATRADE. This engagement underscores CNI’s long-standing commitment to Malaysian Halal excellence and its strategic mission to “Resonate Together” while promoting healthy living on an international stage.



DSAM Awards - Outstanding Entrepreneur



DSAM Awards - Gen Z

CNI’s leadership in the local direct selling industry was further solidified at the **2025 DSAM Entrepreneurs Awards**, where six CBOs were honoured with DSAM Awards across the Gen Z and Outstanding Entrepreneur categories. These accolades underscore CNI’s commitment to fostering a high-performance culture and empowering a new generation of entrepreneurs to create a lasting social and economic impact.



CNI strengthened its market position in the health and beauty sectors with the strategic launch of two high-performance products: **Well3 C-500 Plus** and the **AI Skin Cell Booster**. Well3 C-500 Plus leverages the scientifically-backed PureWay-C® technology to offer Vitamin C superior bioavailability and antioxidant support, while the AI Skin Cell Booster utilizes a sophisticated blend of peptides and botanical stem cells to deliver a multi-functional, time-efficient skincare solution. These innovations are CNI's commitment to integrating advanced science with natural ingredients to meet the needs of modern consumers.

CNI drove entrepreneurial motivation and business growth in 2025 through its high-value **ERP Travel Incentives** by offering dream destinations to **Vietnam**, **Japan** and **Umrah** package to qualified CBOs. CBOs seized the opportunity to indulge in diverse experiences, including a coastal retreat to Phu Quoc in Vietnam, a meaningful spiritual journey through Osaka, Kyoto, and Nara in Japan and a significant spiritual journey via Umrah package. By integrating these aspirational travel incentives, CNI continues to foster a high-performance culture and support regional sales momentum.



Reinforcing its commitment to social responsibility, under the **Health Awareness Programme**, Yayasan CNI's efforts reached over **1,000 beneficiaries** through initiatives promoting preventive health practices and supporting basic care needs. As part of this programme, Yayasan CNI participated in the **AKE Sports Carnival with Friends 2025**, organised by **Pa&Ma**, Malaysia's popular parenting magazine and portal, to promote child health and community wellbeing. Expanding its reach across Malaysia, Yayasan CNI also launched the **Immunity Awareness Programme**, reaching over 500 students, alongside outreach to charity homes and community groups benefiting over 200 individuals. These initiatives incorporated interactive engagement and basic health awareness activities, supported by the provision of essential wellness products, contributing to efforts in empowering parents and fostering early awareness of healthy living among the younger generation.



*Phu Quoc, Vietnam*



*Umrah*



*Osaka, Kyoto & Nara, Japan*

# MANAGEMENT DISCUSSION & ANALYSIS



The Board of Directors of the Company (“Board”) and Management are pleased to present the Management Discussion and Analysis (“MD&A”) which contains commentaries from the Management to give shareholders a better understanding of the Group’s business, operations and financial position for the financial year ended 31 December 2025 (“FY2025”).

The MD&A should be read in conjunction with the Audited Financial Statements of the Group and the Company for the FY2025.

## OVERVIEW OF BUSINESS AND OPERATIONS

For FY2025, the Group’s business operations remained unchanged where businesses are organised into two major business segments in Marketing & Trading and Manufacturing.

The Group is headquartered in Shah Alam, Selangor, where its corporate office is located. The Group maintains an operating presence across Malaysia, Singapore and Brunei through a combination of branches, centres, sales points and supporting distribution networks.

The Marketing & Trading segment operates principally through a direct selling model. Within this segment, the Group markets and distributes a diversified range of products, including functional food and beverages, wellness, skincare, beauty and cosmetics, personal care, and household care. These products are distributed primarily through CNI Business Owners (“CBOs”), who are supported by an established business plan, incentive structure, training platform and business support tools. Since the inception of the CNI business, the Group has continued to position this segment not only as a product distribution platform, but also as a business participation

model that enables individuals to generate income through the marketing of CNI-branded products. During FY2025, Management remained focused on preserving the continuity, relevance and effectiveness of this model amid softer consumer spending and more selective purchasing behaviour.

The Manufacturing segment operates through three internationally accredited facilities with ISO, HACCP, GMP and JAKIM Halal certifications. These facilities, located in Selangor, Malaysia and Tainan, Taiwan, support both internal supply requirements and third-party Original Equipment Manufacturer (“OEM”) contract manufacturing. The segment focuses on the manufacture of health foods, functional beverages, and household and personal care products. In addition to supporting the Group’s Marketing & Trading segment, the Manufacturing segment also serves external customers across multiple export markets, including China, Indonesia, Hong Kong, Thailand, Taiwan, United States of America, Vietnam, Philippines, Ghana, Canada, Pakistan, India, Cambodia, France and Brunei. This segment remains strategically important both as an internal manufacturing base and as a platform for margin recovery, capability building and OEM market expansion.

## OVERVIEW OF MARKET PERFORMANCE

FY2025 remained a challenging year for many businesses, shaped by a combination of external uncertainty and domestic cost pressure. Global geopolitical tensions, including the prolonged Russia-Ukraine conflict and the Israel-Hamas war, as well as disruptions arising from the Red Sea crisis, continued to weigh on trade conditions, freight flows, supply chain reliability, and broader market confidence. At the domestic level, changes in cost-related policies and operating conditions, including higher utility tariffs, amendments to the Sales and Services Tax (“SST”) and the implementation of targeted subsidies, added further pressure to business costs and household spending power. These developments contributed to a more cautious demand environment in which consumers became more selective in their purchasing behaviour, with stronger emphasis on affordability, value perception and purchase prioritisation.

In such conditions, demand did not disappear but became more uneven and conversion became more difficult. Businesses were required not only to protect

revenue, but also to defend margins, improve operating efficiency and ensure that commercial activity remained relevant to prevailing market conditions. This is consistent with Management's 2025 framing that the issue is revenue softness rather than cost structure alone, and that recovery requires more focused top-line execution.

Against this backdrop, the Group remained focused on preserving business stability, protecting liquidity, improving cost discipline and strengthening execution in areas within Management's control. Rather than pursuing volume at any cost, the Group prioritised a more measured operating approach centred on financial resilience, execution quality, network support and selective capability strengthening.

These measures enabled the Group to conclude FY2025 on a stronger footing, with improved profitability and a more stable financial position despite the continued presence of macroeconomic and market headwinds.



### REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION

For FY2025, the Group recorded total revenue of RM61.1 million, representing an increase of approximately 5.3% from RM58.0 million in FY2024. The increase was driven mainly by revenue contribution from the Manufacturing segment, which offset the softer performance recorded by the Marketing & Trading segment.

The Group recorded a Profit Before Tax ("PBT") of RM1.6 million in FY2025, compared with a Loss Before Taxation of RM1.8 million in FY2024. Profit attributable to owners of the Company also improved to RM0.8 million, compared with a loss attributable to owners of RM2.0 million in the preceding financial year.

The improvement in profitability reflected contribution from the Manufacturing segment, together with better margin management, tighter cost control and a more disciplined operating response across the Group. While revenue recovery remained uneven across segments, Management's focus on controllable levers such as production planning, cost optimisation, gross margin support and operational efficiency contributed positively to the Group's overall performance.

The Group remained in a sound liquidity position throughout the financial year. As at 31 December 2025, total current assets stood at RM46.1 million against total current liabilities of RM13.5 million. Equity attributable to owners of the Company increased to RM67.0 million from RM65.8 million in FY2024.

Total assets stood at RM81.7 million at year end compared with RM82.4 million in the previous financial year, while total liabilities declined to RM14.4 million from RM16.0 million. A significant portion of the Group's asset base, amounting to RM30.4 million (FY2024: RM29.6 million), was held in cash and cash equivalents and other financial investments. This remains consistent with the nature of the Group's business activities, where cash liquidity continues to play an important role in supporting working capital flexibility and resilience.

Borrowings remained low at RM689,628 relative to the Group's total asset base, notwithstanding the availability of overdraft facilities during the year. This conservative balance sheet position provides the Group with flexibility to manage near-term operating requirements while preserving optionality for future investments, where justified.

Overall, FY2025 marked an important year of financial stabilisation for the Group. While not all parts of the business recovered at the same pace, the Group's improved profitability and maintained liquidity position indicate stronger discipline in execution and a more resilient operating foundation.

### RETURN TO SHAREHOLDERS

After taking into consideration the Group's and the Company's financial position, working capital requirements and the need to preserve financial flexibility amid continuing economic uncertainty, the

## MANAGEMENT DISCUSSION & ANALYSIS

Board has resolved not to recommend or declare any dividend for FY2025.

The Board is of the view that retaining cash at this stage remains the more prudent course of action to support operational needs, business continuity and future strategic flexibility.

### REVIEW OF SEGMENTAL RESULTS AND OPERATING ACTIVITIES

#### Marketing & Trading Segment

For FY2025, the Marketing & Trading segment remained the Group's largest business segment, contributing approximately 68% of total revenue and 7% of Group PBT.

This segment, operated by CNI Enterprise (M) Sdn Bhd ("CNIE"), focuses on the direct marketing of a broad range of products, including functional food and beverages, wellness, skincare, beauty and cosmetics, personal care, and household care.

The segment's route-to-market is supported through both physical and digital platforms. The physical network comprised 73 stores, including branches, centres and sales points across Peninsular Malaysia and East Malaysia, as well as one branch each in Brunei and Singapore. Complementing this network, the CBO Portal continued to serve as a central digital platform for product information, sales tools, promotional communication, compliance updates and business support resources.

For FY2025, revenue from the Marketing & Trading segment declined slightly to RM42.0 million from RM44.2 million in FY2024. The softer revenue performance reflected a more cautious demand environment, where both consumers and CBOs became more selective in spending and conversion conditions became more challenging. Despite this, segment PBT improved to RM96,467 from RM90,318 in FY2024, driven mainly by improved gross margin management and tighter cost control.

Management's focus during the year was therefore not limited to generating activity alone, but also to improving the quality of execution within the business model. Priority areas included preserving network continuity,

strengthening distributor engagement, improving product relevance, enhancing support effectiveness and managing costs more tightly.

#### CBO Retention and Engagement

In a softer market environment, the continuity, engagement and productivity of the CBO network remained a key business priority. During FY2025, CNIE continued to review its recognition, engagement and support approach to sustain CBO participation and network continuity. This was supported by recognition and engagement initiatives that reinforced leadership progression, achievement culture and responsible business participation.

CNIE also leveraged travel incentive programmes during the year to stimulate sales activity and reward achievement across individual groups and leaders. Bonus travel points were awarded based on the achievement of designated packages and campaign targets. As a result, qualifying participants earned incentive trips to destinations including Phu Quoc, Vietnam, Japan and Umrah, alongside curated local experiences. These initiatives supported network engagement, recognition culture and continued participation within the business model.

CNIE continued to support its distributorship proposition through an accessible entry fee of RM50, together with access to the Purchase with Purchase ("PWP") programme, which enabled distributors to purchase selected starter products at an attractive introductory value. This approach supported ongoing distributor recruitment and onboarding, while helping the Group sustain participation across its distribution network.

During the year, CNIE also enhanced the onboarding process for new distributors to create a more welcoming, practical entry experience, particularly through structured touchpoints at business opportunity sessions, product and compensation plan briefings, digital live streams and HQ visits. Management believes that stronger onboarding is important not only for initial sign-up conversion but also for improving early distributor activation and engagement quality.

CNIE continued to invest in CBO capability development through structured programmes covering product knowledge, ethics and compliance, and business and

selling skills. To improve the effectiveness of these programmes, dedicated managers were appointed to review and strengthen the training structure. Development initiatives were organised broadly into basic and leadership modules to support different stages of progression within the network.

A series of Health Consultant Workshops was conducted across Central, Northern, East Coast and East Malaysia. These workshops incorporated practical tools and testing kits to improve product understanding, hands-on familiarity and selling confidence. They also served as a platform to support product understanding and solution-based selling by helping CBOs better understand how CNIE's products can be positioned as a more complete wellness solution rather than as isolated individual items.

Recognition of achievement remained an important part of CNIE's engagement approach. During FY2025, the Group continued its practice of recognising CBO achievements through established recognition platforms such as Sinar Cemerlang CNI ("SCC"). Beyond recognition, such events also help reinforce aspiration, achievement culture, and continuity within the network.

### Effective Marketing Campaigns

During FY2025, CNIE's marketing efforts focused on sustaining visibility, supporting distributor engagement and broadening consumer reach through a combination of physical and digital activations. Key events such as 2025 Incentive Sharing Safari, Ramadhan and Raya Safari, and SCC convention continued to serve as important platforms for product showcases, interactions, and broader brand presence.

Complementing these efforts, CNIE organised a range of workshops and themed programmes, including leadership meetings and workshops, enzyme workshops and wellness product workshops, to improve product understanding, encourage product trial, strengthen customer interaction and reinforce category relevance. These efforts were further supported by tactical campaigns such as New Entrepreneur Incentive wellness bundles, O2O and Referral programs, wellness supplement trade-in promotions, festive and activity-led promotions, which were aimed at stimulating market activity during key commercial periods.



## MANAGEMENT DISCUSSION & ANALYSIS

As market conditions became more selective, Management remained mindful that activity volume alone is not a sufficient measure of effectiveness. CNIE therefore continued to strengthen its approach towards ensuring that marketing efforts support clearer commercial outcomes, including distributor recruitment, activation, repeat purchase, improved product conversion and stronger engagement quality. This is also consistent with Management's FY2025 emphasis on executing fewer things, better, and at scale, with revenue as the scorecard.

### Enhancement of Product Mix

CNIE continued to improve its product mix during FY2025 through selected new product introductions, product enhancements and portfolio refresh initiatives. These efforts were intended to sustain consumer interest, improve portfolio relevance and support better commercial quality of sales.

A total of two new stock keeping units ("SKUs") were launched during the year, including new products such as Well3 C-500 Plus Tablet and CNI Ai Skin Cell Booster. In parallel, the Group formalised four strategic wellness categories: Women's & Men's Wellness, Holistic Health & Wellness, Functional Lifestyle & Personal Care, and Home Wellness & Hygiene — aligning with its mission to deliver holistic wellbeing solutions across households.

Among the new introductions, AI Skin Cell Booster was added to the Group's skincare and cosmetic portfolio. This launch extended the Group's existing skincare range and was intended to improve the completeness of its basic skincare offering. Strategically, this helps CNIE strengthen its ability to capture more complete skincare-routine purchases and improve category relevance.

In addition to new product launches, CNIE also undertook selected product upgrades, enhancements, and rebranding initiatives involving packaging revamps for Firesens Mentholated Rub, Winz Toothpaste, and RJ Herbal Rich Shampoo. These efforts were aimed at sustaining consumer interest in existing products, improving market relevance, and enhancing portfolio competitiveness. The direction is consistent with Management's 2026 portfolio focus on fewer, stronger hero platforms aligned to demand signals and gross margin pools.



Home Wellness & Hygiene



Functional Lifestyle & Personal Care



Women's & Men's Wellness



Holistic Health & Wellness

### Cost Optimisation

Although the segment recorded slightly lower revenue during the year, profitability improved through stronger cost discipline and margin support. Cost optimisation efforts were implemented across inventory management, logistics planning, packaging review, and sourcing decisions to improve efficiency without undermining core product delivery.

Selected price adjustments also contributed to margin support during FY2025. Taken together, these efforts reflect Management's approach of improving earnings quality through controllable operating levers rather than relying solely on volume recovery. This is in line with internal Management's view that FY2025 was a foundational reset year and that the 2026 mandate is top-line recovery supported by better-quality execution.

### Entrenched Digital Adoption

During FY2025, the Marketing & Trading segment continued to strengthen its use of digital channels to support engagement, communication and brand visibility. Efforts during the year included social media activity, digital content development, campaign communication and broader online brand presence across official channels.

Promotional videos and campaign-related content were regularly published through CNIE's digital platforms to maintain engagement with distributors and consumers. In addition, various digital promotions, online campaigns and platform-based activities were carried out across Facebook, Instagram, TikTok, website, WhatsApp, Shopee and Lazada. Strategic collaborations with ShopeePay and RevPay enabled Shopee and Grab PayLater options, enhancing purchasing accessibility for distributors.

In line with its broader digital enablement efforts, CNIE also began integrating selected AI-enabled and automation-supported tools to improve responsiveness, support engagement and enhance workflow efficiency. These initiatives included strengthening digital customer and distributor support, improving response capability across communication channels, and supporting greater consistency and speed in selected internal work processes. CNIE views such tools as practical enablers to strengthen execution quality rather than as stand-alone technology initiatives. This direction is



consistent with CNIE's broader move into AI-supported health consultation tools, CRM-linked auto-response capabilities, WhatsApp commerce enablement, and workflow standardisation initiatives.

Over time, Management intends to further improve the effectiveness of these digital efforts by strengthening the link between digital activity and business outcomes through structured performance tracking metrics such as lead generation, conversion rates and channel-level performance analysis. As consumer behaviour becomes increasingly omnichannel, CNIE believes that digital capability, including the selective use of AI, must increasingly work in tandem with physical activation and distributor support to improve accessibility, engagement continuity and operating responsiveness.

### Manufacturing Segment

For FY2025, the Manufacturing segment showed an improved performance despite continuing to record a segmental loss. Revenue for this segment grew by approximately 23% to RM30.9 million, up from RM25.1 million in FY2024, and contributed about 32% of the Group's total revenue. The loss before tax for the Manufacturing segment was significantly reduced to RM290,557, a substantial improvement compared to the RM2.6 million loss recorded in FY2024. This better financial outcome was primarily achieved through implementing tighter cost controls, improved production planning, and increased operational efficiency.

In our pursuit of Original Equipment Manufacturer (OEM) market penetration, the company has successfully expanded its footprint across diverse and strategic global regions. We are pleased to report the securing of new customers in the USA, China, Canada, Philippines, Cambodia, Ghana, France.

## MANAGEMENT DISCUSSION & ANALYSIS

Simultaneously, to ensure we can meet the increasing and varied demands stemming from this expanded customer base, a significant initiative is underway to identify and onboard new processing and manufacturing facilities. This strategic move is critical to bolstering our production capacity and diversifying our capabilities. The focus is on securing facilities that can specifically cater to the unique and different needs, technical specifications, and volume requests originating from these newly acquired customers across different geographical and regulatory landscapes. This proactive approach ensures scalable growth and maintains our commitment to quality and timely delivery for all OEM partners.

We actively manage the challenge of escalating production costs through several key strategies. During product development, we collaborate with customers to identify cost-saving methods, ensuring target prices are met while maintaining fair returns. In manufacturing, our focus is on continuous improvement to maximize efficiency and lower costs, all while upholding the highest quality standards. Furthermore, we work closely with our suppliers and business partners to secure long-term access to essential raw materials, supplies, and support services at stable and predictable prices.

To mitigate the effect of inflationary pressure in FY2025, the Manufacturing segment actively pursued expansion by participating in the Food Expo in Singapore. This initiative was part of a strategy to secure new OEM customers and successfully penetrate new markets, thereby broadening the segment's overall customer base.

The Manufacturing segment is poised for continued growth and innovation, maintaining a sharp focus on both new product development and the enhancement of existing product formulations. This commitment is fundamentally supported by the segment's robust research laboratory and its adherence to the highest standards through its Good Manufacturing Practice (GMP) certified plant facility. These integrated resources are driven by a team passionate about promoting new, scientifically proven, and innovative product development.

The GMP plant facility complements the R&D efforts by providing an environment for scalable production. Adherence to GMP ensures stringent quality control across all manufacturing processes, from raw material

handling to finished product packaging. This certification underscores the segment's commitment to producing consistently high-quality, reliable, and safe products.

Through the symbiotic relationship between advanced research and certified manufacturing, the segment is well-equipped to offer comprehensive formulation enhancement services. This includes reformulating existing popular products to improve bioavailability, texture, or sensory profiles, thereby extending product lifecycles and maintaining market competitiveness.

The strategic focus remains on introducing scientifically proven products that deliver tangible benefits to the consumer, reinforcing the segment's reputation as a trustworthy innovator in its field. This holistic approach is crucial for solidifying the Manufacturing segment's position as a key contributor to the Company's overall success and future expansion.

### FORWARD-LOOKING STATEMENT

Looking ahead to FY2026, the Group expects the operating environment to remain competitive and uncertain, notwithstanding the broader expectation of continued economic growth in Malaysia. Inflationary pressure, regulatory developments, competitive intensity, and evolving consumer behaviour are likely to continue to influence demand patterns, cost structures, and business priorities.

In this environment, the Group's focus will remain on financial sustainability, execution discipline and selective capability strengthening. Management intends to continue operating with prudence and tighter prioritisation rather than assuming a broad-based improvement in market conditions. This is consistent with Management's 2026 priorities, which centres on revenue recovery through focused execution.

Within the Marketing & Trading segment, the Group will continue to focus on strengthening distributor support, improving accessibility and enhancing service delivery. This includes the continued review of business centre effectiveness where commercially justified, further strengthening of engagement platforms for CBOs, and improving the relevance of programmes intended to support recruitment, activation and continuity.

The Group also intends to continue investing selectively in digital capabilities to improve business agility, strengthen communication and support better engagement across channels. Over time, Management intends for digital capability to play a more integrated role in supporting brand visibility, customer access, distributor activation and overall operating responsiveness. This direction is consistent with the Group's wider move into AI-enabled tools, CRM-linked responsiveness and digital support infrastructure.

Product refinement will remain a focus. The Group will continue to assess portfolio relevance based on market needs, distributor feedback and evolving consumer expectations, with the aim of improving commercial viability, strengthening category relevance and supporting higher-quality demand capture.

Within the Manufacturing segment, priorities include further development of OEM business, improved capacity utilisation, enhanced production efficiency, and continued product innovation. The segment will also continue to explore opportunities to strengthen customer reach and technical value creation through formulation and manufacturing support.

The Group's FY2026 priorities are expected to remain centred on revenue recovery through more focused execution. Key areas of emphasis include strengthening portfolio focus through the 4-Category framework, accelerating channel activation through the 3-Tier Channel Model, improving distributor productivity and recruitment, reinforcing science-backed product credibility, and sustaining operational discipline across the business. In parallel, the Group will continue to strengthen selected digital and AI-enabled capabilities to support engagement, responsiveness and execution quality. These priorities are intended to support business recovery while positioning the Group to capture selective growth opportunities in a more disciplined and commercially targeted manner.

While the external environment remains challenging, the Group believes that its stronger operating discipline, prudent financial management and continued focus on execution quality place it in a better position to navigate market complexities and pursue sustainable progress across both its domestic and regional businesses.



# BOARD OF DIRECTORS' PROFILE



**DATO' KOH PENG CHOR**

Non-Independent  
Non-Executive Chairman

Malaysian | Male | 74

**Date of Appointment:**

11 December 1990

**Qualification:**

- Honorary Doctor of Philosophy in Multilevel Marketing by Summit University, USA
- Fellow Member of the Institute of Marketing, Malaysia

**Working Experience:**

As the main founder, he has been instrumental in the development and growth of CNH.

**Board Committee:**

Nil

**Other Directorship:**

Nil

**Family Relationship:**

He is a major shareholder of CNH. He is the father of Mr. Koh How Loon, Group CEO of CNH. He is the spouse of the late Datin Chuah Tek Lan, a major shareholder of CNH.



**KOH HOW LOON**

Group Chief Executive Officer

Malaysian | Male | 48

**Date of Appointment:**

1 February 2012

**Qualification:**

- Bachelor of Administration in Supply Chain Management, University of Michigan State, USA
- Master in Business Administration, University of Victoria, Australia

**Working Experience:**

He started his career with CNIE as Management Trainee in 2001. He was the Personal Assistant to the Group Chairman & CEO of CNH. He was appointed as Executive Director of CNIE in 2007 and the CEO of CNIE in 2011. He assumed his current position as the Group CEO of CNH on 1 March 2018.

**Board Committee:**

Member of Risk Management and Sustainability Committee

**Other Directorship:**

Nil

**Family Relationship:**

He is the son of Dato' Koh Peng Chor, the Chairman and a major shareholder of CNH and the late Datin Chuah Tek Lan, a major shareholder of CNH.



**CHEW BOON SWEE**  
Executive Director

Malaysian | Male | 66

**Date of Appointment:**  
18 September 2003

**Qualification:**

- Bachelor of Science, National Taiwan Chung Hsing University
- Professional member of the Malaysian Institute of Food Technologist
- International member of the Institute of Food Technologist

**Working Experience:**

He started his career with Empire Food Industries Sdn Bhd and subsequently joined Fortune Lab (M) Sdn Bhd. He was appointed as the CEO of Exclusive Mark (M) Sdn Bhd (“EM”) and Q-Pack (M) Sdn Bhd (“QP”) in 2003. He is credited for setting up the GMP, ISO and HACCP accreditations for the manufacturing operations of EM and QP.

**Board Committee:**

Nil

**Other Directorship:**

Nil

**Family Relationship:**

Nil



**CAROLYN ANNE  
KAM FOONG KHENG**  
Independent Non-Executive Director

Malaysian | Female | 62

**Date of Appointment:**  
25 May 2022

**Qualification:**

- Fellow Member of the Association of Chartered Certified Accountants, UK

**Working Experience:**

She started her career in 1988 as an Audit Senior in the UK. Upon her return to Malaysia in 1992, she started as Finance & Administration Manager and progressed to Group Financial Controller in 1996. She joined Amway (Malaysia) Holdings Berhad as Financial Controller in 2001. In 2014, she assumed the position of Senior Vice President, Operations in Hong Kong. She retired in 2019 and currently involved in social communities' endeavours.

**Board Committee:**

- Chairman of Risk Management and Sustainability Committee
- Member of Audit Committee and Nomination and Remuneration Committee

**Other Directorship:**

Nil

**Family Relationship:**

Nil

## BOARD OF DIRECTORS' PROFILE



**AN LI FONG**

Independent Non-Executive Director

 Malaysian |  Male |  38

**Date of Appointment:**  
25 May 2023

**Qualification:**

- Bachelor of Commerce (Hons) Accounting and Finance, University of West of England, Bristol
- Member of the Malaysian Institute of Accountants
- Member of the Institute of Chartered Accountants England and Wales

**Working Experience:**

He began his career with a big four international firm in Malaysia in 2009 in the Audit & Assurance Division. In 2015, he left and joined a big four firm in London, specializing in real estate assurance services, before returning to Malaysia and joined Foo, Lee, An & Associates where he obtained his practicing certificate in 2015 and subsequently obtained his audit license in 2016 and made partner of the firm.

In addition to overseeing his SME accounting practice, he subsequently joined as a director in the corporate advisory division of a big five accounting firm, specialising in transaction support covering financial due diligence, valuation and mergers and acquisitions (M&A). Subsequently, he joined an international boutique M&A corporate finance firm as a principal consultant, specialising in cross border M&A, fundraising and IPO.

**Board Committee:**

- Chairman of Audit Committee
- Member of Risk Management and Sustainability Committee and Nomination and Remuneration Committee

**Other Directorship:**

UMS Holdings Berhad

**Family Relationship:**

Nil

*Notes:*

*Save as disclosed, the above Directors have no family relationship with any Director and/or major shareholder of CNH, have no conflict of interest with the Company, have not been convicted of any offence within the past 5 years and have not been imposed any penalty by the relevant regulatory bodies during the financial year 2025.*

*Details of the Directors' attendance at Board meetings are set out in the Corporate Governance Overview Statement on page 49.*



**YEE KEE BING**

Independent Non-Executive Director

 Malaysian |  Male |  67

**Date of Appointment:**  
1 July 2025

**Qualification:**

- Bachelor of Social Science (Major: Communications), Universiti Kebangsaan Malaysia

**Working Experience:**

He started his career as the Accounts Servicing Executive at Art Beat Communications Sdn Bhd in July 1983. He joined Amway (Malaysia) Sdn Bhd ("Amway") in 1984 and worked in Amway for 32 years and helmed it as the Managing Director before his retirement.

He became active in the direct selling industry when he was elected to the board of the Direct Selling Association of Malaysia (DSAM) in 2000 and subsequently helmed the leadership of DSAM as its President for 10 years from 2001 to 2011. He was also a board member of the World Federation of Direct Selling Associations (WFDSA).

He is a certified Train The Trainer and also a Certified Coaching and Mentoring Professional.

**Board Committee:**

- Chairman of Nomination and Remuneration Committee
- Member of Audit Committee, and Risk Management and Sustainability Committee

**Other Directorship:**

Nil

**Family Relationship:**

Nil

# KEY SENIOR MANAGEMENT'S PROFILE

## KOH HOW LOON

Group Chief Executive Officer

 Malaysian |  Male |  48

### Date of Appointment to the current position:

1 March 2018

### Qualification:

- Bachelor of Administration in Supply Chain Management, University of Michigan State, USA
- Master in Business Administration, University of Victoria, Australia

### Working Experience:

He started his career with CNIE as Management Trainee in 2001. He was the Personal Assistant to the Group Chairman & CEO of CNH. He was appointed as Executive Director of CNIE in 2007 and the CEO of CNIE in 2011. He assumed his current position as the Group CEO of CNH on 1 March 2018.

### Other Information:

He is a member of the Risk Management and Sustainability Committee

He is the son of Dato' Koh Peng Chor, the Chairman and a major shareholder of CNH; and the late Datin Chuah Tek Lan, a major shareholder of CNH.

## CHEW BOON SWEE

Chief Executive Officer of Manufacturing Segment

 Malaysian |  Male |  66

### Date of Appointment to the current position:

18 September 2003

### Qualification:

- Bachelor of Science, National Taiwan Chung Hsing University
- Professional member of the Malaysian Institute of Food Technologist
- International member of the Institute of Food Technologist

### Working Experience:

He started his career with Empire Food Industries Sdn Bhd and subsequently joined Fortune Lab (M) Sdn Bhd. He was appointed as the CEO of Exclusive Mark (M) Sdn Bhd ("EM") and Q-Pack (M) Sdn Bhd ("QP") in 2003. He is credited for setting up the GMP, ISO and HACCP accreditations for the manufacturing operations of EM and QP.

### Other Information:

Nil

### Notes:

Save as disclosed, the above Key Senior Management have no family relationship with any Director and/or major shareholder of CNH, have no conflict of interest with the Company, have not been convicted of any offence within the past 5 years and have not been imposed any penalty by the relevant regulatory bodies during the financial year 2025.

# SUSTAINABILITY STATEMENT

Citra Nusa Holdings Berhad (“CNH”) or the Group is pleased to present its Annual Sustainability Statement (“the Statement”) for 2025. This Statement provides an overview of the Group’s sustainability performance during the financial period up to 31 December 2025 (“2025”), unless otherwise stated.

## REPORTING BASIS AND SCOPE

This Statement covers the Group’s primary revenue-generating activities in Malaysia, which encompass the Marketing & Trading, Manufacturing segments, and the corporate office operations in Shah Alam, Selangor. These segments generate the majority of the Group’s revenue; contributions from Brunei are minimal.

Operations in Singapore and Taiwan are excluded from this Statement, unless specifically mentioned, as their financial, environmental, and social impacts are currently considered insignificant. We are committed to including all significant geographical areas of our operations in future reports.

## REPORTING FRAMEWORK AND STANDARDS

This Sustainability Statement is prepared in accordance with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and incorporates the required common sustainability matters and indicators.

In preparing this Statement, we have referenced the Sustainability Reporting Guide (3rd Edition), its accompanying Toolkits, and other relevant international sustainability reporting frameworks and requirements.

Furthermore, our disclosures are aligned with the Global Reporting Initiative (“GRI”) standards and the guiding principles of the United Nations Sustainable Development Goals (“UN SDGs”).

Bursa Securities has adopted the International Sustainability Standards Board’s (“ISSB”) IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 – Climate Related Disclosures. This adoption requires listed companies to align their corporate reports with IFRS S1 and IFRS S2 on a staggered basis over the coming years, in response to the introduction of these standards by the ISSB.

To ensure the Group complies with these new requirements, we plan to implement relevant employee training. This initiative will focus on increasing employee understanding of reporting requirements and climate change, strengthening internal processes particularly data collection and facilitating the integration of material sustainability matters, risk management and business strategies across the Group.

## ASSURANCE

This Statement has not been subjected to external assurance. However, the performance data presented in this Statement has been internally reviewed and validated by our operations and management teams.

## CONTACT US

For further details on CNH’s policies and management processes, please refer to our corporate website: [www.citranusaholdings.com](http://www.citranusaholdings.com). Should you have any inquiries regarding this Statement, kindly direct them to [info@citranusaholdings.com](mailto:info@citranusaholdings.com).

## SUSTAINABILITY GOVERNANCE

Sustainability governance is overseen by the Board of Directors, which retains ultimate responsibility for the Group’s sustainability direction, priorities, and oversight of material sustainability risks and opportunities. In carrying out this role, the Board considers sustainability as part of the Group’s long-term business resilience, stakeholder stewardship, and risk management responsibilities.

The Risk Management and Sustainability Committee (“RMSC”) supports the Board by overseeing the Group’s risk management and sustainability framework, including the review of material sustainability matters, relevant controls, and management actions. The RMSC also serves as the key governance platform through which significant sustainability-related issues, progress and priorities are escalated to the Board for oversight and direction.

Executive Management, comprising the Group CEO and senior management, is responsible for integrating sustainability considerations into the Group’s business operations, policies, risk management approach and improvement priorities. This includes translating the Group’s material sustainability matters into operational actions, monitoring progress, and ensuring that the relevant functions and business units discharge their responsibilities effectively.

## SUSTAINABILITY STATEMENT

At the management level, cross-functional teams support the execution, monitoring and reporting of sustainability initiatives, targets and performance indicators. This operating model is intended to strengthen ownership, improve data discipline, and ensure that sustainability considerations are addressed in a manner that is relevant to the Group's evolving business and operating environment.

In 2025, the Group continued to strengthen its overall governance and operating discipline. Our sustainability approach supported this broader effort by reinforcing clearer accountability, responsible business conduct, product and customer stewardship, workforce capability, and resource efficiency across the Group.

### STAKEHOLDER ENGAGEMENT

The Group believes that long-term value creation depends on maintaining constructive and transparent relationships with stakeholders who influence, or are affected by, our business activities. Our stakeholder engagement approach is intended not only to facilitate communication, but also to improve Management's understanding of stakeholder expectations, emerging concerns, and areas requiring operational or strategic attention.

Stakeholder engagement is led by the heads of the relevant business units and functions, who are responsible for maintaining suitable channels of communication, gathering feedback, and escalating material issues for management review where necessary. Key themes and outcomes from stakeholder engagement are communicated to Management and, where relevant, to the Board through the RMSC.

In 2025, the Group continued to engage actively with its principal stakeholder groups, including CNI Business Owners ("CBOs") and customers, employees, suppliers and vendors, regulators and certification bodies, shareholders and investors, and local communities. Matters raised through these engagements continued to reinforce the importance of product quality and safety, responsible marketing practices, timely service and response, employee development, supply reliability, regulatory compliance, governance discipline, and community stewardship.

For the Group, stakeholder engagement remains an important input into both sustainability prioritisation and day-to-day business improvement. In particular, engagement with CBOs and customers helps the Group strengthen product education, service responsiveness and responsible route-to-market practices, while engagement with employees and suppliers supports capability-building, operational discipline and responsible value chain management.

The Group's stakeholder engagement activities and the methods used throughout 2025 are summarized below:

Stakeholder	Engagement Approaches or Channels	Area of Interest or Concerns	Our Response
CNI Business Owners ("CBOs") / Customers	<ul style="list-style-type: none"> <li>Marketing strategy and plans</li> <li>Events and conferences</li> <li>Training and workshops</li> <li>CBOs portal</li> <li>Customer satisfaction survey</li> <li>Product standards and certifications</li> <li>Social media platforms</li> <li>Corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Product quality and reliability</li> <li>Customer service and response time</li> <li>Product knowledge</li> <li>Marketing support and promotional e-materials</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen product education, customer service responsiveness and access to accurate product information</li> <li>Support new product launches through training, communication materials and responsible product messaging</li> <li>Improve customer and CBO engagement channels to reinforce trust, product understanding and channel discipline</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Town halls</li> <li>Employee engagement surveys</li> <li>Performance appraisal</li> <li>Employee Handbook, Code of Business Ethics</li> <li>Training &amp; development programmes</li> <li>Health screening and check-up</li> <li>Staff purchase / product giveaway</li> </ul>	<ul style="list-style-type: none"> <li>Career development and upskilling opportunities</li> <li>Employee benefits</li> <li>Occupational health and safety</li> <li>Work-life balance</li> </ul>	<ul style="list-style-type: none"> <li>Maintain open communication and feedback channels with employees</li> <li>Uphold fair and merit-based employment practices</li> <li>Support employee development through training and capability-building</li> <li>Provide flexible work arrangements for eligible employees where appropriate</li> </ul>

## SUSTAINABILITY STATEMENT

Suppliers / Vendors	<ul style="list-style-type: none"> <li>• Supplier screening and performance evaluations</li> <li>• Meetings and trade fairs</li> <li>• On-site inspection</li> <li>• Negotiation</li> </ul>	<ul style="list-style-type: none"> <li>• Food safety</li> <li>• Product quality and timely delivery</li> <li>• Fair pricing and timely payments</li> <li>• Product labeling and certification</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor supplier performance in relation to quality, reliability, food safety and compliance requirements</li> <li>• Work with suppliers on corrective actions and continuous improvement where needed</li> <li>• Maintain fair and transparent commercial engagement with supplier</li> </ul>
Certification & Regulatory Bodies	<ul style="list-style-type: none"> <li>• Meetings and consultations</li> <li>• Training programmes and dialogues</li> <li>• Factory visits and monitoring</li> <li>• Audits</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Standards and certifications</li> <li>• Approvals and permits</li> </ul>	<ul style="list-style-type: none"> <li>• Engage regularly with regulators and certification bodies on compliance, audits and approvals</li> <li>• Monitor regulatory developments and strengthen internal controls where needed</li> <li>• Maintain compliance with applicable laws, standards and certification requirements</li> </ul>
Shareholders & Investors	<ul style="list-style-type: none"> <li>• Annual Report</li> <li>• Annual General Meeting</li> <li>• Financial report and announcements</li> <li>• Media releases</li> <li>• Investor relations page on our website</li> </ul>	<ul style="list-style-type: none"> <li>• Business goals and performance</li> <li>• Regulatory compliance</li> <li>• Ethical business conduct</li> <li>• Internal control and risk management</li> </ul>	<ul style="list-style-type: none"> <li>• Provide timely updates on business direction, financial performance and key developments</li> <li>• Maintain sound governance, risk management and internal control practices</li> <li>• Monitor material sustainability matters and performance priorities over time</li> </ul>
Local Communities	<ul style="list-style-type: none"> <li>• Community impact programmes and activities</li> <li>• Donations and charity programmes</li> <li>• Social media</li> </ul>	<ul style="list-style-type: none"> <li>• Community welfare and continued livelihood</li> </ul>	<ul style="list-style-type: none"> <li>• Engage relevant community stakeholders to understand local needs and concerns</li> <li>• Collaborate with Yayasan CNI and partners on outreach, welfare and environmental initiatives</li> <li>• Support community programmes aligned with the Group's social responsibility priorities</li> </ul>

### MATERIAL SUSTAINABILITY MATTERS

The Group's material sustainability matters represent the environmental, social and governance ("ESG") issues that are most relevant to our business model, stakeholders, operating context and long-term value creation. In determining these matters, the Group considers both actual and potential business impacts, as well as the extent to which such matters influence stakeholder assessments and decisions.

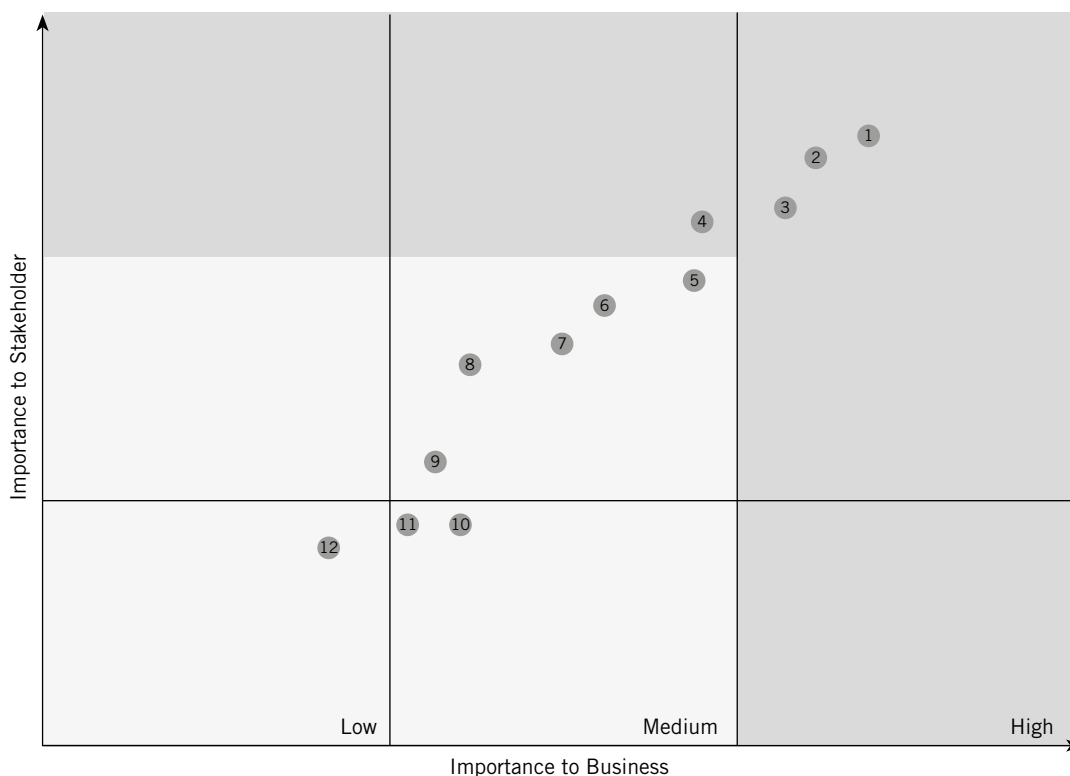
The annual materiality assessment is informed by ongoing stakeholder engagement, Management's understanding of the Group's operating environment, and the relative significance of sustainability issues across the Group's Marketing & Trading, Manufacturing and corporate functions.

In 2025, the Group reviewed its material sustainability matters and confirmed that the overall prioritisation remained broadly appropriate. During the year, "Anti-Corruption" was reframed as "Ethics and Integrity," while "Customer Satisfaction" was broadened to "Customer Responsibility," to better reflect the wider scope of the Group's responsibilities in areas such as product stewardship, responsible marketing, customer trust, service quality and regulatory compliance.

# SUSTAINABILITY STATEMENT

The Group's 2025 materiality matrix is presented as follows:

## Materiality Matrix



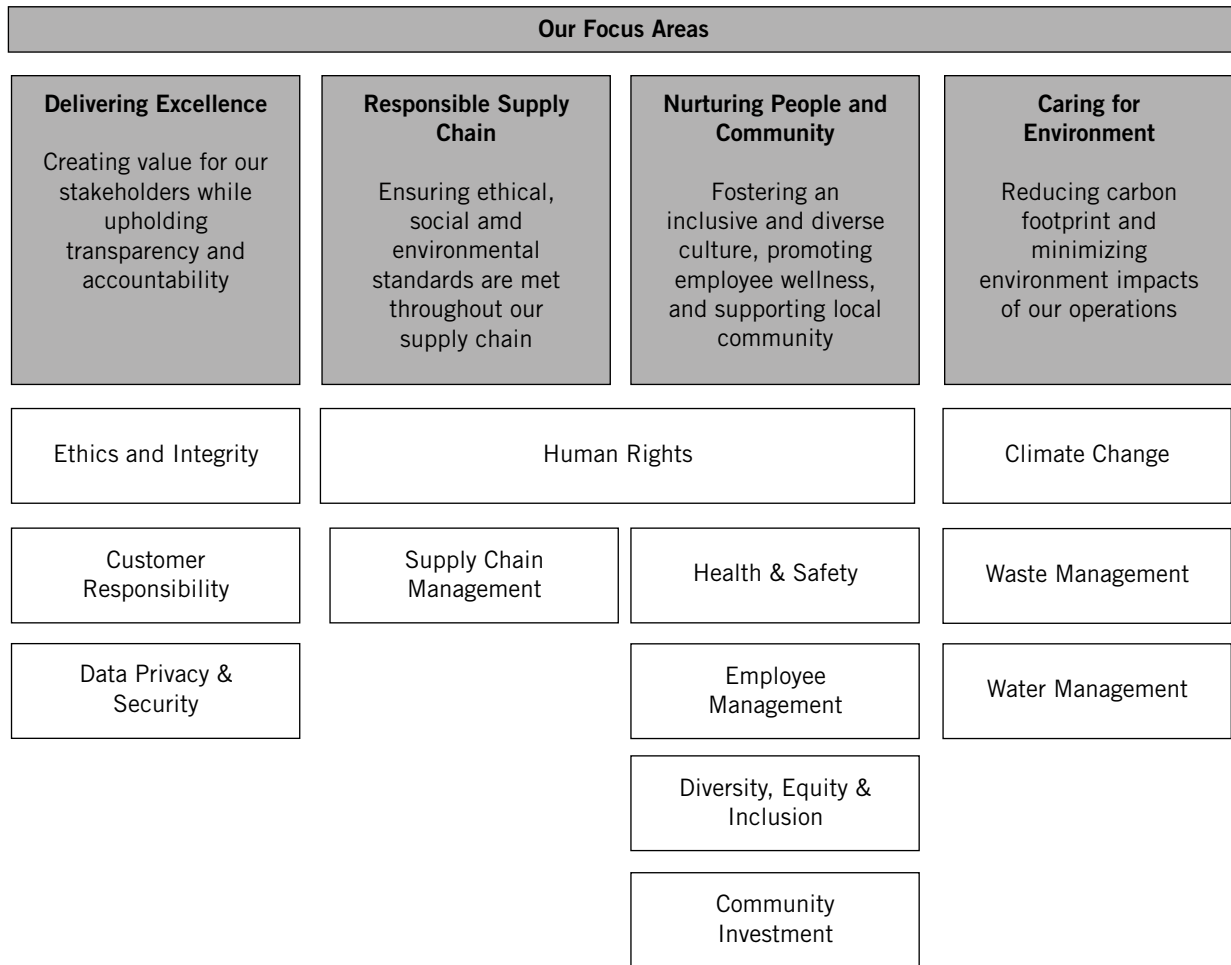
CNH's Material Sustainability Matters	
1. Ethics and Integrity	7. Human Rights
2. Health and Safety	8. Diversity, Equity and Inclusion
3. Customer Responsibility	9. Community Investment
4. Supply Chain Management	10. Climate Change
5. Data Privacy and Security	11. Waste Management
6. Employee Management	12. Water Management
Note: 1. Energy management and emission management is integrated within the "Climate Change". 2. Labour practices and standards are addressed within the scope of both "Employee Management" and "Human Rights".	

## Sustainability Framework

The Group's sustainability framework is aligned to its business strategy and operating priorities. It is intended to support sustainable value creation through four focus areas: **Delivering Excellence, Responsible Supply Chain, Nurturing People and the Community, and Caring for Environment**. Collectively, these pillars reflect the areas in which the Group believes strong governance, product and service discipline, people capability, stakeholder trust and resource efficiency are necessary to support business resilience and long-term relevance.

For the Group, sustainability is not managed as a standalone agenda. Rather, it supports the strengthening of governance, product and customer stewardship, responsible channel conduct, people development, supply chain integrity and operational discipline as part of the Group's broader business improvement and transformation journey.

# SUSTAINABILITY STATEMENT



In alignment to :



## Performance Scorecard

The Group has established performance indicators and targets to monitor progress across selected material sustainability matters. These indicators are intended to support accountability, identify areas requiring corrective action, and strengthen the consistency of sustainability management across the organisation.

In 2025, the Group continued to record positive outcomes in several areas, including zero work-related fatalities, zero level 1 product recalls, zero substantiated complaints relating to customer privacy or data loss, zero substantiated complaints relating to human rights violations, and the achievement of its waste intensity target. The Group also achieved a Customer Satisfaction Survey (“CSS”) score of 90%, exceeding its annual target of 80%, and recorded a 34% increase in total training hours compared with the 2023 baseline.

At the same time, the Group recognises that not all internal performance thresholds were fully achieved in 2025. In particular, anti-corruption training completion and health and safety training coverage were uneven across employee categories and fell short of the stated threshold in certain areas. These shortfalls have been identified for follow-up as part of the Group’s continuous improvement approach.

Going forward, the Group intends to strengthen target discipline, internal ownership and reporting consistency so that future disclosures more clearly distinguish between targets that were achieved, partially achieved, or require further action.

# SUSTAINABILITY STATEMENT

Below are our key targets and progress to date:

Material Matters	Targets	Current Progress
Ethics and Integrity	Achieve a minimum of 90% of employees who have received training on anti-corruption by each employee category from the 2023 baseline by 2025	○ Achieved 92% of employees in the Management category only received training on anti-corruption in 2025
Health & Safety	Zero work-related fatality annually	● Zero work-related fatality in 2025
	Achieve a minimum of 90% of employees trained on health and safety standards from the 2023 baseline by 2025	○ 70% of employees trained on health and safety standards in 2025
Customer Responsibility	Achieve a minimum of 80% for Customer Satisfaction Survey (“CSS”) score annually	● Achieved a score of 90% in 2025 exceeding the annual target of 80%
	Zero incident of level 1 product recall annually	● Zero incident of level 1 product recall in 2025
Data Privacy & Security	Zero substantiated complaints concerning breaches in customer privacy or data loss annually	● Zero substantiated complaints in 2025
Human Rights	Zero substantiated complaints concerning human rights violations annually	● Zero substantiated complaints in 2025
Employee Management	Increase the total hours of training by employees by 10% from the 2023 baseline by 2025	● Achieved, 34% increase in total training hours in 2025 compared to 2023 baseline, exceeding the 10% target.
Waste Management	Target revised: intensity of waste sent to landfill at less than 0.01 based on production volume	● Intensity of waste sent to landfill was maintained at less than 0.01 based on production volume in 2025

Legend: Progress tracking

- On track to meeting set targets
- Falling short on meeting target for 1 year, review current practices

## ETHICS AND INTEGRITY

The Board of CNH upholds and sets an expectation for high standards of business ethics and integrity for the Group’s business, operations and people, including employees and CBOs.

### Employees

Our commitment to ethical conduct is formalized through the Board-approved Code of Business Ethics (“CBE”), which is integrated into our Employee Handbook. The CBE is mandatory for all our directors, and employees, setting out principles for ethical business practices. These principles encompass key areas such as anti-bribery and anti-corruption, the prevention and management of conflicts of interest, the prohibition of the abuse of power and insider trading, and adherence to anti-money laundering regulations, among others.

The Employee Handbook reflects the Group’s respect for everyone’s fundamental human rights and commitment to complying with labour standards, including the prohibition of child labour, forced labour and excessive working hours. The Employee Handbook is also designed to protect employees and stakeholders from any form of bullying or harassment, including sexual harassment. The Group respects employees’ rights to freedom of association and collective bargaining in accordance with the laws and regulations. Our employment practices and business operations are in strict compliance with relevant applicable laws and regulations with the management team actively monitoring these practices at our key operating sites and branches.

## SUSTAINABILITY STATEMENT

The Group ensures that all employees, including new hires, are thoroughly familiarized with the Employee Handbook and the Code of Business Ethics (CBE). This includes providing a briefing and requiring new employees to provide written acknowledgment confirming their understanding and commitment to adhere to the Employee Handbook's guidelines.

Furthermore, employees are obligated to disclose any potential conflicts of interest that may arise involving the Group or its key stakeholders.

The Employee Handbook is readily accessible to all employees through the Employee Portal. It is regularly reviewed and updated to ensure compliance with the latest laws and regulations. When significant revisions are made, employees are required to provide a refreshed acknowledgment to confirm their understanding of and commitment to the updated guidelines.

### CBOs

To maintain consistent ethical standards across the Marketing and Trading business, all CBOs adhere to a comprehensive Business Handbook. This handbook outlines core principles and ensures compliance with relevant laws and regulations, covering key areas such as responsible marketing and advertising, customer return and exchange policy, anti-bribery and anti-corruption, and anti-money laundering.

CNI Enterprise (M) Sdn Bhd ("CNI"), including its CBOs, maintains a firm commitment to full compliance with the Code of Conduct established by the Direct Selling Association of Malaysia ("DSAM"). This Code outlines the essential standards and expected conduct for all direct selling activities undertaken in Malaysia.

We are committed to maintaining transparent and honest communication with all our stakeholders, in line with the Business Handbook and the DSAM Code of Conduct. We ensure the clear and transparent communication of the criteria and terms and conditions for all our marketing and incentive programmes, which include rewards and member awards.

The Business Handbook and the DSAM Code of Conduct are accessible to all CBOs, outlining crucial ethical guidelines. These guidelines strictly forbid practices such as price-cutting and making exaggerated claims about products. Furthermore, they stress the necessity of upholding unity and harmony among the CBOs network, alongside providing other essential behavioral do's and don'ts.

We ensure that our CBOs are regularly informed about business ethics through our daily interactions. These engagements, which actively promote awareness, encompass marketing plans and strategy briefings, bulletin materials, marketing and tutorial videos, training sessions, and other relevant platforms.

The Business Handbook, available in both English and Bahasa Malaysia, can be accessed via our CBOs Portal. Furthermore, the DSAM Code of Conduct and Code of Ethics are publicly accessible on the CNI website at [www.cni.my](http://www.cni.my).

### Anti-Bribery and Anti-Corruption

A Board-approved Anti-Bribery and Anti-Corruption Policy ("ABC Policy") is in place to set out a clear, zero-tolerance approach towards bribery to guide all the Group's business operations, employees, CBOs, suppliers and business associates. The ABC Policy communicates our expectations regarding the prohibition of bribes and facilitation payments and provides guidance on managing high-risk transactions such as gifts, entertainment, donations, sponsorships etc.

The ABC Policy is publicly accessible on our corporate website at [www.citranusaholdings.com](http://www.citranusaholdings.com).

The ABC Policy guides the Group's internal controls and processes for managing corruption risks. It also outlines permissible circumstances and procedures for managing high-risk transactions such as gifts, entertainment and hospitality. The Group adopts a risk-based approach to address corruption, integrating it into the Group's annual risk assessment, which encompasses all functions and business activities.

In 2025, 100% of the Group's operations have been assessed for corruption-related risks.

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

The Group places an emphasis on maintaining integrity and transparency throughout its value chain. To manage and mitigate related risks, both employees and suppliers are obligated to disclose any potential conflicts of interest as part of the Group's due diligence process.

## SUSTAINABILITY STATEMENT

Furthermore, CNH is committed to fostering awareness of its Anti-Bribery and Corruption (ABC) Policy, Code of Business Ethics (CBE), and Business Handbook among all stakeholders. This is achieved through regular communication, as well as providing briefings and training sessions for employees. Our training efforts are summarized in the table below, categorized by employee group.

Employee Category	Completion Rate (%)		
	2023	2024	2025
Management	77	90	92
Executive	79	82	76
Non-Executive/Technical Staff	93	92	88
General Workers	100	100	89

### Whistle-Blowing Mechanism

The Group maintains a robust and confidential whistle-blowing mechanism, accessible via the Whistle-Blowing Policy on our corporate website, [www.citranusaholdings.com](http://www.citranusaholdings.com). This dedicated channel enables individuals to securely report legitimate concerns regarding serious misconduct, illegal activities, human rights violations, and unethical business practices. It also covers serious non-compliance with Group policies and codes, including workplace discrimination or harassment. Every report is managed through a structured and confidential process, guaranteeing the integrity of the investigation and protecting the identity of whistle-blowers.

The Group's Whistle-Blowing Policy ensures that whistle-blowers, which include all individuals and the public, are protected from any form of retaliation by the Group or its personnel when reporting genuine concerns through the whistle-blowing mechanism.

In 2025, there were no whistle-blowing cases reported, and there were no substantiated complaints or incidents noted pertaining to bribery and corruption and unethical business practices, or labour standards or human rights violations. Additionally, there were no significant instances of non-compliance with laws and regulations, and there were no significant associated fines, penalties or non-monetary sanctions.

	2023	2024	2025
Number of confirmed corruption incidents	0	0	0

## HEALTH AND SAFETY

A safe, healthy, and conducive working environment is a top priority for our business operations. By committing to these standards, we aim to prevent workplace injuries and illnesses, ultimately fostering greater efficiency and output among our employees.

Our commitment to occupational health and safety is formalized through the Occupational Health and Safety Management System ("OHSMS"). This system adheres to both the Occupational Safety and Health Act 1994 and the ISO 45001:2018 standards for Occupational Health and Safety Management Systems. The OHSMS plays a vital role in protecting employees and stakeholders by aiming to eliminate work-related injuries, disabilities, ill health, diseases, and fatalities.

Oversight is provided by the Safe Quality Management System Committee (SQMS), which operates within our factories. This committee holds quarterly meetings with management representatives to ensure consistent discussion and alignment on performance and strategic direction across all levels.

### Safety and Health Training

We ensure the safety of our workforce by offering training on vital safety measures and holding yearly safety awareness sessions, specifically for employees who face workplace hazards and risks.

The safety and health training provided to employees in 2025 included:

- Systematic Occupational Health Enhancement Level Program
- Hearing Conservation Program
- Alat Pemadam Api

## SUSTAINABILITY STATEMENT

In line with its continuous dedication to workplace safety, CNH held an internal fire safety drill in October 2025. This exercise was designed to enhance emergency preparedness by instructing employees on evacuation procedures, the correct usage of fire extinguishers, and overall emergency response protocols. Regular drills like this are crucial for developing a coordinated and effective response capability during any emergency.

A summary of employees trained on health and safety standards is presented below. The Group is in the process of strengthening the consistency of internal reporting for health and safety training coverage across employee categories to support more complete disclosure going forward.

	2023	2024	2025
Number of employees trained on health and safety standards	153	195	170

### Work-related injuries

The Group recorded zero work-related fatalities in 2025. Two lost time injury cases were recorded during the year. While this reflects a lower number of lost time injuries compared with 2024, the Group recognises the need to continue strengthening preventive measures, awareness and compliance with safety procedures to reduce recurrence.

	2023 <sup>(1)</sup>	2024 <sup>(2)</sup>	2025 <sup>(3)</sup>
Total Hours Worked	338,688	554,232	531,404
Number of Fatalities	0	0	0
Number of Lost Time injuries	4	3	2
Lost Time Incident Rate* (LTIR)	2.36	1.08	0.75

\*LTIR was calculated based on Bursa Securities' Sustainability Reporting Guide for per 200,000 hours worked.

Notes:

1. Data sourced from the Manufacturing segment
2. Data has been reinstated and sourced from the Manufacturing and Marketing & Trading segments
3. Data sourced from the Manufacturing and Marketing & Trading segments

## CUSTOMER RESPONSIBILITY

Customer responsibility remains central to the Group's business model, particularly given its focus on wellness, functional nutrition, personal care, direct customer engagement and product-led brand trust. For the Group, customer responsibility extends beyond customer satisfaction alone. It encompasses product safety and quality, responsible marketing and communication, regulatory compliance, service responsiveness, product information transparency, and the responsible stewardship of customer trust.

The Group continues to strengthen customer responsibility through a combination of quality controls, product evaluation processes, customer feedback mechanisms, training, and regulatory discipline across both its Marketing & Trading and Manufacturing segments. These efforts support not only compliance, but also the long-term credibility and relevance of the Group's products and brands in the marketplace.

### Brand Reputation

The Group is committed to building long-term trust with stakeholders by maintaining responsible business practices, quality products and meaningful engagement across its operating channels. Our brand reputation is shaped not only by product performance, but also by the standards we uphold, the way we engage customers and CBOs, and the discipline with which we manage our business.

To support this, the Group engages not only with customers and CBOs, but also with universities, industry peers and industry leaders. Such engagements strengthen the Group's external perspective, support broader learning and continuous improvement, enhance its understanding of market and regulatory expectations, and reinforce the credibility of its products, practices and market conduct, while enabling participation in wider industry sustainability efforts where relevant.

The Group also continues to reinforce its brand reputation through product education, responsible communication, and participation in industry platforms that promote ethical and professional standards. Our memberships in bodies such as the

# SUSTAINABILITY STATEMENT

Direct Selling Association of Malaysia (“DSAM”) and the Federation of Malaysian Manufacturers (“FMM”) also support our commitment to responsible practices, industry standards and stakeholder trust.

As the Group continues to strengthen its operating discipline and business foundations, customer trust and brand credibility remain important to sustaining long-term business resilience and relevance.

## Product Innovation

The Group is committed to continuously developing and refining its product portfolio in ways that remain relevant to evolving consumer needs, aligned to market developments, and consistent with appropriate quality and safety expectations. Product innovation is guided not only by commercial opportunity, but also by consumer relevance, formulation integrity, regulatory discipline, portfolio fit, and the Group’s broader objective of sustaining trust and long-term market relevance.

In strengthening its innovation approach, the Group places increasing emphasis on understanding changing consumer needs, usage preferences and market expectations. This includes not only the functional efficacy of products, but also how products are delivered, experienced and presented to the market. As such, innovation is not limited to product formulation alone, but also extends to areas such as delivery method, packaging approach, product accessibility and overall consumer experience.

To support this, the Group monitors industry trends, customer needs, and technological developments through ongoing market observation, internal product review, and customer and CBO feedback. Product evaluation is carried out prior to launch, taking into account factors such as physical and sensory attributes, formulation uniqueness, functional benefits, delivery suitability, packaging relevance, and overall customer acceptance. These efforts help the Group strengthen product relevance while supporting more informed launch decisions and better market readiness.

The Group also recognises that future-facing innovation increasingly requires consideration of broader sustainability-related factors. Accordingly, selected product development efforts continue to incorporate healthier choices, more environmentally conscious considerations, and other relevant ESG-related factors where appropriate, feasible and commercially viable. This reflects the Group’s intention to progressively embed changing consumer expectations and longer-term sustainability considerations into its innovation thinking over time.

## Customer Satisfaction

The Group is committed to engaging customers effectively in order to better understand their needs and preferences, improve service responsiveness, and support the delivery of quality products and services. For the Group, customer satisfaction is not viewed solely as an outcome measure, but also as an important indicator of customer trust, service effectiveness, and the relevance of the Group’s products and engagement approach.

A key part of the Group’s engagement strategy is the maintenance of a strong and active network of CBOs, who serve as the primary contact points for many product consumers. In addition, the Group has established direct communication channels that allow customers to submit enquiries, comments and feedback directly. This combination of network-based engagement and direct customer access helps the Group improve responsiveness, strengthen communication quality, and better understand customer expectations across its operating model.

Key customer engagement channels include the Group’s corporate email and website, bulletins, social media platforms, customer service and e-commerce WhatsApp lines, SMS and Telegram communication, the Member Portal, as well as surveys, training sessions, meetings, conferences and events.

Through these channels, the Group continues to gather customer feedback, respond to enquiries, and improve the overall customer experience. Ongoing engagement, including periodic feedback collection and the annual Customer Satisfaction Survey (“CSS”), provides the Group with deeper insight into customer needs, service expectations and areas requiring improvement. These insights support the continuous enhancement of both product and service delivery, while also helping the Group strengthen customer understanding and market responsiveness.

The Group remains committed to maintaining a minimum average Customer Satisfaction Survey score of 80% annually. In 2025, the Group achieved an average CSS score of 90%, exceeding its target for the year. This reflects continued customer confidence in the Group’s products and service standards, while also providing an important benchmark for ongoing improvement.

Year	Marketing & Trading	Manufacturing	Average
2023	95	83	89
2024	99	85	92
2025	95	85	90

# SUSTAINABILITY STATEMENT

## Product Safety and Quality

Product safety is a fundamental and non-negotiable requirement across the Group's portfolio. Internal controls and standard operating procedures are in place to support compliance with applicable regulatory requirements before products are offered to CBOs and customers. These requirements include the relevant oversight of authorities such as the Food Safety and Quality Division, National Pharmaceutical Regulatory Agency ("NPRA"), Ministry of Health ("MOH"), and Ministry of Domestic Trade and Cost of Living ("KPDN").

The Group maintains quality and safety controls across the product lifecycle, including product development, supplier selection, manufacturing, packaging, logistics and distribution. These controls apply both to products manufactured internally under the Group's brands and to products sourced from third parties under the Group's brands. For externally sourced products, relevant supporting documents such as Certificates of Analysis or internal test reports are required to verify compliance with applicable standards and agreed specifications.

Across both the Manufacturing and Marketing & Trading segments, quality checks are carried out before products are distributed to centres and branches. This includes assessment of relevant specifications such as physical appearance, aroma and taste for edible products. The Group also maintains supplier assessment and due diligence processes as part of its broader quality assurance and product stewardship approach.

In 2025, the Group further strengthened selected product authenticity verification measures through the use of technology-enabled labelling features designed to support traceability and help customers verify official CNI-distributed products. These measures are intended to strengthen consumer confidence, improve product oversight, support quality control, and reinforce the integrity of the Group's route-to-market and supply chain processes.

For example, Firesens product packaging features a unique Super QR Code label designed to support authenticity verification, product traceability and customer assurance. When scanned, the feature provides verification information to help customers identify official CNI-distributed products.



Beyond customer protection, this also supports better channel discipline and strengthens the Group's broader efforts to maintain product integrity and trust in the market.

## Product and Manufacturing Certifications

Certifications for our products and manufacturing processes offer enhanced assurance to our business, our partners, and our customers.

The Group's manufacturing activities comply with the following certifications:

- Good Manufacturing Practice (GMP) for Food (MS1514:2022)
- Quality Management Systems (ISO 9001:2015)
- Environmental Management System (ISO 14001:2015)
- Occupational Health and Safety Management System (ISO 45001: 2018)
- Food Safety Management System (Food Safety System Certification FSSC 22000)
- Hazard Analysis and Critical Control Point (MS1480:2019)

Our Testing Laboratory holds SAMM accreditation from Standard Malaysia, confirming its compliance with the MS ISO/IEC 17025 standard for General Requirements for the Competence of Testing and Calibration Laboratories.

Our commitment extends to compliance with the GUIDELINES FOR CONTROL OF COSMETIC PRODUCTS IN MALAYSIA and the Occupational Safety and Health (Use and Standard of Exposure Chemical Hazardous to Health) Regulations 2000 (USECHH Regulations).

## **SUSTAINABILITY STATEMENT**

To maintain these certifications, regular independent audits are carried out to verify the ongoing implementation of practices in line with the said standards. In 2025, we continued to maintain these certifications without significant issues.

Furthermore, to cater to our diverse market base, we strictly adhere to Halal standards throughout our entire supply chain, manufacturing, and product offerings. This commitment to quality and ethical practices is demonstrated by holding HALAL certifications for over 150 of our products. Additionally, we maintain KKLIU certifications, enabling us to advertise our MAL-registered products through recognized and appropriate channels.

### **Food Safety and Product Recall**

The Group prioritizes the well-being of its consumers by maintaining stringent product safety processes and controls for its food products. Our proactive approach focuses on prevention, aiming for a target of zero food safety incidents. We are pleased to report that this goal was achieved, with no food safety incidents recorded in 2025.

In support of our preventive and remedial controls, we have established a product recall policy and associated SOPs. These measures ensure a prompt and efficient response should a product recall become necessary, helping to contain and minimize any negative impact. Our recall process is developed in alignment with the procedures prescribed by the NPRA and is subject to regular review to ensure its continued effectiveness.

The effectiveness of our recall process is further enhanced by robust quality control practices at our operations, including batch tracing and other traceability measures, which facilitate accurate tracing.

We confirm that there were zero incidents of product recall during 2025.

### **Responsible Marketing and Advertising**

The Group is committed to maintaining responsible marketing principles and complying with applicable laws, regulations and industry standards governing product communication and advertising. For the Group, responsible marketing is not only a compliance requirement, but also an important element of customer trust, brand protection, and sustainable route-to-market management, particularly in a business model where products are marketed through both corporate-led communication and CBO-led engagement.

The Group's marketing and advertising practices are guided by relevant regulatory and industry requirements. All MAL-registered products are subject to registration under the National Pharmaceutical Regulatory Agency ("NPRA"), while advertising for applicable products is undertaken in accordance with the approval requirements of the Medicine Advertisements Board ("KKLIU"). In addition, the Group's food, wellness, skin care and cosmetic products are regulated by the Ministry of Health ("MOH"), while product pricing in the Marketing & Trading segment is governed by the Ministry of Domestic Trade and Cost of Living ("KPDN"). These requirements form part of the Group's broader commitment to responsible communication, regulatory discipline and appropriate market conduct.

In the Group's Marketing & Trading segment, represented by its network of CBOs, strong emphasis is placed on fair, ethical and responsible direct-selling practices. CBOs are expected to comply with the Direct Selling Association of Malaysia ("DSAM") Code of Conduct, the Group's Business Handbook, and relevant internal policies governing advertising and marketing conduct. These requirements are intended to support truthful communication, fair selling practices, and the responsible presentation of product-related information across physical and electronic formats.

Under these requirements, CBOs are prohibited from repackaging products, altering labels, or making misleading claims relating to product efficacy, health benefits, treatment outcomes, or cure-related representations for diseases or medical conditions. CBOs are also expected to provide accurate and appropriate information regarding product quality, origin, performance and usage. These controls are important in helping the Group safeguard customer trust, reduce claims-related risk, and maintain the integrity of its direct-selling model.

To support compliance, the Group reinforces responsible marketing expectations through communication, training, policy guidance and the monitoring of marketing materials and selling practices. CNI personnel actively review CBO marketing conduct and take follow-up action where instances of non-compliance are identified. This ongoing oversight supports the Group's broader efforts to strengthen responsible market conduct, customer protection and long-term brand credibility.

### **Health Products and Nutrition**

The Group is committed to offering customers accessible, high-quality and nutritionally relevant products that support their health and wellness journey. This remains closely aligned with the Group's long-standing philosophy of promoting well-being through products that are practical, trustworthy and relevant to everyday life. In this respect, the Group's health products and nutrition offerings form an important part of its continuing journey as "Wellness Advocates since 1986," reflecting a long-term

## **SUSTAINABILITY STATEMENT**

commitment to supporting healthier lifestyles through responsible product stewardship, customer education and market accessibility.

The Group seeks to ensure that its functional foods, health supplements and other wellness-oriented products remain available to a broad customer base through fair pricing, consistent product supply and appropriate product positioning. Maintaining accessibility and value is an important part of this approach. As part of product development and review, price checking is integrated into the process to assess market trends, consumer expectations and competitor pricing, with the aim of ensuring that the Group's products continue to offer a fair balance of quality, nutritional relevance and value for money.

The Group also places emphasis on transparency in product communication. All processed food and beverage products are labelled in accordance with applicable laws and regulations, including the Food Act 1983, with relevant nutritional information disclosed to support informed consumer decision-making. This includes information such as recommended intake and the content of relevant nutrients, helping customers better understand the products they consume.

In addition, the Group recognises that responsible health and wellness positioning depends not only on product quality, but also on the quality of customer guidance provided through its route-to-market. To support this, comprehensive online and offline product training is conducted for CBOs, particularly for new product launches, covering ingredients, benefits and appropriate product understanding. This helps equip CBOs with the knowledge needed to provide more accurate, helpful and responsible recommendations to customers.

The Group's health and nutrition portfolio also reflects its broader intention to support preventive wellness and everyday health maintenance through accessible functional nutrition options. Products such as Well3 Suri B'lanz and Vigo+ Prime are positioned to support the well-being needs of women and men respectively, while customer and CBO education also continues to cover traditionally recognised ingredients such as Kacip Fatimah and Tongkat Ali in the context of informed and responsible product use.

For the Group, this area is not only about product sales. It reflects a broader mission to combine product relevance, customer trust, responsible communication and practical wellness support in a way that remains consistent with the Group's values and long-standing market identity. As consumer expectations continue to evolve, the Group will continue to strengthen how its health and nutrition offerings remain relevant, accessible and responsibly presented to the market.

### **Product Labelling**

The Group seeks to ensure that product labelling is accurate, compliant and useful to customers in making informed purchase and consumption decisions. For the Group, product labelling is not viewed merely as a regulatory requirement, but also as an important element of transparency, customer trust and responsible product stewardship, particularly for food, wellness, personal care and other consumer-facing product categories.

The Group's labelling practices are designed to comply with applicable laws and regulations and to support the accurate and truthful presentation of product information. For food products, the Ministry of Health ("MOH") conducts labelling checks as part of the relevant clearance process to confirm regulatory compliance. In addition, descriptions of most food and beverage products featured on the CNI website are also subject to MOH screening, further supporting the Group's effort to maintain appropriate and compliant product communication.

In a continuing effort to align with evolving labelling requirements and improve product information transparency, the Group has updated selected product labels to more clearly disclose the percentage of active ingredients, as well as the content levels of sugar and sodium where relevant. These improvements are intended to support better consumer understanding and more informed product choice.

To better serve a diverse customer base, most products are labelled in at least two languages. This supports clearer communication across different consumer groups and helps improve accessibility of product information in the market.

Product labels are designed to provide consumers with relevant and adequate information to support informed purchasing and responsible use. Depending on the product category, this typically includes ingredients, potential allergens or health-related cautions, additives, suggested methods of consumption or application, and relevant manufacturing, expiry or best-before dates. Through these practices, the Group aims to strengthen regulatory compliance, improve customer understanding, and reinforce trust in the accuracy and quality of its product information.

## **SUPPLY CHAIN MANAGEMENT**

The Group manages its supply chain with a focus on quality, reliability, ethical conduct and responsible sourcing. Given the importance of supplier performance to the Group's product standards, manufacturing continuity, regulatory compliance and customer trust, supply chain management remains an important part of the Group's overall operating discipline and sustainability approach.

## SUSTAINABILITY STATEMENT

The Group's supply chain supports the delivery of a wide range of products across its business segments. To manage this effectively, the Group applies structured processes that include supplier due diligence, onboarding, ongoing engagement, and regular performance assessments. Key considerations in these assessments include product and service quality, supplier capability and reliability, ethical business practices, and, where relevant, selected environmental and social considerations. These processes are intended to support responsible sourcing and the consistent delivery of products that meet the Group's quality and compliance expectations.

The Group also engages suppliers through various channels, including surveys, self-declaration forms, on-site inspections and physical visits, to foster mutual understanding and improve alignment across the value chain. This is particularly important in areas such as product and service quality, food safety, raw material sourcing, and compliance with applicable standards, including the handling of significant waste or by-products where relevant. Through these engagements, the Group seeks to strengthen not only oversight, but also supplier understanding of the standards and expectations required to support the Group's business and operating priorities.

All suppliers are required to adhere to the Group's Purchasing Policy, which sets out the principles and guidance for sustainable procurement. Under this policy, suppliers are expected to uphold ethical business practices, including zero tolerance for corruption, responsible management of environmental impacts where relevant, and respect for the rights and welfare of employees and workers. While the Group is still at an earlier stage of embedding broader sustainability considerations across the supply chain, these expectations form part of its ongoing effort to strengthen supply chain integrity and responsible value-chain management.

Where non-conformance or unmet expectations are identified through daily operations or periodic performance assessments, the Group undertakes follow-up action and works with suppliers on the necessary remedial measures. This includes monitoring progress and encouraging corrective action where needed, with the aim of supporting continuous improvement and maintaining the standards required across the Group's supply chain.

In 2025, the Group also continued strengthening internal planning and coordination foundations to support more efficient operations and better execution discipline. This included the introduction of Sales and Operations Planning ("S&OP") foundations to improve alignment across demand, supply and execution priorities. While still at a foundational stage, this effort supports better supply continuity, improved operational coordination, and a more disciplined approach to execution excellence across the value chain.

### Suppliers' Screening

The Group continued its commitment to responsible sourcing by maintaining 100% sustainability screening coverage for all new suppliers in 2025 using environmental and social criteria. This reflects the Group's ongoing effort to strengthen supplier onboarding discipline and to ensure that new suppliers are assessed against relevant sustainability expectations from the outset. Going forward, the Group will continue to expand and strengthen the assessment of existing suppliers over time in line with business needs and the gradual embedding of broader sustainability thinking.

	2023	2024	2025
Percentage of new suppliers that were screened using environmental criteria	Nil	100%	100%
Percentage of new suppliers that were screened using social criteria	Nil	100%	100%

### Local Suppliers

The Group remains committed to supporting the local economy and, where feasible, reducing transport-related impacts by prioritising the procurement of products and services from local suppliers. For the Group, local sourcing can also support better supply responsiveness, closer supplier engagement, and improved continuity of supply in selected areas, while contributing to domestic economic activity.

In 2025, this commitment was reflected in the Group's procurement spending, with 81% of total procurement expenditure, equivalent to RM37,355,282, directed to local suppliers. This was an improvement from 80% in 2024 and 77% in 2023.

	2023	2024	2025
Proportion of spending on local suppliers	77%	80%	81%

# SUSTAINABILITY STATEMENT

## DATA PRIVACY AND SECURITY

As the Group continues to digitalise parts of its operations, customer engagement processes and payment-related activities, data privacy and cyber resilience remain important to sustaining stakeholder trust, operational continuity and regulatory compliance. In a business environment increasingly supported by digital platforms, online transactions and connected systems, the Group recognises that responsible data management forms an essential part of its broader governance and risk management approach.

The Group has implemented policies, processes and system controls to safeguard business information and personal data belonging to employees, CBOs, customers, suppliers and business associates. These measures include access controls, confidentiality requirements, data-handling procedures, awareness initiatives, and security practices intended to support the integrity of the Group's digital and information technology environment.

An IT Security Access Policy is in place to regulate and restrict user access to core systems, and this is supported by the Employee Handbook, which sets expectations for the appropriate use of the Group's IT assets, systems and data. The Group also reinforces cybersecurity awareness through regular employee training to help strengthen user vigilance against evolving threats such as phishing, ransomware and other cyber risks.

The Group's data privacy standards and procedures are designed to be consistent with the requirements of the Personal Data Protection Act 2010 ("PDPA") and its amendments, and a Data Protection Officer has been registered for the applicable Group companies in line with the PDPA (Amendment) Act 2024 requirements. The DPO serves as the key liaison on personal data matters and supports the Group's response framework in the event of any data security incident.

In 2025, based on internal monitoring and available records, the Group did not identify any reportable personal data breaches during the financial year.

As digital reliance continues to grow, the Group will continue strengthening its data governance, privacy controls and cyber resilience over time.

	2023	2024	2025
Number of substantiated complaints concerning breach of customer privacy or data loss	0	0	0

## EMPLOYEE MANAGEMENT

The Group is committed to providing a safe, respectful and supportive work environment that enables employees to contribute effectively while developing their capabilities over time. Employee management remains an important part of the Group's sustainability approach, not only from a labour standards and well-being perspective, but also in supporting capability-building, execution discipline and the Group's broader business improvement journey.

The Group maintains various employee engagement channels, including town halls, employee surveys, performance appraisal processes, training and development programmes, and internal communication platforms. These channels support two-way communication between employees and Management and help the Group identify priorities relating to employee well-being, development, engagement and workplace conditions.

The Group continues to uphold a zero-tolerance approach to discrimination, harassment and bullying in the workplace. Employees have access to grievance channels and whistleblowing mechanisms to report potential breaches of workplace standards or the Code of Business Ethics.

In 2025, the Group continued to provide employees with statutory benefits and additional support measures, including medical-related coverage, maternity and paternity leave, flexible work arrangements for eligible employees, staff product benefits and other employee support measures.

### Engagement Channels

Our employees are among the Group's most valued stakeholders, and we are committed to fostering their growth and development. We engage our workforce through a range of communication channels that enable us to communicate the Group's business direction and strategies while also gaining meaningful insights into employees' needs and aspirations.

We recognise that employees' innovative ideas are essential to driving future business growth and sustaining market relevance. To this end, we promote a culture of open communication and continuously strive to build strong, trust-based relationships across the organisation.

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The People Strategy Management (PSM) Department plays a critical role in ensuring that employees' voices are effectively represented at the Group level. To further enhance employee engagement, the Company conducts quarterly surveys following Town Hall meetings. These surveys assess employees' understanding of the Group's business direction and strategic priorities, while also providing a structured platform for feedback and supporting continuous improvement.

### Employee Well-being

The Group is committed to full compliance with all applicable laws and regulations relating to employee benefits, including the timely and accurate fulfilment of statutory contributions. In addition to statutory requirements, we provide a comprehensive range of benefits designed to support employees' overall well-being and promote a healthy work-life balance.

Our employee well-being programme includes healthcare insurance coverage, outpatient medical reimbursement, Group Hospitalisation and Surgical insurance, Group Term Life insurance, and travel insurance, ensuring employees are well protected and supported.

We also promote a flexible and agile working environment through our CNI Mobile Workforce (CMW) programme, which enables eligible employees to determine their preferred work location and schedule. This initiative is designed to enhance both individual and team productivity.

In addition, employees enjoy a range of value-added benefits, including staff discounts on CNI products, monthly product promotions, complimentary parking at Wisma CNI headquarters, lunch subsidies, and an Event Championship Subsidy to encourage interdepartmental engagement activities.

### New Hire and Turnover

The Group monitors the effectiveness of its talent retention and development initiatives through key workforce metrics, including turnover and new hire rates for full-time salaried employees. As at 31 December 2025, the Group's turnover rate decreased significantly to 14%, compared to 23% in 2024, reflecting improved employee retention. The new hire rate recorded a slight decline to 10% (2024: 11%).

Overall, both metrics remained stable and within a manageable range throughout the year, aligned with the Group's operational requirements and workforce planning strategies.

	2023	2024	2025
New hires rates (%)	15	11	10
Turnover rates (%)	12	23	14

The following table details the employee turnover and new hires, categorized by employee type, as of 31 December 2025:

Employee Category	Total number of new hires		
	2023	2024	2025
Management	5	3	6
Executive	11	14	7
Non-Executive/Technical Staff	9	12	8
General Workers	16	0	2
Total	41	29	23
Employee Category	Total number of employee turnover		
	2023	2025	2025
Management	6	8	7
Executive	14	25	11
Non-Executive/Technical Staff	10	21	11
General Workers	4	6	4
Total	34	60	33

To better understand the reasons for employee departures and identify areas for improvement, the Group conducts exit interviews. Structured processes are in place to analyse insights gathered from these interviews, with appropriate follow-up actions implemented where necessary to enhance organisational practices.

# SUSTAINABILITY STATEMENT

## Employee Training

Employee training remained an area of focus during the year. Total training hours reached 5,737 in 2025, representing a 34% increase compared with the 2023 baseline. Training topics covered management, governance, finance, compliance, legal, product knowledge, human resources, digital and technology-related topics, as well as safety, health and wellness. As the Group continues to strengthen governance, discipline and execution capability, employee development will remain an important enabler of sustainable performance.

Employee Category	Total hours of training		
	2023	2024	2025
Management	668	1,355	1,714
Executive	646	1,305	850
Non-Executive/Technical Staff	1,214	1,707	1,294
General Workers	1,750	1,948	1,879
Total	4,278	6,315	5,737
Overall average training hours per employee (hours)	15	24	24

## HUMAN RIGHTS

Our human rights commitment is clearly defined in the Code of Business Ethics (COBE), which sets expectations for employees and all external stakeholders engaged with CNH. The COBE outlines our approach to fair labour practices, including zero tolerance for child labour and forced labour in any form. It also upholds protection against discrimination and harassment, supports freedom of association and collective bargaining, and provides clear grievance mechanisms.

We ensure that all employees are informed of our grievance handling procedures and whistleblowing policy. Our confidential and secure whistleblowing channels enable employees to anonymously report violations of labour practices, disputes, and inappropriate behaviour. All reports are treated with utmost seriousness, and whistleblower identities are protected throughout the investigation process.

Recognising the labour-intensive nature of the manufacturing industry, our operations place strong emphasis on labour rights management. We are committed to ensuring fair wages and compensation for all workers, including foreign workers, as well as providing safe and adequate living conditions and sufficient training.

We continue to strengthen our efforts to manage human rights risks with the aim of maintaining zero substantiated complaints regarding human rights violations.

	2023	2024	2025
Number of substantiated complaints concerning human rights violations	0	0	0

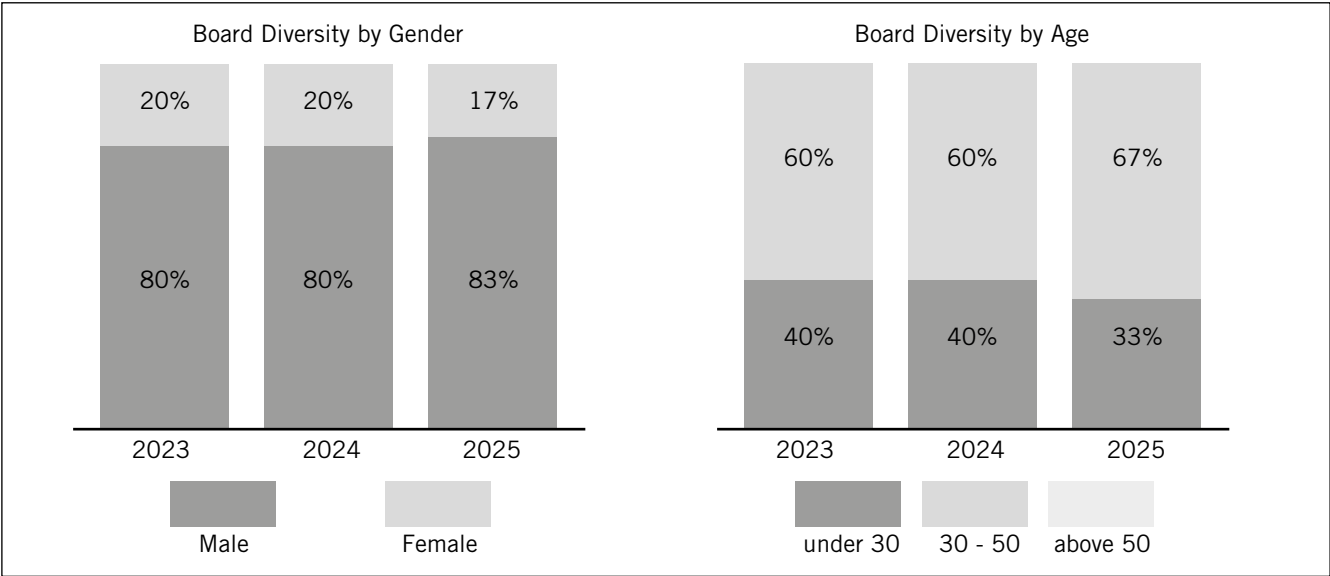
## DIVERSITY, EQUITY AND INCLUSION

We are committed to fostering a diverse, equitable, and inclusive workplace that provides equal opportunities for all individuals. Our employment practices including recruitment, training, development, performance evaluation, and promotion are based strictly on merit, competency, experience, and role-relevant attributes. Discrimination on the basis of race, religion, gender, age, disability, or nationality is strictly prohibited. We also uphold the principle of equal pay for equal work, ensuring remuneration is determined solely on merit without bias.

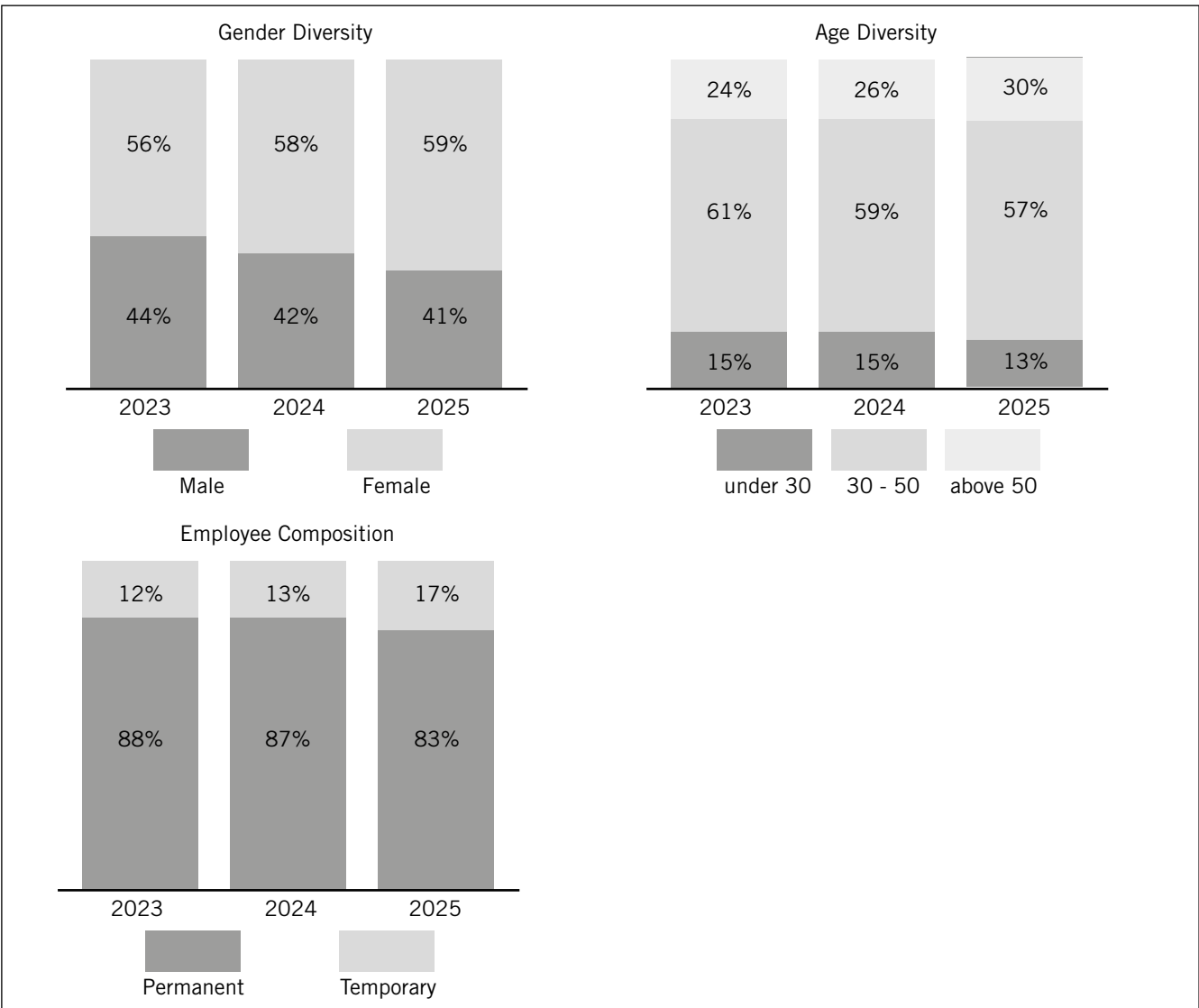
In 2025, we further strengthened efforts to promote mutual respect and inclusivity through various initiatives. Our commitment to maintaining a safe and inclusive workplace free from discrimination or harassment is reinforced through our Code of Business Ethics and established grievance mechanisms.

As at 31 December 2025, the Group employs 242 individuals across the business segments covered in this Statement. Our workforce comprises 83% permanent employees and 17% contract or temporary employees.

# SUSTAINABILITY STATEMENT

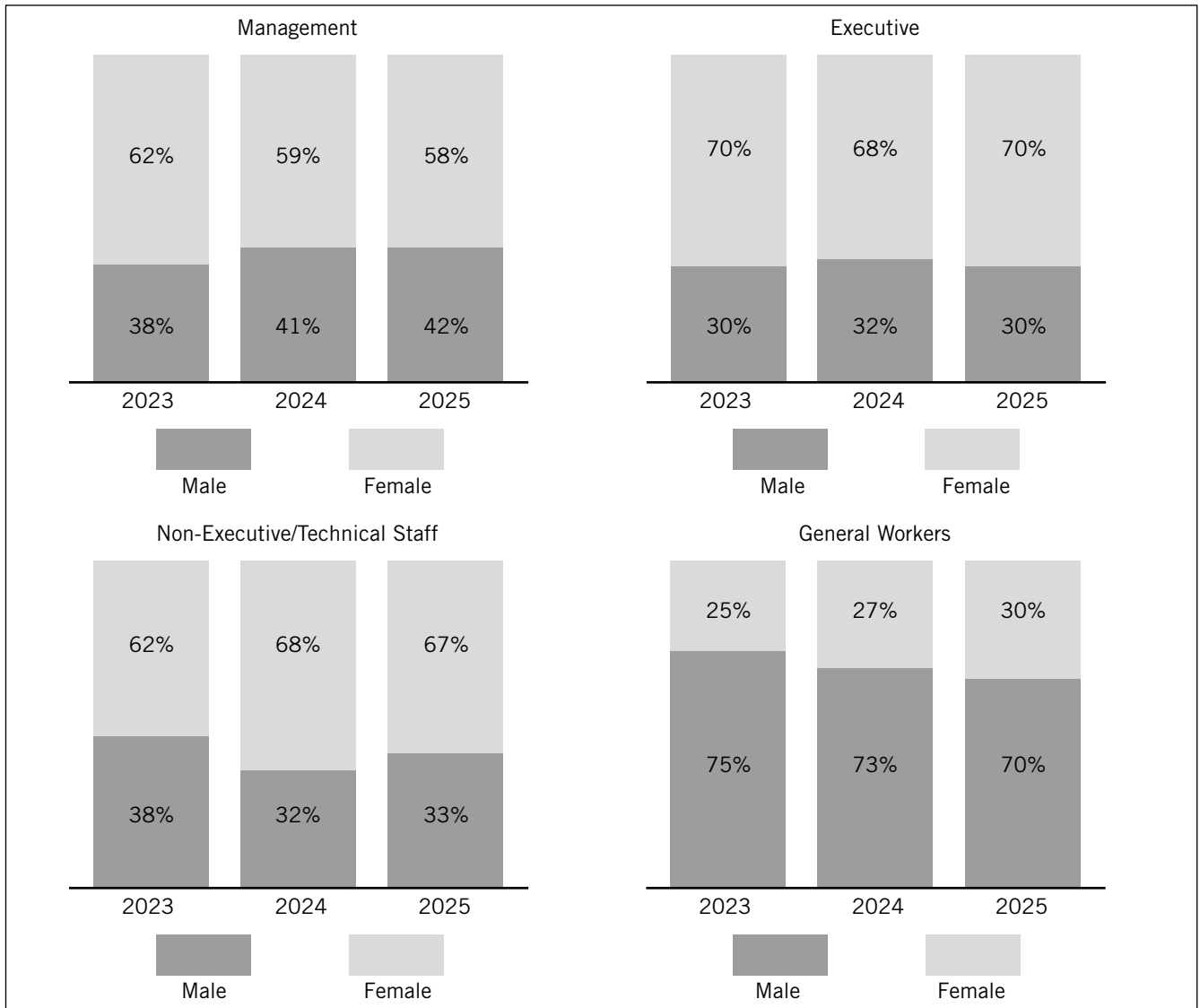


## Workforce Profile

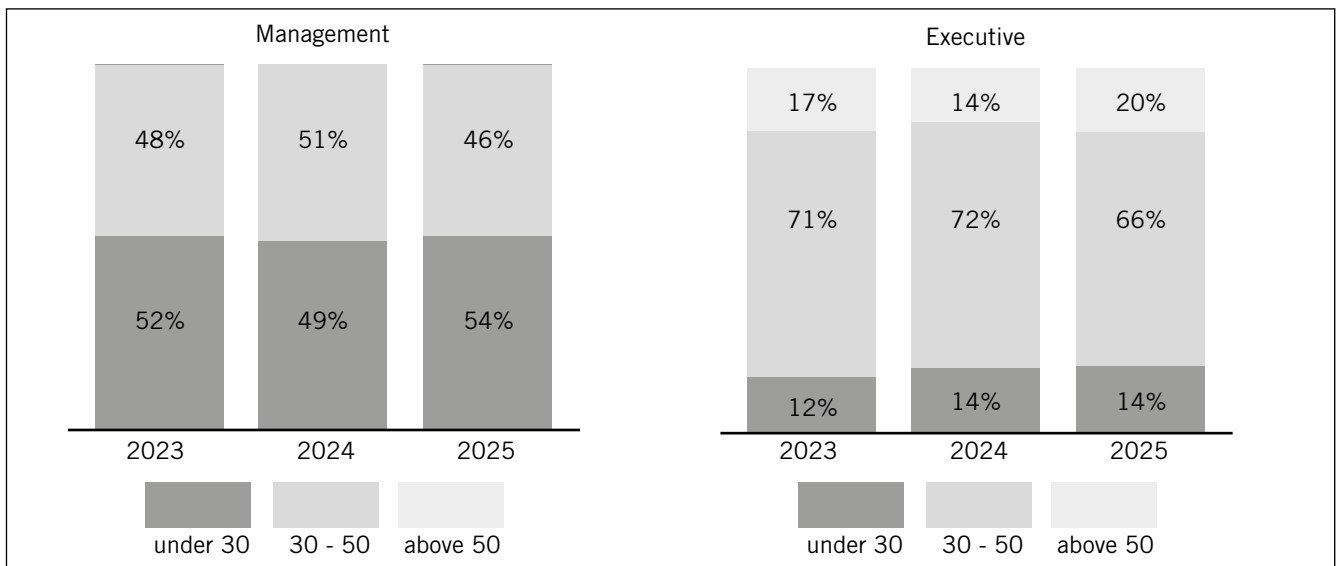


# SUSTAINABILITY STATEMENT

## Gender Diversity by Employee Category

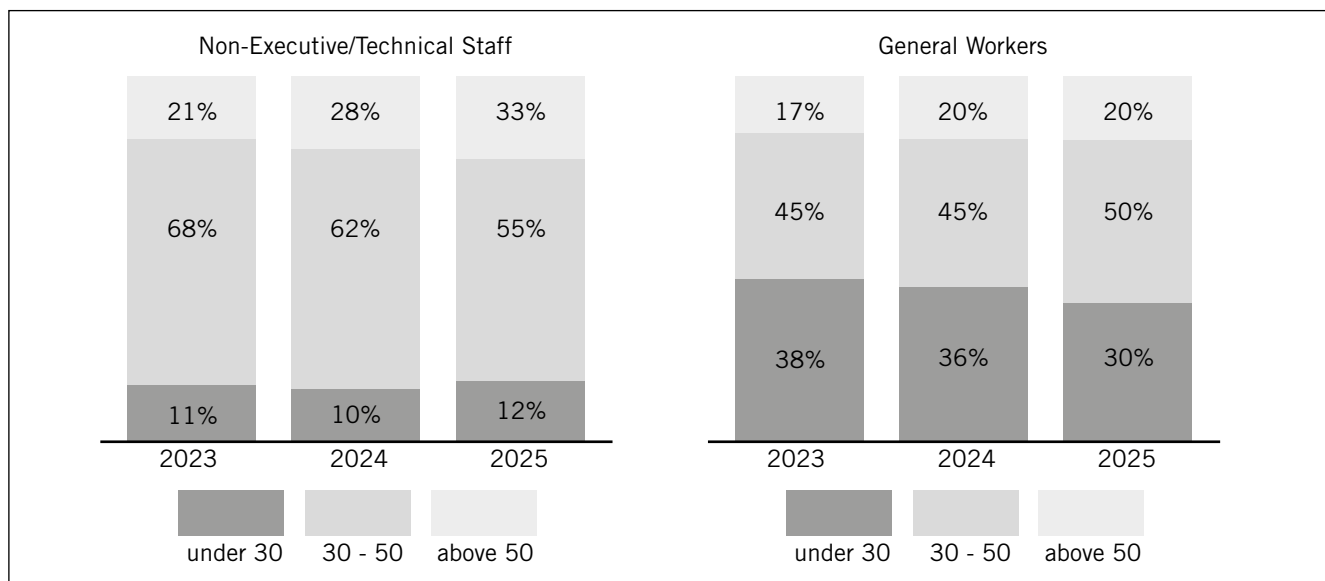


## Age Diversity by Employee Category



# SUSTAINABILITY STATEMENT

## Age Diversity by Employee Category



## COMMUNITY INVESTMENT

The Group's commitment extends beyond business operations to supporting the wellbeing of the communities it serves. Through its Corporate Social Responsibility ("CSR") initiatives, the Group focuses on delivering meaningful and practical support, particularly in areas of health, education, and basic needs. These initiatives are primarily carried out through Yayasan CNI, established in 1998, which serves as the Group's platform for community engagement and outreach.

In 2025, the Group contributed a total of RM37,817 through both monetary and non-monetary support to charitable organisations, non-governmental organisations (NGOs), and educational institutions across Malaysia. Non-monetary aid comprised CNI products designed to support beneficiaries' daily necessities and nutritional needs, including items across nutrition, food and beverage, and personal care categories. During the monsoon season, the Group also extended support to communities affected by flooding, providing essential assistance to help address immediate needs. The Group maintains records of contributions and beneficiary reach to support visibility over programme delivery. CSR initiatives are coordinated through Yayasan CNI, with internal collaboration across functions to facilitate planning and execution.

Through these efforts, the Group continues to support communities in a manner that is responsive to local needs while fostering long-term stakeholder trust.

### COMMUNITY WELLBEING: HEALTH AWARENESS PROGRAMME

Health awareness remains a key focus of the Group's community engagement efforts. In 2025, Yayasan CNI carried out a series of initiatives aimed at promoting preventive health practices and supporting access to basic health-related needs across different community groups, reaching over 1,000 beneficiaries through these programmes.

In collaboration with community partners and media organisations such as Sin Chew Daily, the Group participated in outreach initiatives for senior citizens, including the distribution of reduced sugar Tongkat Ali Ginseng Coffee in support of healthier lifestyle practices, benefiting approximately 120 participants. The Group also supported community initiatives where nutrition and personal care items were provided to 15 charity homes and schools, benefiting approximately 200 beneficiaries, supporting their daily care needs and basic health awareness.

An Immunity Awareness Programme was conducted across selected education institutions, particularly benefiting B40 student groups. The programme reached over 500 students, combining basic health awareness sharing with the provision of nutritional support to reinforce the importance of immune health from a young age. This included a community engagement programme supported by the Group, focusing on basic health and immunity awareness for children through interactive activities such as physical play, hygiene education, and exposure to health screening practices, with nutritional support provided as part of the initiative, benefiting over 180 children.

# SUSTAINABILITY STATEMENT

## SOCIAL IMPACT: INSPIRING YOUTH

The Group supports youth development initiatives that recognise academic achievement and encourage social awareness among younger generations. The Student Education Recognition Programme acknowledges the academic accomplishments of the children of employees and CBOs, while also recognising the commitment of their families. In 2025, 56 students nationwide received academic recognition in the form of monetary rewards and product vouchers for wellness-related products, in support of their nutritional needs.

In addition, Yayasan CNI supported youth-focused humanitarian initiatives such as Famine 30 through product sponsorship, providing approximately 100 participants with exposure to broader social issues, and fostering empathy and community awareness.

The Group also supported educational and cultural initiatives such as the TongChuang Award, a nationwide student creative platform recognising literary and musical talents. The initiative received over 300 submissions from students across 11 states and 48 educational institutions, contributing to the development of youth expression and appreciation for the arts.

## ENVIRONMENTAL RESPONSIBILITY: E-WASTE MANAGEMENT

The Group supports responsible environmental practices through its participation in an E-waste Awareness Project in collaboration with EARTH. This initiative provides a channel for the responsible disposal and recycling of electronic waste, contributing to efforts to reduce environmental impact.

In 2025, the project focused on raising awareness on responsible e-waste disposal practices and encouraging community participation. The initiative was expanded beyond the Klang Valley to Kedah and Johor through the involvement of the Group's centre operators, extending its reach to additional communities. Participants were also given the option to direct proceeds towards Yayasan CNI's community initiatives, supporting both environmental and social outcomes.

## Employee Volunteerism

Employee participation supports the delivery of the Group's CSR initiatives. Employees are encouraged to take part in community programmes, contributing to the effective execution of outreach activities. Participation has been tracked internally since 2023 to provide visibility over employee involvement and to support ongoing coordination of CSR activities. Through employee involvement, the Group continues to foster a culture of community engagement while supporting the execution of its outreach initiatives.

	2023	2024 <sup>(1)</sup>	2025
Total amount invested where the target beneficiaries are external to CNH (RM)	235,292	59,046	37,817 <sup>(2)</sup>
Total number of beneficiaries of the investment in communities	1,996	3,879	3,236
Number of employees participated in community impact programmes	10	13	16
Total hours spent on community impact programmes	200	84	196

Notes:

1. Data has been reinstated
2. Lower investment resulted from postponing selected community initiatives to 2026. Focus shifted to targeted community support and holistic wellbeing, including mental health, to address evolving social challenges

## CLIMATE CHANGE

CNH recognizes its corporate responsibility to the environment and its part in global efforts to address climate change. Accordingly, the Group is committed to mitigating the environmental impact of its operations and products, concurrently promoting the conservation of natural resources through various outlined initiatives.

- i. Pursuing efficient use of resources including energy, water and raw material
- ii. Reducing waste discharge to landfills and unnecessary wastage of materials
- iii. Avoiding pollution in all forms
- iv. Promoting the use of eco-friendly materials

## SUSTAINABILITY STATEMENT

- v. Promoting the use of renewable energy
- vi. Implementing digitalization, waste segregation and reducing printing
- vii. Cultivating sustainable behaviours inside and outside the workplace through training and awareness program

We actively work to raise environmental awareness among our stakeholders, which include employees, CBOs, customers, and supply chain partners. This increased awareness supports the effectiveness of our environmental approaches, such as reducing electricity usage, minimizing and recycling paper in the workplace, and segregating waste to promote recycling and reuse.

Our dedication to mitigating climate change and promoting energy efficiency is demonstrated through several initiatives at our headquarters, Wisma CNI, and our manufacturing plants. These efforts are focused on minimizing energy consumption, such as optimizing air conditioning settings for ideal indoor temperature and actively working to reduce cool air leakage.

Furthermore, we actively encourage environmentally friendly habits among our employees for their daily lives. These practices include avoiding food waste, minimizing the use of new packaging materials (including plastic and paper bags), eliminating Styrofoam use, and reusing resources through measures like rainwater harvesting.

### Energy and GHG Emission Management

Recognizing the growing global challenge of climate change, the Group is committed to supporting climate action and ensuring long-term business sustainability. This involves adapting our operations to align with the evolving global energy landscape.

Energy usage remains a primary source of emissions under the Group's direct control. We continue our energy management efforts by systematically gathering and overseeing energy consumption data. Furthermore, we actively analyze our emissions and explore strategies to identify and implement reductions wherever feasible.

At CNH, we manage energy with a focus on two key areas: reducing our overall consumption, particularly of fossil fuels, and improving energy efficiency throughout our operations and value chain.

Electricity is the main energy source for our offices and premises, and it represents a significant part of our carbon emissions. As most of our operations are in Malaysia, we procure electricity from Tenaga Nasional Berhad ("TNB") in West Malaysia and from the respective state power utility providers in Sabah and Sarawak. In Malaysia, electricity is generated from a combination of non-renewable and renewable sources, including natural gas, coal, and hydro-powered dams.

We regularly monitor the electricity consumption at the Group's headquarter building and manufacturing plants to measure and ensure the efficiency of our energy use.

During 2025, the Group recorded a total energy consumption of 2,240.59 MWh, of which 95% was derived from purchased electricity.

		2023	2024	2025
Fuel Consumption (MWh)	Petrol	75.13	54.78	17.73
	Diesel	61.13	79.80	45.40
	Liquified Petroleum Gas	27.14	59.85	44.46
Electricity Purchased (MWh)		2,358.35	2,090.39	2,133.00
Total energy consumption (MWh)		2,521.75	2,284.82	2,240.59

### Carbon emissions

Our overall Greenhouse Gas (GHG) emissions for 2025 showed a reduction in Scope 1 and Scope 3, while Scope 2 saw a slight increase.

Total Emission by Scope (tCO <sub>2</sub> -e)	Manufacturing			Marketing & Trading		
	2023	2024	2025	2023	2024	2025
Scope 3	121.33	127.98	108.01	-	139.31	135.01
Scope 2	1,120.33	1,030.19	1,051.00	667.30	554.32	565.90
Scope 1	26.77	29.63	19.15	13.46	9.48	8.59

Note: Carbon emission data is exclusively derived from the operations of the headquarters building and the manufacturing plants located within Malaysia.

# SUSTAINABILITY STATEMENT

## WASTE MANAGEMENT

At CNH, responsible waste management is a priority, particularly within our manufacturing operations, to mitigate environmental harm and support the local community. Our activities generate both hazardous (scheduled) waste and non-hazardous waste, including general manufacturing waste and recyclables.

We recognize that inadequate waste management poses significant risks, such as air and water pollution, soil contamination, and increased exposure to hazardous materials for both our employees and the surrounding community. Therefore, we are committed to implementing proactive and responsible waste management practices across all our operations to address these severe potential impacts.

Guided by the UN Sustainable Development Goals (SDGs), our waste management strategy emphasizes reducing material use, implementing the “reduce, reuse, and recycle” (3R) approach, and promoting employee awareness on the importance of sustainable practices.

To ensure compliance with environmental regulations governing manufacturing waste, particularly scheduled waste, our manufacturing entities strictly adhere to local regulatory laws and jurisdictional guidance, including the specific guidelines outlined in the Environmental Quality (Schedule Wastes) (Amendment) Regulations 2007.

Our manufacturing waste undergoes proper segregation into categories: scheduled and non-scheduled waste. Scheduled waste is managed on-site through continuous monitoring and data recording. Furthermore, we ensure that all scheduled waste is securely stored and managed by appointed licensed contractors from the point of collection until final disposal.

In 2025, our manufacturing operations produced a total of 22.98 metric tonnes (MT) of waste, encompassing both hazardous (scheduled) and non-hazardous materials. A significant portion of this total waste—74%—was successfully reused or recycled. The non-hazardous waste category included both manufacturing scrap and general waste.

Our target for the intensity of waste sent to landfills, measured against production volume, was revised for 2024. We successfully achieved the goal of reducing this intensity to less than 0.01 in 2025 by increasing the efficiency of raw material and resource use in our daily operations.

	Manufacturing		
	2023	2024	2025
Total waste generated (MT)	39.43	26.43	22.98
<b>Waste Generated by Manufacturing (MT)</b>			
Waste Diverted from Disposal	20.39	19.46	17.15
Waste Directed to Disposal	19.04	6.93	5.84
Waste Directed to Disposal Intensity (based on production volume (MT))	0.0157	0.0080	0.0069

## WATER MANAGEMENT

The increasing frequency of water scarcity and cuts, driven by factors such as climate change, contamination, and poor water management, is a growing concern. In response, the Group is dedicated to mitigating the risk of water shortages by implementing efficient water management practices throughout our operations.

Water is consumed across our operations, primarily for manufacturing activities such as cooling equipment and machinery, site cleaning, compaction, and irrigation, as well as within our headquarters building. We are dedicated to promoting proper water management at all our sites through implementing conservation initiatives and increasing employee awareness.

Our initiatives for water efficiency include:

- i. Implementing modified, low-flow water taps in offices and factories, and conducting regular checks and scheduled maintenance of facilities like toilets and pantries to minimise water wastage.
- ii. Promoting water-saving habits among employees at our office premises through campaigns and ongoing reminders.

# SUSTAINABILITY STATEMENT

Water consumption totalled 16.84 Megalitres this year. This represents an 8% increase compared to 2024, primarily driven by higher production volume within the manufacturing segment.

	2023	2024	2025
Total volume of water used (Megalitres)	18.63	15.56	16.84

Note: Water consumption data provided exclusively cover the headquarters building and the manufacturing facilities located within Malaysia.

## Centralised Sustainability Intelligence Platform (CSIP) for the year ended 31 December 2025

### BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Ethics and Integrity	Number of corruption incidents, % employees	Number and Percentage (%)	Zero corruption incidents, Achieved 92% employees in the Management category trained on anti-corruption	Achieve a minimum of 90% employees who have received training on anti-corruption by each employee category from 2023 baseline by 2025	Internal
Health and Safety	Number of work-related fatality, % employees	Number and %	Zero work-related fatality, 70% employees trained on health and safety standards	Zero work-related fatality annually, Achieve a minimum of 90% employees trained on health and safety standards from the 2023 baseline by 2025	Internal
Customer Responsibility	Customer Satisfaction Survey ("CSS") score, Number of product recall	% and number	Achieved CSS score of 90% exceeding the annual target of 80%, Zero incident of level 1 product recall	Achieve a minimum of 80% for CSS score annually, Zero incident of level 1 product recall annually	Internal
Data Privacy and Security	Number of substantiated complaints	Number	Zero substantiated complaints	Zero substantiated complaints concerning breaches in customer privacy or data loss annually	Internal
Human Rights	Number of substantiated complaints	Number	Zero substantiated complaints	Zero substantiated complaints concerning human rights violations annually	Internal
Employee Management	Total hours of training	%	Achieved, 34% increase in total training hours in 2025 compared to 2023 baseline, exceeding the 10% target	Increase the total hours of training by employees by 10% from the 2023 baseline by 2025	Internal
Waste Management	Intensity of waste sent to landfill	Rate	Maintained at less than 0.01 based on production volume	Intensity of waste sent to landfill at less than 0.01 based on production volume	Internal

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Citra Nusa Holdings Berhad (“CNH” or “the Company”) present this statement to provide shareholders with an overview of the corporate governance (“CG”) practices of the Company during the financial period ended 31 December 2025. This overview takes guidance from the three (3) key CG principles and the practices as set out in the Malaysian Code of Corporate Governance (“MCCG”) which are:

- i. Board Leadership and Effectiveness
- ii. Effective Audit and Risk Management
- iii. Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This statement is prepared in compliance with the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and it is to be read together with the CG Report 2025 of the Company (“CG Report”) which is available on the Company’s website. The CG Report provides the details on how the Company has applied each Practice as set out in the MCCG during the financial period ended 31 December 2025.

In building a sustainable business and discharging its regulatory role, the Board is mindful of its accountability to the shareholders and various stakeholders of CNH. Towards this, the Board is committed to ensuring that it provides effective leadership and promotes uncompromising ethical standards in the organisation. One of the ways in which the Board achieves this is by requiring that good governance principles and practices are adhered to throughout the Company.

To ensure the Company adopts the best CG practices, regular reviews of the internal practices are conducted with reference to the MCCG and other relevant guidelines issued by the regulators as well as the international standards on CG and Sustainability. In its review, the Board was always mindful of the need to embrace the best practices in form as well as in substance, to further strengthen the CG culture in the Company.

As at 31 December 2025, CNH complied in all material aspects with the principles as set out in the MCCG except:

- Practice 5.9: The board comprised at least 30% women directors
- Practice 5.10: The board discloses in its annual report the company’s policy on gender diversity for the board and senior management
- Practice 13.3: Listed companies should leverage technology to facilitate–
  - voting including voting in absentia; and
  - remote shareholders’ participation at general meetings.

A summary of the CG practices of CNH as well as the Board’s key focus areas and future priorities in relation to the CG practices are described below under each CG principle.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### Board Responsibilities

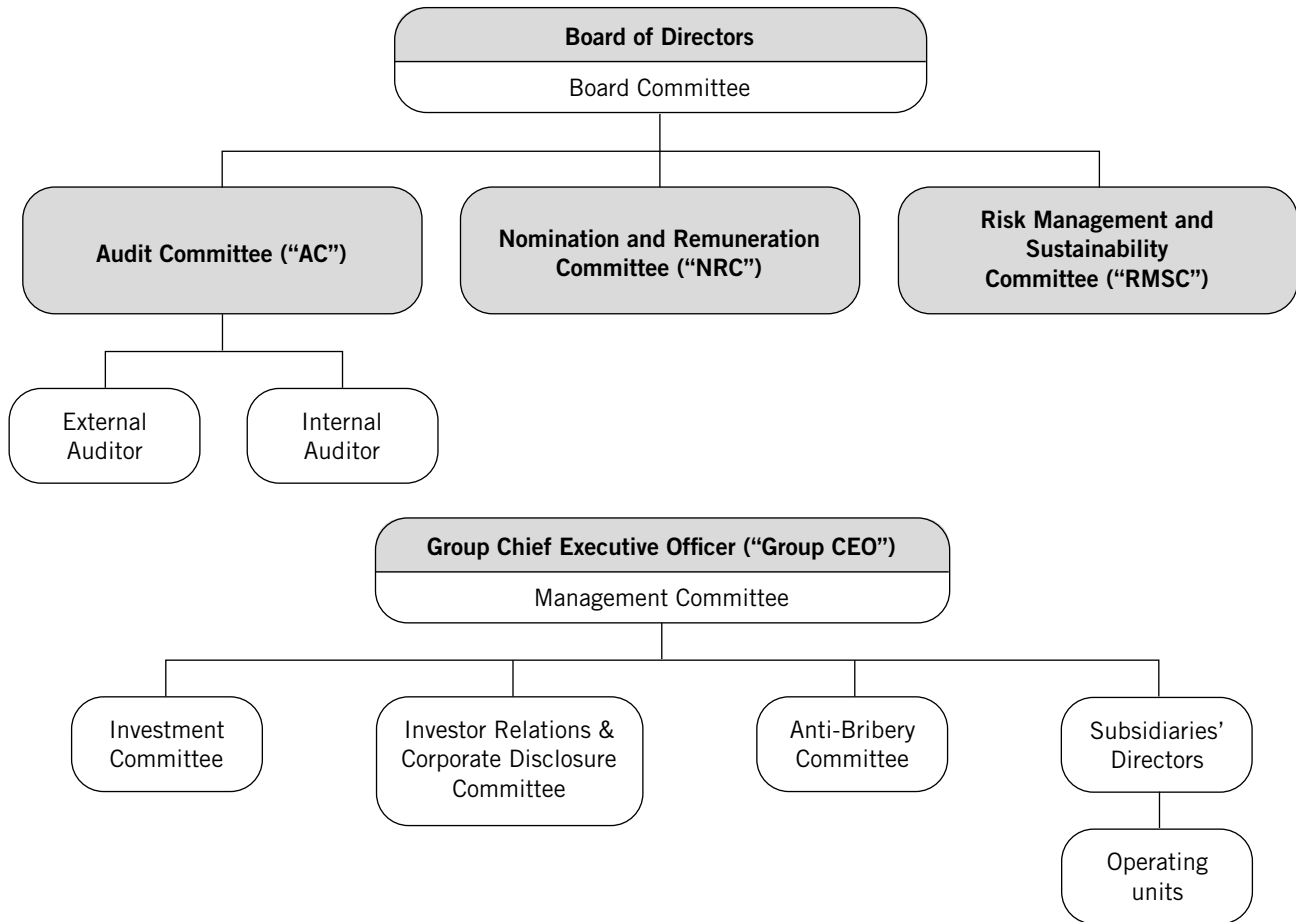
The Board is mindful of its responsibilities to the Company’s shareholders and various stakeholders for creating and delivering sustainable value and long-term success through its leadership and management of the Company’s businesses, in pursuing the objectives and goals of CNH.

For the foregoing, the Board determines the strategic objectives and policies of the Group for delivery of such long-term value. It ensures effective leadership through oversight on management and monitoring of the activities, performance, conformance capabilities and control in the organisation. In setting the strategic direction, the Board also ensures that there is an appropriate balance between promoting long-term growth and delivering short-term objectives.

In order to ensure orderly and effective discharge of the above functions and responsibilities of the Board, the Board has in place a model for the Group where specific powers of the Board are delegated to the relevant Board Committees and the Group Chief Executive Officer (“Group CEO”).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The model for CNH Group is as depicted below:



In 2025, the members of the Committees of the Board had discharged their roles and responsibilities in accordance with the Terms of Reference ("TOR") of the respective Committees. The attendances of the Directors and Board Committee members at the meetings of the Company during the year are set out in the table below:

Name	Board of Directors	AC*	NRC	RMSC
<b>Executive Directors</b>				
Koh How Loon	5/5			4/4
Chew Boon Swee	5/5			
<b>Non-Independent Non-Executive Directors</b>				
Dato' Koh Peng Chor <sup>(1)</sup>	5/5	3/3	1/1	
<b>Independent Non-Executive Directors</b>				
Carolyn Anne Kam Foong Kheng	5/5	5/5	1/1	4/4
An Li Fong	5/5	5/5	1/1	4/4
Yee Kee Bing <sup>(2)</sup>	3/3	2/2	0/0	2/2

Chairman
  Member

Note:

1. Ceased as a member of the AC and NRC w.e.f. 1 July 2025.
2. Appointed as an INED of CNH w.e.f. 1 July 2025. Appointed as the Chairman of the NRC and a member of the AC w.e.f. 1 July 2025.

\* The Audit Committee (AC) held two separate private meetings with the external auditors, Grant Thornton Malaysia PLT, during the year, specifically on 26 February 2025 and 27 August 2025.

# **CORPORATE GOVERNANCE OVERVIEW STATEMENT**

## **Board Leadership**

In fostering a strong CG culture in the organisation, the Board has strived for the highest standard of CG practices in the Company. The Chairman leads the Board by setting the tone at the top, and managing the Board effectiveness by focusing on strategy, governance and compliance.

The position of the Chairman and CEO are held by different individuals with clear and distinct roles which are formally documented in the Board Charter of CNH (“Board Charter”). The Board Charter is a comprehensive reference document for Directors on matters relating to the Board and its processes. The Board Charter also sets out the roles and responsibilities of the Board and the individual Directors. It can be found at the Company’s website at [www.citranusaholdings.com](http://www.citranusaholdings.com).

## **Board Administration**

The Board members have full access to the Company Secretary, who is suitably qualified, experienced and competent. The Company Secretary ensures the Directors are provided with sufficient information and time to prepare for Board meetings. To this, the meeting materials are made accessible to the Directors at least seven (7) days from the date of the scheduled Board meetings. The Company Secretary also prepares minutes of meetings in a timely manner and provides advisory services to the Board on corporate administration and governance matters including compliance with the relevant laws, rules and regulations.

## **Promoting Good Business Conduct**

CNH takes a stance against the use of corrupt practices in relation to its activities and promotes a culture of integrity within the organisation by ensuring there are adequate policies and procedures which are implemented appropriately in line with the principles under the Guidelines for Adequate Procedures pursuant to Section 17A(5) of the MACC Act 2009.

In this respect, the Board has in place the Code of Business Ethics (“CBE”) for Directors and employees, to affirm its commitment to practice the highest level of integrity and ethics.

CNH has zero tolerance on any conduct that constitutes a wrongdoing or malpractice which may include any breach of ethics as described in the CBE or conflict of interest and/or any fraudulent act as may be described in the Anti-Bribery and Anti-Corruption (“ABC”) Policy and other relevant documents. To this, CNH has in place the Whistleblower Policy, to facilitate the exposure of any violations or improper conduct or wrongdoing within the Group.

The above CBE, ABC Policy and Whistleblower Policy for the Group would ensure that good standards of behaviour permeate throughout all levels of the organisation, and strengthen the integrity, governance and anti-corruption framework for CNH. These policies serve as control measures to address and manage the risk of fraud, bribery, corruption, misconduct and unethical practices for the benefit of long-term success of the Company. The CBE, ABC Policy and Whistleblower Policy for the Group are published on the Company’s website at [www.citranusaholdings.com](http://www.citranusaholdings.com).

The Board has established the Directors’ Fit and Proper Policy (“FPP”) to ensure that any person to be appointed or elected/re-elected as a Director of the Group shall possess the necessary quality and character as well as integrity, competency and commitment to enable the discharge of the responsibilities required of the appointed position in the most effective manner.

## **Governing Sustainability**

The Board is ultimately responsible to ensure that sustainability is incorporated in the strategic direction of the Group, including approving and overseeing the implementation of the Group’s sustainability strategy and policy.

The Board is supported by the Risk Management and Sustainability Committee (“RMSC”) in overseeing the Group’s risk management framework and processes, ensuring that policies and procedures to address the Group’s sustainability risks and opportunities are established and effectively implemented. The RMSC also reviews the strategic management of material sustainability matters of CNH Group.

The Company’s sustainability strategies, priorities and targets as well as performance against these targets are developed after a careful review of outcome from the materiality assessment exercise and engagement with key internal and external stakeholders. The comprehensive description of CNH’s stakeholder groups, engagement and targets as well as the performance against these targets are as set out in the Sustainability Statement on pages 24 to 47 of this Annual Report.

## **Board Size, Composition and Diversity**

The Board believes that a diverse and inclusive Board will leverage the differences of its members, to achieve effective stewardship and in turn, retain its competitive advantage. In this respect, the Board through its Nomination and Remuneration Committee (“NRC”) conducts an annual review of its size and composition, to determine if the Board has the right size and sufficient diversity with independence elements that fit the Company’s objectives and strategic goals.

## **CORPORATE GOVERNANCE OVERVIEW STATEMENT**

The Board currently consisted of 6 members, comprising two (2) Executive Directors, three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Directors. Premised on the above, the Board composition complies with Paragraph 15.02 of the Listing Requirements of Bursa Securities, which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be independent as well as Practice 5.2 of the MCCG that requires at least half of the board comprises independent directors. Currently, 50% of our directors are independent.

The Board considers that the current size and composition of the Board are adequate and facilitate effective decision-making. The current Board composition are people of high calibre, experienced and are professionals in their respective fields.

The Board is supportive of the diversity of the Board and Senior Management. The Group strictly adheres to the practice of non-discrimination of any form, whether based on race, age, religion and gender throughout the organisation, including selection of Board members and Senior Management. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Group.

The Board is supportive of the recommendation of MCCG and recognises the importance of boardroom diversity to the establishment of gender diversity policy. However, the Group does not have the workforce gender policy currently. Currently, the Board comprises one (1) female director which reflects the Board's commitment towards achieving a more gender diversified Board. This is also in line with the requirement of Listing Requirements of Bursa Securities whereby the listed issuer must have at least one (1) woman director in the board.

### **Board Succession Planning and Appointment**

The NRC is responsible for the Board succession planning to ensure the Board continues to be effective with the right composition, which would enable it to be better equipped to respond to challenges that may arise and deliver value.

The appointment of Directors to the Board is subject to a formal, rigorous and transparent process. In this process, the NRC reviews the existing Board composition such as the optimum size and diversity in terms of skills, experience, age, ethnicity and gender. Based on this review, the NRC determines the selection criteria for the new appointment with the view to close any gap or to strengthen the Board composition. The NRC then reviews the candidates who are sourced from internal and external/independent sources and shortlist the potential candidate(s) with reference to the agreed selection criteria. The NRC conducts engagement sessions with the shortlisted candidate(s) as well as the fit and proper assessment, before submitting its final recommendation to the Board.

### **Tenure of Independent Directors**

It is the present practice of the Company that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, the Independent Director will have to resign unless he is retained by the Board as a Non-Independent Director. This is in compliance with Practice 5.3 of the MCCG.

Currently, none of the Independent Non-Executive Directors has served the Company for more than nine (9) years since their appointment as per the recommendation of MCCG.

The Company has not adopted a policy which limits the tenure of its Independent Directors to nine (9) years. Notwithstanding that, the assessment of independence of Independent Directors was conducted annually via Annual Evaluation of Independence of Director to ensure that they were independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interest of the Company.

### **Nomination and Remuneration Committee ("NRC")**

The NRC supports the Board in promoting strong governance by overseeing Board composition, succession planning and remuneration policies, ensuring leadership effectiveness and alignment with the Group's long-term sustainability and strategic objectives.

The NRC is chaired by an Independent Non-Executive Director ("INED") who is not the Chairperson of the Board. The NRC comprises three (3) members, all of whom are INED, in line with the "independence" requirements set out in Bursa Securities' Listing Requirements.

During the financial year 2025, the NRC undertook the following key activities:

- i. Reviewed the Board's composition in terms of size, structure, independence, diversity and competencies.
- ii. Assessed the performance and effectiveness of the Board, its committees and individual Directors.
- iii. Reviewed and recommended Directors retiring in accordance with the Company's Constitution ahead of the AGM.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

- iv. Assessed the independence of the Independent Directors, with each Director abstaining from deliberation on their own assessment.
- v. Reviewed the independence, experience and skills set of the proposed candidate and recommended to the Board the appointment of the same for the position of Director of the Company.
- vi. Recommended Directors' fees and benefits for the financial year ending 2026 to be approved during the upcoming AGM.

### Board Effectiveness

The Board, through the NRC and facilitated by the Company Secretary, had carried out the annual assessment to evaluate the performance of the Board, its Board Committees and each individual Director during the financial year under review. The assessment for the year under review was conducted through a questionnaire which included a combination of open-ended questions and close-ended questions.

In order to encourage open and frank evaluation, the evaluation process was managed by the Company Secretary, who had forwarded the questionnaire to each Director, as well as collated that duly completed forms from each Director. A summary of the results and all feedback received were tabled to the NRC deliberation before appropriate action plans were recommended to the Board for further discussion and approval.

The results of the assessment were properly documented, summarised and reported to the Board. The results of the annual assessment for the year under review revealed that the Board and Board Committees had carried out their duties well and amicably with most of the questions rated positively. The Board agreed that it had performed well in these challenging times and was satisfied with its overall performance, with some areas identified for improvements.

The NRC concluded that the Board and Board Committees were satisfied with their existing composition and were of the view that with the current mix of skills, knowledge, experience and strength of the Directors, the Board, respective Board Committees and Directors were able to discharge their duties effectively. Hence, the Board will continue to focus on the identified areas for improvement.

### Directors' Training

The Board acknowledges that continuous education is essential for its members to gain insight into the state of the economy, technological advances, regulatory updates and management strategies.

Relevant guidelines on statutory and regulatory requirements were circulated to the Board from time to time for Board notation. During the financial period ended 31 December 2025, Directors had attended the following training programmes, seminars, workshops and briefings in compliance with Paragraph 15.08 of the Listing Requirements of Bursa Securities:

Name	Conference/Seminar/Workshop
<b>Executive Directors</b>	
Koh How Loon	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• China International Import Expo (CIIE)</li> </ul>
Chew Boon Swee	<ul style="list-style-type: none"> <li>• Food &amp; Hotel Asia (FHA) – Food &amp; Beverage Singapore Expo</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• China International Import Expo (CIIE)</li> </ul>
<b>Non-Executive Directors</b>	
An Li Fong	<ul style="list-style-type: none"> <li>• Case Study – Based MFRS Webinar: Overview of MFRS 15</li> <li>• MIA Webinar Series: Accounting for Property, Plant &amp; Equipment and Investment Property (MFRS/MPERS)</li> </ul>
Yee Kee Bing	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• Audit Oversight Board's Conversation with Audit Committees: Navigating the National Sustainability Reporting Framework: Insights on Implementation</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Directors are also being updated on a continuing basis in the areas of statutory and regulatory requirements from the briefing by the External Auditors, the Internal Auditors and the Company Secretary during the Board and Board Committee meetings.

### Remuneration Policy

The Board has established a formal and transparent process for approving the remuneration of the Board and Board Committees, the CEO and the Senior Management of CNH. The NRC is responsible to formulate and review the remuneration policies for the Board and Board Committees as well as the Senior Management of the Company to ensure the same remain competitive, appropriate, and in alignment with the prevalent market practices.

The NRC conducts the Board remuneration review on an annual basis internally, to ascertain the competitiveness of the Board remuneration. The NRC also took into consideration the demands, complexities and performance of the Group particularly, the core activities and responsibilities of the Board as well as having regard to the responsibilities and contribution levels of individual members in terms of statutory duties, fiduciary duties, risk, intensity/complexity of work, time commitment and effort.

The Board approved the NRC's recommendation to seek the shareholders' approval that the Directors' benefits payable to the Non-Executive Directors shall remain the same amount as the previous year at RM80,000 from 19 June 2026 until the next Annual General Meeting ("AGM") of the Company in accordance with Section 230 of the Companies Act, 2016 and Paragraph 7.24 of the Listing Requirements of Bursa Securities.

The detailed remuneration of the individual Directors during the financial period ended 31 December 2025 are set out in the table below:

	Fees (RM)	Salaries & Bonuses (RM)	Other Emoluments <sup>(1)</sup> (RM)	Benefits-in-kind (RM)	Total (RM)
<b>Group</b>					
<b>Executive Directors</b>					
Koh How Loon	-	516,600	84,176	21,250	622,026
Chew Boon Swee	-	340,800	14,525	13,325	368,650
<b>Non-Executive Directors</b>					
Dato' Koh Peng Chor	204,000	-	2,500	13,925	220,425
Carolyn Anne Kam Foong Kheng	48,000	-	3,000	-	51,000
An Li Fong	48,000	-	2,500	-	50,500
Yee Kee Bing	24,000	-	4,740	-	28,740
<b>Total</b>	<b>324,000</b>	<b>857,400</b>	<b>111,441</b>	<b>48,500</b>	<b>1,341,341</b>
<b>Company</b>					
<b>Executive Directors</b>					
Koh How Loon	-	123,600	20,965	-	144,565
Chew Boon Swee	-	-	-	-	-
<b>Non-Executive Directors</b>					
Dato' Koh Peng Chor	204,000	-	2,500	13,925	220,425
Carolyn Anne Kam Foong Kheng	48,000	-	3,000	-	51,000
An Li Fong	48,000	-	2,500	-	50,500
Yee Kee Bing	24,000	-	4,740	-	28,740
<b>Total</b>	<b>324,000</b>	<b>123,600</b>	<b>33,705</b>	<b>13,925</b>	<b>495,230</b>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(1) Other Emoluments include meeting allowance, insurance coverage, employer's Employees Provident Fund, SOCSO and Employment Insurance System contributions.

The detailed remuneration on a named basis of the key Senior Management is set out in the table below:

Name	Fees (RM)	Salaries & Bonuses (RM)	Other Emoluments <sup>(1)</sup> (RM)	Benefits-in-kind (RM)	Total (RM)
Koh How Loon	-	516,600	84,176	21,250	622,026
Chew Boon Swee	-	340,800	14,525	13,325	368,650

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### Audit Committee

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

None of the AC members were former audit partners who were required to observe a cooling-off period of at least three (3) years before being appointed in accordance with the TOR of the AC.

The AC is chaired by an INED who is distinct from the Chairman of the Board. All members of the AC are financially literate, whilst the current Chairman of the AC is a member of the Institute of Chartered Accountants England and Wales (ICAEW) and the Malaysian Institute of Accountants (MIA). The AC has full access to both the internal and external auditors who, in turn, have unrestricted access at all times to the Chairman of the AC. The role of the AC and the number of meetings held during the financial year as well as the attendance record of each member are set out in the AC Report of this Annual Report 2025.

The AC has assessed the suitability, objectivity and independence of the Company's external auditors, Grant Thornton Malaysia PLT ("GTM") and recommended to the Board that shareholders' approval be sought for the re-appointment of GTM at the forthcoming AGM in 2026.

Having regard to the outcome of the assessment of GTM, the Board approved the AC's recommendation that shareholders' approval be sought at the forthcoming AGM for the re-appointment of GTM as external auditors of the Company for the financial year ending 31 December 2026.

The Board aims to provide and present a clear, balanced and comprehensive assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements, as well as through quarterly announcements of its results to shareholders. These financial statements are prepared in accordance with the Companies Act 2016, the Listing Requirements of Bursa Securities, the International Financial Reporting Standards and Malaysian Financial Reporting Standards and are reviewed by the Audit Committee prior to approval by the Board. The annual financial statements are subject to audit by independent external auditors.

The Board, with the assistance of the Audit Committee, exercises due care and takes reasonable steps to ensure that its quarterly and annual financial statements are presented in an accurate manner. The Audit Committee, when reviewing the financial statements, is also required, among others, to focus on significant matters highlighted in the financial statements and significant judgements, estimates or assumptions made by Management.

The Board is responsible for ensuring that financial statements of the Company give a true and fair view of the state of the Company and of the Group as at the end of the reporting period. Accordingly, the Board has prepared the responsibility statement pursuant to the Listing Requirements of Bursa Securities as outlined on page 63 of this Annual Report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Risk Management and Internal Control Framework

The Board has formalised a structured risk management framework to determine the Company's level of risk tolerance and to identify, evaluate, control, monitor and report the principal business risks faced by the Group on an ongoing basis.

The Risk Management and Sustainability Committee of the Company ("RMSC") consists of four (4) members, three (3) being INEDs and one of whom is the Group CEO. The RMSC is chaired by an INED. The RMSC is responsible for overseeing the Company's risk management framework and policies and the sustainability agenda, strategy and related risks.

The AC is responsible for assisting the Board in ensuring the adequacy and effectiveness of internal controls. The Board is of the view that the system of internal control and risk management in place during 2025 is sound and sufficient to safeguard the Group's assets, as well as shareholders' investments, and the interests of customers, regulators, employees and other stakeholders.

In this respect, the details of the Risk Management and Internal Control Framework are set out in the Statement of Internal Control and Risk Management on pages 57 to 59 of this report.

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

### Engagement with Stakeholders

The Group is committed to ensuring the regular, transparent, coherent, timely and equitable dissemination of relevant and material information regarding its developments to shareholders and stakeholders, while maintaining a balance between commercial confidentiality and regulatory requirements.

The shareholders and other stakeholders are kept informed of all major developments and performance of the Group through timely quarterly results announcements and various disclosures and announcements made to Bursa Securities through Bursa Link, press releases, the Company Annual Report and circulars to shareholders, if applicable.

The Company periodically organises briefings and meetings with analysts and fund managers and also facilitates communications through teleconferences to give stakeholders a better understanding of the business and developments of the Group. The corporate presentations and interim financial highlights are available at the Company's website [www.citranusaholdings.com](http://www.citranusaholdings.com).

To maintain a high level of transparency and effectively address any issues or concerns, the Company maintains a dedicated email, [cnisec@cni.my](mailto:cnisec@cni.my), to which stakeholders can direct their queries for investor relations purposes.

The Company has also leveraged information technology to enable broader and more effective dissemination of information. It has established an Investor Relations section on its corporate website to provide all relevant information, including corporate governance, public announcements, annual reports, financial highlights, corporate information, notice of general meeting, minutes of annual general meetings and others.

All material announcements are reviewed and endorsed by the Board prior to their release to the public through Bursa Securities. Shareholders and the public in general may also obtain announcements and financial results of the Company from Bursa Securities website.

### Conduct of General Meeting

The Board recognises the importance of keeping shareholders, stakeholders and the general public informed on the Group's business, performance and corporate developments. The AGM remains the principal forum for dialogue with shareholders. Shareholders are encouraged to participate in the proceedings and ask questions about the resolutions being proposed and the business operations of the Group.

The date of the AGM of the Company is normally scheduled annually in May or June and the Directors are notified at the beginning of the calendar year of the scheduled meeting to ensure that all Directors are present to provide a meaningful responses to questions addressed to them. The Directors, together with the Senior Management team and external auditors, are present at the general meeting(s) to answer queries from the shareholders who participate in the Question and Answer session.

The Notice of AGM will be served to the shareholders of the Company at least 28 days prior to the meeting. The notice of AGM is published in the Annual Report and uploaded on the Company's website upon release to Bursa Securities.

For conducting general meetings, either physical or on a virtual basis, the Board must also ensure that the meeting supports meaningful engagement between the Board, Senior Management and shareholders. This includes having in place the required

## **CORPORATE GOVERNANCE OVERVIEW STATEMENT**

infrastructure and tools to, among others, encourage interactive participation by shareholders and provide a smooth broadcast of the general meeting if it is to be held on a virtual basis. The virtual meeting facilities have enabled the shareholders of the Company to exercise their right to participate and vote in absentia in accordance with the Company's constitution which allows electronic voting and remote shareholder participation.

The 36<sup>th</sup> AGM was held physically on 10 June 2025 in Shah Alam. All resolutions were put to vote by poll. All Directors of the Company attended the 36<sup>th</sup> AGM. The Directors, together with the Company Secretary, the Senior Manager, Corporate Finance and Treasury and the external auditors, were present at the 36<sup>th</sup> AGM and responded to the questions raised by the shareholders during the meeting.

This Statement was approved by the Board of Directors on 10 April 2026.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Malaysia Code of Corporate Governance (“MCCG”) stipulates that listed companies must establish and maintain a robust system of risk management and internal control to protect shareholders’ interests and safeguard the Group’s assets.

In line with Paragraph 15.26 (b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad, the “Statement of Risk Management and Internal Control – Guidelines for Directors of Listed Issuers” and the requirements of the Bursa Sustainability Reporting Guide, the Board of Directors (“Board”) is pleased to provide the following Statement on Risk Management and Internal Control.

This Statement describes the Group’s risk management and internal control framework, outlining its nature, scope and application across all operations during the financial year under review. The Group’s associated company is excluded from this Statement for the purpose of applying the relevant guidelines as the Board does not have direct control over its operations. Notwithstanding the above, the Group’s interest is served through representation as the Board does not have direct control over their operations. Notwithstanding the above, the Group’s interest is served through representation on the Board of the associate company and review of the management accounts and enquiries thereon. Such representation also provides the Board with information for decision-making on the continuity of the Group’s investment based on the performance of the associate company.

## BOARD AND MANAGEMENT RESPONSIBILITY

The Board is responsible for establishing a sound risk management framework and internal control system for the Company and its subsidiaries, as well as for reviewing their adequacy and effectiveness. These systems encompass financial, operational, strategic, environmental, compliance and risk management functions. In setting the tone for effective governance, the Board promotes a culture of accountability, transparency and sustainability.

The Board recognises that a robust risk management and internal control framework is designed to manage, rather than eliminate, the risk of failure to achieve the Group’s objectives, and that such systems provide reasonable, but no absolute, assurance against material misstatements, losses, fraud or unforeseen circumstances. In discharging its oversight responsibilities, the Board is supported by the Risk Management and Sustainability Committee (“RMSC”) and the Audit Committee (“AC”), which oversee matters relating to risk, compliance and internal controls within their respective mandates. All material matters are escalated to the Board for deliberation and approval, and the Board remains accountable for the actions of its committees.

The risk management and internal control processes established by the Board are implemented by Management under the leadership of the Group Chief Executive Officer (“Group CEO”). The Group CEO is responsible for overall risk management, while Management is collectively accountable for maintaining sound governance practices, including keeping risk registers up to date, assessing inherent and residual risk, evaluating control effectiveness, and monitoring the implementation of risk mitigation plans.

## RISK MANAGEMENT FUNCTION

The Board has strengthened its Enterprise Risk Management (“ERM”) Framework to align with MCCG and the Bursa Sustainability Reporting Guide, integrating ESG and sustainability considerations into risk identification, evaluation and monitoring.

The Group’s ERM framework is based on the internationally recognised COSO (Committee of Sponsoring Organizations) framework. Risk factors are incorporated into the risk register and individually rated as High, Significant, Moderate or Low risk. The rating process is guided by a matrix of “likelihood” and “impact”, whereby both financial and non-financial consequences are duly considered.

The Risk Management and Sustainability Committee (“RMSC”) assists the Board in maintaining a sound risk management system and reviews the Group’s risk profile, monitoring emerging and ESG-related risks, assessing mitigation progress, and ensuring that the ERM framework is carried out within the Group.

The RMSC is currently chaired by an Independent Non-Executive Director (“INED”), and its members consist of two (2) INED and the Group CEO.

The RMSC is supported by the Executive Management which provides risk advisory support, maintains the consolidated Group Risk Register on a quarterly basis, and ensures that risk reporting templates and processes remain consistent.

The Board has put in place an ERM process for the Company and its principal subsidiaries. The ERM process is embedded within the Group’s governance structure through deliberations at various Board and management-level committees, and is applied across key risk categories, including strategic, operational, financial, technology, compliance and cybersecurity risks.

The RMSC receives consolidated Risk Registers and the status of mitigation action plans from the Executive Management. Chaired by the Group CEO, the Executive Management comprises Heads of Department and senior management and is

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

responsible for consolidating departmental risk registers, coordinating Group-wide risk activities and monitoring mitigation progress. Risk owners are appointed within departments to further embed risk management practices across the Group. This structure reflects the Group's adoption of the three lines of defence model, ensuring appropriate segregation of duties and accountability.

Under this model, employees and risk owners form the first line of defence, managing day-to-day risks through established controls, policies and procedures. The Executive Management and RMSC constitute the second line of defence, providing oversight, coordination and monitoring of risk management and sustainability integration. Internal Audit and the Audit Committee serve as the third line of defence, providing independent assurance on the effectiveness of the risk management and internal control systems.

The Group's risk management process focuses on identifying and managing events or uncertainties that may materially affect the achievement of its objectives. The process encompasses risk identification, analysis and evaluation of inherent and residual risks, as well as the development of appropriate mitigation measures. This is supported by ongoing monitoring, review, communication and consultation across relevant functions. The Group continues to enhance its risk management practices and conduct periodic control effectiveness reviews to strengthen consistency in risk monitoring across the Group. The ERM framework also integrates ESG and climate-related risks, in line with the RMSC's sustainability oversight responsibilities and the Group's long-term strategic direction.

This integrated approach enables the Group to anticipate emerging risks and proactively manage the consequences and build resilience across the Group. Further details on the Group's sustainability-related risks and opportunities, including climate-related considerations, are set out in the Sustainability Statement on page 24.

### KEY ELEMENTS OF INTERNAL CONTROL SYSTEM

The Group's system of internal control comprises the following key elements:

- i. The Group has clearly defined lines of responsibility and authorisation for day-to-day operations and accountability. A Delegated Authority Policy has been established and adopted within the Group to promote better control, accountability and corporate governance over operational, strategic and investment decisions.
- ii. Annual results planning and budgets of respective subsidiaries are submitted to the Board for approval.
- iii. The Group's Management conducts periodic meetings with the Heads of Divisions/Subsidiaries to review the business performance of the Group. Business objectives and financial performance are reviewed and monitored in the meetings. Explanation is provided for any major variances and action plans are formulated to increase the likelihood of achieving the budgeted financial performance. Potential business risks and opportunities are highlighted and discussed in the meetings.
- iv. The Board oversees the conduct of the Group's operations through various management meetings and reporting mechanisms. Management meetings and financial reports are prepared by the Management and reported to the Group CEO for review and decision-making purposes.
- v. The Board reviews the Group's financial performance against the budget on a quarterly basis with detailed explanation of any major variances.
- vi. Manufacturing facilities of the Group are governed by the Quality Management System (ISO 9001:2015), Environmental Management System (ISO 14001:2015), Occupational Health and Safety Management System (ISO 45001: 2018), Food Safety Management System (Food Safety System Certification FSSC 22000), Hazard Analysis and Critical Control Point (MS 1480:2019) and Good Manufacturing Practice (GMP) for food (MS 1514:2022) to ensure consistency of the quality of products produced. quality produced.
- vii. Employees are briefed on the Code of Business Ethics during induction. They are required to sign and adhere to the Code of Business Ethics, which sets out the Group's policy on the conduct of business and the standards of behaviour and ethical conduct expected of the employees of the Group.
- viii. The Employees' Performance Appraisal System is linked to their OKR (Objectives and Key Results) which are aligned to the Company's business goals and financial targets respectively.
- ix. The Human Resource Department has arranged and facilitated regular internal and external training programmes for its employees in relation to their respective areas of work.
- x. The Group has established a Crisis Communication Plan with the objective of effectively managing the flow and dissemination of communication to the external parties such as media, government agencies and the Group's other stakeholders during a crisis.

## **STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL**

- xi. The Group has a Whistleblower Policy which provides an avenue for any person namely employees, directors or external parties to report any improper conduct, including fraud, corruption, bribery or blackmail, criminal offences against any employee or director, in a safe and confidential manner. An employee who makes a report of improper conduct in good faith shall not be subject to unfair dismissal, victimisation, demotion, suspension, intimidation or harassment, discrimination, any action causing injury, loss or damage or any other retaliatory action by the Group.
- xii. The Board has established the Anti-Bribery & Anti-Corruption Policy and Guidelines to comply with the Guidelines on Adequate Procedures issued by the Prime Minister's Department. The Policy and Guidelines set out the Group's stance on areas relevant to anti-fraud, bribery and corruption; and expected conduct by employees in adhering to the highest levels of integrity and ethics. Employees are also provided with training on anti-corruption policies.

### **Internal Audit Function**

The outsourced internal auditors, PKF Risk Management Sdn Bhd ("Internal Auditors") provide an independent assessment on the adequacy, effectiveness and reliability of the Group's risk management processes and systems of internal controls. The Internal Auditors review compliance with policies and procedures, advise executive and operational management on areas of improvement and subsequently review the extent to which its recommendations have been implemented. The Internal Auditors also conduct follow-up reviews on the implementation status of the action plan previously agreed by the Executive Management.

The internal audit plan by the Internal Auditors was approved by AC prior to its appointment on 14 February 2024. The results of the audits and recommendations for improvement co-developed with Executive Management, were tabled at the AC meetings for discussion and subsequent assessment. Key and significant risk issues will be escalated to the RMSC for deliberation, followed by subsequent monitoring of management actions.

The key risk issues are reported to the Board by the Chairman of the RMSC at the Board meeting scheduled following the RMSC meeting held for further deliberation. These include risks at the industry and company specific levels, such as regulatory and compliance risks, competitiveness of the marketing plan, price cutting and fake products, customer retention and market expansion, and inventory management.

During the financial year under review, the Internal Auditors perform internal audit visits on our main subsidiaries. The internal audit by the Internal Auditors was conducted using a risk-based approach and was guided by the International Professional Practices Framework ("IPPF"). The details of the audit scope and coverage are elaborated in the Audit Committee Report.

In addition to the above, the Internal Auditors conducted follow up reviews with the respective Head of Business Units on the implementation status of the audit recommendations made by them respectively.

### **BOARD ASSESSMENT**

The Board has reviewed the adequacy and effectiveness of the system of internal control and risk management that provides reasonable assurance to the Group in achieving its business objectives.

The Board has received assurance from the Group CEO and the Senior Manager, Corporate Finance and Treasury that the Group's risk management and internal control systems have been operating adequately and effectively, in all material aspects, during the financial year under review and up to the date of this Statement.

As the development of a sound system of internal control is an ongoing process, the Board and the Management maintain an ongoing commitment to ensure necessary actions have been taken to remedy significant weaknesses identified from reviews and continue to take appropriate measures to strengthen the risk management and internal control environment of the Group.

For the financial year 2025, the Board confirms that the internal control system was adequate and effective, and that it did not give rise to any material losses, contingencies or uncertainties requiring disclosure in the Annual Report 2025.

### **Review by the Audit Committee and External Auditors**

The AC has reviewed this Statement and noted no evidence of any significant deficiencies. The External Auditors, having reviewed this Statement in accordance with Paragraph 15.23 of the MMLR and AAPG3, reported that nothing has come to their attention that causes them to believe this Statement is not prepared in accordance with the required disclosures or is factually inaccurate.

### **Board Conclusion**

The Board is satisfied that the Group maintains a sound system of risk management and internal control appropriate for its marketing and trading operations and manufacturing facilities. Enterprise risk management will continue to be strengthened to ensure ongoing resilience and alignment with the Group's long-term objectives.

This Statement was approved by the Board of Directors on 10 April 2026.

# AUDIT COMMITTEE REPORT

## COMPOSITION

The Audit Committee (“AC”) is appointed by the Board from amongst its members, and presently comprises three (3) Directors, all of whom are Independent Non-Executive Directors (“INEDs”), who satisfy the test of independence under the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). A majority of the AC members possess the requisite qualifications as stipulated under Paragraph 15.09(1)(c) of the Listing Requirements of Bursa Securities.

The Chairman of the AC is elected from amongst the members and is an independent director. In respect of this, the Company complies with paragraph 15.10 of the Listing Requirements.

Should there be a vacancy in the AC resulting in the non-compliance of Paragraphs 15.09(1) and 15.10 of the Listing Requirements of Bursa Securities, the Company must fill the vacancy within three (3) months.

The AC comprises the following Directors:

Name	Directorship	No. of Meetings Attended
An Li Fong - Chairman	Independent Non-Executive Director	5/5
Carolyn Anne Kam Foong Kheng - Member	Independent Non-Executive Director	5/5
Yee Kee Bing - Member (appointed as member on 1 July 2025)	Independent Non-Executive Director	2/2
Dato’ Koh Peng Chor - Member (ceased as member on 1 July 2025)	Non-Independent Non-Executive Director	3/3

## TERMS OF REFERENCE

The terms of reference including composition, authority, responsibilities, meetings and specific duties of the AC are disclosed and published on the Company’s website at [www.citranusaholdings.com](http://www.citranusaholdings.com) under the Investor Relations – Corporate Governance section.

## ATTENDANCE OF MEETINGS

A total of five (5) meetings were held during the financial year ended 31 December 2025. The attendance of each AC member is detailed in the table above.

The quorum for a meeting shall be made up of a majority of the members present who shall be Independent Directors. The Group CEO, Senior Manager, Corporate Finance & Treasury, representatives from the Internal Auditors and External Auditors have been invited to attend the AC meetings during the financial year. Minutes of each AC meeting were circulated to the members and tabled for confirmation at the following AC meeting and subsequently presented to the Board for notation.

During the financial year ended 31 December 2025, the AC Chairman presented to the Board the AC’s recommendation to approve the annual financial statements and quarterly financial reports. The Chairman also briefed the Board on the summary of key matters raised by the External Auditors and Internal Auditors highlighted during the audit, including financial reporting issues, significant judgements and estimates made by Management and how these matters were addressed.

For each of the significant matters highlighted by the External Auditors, the AC had considered the rationale and judgements provided by Management and discussed the same with the External Auditors to ensure that the accounting policies applied were appropriate and were in line with the requirements of the prevailing accounting standards.

The Internal Auditors attended the AC meetings to present the internal audit review reports on the risk assessment and system of internal controls together with the recommendations thereon. The Head of the respective Business Units and their team were invited to attend the AC meetings to facilitate deliberations as well as to provide clarification and explanation on audit issues, particularly on specific control lapses and issues arising from the relevant audit reports.

# AUDIT COMMITTEE REPORT

## REPORTING OF BREACHES TO THE BURSA SECURITIES

If any matter reported by the AC to the Board of the Company has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the AC shall promptly report such matter to Bursa Securities.

## SUMMARY OF WORK

The AC carried out its duties in accordance with its Terms of Reference.

During the financial year ended 31 December 2025 and up to the date of this Report, the work carried out by the AC in discharging its duties and responsibilities included:

- i. Reviewed the unaudited consolidated quarterly financial results and audited financial statements of the Group and the Company including the announcements pertaining thereto. The discussion focused particularly on any changes in accounting policies and practices, significant adjustments arising from the audit and compliance with accounting standards and other statutory and regulatory requirements prior to recommending to the Board for approval and release of the announcements to Bursa Securities.
- ii. Reviewed and discussed with the external auditors on their audit planning memorandum outlining their scope of work including audit risk areas, approach emphasis, key audit matters and timeline.
- iii. Reviewed and discussed with the external auditors their audit findings including system evaluation, audit fees, issues raised, audit recommendations and Management's response to these recommendations.
- iv. Evaluated the performance of the external auditors for the financial year ended 31 December 2025 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence and considered and recommended the re-appointment of the external auditors.
- v. Reviewed and assessed the adequacy of the scope and functions of the internal audit plan.
- vi. Reviewed the internal audit reports presented and considered the findings of internal audit through the review of the internal audit reports tabled and Management's responses thereto.
- vii. Reviewed the effectiveness of the Group's system of internal control.
- viii. Reviewed the proposed fees for the external auditors and internal auditors in respect of their audit of the Company and the Group.
- ix. Reviewed related party transactions and conflict of interest situations that may arise within the Company or the Group.
- x. Reviewed the Company's compliance with the Listing Requirements, applicable Approved Accounting Standards and other relevant legal and regulatory requirements.
- xi. Reviewed the AC Report, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control prior to recommending to the Board for approval and inclusion in the Company's Annual Report.
- xii. Reported to the Board on its activities and significant findings and results.

## FINANCIAL LITERACY OF THE AUDIT COMMITTEE MEMBERS

The members of the AC possess relevant experience and expertise in finance and accounting and have carried out their duties in compliance with the AC's Terms of Reference.

All AC members have undertaken, and will continue to undertake, continuous professional development to stay informed of developments in accounting and auditing standards, practices, and regulations as necessary.

The Board has reviewed the AC members' terms of office and performance. Based on this review, the Board is satisfied that the AC and its members have effectively discharged their functions, duties, and responsibilities in line with the AC's Terms of Reference. The AC has successfully supported the Board in maintaining appropriate corporate governance standards across the Group.

## INDEPENDENCE OF THE AUDIT COMMITTEE

The Company acknowledges the importance of maintaining the independence of its external auditors and ensuring that no conflict of interest arises.

Currently, none of the members of the Board or the AC were formerly audit partners of the Group's appointed external auditors. In compliance with best practices, the Company enforces a mandatory cooling-off period of at least three (3) years before considering any former audit partner of the Group's external auditors for appointment as a member of the AC.

## **AUDIT COMMITTEE REPORT**

With the introduction of the new Sections 264(4A) and 264(4B) to the Companies Act 2016 and the accompanying guidelines applicable for firms of auditors as issued by the Suruhanjaya Syarikat Malaysia, the External Auditors had provided to the AC further assurance of their independence and compliance to the provisions of Section 264(4A) of the Companies Act 2016.

### **INTERNAL AUDIT FUNCTION**

The internal audit function of the Group is outsourced to an independent professional firm (“Internal Auditors”) which are free from any relationship or conflict of interest or undue influence of others which could impair their independence, and reports directly to the AC. The Internal Auditors provide independent and objective feedback to the AC and the Board on the adequacy, effectiveness and efficiency of the internal control system of the Group to assist the Board in ensuring that the Group’s operations and management are conducted with clear lines and accountability with the ultimate objective of providing reasonable assurance that the internal control systems of the Group continue to operate satisfactorily and effectively.

During the financial year, the Internal Auditors have completed and issued the IA reports based on the annual audit plan approved by the AC. The audit assignments covered various operational and management functions of the selected subsidiaries and risk management review within the Group. The reports are issued to the AC, Executive Directors and the respective operations management, incorporating audit recommendations and Management’s responses with regards to any audit findings on the weaknesses in the systems and controls of the operations.

The AC received quarterly reports and status of management actions from the Internal Auditors on audit reviews carried out, management’s response to the findings and progress status in rectifying the identified issues. The management were made responsible and ensured that corrective actions on the control deficiencies were taken within the required time frame. The Internal Auditors conducted follow-up audits on key engagements to ensure that the corrective actions were implemented appropriately.

The total costs incurred for the Group’s internal audit function in respect of the financial year ended 31 December 2025 was RM67,652.00.

# **DIRECTORS' RESPONSIBILITY STATEMENT**

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

The Directors are responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements, the Directors have:

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

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

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

# DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

## PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services. The subsidiaries are principally involved in manufacturing, trading and packaging of all kinds of foodstuffs, beverages, household and personal care; import, sale and distribution of healthcare and consumer products. The other details of the subsidiaries are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

## FINANCIAL RESULTS

	Group RM	Company RM
Profit for the financial year	847,962	487,407
Attributable to:		
Owners of the Company	918,524	
Non-controlling interests	(70,562)	
	847,962	

## DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

## ISSUE OF SHARES AND DEBENTURES

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

## TREASURY SHARES

During the financial year ended 31 December 2025, the Company repurchased 400,000 of its issued shares from the open market for a total consideration paid, including transaction costs of RM19,000. The average price paid for the shares repurchased was approximately RM0.0475 per share and was financed by internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirements of Section 127(6) of the Companies Act 2016.

As at 31 December 2025, the Company held 1,700,000 treasury shares out of the total 720,000,000 issued ordinary shares. Further relevant details are disclosed in Note 15 to the financial statements.

## RESERVES AND PROVISIONS

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

## HOLDING COMPANY

The Directors regard Marvellous Heights Sdn. Bhd., a private limited liability company incorporated and domiciled in Malaysia, as the holding company.

## DIRECTORS' REPORT

### DIRECTORS

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

*Directors of the Company:*

Dato' Koh Peng Chor  
Carolyn Anne Kam Foong Kheng  
An Li Fong  
Yee Kee Bing (appointed on 1 July 2025)

*Directors of the Company and its subsidiaries:*

Chew Boon Swee  
Koh How Loon

The Directors of the subsidiaries since the beginning of the financial year to the date of this report, not including those Directors listed above are:

Koh Tiah Siew  
Koh Teng Kiat  
Soo Wei Huey  
Thong Lai Yeen  
Chu Yang Ang

### DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, the interests and deemed interests in the ordinary shares of the Company and its related corporations of those who were Directors as at the financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) are as follows:

	<u>Number of ordinary shares</u>			At 31 December 2025
	At 1 January 2025	<u>Bought</u>	<u>Sold</u>	
<b>Company</b>				
<b>Direct interests</b>				
Dato' Koh Peng Chor	5,028,680	-	-	5,028,680
Chew Boon Swee	1,128,614	-	-	1,128,614
Koh How Loon	1,679,180	-	-	1,679,180
<b>Deemed interests</b>				
Dato' Koh Peng Chor*	373,983,483	-	-	373,983,483
Chew Boon Swee**	6,534,120	-	-	6,534,120
Koh How Loon***	370,671,643	-	-	370,671,643

## DIRECTORS' REPORT

### DIRECTORS' INTERESTS (CONT'D)

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, the interests and deemed interests in the ordinary shares of the Company and its related corporations of those who were Directors as at the financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) are as follows (cont'd):

	<u>Number of ordinary shares</u>			At 31 December 2025
	At 1 January 2025	<u>Bought</u>	<u>Sold</u>	
<b>Holding company</b>				
<b>Direct interests</b>				
Dato' Koh Peng Chor	71,660	-	-	71,660
Chew Boon Swee	7,902	-	-	7,902
<b>Deemed interests</b>				
Dato' Koh Peng Chor****	137,989	-	-	137,989
Koh How Loon****	137,989	-	-	137,989

(\*) Deemed interest by virtue of shares held by spouse, children, Marvellous Heights Sdn. Bhd. and PC Marketing Sdn. Bhd.

(\*\*) Deemed interest by virtue of shares held by spouse.

(\*\*\*) Deemed interest by virtue of shares held by Marvellous Heights Sdn. Bhd. and PC Marketing Sdn. Bhd..

(\*\*\*\*) Deemed interest by virtue of shares held by PC Marketing Sdn. Bhd..

By virtue of Dato' Koh Peng Chor's and Koh How Loon's interests in the shares of the Company, they are also deemed interested in the shares of all the subsidiaries to the extent that the Company has an interest under Section 8 of the Companies Act 2016.

Other than as disclosed above, none of the other Directors in office at the end of the financial year had any interest in the shares of the Company or its related corporations during the financial year.

### DIRECTORS' REMUNERATION AND BENEFITS

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

	<u>Incurred by the Company</u>	<u>Incurred by the subsidiaries</u>	<u>Total</u>
	RM	RM	RM
Fees	324,000	-	324,000
Salaries and other emoluments	142,473	750,672	893,145
Defined contribution plan	14,832	60,864	75,696
	481,305	811,536	1,292,841
Benefits-in-kind	13,925	34,575	48,500
	495,230	846,111	1,341,341

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

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than as disclosed in Notes 25 and 28 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a Company of which the Director has a substantial financial interest.

# **DIRECTORS' REPORT**

## **OTHER STATUTORY INFORMATION**

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

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

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

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

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

- (a) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:

- (a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
- (b) the results of operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (c) 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 to affect substantially the results of operations of the Group and of the Company for the current financial year in which this report is made.

## **INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS**

The amount of indemnity coverage and insurance premium paid for Directors and Officers of the Group and of the Company during the financial year are amounted to RM10,000,000 and RM13,000 respectively.

## **SIGNIFICANT EVENT**

### **Litigation**

On 18 September 2021, an ex-director of the subsidiaries' company ("the Claimant") had filed a legal action against CNI Enterprise (M) Sdn Bhd ("the Company") under Section 20(3) of the Industrial Relations Act 1967, following her dismissal by the Company on 22 December 2020.



# STATEMENT BY DIRECTORS & STATUTORY DECLARATION

## STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 74 to 146 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and their cash flows for the financial year then ended.

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

.....  
KOH HOW LOON

.....  
CHEW BOON SWEE

Kuala Lumpur  
10 April 2026

## STATUTORY DECLARATION

I, Foong Lai Kwan, being the Officer primarily responsible for the financial management of Citra Nusa Holdings Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 74 to 146 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by )  
the abovenamed at Kuala Lumpur in )  
the Federal Territory this day of )  
10 April 2026 )

.....  
FOONG LAI KWAN  
(MIA No: CA 29637)

Before me:

Commissioner for Oaths

# INDEPENDENT AUDITORS' REPORT

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CITRA NUSA HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No: 198901004452 (181758 - A)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Citra Nusa Holdings Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 74 to 146.

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, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### Basis for Opinion

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

#### *Independence and Other Ethical Responsibilities*

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant 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.

#### *Inventories-valuation net*

#### The risk

Referring to Note 10 to the financial statements. The Group holds a significant amount of inventories which are subject to a risk that the inventories become slow-moving or obsolete, such that they could not be sold or only be sold for selling prices that are less than the carrying value. There is inherent subjectivity and estimation required in determining the accuracy of inventories obsolescence provisions and in making an assessment of their adequacy due to risk such as inventories are not stated at the lower of cost and net realisable value.

#### Our responses

We tested the methodology for calculating the provisions, challenged the appropriateness and consistency of judgements and assumptions and considered the nature and suitability of historic data used in estimating the provisions. In doing so, we obtained understanding on the ageing profile of inventories, the process for identifying specific problem inventories and historic loss rates.

# **INDEPENDENT AUDITORS' REPORT**

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

### *Impairment losses on trade receivables*

#### **The risk**

Referring to Note 11 to the financial statements. We focused on this area because the Group has material amounts of trade receivables that are past due but not impaired. The key associate risk is the recoverability of trade receivables due to management judgement is required in determining the completeness of the provision for trade receivables and in assessing their adequacy through considering the expected recoverability.

#### **Our responses**

We have reviewed the ageing of trade receivables in comparison to previous years, testing the integrity of ageing by calculating the due date for a sample of invoices and reviewing the level of bad debts written off in the current year against the prior years. Besides, we have assessed the reasonableness of assumptions and judgements made by the management regarding the expected credit losses through examination of subsequent collections.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

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

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As at the date of our report, except for the Directors' Report, the remaining other information has not been made available to us for our reading and accordingly we are unable to report in this regard.

However, if after reading the other information when available and we conclude there is a material misstatement therein, we will communicate same to the Directors of the Company.

#### **Responsibilities of the Directors for the Financial Statements**

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

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

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

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

# **INDEPENDENT AUDITORS' REPORT**

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- 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.

# **INDEPENDENT AUDITORS' REPORT**

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

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

From the matters communicated with the Directors, we determined those matters that were of most significant 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 described these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors as disclosed in Note 7 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.

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

FOO LEE MENG  
(NO: 03069/07/2027 (J))  
CHARTERED ACCOUNTANT

Kuala Lumpur  
10 April 2026

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	3	26,061,993	26,793,659	18,194	17,244
Investment properties	4	7,730,280	7,730,280	1,980,000	1,980,000
Intangible assets	5	514,524	411,437	634	1,574
Other investments	6	339,973	339,973	1	1
Investment in subsidiaries	7	-	-	73,834,456	73,793,874
Investment in associates	8	687,432	-	687,432	-
Deferred tax assets	9	327,000	341,000	-	-
Total non-current assets		35,661,202	35,616,349	76,520,717	75,792,693
<b>Current assets</b>					
Inventories	10	8,975,655	10,569,252	-	-
Trade receivables	11	4,172,495	2,833,125	136,643	81,496
Other receivables	12	2,442,252	3,183,233	192,520	7,493
Other investments	6	16,474,609	14,125,591	5,625,691	5,477,417
Tax recoverable		82,875	556,692	-	-
Cash and bank balances and deposits	13	13,903,683	15,509,393	1,439,028	2,019,800
Total current assets		46,051,569	46,777,286	7,393,882	7,586,206
<b>Total assets</b>		<b>81,712,771</b>	<b>82,393,635</b>	<b>83,914,599</b>	<b>83,378,899</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
<b>Equity attributable to owners of the Company:</b>					
Share capital	14	72,000,000	72,000,000	72,000,000	72,000,000
Treasury shares	15	(93,766)	(74,766)	(93,766)	(74,766)
Foreign currency translation reserve	16	77,403	(208,468)	-	-
Legal capital reserve	17	178,989	178,989	-	-
(Accumulated losses)/Retained earnings		(5,192,693)	(6,111,217)	11,778,424	11,291,017
		66,969,933	65,784,538	83,684,658	83,216,251
Non-controlling interests	7	365,724	584,939	-	-
<b>Total equity</b>		<b>67,335,657</b>	<b>66,369,477</b>	<b>83,684,658</b>	<b>83,216,251</b>

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Lease liabilities	18	828,879	526,526	-	-
Deferred tax liabilities	9	-	-	-	-
Total non-current liabilities		828,879	526,526	-	-
<b>Current liabilities</b>					
Trade payables	19	3,466,429	4,422,889	-	-
Other payables	20	8,194,505	9,348,429	229,941	162,648
Lease liabilities	18	1,172,145	1,044,132	-	-
Borrowing	21	689,628	680,218	-	-
Tax payable		25,528	1,964	-	-
Total current liabilities		13,548,235	15,497,632	229,941	162,648
<b>Total liabilities</b>		14,377,114	16,024,158	229,941	162,648
<b>Total equity and liabilities</b>		81,712,771	82,393,635	83,914,599	83,378,899

The accompanying notes form an integral part of the financial statements

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	22	61,086,103	58,001,186	2,301,523	1,658,412
Cost of sales		(31,621,925)	(28,305,834)	(7,345)	(9,656)
Gross profit		29,464,178	29,695,352	2,294,178	1,648,756
Other income		1,186,026	1,661,858	46,247	201,729
Distribution expenses		(16,294,451)	(20,735,835)	-	-
Administration expenses		(12,805,797)	(10,826,658)	(1,624,249)	(1,551,122)
Other expenses		(1,375,659)	(1,663,655)	(116,816)	(165,072)
Net impairment loss on non-financial assets		(669,281)	(97,445)	(271,986)	(2,212,155)
Net impairment (loss)/gain on financial assets		(74,272)	(383,823)	36,802	(2,459)
Operating (loss)/profit		(569,256)	(2,350,206)	364,176	(2,080,323)
Finance income	23	689,930	668,034	158,080	168,146
Finance costs	24	(167,917)	(145,035)	-	-
Share of profit/(loss) of equity-accounted associates	8	1,669,752	(14,417)	-	-
Profit/(Loss) before tax	25	1,622,509	(1,841,624)	522,256	(1,912,177)
Tax expenses	26	(774,547)	(141,207)	(34,849)	-
Profit/(Loss) after tax		847,962	(1,982,831)	487,407	(1,912,177)
<i>Other comprehensive income/(loss), net of tax:</i>					
<i>Items that will be reclassified subsequently to profit or loss:</i>					
Foreign currency translation for foreign operations		162,146	227,632	-	-
Share of other comprehensive income of investments accounted for using equity method, net of tax		125,072	-	-	-
Total other comprehensive income/(loss)		287,218	227,632	487,407	(1,912,177)
Total comprehensive income/(loss) for the financial year		1,135,180	(1,755,199)	487,407	(1,912,177)
<b>Profit/(Loss) after tax attributable to:-</b>					
Owners of the Company		918,524	(2,008,796)	487,407	(1,912,177)
Non-controlling interests		(70,562)	25,965	-	-
		847,962	(1,982,831)	487,407	(1,912,177)
<b>Total comprehensive income/(loss) attributable to:-</b>					
Owners of the Company		1,204,395	(1,780,653)	487,407	(1,912,177)
Non-controlling interests		(69,215)	25,454	-	-
		1,135,180	(1,755,199)	487,407	(1,912,177)
<b>Earnings per share attributable to owners of the Company (sen):-</b>					
- Basic/Diluted	27	0.13	(0.28)		

The accompanying notes form an integral part of the financial statements

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Attributable to owners of the Company									
	Non-distributable					Distributable				
	Share capital	Treasury shares	Legal capital reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total		
RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	
<b>Group</b>										
Balance at 1 January 2024	72,000,000	(58,266)	178,989	(436,611)	(4,102,421)	67,581,691	619,485	68,201,176		
Loss after tax	-	-	-	-	(2,008,796)	(2,008,796)	25,965	(1,982,831)		
Other comprehensive income	-	-	-	228,143	-	228,143	(511)	227,632		
Total comprehensive loss for the financial year	-	-	-	228,143	(2,008,796)	(1,780,653)	25,454	(1,755,199)		
Transaction with owners:										
Own shares acquired	-	(16,500)	-	-	-	(16,500)	-	(16,500)		
Dividend paid to non-controlling interests of a subsidiary company	-	-	-	-	-	-	(60,000)	(60,000)		
Total transactions with owners	-	(16,500)	-	-	-	(16,500)	(60,000)	(76,500)		
Balance at 31 December 2024	72,000,000	(74,766)	178,989	(208,468)	(6,111,217)	65,784,538	584,939	66,369,477		
Profit after tax	-	-	-	-	918,524	918,524	(70,562)	847,962		
Other comprehensive income	-	-	-	285,871	-	285,871	1,347	287,218		
Total comprehensive income for the financial year	-	-	-	285,871	918,524	1,204,395	(69,215)	1,135,180		
Transaction with owners:										
Own share acquired	-	(19,000)	-	-	-	(19,000)	-	(19,000)		
Dividend paid to non-controlling interests of a subsidiary company	-	-	-	-	-	-	(150,000)	(150,000)		
Total transactions with owners	-	(19,000)	-	-	-	(19,000)	(150,000)	(169,000)		
Balance at 31 December 2025	72,000,000	(93,766)	178,989	77,403	(5,192,693)	66,969,933	365,724	67,335,657		

**STATEMENTS OF CHANGES IN EQUITY**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	← Attributable to owners of the Company → Distributable			
<u>Note</u>	<u>Share capital</u> RM	<u>Treasury shares</u> RM	<u>Retained earnings</u> RM	<u>Total equity</u> RM
<b>Company</b>				
Balance at 1 January 2024	72,000,000	(58,266)	13,203,194	85,144,928
Total comprehensive loss for the financial year	-	-	(1,912,177)	(1,912,177)
Transaction with owners:				
Own shares acquired	15	(16,500)	-	(16,500)
Balance at 31 December 2024	72,000,000	(74,766)	11,291,017	83,216,251
Total comprehensive loss for the financial year	-	-	487,407	487,407
Transaction with owners:				
Own shares acquired	15	(19,000)	-	(19,000)
Balance at 31 December 2025	72,000,000	(93,766)	11,778,424	83,684,658

The accompanying notes form an integral part of the financial statements

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>OPERATING ACTIVITIES</b>					
Profit/(Loss) before tax		1,622,509	(1,841,624)	522,256	(1,912,177)
<b>Adjustments for:-</b>					
Amortisation of intangible assets		238,315	243,701	579	928
Bad debts written off		153,346	31,570	-	-
Depreciation of property, plant and equipment		2,552,556	2,637,795	7,432	19,533
Dividend income		(29,600)	(73,300)	(11,100)	(10,800)
Fair value changes on other investments		73,192	(331,547)	5,420	(114,203)
Fair value changes on investment properties		-	653,720	-	-
Gain on disposal of other investments		-	(3,909)	-	-
(Gain)/Loss on disposal of property, plant and equipment		(49,442)	41,208	-	-
Impairment loss on property, plant and equipment		-	111,862	-	-
Impairment loss on investment in subsidiaries		-	-	959,418	2,212,155
Interest expenses		167,917	145,035	-	-
Interest income		(689,930)	(668,034)	(158,080)	(168,146)
Intangible assets written off		1,055	75	-	-
Inventories written down		337,432	272,815	-	-
Inventories written off		13,988	301,973	-	-
Loss allowance on receivables		179,288	392,759	58,755	59,563
Property, plant and equipment written off		31,896	30,982	2	-
Reversal of loss allowance on receivables		(105,016)	(8,936)	(95,557)	(57,104)
Reversal of inventories written down		(272,815)	(178,582)	-	-
Reversal of inventories written off		(2,576)	-	-	-
Impairment loss on/(Reversal of impairment loss) on investment in an associate		669,281	(14,417)	(687,432)	-
Share of (profit)/loss of equity-accounted associates		(1,669,752)	14,417	-	-
Unrealised loss on foreign exchange		175,902	245,960	12,320	15,396
Operating profit before working capital changes		3,397,546	2,003,523	614,013	45,145

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>OPERATING ACTIVITIES</b>					
<b>Adjustments for (cont'd):-</b>					
Changes in working capital:-					
Inventories		1,499,237	83,594	-	-
Receivables		(602,627)	270,214	(69,966)	(9,953)
Payables		(1,693,741)	1,618,427	77,901	(47,282)
		2,600,415	3,975,758	621,948	(12,090)
Income tax paid, net of refund		(263,166)	(515,372)	(34,849)	-
Interest received		56,505	84,147	4,385	6,663
Interest paid		(63,993)	(36,857)	-	-
Net cash from/(used in) operating activities		2,329,761	3,507,676	591,484	(5,427)
<b>INVESTING ACTIVITIES</b>					
Dividends received		29,600	73,300	11,100	10,800
Proceeds from disposal of other investments		-	38,834	-	-
Redemption of other investments		-	1,700,000	-	1,200,000
Purchase of other investments		(2,422,210)	(972,122)	(153,694)	(455,601)
Interest received		633,425	583,887	153,695	161,483
Purchase of property, plant and equipment	A	(543,330)	(377,164)	(10,693)	(4,616)
Purchase of investment property		-	(1,530,000)	-	-
Purchase of intangible assets	B	(55,289)	(25,985)	-	-
Proceeds from disposal of property, plant and equipment		54,697	92,256	2,309	-
Proceeds from disposal of intangible asset		361	-	361	-
Repayments from/(Advances to) related parties		4,600	(2,240)	-	-
Acquisition of additional shares in a subsidiary		-	-	(1,000,000)	-
Repayments from subsidiaries		-	-	34,667	25,468
(Advances to)/Repayments from an associate		(155,151)	105,558	(180,393)	-
Net cash (used in)/from investing activities		(2,453,297)	(313,676)	(1,142,648)	937,534

**STATEMENTS OF CASH FLOWS**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
<b>FINANCING ACTIVITIES</b>					
Repayments to a Director		(100,000)	-	-	-
(Repayments to)/Advance from subsidiaries		-	-	(10,608)	9,610
Purchase of treasury shares		(19,000)	(16,500)	(19,000)	(16,500)
Repayments to related parties		(45,023)	(184,172)	-	-
Interest paid		(103,924)	(108,178)	-	-
Dividend paid to non-controlling interests of a subsidiary company		(150,000)	(60,000)	-	-
Advances from an associate		148,415	109,545	-	-
Repayments of lease liabilities		(1,172,417)	(1,451,334)	-	-
Net cash used in financing activities		<u>(1,441,949)</u>	<u>(1,710,639)</u>	<u>(29,608)</u>	<u>(6,890)</u>
<b>CASH AND CASH EQUIVALENTS</b>					
Net changes		(1,565,485)	1,483,361	(580,772)	925,217
Effect of exchange rate fluctuations on bank balances		(49,635)	(39,111)	-	-
Brought forward		<u>14,829,175</u>	<u>13,384,925</u>	<u>2,019,800</u>	<u>1,094,583</u>
Carried forward	C	<u>13,214,055</u>	<u>14,829,175</u>	<u>1,439,028</u>	<u>2,019,800</u>

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### NOTES TO THE STATEMENTS OF CASH FLOWS

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
<b>A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT</b>				
Total purchase of property, plant and equipment	1,885,142	955,730	10,693	4,616
Less: Acquisition by means of lease liabilities	<u>(1,341,812)</u>	<u>(578,566)</u>	<u>-</u>	<u>-</u>
Total cash paid	<u>543,330</u>	<u>377,164</u>	<u>10,693</u>	<u>4,616</u>
<b>B. PURCHASE OF INTANGIBLE ASSETS</b>				
Total purchase of intangible assets	328,778	25,985	-	-
Less: Acquisition by means of lease liabilities	<u>(273,489)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash paid	<u>55,289</u>	<u>25,985</u>	<u>-</u>	<u>-</u>
<b>C. CASH AND CASH EQUIVALENTS</b>				

Cash and cash equivalents included in the statements of cash flows comprise the following amounts:-

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
Deposits with financial institutions	72,024	66,585	-	-
Cash and bank balances	<u>13,831,659</u>	<u>15,442,808</u>	<u>1,439,028</u>	<u>2,019,800</u>
	13,903,683	15,509,393	1,439,028	2,019,800
Less: Bank overdraft	<u>(689,628)</u>	<u>(680,218)</u>	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u>13,214,055</u>	<u>14,829,175</u>	<u>1,439,028</u>	<u>2,019,800</u>

The accompanying notes form an integral part of the financial statements

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	1 January 2025	Cash flows movement	Purchase of property, plant and equipment	Purchase of intangible assets	Unrealised foreign exchange	31 December 2025
Group	RM	RM	RM	RM	RM	RM
Amount due to a Director	1,483,333	(100,000)	-	-	-	1,383,333
Amount due to related parties	45,023	(45,023)	-	-	-	-
Amount due to associates	223,781	148,415	-	-	-	372,196
Lease liabilities	1,570,658	(1,172,417)	1,341,812	273,489	(12,518)	2,001,024

	1 January 2025	Cash flows movement	31 December 2025
Company	RM	RM	RM
Amount due to subsidiaries	10,608	(10,608)	-

	1 January 2024	Cash flows movement	Purchase of property, plant and equipment	Expired lease liabilities	Unrealised foreign exchange	31 December 2024
Group	RM	RM	RM	RM	RM	RM
Amount due to a Director	1,483,333	-	-	-	-	1,483,333
Amount due to related parties	229,195	(184,172)	-	-	-	45,023
Amount due to associates	114,236	109,545	-	-	-	223,781
Lease liabilities	2,543,388	(1,451,334)	578,566	(65,690)	(34,272)	1,570,658

	1 January 2024	Cash flows movement	31 December 2024
Company	RM	RM	RM
Amount due to subsidiaries	998	9,610	10,608

The accompanying notes form an integral part of the financial statements

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

## 1. GENERAL INFORMATION

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

The registered office and the principal place of business of the Company are both located at Wisma CNI, No. 2 Jalan Perunding U1/17, Hicom-Glenmarie Industrial Park, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and provision of management services. The subsidiaries are principally involved in manufacturing, trading and packaging of all kinds of foodstuffs, beverages, household and personal care; Import, sale and distribution of healthcare and consumer products. The other details of the subsidiaries are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

The Directors regard Marvellous Heights Sdn. Bhd., a private limited liability company incorporated and domiciled in Malaysia, as the ultimate holding company.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors passed on 10 April 2026.

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

### 2.1 Statement of Compliance

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

### 2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under historical cost convention except for investment properties, debt and equity financial assets that have been measured at fair value. The Group and the Company have prepared the financial statements on the basis that it will continue to operate as a going concern.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and its measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and by the Company.

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

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

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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

### 2.2 Basis of Measurement (cont'd)

- (c) Level 3 – Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

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

The Group and the Company have established control framework in respect of measurement of fair values of financial instruments. The Board has overall responsibility for overseeing all significant fair value measurements. The Board regularly reviews significant unobservable inputs and valuation adjustments.

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

### 2.3 Functional, Presentation and Foreign Currency

The financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency and all values are rounded to the nearest RM except when otherwise stated. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

#### i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group’s entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group’s net investment in a foreign operation. These are recognised in other comprehensive income (“OCI”) until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

#### ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into RM at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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

### 2.3 Functional, Presentation and Foreign Currency (cont'd)

#### ii) *Group companies (cont'd)*

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

### 2.4 Basis of Consolidation

The Group's financial statements consolidate those of the parent company and all of its subsidiaries at 31 December 2025. All subsidiaries have a reporting date of 31 December.

### 2.5 MFRSs

#### 2.5.1 Adoption of Amendments to MFRSs

At the beginning of the current financial year, the Group and the Company adopted amendments to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2025.

The initial application of the amendments to the standard did not have material impact to the Group and the Company.

#### 2.5.2 Standards Issued but Not Yet Effective

The new and amended standards and annual improvements to standards that are issued, but not yet effective, up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intends to adopt these new and amended standards and annual improvements to standards, if applicable, when they become effective in the respective financial period.

##### Effective for financial period beginning on or after 1 January 2026:

Amendments to MFRS 7 and MFRS 9	Financial Instruments and Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 7 and MFRS 9	Financial Instruments and Financial Instruments: Disclosures - Contracts Referencing Nature - Dependent Electricity
Annual Improvements to MFRS Accounting Standards - Volume 11:	
- Amendments to MFRS 1 First-time Adoption of MFRS Accounting Standards	
- Amendments to MFRS 7 Financial Instruments: Disclosures	
- Amendments to MFRS 9 Financial Instruments	
- Amendments to MFRS 10 Consolidated Financial Statements	
- Amendments to MFRS 107 Statement of Cash Flow	

##### Effective for financial period beginning on or after 1 January 2027:

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency

##### Deferred to a date to be determined by the MASB:-

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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Management anticipates that all relevant pronouncements will be adopted in the Group's and the Company's accounting policies for the first period beginning after the effective date of the pronouncements.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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

### 2.5 MFRSs (cont'd)

#### 2.5.2 Standards Issued but Not Yet Effective (cont'd)

The initial application of the relevant new standards, amendments to standards and annual improvements to standards are not expected to have any material financial impact to the financial statements of the Group and the Company, except for:

##### MFRS 18 Presentation and Disclosures of Financial Statements

MFRS 18 will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. MFRS 18 aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. MFRS 18 introduces new categories and subtotals in the statement of profit or loss and also requires disclosure of management-defined performance measures and includes new requirements for the location, aggregation and disaggregation of financial information. The adoption of MFRS 18 will have no impact on the Group's and the Company's net profit but will result in changes to the presentation and disclosure of information in the financial statements and notes.

### 2.6 The Use of Estimates and Judgements

The preparation of financial statements in conformity with MFRSs and IC Interpretations require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. It also requires the management and Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgements are based on the managements' and Directors' best knowledge of current events and actions, actual results may defer from those estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised from the period in which the estimate is revised.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses are outlined below:-

##### Useful Lives of Depreciable Assets

Management estimates the useful lives of the depreciable assets to be within 1.4 to 50 years and reviews the useful lives of depreciable assets at end of each reporting period. At 31 December 2025, management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. Actual results, however, may vary due to changes the expected levels of usage and technological developments, which may result in an adjustment to the Group's and the Company's assets.

##### Impairment of Non-Financial Assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows.

In the process of measuring expected future cash flows, management makes assumptions about future operating results. The actual results may vary and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

##### Provision for Expected Credit Losses ("ECLs") of Trade Receivables

The Group and the Company use a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letter of credit and other forms of credit insurance).

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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

#### 2.6 The Use of Estimates and Judgements (cont'd)

##### Provision for Expected Credit Losses ("ECLs") of Trade Receivables (cont'd)

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

##### Deferred Tax Assets

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Group's latest approved budget or forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in which the Group operates are also carefully taken into consideration.

If a positive forecast of taxable income indicates the probable use of a deferred tax assets, especially when it can be utilised without a time limit, that deferred tax assets is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

##### Income Tax

Significant judgement is required in determining the capital allowance and deductibility of certain expenses during the estimation of provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognised tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

##### Inventories

The Group writes down its obsolete or slow-moving inventories based on assessment of their estimated net selling price, the expiry dates, condition and movements of the inventories and applies certain percentage of write down. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write down for obsolete or slow-moving inventories. Where expectation differs from the original estimates, the differences will impact the carrying amount of inventories.

##### Fair Value of Investment Properties

The Group recognises its investment property at fair value with changes in fair value being recognised in profit or loss. Significant judgement is required in the determination of fair value which may be derived based on different valuation methods. In making the judgement, the Group evaluated based on Directors' estimation with reference to past experience and reliance on the work of specialists.

Information regarding the valuation techniques and inputs used in determining the fair value is disclosed in Note 4 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

#### 2.6 The Use of Estimates and Judgements (cont'd)

##### Fair Value of Other Investments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

##### Classification Between Investment Property and Owner-occupied Properties

The Group and the Company determine whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group and the Company consider whether a property generates cash flows largely independently of the other assets held by the Group and by the Company.

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

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

##### Deferred Tax on Investment Properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using fair value model, the management of the Group and the Company review the investment properties and concluded that the Group's and the Company's investment properties are held under a business model whose objective is to consume substantially all the economic benefits embodied in the investment properties over time. Therefore, in making judgement, the management has determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through over time. Accordingly, the Group and the Company recognised deferred taxes using income tax rate in respect of the changes in fair value of investment properties. The final tax outcome could be different from the deferred tax liabilities recognised in the financial statements should the investment properties subsequently be disposed rather than consumed substantially all of the economic benefits embodied over time.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

## 3. PROPERTY, PLANT AND EQUIPMENT

Group Cost	Freehold land	Buildings	Plant and machinery, and laboratory equipment	Motor vehicles	Office equipment, furniture and fittings, renovation, electrical installation and computer hardware	Capital work- in-progress	Right-of-use assets: Lease of premises	Total
	RM	RM	RM	RM	RM	RM	RM	RM
At 1 January 2024	4,621,097	35,642,485	26,356,712	3,267,118	14,840,344	41,885	2,954,431	87,724,072
Additions	-	-	127,578	-	238,938	10,648	578,566	955,730
Expired leases	-	-	-	-	-	-	(1,464,908)	(1,464,908)
Disposals	-	-	(12,200)	(430,451)	(6,816)	-	-	(449,467)
Written off	-	-	(5,023,133)	(2,450)	(110,970)	-	-	(5,136,553)
Transfer from/(to)	-	-	38,493	-	-	(38,493)	-	-
Exchange differences	-	(115,481)	(109,878)	-	(48,269)	-	(107,735)	(381,363)
At 31 December 2024	4,621,097	35,527,004	21,377,572	2,834,217	14,913,227	14,040	1,960,354	81,247,511
Additions	-	44,000	200,660	72,800	221,010	4,860	1,341,812	1,885,142
Expired leases	-	-	-	-	-	-	(952,669)	(952,669)
Disposals	-	-	(34,000)	(283,441)	(38,028)	-	(442,227)	(797,696)
Written off	-	-	(45,613)	-	(1,049,691)	-	-	(1,095,304)
Transfer to intangible assets	-	-	-	-	(2,478)	(14,040)	-	(16,518)
Exchange differences	-	(61,907)	(58,903)	-	(28,442)	-	(20,211)	(169,463)
At 31 December 2025	4,621,097	35,509,097	21,439,716	2,623,576	14,015,598	4,860	1,887,059	80,101,003

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

## 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Office equipment, furniture and fittings, renovation, electrical installation and computer hardware										Right-of-use assets: Lease of premises	Capital work-in-progress	Total					
	Freehold land	Buildings	Plant and machinery, and laboratory equipment	Motor vehicles														
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Accumulated depreciation</b>																		
At 1 January 2024	-	17,742,155	24,358,612	2,332,176	12,693,614	-	1,578,512	-	-	-	-	58,705,069						
Charge for the financial year	-	686,403	400,317	204,800	367,264	-	979,011	-	-	-	-	2,637,795						
Expired leases	-	-	-	-	-	-	(1,399,218)	-	-	-	-	(1,399,218)						
Disposals	-	-	(11,793)	(302,064)	(2,146)	-	-	-	-	-	-	(316,003)						
Written off	-	-	(5,018,042)	(1,495)	(86,034)	-	-	-	-	-	-	(5,105,571)						
Exchange differences	-	(113,907)	(103,719)	-	(43,009)	-	(73,522)	-	-	-	-	(334,157)						
At 31 December 2024	-	18,314,651	19,625,375	2,233,417	12,929,689	-	1,084,783	-	-	-	-	54,187,915						
Charge for the financial year	-	686,678	343,819	171,078	359,611	-	991,370	-	-	-	-	2,552,556						
Expired leases	-	-	-	-	-	-	(952,669)	-	-	-	-	(952,669)						
Disposals	-	-	(33,186)	(283,435)	(33,593)	-	(442,227)	-	-	-	-	(792,441)						
Written off	-	-	(39,826)	-	(1,023,582)	-	-	-	-	-	-	(1,063,408)						
Transfer to intangible assets	-	-	-	-	(2,478)	-	-	-	-	-	-	(2,478)						
Exchange differences	-	(61,063)	(55,602)	-	(24,885)	-	(7,846)	-	-	-	-	(149,396)						
At 31 December 2025	-	18,940,266	19,840,580	2,121,060	12,204,762	-	673,411	-	-	-	-	53,780,079						

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

## 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Freehold land RM	Buildings RM	Plant and machinery, and laboratory equipment RM	Motor vehicles RM	Office equipment, furniture and fittings, renovation, electrical installation and computer hardware RM	Capital work- in-progress RM	Right-of-use assets : Lease of premises RM	Total RM
<b>Accumulated impairment loss</b>								
At 1 January 2024	-	18,027	70,505	-	77,500	-	-	166,032
Impairment loss for the financial year	-	-	106,860	-	5,002	-	-	111,862
Exchange differences	-	(1,574)	(6,159)	-	(4,224)	-	-	(11,957)
At 31 December 2024	-	16,453	171,206	-	78,278	-	-	265,937
Exchange differences	-	(844)	(3,301)	-	(2,861)	-	-	(7,006)
At 31 December 2025	-	15,609	167,905	-	75,417	-	-	258,931
<b>Net carrying amount</b>								
At 31 December 2025	4,621,097	16,553,222	1,431,231	502,516	1,735,419	4,860	1,213,648	26,061,993
At 31 December 2024	4,621,097	17,195,900	1,580,991	600,800	1,905,260	14,040	875,571	26,793,659

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	<u>Motor vehicles</u>	Office equipment, furniture and <u>fittings</u>	<u>Computer</u> <u>hardware</u>	<u>Total</u>
	RM	RM	RM	RM
<b>Company</b>				
<b>Cost</b>				
At 1 January 2024	396,500	10,005	61,001	467,506
Additions	-	-	4,616	4,616
At 31 December 2024	396,500	10,005	65,617	472,122
Additions	-	6,500	4,193	10,693
Written off	-	-	(94)	(94)
Disposal	-	(6,466)	(25,217)	(31,683)
At 31 December 2025	396,500	10,039	44,499	451,038
<b>Accumulated depreciation</b>				
At 1 January 2024	383,283	5,005	47,057	435,345
Charge for the financial year	13,216	1,520	4,797	19,533
At 31 December 2024	396,499	6,525	51,854	454,878
Charge for the financial year	-	2,784	4,648	7,432
Written off	-	-	(92)	(92)
Disposal	-	(5,424)	(23,950)	(29,374)
At 31 December 2025	396,499	3,885	32,460	432,844
<b>Net carrying amount</b>				
At 31 December 2025	1	6,154	12,039	18,194
At 31 December 2024	1	3,480	13,763	17,244

Property, plant and equipment of the Group and the Company amounted to RM31,896 and RM2 (2024: RM30,982 and RMNil) respectively were written off due to obsolescence and no longer being in use.

Impairment loss on property, plant and equipment of the Group amounted to RM111,862 had been recognised due to the recoverable amounts of property, plant and equipment are lower than the carrying amounts as a result of obsolescence in the previous financial year.

#### Material Accounting Policy Information

All property, plant and equipment are measured at cost less accumulated depreciation and less any impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the Company.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

#### Material Accounting Policy Information (cont'd)

Depreciation is recognised on the straight line method in order to write off the cost of each asset over its estimated useful lives. Freehold land with an infinite life is not depreciated. Other property, plant and equipment are depreciated based on the estimated useful lives of the assets for the current and comparative periods as follows:

Buildings	2%
Plant & machinery & laboratory equipment	10% - 12.50%
Motor vehicles	10% - 20%
Office equipment, furniture & fittings, renovation, electrical installation and computer hardware	2% - 71.40%

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss either within other income or other expenses.

Capital work-in-progress consists of buildings under construction/installation for intended use as production facilities. The amount is stated at cost and includes capitalisation of interest incurred on borrowings related to property, plant and equipment under construction/installation until the property, plant and equipment are ready for their intended use. Assets under construction are not depreciated until they are completed and ready for their intended use.

Included in motor vehicles, plant and machinery and laboratory equipment of the Group are right-of-use assets as follows:

	<u>Motor vehicles</u> RM	<u>Plant and machinery, and laboratory equipment</u> RM	<u>Total</u> RM
<b>Group</b>			
<b>Cost</b>			
At 1 January 2024	899,784	1,274,427	2,174,211
Transfer to property, plant and equipment	(335,094)	-	(335,094)
At 31 December 2024	564,690	1,274,427	1,839,117
Transfer to property, plant and equipment	-	(824,827)	(824,827)
At 31 December 2025	564,690	449,600	1,014,290
<b>Accumulated depreciation</b>			
At 1 January 2024	219,368	435,181	654,549
Charge for the financial year	142,541	127,441	269,982
Transfer to property, plant and equipment	(182,426)	-	(182,426)
At 31 December 2024	179,483	562,622	742,105
Charge for the financial year	103,496	119,382	222,878
Transfer to property, plant and equipment	-	(536,964)	(536,964)
At 31 December 2025	282,979	145,040	428,019

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Included in motor vehicles, plant and machinery and laboratory equipment of the Group are right-of-use assets as follows (cont'd):

	<u>Motor vehicles</u>	Plant and machinery, and laboratory <u>equipment</u>	<u>Total</u>
	RM	RM	RM
<b>Group (cont'd)</b>			
<b>Accumulated impairment</b>			
At 1 January 2024	-	-	-
Impairment loss for the financial year	-	104,787	104,787
At 31 December 2024	-	104,787	104,787
Transfer to property, plant and equipment	-	(104,787)	(104,787)
At 31 December 2025	-	-	-
<b>Net carrying amount</b>			
At 31 December 2025	281,711	304,560	586,271
At 31 December 2024	385,207	607,018	992,225

#### Material Accounting Policy Information

The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liabilities.

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

Motor vehicles	10% - 20%
Plant and machinery, and laboratory equipment	10% - 12.5%

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

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

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

#### Material Accounting Policy Information (cont'd)

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### 4. INVESTMENT PROPERTIES

	Right-of-use assets:		Total RM
	Leasehold land and buildings RM	Freehold building RM	
<b>Group</b>			
<b>At fair value</b>			
At 1 January 2024	2,604,000	4,250,000	6,854,000
Addition	1,530,000	-	1,530,000
Fair value changes	(653,720)	-	(653,720)
At 31 December 2024/31 December 2025	3,480,280	4,250,000	7,730,280
<b>Company</b>			
<b>At fair value</b>			
At 1 January 2024/ 31 December 2024/ 31 December 2025	1,980,000	-	1,980,000

#### Material Accounting Policy Information

Investment properties are initially measured at cost, including transaction cost. Subsequent to initial recognition, investment properties are measured at fair value and are revalued annually and are included in the statements of financial position at their open market values. Any gain or loss resulting from either a change in the fair value or the sale of an investment property is immediately recognised in profit or loss in the period in which they arise.

Investment properties are properties held to earn rentals or for capital appreciation, or both, and are accounted for using the fair value model.

Investment properties are revalued annually with resulting gains and losses recognised in profit or loss. These are included in the consolidated statement of financial position at their fair values.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 4. INVESTMENT PROPERTIES (CONT'D)

Income and expenses recognised in profit or loss:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Rental income	297,200	329,400	108,000	113,000
Direct operating expenses				
- Income generating	71,661	63,021	7,345	9,656

The operating lease payments to be received are as follows:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Within 1 year	195,000	163,200	9,000	45,000
Between 1 and 2 years	139,500	-	-	-
Total undiscounted lease payments	334,500	163,200	9,000	45,000

#### Fair Value Basic of Investment Properties

The fair value represents the amount at which the properties could be exchanged on an open market basis between a knowledgeable willing buyer and a knowledgeable willing seller on an arm's length basis at the reporting date.

The fair values of the Group's and the Company's investment properties have been arrived at on the basis of valuations carried out by firm of independent professional valuers on 31 December 2025 who have appropriate professional qualification and recent experience in the relevant location and assets being valued. The fair values of the investment properties were determined using the Comparison Method.

The Comparison Method entails comparing the property with comparable properties which have been sold or are being offered for sale and making adjustments for factors which affect value such as location and accessibility, size, building construction and finishes, building services, management and maintenance, age and state of repair, market condition and other relevant characteristics. There has been no changes to the valuation technique during the financial year.

#### Fair Value

Fair value measurement of the investment properties were categorised as follows:-

	Group		
	Level 1 RM	Level 2 RM	Level 3 RM
<b>2025</b>			
Recurring fair value measurement:			
Leasehold land and buildings	-	3,230,000	250,280
Freehold building	-	4,250,000	-
<b>2024</b>			
Recurring fair value measurement:			
Leasehold land and buildings	-	3,230,000	250,280
Freehold building	-	4,250,000	-

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 4. INVESTMENT PROPERTIES (CONT'D)

#### Fair Value Basic of Investment Properties (cont'd)

##### Fair Value (cont'd)

	<b>Company</b>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
	RM	RM	RM
<b>2025</b>			
Recurring fair value measurement:			
Leasehold land and buildings	-	1,980,000	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>2024</b>			
Recurring fair value measurement:			
Leasehold land and buildings	-	1,980,000	-
	<u>          </u>	<u>          </u>	<u>          </u>

There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

Level 2 fair values of land and buildings have been generally derived using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square feet of comparable properties.

Level 3 fair value of the land and buildings was estimated based on Directors' valuation with reference from a valuation report prepared by an independent professional qualified valuer.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

<u>Valuation techniques</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between significant unobservable inputs and fair value measurement</u>
The fair values are determined based on the techniques supported by available inputs comprising precedent transactions for similar properties in the area and arriving at the opinion of value after taking consideration of location, size, shape, physical characteristics, legal and other restrictions on the subject property and other factors, that generally have influence on property values.	Average price per square foot (2025 and 2024: RM481 and RM481).	The estimated fair value would increase if the price per square foot higher.

#### **Strata Title yet to Issue**

The strata title of buildings of subsidiaries with net carrying amount of RM5,750,280 (2024: RM5,750,280) are yet to issued by the relevant authorities.

#### **Assets Pledged as Securities to Financial Institutions**

The investment properties of the Group which have been pledged to licensed banks for banking facilities amounted to RM2,500,000 (2024: RM2,500,000).

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 5. INTANGIBLE ASSETS

Group	Goodwill	Computer	Trademark	Total
	RM	software RM	RM	RM
<b>Cost</b>				
At 1 January 2024	946,709	2,100,936	441,715	3,489,360
Additions	-	25,985	-	25,985
Written off	-	(11,040)	-	(11,040)
Exchange differences	-	-	(36,820)	(36,820)
At 31 December 2024	946,709	2,115,881	404,895	3,467,485
Additions	-	328,778	-	328,778
Transfer from property, plant and equipment	-	16,518	-	16,518
Disposal	-	(9,120)	-	(9,120)
Written off	-	(87,437)	-	(87,437)
Exchange differences	-	-	(19,737)	(19,737)
At 31 December 2025	946,709	2,364,620	385,158	3,696,487
<b>Accumulated amortisation</b>				
At 1 January 2024	-	1,471,702	189,710	1,661,412
Charge for the financial year	-	243,701	-	243,701
Written off	-	(10,965)	-	(10,965)
Exchange differences	-	-	(15,671)	(15,671)
At 31 December 2024	-	1,704,438	174,039	1,878,477
Charge for the financial year	-	238,315	-	238,315
Transfer from property, plant and equipment	-	2,478	-	2,478
Disposal	-	(8,759)	-	(8,759)
Written off	-	(86,382)	-	(86,382)
Exchange differences	-	-	(8,400)	(8,400)
At 31 December 2025	-	1,850,090	165,639	2,015,729
<b>Accumulated impairment loss</b>				
At 1 January 2024	946,709	6	252,005	1,198,720
Exchange differences	-	-	(21,149)	(21,149)
At 31 December 2024	946,709	6	230,856	1,177,571
Exchange differences	-	-	(11,337)	(11,337)
At 31 December 2025	946,709	6	219,519	1,166,234
<b>Net carrying amount</b>				
At 31 December 2025	-	514,524	-	514,524
At 31 December 2024	-	411,437	-	411,437

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 5. INTANGIBLE ASSETS (CONT'D)

<b>Company</b>	<b>Computer software</b>
<b>Cost</b>	<b>RM</b>
At 1 January 2024/31 December 2024	35,271
Disposal	<u>(9,120)</u>
At 31 December 2025	<u>26,151</u>
<b>Accumulated amortisation</b>	
At 1 January 2024	32,769
Charge for the financial year	<u>928</u>
At 31 December 2024	33,697
Charge for the financial year	579
Disposal	<u>(8,759)</u>
At 31 December 2025	<u>25,517</u>
<b>Net carrying amount</b>	
At 31 December 2025	<u><u>634</u></u>
At 31 December 2024	<u><u>1,574</u></u>

Intangible assets of the Group amounted to RM1,055 (2024: RM75) were written off due to obsolescence and no longer being in use.

Impairment loss on intangible assets of the Group had been recognised due to recoverable amounts of intangible assets are lower than the carrying amounts due to obsolescence.

#### **Impairment Loss Review of Goodwill on Consolidation**

Goodwill acquired in a business combination is allocated, at acquisition date, to the cash-generating unit ("CGU") that is expected to benefit from the business combination. The goodwill pertains to a subsidiary experiencing losses due to its poor performance. Consequently, the associated goodwill had been fully impaired.

#### **Material Accounting Policy Information**

##### Goodwill

Goodwill arising on the acquisition of a subsidiary, being the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the acquirer's previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is not amortised but reviewed for impairment at least annually.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 5. INTANGIBLE ASSETS (CONT'D)

#### Material Accounting Policy Information (cont'd)

##### Software

Software is recognised as intangible assets when the software is not an integral part of the related hardware. All software is initially recorded at cost. The cost of an item of software is recognised as an asset if, and only if, it is possible that future benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Software, considered to have finite useful life, is stated at cost less any accumulated impairment losses and is amortised using the straight-line basis over its estimated useful life of 10 years.

##### Trademarks

Trademarks are stated at cost less any accumulated impairment losses and is amortised using the straight-line basis over its estimated useful life of 10 years. If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new expectations.

### 6. OTHER INVESTMENTS

	<b>Group</b>		<b>Company</b>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
<b>Non-current asset</b>				
<b>Fair value through profit or loss</b>				
Unquoted shares, at fair value				
- Within Malaysia	339,973	339,973	1	1
<b>Current assets</b>				
<b>Fair value through profit or loss</b>				
Investment in money market funds	14,066,609	11,713,591	5,472,691	5,322,917
Quoted shares, at fair value				
- Within Malaysia	408,000	412,000	153,000	154,500
Unquoted shares, at fair value				
Redeemable convertible preference shares	2,000,000	2,000,000	-	-
	<u>16,474,609</u>	<u>14,125,591</u>	<u>5,625,691</u>	<u>5,477,417</u>
	<u>16,814,582</u>	<u>14,465,564</u>	<u>5,625,692</u>	<u>5,477,418</u>

The fair values of unquoted shares and redeemable convertible preference shares are determined based on the valuation techniques supported by available inputs comprising precedent transaction for similar financial instruments.

The fair values of quoted shares and money market funds are determined based on quoted bid prices in an active market.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 7. INVESTMENT IN SUBSIDIARIES

	Company	
	<u>2025</u>	<u>2024</u>
	RM	RM
Unquoted shares, at cost	84,321,374	83,321,374
Less: Accumulated impairment loss		
At 1 January	9,527,500	7,315,345
Addition	959,418	2,212,155
31 December	10,486,918	9,527,500
Net carrying amount	73,834,456	73,793,874

#### Additional investment in existing subsidiary

During the financial year, the Company subscribed for additional ordinary shares in existing subsidiary by an additional allotment and issuance of 1,000,000 new ordinary shares at an issue price of RM1 each, in total RM1,000,000.

	<u>Type of shares</u>	<u>Number of shares</u>	<u>Amount</u> RM
Q-Pack (M) Sdn. Bhd.	Ordinary	1,000,000	1,000,000

#### **Impairment of Subsidiaries**

The recoverable amount of the investment in subsidiaries are assessed by reference to the value-in-use or fair value less cost to sell of the respective subsidiaries, whichever is higher.

During the financial year, the adjusted net assets of the subsidiaries, Exclusive Mark (M) Sdn. Bhd. and Q-Pack (M) Sdn. Bhd. were lower than the Company's net carrying amount of investment, determined using fair value less costs of disposal which resulted in impairment losses recognised accordingly.

In prior financial year, the adjusted net assets of the subsidiary, Exclusive Mark (M) Sdn. Bhd. was lower than the Company's net carrying amount of investment, determined using fair value less costs of disposal which resulted in impairment losses recognised accordingly.

Details of the Level 3 fair value method used in obtaining the recoverable amount are as follows:-

<u>Valuation method and key inputs</u>	<u>Significant unobservable inputs</u>	<u>Relationship of unobservable inputs and fair value</u>
Adjusted net asset method which derives the fair value of an investee's equity instruments by reference to the fair value of its assets and liabilities	Fair value of individual assets and liabilities	The higher the net assets, the higher the fair value

Details of the subsidiaries are as follows:-

<u>Name of company</u>	<u>Principal place of business</u>	<u>Principal activities</u>	<u>Effective interest</u>	
			<u>2025</u>	<u>2024</u>
CNI Enterprise (M) Sdn. Bhd.	Malaysia	Sale and distribution of health care and consumer products.	100%	100%
Exclusive Mark (M) Sdn. Bhd.	Malaysia	Manufacturing, trading and packaging of all kinds of foodstuffs and beverages.	100%	100%

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 7. INVESTMENT IN SUBSIDIARIES (CONT'D)

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

Name of company	Principal place of business	Principal activities	Effective interest	
			2025	2024
Q-Pack (M) Sdn. Bhd.	Malaysia	Manufacturing, trading and packaging of household and personal care products.	100%	100%
Infuso Sdn. Bhd.	Malaysia	Supply of food and beverage and investment holding.	100%	100%
Lotus Supplies Sdn. Bhd.	Malaysia	Import and distribution of food ingredients, pharmaceutical and healthcare goods, cosmetic and beauty products.	70%	70%
<b>Subsidiary of CNI Enterprise (M) Sdn. Bhd.</b>				
Creative Network International (S) Pte. Ltd. *	Singapore	Sale and distribution of health care and consumer products.	100%	100%
<b>Subsidiaries of Exclusive Mark (M) Sdn. Bhd.</b>				
Bright Way Avenue Sdn. Bhd.	Malaysia	Marketing and distributing coffee and other related beverage products.	100%	100%
Top One Biotech Co., Ltd. *	Taiwan	Manufacturing, sales and distribution of foodstuffs and groceries products.	70%	70%

\* Not audited by Grant Thornton Malaysia PLT

The subsidiaries of the Group that have non-controlling interests ("NCI")

	Lotus Supplies Sdn. Bhd. RM	Top One Biotech Co., Ltd. RM	Total RM
<b>2025</b>			
NCI percentage of ownership and voting interest (%)	30%	30%	
Carrying amount of NCI	424,281	(58,557)	365,724

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 7. INVESTMENT IN SUBSIDIARIES (CONT'D)

The subsidiaries of the Group that have non-controlling interests ("NCI") (cont'd)

	Lotus Supplies Sdn. Bhd. RM	Top One Biotech Co., Ltd. RM	Total RM
<b>2025 (cont'd)</b>			
Loss for the financial year allocated to NCI	(1,537)	(69,025)	(70,562)
Total comprehensive loss for the financial year allocated to NCI	(1,537)	(67,678)	(69,215)
<b>2024</b>			
NCI percentage of ownership and voting interest (%)	30%	30%	
Carrying amount of NCI	575,818	9,121	584,939
(Loss)/Profit for the financial year allocated to NCI	(7,575)	33,540	25,965
Total comprehensive (loss)/income for the financial year allocated to NCI	(7,575)	33,029	25,454

The summarised financial information (before intra-group elimination) of the Group's subsidiaries that have NCI

	Lotus Supplies Sdn. Bhd. RM	Top One Biotech Co., Ltd. RM
<b>2025</b>		
<b>Financial position</b>		
Non-current assets	110,027	-
Current assets	1,360,286	139,531
Non-current liabilities	-	-
Current liabilities	(56,042)	(334,721)
Net assets/(liabilities)	1,414,271	(195,190)
<b>Summary of financial performance for the financial year</b>		
Revenue	2,282,279	8,408
Loss for the financial year	(5,124)	(230,082)
Total comprehensive loss	(5,124)	(225,592)
<b>Summary of cash flows for the financial year</b>		
- Net cash from operating activities	362,306	5,887
- Net cash from investing activities	1	-
- Net cash used in financing activities	(498,187)	-
Net cash (outflows)/inflows	(135,880)	5,887
<b>Other information</b>		
Dividends paid to non-controlling interests	150,000	-

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 7. INVESTMENT IN SUBSIDIARIES (CONT'D)

The summarised financial information (before intra-group elimination) of the Group's subsidiaries that have NCI (cont'd)

	Lotus Supplies <u>Sdn. Bhd.</u> RM	Top One Biotech Co., <u>Ltd.</u> RM
<b>2024</b>		
<b>Financial position</b>		
Non-current assets	131,020	-
Current assets	1,837,051	159,381
Non-current liabilities	-	-
Current liabilities	(48,676)	(128,979)
Net assets	<u>1,919,395</u>	<u>30,402</u>
<b>Summary of financial performance for the financial year</b>		
Revenue	3,445,853	505,182
(Loss)/Profit for the financial year	(25,249)	111,801
Total comprehensive (loss)/income	<u>(25,249)</u>	<u>110,095</u>
<b>Summary of cash flows for the financial year</b>		
- Net cash from/(used in) operating activities	466,403	(3,399)
- Net cash from investing activities	-	46
- Net cash used in financing activities	(241,435)	-
Net cash inflows/(outflows)	<u>224,968</u>	<u>(3,353)</u>
<b>Other information</b>		
Dividends paid to non-controlling interests	<u>60,000</u>	-

#### Material Accounting Policy Information

Investment in subsidiaries, which are eliminated on consolidation, are stated in the Company's statement of financial position at cost less any impairment losses.

### 8. INVESTMENT IN ASSOCIATES

	Group		Company	
	<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
<b>Unquoted shares</b>				
At cost	4,866,282	4,866,282	4,866,282	4,866,282
Share of post-acquisition profit/(loss) and reserves				
At 1 January	(4,579,736)	(4,565,319)	-	-
Addition	1,356,713	(14,417)	-	-
At 31 December	(3,223,023)	(4,579,736)	-	-

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 8. INVESTMENT IN ASSOCIATES (CONT'D)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Unquoted shares (cont'd)</b>				
Less: Accumulated impairment loss				
At 1 January	(286,546)	(300,963)	(4,866,282)	(4,866,282)
Addition	(669,281)	-	-	-
Reversal	-	14,417	687,432	-
At 31 December	(955,827)	(286,546)	(4,178,850)	(4,866,282)
	687,432	-	687,432	-

#### Material Accounting Policy Information

Investment in associates are measured in the Group's and the Company's statement of financial position at cost less any impairment.

Investments in associates are accounted for using the equity method. The carrying amount of the investment in associates is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Where the Group's share of losses of an associate equals or exceeds its equity accounted interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

Details of the associates are as follows:

Name of company	Principal place of business	Principal activities	Effective interest	
			2025	2024
CNI Corporation Sdn. Bhd.*	Malaysia	Investment holdings and provision of management services and commission agent	25.80%	25.80%
<b>Held by CNI Corporation Sdn. Bhd.</b>				
CNI Venture Sdn. Bhd.*	Malaysia	Research and development on healthcare products	25.80%	25.80%
CNI Enterprise (India) Pvt. Ltd. *	India	Dormant	25.80%	25.80%
CNI VN Co. Ltd. *	Vietnam	Direct selling	25.80%	25.80%

\* Not audited by Grant Thornton Malaysia PLT

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 8. INVESTMENT IN ASSOCIATES (CONT'D)

#### Impairment loss

During the financial year, an impairment amounting to RM669,281 (2024: RMNil) has been recognised due to the recoverable amounts of the investment in associates is lower than the carrying amounts.

Details of the Level 3 fair value method used in obtaining the recoverable amount are as follows:-

Valuation method and key inputs	Significant unobservable inputs	Relationship of unobservable inputs and fair value
Adjusted net asset method which derives the fair value of an investee's equity instruments by reference to the fair values of its assets and liabilities	Fair value of individual assets and liabilities	The higher the net assets, the higher the fair value

Summary of financial information of the associates, not adjusted for the proportion of ownership interest held by the Group is as follows:

	<u>2025</u>	<u>2024</u>
	RM	RM
<b>Summary of financial position</b>		
Non-current assets	111,952	143,184
Current assets	5,748,628	3,877,789
Non-current liabilities	(12,717)	(1,158,903)
Current liabilities	(3,183,397)	(5,454,289)
Net assets/(liabilities)	<u>2,664,466</u>	<u>(2,592,219)</u>
<b>Summary of financial performance for the financial year</b>		
Revenue	7,548,233	5,090,287
Profit for the financial year	6,471,908	1,036,735
Other comprehensive income for the financial year	484,777	192,081
Total comprehensive income for the financial year	<u>6,956,685</u>	<u>1,228,816</u>
<b>Reconciliation of net liabilities to carrying amount at the end of the financial year</b>		
Group's share of net assets/(liabilities)	687,920	(668,793)
Goodwill	955,339	955,339
Impairment loss	(955,827)	(286,546)
Carrying amount in the statements of financial position	<u>687,432</u>	<u>-</u>
<b>Group's share of results for the financial year end</b>		
Profit for the financial year	1,669,752	267,478
Other comprehensive income for the financial year	125,072	49,557
Total comprehensive income for the financial year	<u>1,794,824</u>	<u>317,035</u>
<b>Other information</b>		
Dividends received/receivable	<u>438,111</u>	<u>-</u>

#### **Contingent liabilities and capital commitments**

The associates have no contingent liabilities and capital commitments in both financial years.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 9. DEFERRED TAX ASSETS/(LIABILITIES)

	<b>Group</b>		<b>Company</b>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
At 1 January	341,000	407,000	-	-
Transferred to profit or loss	(14,000)	(66,000)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December	<u>327,000</u>	<u>341,000</u>	<u>-</u>	<u>-</u>

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# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

## 9. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The components of deferred tax assets and liabilities that are recognised during the financial year are as follows:

### Deferred tax assets

	Property, plant and equipment	Intangible assets	Unabsorbed capital allowances		Inventories	Accumulated impairment loss	Total
			RM	RM			
<b>Group</b>							
At 1 January 2024	-	-	-	-	407,000	-	407,000
Recognised in profit and loss	-	-	-	-	(66,000)	-	(66,000)
At 31 December 2024	-	-	-	-	341,000	-	341,000
Recognised in profit and loss	-	-	-	-	(14,000)	-	(14,000)
At 31 December 2025	-	-	-	-	327,000	-	327,000

### Deferred tax liabilities

	Property, plant and equipment	Intangible assets	Unabsorbed capital allowances		Inventories	Accumulated impairment loss	Total
			RM	RM			
<b>Group</b>							
At 1 January 2024	(791,000)	56,000	442,000	-	(80,000)	373,000	-
Recognised in profit and loss	111,000	(14,000)	(145,000)	-	(5,000)	53,000	-
At 31 December 2024	(680,000)	42,000	297,000	-	(85,000)	426,000	-
Recognised in profit and loss	14,000	(2,000)	(47,000)	-	14,000	21,000	-
At 31 December 2025	(666,000)	40,000	250,000	-	(71,000)	447,000	-

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 9. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The components of deferred tax assets and liabilities that are recognised during the financial year are as follows (cont'd):

#### Deferred tax liabilities (cont'd)

	<u>Property, plant and equipment and investment properties</u>	<u>Impairment</u>	<u>Unabsorbed capital allowances</u>	<u>Total</u>
	RM	RM	RM	RM
<b>Company</b>				
At 1 January 2024	(31,000)	3,000	28,000	-
Recognised in profit and loss	(38,000)	6,000	32,000	-
At 31 December 2024	(69,000)	9,000	60,000	-
Recognised in profit and loss	(2,000)	-	2,000	-
At 31 December 2025	(71,000)	9,000	62,000	-

The amounts of deferred tax assets (at gross) that are not recognised in the statements of financial position are as follows:

	<b>Group</b>		<b>Company</b>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
Unabsorbed capital allowances	698,000	608,000	-	-
Unused tax losses - local	30,625,000	30,625,000	10,088,000	10,088,000
Unused tax losses - overseas	8,720,000	8,319,000	-	-
	<u>40,043,000</u>	<u>39,552,000</u>	<u>10,088,000</u>	<u>10,088,000</u>

Deferred tax assets (at gross) have not been recognised in respect of these items as it is not probable that future taxable profits will be available against which the Company and certain subsidiaries companies can utilise the benefits therefrom.

Based on the current legislation, any unused tax losses shall be carried forward for a maximum period of ten consecutive years of assessment immediately following that year of assessment, whereas the unabsorbed capital allowances are allowed to be carried forward indefinitely.

The expiry terms of the unused tax losses are as follow:

	<b>Group</b>		<b>Company</b>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
<b>Local</b>				
<b>Year of assessment ("YA")</b>				
YA 2028	18,833,000	18,833,000	9,029,000	9,029,000
YA 2029	3,652,000	3,652,000	370,000	370,000
YA 2030	2,140,000	2,140,000	166,000	166,000
YA 2031	2,255,000	2,255,000	268,000	268,000
YA 2032	619,000	619,000	70,000	70,000
YA 2033	734,000	734,000	185,000	185,000
YA 2034	2,392,000	2,392,000	-	-
	<u>30,625,000</u>	<u>30,625,000</u>	<u>10,088,000</u>	<u>10,088,000</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 9. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Based on the overseas legislation, any unused tax losses shall be carried forward for maximum period of ten consecutive years of assessment immediately following that year of assessment and can be carried forward indefinitely.

The expiry terms of the unused tax losses are as follow:

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Overseas	RM	RM	RM	RM
<b>Year of assessment ("YA")</b>				
YA 2030	648,000	648,000	-	-
YA 2031	935,000	935,000	-	-
YA 2032	1,369,000	1,369,000	-	-
YA 2033	1,978,000	1,978,000	-	-
YA 2034	347,000	-	-	-
Indefinite	3,443,000	3,389,000	-	-
	<u>8,720,000</u>	<u>8,319,000</u>	<u>-</u>	<u>-</u>

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

### 10. INVENTORIES

	Group	
	<u>2025</u>	<u>2024</u>
	RM	RM
Raw materials	3,550,359	4,535,382
Work-in-progress	89,415	126,865
Consumables	317,317	336,935
Packaging materials	1,469,442	1,541,325
Finished goods	646,214	861,507
Goods for resale	2,902,908	3,167,238
	<u>8,975,655</u>	<u>10,569,252</u>
<b>Recognised in profit or loss</b>		
Inventories recognised as cost of sales	21,292,814	19,529,505
Inventories written down	337,432	272,815
Reversal of inventories written down	(272,815)	(178,582)
Reversal of inventories written off	(2,576)	-
Inventories written off	<u>13,988</u>	<u>301,973</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 10. INVENTORIES (CONT'D)

#### Material accounting policy information

Inventories are stated at the lower of cost and net realisable value adequate specific write down has been made by the Directors for deteriorated, obsolete and slow-moving inventories. The cost of inventories is calculated using the weighted average method.

The write-down and reversal are included in cost of sales. The Group writes down its obsolete or slowmoving inventories based on experience and judgment of the management team on the basis that they reflect expected net realisable value for such inventories. Inventories are written down when events or changes in circumstances indicate that the carrying amounts could not be recovered. Management specifically analyses sales trend and current economic trends when making this judgment to evaluate the adequacy of the write down or obsolete or slow-moving inventories.

The Group's practise is to reverse the amount of inventories written down in prior year and reassess the inventories written down for current year.

### 11. TRADE RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
External parties	4,782,597	4,079,351	-	-
Amount due from holding company	-	240	-	-
Amount due from related parties	475,382	3,241	-	-
Amount due from associates	139,658	100,439	-	-
Amount due from subsidiaries	-	-	175,698	120,360
	<u>5,397,637</u>	<u>4,183,271</u>	<u>175,698</u>	<u>120,360</u>
Less: Allowance for expected credit losses				
- External parties				
At 1 January	1,296,954	1,213,054	-	-
Additions	80,827	124,406	-	-
Reversal	(5,547)	(8,936)	-	-
Written off	(153,346)	(31,570)	-	-
At 31 December	<u>1,218,888</u>	<u>1,296,954</u>	<u>-</u>	<u>-</u>
- Related parties				
At 1 January	340	-	-	-
Additions	-	340	-	-
Reversal	(340)	-	-	-
At 31 December	<u>-</u>	<u>340</u>	<u>-</u>	<u>-</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 11. TRADE RECEIVABLES (CONT'D)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Less: Allowance for expected credit losses (cont'd)				
- Associates				
At 1 January	52,852	-	-	-
Additions	6,254	52,852	-	-
Reversal	(52,852)	-	-	-
At 31 December	6,254	52,852	-	-
- Subsidiaries				
At 1 January	-	-	38,864	11,090
Additions	-	-	57,844	55,821
Reversal	-	-	(57,653)	(28,047)
At 31 December	-	-	39,055	38,864
	1,225,142	1,350,146	39,055	38,864
	4,172,495	2,833,125	136,643	81,496

The details of allowance for expected credit losses are as below:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Individually impaired	1,225,142	1,350,146	39,055	38,864

Trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair value on initial recognition. Interest is charged on overdue accounts at the rates ranging from 1.50% (2024: 1.50%) per month.

The credit terms of trade receivables of the Group and of the Company range from cash term to 180 days (2024: cash term to 180 days). Other credit terms are assessed and approved by the management on case-by-case basis.

Included in trade receivables of the Group is an amount of RM76,547 (2024: RM78,581) which are secured by security deposits.

Related parties refer to the companies in which Directors have interests.

#### Material accounting policy information

Impairment for trade receivable that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 11. TRADE RECEIVABLES (CONT'D)

#### Material accounting policy information (cont'd)

The expected credit losses of the trade receivable are estimated using a provision matrix based on the historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where appropriate.

Trade receivables denominated in currencies other than the functional currency are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
United States Dollar	1,549,363	476,115	-	-
Singapore Dollar	4,225,061	4,256,862	59,463	52,532

### 12. OTHER RECEIVABLES

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
External parties	586,266	2,061,316	5,448	4,003
Advances to suppliers	646,596	432,536	-	-
Amounts due from				
holding company	150	150	150	150
Amounts due from subsidiaries	-	-	101,934	136,601
Amounts due from associates	217,979	62,828	180,393	-
Amounts due from related parties	1,200	5,800	-	-
Deposits	652,383	399,702	1,200	2,334
Prepayments	735,772	573,065	6,885	4,888
	2,840,346	3,535,397	296,010	147,976
Less: Allowance for expected credit losses				
- External parties				
At 1 January	338,534	137,003	4,032	4,032
Additions	89,306	201,531	-	-
Reversal	(33,955)	-	-	-
At 31 December	393,885	338,534	4,032	4,032
- Related parties				
At 1 January	676	-	-	-
Additions	-	676	-	-
Reversal	(676)	-	-	-
At 31 December	-	676	-	-
- Associates				
At 1 January	12,954	-	-	-
Additions	2,901	12,954	-	-
Reversal	(11,646)	-	-	-
At 31 December	4,209	12,954	-	-

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 12. OTHER RECEIVABLES (CONT'D)

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
Less: Allowance for expected credit losses (cont'd)				
- Subsidiaries				
At 1 January	-	-	136,451	161,766
Additions	-	-	911	3,742
Reversal	-	-	(37,904)	(29,057)
At 31 December	-	-	99,458	136,451
	<u>398,094</u>	<u>352,164</u>	<u>103,490</u>	<u>140,483</u>
	<u>2,442,252</u>	<u>3,183,233</u>	<u>192,520</u>	<u>7,493</u>

The details of allowance for expected credit losses are as below:

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
Individually impaired	394,062	348,132	99,458	136,451
Collectively impaired	<u>4,032</u>	<u>4,032</u>	<u>4,032</u>	<u>4,032</u>
	<u>398,094</u>	<u>352,164</u>	<u>103,490</u>	<u>140,483</u>

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

The amounts due from associates and related parties are unsecured, non-interest bearing and subject to 30 days (2024: 30 days) credit terms.

Included in deposits of the Group is an amount of RM4,200 (2024: RM3,200) received from a related party.

#### Material accounting policy information

The Group and the Company makes use of a simplified approach in accounting for other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group and the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Other receivables denominated in currencies other than the functional currency are as follows:

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
United States Dollar	786,424	400,411	-	-
Singapore Dollar	-	131,653	99,458	136,451
Thai Baht	<u>89,436</u>	<u>33,851</u>	<u>-</u>	<u>-</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 13. CASH AND BANK BALANCES AND DEPOSITS

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
Fixed deposits placed with licensed banks	72,024	66,585	-	-
Cash and bank balances	<u>13,831,659</u>	<u>15,442,808</u>	<u>1,439,028</u>	<u>2,019,800</u>
	<u>13,903,683</u>	<u>15,509,393</u>	<u>1,439,028</u>	<u>2,019,800</u>

The effective interest rates of the deposits placed with licensed banks range from 0.10%-1.60% (2024:0.10%-1.60%) per annum and have maturity periods of three months.

Cash and bank balances denominated in currencies other than the functional currency are as follows:

	Group	
	<u>2025</u>	<u>2024</u>
	RM	RM
Brunei Dollar	372,257	249,932
United States Dollar	<u>57,133</u>	<u>383,641</u>

### 14. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	Units	Units	RM	RM
<b>Issue and fully paid with no par value</b>				
At 1 January/31 December	<u>720,000,000</u>	<u>720,000,000</u>	<u>72,000,000</u>	<u>72,000,000</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets. In respect of the Company's treasury shares that are held by the Company, all rights are suspended until those shares are reissued.

### 15. TREASURY SHARES

Group and Company	Number of ordinary shares		Amount	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	Units	Units	RM	RM
At 1 January	(1,300,000)	(1,000,000)	(74,766)	(58,266)
Own shares acquired	<u>(400,000)</u>	<u>(300,000)</u>	<u>(19,000)</u>	<u>(16,500)</u>
At 31 December	<u>(1,700,000)</u>	<u>(1,300,000)</u>	<u>(93,766)</u>	<u>(74,766)</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 15. TREASURY SHARES (CONT'D)

The shareholders of the Company had by an ordinary resolution passed at the Annual General Meeting held on 10 June 2025, approved the Company's plan to purchase its own shares of up to a maximum of 72,000,000 ordinary shares representing 10% of the total issued and fully paid up share capital (including the 1,700,000 treasury shares) of the Company.

The Directors of the Company are of the opinion that the share buy-back is the best interest of the Company and its shareholders.

During the financial year, the Company repurchased 400,000 (2024: 300,000) of its issued shares from the open market for a total consideration paid, including transaction costs of RM19,000 (2024: RM16,500). The average price paid for the shares repurchased was approximately RM0.0475 (2024: RM0.055) per share and was financed by internally generated funds.

The shares purchased were retained as treasury shares. The Company has the right to re-issue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

The shares repurchased are being held as treasury shares and treated in accordance with the requirements of Section 127(6) of the Companies Act 2016.

### 16. FOREIGN CURRENCY TRANSLATION RESERVE

Foreign currency translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

### 17. LEGAL CAPITAL RESERVE

Top One Biotech Co., Ltd., a subsidiary of the Group incorporated in Taiwan, when allocating its profits after provision of tax expense shall first set aside ten percent of the said profits as legal capital reserve under Article 237 of the Taiwan Companies Act. Where such legal capital reserve amounts exceed the total authorised capital, this Article will not be applicable.

The legal capital reserve shall not be used except for making good the loss of the mentioned subsidiary under Article 237 of the Taiwan Companies Act.

### 18. LEASE LIABILITIES

	Group	
	2025	2024
	RM	RM
Non-current	828,879	526,526
Current	1,172,145	1,044,132
	<u>2,001,024</u>	<u>1,570,658</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 18. LEASE LIABILITIES (CONT'D)

The effective interest rates per annum for lease liabilities are as follows:-

	Group	
	<u>2025</u>	<u>2024</u>
Lease liabilities	<u>4.40% - 9.00%</u>	<u>4.40% - 6.80%</u>

The following are the amounts recognised in profit or loss:-

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
Depreciation expenses of right-of-use assets	1,214,248	1,248,993	-	-
Interest expense on lease liabilities	103,924	108,178	-	-
Expenses relating to short-term leases	384,828	1,493,179	104,880	104,880
Expenses relating to low value assets	<u>5,817</u>	<u>5,367</u>	<u>-</u>	<u>-</u>
Total amount recognised in profit or loss	<u>1,708,817</u>	<u>2,855,717</u>	<u>104,880</u>	<u>104,880</u>

The Group and the Company had total cash outflows for lease of RM1,666,986 and RM104,880 (2024: RM3,058,058 and RM104,880) respectively.

### 19. TRADE PAYABLES

	Group	
	<u>2025</u>	<u>2024</u>
	RM	RM
External parties	3,465,820	4,422,217
Amount due to related parties	<u>609</u>	<u>672</u>
	<u>3,466,429</u>	<u>4,422,889</u>

The trade credit terms granted by the trade payables to the Group range from 30 to 90 days (2024: 30 to 90 days).

Trade payables denominated in currencies other than the functional currency are as follows:

	Group	
	<u>2025</u>	<u>2024</u>
	RM	RM
United States Dollar	1,253,366	1,647,909
Singapore Dollar	-	6,247
Euro	34,901	37,301
Chinese Yuan	<u>44,752</u>	<u>88,445</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 20. OTHER PAYABLES

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
External parties	787,865	2,873,376	6,020	7,195
Advances from customers	1,039,313	1,007,365	-	-
Deposits	1,113,427	1,126,524	32,000	32,000
Accruals	3,400,576	2,490,814	191,921	112,845
Amount due to a Director	1,383,333	1,483,333	-	-
Amount due to related parties	-	45,023	-	-
Amount due to associates	372,196	223,781	-	-
Amount due to subsidiaries	-	-	-	10,608
Sales and services tax ("SST")	97,795	98,213	-	-
	<u>8,194,505</u>	<u>9,348,429</u>	<u>229,941</u>	<u>162,648</u>

The amounts due to a Director and subsidiaries are unsecured, non-interest bearing and repayable on demand.

The amount due to associates and related parties are unsecured, non-interest bearing and subject to 30 days (2024: 30 days) credit term.

Other payables denominated in currencies other than the functional currency are as follows:

	Group	
	<u>2025</u>	<u>2024</u>
	RM	RM
United States Dollar	<u>9,012</u>	<u>32,310</u>

### 21. BORROWING

	Group	
	<u>2025</u>	<u>2024</u>
	RM	RM
<b>Secured:</b>		
Bank overdraft	<u>689,628</u>	<u>680,218</u>

The borrowing is secured by the following:-

- (a) Corporate guarantee by the Company;
- (b) Assignment of rental proceed; and
- (c) Investment property as disclosed in Note 4 to the financial statements.

	Group	
	<u>2025</u>	<u>2024</u>
<u>Effective interest rate:-</u>		
Bank overdraft	<u>7.65%</u>	<u>7.90%</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 22. REVENUE

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
<u>Revenue from contracts with customers:</u>				
Manufacturing of goods	19,377,532	14,092,018	-	-
Marketing and trading of goods	41,219,571	43,363,101	-	-
Sales of food and beverage	36,530	31,837	-	-
Subscription fees	287,420	353,230	-	-
Management fees	-	-	1,405,412	1,405,412
Transportation income	57,050	48,000	-	-
	<u>60,978,103</u>	<u>57,888,186</u>	<u>1,405,412</u>	<u>1,405,412</u>
<u>Other revenue:</u>				
Rental income	108,000	113,000	108,000	113,000
Dividend income	-	-	788,111	140,000
	<u>61,086,103</u>	<u>58,001,186</u>	<u>2,301,523</u>	<u>1,658,412</u>
<u>Timing of revenue recognition:</u>				
At a point in time	60,633,633	57,486,956	-	-
Over time	344,470	401,230	1,405,412	1,405,412
	<u>60,978,103</u>	<u>57,888,186</u>	<u>1,405,412</u>	<u>1,405,412</u>

#### 22.1 Performance obligations

Information about the Group's and the Company's performance obligations are summarised below:-

##### Manufacturing of Goods

Revenue is recognised when the control of the goods i.e. coffee and other related beverage products are transferred, being when the goods leaves the Group's premises to be delivered to the customer. This is when the customer is considered to have significant risks and rewards of ownership of the goods, i.e. the customer has full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

No element of financing is deemed present as the sales made are consistent with market practice i.e. 30 days to 60 days.

There are no variable elements in considerations other than return which is minimum. Contract with customers has no right of returns, thus any returns are subject to the Group's approval.

##### Marketing and Trading of Goods

###### Healthcare and Consumer Products

Revenue is recognised when the control of the goods i.e. healthcare and consumer products are transferred, being when the goods are delivered to the customer and the customer has the significant risks and rewards of ownership of the goods and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 22. REVENUE (CONT'D)

#### 22.1 Performance obligations (cont'd)

Information about the Group's and the Company's performance obligations are summarised below (cont'd):-

##### **Marketing and Trading of Goods (cont'd)**

###### Healthcare and Consumer Products (cont'd)

There are no variable elements in considerations other than discounts. The contract with customers has no right of returns, thus any returns are subject to the Group's approval. However, returns are minimum.

No element of financing deemed present as the sales made are consistent with market practice i.e. 30 days and payment upon collection.

###### Warranty Obligations

The Group provides warranties for general repairs of water filter products sold to customers that are not functioning as intended. However, in certain instances additional year(s) of warranty are issued to customers as a sales incentive and when this is considered a material right, the Group allocates the relevant revenue to warranty and revenue is then recognised over the period of the warranty. However, this amount is minimum.

###### Option to Acquire Future Goods at Discounted Price

The sales and marketing plan of the Group includes offering vouchers to their customers for their future acquisition of goods at discounted price. As the option provides a material right to the customers that they would not receive without entering into the contract, it is considered a separate performance obligation. As such, the Group only recognises the allocated revenue when those future goods are transferred and the vouchers are accounted for as reduction of the transaction price.

###### Food Ingredients, Coffee and Other Related Beverage Products

Revenue are recognised when the control of the goods i.e. food ingredients, coffee and related beverage products are transferred, being when the goods leave the Group's premises to be delivered to the customer. This is when the customer is considered to have the significant risks and rewards of ownership of the goods, i.e. the customer has full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

There are no variable elements in considerations. The contract with customers has no right of returns, thus any returns are subject to the Group's approval. However, the returns are minimum.

No element of financing deemed present as the sales made are consistent with market practice i.e. 30 days to 90 days.

##### **Sales of Food and Beverage**

Revenue is recognised when the control of the goods i.e. food and beverage are transferred, being when the goods are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

There are no variable elements in consideration.

No element of financing is deemed present as the sales made are consistent with market practice i.e. cash and 30 to 90 days for corporate and catering customers.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 22. REVENUE (CONT'D)

#### 22.1 Performance obligations (cont'd)

Information about the Group's and the Company's performance obligations are summarised below (cont'd):-

##### Subscription Fees

A component of fees collected is recognised as revenue upon transfer of control of goods and services to the customer whilst the remaining fee is recognised over the period of subscription. Subscription fees are recognised over time since the customer simultaneously receives and consumes the benefits provided. The subscription renewal fee is recognised over the period of subscription.

##### Management Fees

Management services are recognised over time since the customer simultaneously receives and consumes the benefits provided. Management fee is recognised when services are rendered. Payment is generally due within 30 days from the date when performance obligation is satisfied.

##### Transportation Income

Sales of services i.e. transportation is recognised over time since the Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for the performance complete to date. Revenue from services is recognised when the services are rendered. Payment is generally due within 30 days to 60 days from the date when performance obligation is satisfied.

##### Dividend Income

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established.

##### Rental Income

Rental of property is accounted for on a straight-line basis over the lease terms.

### 23. FINANCE INCOME

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
<u>Interest income on:</u>				
- Bank balances	56,505	79,128	4,385	6,663
- Short term deposits	11,215	-	-	-
- Overdue interests	-	5,019	-	-
- Other investments	622,210	583,887	153,695	161,483
	<u>689,930</u>	<u>668,034</u>	<u>158,080</u>	<u>168,146</u>

### 24. FINANCE COSTS

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
<u>Interest expenses on:</u>				
- Bank overdraft	36,009	36,857	-	-
- Lease liabilities	103,924	108,178	-	-
- Overdue interest	27,984	-	-	-
	<u>167,917</u>	<u>145,035</u>	<u>-</u>	<u>-</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 25. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax has been determined after charging/(crediting), amongst other items, the following:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>Auditors' remuneration:</u>				
Malaysian operation:				
Grant Thornton Malaysia PLT:				
- current year	242,500	242,500	67,500	67,500
<u>Overseas operation:</u>				
Other auditors:				
- current year	33,683	33,476	-	-
Amortisation of intangible assets	238,315	243,701	579	928
Depreciation of property, plant and equipment	2,552,556	2,637,795	7,432	19,533
Dividend income	(29,600)	(73,300)	(11,100)	(10,800)
<u>Directors' fees:</u>				
- Holding	324,000	300,000	324,000	300,000
- Subsidiaries	72,000	72,000	-	-
Expenses relating to short term leases	384,828	1,493,179	104,880	104,880
Expenses relating to low value asset	5,817	5,367	-	-
Fair value changes on other investments	73,192	(331,547)	5,420	(114,203)
Fair value changes on investment properties	-	653,720	-	-
Intangible assets written off	1,055	75	-	-
Impairment loss on:				
- Trade receivables	87,081	177,598	57,844	55,821
- Other receivables	92,207	215,161	911	3,742
- Investment in subsidiaries	-	-	959,418	2,212,155
- Investment in associate	669,281	-	-	-
Impairment loss on property, plant and equipment	-	111,862	-	-
(Gain)/Loss on disposal of property, plant and equipment	(49,442)	41,208	-	-
Gain on disposal of other investments	-	(3,909)	-	-
Operating grant	(90,000)	(90,000)	-	-
Property, plant and equipment written off	31,896	30,982	2	-
Reversal of impairment loss on:				
- Trade receivables	(58,739)	(8,936)	(57,653)	(28,047)
- Other receivables	(46,277)	-	(37,904)	(29,057)
- Investment in associate	-	(14,417)	(687,432)	-
Rental income	(715,106)	(678,110)	(108,000)	(113,000)
Realised loss/(gain) on foreign exchange	187,307	54,116	(4,645)	(4,093)
Unrealised loss on foreign exchange	175,902	245,960	12,320	15,396

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 26. TAX EXPENSES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Malaysia</b>				
<b>Current tax:</b>				
Current year	557,964	278,264	12,000	-
Under/(Over) provision in prior financial year	202,583	(203,057)	22,849	-
	760,547	75,207	34,849	-
<b>Deferred tax:</b>				
Current year	14,000	66,000	-	-
	774,547	141,207	34,849	-

Malaysian income tax is calculated at statutory tax rate of 24% (2024: 24%) of the estimated assessable profits for the financial year.

Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

The numerical reconciliations between the effective tax rate and the statutory tax rate of the Group and of the Company are as follows:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before tax	1,622,509	(1,841,624)	522,256	(1,912,177)
Tax at Malaysian statutory rate of 24% (2024: 24%)	389,402	(441,990)	125,341	(458,922)
Tax effect in respect of:-				
Non-taxable expenses	550,899	256,940	306,231	582,184
Non-taxable income	(498,719)	(324,277)	(419,572)	(124,702)
Movement of deferred tax assets not recognised	117,840	848,880	-	1,440
Effect of change in tax rate in other countries	12,542	4,711	-	-
Under/(Over) provision of income tax in prior financial year	202,583	(203,057)	22,849	-
Total tax expenses	774,547	141,207	34,849	-

## NOTES TO THE FINANCIAL STATEMENTS

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### 27. EARNINGS PER SHARE

Basic earnings per ordinary share for the financial year is calculated by dividing the profit after tax attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares.

	Group	
	<u>2025</u>	<u>2024</u>
Profit/(Loss) for the year attributable to the ordinary equity holders of the Company (RM)	<u>918,524</u>	<u>(2,008,796)</u>
Weighted average number of ordinary shares for basic earnings per share (adjusted for treasury shares) (units)	<u>718,469,000</u>	<u>720,818,000</u>
Basic earnings per share (sen)	<u>0.13</u>	<u>(0.28)</u>

Diluted earnings per share is the same as basic earnings per share as there is no dilutive potential ordinary shares outstanding during the financial year.

### 28. EMPLOYEES BENEFITS EXPENSES

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
<b>Staff costs</b>				
Salaries, wages and other emoluments	14,000,919	14,134,729	563,803	496,262
Defined contribution plan	<u>1,478,232</u>	<u>1,490,711</u>	<u>64,358</u>	<u>57,872</u>
	<u>15,479,151</u>	<u>15,625,440</u>	<u>628,161</u>	<u>554,134</u>
<b>Executive Directors</b>				
Salaries and other emoluments	880,405	861,339	129,733	119,410
Defined contribution plan	<u>75,696</u>	<u>72,777</u>	<u>14,832</u>	<u>14,183</u>
	<u>956,101</u>	<u>934,116</u>	<u>144,565</u>	<u>133,593</u>
<b>Non-executive Directors</b>				
Other emoluments	<u>12,740</u>	<u>29,191</u>	<u>12,740</u>	<u>29,191</u>
Total Directors' remuneration	<u>968,841</u>	<u>963,307</u>	<u>157,305</u>	<u>162,784</u>
Total employees benefits expenses	<u>16,447,992</u>	<u>16,588,747</u>	<u>785,466</u>	<u>716,918</u>

The estimated monetary value of benefits-in-kind received by Directors otherwise than in cash from the Group and the Company amounted to RM48,500 and RM13,925 (2024: RM50,558 and RM15,983) respectively.

## NOTES TO THE FINANCIAL STATEMENTS

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### 29. RELATED PARTIES DISCLOSURES

#### Identify of related parties

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has ability to directly control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The significant related party transactions of the Group and of the Company are as follows:-

	<u>2025</u>	<u>2024</u>
	RM	RM
<b>Group</b>		
<b>Holding company:</b>		
Payment on behalf and reimbursement to	<u>(226)</u>	<u>(150)</u>
<b>Related parties:</b>		
Sales to	(2,907,821)	(50,071)
Purchases from	37,094	41,440
Sales of vouchers to	(3,760)	(3,800)
Expired vouchers provided to	89,846	117,400
Human resources sharing fees charged to	(14,000)	(56,000)
Rental expenses	93,600	58,800
Information and communication technologies shared services income	(250)	(600)
Deposit paid to	8,200	-
Trademark royalty expenses charged by	22,163	276,902
Payment on behalf and reimbursement to	(5,192)	(42,402)
Payment on behalf and reimbursement from	<u>-</u>	<u>2,334</u>
<b>Associates:</b>		
Sales to	(1,103,634)	(877,251)
Sales of vouchers to	-	(1,560)
Commission charged by	4,384	9,582
Human resources sharing fees charged to	(30,000)	(48,000)
Rental income	(169,956)	(169,956)
Printing and stationery fee charged to	-	(235)
Information and communication technologies shared services income	(8,000)	(9,000)
Research and development expenses charged by	312,712	252,457
Management fees charged by	19,609	243,972
Trademark royalty expenses charged by	93,500	-
Laboratory charges charged by	400	985
Payment on behalf and reimbursement to	(86,029)	(13,559)
Payment on behalf and reimbursement from	<u>22,645</u>	<u>-</u>
<b>Company</b>		
<b>Holding company:</b>		
Payment on behalf and reimbursement to	<u>(226)</u>	<u>(150)</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 29. RELATED PARTIES DISCLOSURES (CONT'D)

#### Identify of related parties (cont'd)

The significant related party transactions of the Group and of the Company are as follows (cont'd):-

	<u>2025</u>	<u>2024</u>
	RM	RM
<b>Company (cont'd)</b>		
<b>Subsidiaries:</b>		
Payment on behalf and reimbursement to	(1,342)	(1,286)
Payment on behalf and reimbursement from	7,057	9,099
Information and communication technologies shared services charged by	16,500	16,500
Disposal of plant and equipment	(2,309)	-
Disposal of intangible asset	(361)	-
Dividend income	(350,000)	(140,000)
Management fees income	(1,405,412)	(1,405,412)
Purchases from	6,618	17,076
Purchase of plant and equipment	967	4,616
Rental expenses	104,880	104,880
	<u>104,880</u>	<u>104,880</u>
<b>Associate:</b>		
Dividend income	(438,111)	-
Human resources sharing fees charged to	(30,000)	(36,000)
	<u>(30,000)</u>	<u>(36,000)</u>

#### Related party balances

Outstanding balances arising from related party transactions as at the reporting date are disclosed in Notes 11, 12, 19 and 20 to the financial statements.

#### Compensation of key management personnel

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly and entity that provides key management personnel services to the Group and the Company.

The remuneration of key management personnel is same as the Directors' remuneration are disclosed in Notes 25 and 28 to the financial statements. The Group and the Company have no other members of key management personnel apart from the Board of Directors.

### 30. LEASE ARRANGEMENTS

The future minimum lease payments receivable under non-cancellable operating lease contracted for as at the reporting date but not recognised as receivables are as follows:-

	<b>Group</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
Within one year	364,476	467,151
Between two to five years	222,690	7,500
	<u>587,166</u>	<u>474,651</u>

## NOTES TO THE FINANCIAL STATEMENTS

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### 31. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products and services, and has three reportable operating segments as follows:

Manufacturing: Manufacturing, trading and packaging of foodstuffs, beverages, household and personal care products.

Marketing and trading: Sales and distribution of healthcare, consumer products, food ingredients, coffee and other related beverage products.

Others: Investment holding and operation of food and beverage outlets.

The Group has aggregated certain operating segments to form a reportable segment due to the similar nature and operational characteristics of the products.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

## 31. SEGMENT INFORMATION (CONT'D)

	Note	Manufacturing RM	Marketing and trading RM	Others RM	Adjustments and eliminations RM	Consolidated RM
<b>2025</b>						
<b>Revenue</b>						
External revenue		19,434,582	41,506,991	144,530	-	61,086,103
Inter-segment revenue	(a)	11,512,340	449,955	2,193,564	(14,155,859)	-
<b>Total revenue</b>		<b>30,946,922</b>	<b>41,956,946</b>	<b>2,338,094</b>	<b>(14,155,859)</b>	<b>61,086,103</b>
<b>Results</b>						
Finance income		(9,196)	(510,700)	(170,034)	-	(689,930)
Depreciation and amortisation		802,079	1,980,521	8,271	-	2,790,871
Finance costs		77,354	90,563	-	-	167,917
Other non-cash (expenses)/income	(b)	(230,601)	(74,110)	697,876	782,766	1,175,931
Taxation		20,791	702,038	37,718	14,000	774,547
Share of profit in associate company		-	-	1,669,752	-	1,669,752
<b>Segment result</b>	(c)	<b>(290,557)</b>	<b>96,467</b>	<b>323,157</b>	<b>(1,472,870)</b>	<b>(1,343,803)</b>
<b>Segment assets</b>						
Additions to non-current assets	(d)	581,560	1,606,086	26,274	-	2,213,920
Segment assets	(e)	22,153,802	51,460,257	84,444,617	(77,270,304)	80,788,372
<b>Segment liabilities</b>	(f)	<b>8,092,115</b>	<b>12,877,496</b>	<b>240,558</b>	<b>(9,549,235)</b>	<b>11,660,934</b>

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

## 31. SEGMENT INFORMATION (CONT'D)

	Note	Manufacturing RM	Marketing and trading RM	Others RM	Adjustments and eliminations RM	Consolidated RM
<b>2024</b>						
<b>Revenue</b>						
External revenue		14,140,018	43,716,331	144,837	-	58,001,186
Inter-segment revenue	(a)	10,955,213	486,128	1,405,412	(12,846,753)	-
<b>Total revenue</b>		<b>25,095,231</b>	<b>44,202,459</b>	<b>1,550,249</b>	<b>(12,846,753)</b>	<b>58,001,186</b>
<b>Results</b>						
Finance income		(5,407)	(480,881)	(181,747)	1	(668,034)
Depreciation and amortisation		837,912	2,023,123	20,461	-	2,881,496
Finance costs		78,619	66,417	-	(1)	145,035
Other non-cash (expenses)/income	(b)	(619,826)	85,044	(57,000)	1,378,725	786,943
Taxation		-	71,943	3,264	66,000	141,207
Share of loss in associate company		-	-	(14,417)	-	(14,417)
<b>Segment result</b>	(c)	<b>(2,570,574)</b>	<b>90,318</b>	<b>(2,081,114)</b>	<b>2,069,957</b>	<b>(2,491,413)</b>
<b>Segment assets</b>						
Additions to non-current assets	(d)	168,518	2,333,579	9,618	-	2,511,715
Segment assets	(e)	22,699,520	49,895,252	83,904,280	(75,414,546)	81,084,506
<b>Segment liabilities</b>	(f)	<b>9,415,343</b>	<b>12,189,561</b>	<b>173,937</b>	<b>(8,007,523)</b>	<b>13,771,318</b>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 31. SEGMENT INFORMATION (CONT'D)

- (a) Inter-segment revenue is eliminated on consolidation.  
Inter-segment assets and liabilities are eliminated on consolidation.
- (b) Other material non-cash (income)/expenses consist of the following items as presented in the respective notes:

	<b>Group</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
Bad debts written off	153,346	-
Dividend income	(29,600)	(73,300)
Fair value changes on other investments	73,192	(331,547)
Gain on disposal of other investments	-	(3,909)
(Gain)/Loss on disposal of property, plant and equipment	(49,442)	41,208
Impairment loss on property, plant and equipment	-	111,862
Intangible assets written off	1,055	75
Inventories written down	337,432	272,815
Inventories written off	13,988	301,973
Loss allowance on receivables	179,288	392,759
Property, plant and equipment written off	31,896	30,982
Reversal of loss allowance on receivables	(105,016)	(8,936)
Reversal of inventories written down	(272,815)	(178,582)
Reversal of inventories written off	(2,576)	-
Impairment loss on/(Reversal of impairment loss) on investment in an associate	669,281	(14,417)
Unrealised loss on foreign exchange	175,902	245,960
	<u>1,175,931</u>	<u>786,943</u>

- (c) The following items are added to/(deducted from) segment profit/(loss) before taxation to arrive at profit/(loss) before taxation presented in the consolidated statements of comprehensive income:

	<b>Group</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
Segment loss	(1,343,803)	(2,491,413)
Finance income	689,930	668,034
Finance costs	(167,917)	(145,035)
Share of profit/(loss) of equity-accounted associates	1,669,752	(14,417)
Profit/(Loss) after tax	<u>847,962</u>	<u>(1,982,831)</u>

- (d) Additions to non-current assets other than financial instruments and deferred tax assets consist of:-

	<b>Group</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
Property, plant and equipment	1,885,142	955,730
Intangible assets	328,778	25,985
Investment property	-	1,530,000
	<u>2,213,920</u>	<u>2,511,715</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 31. SEGMENT INFORMATION (CONT'D)

- (e) The following items are added to segment assets to arrive at total assets reported in the consolidated statements of financial position:-

	<b>Group</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
Segment assets	80,788,372	81,084,506
Intangible assets	514,524	411,437
Deferred tax assets	327,000	341,000
Tax recoverable	82,875	556,692
	<hr/>	<hr/>
Total assets	<u>81,712,771</u>	<u>82,393,635</u>

- (f) The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statements of financial position:-

	<b>Group</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
Segment liabilities	11,660,934	13,771,318
Lease liabilities	2,001,024	1,570,658
Borrowing	689,628	680,218
Tax payable	25,528	1,964
	<hr/>	<hr/>
Total liabilities	<u>14,377,114</u>	<u>16,024,158</u>

- (g) Geographical information

Revenue information based on the geographical location of customers is as follows:-

	<b>Group</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
Canada	520,989	-
Cambodia	-	514,781
China	50,253	46,677
Hong Kong	3,406,710	684,378
Indonesia	1,676,289	1,228,072
Japan	823,444	598,974
Malaysia	49,617,659	50,725,364
Singapore	2,696,264	2,485,153
Taiwan	54,351	135,028
Thailand	472,137	492,565
United States of America	1,768,007	1,090,194
	<hr/>	<hr/>
	<u>61,086,103</u>	<u>58,001,186</u>

As at the reporting date, there is no single external customer accounting for 10 per cent or more of the Group's revenue.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 31. SEGMENT INFORMATION (CONT'D)

The following is the analysis of non-current assets other than financial instruments and deferred tax assets analysed by the Group's geographical location.

	<u>Malaysia</u> RM	<u>Singapore</u> RM	<u>Taiwan</u> RM	<u>Consolidated</u> RM
<b>2025</b>				
Property, plant and equipment	25,587,753	474,240	-	26,061,993
Investment properties	7,730,280	-	-	7,730,280
Intangible assets	514,524	-	-	514,524
Total non-current assets				
(excluding financial instruments and deferred tax assets)	<u>33,832,557</u>	<u>474,240</u>	<u>-</u>	<u>34,306,797</u>
<b>2024</b>				
Property, plant and equipment	26,630,137	163,522	-	26,793,659
Investment properties	7,730,280	-	-	7,730,280
Intangible assets	411,437	-	-	411,437
Total non-current assets				
(excluding financial instruments and deferred tax assets)	<u>34,771,854</u>	<u>163,522</u>	<u>-</u>	<u>34,935,376</u>

### 32. FINANCIAL INSTRUMENTS

#### Categories of financial instruments

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured as follows:-

- (a) Fair value through profit or loss designated upon initial recognition ("FVTPL"); and  
(b) Amortised cost ("AC").

	<u>FVTPL</u> RM	<u>AC</u> RM
<b>Group</b>		
<b><u>2025</u></b>		
<b>Financial assets</b>		
Trade receivables	-	4,172,495
Other receivables (exclude advance payment to suppliers and prepayments)	-	1,059,884
Other investments	16,814,582	-
Cash and bank balances and deposits	-	13,903,683
	<u>16,814,582</u>	<u>19,136,062</u>
<b>Financial liabilities</b>		
Trade payables	-	3,466,429
Other payables (exclude advance payment from customer and SST)	-	7,057,397
Borrowing	-	689,628
	<u>-</u>	<u>11,213,454</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Categories of financial instruments (cont'd)

The table below provides an analysis of financial instruments categorised financial assets and financial liabilities measured as follows (cont'd):-

- (a) Fair value through profit or loss designated upon initial recognition ("FVTPL"); and
- (b) Amortised cost ("AC").

	<u>FVTPL</u> RM	<u>AC</u> RM
<b>Group</b>		
<u>2024</u>		
<b>Financial assets</b>		
Trade receivables	-	2,833,125
Other receivables (exclude advance payment to suppliers and prepayments)	-	2,177,632
Other investments	14,465,564	-
Cash and bank balances and deposits	-	15,509,393
	<u>14,465,564</u>	<u>20,520,150</u>
<b>Financial liabilities</b>		
Trade payables	-	4,422,889
Other payables (exclude advance payment from customer and SST)	-	8,242,851
Borrowing	-	680,218
	<u>-</u>	<u>13,345,958</u>
<b>Company</b>		
<u>2025</u>		
<b>Financial assets</b>		
Trade receivables	-	136,643
Other receivables (exclude prepayments)	-	185,635
Other investments	5,625,692	-
Cash and bank balances and deposits	-	1,439,028
	<u>5,625,692</u>	<u>1,761,306</u>
<b>Financial liability</b>		
Other payables	-	229,941
	<u>-</u>	<u>229,941</u>
<u>2024</u>		
<b>Financial assets</b>		
Trade receivables	-	81,496
Other receivables (exclude prepayments)	-	2,605
Other investments	5,477,418	-
Cash and bank balances and deposits	-	2,019,800
	<u>5,477,418</u>	<u>2,103,901</u>
<b>Financial liability</b>		
Other payables	-	162,648
	<u>-</u>	<u>162,648</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies

The Group's and the Company's activities are exposed to a variety of financial risks which include credit risk, liquidity risk, foreign currency risk, market price risk and interest rate risk. The Group's and the Company's overall financial risk management policy focused on identifying and managing the financial risks and seeks to minimise potential adverse effects on the Group's and the Company's financial performance.

Risk management is integral to the whole business of the Group and of the Company. Management continually monitors the Group's and the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's and the Company's activities.

There have been no changes to the Group's and the Company's exposure to these financial risks or the manner in which it manages and measures the risk.

#### (a) Credit risk

Credit risk refers to the risk that a counterparty will default in its contractual obligations resulting in financial loss to the Group and the Company. The Group and the Company adopt the policy of dealing with customers of appropriate standing to mitigate credit risk and customers who wish to trade on credit terms are subject to credit evaluation. Receivables are monitored on an ongoing basis to mitigate risk of bad debts. For other financial assets, the Group and the Company adopt the policy of dealing with reputable institutions.

#### Trade receivables and other receivables

#### *Exposure to credit risk*

Maximum exposure of the Group and of the Company to credit risk is represented by the carrying amount of financial assets recognised at reporting date summarised below:-

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
Trade receivables	4,172,495	2,833,125	136,643	81,496
Other receivables	1,059,884	2,177,632	185,635	2,605
Carrying amount	<u>5,232,379</u>	<u>5,010,757</u>	<u>322,278</u>	<u>84,101</u>

#### *Credit risk concentration*

The Group and the Company are not exposed to any significant credit risk exposure to any single counterparty other than the following:

	Group			
	<u>2025</u>		<u>2024</u>	
	RM	%	RM	%
<b>Trade Receivables</b>				
<b>Malaysia</b>				
Top 3 customers (2024: 1)	<u>2,086,298</u>	<u>50</u>	<u>2,008,658</u>	<u>71</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies (cont'd)

##### (a) Credit risk (cont'd)

Trade receivables and other receivables (cont'd)

*Credit risk concentration (cont'd)*

The Group and the Company are not exposed to any significant credit risk exposure to any single counterparty other than the following (cont'd):

	2025		Company		2024	
	RM	%	RM	%	RM	%
<b>Trade Receivables</b>						
<b>Malaysia</b>						
Top 3 customers (2024: 3)	130,603	96	81,496	100		

The Group and the Company continuously monitor credit standing of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used.

*Recognition and measurement of impairment loss*

Trade receivables

The Group and the Company apply the MFRS 9 simplified approach to measure ECLs which uses a lifetime expected loss allowance for trade receivables. The Group and the Company assess impairment of trade receivables on individual and collective basis.

The Group and the Company use a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for grouping of various customer segments that have similar loss pattern i.e. customer type.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information on macroeconomic factors affecting the ability of the customers to settle. The Group and the Company have identified the gross domestic product ("GDP") as the most relevant factors. Nevertheless, as at reporting date, the GDP has no significant impact in the ECL calculation. The Group and the Company have assessed that all their trade receivables as creditworthy customers with good payment records and loss incurred infrequently. Thus, no expected credit loss is required.

Assessment of individual trade receivables is determined to be credit impaired at the reporting date for those in significant financial difficulties and/or defaulted on payments. However for certain subsidiary companies, it is based on those more than 180 days past due and are either in significant financial difficulties and/or have defaulted on payments.

None of the Group's and the Company's financial assets are secured by collateral or other credit enhancements.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies (cont'd)

##### (a) Credit risk (cont'd)

Trade receivables and other receivables (cont'd)

*Recognition and measurement of impairment loss (cont'd)*

Trade receivables (cont'd)

Set out below is the information about the credit risk exposure and ECLs on the Group's and the Company's trade receivables which is grouped together as they are expected to have similar risk nature:

	Current	Days past due				Total
		1 to 30 days	31 to 60 days	61 to 90 days	More than 91 days	
	RM	RM	RM	RM	RM	RM
<b>Group</b>						
<b>2025</b>						
Trade receivables	2,857,986	773,850	270,973	406,780	1,088,048	5,397,637
Individually impaired	(46,654)	(69,151)	(59,607)	(74,762)	(974,968)	(1,225,142)
Net balance	<u>2,811,332</u>	<u>704,699</u>	<u>211,366</u>	<u>332,018</u>	<u>113,080</u>	<u>4,172,495</u>
<b>2024</b>						
Trade receivables	1,510,000	839,630	463,566	102,138	1,267,937	4,183,271
Individually impaired	(55,062)	(48,497)	(47,336)	(33,196)	(1,166,055)	(1,350,146)
Net balance	<u>1,454,938</u>	<u>791,133</u>	<u>416,230</u>	<u>68,942</u>	<u>101,882</u>	<u>2,833,125</u>
<b>Company</b>						
<b>2025</b>						
Trade receivables	117,110	759	-	753	57,076	175,698
Individually impaired	-	(152)	-	(264)	(38,639)	(39,055)
Net balance	<u>117,110</u>	<u>607</u>	<u>-</u>	<u>489</u>	<u>18,437</u>	<u>136,643</u>
<b>2024</b>						
Trade receivables	34,689	34,699	-	782	50,190	120,360
Individually impaired	-	(6,783)	-	-	(32,081)	(38,864)
Net balance	<u>34,689</u>	<u>27,916</u>	<u>-</u>	<u>782</u>	<u>18,109</u>	<u>81,496</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies (cont'd)

##### (a) Credit risk (cont'd)

###### Trade receivables and other receivables (cont'd)

###### *Recognition and measurement of impairment loss (cont'd)*

###### Other receivables

The Group and the Company consider that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group and the Company consider a financial asset is in default when contractual payments are 90 days past due.

For advances to holding company, subsidiaries, associates and related parties whose credit terms is repayable on demand, this is considered credit impaired when the holding company, subsidiaries, associates and related parties are unlikely to repay their advances to the Group and the Company in full given insufficient highly liquid resources when the advances are demanded.

###### Cash and bank balances and deposits

Deposits with banks and investment securities that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings and have no history of default. Therefore, credit risk is negligence.

###### Financial guarantee

The maximum exposure to credit risk is amounted to RM453,038 (2024: RMNil), represented by the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The Company provides unsecured financial guarantee to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an on-going basis the results of the subsidiaries and repayments made by the subsidiaries. As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

Financial guarantee have not been recognised since the fair value on initial recognition was not material.

##### (b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise principally from payables and lease liabilities.

The Group and the Company practice prudent risk management by maintaining sufficient cash and cash equivalents and banking facilities deemed adequate by management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies (cont'd)

##### (b) Liquidity risk (cont'd)

The following is a summary of the financial liabilities of the Group and of the Company according to maturity period:-

	<u>Within 1 year</u>	<u>2 to 5 years</u>	<u>Total</u>
	RM	RM	RM
<b>Group</b>			
<u>2025</u>			
<b>Non-derivative financial liabilities</b>			
<b>Secured</b>			
Borrowing	689,628	-	689,628
<b>Unsecured</b>			
Trade payables	3,466,429	-	3,466,429
Other payables	7,057,397	-	7,057,397
Lease liabilities	1,231,571	835,301	2,066,872
<u>2024</u>			
<b>Non-derivative financial liabilities</b>			
<b>Secured</b>			
Borrowing	680,218	-	680,218
<b>Unsecured</b>			
Trade payables	4,422,889	-	4,422,889
Other payables	8,242,851	-	8,242,851
Lease liabilities	1,219,545	718,953	1,938,498
<b>Company</b>			
<u>2025</u>			
<b>Non-derivative financial liability</b>			
<b>Unsecured</b>			
Other payables	229,941	-	229,941
Financial guarantee*	453,038	-	453,038
<u>2024</u>			
<b>Non-derivative financial liability</b>			
<b>Unsecured</b>			
Other payables	162,648	-	162,648

\* This exposure of liquidity risk is included for illustration purpose only as the related financial guarantee has not crystallised.

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of financial liabilities at the reporting date.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies (cont'd)

##### (c) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates.

The Group and the Company are exposed to foreign currency risk on sales, purchases and cash and cash equivalents that are denominated in a currency other than the functional currency of the Company. The currencies giving rise to this risk are primarily United States Dollar ["USD"], Singapore Dollar ["SGD"], Thai Baht ["THB"], Brunei Dollar ["BND"], Euro ["EUR"] and Chinese Yuan ["CNY"].

	<u>USD</u>	<u>SGD</u>	<u>THB</u>	<u>BND</u>	<u>EUR</u>	<u>CNY</u>
	RM	RM	RM	RM	RM	RM
<b>Group</b>						
<b>2025</b>						
Trade receivables	1,549,363	4,225,061	-	-	-	-
Other receivables	786,424	-	89,436	-	-	-
Cash and bank balances and deposits	57,133	-	-	372,257	-	-
Trade payables	(1,253,366)	-	-	-	(34,901)	(44,752)
Other payables	(9,012)	-	-	-	-	-
Net exposure	1,130,542	4,225,061	89,436	372,257	(34,901)	(44,752)
<b>2024</b>						
Trade receivables	476,115	4,256,862	-	-	-	-
Other receivables	400,411	131,653	33,851	-	-	-
Cash and bank balances and deposits	383,641	-	-	249,932	-	-
Trade payables	(1,647,909)	(6,247)	-	-	(37,301)	(88,445)
Other payables	(32,310)	-	-	-	-	-
Net exposure	(420,052)	4,382,268	33,851	249,932	(37,301)	(88,445)
<b>Company</b>						
<b>2025</b>						
Trade receivables	-	59,463	-	-	-	-
Other receivables	-	99,458	-	-	-	-
Net exposure	-	158,921	-	-	-	-
<b>2024</b>						
Trade receivables	-	52,532	-	-	-	-
Other receivables	-	136,451	-	-	-	-
Net exposure	-	188,983	-	-	-	-

Certain of the other foreign currencies are not presented as the amounts are not material.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies (cont'd)

##### (c) Foreign currency risk (cont'd)

##### Foreign currency sensitivity analysis

The following table illustrates the sensitivity of profit and equity with regards to the Group's financial assets and financial liabilities and the RM/USD exchange rate, RM/SGD exchange rate, RM/THB exchange rate, RM/BND exchange rate, RM/EUR exchange rate and RM/CNY exchange rate assuming all other things being equal.

If the RM had strengthened/weakened against the USD, SGD, THB, BND, EUR and CNY, then the impact would be as follows:-

	Effect on profit/equity for the years		Effect on profit/equity for the years	
	Increase/(Decrease)		Increase/(Decrease)	
	<b>Group</b>		<b>Company</b>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM	RM	RM	RM
<u>RM/USD</u>				
- Strengthened 1% (2024: 2%)	11,305	(8,401)	-	-
- Weakened 1% (2024: 2%)	(11,305)	8,401	-	-
<u>RM/SGD</u>				
- Strengthened 1% (2024: 1%)	42,251	43,823	1,589	1,890
- Weakened 1% (2024:1%)	(42,251)	(43,823)	(1,589)	(1,890)
<u>RM/THB</u>				
- Strengthened 1% (2024: 1%)	894	339	-	-
- Weakened 1% (2024:1%)	(894)	(339)	-	-
<u>RM/BND</u>				
- Strengthened 1% (2024: 1%)	3,723	2,499	-	-
- Weakened 1% (2024:1%)	(3,723)	(2,499)	-	-
<u>RM/EUR</u>				
- Strengthened 1% (2024:1%)	(349)	(373)	-	-
- Weakened 1% (2024:1%)	349	373	-	-
<u>RM/CNY</u>				
- Strengthened 1% (2024:2%)	(448)	(1,769)	-	-
- Weakened 1% (2024:2%)	448	1,769	-	-

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies (cont'd)

##### (c) Foreign currency risk (cont'd)

###### Foreign currency sensitivity analysis (cont'd)

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's and the Company's exposure to currency risk.

##### (d) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market price of money market funds and unquoted shares held by the Group and the Company.

The Group and the Company are exposed to the changes in the net asset value of the financial instruments.

As at the reporting date, if the net asset value per unit increase by 5% (2024: 5%), profit and equity of the Group and the Company will increase by RM840,729 and RM281,285 (2024: RM723,278 and RM273,871) respectively. A 5% (2024: 5%) weakening in the share price of each counter would have equal but opposite effect on the Group's and on the Company's profit/equity for the financial year.

##### (e) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate of changes in market interest rate.

The Group and the Company monitor interest rate risk on an on-going basis and the Group and the Company endeavour to keep the exposures at an acceptable level.

The Group is exposed to interest rate risk from fixed deposits with licensed banks, lease liabilities and borrowings.

The Group's deposits with licensed banks and lease liabilities is at fixed interest rate and borrowing at floating interest rates.

The carrying amount of the Group's financial instruments that are exposed to interest rate risk are as follows:-

	<u>2025</u>	<u>2024</u>
	RM	RM
<b>Group</b>		
<b>Fixed rate instruments</b>		
<u>Financial asset</u>		
Fixed deposits with licensed banks	<u>72,024</u>	<u>66,585</u>
<u>Financial liability</u>		
Lease liabilities	<u>2,001,024</u>	<u>1,570,658</u>
<b>Floating rate instruments</b>		
<u>Financial liability</u>		
Borrowings	<u>689,628</u>	<u>680,218</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies (cont'd)

##### (e) Interest rate risk (cont'd)

###### Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss and does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

###### Cash flow sensitivity analysis for variable rate instruments

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rates of +/-25 (2024: +/-25) basis points ("bp"). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	<b><u>Effect for the profit of the financial year/equity</u></b>	
	RM +25bp	RM -25bp
<b>Group</b>		
2025	(1,724)	1,724
2024	(1,701)	1,701

#### **Fair value on financial instruments**

The carrying amounts of financial assets and financial liabilities of the Group and the Company at the reporting date approximate their fair values due to their short-term nature, insignificant impact of discounting or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies (cont'd)

##### Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	RM	RM	RM	RM
<b>Group</b>				
<b>2025</b>				
<b>Financial assets</b>				
Non-derivative financial assets at FVTPL				
Quoted shares	408,000	-	-	408,000
Unquoted shares	-	-	339,973	339,973
Redeemable convertible preference shares	-	-	2,000,000	2,000,000
Investment in money market funds	14,066,609	-	-	14,066,609
<b>2024</b>				
<b>Financial assets</b>				
Non-derivative financial assets at FVTPL				
Quoted shares	412,000	-	-	412,000
Unquoted shares	-	-	339,973	339,973
Redeemable convertible preference shares	-	-	2,000,000	2,000,000
Investment in money market funds	11,713,591	-	-	11,713,591
<b>Company</b>				
<b>2025</b>				
<b>Financial assets</b>				
Non-derivative financial assets at FVTPL				
Unquoted shares	-	-	1	1
Quoted shares	153,000	-	-	153,000
Investment in money market funds	5,472,691	-	-	5,472,691
<b>2024</b>				
<b>Financial assets</b>				
Non-derivative financial assets at FVTPL				
Unquoted shares	-	-	1	1
Quoted shares	154,500	-	-	154,500
Investment in money market funds	5,322,917	-	-	5,322,917

There was no transfer between Level 1, 2 and 3 in 2025 and 2024.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 32. FINANCIAL INSTRUMENTS (CONT'D)

#### Financial risk management objectives and policies (cont'd)

#### Fair value hierarchy (cont'd)

#### Measurement of fair value of financial instruments

Types of financial instrument carried at fair value	Level	Valuation techniques	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
-Unquoted shares	3	Adjusted net asset method which derives the fair value of an investee's equity instruments by reference to the fair value of its assets and liabilities	Fair value of individual assets and liabilities	The higher the net assets, the higher the fair value
- Redeemable convertible preference shares				
-Quoted shares	1	The fair values are determined based on quoted bid prices in an active market	Average units price in active market	The estimated fair value will increase if the market value of units price increase
- Investment in money market funds				

### 33. CAPITAL RISK MANAGEMENT

The Group's and the Company's objectives when managing capital is to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern.

The Group and the Company monitor capital using net debt-to-equity ratio which is the debt divided by total capital.

The net debt-to-equity ratio at end of the reporting period are as follows:-

	Group		Company	
	<u>2025</u> RM	<u>2024</u> RM	<u>2025</u> RM	<u>2024</u> RM
Lease liabilities	2,001,024	1,570,658	-	-
Less: Cash and cash equivalents	(13,214,055)	(14,829,175)	(1,439,028)	(2,019,800)
Total debts	(11,213,031)	(13,258,517)	(1,439,028)	(2,019,800)
Total equity attributable to the owners of the Company	66,969,933	65,784,538	83,684,658	83,216,251
Debt-to-equity ratio	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

N/A: Not applicable

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 33. CAPITAL RISK MANAGEMENT (CONT'D)

There were no changes in the Group's and the Company's approach to capital management during the financial year.

The Group and the Company are not subject to any externally imposed capital requirements.

### 34. CAPITAL COMMITMENT

	<b>Group</b>	
	<u>2025</u>	<u>2024</u>
	RM	RM
<b>Authorised and contracted for:</b>		
Purchase of plant and equipment	<u>10,230</u>	<u>-</u>

### 35. SIGNIFICANT EVENT

#### Litigation

On 18 September 2021, an ex-director of the subsidiaries' company ("the Claimant") had filed a legal action against CNI Enterprise (M) Sdn Bhd ("the Company") under Section 20(3) of the Industrial Relations Act 1967, following her dismissal by the Company on 22 December 2020.

The case has now provided final award whereby the Company is liable to pay the compensation. However, the Company had filed an appeal against the entire decision of Industrial Court as it had committed several errors in arriving decision. Meanwhile, the Claimant also filed a cross-appeal against the said Industrial Court.

The appeal case is now pending hearing, which were scheduled on 2 July 2026.

The outcome of the trial is uncertain and cannot be reliably predicted at this stage.

### 36. SUBSEQUENT EVENTS

- (i) On 7 January 2026, CNI Enterprise (M) Sdn Bhd had accepted a proposal for a battery energy storage system amounting to RM1,159,394. As at the date of authorisation of the financial statements, the project has commenced installation.
- (ii) On 10 February 2026, CNI Enterprise (M) Sdn Bhd had accepted a proposal for a photovoltaic (PV) system amounting to RM1,151,719. As at the date of authorisation of the financial statements, the project is in the process of regulatory application.

# LIST OF PROPERTIES

The properties held by the Group and the Company as at 31 December 2025 are as follows:

Location / Postal address	Description / existing use	Land area / built-up area (sq. feet)	Land Tenure (expiry date)	Approximate age (year)	Audited net book value as at 31.12.2025 (RM'000)	Date of Acquisition/ last revaluation
Geran 215137 Lot 61741, Bandar Glenmarie, Daerah Petaling, Negeri Selangor  Wisma CNI, No. 2, Jalan Perunding U1/17, Hicom-Glenmarie Industrial Park, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan	Commercial Buildings / Office cum factory	175,597/ 197,421	Freehold	29	16,359	1 Apr 1994/-
Country Lease No. 015636807, District of Kota Kinabalu, Locality of Kuala Menggatal, State of Sabah  Lot No. 144 (DBKK No. Q-6), Block Q, Alamesra Plaza Permai, Lorong Plaza Permai 1, Sulaman Coastal Highway, 88450 Kota Kinabalu, Sabah	3-storey shop cum office (corner) / Renting out to third parties	2,273 / 6,504	Leasehold – 99 years (31 Dec 2098)	19	1,980	19 Jun 2008/ 24 Dec 2019
HSD 28228 PT 9114 Mukim and Daerah of Sepang, State of Selangor (Parcel No. 1B-080 Type: Travelers Palm Upper 1, Storey No. Level 2 (First Floor), Building No. L06, The Golden Palm Tree Water Villas)  Villa No. 080 Golden Palm Tree Water Villas, No. 67 Jalan Pantai Bagan Lalang, Kg Bagan Lalang, 43950 Sungai Pelek, Selangor Darul Ehsan	2-storey water villas (first floor) / Renting out to third parties	- / 570	Leasehold – 90 years (1st May 2107)	15	250	15 Mar 2017 / -
Geran 341476 Lot 119166 (formerly Geran 335021 Lot 119166) Mukim Dengkil, Daerah Sepang Negeri Selangor  Unit C-03-08, Tamarind Square, Persiaran Multimedia, 63000 Cyberjaya, Selangor Darul Ehsan	Semi-detached shop/office / Renting out to third parties	- / 3,826	Freehold	7	2,500	4 Mar 2021/ 17 Jan 2024

## LIST OF PROPERTIES

Location / Postal address	Description / existing use	Land area / built-up area (sq. feet)	Land Tenure (expiry date)	Approximate age (year)	Audited net book value as at 31.12.2025 (RM'000)	Date of Acquisition/ last revaluation
<p>Geran 341476 Lot 119166 (formerly Geran 335021 Lot 119166) Mukim Dengkil, Daerah Sepang Negeri Selangor</p> <p>Unit C-04-08, Tamarind Square, Persiaran Multimedia, 63000 Cyberjaya, Selangor Darul Ehsan</p>	Semi-detached shop/office / Renting out to third parties	- / 3,442	Freehold	7	1,750	13 Mar 2023/ 17 Jan 2024
<p>HSD 49112 PT 10482 Mukim and Daerah of Sepang, State of Selangor (Parcel No. 1A-001 Type: Ivory Palm Upper 1, Storey No. Level 2 (First Floor), Building No. L06, The Golden Palm Tree Water Villas)</p> <p>Villa No. 001 Golden Palm Tree Water Villas, No. 67 Jalan Pantai Bagan Lalang, Kg Bagan Lalang, 43950 Sungai Pelek, Selangor Darul Ehsan</p>	2-storey water villas (first floor) / Renting out to third parties	- / 1,550	Leasehold – 90 years (1st May 2107)	15	1,250	31 July 2024 / -

# ADDITIONAL COMPLIANCE INFORMATION

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

## i. Utilisation of Proceeds Raised from Corporate Proposals

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

## ii. Audit and Non-Audit Fees

The amount of audit and non-audit fees paid or payable by the Company and the Group to the external auditors or a firm or corporation affiliated to the auditors’ firm for the financial year ended 31 December 2025 are as follows:

	Company (RM)	Group (RM)
Audit fees	67,500	242,500
Non-audit fees	-	-

## iii. Material Contracts

Save as those described in Note 29 to the Audited Financial Statements on pages 126 to 127 of this Annual Report, there were no material contracts entered into by the Company and its subsidiaries involving the interests of directors and major shareholders, either still subsisting at the end of the financial year ended 31 December 2025 or entered into since the end of the previous financial year.

## iv. Recurrent Related Party Transactions of a Revenue or Trading Nature

At the Annual General Meeting held on 10 June 2025, the Company obtained a mandate from its shareholders to allow the Group to enter into recurrent related party transactions of a revenue or trading nature.

The details of the recurrent related party transactions conducted during the financial year ended 31 December 2025 pursuant to the said shareholders’ mandate are disclosed as follows:

Transacting Party	Company within CNH Group	Interested Related Parties	Amount transacted during the financial year RM’000	Nature of transactions
CNI Corporation Sdn Bhd (“CNI Corp”)	CNI Enterprise (M) Sdn Bhd (“CNIE”)	Dato’ Koh Peng Chor Koh How Loon Chew Boon Swee	20	Provision of management services to CNIE
	CNIE		288	Purchase of health care and consumer products from CNIE
	Exclusive Mark (M) Sdn Bhd (“EM”)		739	Purchase of beverages and supplements from EM
CNI Venture Sdn Bhd	EM	Dato’ Koh Peng Chor Koh How Loon Chew Boon Swee	225	Provision of research, development and testing services to EM
CNI Corp	CNIE	Dato’ Koh Peng Chor Koh How Loon Chew Boon Swee	94	Payment of trademark fee by CNIE for the license to use the trademark

## ADDITIONAL COMPLIANCE INFORMATION

### v. Disclosure of Financial Data for Shariah Screening

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

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

Total Income	Remarks	Group	
		2024 RM'000	2025 RM'000
Revenue		58,001	61,086
Other Income		1,662	1,186
Interest/Finance Income		668	690
Share of profit of associates ^		-	1,670
<b>Total</b>		<b>60,331</b>	<b>64,632</b>
<b>Total Assets</b>		<b>82,394</b>	<b>81,712</b>

^ Share of loss of associates is excluded

#### (b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2024 RM'000	2025 RM'000
Interest Income	Conventional	584	633
<b>Total</b>		<b>584</b>	<b>633</b>

#### (c) Component of Financial Position

##### (i) Cash Component

Conventional Account / Instruments	Group	
	2024 RM'000	2025 RM'000
Short-term deposits	67	72
Cash and bank balances (exclude cash in hand)	15,443	13,832
<b>Total Cash</b>	<b>15,510</b>	<b>13,904</b>

##### (ii) Debts Component

Conventional Borrowing	Group	
	2024 RM'000	2025 RM'000
<b>Current</b>		
Bank overdrafts	680	690
Hire purchase and finance lease	1,044	1,172
<b>Non-Current</b>		
Hire purchase and finance lease	527	829
<b>Total Debt</b>	<b>2,251</b>	<b>2,691</b>

# ANALYSIS OF SHAREHOLDINGS

AS AT 6 APRIL 2026

Issued Share Capital : RM72,000,000 comprising 720,000,000 Ordinary Shares

Class of Shares : Ordinary Share

Voting Rights : 1 vote per Ordinary Share

## DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	No. of Shareholders				No. of Issued Shares			
	Malaysian		Foreigner		Malaysian		Foreigner	
	No.	%	No.	%	No.	%	No.	%
Less than 100	367	4.01	5	0.05	10,908	(1)	190	(1)
100 - 1,000	3,582	39.13	266	2.91	1,868,265	0.26	157,340	0.02
1,001 – 10,000	3,168	34.61	99	1.08	10,316,242	1.44	241,760	0.03
10,001 – 100,000	1,263	13.80	9	0.10	46,563,895	6.48	279,300	0.04
100,001 – 35,999,999 (*)	387	4.23	6	0.07	290,337,145	40.43	4,898,832	0.68
36,000,000 and above (**)	1	0.01	0	0.00	363,526,123	50.62	0	0.00
<b>Total</b>	<b>8,768</b>	<b>95.79</b>	<b>385</b>	<b>4.21</b>	<b>712,627,578</b>	<b>99.22<sup>(2)</sup></b>	<b>5,577,422</b>	<b>0.78<sup>(2)</sup></b>

### Notes:

(\*) Less than 5% of issued shares

(\*\*) 5% and above of issued shares

(1) Less than 0.01%

(2) Excluding a total of 1,800,000 Citra Nusa Holdings Berhad (“CNH”) shares bought-back by CNH and retained as treasury shares as at 6 April 2026.

## DIRECTORS’ INTERESTS IN SHARES BASED ON THE REGISTER OF DIRECTORS’ SHAREHOLD

Name of Directors	Direct Interests		Deemed Interests	
	No. of Issued Shares	% of Issued Shares <sup>(4)</sup>	No. of Issued Shares	% of Issued Shares <sup>(4)</sup>
Dato’ Koh Peng Chor	5,028,680	0.70	373,983,483 <sup>(1)</sup>	52.07
Koh How Loon	1,679,180	0.23	370,671,643 <sup>(2)</sup>	51.61
Chew Boon Swee	1,128,614	0.16	6,534,120 <sup>(3)</sup>	0.91
Carolyn Anne Kam Foong Kheng	–	–	–	–
An Li Fong	–	–	–	–
Yee Kee Bing	–	–	–	–

### Notes:

- Deemed interested pursuant to Section 8 of the Companies Act, 2016 by virtue of his shareholdings in Marvellous Heights Sdn Bhd and PC Marketing Sdn Bhd and disclosure made pursuant to Section 59(11)(c) of the Companies Act, 2016 on the interests held by his spouse and children.
- Deemed interested pursuant to Section 8 of the Companies Act, 2016 by virtue of his shareholdings in Marvellous Heights Sdn Bhd and PC Marketing Sdn Bhd.
- Disclosure made pursuant to Section 59(11)(c) of the Companies Act, 2016 on the interests held by his spouse.
- Excluding a total of 1,800,000 CNH shares bought-back by CNH and retained as treasury shares as at 6 April 2026.

## ANALYSIS OF SHAREHOLDINGS

AS AT 6 APRIL 2026

### SUBSTANTIAL SHAREHOLDERS BASED ON THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name	Direct Interests		Deemed Interests	
	No. of Issued Shares	% of Issued Shares <sup>(4)</sup>	No. of Issued Shares	% of Issued Shares <sup>(4)</sup>
Marvellous Heights Sdn Bhd	363,526,123	50.62	–	–
PC Marketing Sdn Bhd	7,145,520	0.99	363,526,123 <sup>(1)</sup>	50.62
Dato' Koh Peng Chor	5,028,680	0.70	373,983,483 <sup>(2)</sup>	52.07
Datin Chuah Tek Lan	1,167,200	0.16	377,844,963 <sup>(2)</sup>	52.61
Koh How Loon	1,679,180	0.23	370,671,643 <sup>(3)</sup>	51.61

**Notes:**

1. Deemed interested pursuant to Section 8 of the Companies Act, 2016 by virtue of its shareholdings in Marvellous Heights Sdn Bhd.
2. Deemed interested pursuant to Section 8 of the Companies Act, 2016 by virtue of his/her shareholdings in Marvellous Heights Sdn Bhd and PC Marketing Sdn Bhd and disclosure made pursuant to Section 59(11)(c) of the Companies Act, 2016 on the interests held by his/her spouse and children.
3. Deemed interested pursuant to Section 8 of the Companies Act, 2016 by virtue of his shareholdings in Marvellous Heights Sdn Bhd and PC Marketing Sdn Bhd.
4. Excluding a total of 1,800,000 CNH shares bought-back by CNH and retained as treasury shares as at 6 April 2026.

## ANALYSIS OF SHAREHOLDINGS

AS AT 6 APRIL 2026

### TOP 30 SECURITIES ACCOUNT HOLDERS

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

	Name	No. of Issued Shares	% of Issued Shares <sup>(1)</sup>
1.	Marvellous Heights Sdn Bhd	363,526,123	50.62
2.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ooi Keng Thye	16,071,000	2.24
3.	Wong Siew Fong	15,985,900	2.23
4.	Ong Teck Seng	12,800,200	1.78
5.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Cheng Chin Heng	9,004,900	1.25
6.	Toh Siew Kee	8,221,954	1.14
7.	Tan Yuan Fang	7,896,090	1.10
8.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account For Ng Geok Wah	7,467,400	1.04
9.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For PC Marketing Sdn Bhd	6,760,920	0.94
10.	Moy Mee Leng	6,334,120	0.88
11.	Maybank Nominees (Tempatan) Sdn Bhd Chan Sook Cheng	5,607,100	0.78
12.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For Koh Peng Chor	5,028,680	0.70
13.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ho Kok Kiang	4,995,300	0.70
14.	Chan Mung Bong	4,970,100	0.69
15.	Liu Wen Yi	4,214,700	0.59
16.	Tay Cindy	3,997,600	0.56
17.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Cheng Chew Giap	3,620,000	0.50
18.	Lim Sei Chei	3,591,500	0.50
19.	Cheong Chee Kee	3,460,682	0.48
20.	Tang Chin Chuai	3,183,260	0.44
21.	Suharman Subianto	3,102,532	0.43
22.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Koh Chin Sing	3,052,000	0.43
23.	Foo Fook Min	2,900,700	0.40
24.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account For Yoong Sin Kuen	2,583,300	0.36
25.	Lim Kim Suan	2,488,600	0.35
26.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Beh Hang Kong	2,479,472	0.34
27.	Koh Tiah Siew	2,295,857	0.32
28.	Chin Kok Tian	2,279,800	0.32
29.	Lee Boon Hoe	2,161,200	0.30
30.	Ho Kok Kiang	2,071,200	0.29
	<b>Total</b>	<b>522,152,190</b>	<b>72.70</b>

#### Notes:

(1) Excluding a total of 1,800,000 CNH shares bought-back by CNH and retained as treasury shares as at 6 April 2026.

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Thirty-Seventh Annual General Meeting (“37th AGM”) of Citra Nusa Holdings Berhad (“the Company”) will be held at Diamond Hall, First Floor, Wisma CNI, No. 2 Jalan Perunding U1/17, Hicom-Glenmarie Industrial Park, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan on **Thursday, 18 June 2026 at 11.00 a.m.** to transact the following businesses:

## 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.
2. To re-elect the following Directors who retire by rotation in accordance with Articles 110 and 111 of the Company’s Constitution and, being eligible, have offered themselves for re-election:
  - i. Chew Boon Swee **Resolution 1**
  - ii. An Li Fong **Resolution 2**
3. To re-elect Mr. Yee Kee Bing who retires by rotation in accordance with Article 92.3 of the Company’s Constitution and, being eligible, has offered himself for re-election. **Resolution 3**
4. To approve the payment of Directors’ fees to the Non-Executive Directors of the Company up to an amount of RM348,000 for the period from the day after the AGM to the next AGM of the Company. **Resolution 4**
5. To approve the payment of benefits payable to the Non-Executive Directors of the Company up to an amount of RM80,000 for the period from the day after the AGM to the next AGM of the Company. **Resolution 5**
6. To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration. **Resolution 6**

## SPECIAL BUSINESS

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

7. **AUTHORITY TO ISSUE AND ALLOT SHARES** **Resolution 7**

“THAT subject always to the Companies Act, 2016, the Company’s Constitution and approvals of the relevant governmental/regulatory authorities, if applicable, the Directors be and are hereby authorised pursuant to Section 75 and Section 76 of the Companies Act, 2016, to issue shares in the Company at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company for the time being and the Directors be and are also empowered to obtain approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company.”
8. **PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** **Resolution 8**

“THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and subject to the Companies Act, 2016 (“Act”), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant government and/or regulatory authorities, approval be and is hereby given to the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.6 Part A of the Circular to Shareholders dated 30 April 2026, which are entered into in the ordinary course of business which are necessary for the day-to-day operations of the Company and/or its subsidiary companies on normal commercial terms which are not more favourable to the related parties than those generally available to the public, undertaken on arm’s length basis, and are not detrimental to the minority shareholders of the Company (Mandate);

## NOTICE OF ANNUAL GENERAL MEETING

THAT the Mandate is subject to annual renewal and shall continue to be in force until:

- i. the conclusion of the next AGM of the Company following this AGM at which such Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at the next AGM the Mandate is renewed;
- ii. the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- iii. the Mandate is revoked or varied by ordinary resolution passed by the shareholders in a general meeting of the Company,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Mandate.”

### 9. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

### Resolution 9

“THAT subject to the provisions of the Companies Act, 2016, the Company’s Constitution and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of the Company (“Proposed Renewal of Share Buy-Back Authority”) as may be determined by the Directors of the Company from time to time through Bursa Securities, as the Directors may deem fit in the interests of the Company, provided that:

- i. the aggregate number of shares to be purchased does not exceed 10% of the total number of issued shares for the time being of the Company;
- ii. the maximum funds to be allocated by the Proposed Renewal of Share Buy-Back Authority shall not exceed the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable); and
- iii. the Directors of the Company be and are hereby authorised to retain the shares so 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 distribute the treasury shares as share dividends to shareholders or to resell the treasury shares.

THAT the authority conferred by this resolution shall commence immediately upon the passing of this ordinary resolution and shall continue to be in force until:

- i. the conclusion of the next AGM of the Company at which time it will lapse, unless by ordinary resolution passed at the AGM the authority is renewed 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 in a general meeting of the Company,

whichever occurs first.

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to effect the Proposed Renewal of Share Buy-Back Authority with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto.”

## NOTICE OF ANNUAL GENERAL MEETING

10. To transact any other business of which due notice shall have been received in accordance with the Companies Act 2016 and the Company's Constitution.

### BY ORDER OF THE BOARD

#### CHIN YOKE KWAI

SSM PC No. 201908002010

MAICSA 7032000

Company Secretary

Shah Alam

30 April 2026

#### Notes:

1. In respect of deposited securities, only members whose names appear on the General Meeting Record of Depositors as at **11 June 2026** shall be eligible to attend, participate, speak and vote at the 37th AGM or appoint proxy(ies) to attend, participate, speak and/or vote on his/her behalf.
2. A member entitled to attend and vote at the 37th AGM is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote at the same meeting. A proxy may but need not be a member of the Company and there shall be no restriction to the qualification of the proxy. Where a member appoints up to two (2) proxies, he/she shall specify the proportions of his/her shareholdings to be represented by each proxy, failing which the appointments shall be invalid.
3. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
4. Where a member of the Company is an Authorised Nominee as defined under the SICDA, it is entitled to 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. Where an Authorised Nominee appoints two (2) proxies to attend and vote at the 37th AGM, the proportions of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid.
5. The instrument appointing a proxy by a member who is entitled to attend and vote at the 37th AGM, shall be executed by the appointor or his/her attorney duly authorised in writing or via electronic submission. If the appointor is a corporation, the instrument shall be either under its common seal or the hand of its officers or its duly authorised attorney.
6. The appointment of proxy may be made either in the form of hardcopy or by electronic means as specified below and must be received by the Company not less than twenty-four (24) hours before the time for holding the 37th AGM i.e. by Wednesday, 17 June 2026 at 11.00 a.m., or any adjournment thereof:

#### ***In hardcopy form***

Deposited at the Company's registered office at Wisma CNI, No. 2 Jalan Perunding U1/17, Hicom-Glenmarie Industrial Park, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan

#### ***By electronic means***

Alternatively, the instrument appointing the proxy may also be lodged electronically by email to [cnisec@cni.my](mailto:cnisec@cni.my)

The lodging of the Proxy Form will not preclude you from attending and voting in person at the 37th AGM of the Company shall you subsequently wish to do so.

# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES

### 1. Audited Financial Statements for the financial year ended 31 December 2025

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, shall not be put forward for voting.

### 2. Ordinary Resolutions 1 and 2: Re-election of Directors

Mr. Chew Boon Swee and Mr. An Li Fong who retire in accordance with Articles 110 and 111 of the Company's Constitution, are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 37th AGM. The NRC had deliberated and recommended for their re-election, and the Board has endorsed NRC's recommendation.

### 3. Ordinary Resolution 3: Re-election of Director

Article 92.3 of the Company's Constitution provides that any Director appointed by the Board shall hold office only until the next following AGM and shall then be eligible for re-election.

Mr. Yee Kee Bing who was appointed as an Independent Non-Executive Director of the Company on 1 July 2025 shall hold office until the conclusion of the 37th AGM and being eligible, has offered himself for re-election at the 37th AGM. The NRC had recommended his re-election, and the Board had endorsed NRC's recommendation.

Any Director retiring by rotation who is a shareholder of the Company shall abstain from voting on the resolutions in respect of their re-election at the 37th AGM.

### 4. Ordinary Resolution 4: Directors' fees for the Non-Executive Directors ("NEDs")

The proposed amount of up to RM348,000 comprising Directors' fees to NEDs for the period from 19 June 2026 to the next AGM of the Company. The fees are in accordance with the Directors' Remuneration Framework for NEDs which the Board opines remain competitive and equitable given their role and responsibilities, as well as time commitment required to discharge their duties.

Subject to the shareholders' approval of this resolution, the payment of Directors' fees will be made by the Company on a monthly basis or as and when incurred.

### 5. Ordinary Resolution 5: Benefits payable to the Non-Executive Directors ("NEDs")

There is no revision to the proposed benefits payable to the NEDs for the period from 19 June 2026 to the next AGM of the Company. The proposed Directors' benefits of RM80,000 for the services rendered during this period will be paid by the Company as and when incurred, subject to this proposed resolution being passed at the 37th AGM.

In determining the total estimated amount of the Directors' benefits, the Board has considered the number of scheduled meetings for the Board and Board Committees as well as the number of NEDs participating in these meetings.

### 6. Ordinary Resolution 6: Re-Appointment of Auditors

The Board and Audit Committee of the Company were satisfied with the suitability of Grant Thornton Malaysia PLT ("GTM") based on the quality of audit, performance, competency and adequacy of resources the external audit team provided to the Group. The Board approved the Audit Committee's recommendation for the shareholders' approval to be sought at the 37th AGM on the appointment of GTM as external auditors of the Company for the financial year ending 31 December 2026.

### 7. Ordinary Resolution 7: Authority to Directors to Issue Shares

The proposed resolution is a renewal mandate for the issue of shares under Sections 75 and 76 of the Act. If passed, will give the powers to the Directors of the Company to issue ordinary shares in the share capital of the Company and to provide flexibility to the Company to undertake any share issuance, including placement of shares for the purpose of funding current and/or future investments project, working capital and/or acquisition, as well as in the event of any strategic opportunities involving equity deals which may require the Company to allot and issue new shares on urgent basis, without having to convene a general meeting. This general mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The general mandate obtained from the shareholders of the Company at the previous AGM held on 10 June 2025 had not been utilised and hence, no proceeds were raised therefrom.

## **NOTICE OF ANNUAL GENERAL MEETING**

### 8. Ordinary Resolution 8: Proposed Shareholders' Mandate

The proposed resolution, if passed, will allow the Company and its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature pursuant to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

Please refer to the Circular to Shareholders dated 30 April 2026 which is available on the Company's website at <https://www.citranusaholdings.com/agm.php>

### 9. Ordinary Resolution 9: Proposed Renewal of Share Buy-Back Authority

The proposed resolution, if passed, will empower the Directors to allocate an amount not exceeding the retained profits of the Company for the purpose of and to purchase its own shares of up to 10% of the total number of issued shares of the Company for the time being. This mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

Based on the Audited Financial Statements of the Company as at 31 December 2025, the Company's retained profits amounted to RM11,778,424.

Please refer to the Share Buy-Back Statement dated 30 April 2026 which is available on the Company's website at <https://www.citranusaholdings.com/agm.php>

### **PERSONAL DATA PRIVACY**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

## **STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING**

### **STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING**

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

#### **Further Details of Individuals Who are Standing for Election as Directors (Excluding Directors Standing for Re-election)**

There is no individual seeking election as a Director at the Thirty-Seventh (37th) AGM of the Company.

# DISTRIBUTION CENTRES / SALES POINTS / E-SALES POINTS

SALURAN PENGEDARAN		ALAMAT	TEL & EMEL
<b>PERLIS</b>			
Kiosk	Arau	No. 90 Lorong Lewata 3 Taman Muhibbah Jejawi 02600 Arau Perlis.	017-4018786
<b>KEDAH</b>			
Center	Alor Star Sungai Petani Changlon	Lot 46, Ground Floor, Kompleks Perniagaan Sultan Abdul Hamid, Persiaran Sultan Abdul Hamid 3, 05050 Alor Setar. No. 7, Lengkok Cempaka 1, Bandar Amanjaya 08000, Sg Petani, Kedah. 5, Pekan Changlon 2, 06010 Changlon.	04-7720918 04-4419897 / 012-9871175 / 013-9339897 04-9246923 / 012-4932758 / 019-4442758
Kiosk	Langkawi	No. 50 Taman Desa Kemboja Mukim Bohor 07000 Langkawi, Kedah	013-3640684
eSP	Pendang	No 4, Bangunan Orkid, 06700 Pendang.	019-9189897 / 013-4239897
SP	Jitra Simpang Empat	3-B Jalan 1PJ2, 06000 Jitra. 120 Taman Desa Damai, Batu 5 Simpang Empat, 06650 Simpang Empat.	017-5239447 / 012-5815552 04-7642437 / 012-4902437
<b>PULAU PINANG</b>			
Center	Perai Perak Road	30, Jalan Perai Jaya 2, Bdr Perai Jaya, 13600 Perai, Butterworth. 175, Perak Road, 10150 Penang.	04-2400976 04-2271092
eSP	Permatang Pauh Bayan Lepas	19, Lorong Cermai 3, Tmn Sama Gagah, 13500 Permatang Pauh, Butterworth. 119, Jalan Tun Dr Awang, Tmn Melati, Bukit Jambul, 11900 Bayan Lepas.	04-3906418 / 012-4286418 04-6449637 / 019-5657126
<b>PERAK</b>			
Center	Tg Malim Ipoh Teluk Intan Sitiawan Bercham	No. 1, Jalan U1, Taman Universiti, 35900 Tg Malim. 14, Jalan Ghazali Jawi, 31400 Ipoh (In front of stadium). Lot 12650, 1st Flr, Jln Changkat Jong, 36000 Teluk Intan. No. 5 (1st Floor), Taman Sitiawan Maju 2, 32000 Sitiawan. 13, Persiaran Medan Bercham 4, Pusat Bandar Baru Bercham, 31400 Ipoh.	05-2151313 / 012-5386669 05-5460393 / 012-5069339 05-8108362 / 016-5510870 05-6121010 05-5360229
eSP	Ayer Tawar	No 1, Taman Ayer Tawar 2, Ayer Tawar 32400.	05-6721366 / 016-410 9629
SP	Pulai	No 28, Jln Pulai Height 4, Taman Pulai Height, 31300 Ipoh.	012-3783185
<b>SELANGOR</b>			
Center	Klang Rawang Batu Caves Bangi Petaling Jaya	No. 5, Lorong Gudang Nanas 2, Off Jln Pasar 41400 Klang. No. B-5, Jln Rawang Mutiara 2, Rawang Mutiara Business Centre, 48000 Rawang. No. 10-1, Jln PPS2, Pusat Perdagangan Selaseh, Batu Caves, 68100 Selangor. 43A-1-1A, Jln Medan PB2, Seksyen 9 Medan PB2 Pusat Bdr Bangi, 43650 Bandar Baru Bangi. Lot 10 SS3/33, Taman Universiti, 47300 Petaling Jaya, Selangor.	03-33591536 03-60928461 / 012-3823678 03-61771271 03-89124172 03-55694000
eSP	Sungai Buaya	No. 33, Jln Kemboja Sari 3, Bdr Sungai Buaya, 48010 Rawang.	013-4239606
SP	Teluk Panglima Garang Kajang	Lot 2323, Lorong Aman, Kg Sijangkang, 42500 Teluk Panglima Garang. No. 4-18 Tingkat 4 Pangsapuri Teratai, Jalan Anggerik Perdana 3, Taman Anggerik Perdana Bdr Teknologi Kajang 43500 Semenyih Selangor.	03-31227021 / 016-3552162 012-3379947
<b>WILAYAH PERSEKUTUAN</b>			
Center	Setapak Cheras	211 A, Jalan Genting Klang, 53300 Setapak. 54-A, Jalan Serkut, Tmn Pertama, 56100 Cheras.	012-2291909 03-92814913 / 016-5267825
<b>NEGERI SEMBILAN</b>			
Center	Seremban	656, Jalan Haruan 4/10, Pusat Komersial Oakland, 70300 Seremban.	06-8518160
<b>MELAKA</b>			
Center	Batu Berendam	59, Jalan MP 18, Taman Merdeka Permai, 75350 Batu Berendam.	06-3320951
SP	Pernu	590-1, KM 12, Kampung Pernu, 75460 Pernu.	06-2610012 / 010-5057109
<b>JOHOR</b>			
Center	Tmn Nusa Bestari Taman Molek Muar Kulai	No-19-A Tingkat 1, Jln Nusa Bestari ¼, Tmn Nusa Bestari 79100 Iskandar Puteri, Johor. 7, Jalan Molek 2/5, Taman Molek, 81100 Johor Bahru. No. 3, Taman Seri Gemilang, Jalan Salleh, 84000 Muar. 14, Tingkat 1, Jalan Raya, Kulai Besar, 81000 Kulai.	07-5506425 07-3614075 06-9526590 / 019-6556563 07-6605027
eSP	Bandar Kluang	No. 2, Pusat Perniagaan Komersial Haji Manan, Jalan Omar, 86000 Kluang, Johor.	011-20844800

## DISTRIBUTION CENTRES / SALES POINTS / E-SALES POINTS

SALURAN PENGEDARAN		ALAMAT	TEL & EMEL
<b>JOHOR</b>			
SP	Tangkak Skudai Segamat	23, Kampung Baru Satu, 84900 Tangkak. 42, Jalan PE2/7n, Taman Pulau Mas, 81300 Skudai. 45, Jalan Intan 2, Taman Intan Bukit Siput, 85020 Segamat.	06-97820258 019-7173515 019-6556563
<b>KELANTAN</b>			
Center	Kota Bharu	PT397, Tingkat Bawah, Jln Dusun Raja, Sri Cemerlang, 15400 Kota Bharu.	09-7405265
eSP	Pasir Mas	W2/458, Jalan Hospital, 17000 Pasir Mas.	019-9184408 / 013-9180188
SP	Pasir Putih	Kg. Alor Hijau, Selising, 16810 Pasir Putih.	09-7892988 / 019-9101825
<b>TERENGGANU</b>			
Center	Kemaman Kuala Terengganu	40-A, Jalan Jakar, Chukai, 24000 Kemaman. 219, Tingkat Atas, Jln Sultan Zainal Abidin, 20000 Kuala Terengganu. Pejabat Penulis Berlesen, Ramlee Ismail, No.1,	09-8591028 / 012-9886118 09-6228351
Kiosk	Dungun	Jalan Mahkamah 23000 Dungun Terengganu.	011-11444100/01119014243
eSP	Gong Badak	PT 13650K, Tmn Permint Makmur, Wakaf Tembusu, Gong Badak 20300 Kuala Terengganu.	09-6666308 / 013-9436988
<b>PAHANG</b>			
Center	Kuantan Mentakab	B.58, Jalan 1 M3/10 BIM Point, Bandar Indera Mahkota, Jalan Kuantan, 25200 Kuantan. 53 BWH, LKNP Jln Ponniah, 28400 Mentakab, Pahang.	09-5729247 09-2804101
SP	Kuala Lipis Jengka	No. 97 Tmn Permai Fasa 2, Tempoyang 27200, Kuala Lipis. No. 11, Kedai Pelbagai, Jengka Street, 26400 Bandar Jengka.	017-9830499 013-9246175 / 013-6020451
<b>SARAWAK</b>			
	Sarawak Branch	Lot 9392, Section 64, Jalan Pending Heights, 93450 Kuching.	082-340619 / 340620 / 340621
Center	Sibu Kuching  Bintulu Sri Aman Petra Jaya  Miri	No. 1, 1st Flr, Pusat Tanah Wang, Jalan Dr. Wong Soon Kai, 96000 Sibu. First Floor, No. 235, Lot 2595, Block 10, Central Park, 93200 Kuching, Sarawak. 189, Park City Commerce Square, 97000 Bintulu. No. 6, Lot 1752, Jln Hospital, 95000 Bdr. Sri Aman. Lot 9820, Sublot 4 Section 65 K.T.L.D. Jalan Semarak, Petra Jaya, 93050 Kuching. Lot 2419, First Floor, Block 5, Miri Concession Land District, Jalan Boulevard 2, Boulevard Commercial Center, 98000 Miri Sarawak.	084-321284 082-424313 / 013-8081828  086-310611 083-325313 / 019-8195313 082-428714  085-321910
eSP	Sarikei 2  Bakam, Miri Bandar Sibu	Lot 852 Lrg 1 Jln Bunga Raya Kpg Baru Seberang 96100 Sarikei Sarawak. Lot 6626, Jalan Oncidium Off Jalan Bakam, 98000 Miri. No 6H, Lorong 19 Ulu Sungai Merah 96000 Sibu Sarawak	019-8861300  085-324747 / 019-8848410 010-9825164
SP	Mukah Bau Sarikei Serian	83, Newtownship, 96400 Mukah. 1, Tingkat 1, Market Serbaguna, Majlis Daerah Bau, 94000 Bau. No. 20, Jalan Bawal, Lorong 4C, 96100 Sarikei. No. 1, Serian Bazaar, 94700 Serian.	084-871867 / 013-8063268 013 -8099005 084-644566 / 019-8178229 014-8811112
<b>SABAH</b>			
	Sabah Branch	Lot 121, Block N-5, Ground & 1st Floor, Lorong Plaza Permai 3, Jalan Sulaman Highway, 88450 Kota Kinabalu.	088-281899 / 088-282899
Center	Kota Kinabalu  Tawau	1.25, 1st Floor, Asia City Complex, Pusat Bandar Kota Kinabalu, 88000 Kota Kinabalu. TB999, Wisma Wee, Jalan Utara, 91000 Tawau.	088-484968 / 013-8604168  089-768154 / 014-8617839 / 019-8216260
SP	Lahad Datu  Tambunan	Lot 56, MDLD 0813, Raya 3, Public Villa, Jalan Segama, 91110 Lahad Datu. Peti Surat 14, Pekan Tambunan, Tambunan 89657.	014-3580166  010-9400993
<b>BRUNEI</b>			
	Brunei Branch	Simpang 88, Unit No.9, Block B, Bangunan Begawan Pehin Hj. Md. Yusof, Kampung Kiulap, BE1518 Negara Darussalam.	00673-2-237293

**CITRA NUSA HOLDINGS BERHAD**

Company No. 198901004452 (181758-A)

Number of Ordinary Shares Held	CDS Account No

**FORM OF PROXY**I/We ..... NRIC/Passport/Company No. ....  
(FULL NAME IN BLOCK LETTERS)of .....  
(FULL ADDRESS)Tel No. .... being a member/members of **CITRA NUSA HOLDINGS BERHAD**, hereby appoint..... NRIC/Passport No. ....  
(FULL NAME IN BLOCK LETTERS)of .....  
(FULL ADDRESS)\*and/or, ..... NRIC/Passport No. ....  
(FULL NAME IN BLOCK LETTERS)

of .....

or failing \*him/both, the CHAIRMAN OF THE MEETING as my/our proxy to attend and vote for me/us on my/our behalf at the Thirty-Seventh Annual General Meeting ("37<sup>th</sup> AGM") of the Company to be held at Diamond Hall, First Floor, Wisma CNI, No. 2 Jalan Perunding U1/17, Hicom-Glenmarie Industrial Park, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan on **Thursday, 18 June 2026 at 11.00 a.m.** or at any adjournment thereof, on the following resolutions referred to in the Notice of 37<sup>th</sup> AGM. My/our proxy is to vote as indicated below:

		FOR	AGAINST
<b>Ordinary Business</b>			
Ordinary Resolution 1	To re-elect Mr. Chew Boon Swee as Director of the Company		
Ordinary Resolution 2	To re-elect Mr. An Li Fong as Director of the Company		
Ordinary Resolution 3	To re-elect Mr. Yee Kee Bing as Director of the Company		
Ordinary Resolution 4	To approve the payment of Directors' Fees		
Ordinary Resolution 5	To approve the payment of Benefits Payable to the Non-Executive Directors		
Ordinary Resolution 6	To re-appoint Grant Thornton Malaysia PLT as Auditors and to authorise the Directors to determine their remuneration		
<b>Special Business</b>			
Ordinary Resolution 7	To authorise the Directors to Issue Shares		
Ordinary Resolution 8	To approve the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		
Ordinary Resolution 9	To approve the Proposed Renewal of Share Buy-Back Authority		

(Please indicate with an "X" in the appropriate spaces provided to indicate how you wish your vote to be cast. If you do not do so, the proxy shall vote as he/she thinks fit, or at his/her discretion, or abstain from voting)

Dated this ..... day of ..... 2026

Signature(s)/Common Seal of Member(s)

\* Please delete where inapplicable

For appointment of proxies, proportion of shareholdings to be represented by the proxies:

	No. of Shares	Percentage
Proxy 1		%
Proxy 2		%
<b>Total</b>		<b>100%</b>

**Notes:**

- In respect of deposited securities, only members whose names appear on the General Meeting Record of Depositors as at **11 June 2026** shall be eligible to attend, participate, speak and vote at the 37th AGM or appoint proxy(ies) to attend, participate, speak and/or vote on his/her behalf.
- A member entitled to attend and vote at the 37th AGM is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote at the same meeting. A proxy may but need not be a member of the Company and there shall be no restriction to the qualification of the proxy. Where a member appoints up to two (2) proxies, he/she shall specify the proportions of his/her shareholdings to be represented by each proxy, failing which the appointments shall be invalid.
- Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- Where a member of the Company is an Authorised Nominee as defined under the SICDA, it is entitled to 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. Where an Authorised Nominee appoints two (2) proxies to attend and vote at the 37th AGM, the proportions of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid.
- The instrument appointing a proxy by a member who is entitled to attend and vote at the 37th AGM, shall be executed by the appointor or his/her attorney duly authorised in writing or via electronic submission. If the appointor is a corporation, the instrument shall be either under its common seal or the hand of its officers or its duly authorised attorney.
- The appointment of proxy may be made either in the form of hardcopy or by electronic means as specified below and must be received by the Company not less than twenty-four (24) hours before the time for holding the 37th AGM i.e. by Wednesday, 17 June 2026 at 11.00 a.m., or any adjournment thereof:

**In hardcopy form**

Deposited at the Company's registered office at Wisma CNI, No. 2 Jalan Perunding U1/17, Hicom-Glenmarie Industrial Park, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan

**By electronic means**

Alternatively, the instrument appointing the proxy may also be lodged electronically by email to cnisec@cni.my

The lodging of the Proxy Form will not preclude you from attending and voting in person at the 37th AGM of the Company shall you subsequently wish to do so.

*Fold this flap for sealing*

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AFFIX  
STAMP

The Company Secretary  
**CITRA NUSA HOLDINGS BERHAD**  
Wisma CNI, No. 2 Jalan Perunding U1/17  
Hicom-Glenmarie Industrial Park, Seksyen U1  
40150 Shah Alam, Selangor Darul Ehsan.

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**CITRA NUSA HOLDINGS BERHAD**

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