



MKH Oil Palm (East Kalimantan) Berhad
(200401023680 (662186-D))

CULTIVATING SUSTAINABLE GROWTH



www.mkhoilpalm.com

Annual Report
2025

COVER RATIONALE

CULTIVATING SUSTAINABLE GROWTH



Rooted in responsible plantation practices and forward-thinking innovation, the cover design reflects MKH Oil Palm (East Kalimantan) Berhad's ("MKHOP") commitment to cultivating sustainable growth throughout its operations.

The layered line illustration captures the journey from nurturing oil palm plantations to advanced milling and logistics, symbolising an integrated and efficient value chain founded on sustainability principles. The green and blue tones convey harmony between nature and technology, highlighting efforts to balance productivity with environmental stewardship. The surrounding circular elements, featuring sustainability icons, represent the Group's ongoing progress in governance, community well-being and innovation. Altogether, the composition visualises MKHOP's vision of growing responsibly, empowering people and sustaining value for future generations.



21ST

ANNUAL GENERAL MEETING



Emerald Ballroom

1st Floor, RHR Hotel @ Kajang,
Jalan Semenyih, 43000 Kajang,
Selangor Darul Ehsan, Malaysia



5 March 2026
Thursday



10.00 a.m.



Download the full report online
at www.mkhoilpalm.com.

OUR REPORT CROSS REFERENCES

This report includes the following features to enhance your navigation experience:



Find more information in this report



Source link to website

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- Form of Proxy

VISION, MISSION AND CORE VALUES

OUR VISION

To be a leading corporation in delivering sustainable growth.

OUR MISSION



To lead the market by continually developing and innovating quality products that meet and exceed market expectations.

VISION, MISSION AND CORE VALUES

CORE VALUES

Grounded by the promise of **DELIVERING VALUE**, we take pride in living by a set of shared core values that define our culture and business operations, thus helping us to create value for our clients, our people and our organisation.



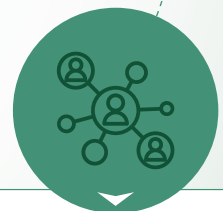
Stable

We use our expertise, business acumen and financial resources to provide a holistic value to all stakeholders and customers.



Dynamic

We are always enthusiastic in looking out for new opportunities and delivering innovative products into the market.



Responsive

We proactively engage with the community to understand their needs and concerns with the aim of delivering solutions for betterment of the situations.



Friendly

We greet our colleagues, customers and stakeholders in an approachable manner with a smile and are considerate for each other's feelings.



Professional

We deal with our stakeholders and customers in an efficient, knowledgeable and responsive manner.



Reliable

We utilise our experience and financial strength to produce and deliver high quality oil palm products that meet or exceed industry standards and customer expectations.

CORPORATE MILESTONES

2008

- Ventured into oil palm plantation business in East Kalimantan, Indonesia through PT Maju Kalimantan Hadapan ("PTMKH").



2014

- Upgraded the palm oil mill to a capacity of 90 MT FFB/hour to increase the operational capacity of the palm oil mill.



2011

- Began to harvest fresh fruit bunches ("FFB") and commenced sale of FFB.
- Completed the construction of a crude palm oil ("CPO") mill with a processing capacity of 60 metric tonne ("MT") FFB/hour to produce CPO and extract palm kernel.



2017

- MKH Plantation Sdn. Bhd. acquired 75% equity interest in PT Sawit Prima Sakti ("PTSPS") (owned approximately 2,445.5 hectares ("Ha") of plantation land) and the total area of oil palm plantation land increased to 18,388.1 Ha.
- PTMKH obtained Indonesian Sustainable Palm Oil ("ISPO") certificate from PT SGS Indonesia, a testament to the sustainability of its plantation practices and in recognition of its compliance with the relevant laws and regulations in Indonesia.



2018

- Purchased more than 100 units of powered wheelbarrows to replace some of the conventional wheelbarrows, thus increasing the in-field mobility and operational efficiency in FFB collection.
- Began implementing more mechanisation processes and adopted more technology to enhance productivity and efficiency of FFB collection.



CORPORATE MILESTONES

2020

- PTMKH received Gold Award for Best Foreign Owned Company.



2024

- MKH Oil Palm (East Kalimantan) Berhad was successfully listed on the Main Market of Bursa Malaysia Securities Berhad on 30 April 2024.
- Completion of the 90 MT per day crude palm kernel oil mill.



2025

- PTMKH obtained Halal certification.
- Acquire PT Tunas Tani Tutus ("PT TTT") with total 3,096.95 Ha of land (the Hak Guna Usaha is expected to have 2,800 Ha of land).



2022

- PTSPS obtained ISPO certification.



2023

- Completion of the pre-Initial Public Offer (Pre-IPO) reorganisation of PTMKH and PTSPS.

COMPANY PROFILE



MKH Oil Palm (East Kalimantan) Berhad (“MKHOP” or the “Company”) principal activities are investment holding and provide management services. Through its subsidiaries (“MKHOP Group” or the “Group”), the Group is principally involved in the cultivation of oil palm and production and sale of Crude Palm Oil (“CPO”), Palm Kernel (“PK”) and Crude Palm Kernel Oil (“CPKO”).

Incorporated on 10 August 2004, the Company ventured into oil palm plantation business in 2008 under the name of Detik Merdu Sdn. Bhd.. On 7 January 2021, it changed its name to MKH Global Plantation Sdn. Bhd. and subsequently to MKH Oil Palm (East Kalimantan) Sdn. Bhd. on 1 October 2021. On 11 August 2022, the Company was converted into a public company and assumed its present name, MKH Oil Palm (East Kalimantan) Berhad.

MKHOP was successfully listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 30 April 2024.

Our Group owns 2 Indonesia Sustainable Palm Oil (“ISPO”) certified oil palm plantation estates, 1 ISPO certified palm oil mill with 90 MT per hour CPO mill, 1 PK crushing facility with a processing capacity of 90 MT of PK per day and a jetty located in East Kalimantan, Indonesia. These 2 plantation estates managed under PT Maju Kalimantan Hadapan (“PTMKH”) and PT Sawit Prima Sakti (“PTSPS”) have a total plantation land area of 18,205.3 Ha, comprising 17,008.8 Ha of planted area and 1,195.6 Ha of unplanted area comprising roads, drainage, CPO mill, PK mill, office, staff quarters and others.

For the financial year ended 30 September 2025 (“FY2025”), our Group estates recorded Fresh Fruit Bunches (“FFB”) of 385,718 metric tonnes (“MT”), together with CPO production totalling 85,975 MT.

At MKHOP, we are wholeheartedly committed to nurturing enduring relationships with our stakeholders and the larger community towards a sustainable future.

COMPANY PROFILE



Total plantation land area of **18,205.3 Ha**

comprising 17,008.8 Ha of planted area and 1,195.6 Ha of unplanted area comprising roads, drainage, CPO mill, PK mill, office, staff quarters and others.

Our CPO production was
85,975 MT
in the FY2025.



Our FFB production was
385,718 MT
in the FY2025.

**Jetty, CPO and
CPKO bulking
station**
located in Desa Sebulu Ilir,
East Kalimantan, Indonesia.



AWARDS AND ACHIEVEMENTS IN FY2025



MKH OIL PALM (EAST KALIMANTAN) BERHAD

ASEAN CFO Sustainability Leadership Summit 2025

"Best ASEAN ESG Excellence Award for Plantation Sustainability" for the year 2025.



PTMKH

"First Class" award under the Business Class Determination for Plantations Operating in Indonesia for the year 2024.*



PTMKH

"Halal Certificate" from Head of Halal Product Assurance Body in September 2025 for fats, oils and oil emulsions products.



PTMKH

Zero Accident Award in Implementing Safety and Health Programmes in achieving 76,426,174 man-hours without work-related accidents from 1 June 2017 to 24 December 2024.



PTSPS

Zero Accident Award in Implementing Safety and Health Programmes in achieving 13,172,044 man-hours without work-related accidents from 1 January 2015 to 24 December 2024.

Note:

* This award is based on an assessment of various aspects, including legality, management, plantation practices, product processing, social and regional economy, environmental impact, and reporting, in accordance with applicable laws and regulations.

FY2025 HIGHLIGHTS

Declared and paid a
Total Dividend of
4.0 sen
single-tier dividend
per ordinary share.

The Group
contributed
approximately
RM1.1 million
in community
engagement initiatives
in our Malaysian
and Indonesian
operations, benefiting
local communities
and charitable
organisations.

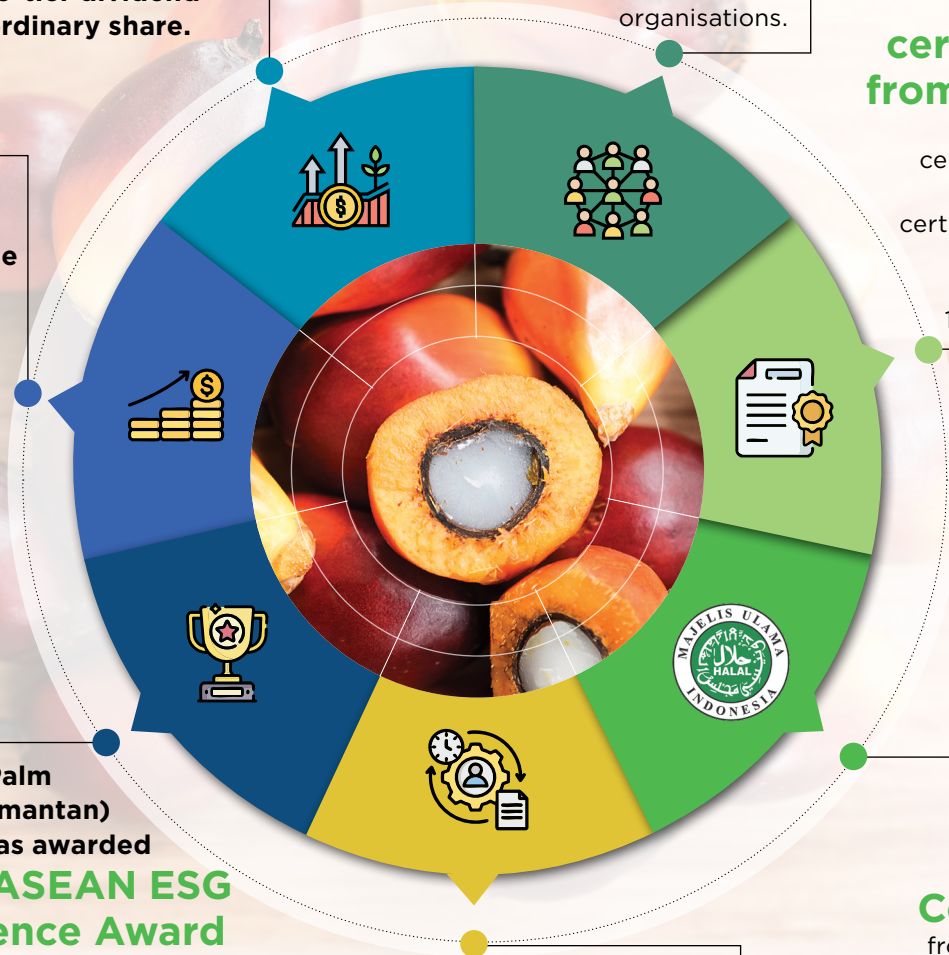
PTMKH received a
**five-year
renewal of
its ISPO
certification
from PT SGS,**
an accredited
certification body
for ISPO. This
certification is valid
from 12 August
2025 until
11 August 2030.

The Group
achieved
a commendable
Revenue of
**RM363.2
million**
and
Profit Before
Tax of
**RM107.3
million.**

MKH Oil Palm
(East Kalimantan)
Berhad was awarded
**“Best ASEAN ESG
Excellence Award
for Plantation
Sustainability”**
during ASEAN CFO
Sustainability Leadership
Summit 2025.

Optimised the
utilisation of
**Plantation and
Mill Management
System software
apps**
to track FFB evacuation from
fields to mill so as to further
increase our production
efficiency and oil extraction rate.

PTMKH
received the
**Halal
Certificate**
from the Head of
Halal Product
Assurance Body
for fats, oils, and oil
emulsions products.

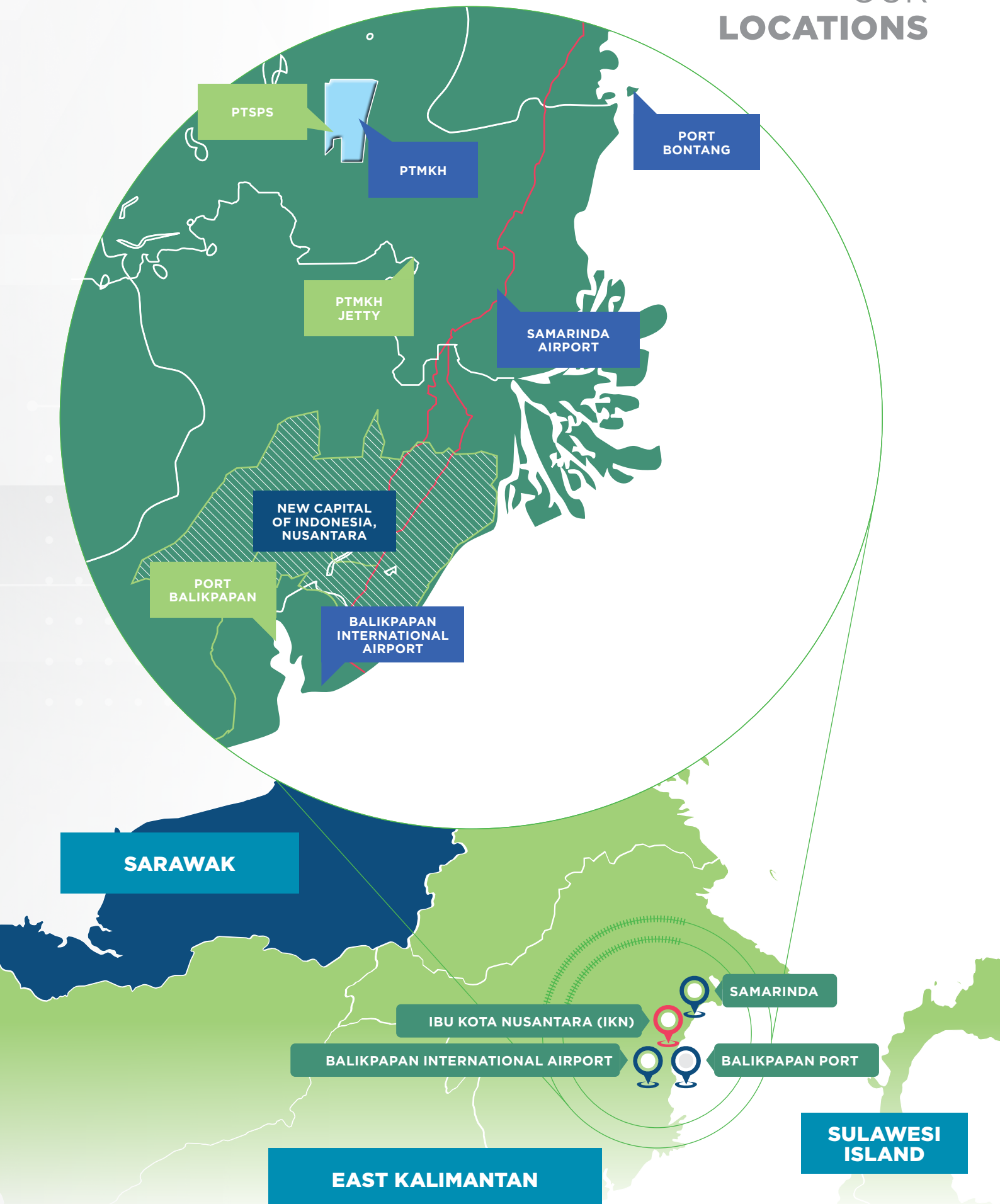


OUR LOCATIONS

PENINSULAR MALAYSIA

**MKH OIL PALM
(EAST KALIMANTAN) BERHAD
HEADQUARTER**

OUR LOCATIONS



CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

On behalf of the board of directors (the “Board”) and the management, it is with great pleasure that we present to you the Annual Report of MKH Oil Palm (East Kalimantan) Berhad (“MKHOP” or the “Company”) and its subsidiary companies (the “Group”) for the financial year ended 30 September 2025 (“FY2025”).



For a more in-depth review of the Group's performance, please refer to the “Management Discussion and Analysis Report” in this Annual Report.

Revenue
RM363.2
million

2024: RM352.2
million

Profit Before Tax
RM107.3
million

2024: RM85.0
million

CSR Contribution
RM1.1
million

2024: RM0.86
million

Malaysia's gross domestic product (“GDP”) is expected to grow by 4.0% to 4.8% in 2025 after registering a 5.2% growth in the third quarter of 2025, driven by resilient domestic demand, increase in household spending amid positive labour market conditions, expansion in investment activities, continued demand for electrical and electronic goods, inbound tourism, recovery in mining-related exports and government policy support.

For FY2025, the Group recorded its best ever full year revenue of RM363.2 million and profit before tax (“PBT”) of RM107.3 million, a 3.1% and 26.2% increase from the preceding year of RM352.2 million and RM85.0 million, respectively. Recognising the importance of innovation in creating value for our businesses, our oil palm plantation in East Kalimantan, Indonesia, has embraced mechanically assisted fresh fruit bunches (“FFB”) collection and software apps for monitoring.

As part of the Group's growth strategy, we expanded our land bank in August 2025 through the acquisition of PT Tunas Tani Tutus, a plantation company with approximately 3,096.95 ha of oil palm plantation land, to strengthen and increase our FFB production capacity.

The Group continues to undertake proactive measures to strengthen our competitiveness; including enhancing our water management system and maximising crop collection and quality via ongoing mechanisation efforts. Further, we have optimised the utilisation of Plantation and Mill Management System (“PMMS”) software apps to track FFB evacuation from fields to mill so as to further increase our production efficiency and oil extraction rate (“OER”).

The Indonesia's new administrative capital, Nusantara, in East Kalimantan signifies a positive development for the region where our plantation is located. Businesses are well positioned to benefit from the increased economic activities, job creation and improved infrastructure associated with this new capital.

As a responsible corporate citizen, MKHOP places a strong emphasis on Corporate Social Responsibility (“CSR”). For FY2025, the Group contributed approximately RM1.1 million in community engagement initiatives in our Malaysian and Indonesian operations, benefiting local communities and charitable organisations.



For a comprehensive overview of MKHOP's sustainability efforts, please refer to the “Sustainability Report” in this Annual Report, from page 23 to page 62.

CHAIRMAN'S STATEMENT



Our Group Chairman, Tan Sri Dato' Alex Chen (in white shirt) conducting field visit at our plantation with his fellow Board members and senior management

The Board is mindful of the need to strike a good balance between rewarding shareholders through the distribution of dividends and the need to retain funds to support long term growth strategies. For FY2025, the Company had declared and paid a total dividend of 4.0 sen single-tier dividend per share. The total dividend distribution for FY2025 was approximately RM40.6 million, representing approximately 50.9% of the profit attributable to owners of the parent.

We are optimistic that CPO price will remain well supported in 2026 with the current CPO price trading at approximately RM3,350 per MT to RM3,550 per MT (net of export levy and duty) in Indonesia which augurs well for our Group. This positive projection can be attributed to the ongoing strong demand for palm oil and tighter global supply.

On behalf of the Board of Directors, I wish to express our sincere appreciation and gratitude to our esteemed shareholders, loyal customers, supportive bankers, valued business associates and the authorities for their unwavering support of the Group.

I also extend my heartfelt appreciation to my fellow Board members, the dedicated management team and all our employees, whose unwavering commitment and collaborative efforts have been instrumental to the Group's success.

I firmly believe that MKH Oil Palm (East Kalimantan) Berhad is well-positioned to achieve even greater success in 2026, thanks to the continued support and collaboration of all our stakeholders, management and staff. Together, we look forward to another year of growth and prosperity.

TAN SRI DATO' CHEN KOOI CHIEW
@ CHENG NGI CHONG

Group Non-Independent Non-Executive
Chairman

5 YEARS GROUP FINANCIAL HIGHLIGHTS

Financial Year Ended 30 September	2025 RM'000	2024 RM'000	2023* RM'000	2022* RM'000	2021* RM'000
INCOME STATEMENT					
Revenue	363,190	352,217	337,981	315,817	306,611
Profit Before Taxation	107,304	85,018	41,299	73,484	102,027
Profit After Taxation	79,789	64,210	31,254	60,138	77,452
Profit Attributable to Shareholders of the Company	79,789	63,563	30,413	55,547	72,217
BALANCE SHEET					
Issued and Paid up Capital	378,294	378,294	82,595	112,595	112,595
Shareholders' Equity	582,981	572,046	313,949	280,949	211,372
RATIOS					
Single Tier Dividend Per Share (sen)	4.00	4.00	-	-	-
Net Earnings Per Share (sen) [@]	7.85	8.25	27.53	50.28	96.77
Net Assets Per Share (RM)	0.57	0.56	2.84	2.54	1.91
Debt/Equity ratio (%)	0.0	0.0	0.2	0.2	0.6
Return on Shareholders' Equity (%)	13.7	11.1	9.7	19.8	34.2

Notes:

[@] Attributable to the equity holders of the Company.

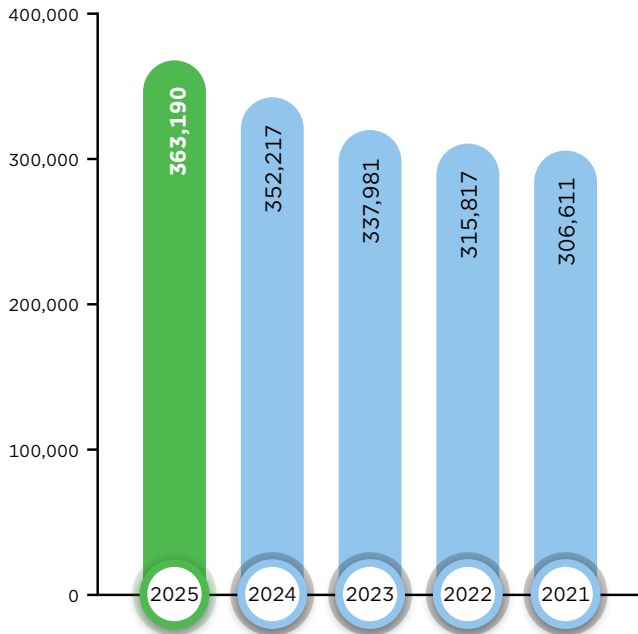
* Extracted from Accountants' Report as disclosed in the Prospectus of MKH Oil Palm (East Kalimantan) Berhad dated 29 March 2024.



5 YEARS GROUP FINANCIAL HIGHLIGHTS

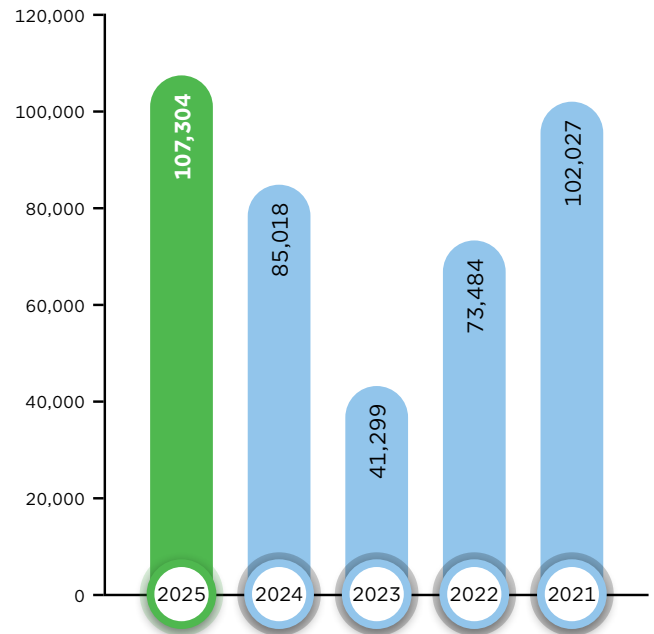
REVENUE

(RM'000)



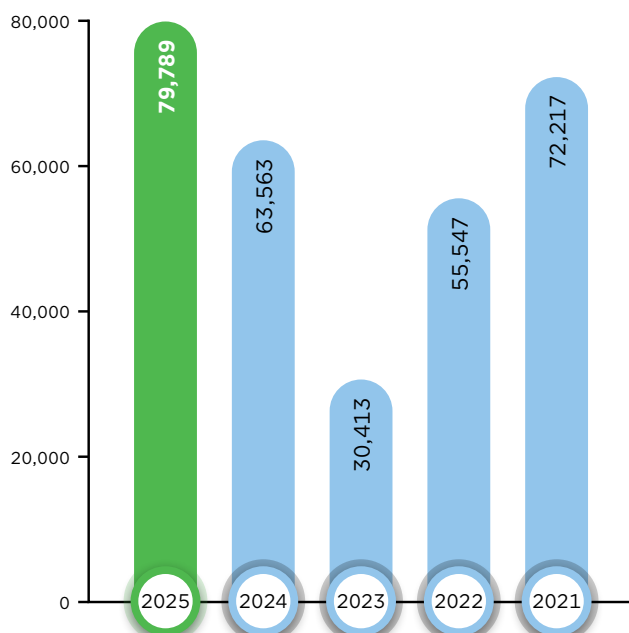
PROFIT BEFORE TAXATION

(RM'000)



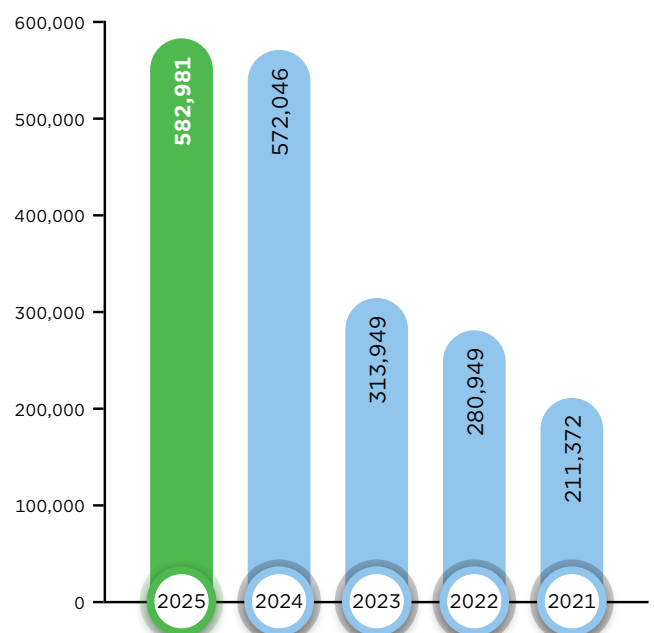
PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

(RM'000)



TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

(RM'000)



CORPORATE INFORMATION

Board of Directors

Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong
Group Non-Independent
Non-Executive Chairman

Tan Sri Datuk Chen Lok Loi
Non-Independent
Non-Executive Director

Dato' Lee Khee Meng
Executive Director

Chen Wei Chyong
Executive Director

Yeo Kiat Seng
Non-Independent
Non-Executive Director

Yahya bin Ariffin
Senior Independent
Non-Executive Director

Leong Sow Yoke
Independent
Non-Executive Director

Ong Kim Pin
Independent
Non-Executive Director

Tan Hoe Hing
Independent
Non-Executive Director

Dr. Hasuria binti Che Omar
Independent
Non-Executive Director

Audit and Risk Management Committee

Chairperson
Leong Sow Yoke

Members
Ong Kim Pin
Yahya bin Ariffin
Tan Hoe Hing

Nomination Committee

Chairperson
Dr. Hasuria binti Che Omar

Members
Tan Hoe Hing
Yeo Kiat Seng

Remuneration Committee

Chairman
Tan Hoe Hing

Members
Dr. Hasuria binti Che Omar
Yahya bin Ariffin

Group Financial Controller

Tan Soo Hoon (MIA 23960)

Group Company Secretary

Keng Ching Tong
(MAICSA 7056252)
(SSM Practising Certificate No. 201908000962)

External Auditors

Deloitte Malaysia PLT (AF 0080)
(formerly known as Deloitte PLT)
Level 12A, Hunza Tower
163E Jalan Kelawei
10250 Penang
Malaysia
Tel No. : (604) 294 5500
Fax No. : (604) 218 9278

Panel Solicitor

Ling & Theng Book

Principal Bankers

OCBC Al-Amin Bank Berhad

Share Registrar

Tricor Investor & Issuing House Services Sdn. Bhd.
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel No. : (603) 2783 9299
Email : is.enquiry@vistra.com

Registered Office

G-02 & G-03, Ground Floor
Wisma MKH
Jalan Semenyih
43000 Kajang
Selangor Darul Ehsan
Tel No. : (603) 8751 8228
Fax No. : (603) 8751 8229

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad
Stock Name : MKHOP
Stock Code : 5319

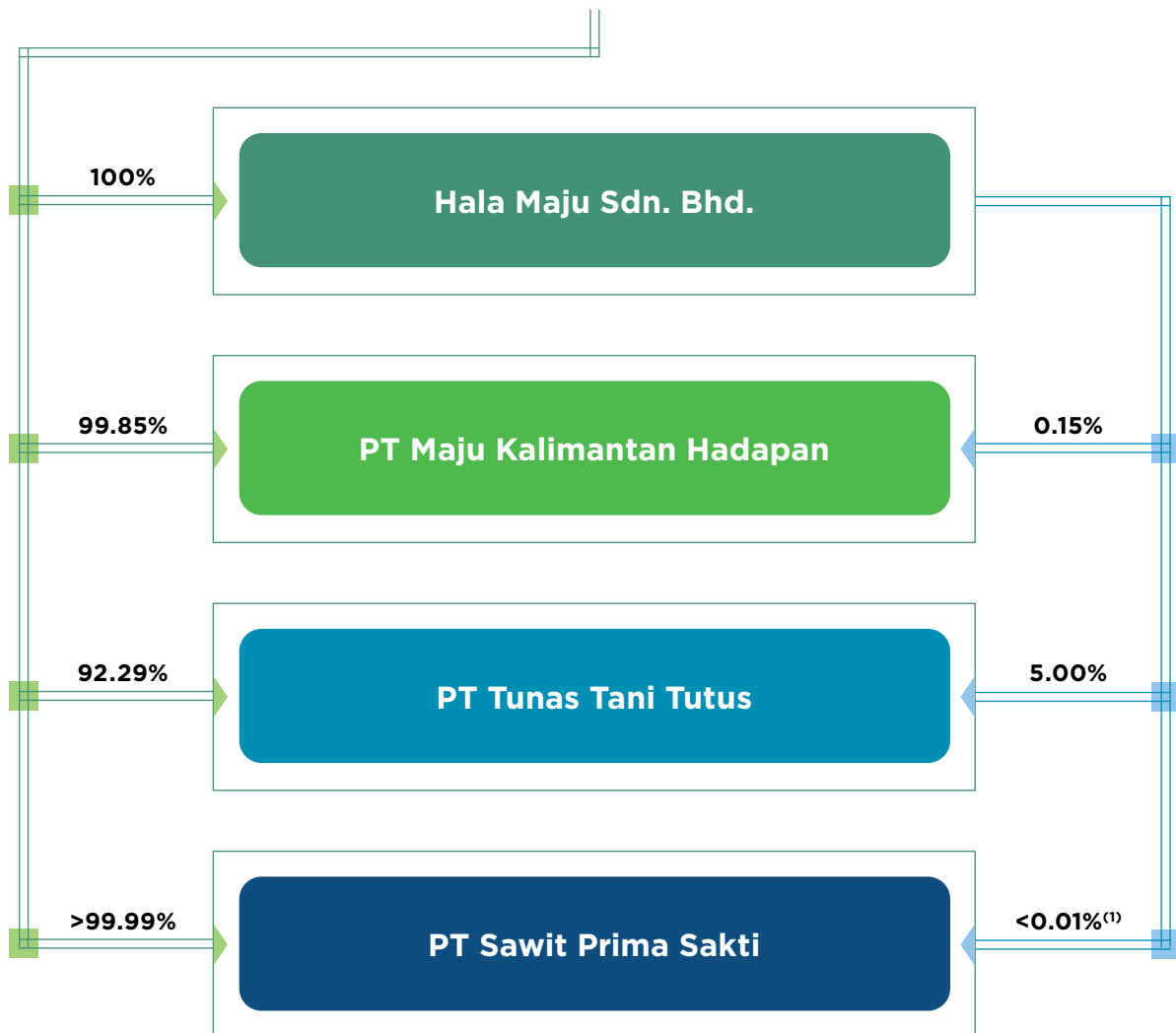
Corporate Website

www.mkhoilpalm.com

CORPORATE STRUCTURE



MKH Oil Palm (East Kalimantan) Berhad
(200401023680 (662186-D))



⁽¹⁾ Represents 1 ordinary share held in PT Sawit Prima Sakti by Hala Maju Sdn. Bhd.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report provides a discussion and analysis of the Group's financial performance for the financial year ended 30 September 2025 ("FY2025"), including explanations for substantial fluctuations over the previous financial years.

THE GROUP'S PRINCIPAL BUSINESS SEGMENTS COMPRISE PLANTATION AND INVESTMENT HOLDING.

Aerial view of CPO mill and loading ramp filled up with FFB for processing

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FY2025 HIGHLIGHTS

	2025 RM'000	2024 RM'000	2023* RM'000
Group Revenue	363,190	352,217	337,981
Plantation	363,190	352,217	337,981
Others	-	-	-
Group PBT	107,304	85,018	41,299
Plantation	109,388	86,825	38,991
Others	(2,084)	(1,807)	2,308

Plantation Statistics	2025	2024	2023*
FFB Production - own estate (mt)	385,718	406,658	410,230
FFB Processed (mt)	415,991	431,757	433,011
FFB Yield per mature hectare (mt/ha)	22.7	23.9	24.1
Mill Production			
- CPO (mt)	85,975	91,635	89,017
- PK (mt)	17,033	17,609	16,886
- CPKO (mt)	5,218	-	-
Extraction Rate			
- CPO (%)	20.7	21.2	20.6
- PK (%)	4.1	4.1	3.9
- CPKO (%)	43.9	-	-
Sales volume			
- CPO (mt)	85,026	91,841	92,463
- PK (mt)	4,900	17,215	17,603
- CPKO (mt)	4,159	-	-
Average Selling Price			
- CPO (RM)	3,785	3,494	3,348
- PK (RM)	2,854	1,820	1,589
- CPKO (RM)	6,576	-	-

Note:

* This information was extracted from the Accountants' Report, which was disclosed in the Prospectus of MKH Oil Palm (East Kalimantan) Berhad ("MKHOP") dated 29 March 2024. This report included PT Sawit Prima Sakti ("PTSPS") as a combining entity to allow for a like-for-like comparison, given that MKHOP acquired PTSPS on 20 December 2023, following a reorganisation prior to the initial public offering ("IPO").

For FY2025, the Group recorded a revenue of RM363.2 million (2024: RM352.2 million) and a profit before tax of RM107.3 million (2024: RM85.0 million), representing increases of 3.1% and 26.2%, respectively. The increases were primarily attributed to higher average selling prices for crude palm oil ("CPO") at RM3,785 per metric tonne ("MT") (2024: RM3,494 per MT) and palm kernel ("PK") at RM2,854 per MT (2024: RM1,820 per MT). Additionally, the commencement of sales of crude palm kernel oil ("CPKO") with average selling price of RM6,951 per MT in February 2025 has also contributed to these results.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

LIQUIDITY AND CAPITAL RESOURCES

	2025 RM'000	2024 RM'000	2023* RM'000
Net cash generated from/(used in)			
Operating activities	93,884	113,733	51,340
Investing activities	(17,641)	(19,947)	(21,771)
Financing activities	(44,275)	73,407	(89)
Increase/(decrease) in cash and cash equivalents	31,968	167,193	29,480
Cash and cash equivalents at the end of financial year comprise cash, bank balances and short-term placement	242,252	225,224	73,896

Note:

* This information was extracted from the Accountants' Report as disclosed in the Prospectus of MKHOP dated 29 March 2024, which included PTSPS as a combining entity, given that MKHOP acquired PTSPS on 20 December 2023, following a reorganisation prior to the IPO.

For FY2025, the cash and cash equivalents of the Group increased by RM32.0 million to RM242.3 million as at 30 September 2025 (FY2024: increased by RM167.2 million to RM225.2 million as at 30 September 2024).

The Group recorded higher cashflows generated from operating activities following the higher profit contribution from the sales of CPO, PK and CPKO.

The cash flows used in financing activities decreased due to a cash outflow for the dividend payments totalling RM40.7 million, comprising the second interim dividend for the financial year ended 30 September 2024 and first interim dividend for FY2025, funded from internally generated funds.

The Group's capital resources comprise primary cash flows generated from operating activities, cash and cash equivalents, credit extended by trade payables and/or financial institutions, short-term placement and available lines of credit. As at 30 September 2025, the Group's has zero net gearing (FY2024: 0 times). The Group continues to uphold a prudent approach towards managing its capital resources to ensure adequacy in meeting operational requirements and capital expenditure from time to time.



Aerial view of CPO mill and CPO and CPKO storage tanks



Palm kernel oil expeller installed at PK mill

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OPERATIONAL PERFORMANCE

As at 30 September 2025, the Group's 2 oil palm plantation estates namely PT Maju Kalimantan Hadapan ("PTMKH") and PTSPS have a total land area of 18,205.3 hectares ("Ha"), comprising planted area of 17,008.8 Ha, of which 100% is mature and unplanted area of 1,196.5 Ha for other purposes (e.g. palm oil mill, management office, housing, nursery, roads, drains, canals).

The age profile of the Group oil palm as at 30 September 2025 is depicted as follows:

Age Profile	PTMKH		PTSPS		Total	
	Ha	%	Ha	%	Ha	%
Immature	-	-	-	-	-	-
(0 to 3 years)	-	-	-	-	-	-
Young mature	-	-	589.0	29.5	589.0	3.5
(4 to 6 years)	-	-	217.9	10.9	217.9	1.3
(7 to 9 years)	-	-	371.1	18.6	371.1	2.2
Prime mature	15,012.4	100.0	1,407.4	70.5	16,419.8	96.5
(10 to 12 years)	-	-	806.0	40.4	806.0	4.7
(13 to 16 years)	11,100.5	73.9	583.4	29.2	11,683.9	68.7
(17 to 20 years)	3,911.9	26.1	18.0	0.9	3,929.9	23.1
Old	-	-	-	-	-	-
(21 to 25 years)	-	-	-	-	-	-
Replanting	-	-	-	-	-	-
(>25 years)	-	-	-	-	-	-
Total	15,012.4	100.0	1,996.4	100.0	17,008.8	100.0

As at 30 September 2025, a majority of the Group oil palms (i.e. 16,419.8 Ha, or 96.5% of our total planted area) were prime mature oil palms that are in their peak production years, while the remaining were young mature oil palms (i.e. 589.0 Ha, or 3.5% of our total planted area) which will soon be entering peak production.

For FY2025, the Group's FFB production recorded a 5.1% decrease, closing at 385,718 MT (FY2024: 406,658 MT).

The Group recorded a 0.5% decrease in OER of 20.7% (FY2024: 21.2%) due to unfavourable weather condition.

In August 2025, the Company and its wholly-owned subsidiary, Hala Maju Sdn. Bhd. ("HMSB") have announced the proposed acquisition from PT Sinar Reka Murni ("PT Sinar") 999 ordinary shares and 1 ordinary share, respectively, which make up the entire 100% equity interest in Indonesian oil palm plantation company, PT Tunas Tani Tutus ("PT Tunas") with a land area of approximately 3,096.95 Ha (the Hak Guna Usaha expected to have 2,800 Ha of land), for a total purchase consideration of IDR34,965,000,000 (equivalent to approximately RM8.8 million based on exchange rate of RM1 = IDR3,953).

In October 2025, the transfer of shares was completed for 456 shares to the Company and 1 share to HMSB, respectively. On the same date, the Company and HMSB subscribed for an additional 18,001 and 999 new ordinary shares, respectively, in PT Tunas at a nominal value of IDR500,000 per ordinary share, or a total cash subscription of IDR9,500,000,000, which is equivalent to RM2,474,383. PT Sinar opted not to take its proportionate share allocation. Subsequently, on 20 October 2025, PT Tunas received approval from the Indonesian Ministry of Law to transition to a foreign-owned entity, making it a subsidiary of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



Our plantation workers loading freshly harvested fruit bunches into crawler dumper

DIVIDEND POLICY

The Group has a dividend policy of distributing at least 50% of the total Group's profit after tax attributable to the owners of the Company to shareholders annually, effective FY2024 taking into account the working capital requirements of the Group.

The Board declared a total dividend of 4.0 sen per share for FY2025 (FY2024: 4.0 sen per share), representing a payout ratio of approximately 50.9%.

Total Dividend

4.0 sen

2024: 4.0 Sen

OUTLOOK AND PROSPECTS

THE GROUP'S PROSPECT FOR THE FINANCIAL YEAR ENDING 30 SEPTEMBER 2026 REMAINS WELL-SUPPORTED WITH STRONG MARKET DEMAND AND POSITIVE PRICE TREND FOR CPO, WHICH HAS BEEN TRADING AT APPROXIMATELY RM3,350/MT TO RM3,550/MT (NETT OF EXPORT LEVY AND DUTY) IN INDONESIA.

The Group continues to undertake proactive measures to strengthen our competitiveness; including enhancing our water management system and maximising crop collection and quality via ongoing mechanisation efforts. Further, we have optimise the utilisation of software apps to track FFB evacuation from fields to mill so as to further increase our production efficiency and OER.

Given the above, the Board expects the Group to achieve satisfactory results for the financial year ending 30 September 2026.

SUSTAINABILITY REPORT

CULTIVATING SUSTAINABLE GROWTH



SUSTAINABILITY REPORT

ABOUT THIS REPORT

This Sustainability Report (“Report”) narrates MKH Oil Palm (East Kalimantan) Berhad’s (“MKHOP” or the “Company”) sustainability efforts from 1 October 2024 to 30 September 2025, with future strategies and target moving forward. It offers insights into the Company’s holistic approach towards Environmental, Social and Governance (“ESG”) aspects of our business operation in Malaysia and Indonesia, where our key businesses are located. The report provides an overview of MKHOP’s initiatives and accomplishments in promoting sustainable practices across these regions.

This report serves as a testament to the Company and its subsidiary companies’ (the “Group”) commitment to integrating sustainable practices in its business portfolios, which covers our operational and management activities that encompass the cultivation, production and sale of our crude palm oil (“CPO”), crude palm kernel oil (“CPKO”) and palm kernel within our estates and mill. It has been prepared with reference to the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), detailing the Board’s assessment of crucial sustainability risks and opportunities collectively referred to as Material Sustainability matters. These factors influence the execution of the Group’s operations and our management decisions. The Board’s preparation of this report is guided by the sustainability reporting guide and associated toolkits published by Bursa Securities.

REPORTING FRAMEWORKS

Framework and Guidelines - Our report incorporates Bursa Securities MMLR, aligning with other Malaysian and global frameworks. This includes referencing to the following five key frameworks:

 BURSA MALAYSIA Bursa Securities Sustainability Reporting Guide (3rd Edition)	 GRI Global Reporting Initiative (“GRI”) Standards	 TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES Task Force on Climate-related Financial Disclosures (“TCFD”) framework
 SUSTAINABLE DEVELOPMENT GOALS United Nations Sustainable Development Goals (“UN SDGs”)	 GREENHOUSE GAS PROTOCOL Greenhouse Gas (“GHG”) Protocol	

By referencing to these frameworks, our report ensures a well-rounded approach to sustainability reporting.

DATA ASSURANCE

The contents of this report have been reviewed by our Group Sustainability Committee comprising senior management and presented to the Board of Directors for approval prior to the publishing.

Selected aspects/parts of this report have also been internally reviewed by our Group’s Internal Audit Department.

FEEDBACK

To improve our sustainability approaches, we welcome any feedback from our valued stakeholders. If you would like to submit feedback or request for further clarification, kindly email to ir@mkhoilpalm.com.

SUSTAINABILITY REPORT



Oil palm seedlings at PT Maju Kalimantan Hadapan nursery sites prior to in-field planting

SUSTAINABILITY GOVERNANCE

In MKHOP, we hold firmly to the principles of ethical conduct to ensure our business is conducted with integrity through good governance, in line with the best industry practices and in compliance with applicable rules and regulations.

Our business operating units are guided by the Group's policies and their respective standard operating procedures. The Board of Directors and the senior management meet regularly to ensure that the planning decision making and execution of the Group's business operations are carried out professionally.

We have an Internal Audit Department to undertake independent and systematic assessment of the Group's system of risk management and internal controls as established by management in addressing the principal business risks faced by the Group.



Full disclosure on our Corporate Governance Report is available for reference on www.mkhoilpalm.com.

SUSTAINABILITY REPORT

SUSTAINABILITY GOVERNANCE (CONT'D)

MKHOP'S SUSTAINABILITY GOALS

MKHOP identifies and aligns its key topics and core principles by referencing to the United Nations' 17 SDGs, established in 2015 by the United Nations General Assembly. We share our responsibilities in supporting the efforts of tackling ESG challenges through implementation of sustainable practices as follows:



- We regularly provide financial aid, household necessities and aid for medical treatment to the most vulnerable segments of society.
- We collaborate with other bodies and non-governmental organisations (NGOs) to extend our reach and ensure help is targeted to those most in need.



- We prioritise health and safety in our business operations through the following initiatives:
- implement good safety standards and safe working environment.
 - promote healthy lifestyles by organising programmes that focus on our employees' physical and mental well-being.
 - conduct training session on basic first aid for our employees to provide prompt medical assistance in emergency situations.
 - operate 24-hour clinic with medical personnel on duty and essential medical equipment to address the medical needs of the community.



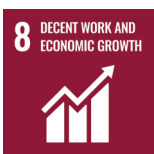
- We provide a pre-school, a primary school and a junior high school (from Grade 7 to Grade 9) to provide education to the children of our estate workers.
- We empower local communities through education and training. This approach encourages the development of local leadership and nurtures young talent, contributing to a vibrant and diverse society.



- We provide women with equal opportunities for leadership and representation at all levels of decision-making across our business activities.
- We dedicate designated parking space for pregnant employees.
- We provide nursing room for nursing mothers.
- We provide maternity leave of 98 days and 90 days in our Malaysian and Indonesian operations, respectively. This policy ensures that female employees have a longer period for recovery after childbirth and ample time to bond with their newborns.



- We provide safe, clean drinking water and proper sanitation to all employees and workers, ensuring their health and well-being.
- We reuse the treated wastewater for land applications to promote efficient water use throughout our operations, ensuring sustainable freshwater supplies, minimising pollution, and protecting and restoring water-related ecosystems.



- We ensure that workers are paid fairly and have safe and decent working conditions which promote economic growth by increasing productivity and reducing turnover.
- We support local suppliers by sourcing products substantially from local suppliers.
- We provide business opportunities for local smallholders in our supply chain.

SUSTAINABILITY REPORT

SUSTAINABILITY GOVERNANCE (CONT'D)

MKHOP'S SUSTAINABILITY GOALS (CONT'D)



- We provide paternity leave of 7 days and 3 days for our male employees in our Malaysian and Indonesian operations, respectively.
- We actively promote a diverse and inclusive workplace, ensuring equal opportunities for all employees regardless of gender, ethnicity or background.
- We provide job and business opportunities to the local communities where we operate.



- We track water and energy usage and the waste generated at our palm oil milling and implement strategies to improve efficiency and reduce waste production.
- We are committed to educating our employees about responsible consumption, encouraging them to make informed choices that promote sustainability.
- We prioritise sustainable practices throughout our supply chain, from sourcing raw materials to the manufacturing and distribution of our products.
- We use by-products from palm oil milling, namely palm kernel shells and mesocarp fibre, as fuel for the boilers at our CPO mill to produce steam for electricity generation by turbines.



- We recognise the urgency of addressing climate change and adopting renewable energy sources, implementing energy-efficient practices and continuously monitoring and optimising our operations for environmental sustainability.
- We use electricity generated from our CPO mill for domestic consumption in the centre region of our plantation estates which includes staff quarters, offices, school, clinic and street lightings to reduce fossil fuel dependency.



- We recognise the importance of environmental stewardship and is committed to a zero-burning policy and biodiversity preservation.



- We believe strong corporate governance is the foundation of building a resilient and sustainable business, as well as providing the Group with a competitive advantage.
- We actively promote a culture of transparency and accountability within our operations. Our commitment extends to ethical business practices, ensuring fair treatment of all stakeholders and adherence to legal standards.
- We have zero tolerance towards bribery and corruption, as articulated in our Anti-Bribery and Corruption Policy.

SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT

Our stakeholders are regularly engaged to foster a better understanding of how their needs can be addressed while advancing our corporate mission. The maintenance of strong relationships, along with the recognition and appreciation of each stakeholder, including our business partners, plays a crucial role in guaranteeing the success of our business. Understanding their interests and requirements is paramount in this regard.

The stakeholder universe comprises customers, employees, community members, regulators, industry groups, shareholders, investors, media and suppliers.

Our ability to address priorities is enhanced by working with stakeholders. Aligned with our corporate core values, we aim to engage with stakeholders in a respectful, efficient, knowledgeable and responsive manner as we strive to deliver holistic value. We engage and listen to our stakeholders and accurate information is provided to them, enabling a greater understanding of our actions and intentions.

The following groups are key stakeholders who have the greatest impact on our organisation and with whom we engage regularly:

No.	Stakeholders	Areas of Concern/ Interests	Type of Engagement	Frequency of Engagement	Achieved Outcome
1.	Customer 	- Product quality and quantity according to contract agreement - Product delivery within the agreed period	- Formal and informal meetings and visitations - Customer feedback management - Customer service channels	- Regular - Regular - Regular	- Better understanding of issues/concerns from customers and take appropriate action to resolve the issues - Improved customer satisfaction with product quality, quantity and delivery
2.	Employees 	- Occupational safety and health - Talent retention - Employees' welfare and benefits - Minimum wage	- Employee engagement activities - Departmental meetings/virtual meetings - Employee development trainings, workshops & webinars - Minimum wage legislation	- Regular - Regular - Regular - Ad hoc	- Provide regular updates on health and safety measures - Career development, offers appropriate remuneration and benefits package - Comply with the regulated wage structures
3.	Government Agencies/ Local Authorities 	- Land matters - Licences and/or permit approvals	Meetings, engagements and dialogues	Ad hoc	Timely approval of matters relating to land, licences and/or permits

SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT (CONT'D)

No.	Stakeholders	Areas of Concern/ Interests	Type of Engagement	Frequency of Engagement	Achieved Outcome
4.	Industry and Certification Bodies 	- Relevant issues and updates in the industry - Governance and compliance with relevant regulations - Indonesia Sustainable Palm Oil ("ISPO") certification	- Meetings, engagements and dialogues - Regular reporting - Site visits and audits	- Ad hoc - Regular - Ad hoc	- Compliance with all relevant policies and latest requirements set by industry and certification bodies - Updated sustainability practices based on certification and corresponding audits
5.	Local Communities/ Smallholders 	Empowering local communities	- Community engagement sessions and community programmes - Engagement and socialisation with local communities - Various other meetings, engagements and dialogues	- Ad hoc - Regular - Ad hoc	- Organising programmes to uplift social-economy of communities - Value creation for local communities through our Corporate Social Responsibility ("CSR") and educational programmes - Community activities such as "gotong-royong" at villages, health talks/checks and festive celebrations
6.	Investors/ Shareholders/ Analysts/ Media 	- Business and economic performance - Dividend payout - Sustainability of business model - Corporate governance and compliance	- Press releases - Quarterly financial report - Annual general meeting/ Extraordinary general meeting - Investors engagement sessions - Networking sessions	- Regular - Quarterly - Yearly/ad hoc - Ad hoc - Ad hoc	- Annual general meeting is held every year to update shareholders, investors and analysts on the Group's performance and strategy - Press releases to communicate with the investors and shareholders on the latest business development
7.	Vendors/ Suppliers/ Contractors 	Supply chain management	- Formal and informal meetings/ virtual meetings - Tender process and supplier feedback mechanism - Contract negotiations and communication	- Regular - Regular - Regular	- Practice equal business opportunity through tendering process - Procure from responsible and sustainable vendors and/or suppliers to minimise supply chain disruption

SUSTAINABILITY REPORT

MKHOP'S MATERIALITY MATRIX

At MKHOP, our commitment to sustainability is integral in our corporate ethics. Guided by our materiality matrix, we integrate key facets into our strategic framework, paving the way for value creation and sustained growth. Our strategic priorities are thoughtfully aligned to not only benefit our stakeholders but also contribute meaningfully to the progress of the nation.

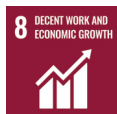
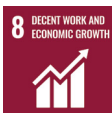
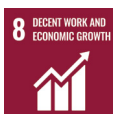
A list of 14 material matters was identified for FY2025. Our materiality assessment involved a collaborative effort that engaged key internal and external stakeholders. This inclusive approach underscores our commitment to transparency and demonstrates our dedication to fostering a sustainable and responsible future. The identified material matters are aligned to the latest Bursa Securities' Enhanced Sustainability Disclosure requirement on common sustainability matters.

Below is MKHOP's materiality matrix:

Material Matters	Description	GRI Indicators	UNSDGs
 ENVIRONMENT			
1 Climate Change Related Risk	Understand the potential vulnerabilities, implement measures to adapt to changes and mitigate the overall impact of climate change through responsible environmental practices. This evaluation is crucial for long term resilience, stakeholder trust and sustainable business practices.	GRI 302 (Energy) 302-1 GRI 305 (Emissions) 305-1, 305-2, 305-3	 
2 Energy Consumption	Understand and manage energy consumption in a way that minimises negative effects on the environment and contributes to long-term sustainable practices.	GRI 302 (Energy) 302-1	 
3 Waste & by Product Management	Implement a systematic approach to identify, manage, reduce and responsibly dispose off or recycle waste throughout the organisation's business operations.	GRI 306 (Waste) 306-3, 306-4, 306-5	 
4 Water Management	Implement an efficient water management system to ensure a reliable water supply, reduce the risk of flooding, prevent pollution in water bodies, and alleviate aeration and moisture stress in palm trees throughout both the dry and rainy seasons.	GRI 303 (Water and Effluents) 303-3, 303-4, 303-5	
5 Biodiversity	Incorporate green principles and preserve biodiversity into development strategies, organisations and communities that contribute to a healthier planet and ensure a more resilient and sustainable future.	GRI 304 (Biodiversity) 304-3	

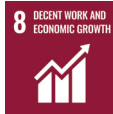
SUSTAINABILITY REPORT

MKHOP'S MATERIALITY MATRIX (CONT'D)

Material Matters	Description	GRI Indicators	UNSDGs
 SOCIAL			
6 Community Investment	Implement strategic efforts that contribute positively to the well-being and development of the communities in which it operates. Implement social programmes and projects that address specific community needs, such as education, job training or infrastructure development.	GRI 413 (Local Communities) 413-1	  
7 Occupational Health & Safety	Commitment towards practices that ensure the health, safety and well-being of its employees in the workplace. This entails providing training, benefits and a healthy work environment.	GRI 403 (Occupational Health and Safety) 403-1, 403-5, 403-6, 403-9	 
8 Risk Management	Implement a systematic identification, assessment and mitigation of potential social risks that may impact the company's operations, reputation and stakeholder relationships. Social risks encompass a range of issues related to social responsibility, ethics and the company's impact on various societal groups.	GRI 2 (General Disclosures)	
9 Stakeholders Engagement	Implement a process through which the company communicates and collaborates with various stakeholders. Engaging with stakeholders is essential for understanding their concerns, perspectives and expectations.	GRI 2 (General Disclosures) Disclosure 2-29	
10 Employee Engagement & Retention	Provide opportunities for skill development, training and career advancement shows a commitment to employees' growth, enhancing their engagement and increasing their likelihood of staying with the organisation.	GRI 401 (Employment) 401-1 GRI 404 (Training and Education) 404-1	  
11 Traceability & Sustainable Procurement	Create a transparent and accountable supply chain system that allows businesses and consumers to trace the journey of products, ensuring ethical sourcing and promoting environmental and social responsibility.	GRI 204 (Procurement Practice) 204-1 GRI 414 (Supplier Social Assessment) 414-1	 

SUSTAINABILITY REPORT

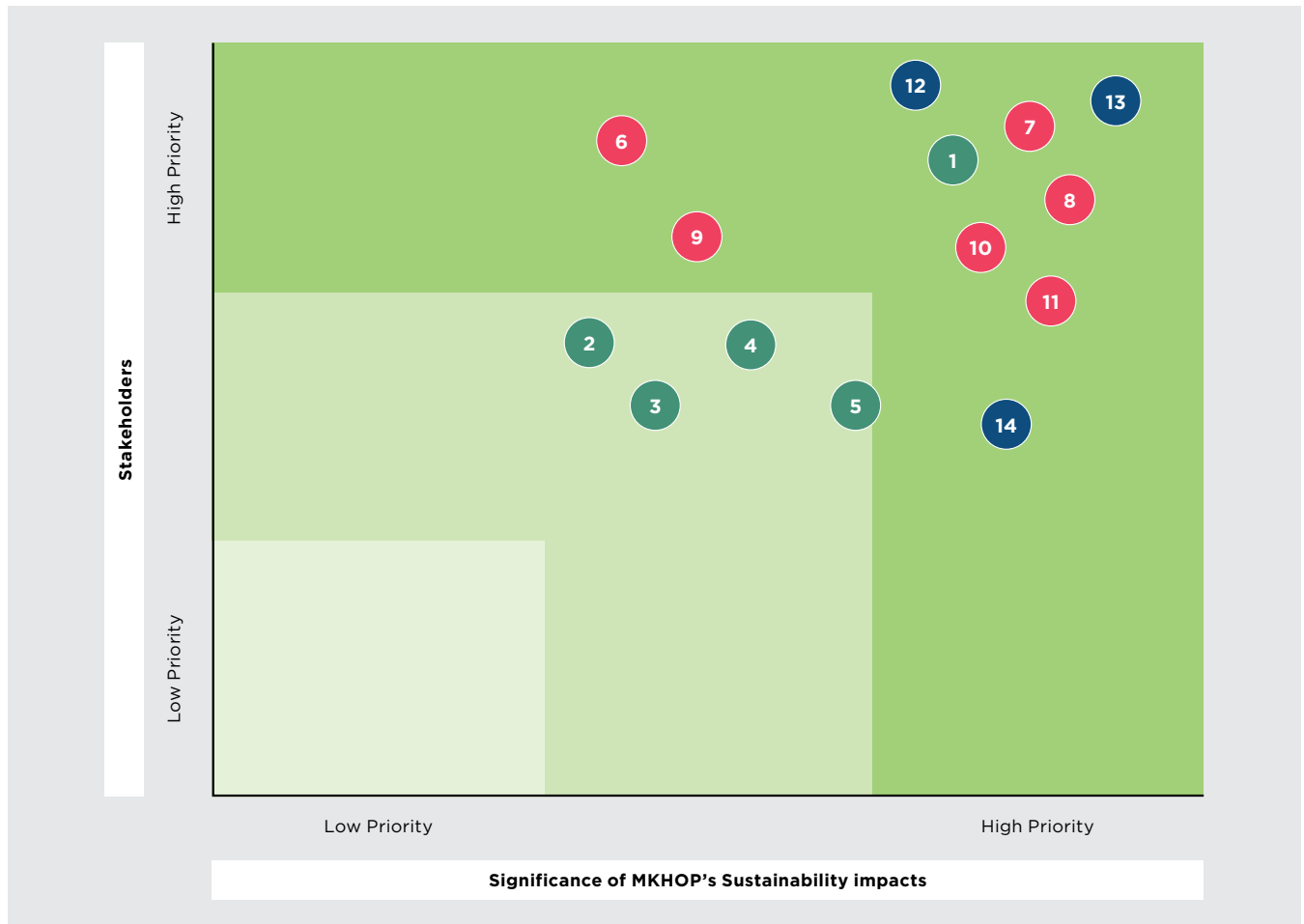
MKHOP'S MATERIALITY MATRIX (CONT'D)

Material Matters	Description	GRI Indicators	UNSDGs
 GOVERNANCE			
12 Economic & Business Performance	Employ fair business practices, adherence to regulations, job creation and overall economic contribution. Organisation committed to sustainability recognise that their economic success should align with ethical conduct, responsible governance and positive economic outcomes for stakeholders and the communities in which they operate.	GRI 201 (Economic Performance) 201-1 GRI 203 (Indirect Economic Impacts) 203-1, 203-2	
13 Corporate Governance, Anti-Corruption, Data Privacy and Security	Instill organisation values, principles, standards and practices to act ethically as a sustainable business. This includes anti-bribery and anti-corruption within its operations, protection of data privacy and professional conduct with others such as suppliers and customers.	GRI 205 (Anti-corruption) 205-1, 205-2 GRI 418 (Customer Privacy) 418-1	
14 Assurance & Certification	Implement structured procedures and inspection measures that allows the business to attain recognition through a regulation system and quality assurance certification.	Not Applicable	

SUSTAINABILITY REPORT

MKHOP'S MATERIALITY MATRIX (CONT'D)

Materiality Matrix



ENVIRONMENT	SOCIAL	GOVERNANCE
1 Climate Change Related Risk 2 Energy Consumption 3 Waste & by Product Management 4 Water Management 5 Biodiversity	6 Community Investment 7 Occupational Health & Safety 8 Risk Management 9 Stakeholders Engagement 10 Employee Engagement & Retention 11 Traceability & Sustainable Procurement	12 Economic & Business Performance 13 Corporate Governance, Anti-Corruption, Data Privacy and Security 14 Assurance & Certification

Recognising the increasing importance of climate change and emission data to our stakeholders, MKHOP is actively working to collect accurate and relevant information on these issues. The goal is to establish a formal reduction target in the next reporting period.

SUSTAINABILITY REPORT

KEY SUSTAINABILITY HIGHLIGHTS AND ACHIEVEMENTS IN FY2025

MKHOP is committed to continue integrating sustainable practices into our business operations. Appended below our key achievements and highlights for FY2025:

Sustainability Pillar	Description	Achievement in FY2025
Marketplace	Fresh Fruit Bunches (“FFB”) production	385,718 MT
	CPO production	85,975 MT
	Palm Kernel production	17,033 MT
	Crude Palm Kernel Oil production (“CPKO”)	5,218 MT
	ISPO certification	Maintain 100% certification for all estates and CPO mill
	Palm oil mill traceable to plantations/FFB suppliers	Maintain 100% traceability of FFB suppliers
	Halal certification	Obtained Halal certification for fats, oils and oil emulsions products
Environment	Scope 1: Direct emissions - Mechanical – Fossil fuel combustion - Non-Mechanical – POME Treatment	11,155 MT of CO ₂ -e 97,226 MT of CO ₂ -e
	Scope 2: Indirect emissions resulting from the generation of purchased energy	50 MT of CO ₂ -e
	Scope 3: Indirect emissions associated with - Category 6 - Business Travel - Category 7 - Employee Commuting	156 MT of CO ₂ -e 29 MT of CO ₂ -e
	Biological oxygen demand (“BOD”) level for treated effluent for land application	BOD limit for land application is within permissible levels of below 5,000 mg/l
	Total conservation area	565.31 Ha
	Water usage rate	0.84 m ³ /MT FFB processed
	Waste diverted from disposal	378,967 MT
Workplace	Refurbishment of existing staff quarters and construction of new staff quarters	Unit refurbished: 239 Unit constructed: 115
	Women in total workforce	25.8%
	Lost Time Injury frequency rate	151.6%
	Fatality	0
Community	CSR activities for local communities	Contributed: RM1,140,609
Governance	Incidents of corruption cases	No incidents recorded
	Anti-bribery and corruption training	All employees (executive and management) have attended the training
	Compliance with local and international regulations	Complied

SUSTAINABILITY REPORT

SUSTAINABILITY TARGETS FOR FINANCIAL YEAR ENDING 30 SEPTEMBER 2026

The Company is committed to managing material matters in a sustainable manner. Appended below are the targets and action plan established to gauge the Group performance for the financial year ending 30 September 2026.

Sustainability Pillar	Material Topic	KPI/Target
Marketplace	ISPO Certification	To ensure ongoing compliance and a commitment to continuous improvement in maintaining the ISPO certification.
	Halal Certification	To ensure that all processes and production activities comply with Indonesian Islamic law and hygiene standards to maintain the Halal certification.
	Traceability	To ensure 100% of traceability of palm products sourced for processing at our CPO mill.
Environment	Waste and Effluent	- To ensure BOD discharged for land application in Indonesia is within permissible limits, namely, BOD < 5,000 mg/l. - To improve PTMKH's ranking for conformance to good environmental management requirements from 'blue' to 'green' by year 2028 assessment.
	Water	Monitor and control the average water consumption to ensure it remains below 1.0 m ³ /MT of FFB processed.
	Biodiversity	To ensure the conservation of High Conservation Value ("HCV") areas located within the plantation estates are maintained for conservation.
Workplace	Health and Safety	- To maintain zero work-related fatalities. - To reduce the Lost Time Injury frequency rate.
	Labour Practices	To maintain zero breaches of labour laws, including no child labour, and comply with minimum wage requirements.
	Diversity	To achieve zero substantial grievances on gender discrimination and equal opportunity.
Social	Community	To ensure continuous support for education, healthcare and society at large.
	Supply Chain	To maintain at least 95% of the source of materials from local suppliers for Indonesian operations.
Governance	Anti-Bribery and Corruption Governance	- To maintain zero incidents of corruption cases year on year. - To ensure anti-bribery and corruption training will be provided to all executive and management-level employees.
	Regulatory Compliance	To ensure 100% compliance with the regulatory requirements of both local and international regulations.

The Company will be quantifying and disclosing targets to reduce the carbon footprint in subsequent reports.

SUSTAINABILITY REPORT

ORGANISATIONAL STRUCTURE FOR SUSTAINABILITY COMMITTEE

The planning and execution of sustainability strategies at MKHOP is overseen by the Executive Directors, who play a crucial role in leading the Sustainability Committee. This committee, under their guidance, ensures the effective implementation of sustainability matters across all our business operations.

The committee identifies, evaluates, monitors and manages risks and opportunities in our business operations relating to ESG aspects. Through their diligent efforts, MKHOP strives to achieve a harmonious balance between business growth and sustainable practices.

Below is MKHOP's Sustainability Governance Structure:

BOARD OF DIRECTORS

Responsible for:

- Review the Group's sustainability matters and provide advice and direction on sustainability for the Group as and when necessary.
- Approve sustainability policies and disclosures.

EXECUTIVE DIRECTORS

Responsible for:

- Lead and drive the sustainability initiatives in the Group.
- Discuss, review and monitor progress of sustainability matters regularly.
- Report to the Board of Directors on sustainability matters.

SUSTAINABILITY COMMITTEE

Responsible for:

- Assessing and identifying sustainability matters.
- Oversees the implementation of sustainability related strategies and initiatives.
- Undertake actions as and when necessary to address sustainability concerns.

OPERATING UNITS (ESTATE & MILL)

Responsible for:

- Maintaining sustainability performance and awareness across operating units.
- Ensure operating units adhere to all sustainability policies, practices and commitments.
- Proposed relevant sustainability initiatives to the committee.

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS

At MKHOP, our business operations are guided by the best industry practices to ensure the production and delivery of high-quality products to our customers, while also being cognisant of the ESG aspect of our community.

MARKETPLACE

We recognise the importance of staying committed to ethical business conduct, adherence to sector-specific standard like ISPO, operational practices that are in line with the local laws and regulations, producing safe and quality products, as well as ethically sourced palm products.

ISPO is a mandatory set of standards created to improve sustainability and competitiveness of the Indonesian palm oil industry and to support Indonesia's GHG reduction and environmental protection targets.

Anti-Bribery and Corruption

The Board and management of MKHOP are fully committed to ensuring that we uphold strong ethical values and good corporate governance, as embodied in our Anti-Bribery and Corruption Policy.

The Anti-Bribery and Corruption Policy was adopted by the Group in FY2022 to promote a culture of integrity, transparency, and compliance and it aligns with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

The Anti-Bribery and Corruption Policy addresses:



For more information on the policy, please visit: www.mkhoilpalm.com/corporate-governance.

The Group continues to educate our suppliers on our zero tolerance with regard to bribery and corruption and our employees undergo comprehensive anti-bribery and anti-corruption training. New employees are also required to acknowledge their understanding of the Anti-Bribery and Corruption Policy as part of the onboarding process.

Percentage of employees who have received training on anti-bribery and corruption by employee category.

Category	FY2025	FY2024	FY2023
Management [@]	100%	100%	100%
Executive	100%	100%	100%
Non-Executive/Staff	100%	100%	100%
General Workers*	N/A	N/A	N/A

Notes:

[@] Including senior management, head of department and manager.

* General workers at our plantation estates are not required to undergo anti-bribery and anti-corruption training as their roles typically do not involve significant decision making or interaction with vendors or third parties that could expose them to bribery risks.

SUSTAINABILITY REPORT

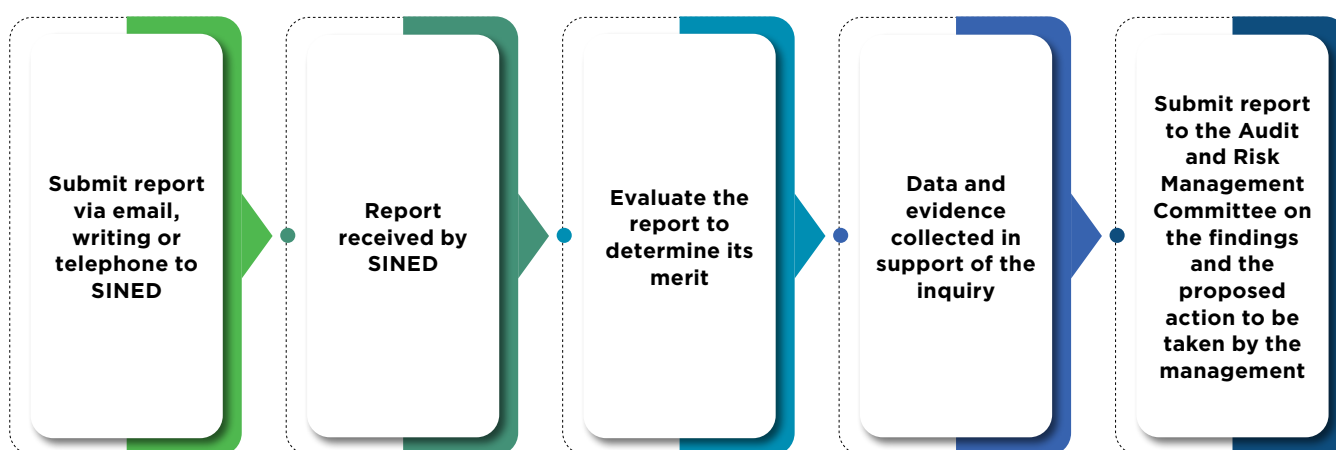
SUSTAINABILITY EFFORTS (CONT'D)

MARKETPLACE (CONT'D)

Whistleblowing Mechanism

MKHOP has established a Whistleblowing Policy and mechanism to facilitate the reporting of possible irregularities within the Group's operations. This framework encourages and assists employees and members of the public in disclosing genuine concerns regarding improper conduct within the Group, with a commitment to safeguarding the individual making such disclosures from any reprisal. Whistleblowing reports can be submitted to En. Yahya bin Ariffin, Senior Independent Non-Executive Director ("SINED") via email at yahya.ariffin@gmail.com.

Upon receipt of a report, the SINED will thoroughly review and evaluate the disclosure, determining the appropriate course of action. Whistleblowers are encouraged to provide comprehensive details of the incident, including the parties involved. Simultaneously, all reports and the identity of the whistleblower will be treated as confidential.



There were no reported cases for whistleblowing, bribery and corruption through either the whistleblowing or grievance channels in FY2025.

Year	FY2025	FY2024	FY2023
Bribery & Corruption Case Reported	0	0	0
Whistleblowing Case Reported	0	0	0



For more information on the Whistleblowing Policy, please visit www.mkhoilpalm.com/corporate-governance.

Risk Management

The Audit and Risk Management Committee assists the Board in monitoring and overseeing financial reporting and accounting practices, reviewing internal controls and assessing the effectiveness of risk management processes. They also provide independent view and recommendation on risk management.

The Board discharges its oversight role on risk management through assessments of potential risks and identification of action plans to mitigate the underlying risks.



For more details information on our risk management for FY2025, kindly refer to the Statement on Risk Management and Internal Control section of our Annual Report.

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

MARKETPLACE (CONT'D)

Data Privacy and Security

Ensuring the confidentiality and security of our customer data is our top priority. Hence, the Company adhere to the Personal Data Protection Act 2010 in managing our customer data including collection, storage and usage.

We have made our Privacy Notice easily accessible online to provide external stakeholders, including our valued customers, with comprehensive information about how we utilise their data.

Our Information Technology department continually enhances the cyber security capabilities through strengthening corporate firewalls and enhancing email security to prevent phishing email risks and vulnerabilities.

Throughout the year under review, the Group did not receive any substantiated complaints regarding breaches of customer data privacy.

Description	FY2025	FY2024	FY2023
Breach of Customer Data Privacy and Security Case Reported	0	0	0

Supply Chain Management

At MKHOP, we forge strong relationships with our suppliers and ensure their practices are aligned with the Group's procurement practices and procedures. We hold our suppliers accountable for sustainable environmental practices. Our aim is to foster a mutually beneficial relationship with our suppliers and promote a more sustainable and responsible supply chain.

The Group continuously enhances its purchasing and procurement practices to ensure our tender process remains robust, transparent and cost-effective. Our Purchasing Department will review new suppliers to ascertain if they are competent to be shortlisted as suppliers upon satisfactory completion of background checks, proven financial track record and compliance with all the statutory and legal requirements.

Based on our procurement data, approximately 96.2% of procurement spending for our plantation operation in FY2025 was from local vendors. This refers to suppliers that operate locally within Indonesia. The remaining 3.8% procurement was from overseas suppliers, primarily due to the custom-made products such as new machinery and equipment for our FFB harvesting together with its spare parts, new machinery and equipment to replace and upgrade our CPO mill, etc. Moving forward, we will continue to support local contractors and suppliers.

In our operational activities, we place strong emphasis on traceability. This involves prioritising responsible sourcing from our supply chain and taking proactive measures to understand the practices of our suppliers. We also make it a point to regularly review and renegotiate terms of trade, aiming to foster a sustainable and enduring business relationship. At our plantation estate, we pay significant attention to the traceability of external crops procured under the Indonesian Plasma Programme.

Currently, 92.9% of the FFB originates from our own plantations while the remaining 7.1% are from third parties (under plasma programme).

Origin of FFB Sources	PT Maju Kalimantan Hadapan ("PTMKH") Mill					
	FY2025	%	FY2024	%	FY2023	%
Own Plantation (MT)	385,718	92.9	406,658	94.1	410,230	94.7
Third Party (MT)	29,493	7.1	25,460	5.9	23,051	5.3
Total	415,211	100.0	432,118	100.0	433,281	100.0

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

MARKETPLACE (CONT'D)

Supply Chain Management (Cont'd)

Our Group is well-recognised as one of the most efficient plantations in East Kalimantan for its good estate management practices and innovations, as evidenced by our multiple highly-coveted awards. These achievements are a testament of our commitment in sustainable practices.

Awards/Certifications	Processing Facility/Scope	Certification Body/ Awarding Bodies
ISPO	Compliance with the ISPO certification system of the plantation estate and palm oil mill owned and operated by PTMKH	PT SGS Indonesia with a 5-year certification from 12 August 2025 - 11 August 2030
	Compliance with the ISPO certification system of the plantation estate owned and operated by PT Sawit Prima Sakti ("PTSPS")	PT Global Inspeksi Sertifikasi with a 5-year certification from 27 July 2022 - 26 July 2027
Halal	Compliance with the laws and regulations regarding halal products set forth by the Indonesian Council of Ulama	Head of Halal Product Assurance Body
Company performance rating assessment programme in environmental management (PROPER) - Blue (2025, 2015 to 2020) and Green (2021 to 2024)*	Conformance to the requirements on good environmental management carried out by PTMKH	Governor of East Kalimantan
Zero Accident Award	Award for Implementing Safety and Health Programmes which achieved 76,426,174 man-hours without work-related accidents from 1 June 2017 to 24 December 2024 by PTMKH	Governor of East Kalimantan
	Award for Implementing Safety and Health Programmes which achieved 13,172,044 man-hours without work-related accidents from 1 January 2015 to 24 December 2024 by PTSPS	Governor of East Kalimantan

Note:

* This is a yearly assessment conducted by the Governor of East Kalimantan on our level of conformance to the requirements on good environmental management.

This assessment comprises 5 ranks, i.e. from black being the lowest rank, to red, blue, green and gold being the highest rank.

Our Group achieved 'Blue' ranking from 2015 to 2020, followed by 'Green' ranking from 2021 to 2024, and it has received 'Blue' ranking for 2025. The moderation in the ranking was primarily due to changes in the assessment criteria and methodologies. The Group is committed and will continue to enhance its efforts to protect the environment in accordance with the latest criteria, as part of our sustainable business operations.

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

ENVIRONMENT

Preserving a healthy ecosystem at our plantation estates is achieved through the implementation of good estate management practices. This encompasses the adoption of zero-burning policy for planting of oil palm trees, preservation of areas designated as HCV within our locations of operation, and displaying of various signboards pertaining to environmental preservation and wildlife protection. These signboards serve as constant reminders for in-field workers as they perform their daily duties.

To strengthen the Group's firefighting capabilities, we maintain robust fire-fighting equipment, fire engines and related machinery as well as fire towers across our estates. The Company's fire-fighting response teams undergo regular trainings while the ground personnel conduct extensive patrols at our plantation during the dry season to prevent fire incidents within our plantation and in neighbouring communities (due to agricultural activities of local communities).



Fire-fighting response team and fire engines

During FY2025, we conducted in field firefighting training and engaged with local communities to educate them on our zero-burning policy, fire prevention measures, the dangers of slash and burn practices, the importance of fire prevention and the importance of adopting sustainable development of oil palm cultivation without the use of fire.

In FY2025, we had zero fire incidents reported in our plantation estates.

Description	FY2025	FY2024	FY2023
No. of Detected Fire Hotspot	0	0	0

To ensure that our estates are responsibly managed, we work closely with the Indonesia Department of Environment. Drainage and irrigation systems are built to ensure optimum water levels to promote growth of oil palm trees. We minimise agrochemical use and mitigate our GHC emissions by adopting natural alternatives such as planting beneficial plants, recycling nutrient-rich organic materials such as empty fruit bunch ("EFB"), treated palm oil mill effluent ("POME") and boiler ashes as fertiliser, and deploy barn owls to combat pests.

In addition, we apply our fertiliser in accordance with good agricultural practices to minimise the fertiliser from being washed away by rain.

In terms of soil profile, our plantation estates are located on both mineral soil land and shallow peat soil land.

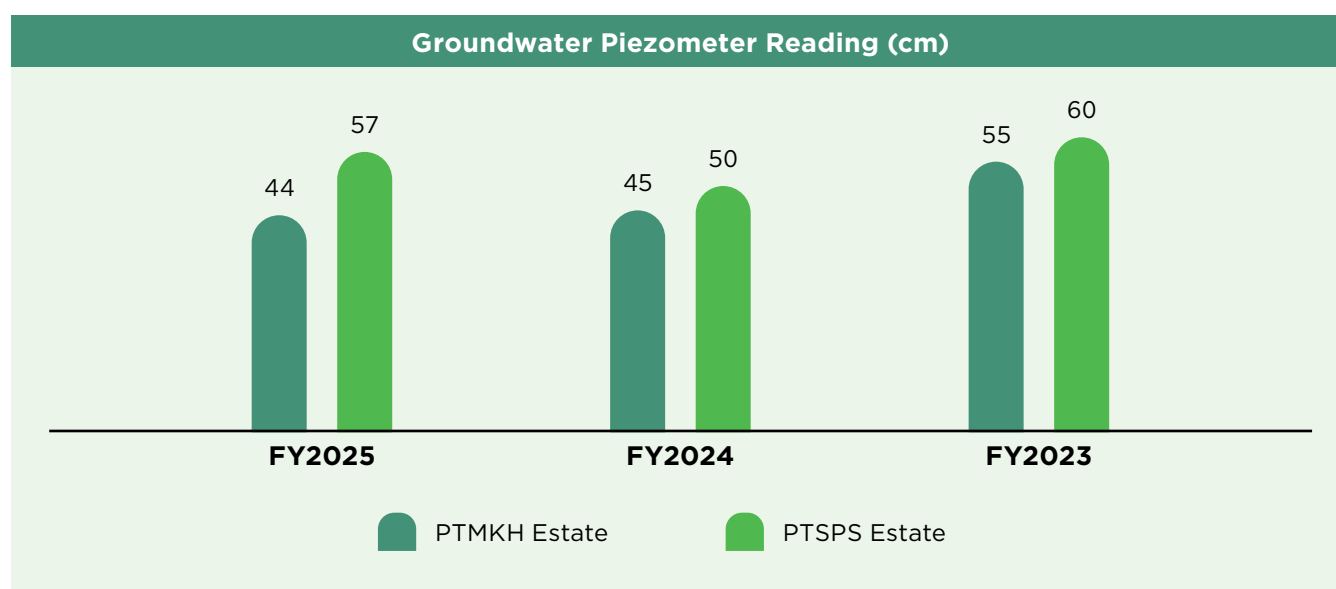
A good water management system for oil palm on peat is one that can effectively maintain a water-level of 50-70cm (below the bank in collection drains) or 40-60cm (groundwater piezometer reading).

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

ENVIRONMENT (CONT'D)

The Group effectively maintains the ground water level in the range of 40-70cm (below the bank in collection drains) and 40-60cm (groundwater piezometer reading) that is adequate for keeping the soil moist until the top layer soil to prevent hydrophobicity, reduce carbon dioxide ("CO₂") emissions and improve the growth and production of the FFB. The moist peat surface at this water level will also help to minimise the risk of accidental peat fire and is in compliance with *Peraturan Menteri Lingkungan Hidup dan Kehutanan Nomor P.15/MENLHK/SETJEN/KUM.1/2/2017 tentang Tata Cara Pengukuran Muka Air Tanah di Titik Penaatan Ekosistem Gambut* (P.15/2017 on Procedures for Measuring Groundwater Levels in Peat Ecosystem at Designated Monitoring Points).



Our plantation management consistently takes proactive measures to adapt to the latest environmental conditions in the estate. This includes improving the water management system and fine-tuning harvesting operations. In line with these proactive steps, the plantation frequently updates the current Standard Operating Procedures ("SOP") to address the impact of increased average rainfall and field operation conditions. The primary objective of these updated SOP is to optimise both the quantity and quality of the FFB produced.

Energy Management

MKHOP is committed to managing energy consumption in our operations. As such, we are committed to achieve energy efficiency in line with MKHOP's business objectives, the United Nation, SDGs' and GRI standards.

The Group seeks to continuously improve its management of energy consumption, through the use of renewable energy and integrating initiatives such as the use of energy-saving lighting and sustainable practices.

The Group's plantation operation uses diesel and petrol (fossil fuels) to power mechanised equipment and generators, which provide electricity for certain workers' quarters and jetty operations. These fuels are also used for vehicles that transport FFB from our estates to the mill for processing.

SUSTAINABILITY
REPORT

SUSTAINABILITY EFFORTS (CONT'D)

ENVIRONMENT (CONT'D)

Energy Management (Cont'd)

Purpose of Diesel Usage	Used By	Volume (Litre)		
		FY2025	FY2024	FY2023
Gensets	Mill	840,034	687,182	602,350
	Estates	1,501,299	1,583,381	1,472,102
	Jetty	801	2,091	1,298
Sub-Total		2,342,134	2,272,654	2,075,750
Transport and Mechanised Equipment	Mill	125,879	121,404	117,796
	Estates	1,408,157	1,495,958	1,613,123
	Jetty	175,094	153,737	192,255
	MKHOP head quarter	5,013	No data	No data
Sub-Total		1,714,143	1,771,099	1,923,174
Grand Total of Diesel Usage		4,056,277	4,043,753	3,998,924

The increase in diesel usage by the mill in FY2025 was primarily attributed to the ongoing repairs of the existing 3 megawatt ("MW") turbine. The backup turbine, with a capacity of 2 MW and 2.5 MW, is only capable of generating enough electricity to operate the 90 MT per hour CPO mill. Consequently, this limitation has resulted in the kernel crushing plant, which has a processing capacity of 90 MT per day, relying on electricity produced by the genset for its operations. This reliance has resulted in an increase in diesel usage during FY2025.

In FY2025, our estates used a total of 194,597 litres of petrol, for transportation purposes.

Petrol Usage For	Used By	Volume (Litre)		
		FY2025	FY2024	FY2023
Transport	Estates	185,391	187,414	156,057
	MKHOP head quarter	9,206	No Data	No Data
Total		194,597	187,414	156,057

The total electricity consumption purchased by the Group for FY2025 was approximately 59,791 kilowatt-hours ("kWh") in our operations in Malaysia and Indonesia. This electricity was acquired through standard grid-mix contracts with Tenaga Nasional Berhad and PT Perusahaan Listrik Negara (PLN), respectively.

Description	Energy Consumption (kWh)		
	FY2025	FY2024	FY2023
MKHOP head quarter	43,752	44,712	No Data
MKHOP regional office	16,039	16,433	No Data
Total	59,791	61,145	No Data

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

ENVIRONMENT (CONT'D)

Water Consumption

Recognising the importance of water conservation in addressing our climate responsibilities, MKHOP is committed to track water consumption within our business operations. The Group's operations primarily rely on surface water sources from river, ground water and water supplied by utility company. We are proactively taking initiatives aimed at optimising water consumption and minimising water wastage.

Aside from ensuring water security within our operations, we also ensure that the POME from our CPO mill is treated using anaerobic, aerobic and facultative ponding system and subsequently used as natural soil fertiliser within our estates. This strategic approach aligns with our dedication to sustainability and environmental stewardship as we continue to enhance our corporate practices in water conservation.

Particular	Source of Water Consumption (m ³)		
	FY2025	FY2024	FY2023
Surface water	1,060,782	1,156,856	895,162
Ground water	47,095	47,231	-
Utility company	547	743	433
Total consumption	1,108,424	1,204,830	895,595

The water consumption for palm oil mill is as follows:

Description	FY2025	FY2024	FY2023
Total water consumption (m ³)	349,604	322,915	255,550
FFB processed	415,991	431,757	433,011
Average water consumption per MT of FFB processed (m ³ /MT FFB)	0.84	0.75	0.59

In FY2025, the mill's total volume of water used for processing FFB has risen to 0.84 m³/MT FFB, compared to 0.75 m³/MT FFB in FY2024. This increase is primarily due to the mill operating two boilers alternately, with each boiler having a capacity of 55 MT per hour. This approach replaced the previous practice in FY2023, where a combination of boilers with capacities of 35 MT per hour and 55 MT per hour was employed until the middle of FY2024.

Water-saving habits are actively promoted and encouraged among our employees, with strong emphasis on the importance of minimising water wastage in washrooms and pantries. To ensure this, we have designated specific areas where notices and posters are prominently displayed, serving as constant reminders for employees, customers and guests to adopt water-saving practices.

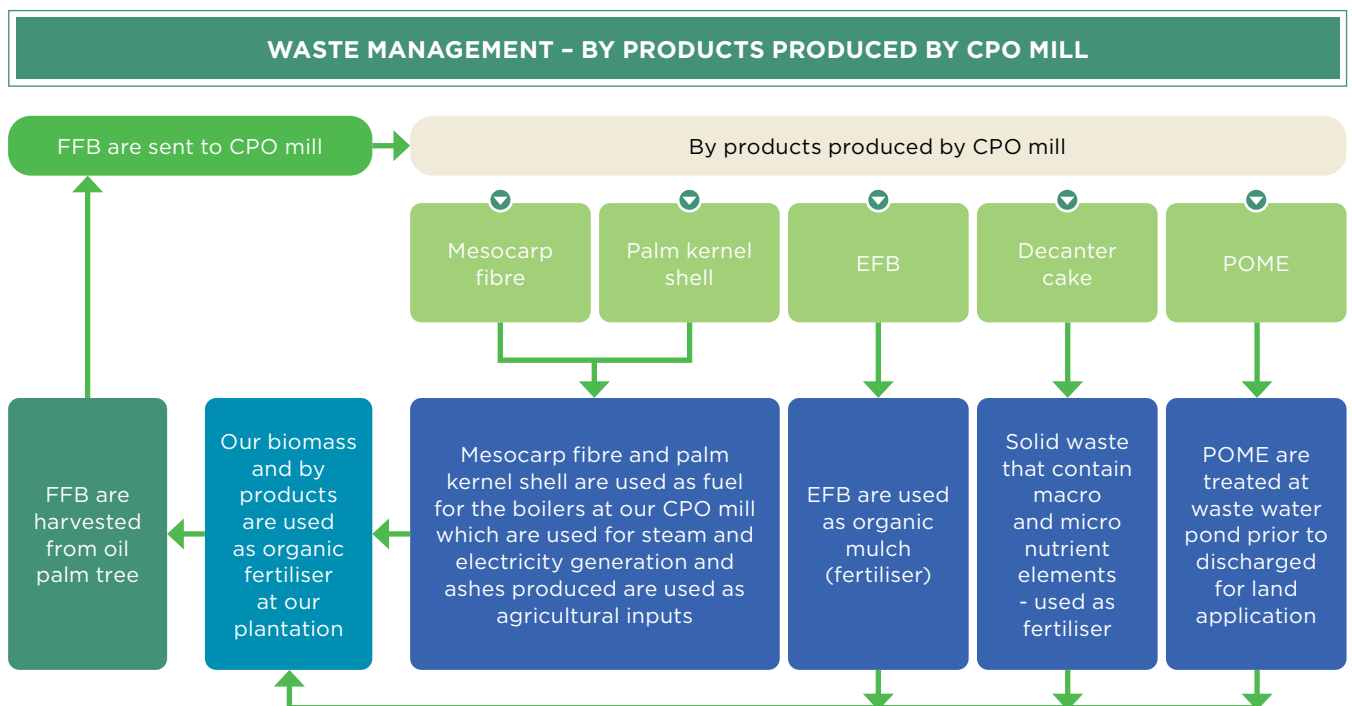
SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

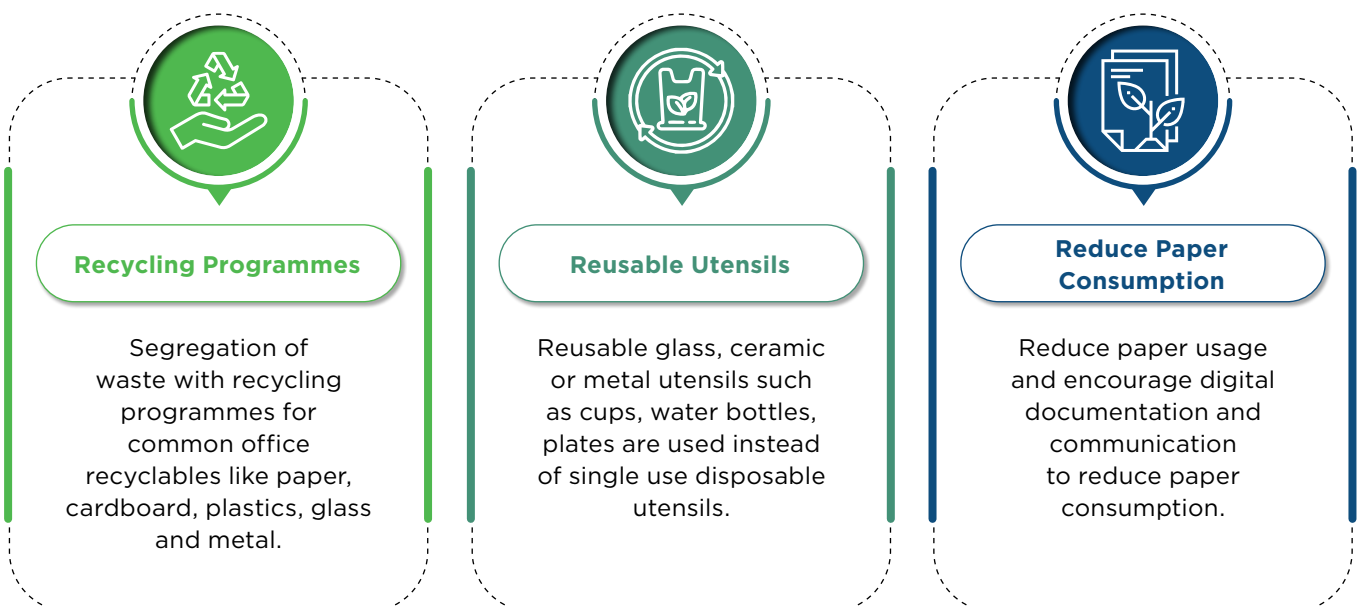
ENVIRONMENT (CONT'D)

Waste Management

The Group strives to manage resources in a responsible manner, reducing waste generation through efficient utilisation of resources, reuse and recycling.



Responsible waste management is carried out at MKHOP through the following:



SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

ENVIRONMENT (CONT'D)

Waste Management (Cont'd)

MKHOP have integrated the principles of reduce, reuse and recycle across our workplace, evident through the provision of recycling bins. At our headquarters, our waste management strategy focus on reducing, reusing and recycling. Additionally, waste paper, plastic, glass and metal are sent to dedicated recycling centres. This holistic approach reflects our commitment to environmental stewardship and the circular economy.

We are committed to ensuring that the generated wastewater from our CPO mill in the form of POME is treated and discharged in accordance with the *Decree of the Minister of Environment No. 28 of 2003 concerning Technical Guidelines for the Assessment of Wastewater Utilisation from the Palm Oil Industry on the soil in Palm Oil Plantations* and *Decree of the Minister of Environment No. 29 of 2003 concerning Guidelines for Terms and Wastewater on soil in Palm Oil Plantations*.

Our CPO mill generated 596,476 m³ of POME in FY2025. The POME was eventually diverted to the anaerobic treatment pond. To ensure adherence to the environmental standards set by the environmental requirements in Indonesia, we conduct monthly tests on the treated POME discharged from our mill to ensure we consistently maintain the BOD quality standard below 5,000mg/l as prescribed by *Environmental Minister No. 28 and 29 Year 2003* for land application.

Total water discharged by quality and destination for plantation land application:

Total treated waste water discharged (effluent only)	FY2025	FY2024	FY2023
Quantity of water discharged (m ³)	596,476	553,771	619,212
Effluent water quality:			
Average BOD analysis in treated waste water (mg/l)	1,337	1,246	2,793
Average Chemical Oxygen Demand ("COD") analysis in treated waste water (mg/l)*	3,281	3,558	7,988

Note:

* No regulatory limit for COD for land application.

We utilise the treated POME for land application to the designate estate to enhance the soil's nutrient and moisture content for the oil palms in accordance with the permits granted by the local government.

Waste Management	FY2025	FY2024 (Restated *)	FY2023 (Restated *)
Total waste diverted from disposal (MT)	378,967	393,331	394,473
Total waste directed to disposal (MT)	24	44	46
Total waste generated (MT)	378,991	393,375	394,519

Note:

* The Group has restated its total waste generated for FY2023 and FY2024 due to updates in the total waste diverted from disposal. These updates ensure alignment with the latest waste management reported for FY2025.

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

ENVIRONMENT (CONT'D)

Waste Management (Cont'd)

In FY2025, we generated 378,991 MT of waste and managed to recycle more than 99.9% or 378,967 MT of recyclable wastes. We have implemented effective waste management strategies, recycling our oil palm biomass for energy generation and soil nutrient enhancement purpose.

The Group actively promotes sustainability through the use of renewable energy sources for power generation and use by-products from palm oil milling, namely palm kernel shells and mesocarp fibre, as fuel for the boilers at our palm oil mill to produce steam for electricity generation by turbines. A small amount of boiler ash is produced when palm fibre and palm kernel shells are burned was subsequently recycled into the soil to reduce acidity levels. This aligns with our commitment to environmentally responsible practices, ensuring that our operations not only meet production demands but also contribute positively to our ecological footprint.

At MKHOP, we take great care to ensure that all non-recycle wastes produced by our operations such as chemicals and hazardous materials, which cannot be recovered and reused are collected and disposed in accordance with the guidelines and regulations set forth by the *Indonesian Environmental and Forestry Agency*. We engaged the services of licensed contractors, registered with the *Environmental and Forestry Agency*, to ensure that all non-recycle wastes are transported and disposed of in a proper and safe manner.

Emission Management

The rising CO₂ level leads to a variety of effects, including rising sea levels, changes in precipitation patterns, an increase in extreme weather events such as droughts and floods.

As a corporation, we are committed to supporting the national agenda in reducing the GHG emissions, recognising our responsibility in minimising carbon emission within our business operations. This is reflected in the identification of climate change as a key-risks identified in our MKHOP's Materiality Matrix. The greenhouse gasses covered in our inventory include CO₂, methane (CH₄), which are converted to a carbon dioxide equivalent (CO₂e) value.

We are committed to minimising carbon emissions, as evidenced by our focus on Scope 1 since FY2023 and the implementation of Scope 2 and Scope 3 emissions, including Category 7 (Employee Commuting) during FY2024.

In FY2025, our Scope 1 and Scope 3 emissions reporting will include emissions from POME, which releases methane during the anaerobic digestion of effluent produced by the CPO mill, as well as emissions from Category 6 (Business Travel) activities.

We believe that by establishing a benchmark baseline, the Group will be able to effectively monitor our emissions profile and take steps to minimise carbon emissions, contributing to a sustainable and environmentally conscious business approach.

The Group's carbon footprint for Scope 1 is calculated based on the *GHG Protocol Corporate Accounting and Reporting Standard*. Data generated for emissions was based on internationally recognised calculation tools, namely the 2006 *Intergovernmental Panel on Climate Change (IPCC) Guidelines*. These frameworks were selected as they represent global best practice for Corporate GHG accounting, ensuring our reporting is transparent, credible and comparable. The emissions from grid electricity were based on the Grid Emission Factor published by the *Energy Commission of Malaysia* and the *Ministry of Energy and Mineral Resources of Indonesia (Faktor Emisi GRK Sistem Ketenagalistirikan)*.

The Group's measure the emissions of GHG in three scopes:

- **Scope 1:** Direct emission from sources owned or controlled such as machineries, vehicles and gensets, and decomposition process. Scope 1 emissions are calculated based on the total fuel consumption data diesel and petrol disclosed on page 43 – energy management, multiplied by emission factors sourced from the 2006 IPCC Guidelines.
- **Scope 2:** Indirect source of emissions from the generation of purchased electricity consumption.
- **Scope 3:** Indirect source of emission mainly associated with business travel and employee commuting.

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

ENVIRONMENT (CONT'D)

Emission Management (Cont'd)

The emissions from employee commuting are calculated based on a group-wide survey sent to all employees for their feedback on mode of transport and their distance to the workplace, or commuting distance (round trip), since FY2024.

The calculation is based on data gathered from all surveyed headquarters employees. To ensure accuracy, a sample of the survey responses was cross-referenced with employee address records maintained by the human resources department. It is important to note that the survey excluded field workers on plantation estates, as they reside on-site and typically receive provided transportation.

Emissions Source	Emission at MT of CO ₂ -e		
	FY2025	FY2024	FY2023
Scope 1 - Direct Emission			
• Mechanical - Fossil Fuel Combustion	11,155	11,104	10,915
• Non-Mechanical - POME Treatment*	97,226	No data	No data
Scope 2 - Indirect Emissions			
• Purchased of Electricity	50	52	No data
Scope 3 - Indirect Emissions			
• Business travel (air transportation) [∞]	156	No data	No data
• Employee Commuting	29	21	No data

Notes:

* Calculated based on emission factor of 0.163 t CO₂e per m³ of POME.

∞ Calculated based on ICAO Carbon Emissions Calculator Methodology.

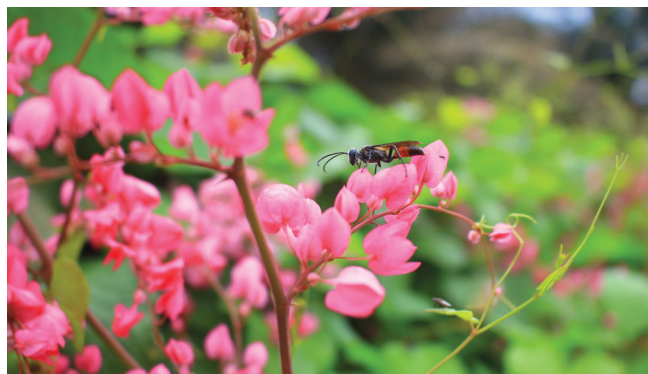
Given that POME significantly contributes to total GHG emissions and that technology for capturing methane emissions is readily available, the Group is currently assessing the feasibility of establishing a biogas plant. This facility would aim to capture methane gas generated from the anaerobic digestion of effluent produced by the mill, potentially leading to a substantial reduction in emissions. The system would utilise the captured biogas as a renewable energy source for electricity, thereby reducing reliance on fossil fuels.

Biodiversity Management

The Group has also allocated approximately 565.31 Ha or about 3% of our total land bank have been designated as conservation areas to protect the diverse species of flora and fauna. Our subsidiary companies, PTMKH and PTSPS had received 'zero non-conformance' reports related to biodiversity management and were granted a 5-year certification of ISPO by the accredited certification body of ISPO during the audit carried out in FY2025 and FY2022 respectively. During this assessment, a total of 38 species of flora and 53 species of fauna were identified.



Signboard on protection of fauna



Beneficial plant planted at our estate

SUSTAINABILITY
REPORT

SUSTAINABILITY EFFORTS (CONT'D)

WORKPLACE

Human Rights

MKHOP asserts that all individuals are entitled to be treated fairly and in a courteous manner. It is the responsibility of the Group's employees to treat all individuals with dignity, politeness and to uphold their human rights. Any complaints concerning human rights violations will be promptly investigated and relevant action will be taken.

Number of substantiated complaints concerning human rights violations:

Year	FY2025	FY2024	FY2023
Human rights violation case reported	0	0	0

Ensuring the welfare of employees is of paramount important, the Group has allocated RM10.0 million from the initial public offering (IPO) proceeds for the construction of new staff quarters and refurbishment of the existing staff quarters to enhance living conditions of our workers (including harvesters, plantation workers and support personnel) and their family members as part of our continuous accommodation upgrading in our plantation operation in Indonesia. These staff quarters come with essential amenities, including electricity and clean water supply.

Description	No. of Unit	FY2025		FY2024	
		No. of Unit Completed	Percentage (%)	No. of Unit Completed	Percentage (%)
Refurbishment of existing staff quarters	2,618	239	9.1	530	20.2
Construction of new staff quarters	289	115	39.8	35	12.1



School at our plantation estate

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

WORKPLACE (CONT'D)

Human Rights (Cont'd)

Infrastructure and facilities in our plantation estates:

- (a) A pre-school, a primary school and a junior high school (from Grade 7 to Grade 9), to provide education to the children of our estate workers;
- (b) A clinic that operates 24-hour a day with medical personnel on duty and essential medical equipment to address the medical needs of the community;
- (c) Automated Teller Machines ("ATM") to enable the community to perform banking transactions including withdrawals, bill payments and fund transfers;
- (d) A mobile telecommunications tower, constructed by a local telecommunications company, to provide the community with access to telecommunication services;
- (e) A mini mart that sells daily necessities and groceries;
- (f) Recreational facilities such as a football field, badminton courts, sepak takraw courts and basketball courts; and
- (g) Prayer facilities comprising mosques and chapels.



Mini market



ATM installed at our plantation



Mosque



New staff quarters

Diversity and Inclusion

In MKHOP, our commitment to diversity and inclusion is articulate through fostering workplace culture that thrives on mutual trust and respect, promoting diversity as a catalyst for creativity and innovation. By tapping into a broad talent pool, we ensure diverse workforce, recognising the value of different backgrounds and expertise.

We steadfastly oppose any practices or policies that discriminate based on gender, marital status, race, nationality, ethnicity or age. This commitment to diversity and inclusion aligns with our organisational goals, fostering sustainable growth through the establishment of a healthy, harmonious and professional workplace.

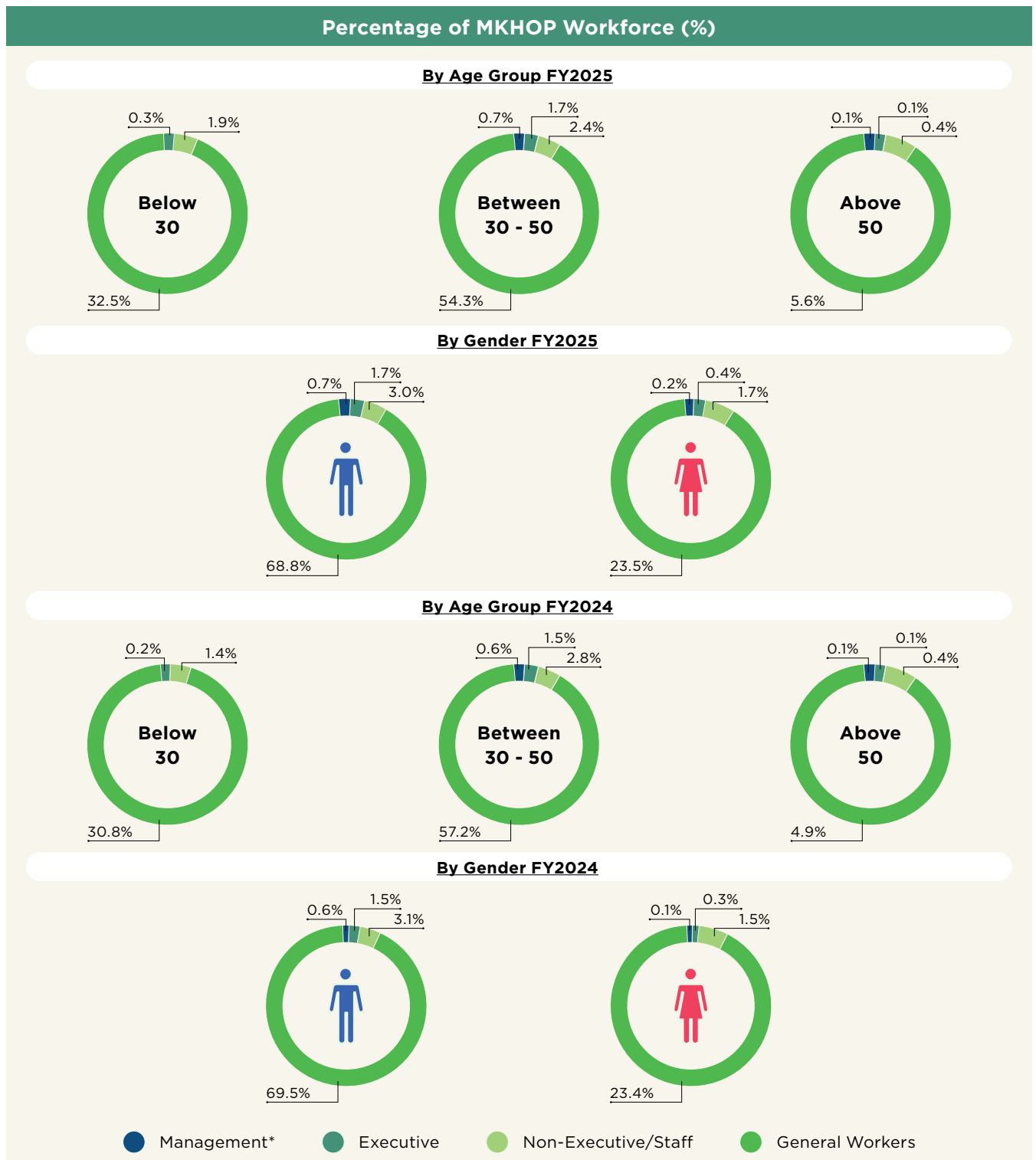
SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

WORKPLACE (CONT'D)

Diversity and Inclusion (Cont'd)

The composition of MKHOP's workforce in FY2025, FY2024 and FY2023 are illustrated as follows:

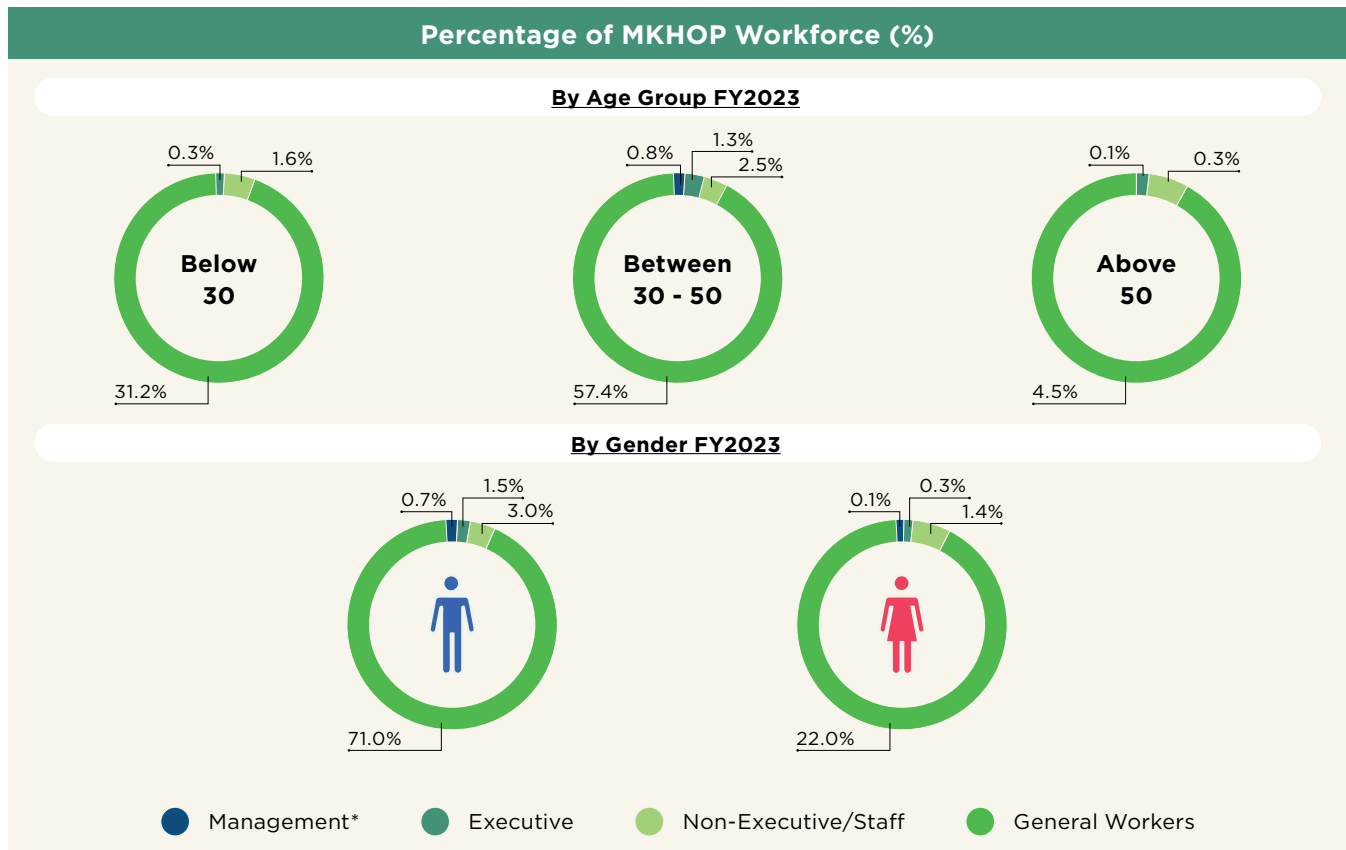


SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

WORKPLACE (CONT'D)

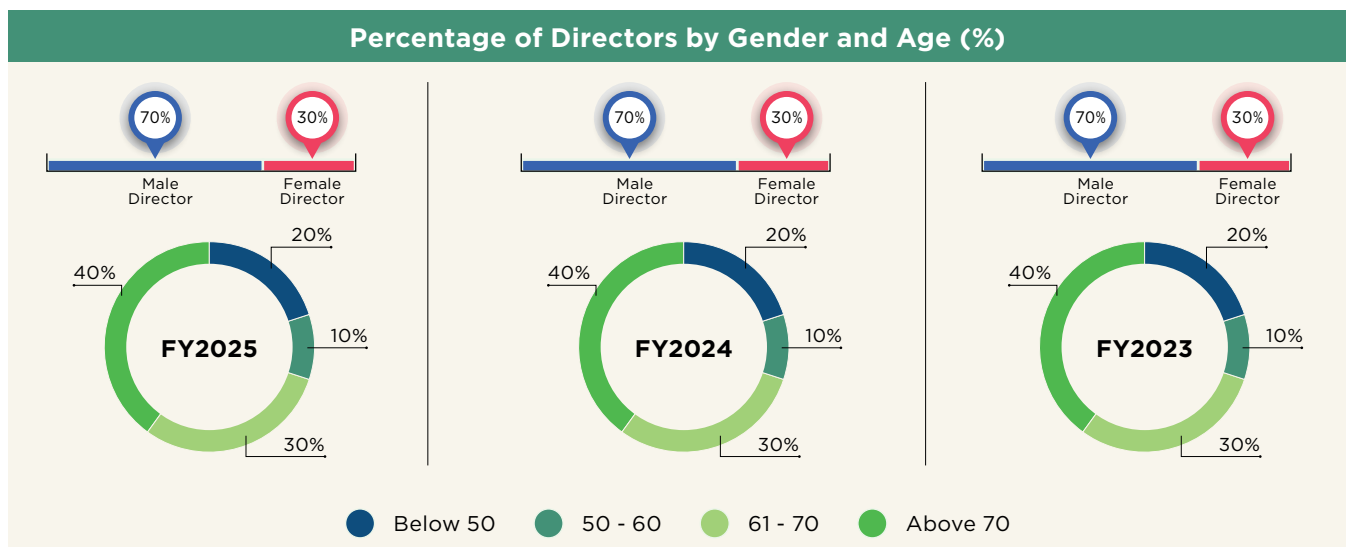
Diversity and Inclusion (Cont'd)



Note:

* Including senior management, head of department and manager.

Percentage of directors by gender and age are as follows:



SUSTAINABILITY
REPORT

SUSTAINABILITY EFFORTS (CONT'D)

WORKPLACE (CONT'D)

Employee Turnover Rate

We recognise our people as our most valuable asset and are dedicated to enhancing their capabilities and competencies through continuous training and professional development. We prioritise the creation of a highly engaged workforce, motivating our young talents by actively involving them in our succession planning initiatives.

Category	FY2025		FY2024		FY2023	
	Number	%	Number	%	Number	%
Management*	11	29.7	8	24.2	3	8.1
Executive	21	23.1	22	28.2	22	28.9
Non-Executive/Staff	52	25.1	25	12.2	34	17.6
General Workers	1,293	32.2	1,309	31.8	1,392	34.0

Note:

* Including senior management, head of department and manager.

We understand that despite our best efforts, attrition is a natural process of any organisation's dynamics. The employee turnover is higher in plantations due to the nature of the work which is more physically demanding.

In view thereof, understanding the reasons behind our employees' departure and utilising the feedback for continuous improvement, such as upgrading our staff quarters living conditions and estate infrastructure, to retain our workers to work at our plantation estates.

Safety and Health Policy and Commitment

Safety awareness is instilled among our employees through the provision of safety training and regular safety reviews.

Our Safety and Health Committee is responsible for developing internal safety and health guidelines and assessing policies for a safe working environment for all employees and workers at our headquarters, management office, plantation estates and mill operation based on the safety and health protocols aligned with the Occupational Safety and Health Act and Work Safety Act (Law No. 1, 1970) in Malaysia and Indonesia operations, respectively.

The Group places great importance on safety and conduct regular occupational safety and health awareness training sessions. These training programmes serve as a powerful tool for enlightening our employees and cultivating their understanding of why safety matters—both for their own well-being and for the overall success of the Group.

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

WORKPLACE (CONT'D)

Safety and Health Policy and Commitment (Cont'd)



Ambulance at our 24-hour clinic



Doctors and medical personnel at our 24-hour clinic

Description	FY2025	FY2024	FY2023
Number of employees trained on health and safety standards	1,320	1,542	4,101

We ensure that our plantations are safe and meet regulatory requirements and communicate clearly with our employees, general workers and harvesters on health and safety matters. All employees and workers are also expected to undergo medical check-up to ensure they are fit to handle the job and avoid potential risks from arising. Within our estates and mill, clinics and first aid stations are available, staffed by trained medical professionals and we have an ambulance on call for emergencies.

No fatality was recorded in FY2025.

Description	FY2025	FY2024	FY2023
Work related fatalities	0	0	0

The Lost Time Injury (“LTI”) is a work-related accident that results in the injured person being unable to work the next working day or shift after the accident as determined by a competent medical doctor. We calculate the LTI frequency rate and LTI severity rate based on 1,000,000 man-hours worked.

For FY2025, the LTI frequency rate decreased by 18% from 185.6 incidents per 1,000,000 hours worked in FY2024 to 151.6 incidents per 1,000,000 hours worked in FY2025. The LTI severity rate per 1,000,000 hours worked decreased by 78% from 209.5 workdays per 1,000,000 hours worked in FY2024 to 46.4 workdays per 1,000,000 hours worked in FY2025.

Location	LTI Accidents		Lost Days – LTI Accidents		Total Man Hours Worked		LTI Frequency Rate		LTI Severity Rate	
	FY2025	FY2024	FY2025	FY2024	FY2025	FY2024	FY2025	FY2024	FY2025	FY2024
Indonesia	1,301	1,593	398	1,798	8,580,859	8,580,859	151.6	185.6	46.4	209.5

Notes:

Accidents: All LTI incidents that results in at least 1 lost work day are classified as LTI Accidents.

Lost Days - LTI Accident: Number of lost work days at worksite due to LTI Accidents.

Total Man Hours Worked: Sum of total hours worked on site combining both staffs and contractors.

LTI Frequency Rate: (Number of LTI Accident x 1,000,000 hours)/Total man-hour worked.

LTI Severity Rate: (Number of day lost due to LTI Accident x 1,000,000 hours)/Total man-hour worked.

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

WORKPLACE (CONT'D)

Labour Practices and Standards

All our plantation workers are paid at least the required base wage of IDR 3,841,707 or approximately RM1,000 per month. This is the state minimum wage requirement as imposed by Indonesian authorities.

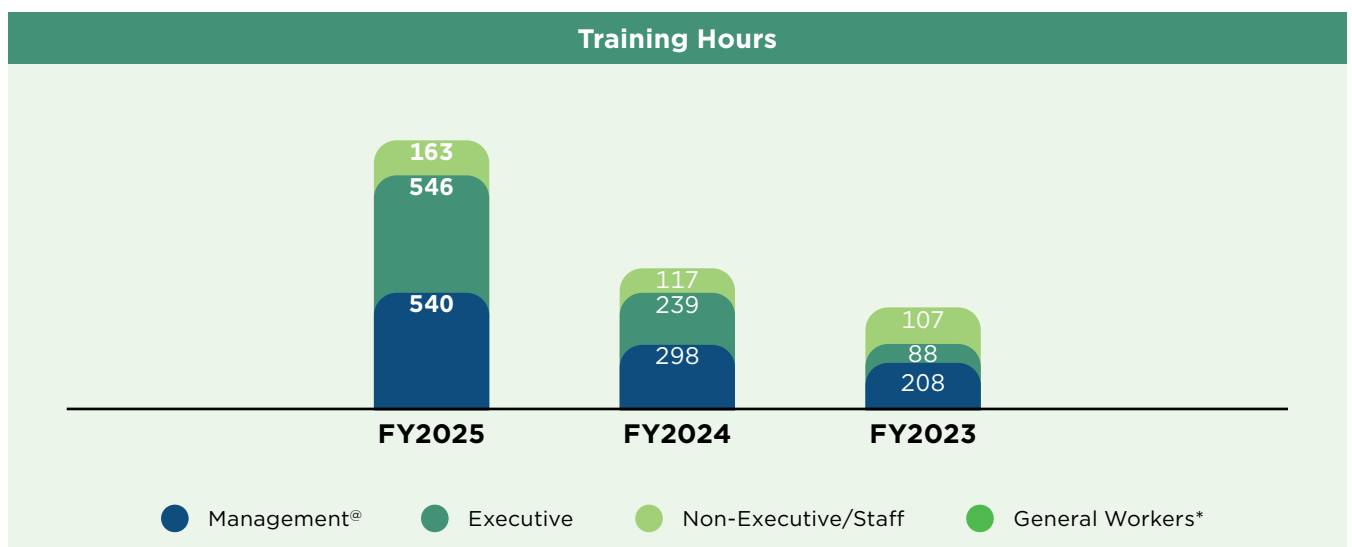
The Group upholds a No Child Labour Policy which opposes any form of child labour (children under the age of 18) to work in our estates. We conduct regular spot checks and for the reporting period there was no reported incident of child labour.

We believe that the best means to eradicate child labour is the provision of decent quality education, in which we have been supporting through providing a pre-school, a primary school, and a junior high school (from Grade 7 to Grade 9), to provide education to the children of our estate workers.

Training Hours

All employees are given an inclusive onboarding programme, covering relevant areas of the business, including among others, the Group's strategies, business segments and operations, the corporate governance framework within the Group and key risks.

The trainings/seminars/conferences attended by the employees of the Group, are set out below:



Notes:

[@] Including senior management, head of department and manager.

^{*} On the job trainings are provided which are not formally documented.

Additionally, employees who have consistently demonstrated a high level of commitment and achievement throughout the year are greatly appreciated by the Group. In order to ensure fair compensation for our employees, their annual performance is evaluated based on key performance indicators and internal promotions are implemented for eligible employees to take on greater responsibilities.

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

COMMUNITY

It is widely recognised that the journey towards a sustainable future begins from within and we embrace this notion. As a responsible corporate entity, our priority is to foster long-lasting growth for our Group, while ensuring that we generate value for the communities we are privileged to serve. To achieve this, we actively support and contribute to the well-being of the underserved local communities where our business operates.

Plasma Programme

The Plasma Programme is an initiative by the Indonesian government to encourage plantation owners in Indonesia to provide economic and social assistance to surrounding villagers (small landholders) by helping them increase their income and welfare. Under the Plasma Programme, our Group is tasked with assisting the local community, represented by cooperatives, in the development and preparation of plantation land, the supply of oil palm seedlings to these cooperatives, and the training, education, and partnership with local farmers in oil palm cultivation and management, as mandated by Indonesian plantation laws and regulations.

Under the Plasma Programme, the Group has provided a total of 2,306.0 Ha of plantation land, of which 1,606.0 Ha is under PTMKH and 700.0 Ha is under PTSPS for plantation development and management for the local cooperatives.



PTMKH and PTSPS management jointly organised the team-building event in 2025, an initiative to foster engagement and increase morale among the colleagues and workers

SUSTAINABILITY REPORT

SUSTAINABILITY EFFORTS (CONT'D)

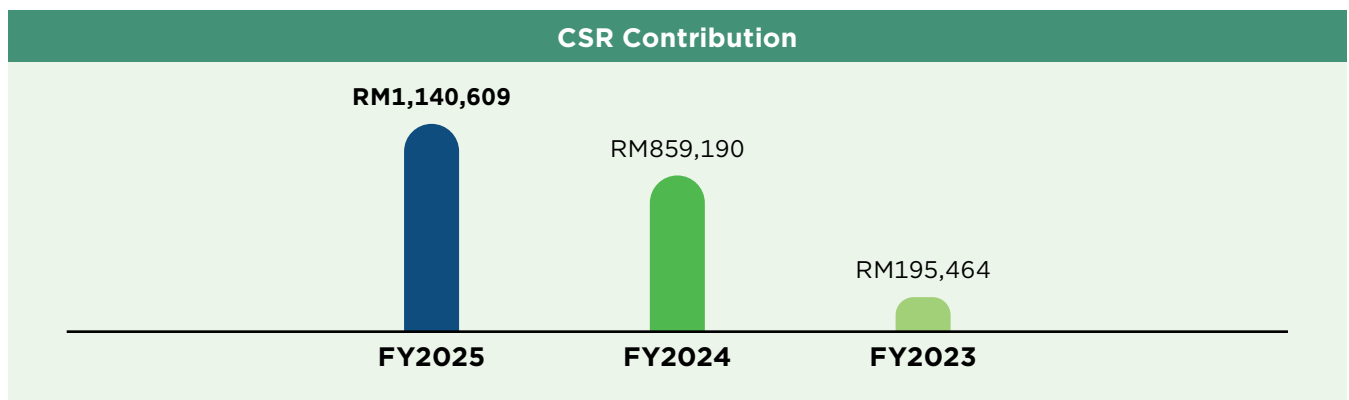
COMMUNITY (CONT'D)

CSR Activities

Our Group is committed to community-based programmes and sustainable initiatives that aim to enhance the well-being of disadvantaged individuals and mitigate socio-economic disparities. Through various CSR activities, including charity donation drives, provision of financial aid, sponsorship for sports and festival events. MKHOP supports initiatives that make positive impact on the community.

Our plantation carried out three blood donation campaign for FY2025 in collaboration with Palang Merah Indonesia. This initiative is designed to advance community well-being and to foster a culture of health and unity.

For FY2025, the Group contributed approximately RM1,140,609 in community engagement through various CSR activities involving social, health and sports initiatives.



We actively meet with industry associates, participate in forums and meet with consultants to gain diverse and valuable perspectives. We continuously improve our sustainable development programmes and initiatives.

We have good working relationships with our bankers, customers, suppliers, consultants, contractors and local authorities. Our aim is to create and deliver sustainable value to all our stakeholders.

The Board continuously monitor the sustainability performance of the Group's operation and introduces additional sustainability measures, as deemed appropriate to complement existing practices.



Blood donation campaign in collaboration with Palang Merah Indonesia



Monitoring blood pressure prior to conducting the weekly Saturday meeting

MKH Oil Palm (East Kalimantan) Berhad

BMLR Transition Period

Date & Time: 2026-01-16_10:19:00

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
1. Anti-corruption	(a) Percentage of employees who have received training on anti-corruption by employee category	—	—	—	No assurance
—	Management	Percentage	100.0	—	Internal
—	Executive	Percentage	100.0	—	Internal
—	Non-Executive/Staff	Percentage	100.0	—	Internal
—	General Workers	Percentage	Not applicable	—	No assurance
—	(b) Percentage of operations assessed for corruption-related risks	Percentage	100.0	—	Internal
—	(c) Confirmed incidents of corruption and action taken	Number	0	—	Internal
2. Community/Society	(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,140,609	—	Internal
—	(b) Total number of beneficiaries of the investment in communities	Number	18	—	Internal
3. Diversity	(a) Percentage of employees by gender and age group, for each employee category	—	—	—	No assurance
—	(i) Age Group by Employee Category	—	—	—	No assurance
—	Management Under 30	Percentage	2.7	—	Internal
—	Management Between 30 to 50	Percentage	81.1	—	Internal

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Management Above 50	Percentage	16.2	—	Internal
—	Executive Under 30	Percentage	14.3	—	Internal
—	Executive Between 30 to 50	Percentage	82.4	—	Internal
—	Executive Above 50	Percentage	3.3	—	Internal
—	Non-Executive/Staff Under 30	Percentage	39.6	—	Internal
—	Non-Executive/Staff Between 30 to 50	Percentage	50.7	—	Internal
—	Non-Executive/Staff Above 50	Percentage	9.7	—	Internal
—	General Workers Under 30	Percentage	35.2	—	Internal
—	General Workers Between 30 to 50	Percentage	58.8	—	Internal
—	General Workers Above 50	Percentage	6.0	—	Internal
—	(ii) Gender Group by Employee Category	—	—	—	No assurance
—	Management Male	Percentage	83.8	—	Internal
—	Management Female	Percentage	16.2	—	Internal
—	Executive Male	Percentage	82.4	—	Internal
—	Executive Female	Percentage	176	—	Internal
—	Non-Executive/Staff Male	Percentage	63.8	—	Internal

MKH Oil Palm (East Kalimantan) Berhad

BMLR Transition Period

Date & Time: 2026-01-16_10:19:00

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Non-Executive/Staff Female	Percentage	36.2	—	Internal
—	General Workers Male	Percentage	74.6	—	Internal
—	General Workers Female	Percentage	25.4	—	Internal
—	(b) Percentage of directors by gender and age group	—	—	—	No assurance
—	Male	Percentage	70.0	—	Internal
—	Female	Percentage	30.0	—	Internal
—	Below 50	Percentage	20.0	—	Internal
—	Between 50-60	Percentage	10.0	—	Internal
—	Between 61-70	Percentage	30.0	—	Internal
—	Above 70	Percentage	40.0	—	Internal
4. Energy management	(a) Total energy consumption	Megawatt	16,840	—	Internal
5. Health and safety	(a) Number of work-related fatalities	Number	0	—	Internal
—	(b) Lost time incident rate ("LTIR")	Rate	1516	—	Internal
—	(c) Number of employees trained on health and safety standards	Number	1,320	—	Internal
6. Labour practices and standards	(a) Total hours of training by employee category	—	—	—	No assurance
—	Management	Hours	540	—	Internal

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Executive	Hours	546	—	Internal
—	Non-Executive/Staff	Hours	163	—	Internal
—	General Workers	Hours	Not applicable	—	No assurance
—	(b) Percentage of employees that are contractors or temporary staff	Percentage	12.1	—	Internal
—	(c) Total number of employee turnover by employee category	—	—	—	No assurance
—	Management	Number	11	—	Internal
—	Executive	Number	21	—	Internal
—	Non-Executive/Staff	Number	52	—	Internal
—	General Workers	Number	1,293	—	Internal
—	(d) Number of substantiated complaints concerning human rights violations	Number	0	—	Internal
7. Supply chain and management	(a) Proportion of spending on local suppliers	Percentage	96.2	—	Internal
8. Data privacy and security	(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	—	Internal
9. Water	(a) Total volume of water used	Megalitres	1,108	—	Internal
10. Waste management	(a) Total waste generated	Metric tonnes	378,991	—	Internal

MKH Oil Palm (East Kalimantan) Berhad

BMLR Transition Period

Date & Time: 2026-01-16_10:19:00

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	(i) Total waste diverted from disposal	Metric tonnes	378,967	—	Internal
—	(ii) Total waste directed to disposal	Metric tonnes	24	—	Internal
11. Emissions management	(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	108,381	—	Internal
—	(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	50	—	Internal
—	(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	185	—	Internal

DIRECTOR'S PROFILE

Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong

*Non-Independent
Non-Executive Chairman*

Gender: Male

Age: 82

Nationality: Malaysian

Date of Appointment:
19 November 2004

Education & Qualification

- Secondary education at SMJK Yu Hua, Kajang
- Higher secondary education at Han Chiang High School, Penang

Experience & Achievements

Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong was appointed to the Board on 19 November 2004. He was redesignated as the Non-Independent Non-Executive Chairman in March 2023.

He began his career in 1962 manning his family business. In 1970, he ventured into oil palm plantation with the acquisition of a 300-acre oil palm estate in Malaysia, which he later sold in 1973.

He founded Srijang Bena Sdn. Bhd. (currently known as MKH Berhad) in 1979 and assumed the role as the Managing Director and spearheaded its listing in 1995. In 2006, he was redesignated as Group Executive Chairman of MKH Berhad, a position he presently holds.

Under his leadership, MKH Berhad Group ventured into oil palm business in Indonesia in 2008 via PT Maju Kalimantan Hadapan. He has been involved in business for about 65 years, of which 47 years were in property development and construction industry and 33 years were in plantation sector.

In recognition of his vast knowledge and experience in the business industry, he was the recipient of "The World Green & Sustainability Icon Leadership Lifetime Achievement Award 2025", "The Great Asean Entrepreneur Award 2024", "World Chinese Economic Summit Lifetime Achievement Award 2017" and "The International Real Estate Federation (FIABCI) Malaysia Property Man of the Year 2013".

Since July 2022, he has been the Honorary President of the Malaysia-China Chamber of Commerce. He is generous in supporting community and educational causes. Currently, he holds the positions as Chairman for Hulu Langat Chinese Industry & Commerce Association, Chairman for school Board of SMJK Yu Hua and Chairman for School Building Committee SMJK Yu Hua Kajang (2).

Directorship in Public Companies and Listed Issuers

- Group Executive Chairman of MKH Berhad (listed on Main Market of Bursa Malaysia)
- Intelek Murni (M) Berhad (subsidiary of MKH Berhad)

Relationship with Other Directors and/or Substantial Shareholders

He is the brother of Tan Sri Datuk Chen Lok Loi and Datuk Chen Fook Wah, the substantial shareholders and the father of Chen Wei Chyong. He has no conflict of interest with the Company or its subsidiaries.

DIRECTOR'S PROFILE

Tan Sri Datuk Chen Lok Loi

*Non-Independent
Non-Executive Director*

Gender: Male

Age: 73

Nationality: Malaysian

Date of Appointment:
19 November 2004

Education & Qualification

- Bachelor of Business (Marketing) from Monash University, Australia

Experience & Achievements

Tan Sri Datuk Chen Lok Loi was appointed to the Board on 19 November 2004. He was redesignated as the Non-Independent Non-Executive Director in March 2023.

He began his career in 1982 as real estate agent. He joined the management of MKH Berhad in 1982 and was appointed to the Board of MKH Berhad in 1984. In 2005, he was redesignated as Group Managing Director of MKH Berhad, a position he presently holds.

He was the recipient of “The Edge Malaysia Outstanding Contribution to the Real Estate Industry 2024 Award”, “The Edge Malaysia Outstanding Property CEO Award 2018”, “CIDB’s Malaysian Construction Industry Excellence Awards 2015 - CEO of The Year”, “Greentech Malaysia Top 30 Green Catalysts Award 2014” and “Real Estate and Housing Developers’ Association (REHDA) Personality Award 2013”. He has 44 years of experience in property development and construction related businesses and is the past Chairman of Perbadanan PRIMA Malaysia. He is a patron of REHDA Malaysia and the industry advisor for Master of Business Administration (Building Management) Programme in Universiti Tunku Abdul Rahman and also the President of Building Management Association of Malaysia (2021-2022), EXCO member of the Malaysia Crime Prevention Foundation as well as the Board Advisors for Malaysia Shopping Malls Association (2018-2026). As an advocate of healthy living, he is also the President of the Race Walkers’ Association of Malaysia and President of the Royal Selangor Golf Club.

He was an active committee member in various government-private sector organisations that formulate policies governing the housing and real estate industry such as Advisory Council Member of Construction Labour Exchange Centre Berhad, PEMUDAH Special Task Force on Kuala Lumpur City Hall and CIDB Pemandu Pembangunan Pelan Induk Industri Pembinaan 2 (2016-2020).

Directorship in Public Companies and Listed Issuers

- Group Managing Director of MKH Berhad (listed on Main Market of Bursa Malaysia)
- GK Resort Berhad and Intelek Murni (M) Berhad (subsidiaries of MKH Berhad)

Relationship with Other Directors and/or Substantial Shareholders

He is the brother of Tan Sri Dato’ Chen Kooi Chiew @ Cheng Ngi Chong and Datuk Chen Fook Wah, the substantial shareholders and the uncle of Chen Wei Chyong. He has no conflict of interest with the Company or its subsidiaries.

DIRECTOR'S PROFILE

Dato' Lee Khee Meng

Executive Director

Gender: Male

Age: 47

Nationality: Malaysian

Date of Appointment:
30 July 2021

Education & Qualification

- Diploma in Economics from University of London
- Bachelor of Science (Honours) in Economics and Management from University of London, United Kingdom
- Certified Credit Professional from Institut Bank-Bank Negara (now known as Asian Institute of Chartered Bankers)
- Member of Incorporated Society of Planters
- Member of Institute of Corporate Directors Malaysia

Experience & Achievements

Dato' Lee Khee Meng was appointed to the Board on 30 July 2021. He is responsible for overseeing and managing the overall plantation operations of the Group. He is also a member of the Executive Committee.

He began his corporate career in 2000 as Graduate Trainee, Corporate Banking in Public Finance Berhad (now known as Public Bank Berhad); and was early-promoted to the rank of Senior Officer for its Corporate Loans Department. In 2002, he joined AXA Affin Assurance Berhad as Business Analyst, in which he assisted top-level management with country analysis framework, and formulated strategies towards corporate planning and business development. In 2005, he joined United Overseas Bank (Malaysia) Berhad as Account Relationship Manager for the Commercial Lending Division, and was further involved in the setup of a new branch.

He thereafter served as Chief Financial Officer, and Director of Operations and Finance, of Haus Living Concepts Sdn. Bhd. from 2006 to 2007 and from 2007 to 2008, respectively. Between 2008 to 2010, he was accepted into the United Kingdom Highly Skilled Migrant Programme and relocated to Wimbledon Park, London. He partnered with mainland China property developers from previous furnishing projects, and facilitated their investments into the UK property development projects. After the projects' completion, he relocated back to Malaysia; and joined RHB Bank Berhad in 2010 as Outlet Manager, where he managed 2 branches in Klang Valley during his tenure.

In 2011, he joined MKH Berhad as Finance Manager, and rose through the ranks to the position of Plantation Director of the Group in 2014. In 2021, he was further appointed as Executive Director of the Company.

He is passionate about sustainable palm oil practises and has been an international delegate at Indonesia Palm Oil Conference since 2012 (except for periods affected by COVID-19). He has been regularly invited by authorities and industry players to share his views on policies, initiatives, mechanisation, and innovative practices relevant to the industry.

Directorship in Public Companies and Listed Issuers

Nil

Relationship with Other Directors and/or Substantial Shareholders

He does not have any family relationship with any other Directors and/or substantial shareholders of the Company and has no conflict of interest with the Company or its subsidiaries.

DIRECTOR'S PROFILE

Chen Wei Chyong

Executive Director

Gender: Female

Age: 50

Nationality: Malaysian

Date of Appointment:
30 July 2021

Education & Qualification

- Bachelor of Business (Human Resource Management) from Charles Sturt University, Australia
- Master of Business Administration (Information Technology) from Charles Sturt University, Australia

Experience & Achievements

Ms. Chen Wei Chyong was appointed to the Board on 30 July 2021. She is responsible for overseeing the Group's overall human resource, administration and IT functions. She is also a member of the Executive Committee.

She started her career with MKH Berhad Group as Admin Officer in 2002, where she was involved in day-to-day administrative and accounting tasks.

She was promoted to Senior Human Resource and Administration Executive in 2012 and in later in the same year to Human Resource Manager. In 2015, she also assumed the administrative function and redesignated as Manager - Human Resources and Administration.

In 2016, she was promoted to Senior Manager - Human Resources and Administration, and to Assistant General Manager - Human Resources and Administration in 2022 and resigned in 2023.

In 2021, she was appointed as Executive Director of the Company, where she is responsible for overseeing the Group's overall human resources functions which include talent acquisition, training of employees, setting and maintenance of human resource policies as well as IT and administration functions.

Directorship in Public Companies and Listed Issuers

Nil

Relationship with Other Directors and/or Substantial Shareholders

She is the daughter of Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong and the niece of Tan Sri Datuk Chen Lok Loi who are members of the Board of the Group. She is also the niece of Datuk Chen Fook Wah, a substantial shareholder. She has no conflict of interest with the Company or its subsidiaries.

DIRECTOR'S PROFILE

Yeo Kiat Seng

*Non-Independent
Non-Executive Director*

Gender: Male

Age: 64

Nationality: Malaysian

Date of Appointment:
11 August 2022

Education & Qualification

- Bachelor of Surveying from University of New South Wales, Australia
- Master of Science (Land Administration and Development) from Universiti Teknologi Malaysia
- Intensive Diploma in Oil Palm Management and Technology from the Institute of Malaysian Plantation and Commodities
- Registered as Land Surveyor with the Board of Land Surveyor, Peninsular Malaysia

Experience & Achievements

Mr. Yeo Kiat Seng was appointed to the Board on 11 August 2022. He is also a member of the Nomination Committee.

His non-independent directorship arises due to his involvement in Jurukur Jitu Runding as a land surveyor. Jurukur Jitu Runding provides land surveying services to MKH Berhad group's property development division. For financial year ended 30 September 2025, the consideration for the land surveying services was RM0.1 million.

He began his career in 1987 as a Graduate Surveyor at Syarikat Jurukur Konsultant, where he was responsible for field survey works, survey computation and drafting as well as the management of survey teams. He left in 1996.

In 1996, he founded Jurukur Jitu Runding, a land surveyor firm registered with the Land Surveyors Board which provides land surveying services. He oversees the overall operations and growth of the business and provides strategic guidance and directions to the senior management team. In 2013, he co-founded Jitu Konsult Sdn. Bhd. and is responsible for overseeing the overall operations of the company in the provision of land surveying and land housing development services. In 2018, he co-founded Jitu Runding Sdn. Bhd. and is responsible for overseeing the overall operations of the company in the provision of land surveying services.

Directorship in Public Companies and Listed Issuers

Nil

Relationship with Other Directors and/or Substantial Shareholders

He does not have any family relationship with any other Directors and/or substantial shareholders of the Company and has no conflict of interest with the Company or its subsidiaries.

DIRECTOR'S PROFILE

Yahya bin Ariffin

*Senior Independent
Non-Executive Director*

Gender: Male

Age: 68

Nationality: Malaysian

Date of Appointment:
11 August 2022

Education & Qualification

- Diploma in Agriculture Science from Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia)

Experience & Achievements

En. Yahya bin Ariffin was appointed to the Board on 11 August 2022 and was redesignated as the Senior Independent Non-Executive Director of the Company on 25 April 2024. He is also a member of the Audit and Risk Management Committee and Remuneration Committee.

He began his career in 1979 as a Trainee Assistant on West Estate under a training scheme for Ketengah Jaya Sdn. Bhd., responsible for monitoring daily harvesting and field operations and left in 1980.

He joined Kumpulan Guthrie Berhad (now known as Sime Darby Berhad) in 1980 as a Planting Assistant, responsible for assisting in maintenance operations and developing strategies to improve production. He was promoted several times and in 2006, seconded to Minamas Plantation, Kalimantan, Indonesia as Acting Senior General Manager of Estate Operations, responsible for overseeing the overall estates & mills operations.

Upon the merger of plantation units in Permodalan Nasional Berhad in 2007, he was appointed as Head of Plantation Operations for the Kalimantan/Sulawesi region, responsible for managing the overall operations of estates and mills.

He returned to Malaysia as an Estate Advisor in 2013 under Sime Darby Plantation Berhad, responsible for providing advisory services on the overall plantation's operation and strategic planning up until his retirement in 2017.

Directorship in Public Companies and Listed Issuers

Nil

Relationship with Other Directors and/or Substantial Shareholders

He does not have any family relationship with any other Directors and/or substantial shareholders of the Company and has no conflict of interest with the Company or its subsidiaries.

DIRECTOR'S PROFILE

Leong Sow Yoke

*Independent
Non-Executive Director*

Gender: Female

Age: 65

Nationality: Malaysian

Date of Appointment:
20 May 2022

Education & Qualification

- Fellow of the Association of Chartered Certified Accountants (ACCA)
- Chartered Accountant, Malaysian Institute of Accountants (MIA)
- Fellow Chartered Banker, Asian Institute of Chartered Bankers and Chartered Banker Institute, UK
- Certified Information Systems Auditor, the Information Systems Audit and Control Association (ISACA)

Experience & Achievements

Ms. Leong Sow Yoke was appointed to the Board on 20 May 2022. She is the Chairperson of the Audit and Risk Management Committee.

She started her career in 1983 as an Audit Assistant with Azman, Wong, Salleh & Co/Salleh, Leong, Azlan & Co., providing financial and IT audit and consultancy services. In 1987, she left as an Audit Senior/Acting Manager and joined the Lion group of companies as the Head of IT Audit, where she established and led the group's IT audit functions until 1989.

In 1989, she joined Overseas Union Bank (Malaysia) Berhad as an Audit Senior and was promoted to Head of Internal Audit in 1990, responsible for overseeing and leading all internal audit functions in the bank. In 2002, she joined United Overseas Bank (Malaysia) Berhad following the merger of the two banks. In 2003, she was promoted to Head of Division, Internal Audit and assumed similar responsibilities until 2010.

In 2010, she joined Alliance Bank Malaysia Berhad as Group Chief Internal Auditor, responsible for overseeing the internal audit function of the group; she retired from the bank in 2020.

She joined Bangkok Bank Berhad, a subsidiary of Bangkok Bank Public Company Limited (listed on the Stock Exchange of Thailand), as an Independent Non-Executive Director in 2022 and resigned in June 2025.

Directorship in Public Companies and Listed Issuers

Nil

Relationship with Other Directors and/or Substantial Shareholders

She does not have any family relationship with any other Directors and/or substantial shareholders of the Company and has no conflict of interest with the Company or its subsidiaries.

DIRECTOR'S PROFILE

Ong Kim Pin

*Independent
Non-Executive Director*

Gender: Male

Age: 74

Nationality: Malaysian

Date of Appointment:
11 August 2022

Education & Qualification

- Bachelor of Agricultural Science from University of Malaya
- Master of Science majoring in Crop Production and Physiology from Iowa State University of Science and Technology, United States of America

Experience & Achievements

Mr. Ong Kim Pin was appointed to the Board on 11 August 2022. He is also a member of the Audit and Risk Management Committee.

He began his career in 1976 as an Agricultural Officer in the Department of Agriculture of Malaysia, responsible for managing the production of cocoa, coconut and coffee planting materials in Perak. He took a paid study break in 1980 to pursue his Master of Science, and in 1983, he continued services in the Department of Agriculture of Malaysia, managing and specialising in the production of cocoa, coconut, coffee seeds and other planting materials up to 1988.

He began working as an agronomist at Eastern Plantation Agency (Johor) Sdn. Bhd. (now EPA Management Sdn. Bhd.), a subsidiary of Kulim (Malaysia) Berhad, in 1988. His duties included assessing, evaluating, and recommending agronomy practices for the production of oil palm, rubber and cocoa crops. Promoted to Comptroller and Department Director of Research and Development in 1996 and 2002, respectively, he was responsible for managing research and development activities in the field of agronomy and on the technical aspects of the production of various plantation crops such as oil palm, rubber, tea, coffee and banana, up to his retirement in 2007.

Post retirement, he acted as freelance consultant for plantation crop advisory, research and feasibility studies, technical advisory and training, to several oil palm companies in Malaysia and Indonesia namely, Consulting Advisor (Agronomy) with EPA Management Sdn. Bhd.) (a subsidiary of Kulim (Malaysia) Berhad (2007 to 2013), Consultant (Research and Development) with Sarawak Oil Palms Berhad (2012 to 2022), Consultant (Planting Advisory and Agronomy Consultancy) for Unico Desa Plantations Berhad (2013 to 2014), Consultant (Agronomy Consultancy and Planting Advisory) for Incasi Raya Group (Indonesia) (2015 to 2017) and Consultant (Agronomy) for Kwantas Corporation Berhad (2020 to 2022).

Directorship in Public Companies and Listed Issuers

Nil

Relationship with Other Directors and/or Substantial Shareholders

He does not have any family relationship with any other Directors and/or substantial shareholders of the Company and has no conflict of interest with the Company or its subsidiaries.

DIRECTOR'S PROFILE

Tan Hoe Hing

*Independent
Non-Executive Director*

Gender: Male

Age: 74

Nationality: Malaysian

Date of Appointment:
11 August 2022

Education & Qualification

- Bachelor of Agricultural Science from University of Malaya
- Post-graduate diploma in Maize Production from International Maize and Wheat Improvement Center, Mexico
- Master of Agriculture in Agriculture (Farm Management) from University of the Ryukyus, Okinawa, Japan

Experience & Achievements

Mr. Tan Hoe Hing was appointed to the Board on 11 August 2022. He is also the Chairman of the Remuneration Committee and a member of the Audit and Risk Management Committee and Nomination Committee.

He began his career in 1976 as an agriculture officer in the Department of Agriculture of Malaysia, responsible for ensuring all agricultural practices and products were in compliance with local regulations and effective farm operations. He received several promotions over the years and retired in 2007 as the Director of Paddy, Industrial Crops and Floriculture, where his responsibilities included overseeing and providing services for the development of these agricultural commodities.

In 2008, he was appointed by Malaysian Agrifood Corporation Berhad as the Vice President, Standards and Certification, in which he was responsible for the adoption of Good Agricultural Practice in corporate-owned farms and carrying out farm audits on suppliers' farms to make sure they comply with good agricultural practice and he left in 2011 upon completion of the contract period.

He has been engaged on a contract basis by Cypark Resources Berhad (listed on the Main Market of Bursa Malaysia) since 2015 to manage agricultural integrated solar farm projects involving the production of high-value crops in solar greenhouses. He also leads a horticultural team to carry out quality and performance improvement, developing standard operating procedures and methodology for effective operation under controlled environments in solar greenhouses. He left in 2024 upon completion of the contract period.

Directorship in Public Companies and Listed Issuers

Nil

Relationship with Other Directors and/or Substantial Shareholders

He does not have any family relationship with any other Directors and/or substantial shareholders of the Company and has no conflict of interest with the Company or its subsidiaries.

DIRECTOR'S PROFILE

Dr. Hasuria binti Che Omar

*Independent
Non-Executive Director*

Gender: Female

Age: 59

Nationality: Malaysian

Date of Appointment:
11 August 2022

Education & Qualification

- Bachelor of Arts (Hons) majoring in Geography from Universiti Sains Malaysia
- Master of Arts (Linguistics - Translation Studies)
- Doctor of Philosophy (Ph.D) in Translation Studies from Universiti Sains Malaysia

Experience & Achievements

Dr. Hasuria binti Che Omar was appointed to the Board on 11 August 2022. She is also the Chairperson of the Nomination Committee and a member of the Remuneration Committee.

She began her career in 1995 as a Language teacher for the Centre for Language and Translation at University Sains Malaysia ("USM"), where she prepared study courses and conducted classes on subjects related to language and translation studies. She was promoted to Lecturer in 1998, in which she taught undergraduate students. In 2005, she was promoted to Senior Lecturer and her responsibilities expanded to include more research and publications and supervising postgraduate students for research and in mixed-mode study programmes. In 2009, she was promoted to Associate Professor, where she led and coordinated courses and managed research and partnerships with other educational institutions. She was also responsible for designing and developing a range of study programmes for undergraduate and postgraduate studies. She was the Deputy Dean (Academic, Students and Alumni) from 2013-2018 for the School of Humanities, USM before retired in 2022 after 26 years of service.

She is the current President of the Malaysian Translators Association (MTA), a voluntary professional body established under the auspices of Dewan Bahasa dan Pustaka (DBP) and has been the Advisor of the Malaysian Association of Sign Language Interpreter since 2006. She is also one of the Council Members (2022-2025; 2025-2028) of the International Federation of Translators (*Fédération Internationale des Traducteurs*, FIT), based in Paris, France.

Directorship in Public Companies and Listed Issuers

Nil

Relationship with Other Directors and/or Substantial Shareholders

She does not have any family relationship with any other Directors and/or substantial shareholders of the Company and has no conflict of interest with the Company or its subsidiaries.

Additional information:

Save as disclosed, none of the Directors have:

- any directorship in public companies and listed issuers;
- any family relationship with any Directors and/or major shareholders of the Company;
- any conflict of interest with the Company or its subsidiaries;
- any conviction for offences with the past 5 years other than traffic offences, if any; and
- any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



Details of the Directors' attendance at Board meetings are set out in the Corporate Governance Overview Statement on the page 82.

PROFILE OF KEY SENIOR MANAGEMENT

Tang Hee Teik

General Manager of Industrial and Agricultural Development

Gender: Male

Age: 51

Nationality: Malaysian

Education & Qualification

- Bachelor of Engineering (Agriculture) from Universiti Putra Malaysia

Experience & Achievements

He has over 27 years of experience in matters relating to agricultural manufacturing. He began his career as Production Engineer in Syarikat Thong Guan Trading Sdn. Bhd. in 1998 and was later promoted to Production/Marketing Assistant Manager where he was responsible for ensuring operation safety standards on the production floor and left in 2001.

In 2001, he joined Shuang Hor Enterprise Sdn. Bhd. as Products and Quality Control Assistant Manager, where he was responsible for the setup of a new department tasked with importing products for repacking, up to 2002. He joined GAHC Sdn. Bhd. as an Assistant Factory Manager in 2002 and was later promoted to Factory Manager in 2005, and in both roles, he was responsible for managing the manufacturing activities of the company.

In 2007, he joined Cocoaland Industry Sdn. Bhd. as Factory Manager in 2007, where his responsibility was extended to oversee contract manufacturing activities as well as to lead projects on enhancement of plant productivity up to 2008. Between 2008 and 2009, he was attached to PureCircle Sdn. Bhd. as Project Manager, in charge of designing the process flow of the equipment for a new herbal extraction plant in China.

In 2009, he joined Gerak Teguh Sdn. Bhd. (a wholly owned subsidiary of MKH Berhad) as Project Manager of agriculture, where he was a part of the pioneer team involved in the establishment of the Company. He was transferred to Intelek Kekal (M) Sdn. Bhd. (a wholly owned subsidiary of MKH Berhad) in 2010 and was promoted to Assistant General Manager of Industrial and Agricultural Development in 2014 and was later transferred to MKH Resources Sdn. Bhd. (a wholly owned subsidiary of MKH Berhad) in 2017. He was subsequently promoted to General Manager of Industrial and Agricultural Development in 2021 and transferred to the Company in 2021, assuming the same position.

Tan Soo Hoon

Group Financial Controller

Gender: Female

Age: 48

Nationality: Malaysian

Education & Qualification

- Bachelor of Accounting from University of Malaya
- Member of the Malaysian Institute of Accountants
- Member of Malaysian Institute of Certified Public Accountants

Experience & Achievements

She has over 24 years of experience in accounting and finance matters. She began her career in 2001 at KPMG PLT as an Audit Assistant, later becoming a Senior Auditor in 2004. She then joined Standard Chartered Bank Malaysia Berhad in 2005 as a Management Information System Reporting Officer and later as a Finance Manager in 2006.

In 2007, she worked as an Accountant at LB Aluminium Berhad, overseeing accounts, budgets, and financial reporting. In 2010, she joined Panasonic R&D Centre Malaysia Sdn. Bhd. as Finance Assistant Manager.

In 2013, she left Panasonic R&D Centre Malaysia Sdn. Bhd. and joined MKH Resources Sdn. Bhd. (a wholly owned subsidiary of MKH Berhad) as Group Accountant, where she was responsible for preparing financial statements and consolidation of audit reports. In 2021, she was transferred to the Company pursuant to an internal restructuring and redesignated as the Financial Controller of the Company. In 2022, she was promoted to Group Financial Controller, a position she presently holds.

PROFILE OF KEY SENIOR MANAGEMENT

Keng Ching Tong

Group Company Secretary

Gender: Male

Age: 44

Nationality: Malaysian

Education & Qualification

- Diploma in Business Studies in Business Administration from Kolej Tunku Abdul Rahman (now known as Kolej Universiti Tunku Abdul Rahman)
- Advanced Diploma in Commerce in Business Management from Kolej Tunku Abdul Rahman
- Associate of The Malaysian Institute of Chartered Secretaries and Administrators

Experience & Achievements

He has over 21 years of experience in secretarial matters and statutory compliances. He began his career in Cheng & Co. Secretarial Sdn. Bhd. as Secretarial Assistant in 2004 up to 2005.

In 2005, he joined Multi Task Business Consultants Sdn. Bhd. as Secretarial Assistant and promoted to Senior Secretarial Assistant in 2008, where he was responsible for advising clients on secretarial matters and statutory compliances.

He joined Symphony Corporatehouse Sdn. Bhd. as Senior Executive for a short stint in 2008 before joining Strategy Corporate Secretariat Sdn. Bhd. as Senior Executive in 2009, where he was responsible for managing corporate secretarial matters for listed companies and reviewing listing documents to ensure compliance with regulations. Left as Assistant Manager in 2010.

In 2010, he joined MKH Berhad as Assistant Manager of Secretarial and was transferred to MKH Resources Sdn. Bhd. (a wholly owned subsidiary of MKH Berhad) in 2011. Promoted to Manager of Secretarial in 2013 and subsequently promoted to Senior Manager of Secretarial in 2017. He was transferred to the Company pursuant to an internal restructuring and assumed the Group Company Secretary he presently holds since 2022.

Lee Kong Seng

Senior Manager - Project

Gender: Male

Age: 49

Nationality: Malaysian

Education & Qualification

- Diploma of Electrical/Electronic Engineering from Institut Teknologi Pertama Malaysia

Experience & Achievements

He has over 28 years of experience in the engineering, procurement, construction and commissioning ("EPCC") of palm oil milling projects for numerous large palm oil companies in Malaysia, Indonesia, Philippines and Thailand.

He began his career in 1997 as Project Executive in Besteel Berhad, where he was involved in palm oil mill construction projects based in Sabah and Sarawak up to 1999. In 2000, he joined Salcon Engineering Berhad as Project Engineer responsible for the execution of palm oil mill construction projects based in Malaysia and Indonesia up to 2003.

In 2003, he rejoined Besteel Berhad as Project Manager where he was responsible for managing EPCC projects for palm oil mills based in Malaysia and Indonesia up to 2008. Between 2008 and 2010, he was attached to Kraftmec Sdn. Bhd. as Project Manager in 2008 where he was responsible for EPCC projects for palm oil mills based in Indonesia and Thailand.

In 2010, he joined Perunding HMT Sdn. Bhd. as Project Manager, responsible for project tender and drawings of palm oil mill construction projects, attending site meetings with clients, liaising with contractors and suppliers to ensure compliance with contract specifications for projects based in Malaysia, Philippines and Indonesia.

In 2021, he joined MKH Resources Sdn. Bhd. (a wholly-owned subsidiary of MKH Berhad) as Project Manager and was subsequently transferred to the Company in the same year. He was promoted to Senior Manager - Project in 2025.

Additional information:

Save as disclosed, none of the Key Senior Management have:

- any directorship in public companies and listed issuers;
- any family relationship with any Directors and/or major shareholders of the Company;
- any conflict of interest with the Company or its subsidiaries;
- any conviction for offences with the past 5 years other than traffic offences, if any; and
- any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of MKH Oil Palm (East Kalimantan) Berhad (“the Company”) recognise the importance of promoting good corporate governance to ensure long-term sustainability, growth and delivering value to the stakeholders.

The Board is pleased to present the Corporate Governance Overview Statement (“CG Overview Statement”), which is prepared in accordance to Practice Note 9 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and Malaysian Code on Corporate Governance 2021 (“MCCG”) issued by Securities Commission Malaysia to the shareholders on the manner the Company and its subsidiaries (“the Group”) have applied the key Principles and Practices of the MCCG for the financial year ended 30 September 2025 (“FY2025”).

The CG Overview Statement explains how the Group has applied the three (3) principles set out in the MCCG:

- (a) Board leadership and effectiveness;
- (b) Effective audit and risk management; and
- (c) Integrity in corporate reporting and meaningful relationship with stakeholders.

This CG Overview Statement is to be read together with the Corporate Governance Report (“CG Report”), made pursuant to Paragraph 15.25(2) of the MMLR of Bursa Securities which articulates the application of the Company’s corporate governance practices as set out in the CG Report.



The CG Report is available on the Company’s website at www.mkhoilpalm.com and Bursa Securities’ website.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Role and Responsibilities of the Board

The Board is primarily responsible for the Group’s overall strategic plans and business performance, and overseeing the proper conduct of the Group’s business, risk management, succession planning, investor relations, shareholders’ communication, internal control, corporate governance practices and statutory matters.

The Board of Directors, with their diverse backgrounds, contributes a wealth of knowledge and skills in plantation and agriculture, property, accounting and corporate finance, risk management, academia and land surveying.



The roles and responsibilities of the Board and matters specifically reserved for collective decision of the Board are clearly defined in the Board Charter, which is available on the Company’s website at www.mkhoilpalm.com.

The roles and responsibilities of the Executive Directors and Independent Non-Executive Directors are clearly defined and properly segregated. All the Independent Non-Executive Directors are independent of the Executive Directors, senior management and major shareholders of the Company and free from any business or other relationship with the Group that could materially interfere with the exercise of their independent judgement. This offers a strong check and balance on the Board’s deliberation.

As part of its efforts to ensure the effective discharge of its duties and responsibilities, the Board delegates certain functions and responsibilities to other Board Committees and the management as prescribed under the MCCG to ensure appropriate checks and balances in discharging its oversight function:

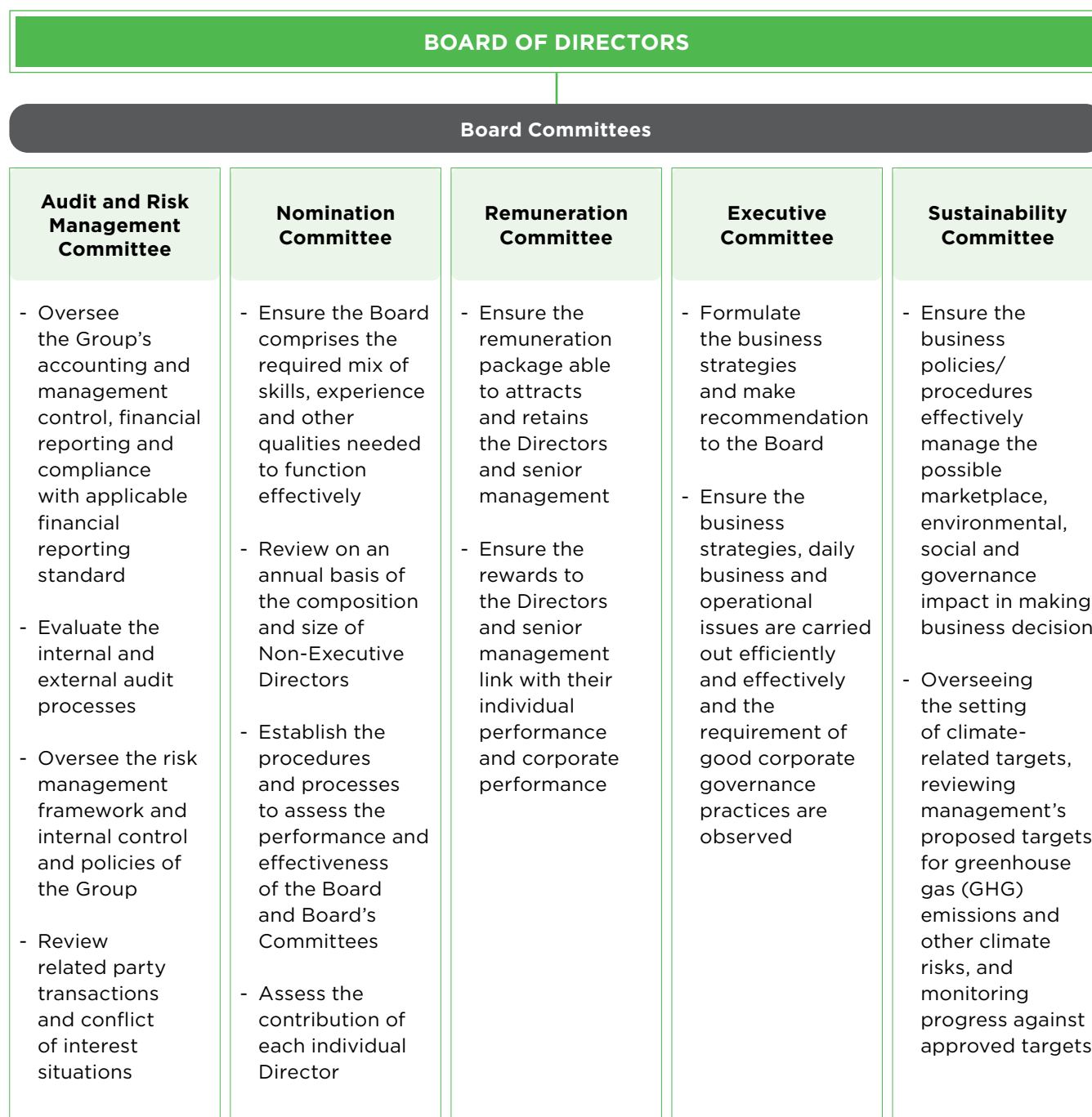
- Executive Committee;
- Audit and Risk Management Committee (“ARMC”);
- Nomination Committee (“NC”);
- Remuneration Committee (“RC”); and
- Sustainability Committee.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Role and Responsibilities of the Board (Cont'd)

The following diagram shows a brief overview on the Board Committees with their roles and functions:



The Chairman/Chairperson of each Board Committee will report to the Board on the outcome of the Committee's meetings which also include the key issues deliberated at the Committee's meetings. The Board Committees discharge their duties in accordance with the respective Terms of Reference approved by the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Separation of Functions between the Chairman of the Board and Executive Directors

The Board is led by an experienced Non-Independent Non-Executive Chairman (“Chairman”), who is accountable for ensuring the integrity and effectiveness of the governance process of the Board. The Chairman primary role is to lead and manage the Board in its collective oversight of the management, to chair the orderly conduct of meetings and facilitates discussion of all agenda items so as to promote constructive deliberation and effective decision-making, and leading all Board meetings and general meetings.

The Chairman is supported by two Executive Directors. There is a clear division of responsibilities to ensure a balance of authority and power as the roles of the Chairman and the Executive Directors are set up in the Board Charter so as to ensure that there is a balance of power and authority.

The Executive Directors’ responsibilities include to provide strategic advice to the members of the Board, to keep them aware of developments within the industry and implementation of the Board policies to achieve the Group’s objectives. The Executive Directors respectively are also responsible for the management of the Group’s businesses and managing day-to-day operations. They are supported by the management team in implementing the Group’s strategic plan and overseeing the operations and business development of the Group.

Chairman of the Board should not be a member of the Board Committees

The Board endeavours to comply with Practice 1.4 of the MCCG whereby the Chairman of the Board should not be a member of the ARMC, NC and RC.

The Chairman of the Board does not participate in any of the ARMC, NC and RC meetings. All matters raised will be deliberated at the Board Committee levels before recommending to the Board the recommendations by the Board Committees, which have been arrived at unanimously to eliminate the risk of self-review and absolute control over decision making by one person.

Qualified and Competent Company Secretary

The Board is supported by a qualified and competent Company Secretary under the Companies Act 2016 in carrying out the roles and responsibilities and ensuring that Board meeting procedures are followed. The Board has direct access to the professional advice and services of the Company Secretary especially relating to procedural and regulatory requirements such as company and securities laws and regulations, governance matters and MMLR of Bursa Securities.



The profile of the Company Secretary is provided on page 74.

The Company Secretary attends the Board meetings and Board Committees’ meetings to ensure that all deliberation of issues discussed and decisions/conclusions made are recorded accurately. The Company Secretary also facilitates timely communication of decisions made by the Board at Board meetings to the senior management team for action and work closely with the senior management team to ensure that there are timely and appropriate information flow within and to the Board and Board Committees and between the Non-Executive Directors and the management.

The Company Secretary constantly keeps himself abreast with the latest regulatory changes and/or development in corporate governance by attending the necessary trainings, conferences, seminars and/or workshops to ensure effective discharge of his advisory role to the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Supply and Access to Information and Advice

The Board has unfettered access to all information within the Company on matters requiring information for deliberation as well as obtain the advice and services from the Company Secretary, senior management team, internal auditors and external auditors in discharging their duties. The Board may also seek independent professional advice, at the Company's expense, if required in furtherance of their duties.

The notice for calling the Board meeting and the Board papers are circulated at least seven (7) days in advance of the meeting with the relevant agendas detailing the matters to be transacted at the meeting and the Board papers detailing the key matters that will be tabled at the Board meeting so that the Directors have ample time to review and consider the relevant information and this enhance the overall decision-making process.

The Executive Directors, Group Financial Controller and the Company Secretary would lead the presentation of the Board papers and provide comprehensive explanations of business plans, business performance, corporate proposals (if any), progress report on operations in relation to risk management and other pertinent issues.

All matters raised, discussions, deliberations, decisions and conclusions including dissenting views made at the meeting are recorded in the minutes of meeting.

The Board are regularly updated by the Company Secretary on the new statutory and regulatory requirements related to their duties and responsibilities, as well as on matters concerning the discharge of their duties and responsibilities.

DEMARCATON OF RESPONSIBILITIES

Board Charter

The Board is guided by its Board Charter which clearly sets out the Board's strategic intent, roles and responsibilities in discharging its fiduciary and leadership functions. The Board Charter also serves as a source of reference and primary induction literature, providing insights to new Board members and matters specifically reserved for collective decision of the Board.

The Board Charter will be periodically reviewed and updated as necessary to align with the Board's objectives, responsibilities and any new regulations that may have an impact on the discharge of the Board's responsibilities.



The Board Charter is available for reference at the Company's website at www.mkhoilpalm.com.

Code of Ethics and Conduct

The Board is committed to create a corporate culture that adhere to the best practices of corporate governance and to uphold high standard of corporate conduct. The Code of Ethics and Conduct ("the Ethics Conduct") set out the ethical standards and appropriate conduct at work adopted by the Group and is applicable to all employees and Directors of the Group.

The Ethics Conduct covers the areas of conflict of interest, confidential information, insider information and securities trading, protection of Group's assets and etc.



The details of the Ethics Conduct are available for reference at the Company's website at www.mkhoilpalm.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

DEMARCATON OF RESPONSIBILITIES (CONT'D)

Fit and Proper Policy

The Group adopted a Fit and Proper Policy to ensure that individuals of high calibre who possess the right blend of qualifications, expertise, track record, competency and integrity are appointed to the Board and the Group. All candidates to be appointed to the Board of the Group, including those seeking re-election or re-appointment, shall undergo a review of fit and properness by the Board in accordance with the Fit and Proper Policy.



The Fit and Proper Policy is available for reference at the Company's website at www.mkhoilpalm.com.

Whistleblowing Policy

The Board has put in place Whistleblowing Policy, a mechanism for its employees and stakeholders to report any concerns relating to possible improper conduct within the Company in matters relating to financial, compliance, misconduct, wrongdoing and other malpractices in an appropriate manner.

The Group encourages its employees to raise genuine concerns within the Group in an appropriate way without the fear of retaliation and the identity of the whistleblower will be protected and kept confidential.



The Whistleblowing Policy is posted on the Company's website at www.mkhoilpalm.com.

Anti-Bribery and Corruption Policy

The Company had adopted the Anti-Bribery and Corruption Policy ("ABAC Policy") which is implemented across the Group at all levels. This ABAC Policy which sets out its expectations for internal and external parties working for and on behalf of the Group in preventing bribery or corrupt practices in relation to the Group's businesses.



The details of the ABAC Policy is posted on the Company's website at www.mkhoilpalm.com.

Conflict of Interest Policy

The Board has formalised a Conflict of Interest Policy for the Group in managing conflict of interest situations, including potential conflict of interest, between any Director or senior management and the Company and/or any of its subsidiaries. This is to ensure that they act in the best interest of the companies they serve and they must not place themselves in a position where there is conflict between their duties to the companies and personal interest.

Governing Sustainability

The Board recognises the importance of business sustainability and regularly reviews operational practices that impact the marketplace, environmental, social and governance aspects of the Group's businesses.

The Board is kept abreast on the sustainability issues which are relevant to the Group and communicates the Group's sustainability matters and performance to all stakeholders via the Sustainability Reporting included in this Annual Report 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

BOARD COMPOSITION

Board Balance

The Board currently has a total of ten (10) directors comprising the following members:

- One (1) Non-Independent Non-Executive Chairman;
- Two (2) Executive Directors;
- Two (2) Non-Independent Non-Executive Directors; and
- Five (5) Independent Non-Executive Directors.

The five (5) Independent Non-Executive Directors are in line with the requirement for at least two (2) or one-third (1/3) of the Board of the Company, whichever is the higher, are independent directors, as stated in Paragraph 15.02(1) of the MMLR of Bursa Securities. The composition also aligns with Practice 5.2 of the MCCG, which requires at least half of the Board comprises Independent Directors.

In the event of any vacancy in the Board, resulting in non-compliance of the number of Independent Directors required in the Board, the Company will fill the vacancy within three (3) months of such an event.

The Board recognises the pivotal role of the Independent Director, as they provide independent perspectives and insights to foster a healthy corporate culture, transparency and accountability in the Board.

The Board having reviewed its size and composition is satisfied that its current size and composition is well balanced, with diverse professional background, skills, expertise and knowledge in discharging its responsibilities for the proper functioning of the Board and fairly reflects the investment in the Company by shareholders apart from the largest shareholder. Furthermore, the current number of Board members is conducive for efficient deliberations at Board meetings and effective conduct of Board decision-making.



Brief profile of each Director is detailed under Profile of Directors in this Annual Report.

Tenure of Independent Directors

The Board is mindful that the tenure of an Independent Non-Executive Director should not exceed a cumulative term of nine (9) years as recommended by Practice 5.3 of the MCCG. If the Board intends to retain an Independent Director beyond nine (9) years, it shall justify and seek annual shareholders' approval through a two-tier voting process in line with the recommendation of the MCCG.

As at 30 September 2025, none of the Independent Non-Executive Directors on the Board has exceeded nine (9) years of tenure.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

BOARD COMPOSITION (CONT'D)

Board Diversity

The Board is made up of members with extensive experience and understanding in plantation and agriculture, property, accounting and corporate finance, risk management, academia and land surveying. These wide spectrums of competencies, capabilities, skills, and relevant business experience provide the Board with a diverse set of expertise and knowledge in discharging its responsibilities for the proper functioning of the Board and ensure that the Group continues to be competitive within the plantation industry segment.

The Board believes that not adopting a formal diversity policy on gender, ethnicity and age group is not detrimental to the Company, as it remains committed to providing fair and equal opportunities while fostering diversity within the Group.

Nevertheless, the Board reaffirms its commitment to boardroom diversity is essential for good governance, enhance effectiveness and fostering productive Board. When identifying suitable candidates for Board appointments, the NC should evaluate them based on his or her merits, using objective criteria with due consideration given to diversity, as stated in the Board Charter.

Gender Diversity

The Board did not set specific targets for gender diversity within the Company. However, the Board aims to achieve gender diversity by ensuring the inclusion of women directors based on pre-determined competencies and skill sets.

As at 30 September 2025, the Board has three (3) women Directors namely Ms. Chen Wei Chyong, Ms. Leong Sow Yoke and Dr. Hasuria binti Che Omar, which account for 30% of the Board composition, hence the Company has complied with Practice 5.9 of the MCGG recommendation for the Board to consist of at least 30% women directors.

Board Commitment

An annual calendar of meetings' schedule will be provided in advance to enable the Board members to plan their schedules. The Board meetings will be held at least four (4) times in each financial year on a quarterly basis, either through physical, virtual or hybrid meetings and has a formal schedule of matters reserved to it. Additional meetings will be convened on an ad hoc basis to deliberate on matters requiring its immediate attention. The Board is supplied with full and timely information to enable it to discharge its responsibilities.

During these meetings, the Board reviews the Group's financial performance, business operations, reports of the various Board Committees and results are deliberated and considered. Management and performance of the Group and any other strategic issues that affect or may affect the Group's businesses are also deliberated. Where any direction or decisions are required expeditiously or on an urgent basis from the Board between the regular meetings, special or ad hoc Board meetings may be conveyed by the Company Secretary, after consultations with the Board Chairman.

Each Board member is expected to achieve at least 50% attendance of total Board meetings each financial year, with appropriate leave of absence being notified to the Board Chairman and/or Company Secretary, where applicable.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

BOARD COMPOSITION (CONT'D)

Board Commitment (Cont'd)

The attendance record of each Director at the Board meetings and Board Committees meetings held during FY2025 are outlined below:

Directors	No. of Meetings Held			
	Board	ARMC	NC	RC
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong (Non-Independent Non-Executive Chairman)	5/5	-	-	-
Tan Sri Datuk Chen Lok Loi (Non-Independent Non-Executive Director)	5/5	-	-	-
Dato' Lee Khee Meng (Executive Director)	5/5	-	-	-
Chen Wei Chyong (Executive Director)	5/5	-	-	-
Yeo Kiat Seng (Non-Independent Non-Executive Director)	5/5	-	1/1	-
Leong Sow Yoke [^] (Independent Non-Executive Director)	5/5	5/5	-	-
Ong Kim Pin (Independent Non-Executive Director)	5/5	5/5	-	-
Tan Hoe Hing* (Independent Non-Executive Director)	5/5	5/5	1/1	1/1
Yahya bin Ariffin (Senior Independent Non-Executive Director)	5/5	5/5	-	0/1
Dr. Hasuria binti Che Omar [#] (Independent Non-Executive Director)	5/5	-	1/1	1/1

Notes:

[^] Chairperson of ARMC

* Chairman of RC

[#] Chairperson of NC

For FY2025, all the Directors have complied with the minimum 50% attendance requirement in respect of Board meeting as stipulated in the MMLR of Bursa Securities.

In the intervals between Board meetings, any matters requiring urgent Board decisions and/or approval will be sought via circular resolutions which are supported with all the relevant information and explanations required for an informed decision to be made. The resolutions passed by way of such resolutions are then noted at the next Board meeting.

In fostering the commitment of the Board to devote sufficient time to carry out their responsibilities effectively, one (1) criterion as agreed by the Board is that they must not hold directorships in more than five (5) public listed companies as prescribed in Paragraph 15.06(1) of the MMLR of Bursa Securities. Each Director is required to notify the Chairman of the Board prior to accepting directorship(s) outside the Group. The notification would include an approximate indication of the time that will be spent by the Directors on the new appointment(s).

The Board is satisfied with the level of time and commitment given by the Directors of the Company towards fulfilling their duties and responsibilities during the FY2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

BOARD COMPOSITION (CONT'D)

Nomination Committee

The NC comprises three (3) members, made up by majority of Independent Non-Executive Directors.

The NC is responsible for evaluating the composition of the Board, assessing the effectiveness of each Board committee and the Board as a whole and reviewing the performance of individual Directors. The NC ensures that the Board has the appropriate mix of skills, knowledge and experience. In addition, the NC conducts an annual assessment of the independence of the Independent Non-Executive Directors.

The summary activities undertaken by the NC in the discharge of its duty for the financial year under review are as follows:

- (i) reviewed the Directors who were due for re-election by rotation and/or re-appointment;
- (ii) reviewed the proposed criteria and considerations of the Fit and Proper Policy in relation to appointment and re-appointment of Directors;
- (iii) reviewed the Board evaluation questionnaire relating to sustainability; and
- (iv) reviewed the Board's required mix of skills, current size and composition, experience and other qualities including the core competencies which Independent Non-Executive Directors should bring to the Board.

On 19 December 2025, the NC assessed the effectiveness of the Board as a whole, the Board Committees and the contributions of each individual Director, including their integrity, time commitment and the independence of the Independent Directors and the training programmes suitable for the Directors to attend. The NC also conducts an annual review of the required skills and experience, including the core competencies that the Independent Non-Executive Directors should bring to the Board, to ensure the Board functions effectively and efficiently. The ARMC members abstained from all deliberations and decision-making regarding their own performance assessment and evaluation.

Based on the assessment conducted for FY2025, the NC was satisfied with the performance of the Board as a whole, the Board Committees and each individual Director.



The Terms of Reference of the NC are available for reference at www.mkhoilpalm.com.

Re-election of Directors

In accordance with the Company's Constitution, at least one-third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office by rotation annually and subject to re-election at each Annual General Meeting ("AGM"). All Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election in compliance with the Paragraph 7.26 of the MMLR of Bursa Securities.

Any person appointed by the Board either to fill a casual vacancy or as an addition to the Board, shall hold office until the conclusion of the next AGM and shall then be eligible for re-election.

The Directors due for re-election by rotation pursuant to Clause 112(1) of the Company's Constitution at the forthcoming AGM are Mr. Yeo Kiat Seng, En. Yahya bin Ariffin, Mr. Tan Hoe Hing and Dr. Hasuria binti Che Omar.

Board Appointment

The NC maintains a formal and transparent procedure for the selection and recruitment of new Directors. Apart from reviewing the size, composition and diversity of the Board annually, the NC also assesses the suitability of identified candidates for membership to the Board and its Committees.

The criteria for selection is guided by the Fit and Proper Policy. In identifying candidates for appointment to the Board, the NC and the Board will not solely rely on the recommendations from existing Directors, management or major shareholders but may also utilise independent sources to identify qualified candidates where appropriate.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

BOARD COMPOSITION (CONT'D)

Directors' Training

The Directors are mindful that they should continually attend seminars and courses to keep themselves abreast with the current practices and developments of the industry as well as the new statutory and regulatory requirements, the relevant changes in laws, listing requirements, regulations and business environment in order to discharge their duties more effectively.

The Directors are also encouraged to evaluate their own training needs on a continuous basis and to determine the relevant programmes, seminars, briefings or dialogues available that would best enable them to enhance their knowledge and contributions to the Board.

The Board is also updated by the external auditors and/or Company Secretary on the latest update/amendments to the Malaysian Financial Reporting Standards and auditing requirements, amendments to the MMLR of Bursa Securities, as well as other regulatory requirements relating to the discharge of the Directors' duties and responsibilities.

All Directors have completed the Mandatory Accreditation Programme ("MAP") Part I on corporate governance and director's roles, duties and MAP Part II on liabilities and building high-impact boards for sustainable growth, a new mandatory onboarding programme by Bursa Securities as required under the MMLR of Bursa Securities.

The training programmes, seminars, forum and/or conferences attended by the Directors during the financial year are as follows:

Name of Directors	Seminar/Forum/Conference/Training
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong	• The 14th Malaysia-China Entrepreneurs Conference organised by the Malaysia-China Chamber of Commerce • MAP Part II: Leading for Impact organised by the Institute of Corporate Directors Malaysia ("ICDM") • Conferment of The Special ASEAN Excellence Award for the 2025: "Best ASEAN ESG Excellence Award for Plantation Sustainability" jointly organised by the KSI Strategic Institute for Asia Pacific, Economic Club Kuala Lumpur, Asean Economic Club and ASEAN Business Club
Tan Sri Datuk Chen Lok Loi	• MAP Part II: Leading for Impact organised by the ICDM • Asia Real Estate Leaders ("AREL") Business Delegation organised by the REHDA Institute • CEO Series 2025 "Economy & Business Forum" organised by the REHDA Institute • Building Management Series 3 - Rejuvenating Building Management organised by the Persatuan Pengurusan Kompleks Malaysia and Building Management Association of Malaysia • AREL Study Trip & Housing Dialogue organised by the REHDA Institute • International Strata Symposium 2025 organised by the REHDA Institute • Lunch Forum - Resilient Cities, Sustainable Futures organised by the REHDA Institute • International Green Build Conference (IGBC) 2025 organised by the REHDA Institute and GreenRE • MKH Team Building 2 Days 1 Night Core Value Experience Event organised by the MKH Berhad • ASEAN Real Estate Conference (AREC) 2025 organised by the Kementerian Perumahan dan Kerajaan Tempatan ("KPKT")

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

BOARD COMPOSITION (CONT'D)

Directors' Training (Cont'd)

The training programmes, seminars, forum and/or conferences attended by the Directors during the financial year are as follows: (Cont'd)

Name of Directors	Seminar/Forum/Conference/Training
Dato' Lee Khee Meng	- Indonesia Palm Oil Conference 2024 organised by the Indonesian Palm Oil Association (GAPKI) - MAP Part II: Leading for Impact organised by the ICDM - The World Association President Conference organised by the Malaysian Chinese Association - Bursa PLCs IR Series 19: Corporate Zakat & ESG: Bridging Ethical Finance, Driving Sustainability & Maximising Returns for PLCs organised by the Bursa Securities - Work Transformation Summit APAC - Navigating Next-Gen AI: Real-World Strategies for Business Growth & Success organised by the Zoom Communication Inc. - Bursa PLCs IR4U Series 1: Brace Up for a Volatile Year organised by the Bursa Securities - Bursa PLCs IR4U Series 4: Leopard in the Grass – Global Economic, FX & Rates Outlook 2025 organised by the Bursa Securities - Generative AI for Plantation Estate Management: Accelerating Productivity, Profitability & Transformation organised by the FIK International - ASEAN CFO Sustainability Leadership Summit 2025: Building Resilience, Trust and Business Value organised by the KSI Strategic Institute for Asia Pacific - Malaysia International Agriculture Technology Exhibition organised by Agri Malaysia
Chen Wei Chyong	- MAP Part II: Leading for Impact organised by the ICDM - ACIIA Conference 2025 - Internal Audit in a Polycrisis Era: Adapting, Assuring, and Advancing organised by the Institute of Internal Auditors - Generative AI for Plantation Estate Management: Accelerating Productivity, Profitability & Transformation organised by the FIK International - The sustainability reporting workshop focused on the IFRS Sustainability Disclosure Standards was conducted by in-house and invited specialists from PricewaterhouseCoopers - MCIL T-Forum 2025 organised by the Media Chinese International Group
Yeo Kiat Seng	- MAP Part II: Leading for Impact organised by the ICDM - ACIIA Conference 2025 - Internal Audit in a Polycrisis Era: Adapting, Assuring, and Advancing organised by the Institute of Internal Auditors
Yahya bin Ariffin	- MAP Part II: Leading for Impact organised by the ICDM - ACIIA Conference 2025 - Internal Audit in a Polycrisis Era: Adapting, Assuring, and Advancing organised by the Institute of Internal Auditors

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

BOARD COMPOSITION (CONT'D)

Directors' Training (Cont'd)

The training programmes, seminars, forum and/or conferences attended by the Directors during the financial year are as follows: (Cont'd)

Name of Directors	Seminar/Forum/Conference/Training
Leong Sow Yoke	• MAP Part II: Leading for Impact organised by the ICDM • Audit Oversight Board ("AOB") Conversation with Audit Committees organised by the Securities Commission Malaysia • ACIIA Conference 2025 - Internal Audit in a Polycrisis Era: Adapting, Assuring, and Advancing organised by the Institute of Internal Auditors • Strategic Data and Frameworks in Board Governance organised by the ICDM • Special Lecture on Global Events & Financial Industry Outlook organised by the FIDE Forum • Sasana Symposium 2025 - Structural Reforms: Building a Resilient Malaysia organised by the Bank Negara Malaysia • ACCA Half Day Virtual Conference: Landing the AI Opportunity organised by the Association of Chartered Certified Accountants ("ACCA") • Boardroom Blindspots: How Our Perceptions of Risk Influence our Boardroom Effectiveness organised by the ICDM
Ong Kim Pin	• MAP Part II: Leading for Impact organised by the ICDM • AOB Conversation with Audit Committees organised by the Securities Commission Malaysia • ACIIA Conference 2025 - Internal Audit in a Polycrisis Era: Adapting, Assuring, and Advancing organised by the Institute of Internal Auditors
Tan Hoe Hing	• MAP Part II: Leading for Impact organised by the ICDM • AOB Conversation with Audit Committees organised by the Securities Commission Malaysia
Dr. Hasuria binti Che Omar	• MAP Part II: Leading for Impact organised by the ICDM • ACIIA Conference 2025 - Internal Audit in a Polycrisis Era: Adapting, Assuring, and Advancing organised by the Institute of Internal Auditors • Leadership in Professional Associations: "Strategy, Innovation, and Member-centred Impact" organised by the International Federation of Translators ("FIT") • Statutory Congress 2025 (Council Member), organised by the FIT and World Intellectual Property Organization ("WIPO"), Geneva • World Congress 2025, organised by the FIT and WIPO, Geneva

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

REMUNERATION

Remuneration Committee

The RC comprises three (3) members, all of whom are Independent Non-Executive Directors. The RC shall meet at least once a year and at such time, and the Chairman of the RC may request for a meeting as and when deemed necessary.

The RC is responsible for recommending to the Board on the remuneration framework and packages of all Directors and in the case of Non-Executive Directors' fees including Board Committees' fees, the approval of the shareholders is required.

Directors' Remuneration

Pursuant to Section 230 of the Companies Act 2016, the fees of the Directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

During the financial year under review, the RC held one (1) meeting to deliberate on the following:

- (a) reviewed of the salaries, bonuses and incentives of senior management of the Group; and
- (b) approved the remuneration package and bonus for the Executive Directors.



The Terms of Reference of the RC are available for reference at www.mkhoilpalm.com.

The levels of remuneration for Executive Directors are linked to experience, scope of responsibilities, service seniority, performance of the Executive Directors and published market survey information in order to attract, retain and motivate the Executive Directors to manage the Group successfully. The components of the remuneration package for the Executive Directors include fixed salary, allowance, bonus, performance incentive and benefits-in-kind.

The levels of remuneration for Non-Executive Directors are based on their contribution to the Group in terms of their knowledge, experience and level of responsibilities undertaken by the Non-Executive Directors concerned. The determination of Directors' fees for all Non-Executive Directors shall be a matter for the Board as a whole.

The Group aims to set remuneration at levels which is sufficient to attract and retain high calibre Directors needed to run the business of the Group successfully.

The details of the remuneration of the Directors for the Company and the Group for FY2025 are disclosed in the CG Report.



A copy of the CG Report is made available via the Company's announcement to Bursa Securities on 29 January 2026 and on the Company's website at www.mkhoilpalm.com.

Senior Management Remuneration

The Board is of the view that the disclosure of the remuneration of the senior management will give rise to recruitment and talent retention issues and may lead to the performing senior management staff being lured away by the competitors and hence, the Group may lose high calibre personnel who have been contributing to the Group's performance.

The Board will ensure that remuneration for the senior management personnel commensurate with their experience and performance in order to retain and motivate them to contribute positively to the Group's performance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT AND RISK MANAGEMENT COMMITTEE

The ARMC of the Company is chaired by Ms. Leong Sow Yoke, who is a Fellow of the Association of Chartered Certified Accountants (“ACCA”) and also a Chartered Accountant member of the Malaysian Institute of Accountants (“MIA”). The ARMC comprises four (4) members, all of whom are Independent Non-Executive Directors.

The ARMC assists the Board in the oversight of the effectiveness of the risk management and internal control systems of the Company. Its key function is to assist the Board to assess the risks and control environment, oversee the financial reporting process, evaluate the internal and external audit process, and review any conflict of interest situations and related party transactions. The roles and responsibilities of the ARMC are governed in its Terms of Reference which is periodically assessed, reviewed and updated by the ARMC or as and when there are changes to the regulatory requirements that may affect the ARMC’s role.

The term of office and performance of the ARMC and each of its members are reviewed annually by the Board through the NC, to ensure the ARMC and its members have carried out their duties in accordance with their Terms of Reference.



The Terms of Reference of the ARMC is available on the Company’s website, www.mkhoilpalm.com.



The details of how the ARMC carried out its roles and responsibilities during the financial year under review are set out in the ARMC Report of this Annual Report 2025.

Cooling Off Period for Appointment of Former Audit Partner

The Board took note on Practice 9.2 of the MCCG to have a policy that requires a formal audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC.

As at the date of this report, none of the Board members are former audit partner of the external auditors for the Group.

Assessment of Suitability and Independence of External Auditors

The ARMC is responsible for assessing the suitability and independence of the Company’s external auditors, Deloitte Malaysia PLT (formerly known as Deloitte PLT) (“Deloitte”) and considered its engagement team, reporting, deliverables, fees and non-audit services before recommending the re-appointment of the external auditors of the Company to the Board and shareholders for approval. The ARMC also reviewed the information presented in the Annual Transparency Report of Deloitte.

The ARMC together with the Group Financial Controller had undertaken an annual assessment to evaluate the performance, competency and independence of the work carried out by the external auditors pursuant to the External Auditors Assessment Policy, which has outlined the guidelines and procedures for the assessment on the suitability of the external auditors on 22 December 2025.



The details of the External Auditors Assessment Policy are available for reference at www.mkhoilpalm.com.

The ARMC is satisfied with the competency, resources and independence of Deloitte as external auditors of the Company. The external auditors have declared their independence throughout the audit engagement 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”)*. Additionally, the external auditors submitted the required independence declaration to the ARMC for FY2025.

Having regard to the outcome of the annual assessment of Deloitte, the Board approved the ARMC’s recommendation that shareholders’ approval be sought at the forthcoming AGM for the re-appointment of Deloitte as external auditors of the Company for the financial year ending 30 September 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

Relationship with Auditors

The Company's independent external auditors fill an essential role for the shareholders by enhancing the reliability of the Company's financial statements and giving assurance of that reliability to users of these financial statements.

The Board through the ARMC maintains a transparent and professional relationship with the external auditors.



The role of the ARMC in relation to the external auditors is set out on pages 92 to 94.

An annual audit planning memorandum was presented by the external auditor for review and discussion with the ARMC. The external auditors have an obligation to report to the ARMC and the Board in relation to the key audit matters, compliance, any significant weaknesses in the Company's system of internal control, including fraud, during the course of their audit.

Where necessary, the ARMC will meet with the external auditors without the presence of management of the Group to discuss on the audit findings, key audit matters, any areas of concern and other observations they may have during the audit process to ensure there were no restrictions on their scope of audit.

For FY2025, there were no major concerns from the external auditors and they had received full co-operation from management as well as obtained all information required during the course of their audit.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the overall responsibility for maintaining a sound system of risk management and internal control to safeguard shareholders' investment and the Group's assets, and is supported by the ARMC and Group Risk Management Committee (headed by the Executive Directors) respectively to ensure the risks in the Group are identified and managed with the appropriate risk management system. The risk management process includes identifying principal business risks in critical areas, assessing the likelihood and impact of material exposures and determining its corresponding risk mitigation and treatment measures.

Internal Audit Function

In line with the MCGG and MMLR of Bursa Securities, the Company has in place an in-house internal audit department, i.e., the Group Internal Audit ("GIA"), which reports directly to the ARMC on the adequacy and effectiveness of the Group's system of internal control and risk management.

The GIA function to undertake independent regular and systematic reviews of the systems of internal control so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.

The GIA team reports directly to the ARMC on the potential risks identified, results of audit findings, including the recommendations for improvement as discussed with senior management, update the follow-up status of management agreed action plans and highlighting those issues that had yet to be fully addressed by management, including specific timelines for those outstanding matters to be resolved on a quarterly meeting.



The Group's Statement on Risk Management and Internal Control provides an overview of the risk management framework and state of internal control within the Group is set out on pages 96 to 100.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Communication with Stakeholders

The Board recognises the need for stakeholders and the wider investment community to ensure that they are kept informed of all material business matters affecting the Group. This is done through timely dissemination of information on the Group's performance and major developments which are communicated via the following channels:

- (a) the Annual Report and relevant circulars despatched to shareholders and published in the Company's website and Bursa Securities;
- (b) the convening of AGM and/or Extraordinary General Meeting;
- (c) the release of various disclosures and announcements including quarterly financial announcements; and
- (d) press releases and analysts' briefings.

The Company leverages on the use of information technology by maintaining a corporate website at www.mkhoilpalm.com for effective dissemination of information which shareholders or other stakeholders can easily access to the latest corporate information of the Group.



All information released to Bursa Securities is posted on the Investor Relations section of the website at www.mkhoilpalm.com/ir-home.

The Company's Chairman will be the primary spokesperson, communicating with audience and answering questions on the corporate vision, strategies, developments, future prospects, financial plans and operational matters. Ms. Tan Soo Hoon, the Group Financial Controller, has been assigned as the secondary spokesperson to address investor inquiries and concerns about the Group's financial performance (Tel: +603-8751 8228, E-mail: info@mkhoilpalm.com).

The Group's investor relationship is helmed by the Chairman, Executive Directors and Group Financial Controller, who attends to various investors namely fund managers, investment analysts and shareholders, while the Corporate Communications Department communicates with members of the media.

The Independent Directors led by En. Yahya bin Ariffin as the Senior Independent Non-Executive Director of the Company, to whom concern of shareholders, management, employees and others may be conveyed by way of writing to the Company's registered address or electronic mail to yahya.ariffin@gmail.com or contact via Tel: +603-8751 8228. The role of the Senior Independent Non-Executive Director is also explained in the Board Charter.

In addition, stakeholders who wish to reach the Group may do so through the "Contact Us" page for enquiries and feedback purpose.

Compliance with Applicable Financial Reporting Standards

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and the results of the operations, changes in equity and cash flows of the Group and of the Company for the financial year. Where there are new accounting standards or policies that become effective during the year, the impact of these new treatments would be stated in the notes to the financial statements, accordingly.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

Compliance with Applicable Financial Reporting Standards (Cont'd)

In preparing those financial statements, the Directors ensure that management have:

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

The Directors have responsibility for ensuring that the Company keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the financial statements comply with the Companies Act 2016.

The Directors have taken such steps as are necessary to safeguard the assets of the Group and the Company to prevent fraud and other irregularities.

Conduct of General Meetings

The AGM which is held once a year is the principal forum for dialogue with individual shareholders. At the Company's AGM, shareholders have direct access to the Board and are given the opportunity to ask questions during the AGM. The shareholders are encouraged to ask questions both about the resolutions being proposed or about the Company's operations in general. The Chairman of the Board also addresses the shareholders on the review of the Company's operations for the financial year and outlines the prospects of the Company for the new financial year. Additionally, immediately after the AGM, the Board may also meet members of the press.

The external auditors of the Company are invited to attend the AGM to answer any questions relating to the conduct of the audit and contents of the Auditors' Report.

The Company's upcoming AGM will be held at Emerald Ballroom, 1st Floor, RHR Hotel @ Kajang, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan on Thursday, 5 March 2026 at 10.00 a.m.. The notice of the AGM to be issued at least 28 days prior to the date of the meeting in accordance with the MCGG.



The notice and agenda will also be published in the local English newspaper and made available on the Group's website at www.mkhoilpalm.com/corporate-governance-meetings.

Statement on Compliance

The Board having duly considered the rationale for the said exception as explained in the CG Report is committed to comply with the key Principles and Practices of the MCGG.

This Corporate Governance Overview Statement has been approved by the Board on 22 December 2025.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (“Board”) is pleased to present the Group’s Audit and Risk Management Committee (“ARMC”) Report for the financial year ended 30 September 2025 (“FY2025”), outlining the activities undertaken throughout the year to fulfil its responsibilities.

The primary objectives of the ARMC are as follows:

- provide assistance to the Board in fulfilling its fiduciary responsibilities, particularly in overseeing the Company’s and its subsidiaries’ (“Group”)’s accounting and management controls, financial reporting process to ensure accurate and timely financial reporting and compliance with applicable financial reporting standard;
- evaluating the internal and external audit processes;
- overseeing the risk management and internal control framework and policies of the Group, and ensuring that management maintains a sound system of risk management and internal controls to safeguard shareholders’ interest and the Group’s assets;
- reviewing related party transactions and conflict of interest situations; and
- determining the nature and extent of significant risks which it is willing to take in achieving its strategic objectives.

Composition and Meetings

The ARMC comprises four (4) members. All members are Independent Non-Executive Directors and none of them is an alternate director or a former key audit partner of the external auditors.

Details of the membership and their attendance at the meetings, are as follows:

Name of ARMC Members	Directorship (Designation)	No. of Meetings Attended
Ms. Leong Sow Yoke (Chairperson)	Independent Non-Executive Director	5/5
En. Yahya bin Ariffin (Member)	Senior Independent Non-Executive Director	5/5
Mr. Ong Kim Pin (Member)	Independent Non-Executive Director	5/5
Mr. Tan Hoe Hing (Member)	Independent Non-Executive Director	5/5

The Chairperson of the ARMC, Ms. Leong Sow Yoke is a Fellow of the Association of Chartered Certified Accountants (“ACCA”) and also a Chartered Accountant member of the Malaysian Institute of Accountants (“MIA”). The ARMC, therefore, fulfils the requirements of having at least one (1) of its members being a qualified accountant pursuant to Paragraph 15.09(1)(c) of the MMLR of Bursa Securities. All the ARMC members are financially literate and have the relevant experience and capabilities to discharge their duties and responsibilities effectively. The profile of each member of the ARMC is set out in the Directors’ Profile section.

The ARMC meetings were structured through the use of agendas and relevant board papers which were distributed to the members of ARMC prior to such meetings.

During the financial year, five (5) meetings were held with the attendance of the Group Financial Controller, Company Secretary, representatives of the external auditors, in-house internal audit team and relevant Senior Management. The Chairperson of the ARMC reported and highlighted key issues discussed at each ARMC meeting to the Board accordingly.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

Composition and Meetings (Cont'd)

For the financial year under review, the performance and effectiveness of the ARMC has been evaluated through ARMC members' self and peer evaluation, the outcome of which was reviewed and endorsed by the Nomination Committee. Having reviewed the ARMC's performance, the Board is satisfied that the ARMC members have been able to discharge their functions, duties and responsibilities in accordance with the Terms of Reference of the ARMC.



The details of the Terms of Reference of the ARMC are available for reference at www.mkhoilpalm.com.

Summary of Activities Carried Out by the ARMC

During the financial year under review, the ARMC worked closely with management, internal auditors and external auditors to carry out its functions and duties as required under its Terms of Reference.

The summary of the work and activities carried out by the ARMC in discharging its duties during the financial year under review and up to the date of this report are summarised as follows:

(a) Financial Reporting

- Reviewed the interim financial reports and audited financial statements of the Company and the Group for FY2025 together with the external auditors prior to recommending the same for approval by the Board.
- Reviewed the impact of any changes in accounting policies and adoption of new accounting standards together with significant matters highlighted in the financial statements.
- Confirmed with management and external auditors that the Company's and Group's annual audited financial statements have been prepared in compliance with applicable approved accounting and financial reporting standards.

(b) External Audit

- Reviewed and approved the external auditors annual audit planning memorandum of the Group, external auditor's fees, audit strategy and scope of work for the year in connection with their audit.
- Discussed and reviewed with the external auditors, the results of their examination and their reports in relation to the audit and accounting issues, including weaknesses noted in internal controls pertaining to financial reporting, arising from the audit.
- Discussed with external auditors on significant accounting and auditing updates arising from new or proposed changes in accounting standard and regulatory requirements in relation to the financial statements.
- Reviewed and approved the nature of, and fees for, non-assurance/non-audit services before they were provided by the external auditors and/or their affiliates, both local and overseas to ensure that such non-assurance/non-audit services did not compromise the objectivity and independence of the external auditors. Details of non-assurance/non-audit fees incurred by the Company and Group for FY2025 are stated in the Additional Compliance Information on pages 101 to 102 of this Annual Report.
- Held a private session with the external auditors, following their presentation of results and findings from their audit on 26 November 2025 in the absence of management and the Company Secretary. There were no major concerns raised by the external auditors at the meeting.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

Summary of Activities Carried Out by the ARMC (Cont'd)

(b) External Audit (Cont'd)

- Obtained written assurance from the external auditors to confirm their independence throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
- The ARMC was satisfied with the work performed by the external auditors based on their quality of services, sufficiency of resources, performance, independence and professionalism and their ability to conduct the external audit within an agreed timeline fixed by the management. Accordingly, it was recommended to the Board to re-appoint Deloitte Malaysia PLT (formerly known as Deloitte PLT) as the Company's external auditors at the forthcoming Annual General Meeting on 5 March 2026, subject to shareholders' approval.

(c) Internal Audit

- Reviewed and approved the scope of annual audit plan for FY2025 proposed by the in-house internal audit team to ensure the adequacy of the scope and coverage of work on the Group's activities.
- Reviewed the internal audit reports, which highlighted the audit issues, recommendations and management's responses. Discussed with management on actions taken to improve the system of internal control based on improvement opportunities identified in the internal audit reports.
- Reviewed and approved the follow-up reports on the status of implementation of those control weaknesses as highlighted by in-house internal audit team.
- Reported to the Board on significant audit issues and concerns discussed during the ARMC meetings which may have significant impact on the Group from time to time, for consideration and deliberation by the Board.

(d) Risk Management and Internal Control

- Reviewed the adequacy and effectiveness of the Group's risk management framework and internal control processes in identifying, evaluating and managing risks faced by the Group to ensure that the risks are within acceptable levels within the Group's business objectives. The detailed information on the Group's risk management framework and internal control processes is set out in the "Statement on Risk Management and Internal Control".

(e) Related Party Transactions

- Reviewed if there is any related party transaction(s) entered into by the Group and any conflict of interest situation that may arise within the Group, which are required to be transacted at an "arm's length" basis and determined to be not detrimental to the interest of the minority shareholders.

(f) Annual Reporting

- Reviewed the ARMC Report, Statement on Risk Management and Internal Control, Corporate Governance Overview Statement and Additional Compliance Information to ensure compliance with relevant regulatory reporting requirements prior to recommending the same to the Board for approval.

The ARMC having reviewed the extent of assistance rendered by management in the course of the audit and based on feedback from the external auditors was satisfied that management had co-operated fully and the external auditors were able to obtain information required to carry out their work. Based on the review carried out and the report from the external auditors, the ARMC recommended the audited financial statements for FY2025 to the Board of Directors for approval on 22 December 2025.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Internal Audit Function and Its Role

The Group has set-up an in-house Internal Audit Department (“IAD”) effective October 2023 and is guided by its Internal Audit Charter.

The IAD reports directly to the ARMC on the adequacy and effectiveness of the internal controls and procedures and the extent of compliance with applicable laws and regulations in the operating units within the Group. The IAD adopts the *International Standards for the Professional Practice of Internal Auditing* as well as established internal auditing guidelines to enhance its competency and proficiency.

The principal role of the internal audit function is to undertake, on a prioritised approach, an independent and systematic assessment of the Group’s system of risk management and internal controls as established by management in addressing the principal business risks faced by the Group. In conducting internal audit of the Group, the internal audit function deployed professional standards promulgated by the Institute of Internal Auditors Malaysia. During the financial year under review, weaknesses noted in the said system and areas that required improvement, including the recommendations thereof and action plans agreed to be deployed by management to address the issues raised, were highlighted by the internal audit function by way of internal audit reports issued to the ARMC.

The IAD’s work for FY2025 is summarised below:

- developed an annual audit plan using a risk-based approach and carried out reviews in accordance with the year’s audit plan;
- provided objective reviews of internal controls to limit risk exposure and assessed adherence to established policies and procedures;
- recommended improvements and enhancements to the existing system of internal controls and work process or procedures; and
- conducted subsequent follow-up work to assess the status of management-agreed action plans on recommendations raised in prior cycles of internal audit, highlighting those issues that had yet to be fully addressed by management, including specific timelines for those outstanding matters to be resolved.

Cost of Internal Audit

The cost of the internal audit function for the financial year under review amounted to approximately RM154,531 (FY2024: RM82,678).

This ARMC Report has been approved by the Board on 22 December 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (“Board”) is pleased to present the Statement on Risk Management and Internal Control (“Statement”) which outlines the nature and scope of risk management and internal controls of the Group for the financial year ended 30 September 2025.

This Statement is made pursuant to the Malaysian Code on Corporate Governance 2021 (“the Code”) and Paragraph 15.26(b) of Bursa Securities’ Main Market Listing Requirements (“MMLR”).

Board’s Responsibilities

The Board affirms its overall responsibilities for the Group’s system of risk management and internal control, reviewing its system adequacy and integrity for the both financial and non-financial risks. The Board is dedicated to maintaining a sound risk management framework and internal control system to manage risks and safeguard the interest of shareholders, customers, employees and the Group’s assets.

The Board also recognises that a sound system of internal control can only mitigate risks, but not to eliminate all risks that may impede the achievement of the Group’s business objectives. Therefore, the risk management framework and internal control system (including financial, operational, environmental (impact on climate change) and compliance) can only provide a reasonable and not absolute assurance against material misstatement or loss. The process has been in place for the year under review and up to the date of approval of this Statement for inclusion in the Annual Report.

Executive Committee’s Responsibility

The Executive Committee (“EXCO”), comprising Executive Directors and assisted by the Management Committee, oversees the Group’s operations and business strategies and ensures that daily business is carried out efficiently and effectively and that the requirements of good corporate governance practices are observed.

The EXCO is accountable to the Board for the implementation of the Group’s risk management and internal control system including:

- (a) identifying and evaluating risks faced by the Group;
- (b) formulating and executing internal control and risk management actions;
- (c) implementing remedial actions and/or preventive measures in response to significant risks, as well as addressing compliance and control issues; and
- (d) ensuring that business strategies, daily business and operational issues are carried out efficiently and effectively.

The Management Committee comprises the heads of departments. The respective departments heads are responsible for overseeing the execution of operational plans, implementing remedial and/or preventive measures, and regularly monitoring and following up on actions relating to potential risks identified based on the findings from internal audit reports prepared by the Internal Audit team.

Audit and Risk Management Committee’s Responsibility

The Audit and Risk Management Committee (“ARMC”) with the assistance of the Internal Audit team, reviews and monitors the Group’s risk management framework and internal control processes and evaluates the adequacy and effectiveness of the risk management and internal control system.

The Internal Audit team reports on potential risks identified, results of audit findings and recommendations for improvement as discussed with Senior Management. The team also provides updates on the follow-up status of management-agreed action plans and highlights issues that have yet to be fully addressed by management, including specific timelines for outstanding matters to be resolved at the ARMC meetings on a quarterly basis.



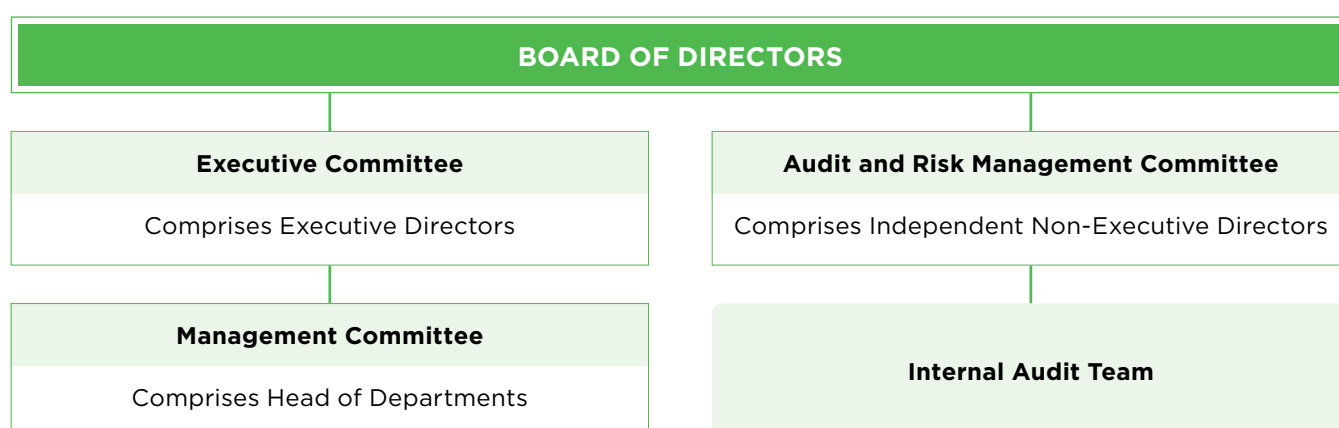
Further details are set out in the ARMC Report and Corporate Governance Overview Statement.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management Framework

The Board, with the assistance of the ARMC and EXCO, continuously reviews existing risks, identifies emerging risks that the Group faces, and oversees management action plans to manage these risks. The Group Risk Management's Framework is as follows:

Group Risk Management Framework



The Group's overall risk management objective is to ensure that the Group creates value for its businesses and shareholders while minimising potential risks to its business operations.

The principal risks for FY2025 reviewed by the Board are as follows:

1. Operational Risks – Production Costs and Labour Force

(a) Production costs

- Fluctuations in agrochemicals, fertilisers, and fuel prices, as well as the increase in labour costs, pose production cost risks and affect profitability.
- Prolonged periods of dry or wet weather results in a decrease in the yield of fresh fruit bunches ("FFB").
- Higher repair and maintenance of machinery and upkeep of roads may increase the costs of production.

Mitigation strategy

- Prudent measures are implemented during the budgeting process, accompanied by continuous monitoring, to ensure effective cost management.
- Various cost control measures are taken to increase efficiency in estates and mills to improve the yield and oil extraction rate ("OER").
- Focus is given on generating higher yield and enhancing OER through implementing effective process controls and improving worker productivity.
- Ongoing effort is undertaken to improve mechanisation processes and explore new mechanisation initiatives that aim to further increase productivity while minimising dependence on labour.
- Efforts are taken to increase production efficiency and ensure uninterrupted mill processing capacity through the construction of a new 60 metric tonne ("MT") per hour crude palm oil ("CPO") mill adjacent to the existing 90 MT per hour CPO mill. This allows both mills to share key facilities such as the weighbridge, FFB loading ramp, FFB conveyors, CPO storage tanks, raw water reservoir, effluent treatment ponds, and ancillary buildings including the mill office, laboratory, workshop, and oil dispatch building.
- Continuous efforts are taken to safeguard the oil mill machineries, including having a comprehensive routine mill maintenance programme for the oil mill.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management Framework (Cont'd)

1. Operational Risks – Production Costs and Labour Force (Cont'd)

(b) Labour Force

- The Group respects, supports, and upholds fundamental human rights and does not engage in any form of illegal, forced, bonded, or human-trafficked labour.
- We are committed to providing a safe and healthy environment for all our employees, both living and working across our estates.

Mitigation strategy

- As at 30 September 2025, the Group has utilised approximately RM4.9 million out of the RM10.0 million initial public offer (IPO) proceeds allocated for the construction and refurbishment of new and existing staff quarters for plantation workers, to further improve living conditions for our workers and their families.
- To date, the Group has not encountered any serious labour shortage that could cause a major disruption to our daily operations.
- The Group has provided medical care for all employees and their families to improve and sustain their quality of life in the estate.
- The Group has provided school facilities for all employees' children to support their education and development while living in the estate.

2. Financial Risks – Commodity Price Fluctuation Risk and Foreign Exchange Risk

- (i) Palm products are subject to market volatility typically driven by supply and demand fundamentals. Price fluctuation risk arises from the volatility of commodity prices such as CPO, crude palm kernel oil ("CPKO"), and palm kernel, which are affected by factors such as extreme weather, government policies, supply and demand, competition from substitute products, and currency fluctuations.

Mitigation Strategy

The Group may enter into CPO hedging on Bursa Malaysia Derivatives to mitigate the risks of fluctuating commodity prices, where demand and market conditions remain uncertain.

- (ii) Foreign exchange risk arises from movements in foreign currency exchange rates. The Group's reporting currency is the Malaysian Ringgit ("RM"). The majority of the Group's expenses are denominated in Indonesian Rupiah ("IDR"), and the sale of CPO, CPKO and palm kernel is denominated in IDR.

3. Sustainability Risk – Climate Change Risk

The Group recognises the importance of managing its business operations in a sustainable and responsible manner to ensure long-term sustainability, as well as meeting the expectations and demands of key stakeholders namely customers, regulators, end financiers and investors.

The extreme weather conditions of prolonged drought (*El Nino*) and prolonged wet weather (*La Nina*) will affect the FFB yield and harvesting and upkeep operations.

Prolonged dry weather due to *El Nino* causes moisture stress in palm trees, reducing the volume of FFB production and subsequently cause commodity price exposure and revenue volatility. On the other hand, prolonged wet weather may disrupt the harvesting and collection of FFB in low lying oil palm areas and field upkeep.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management Framework (Cont'd)

3. Sustainability Risk – Climate Change Risk (Cont'd)

Mitigation Strategy

- The Group adopts effective agricultural practices and has implemented an integrated drainage system with stoppers to retain rainwater during dry seasons, as well as canals to discharge excess rainwater during wet seasons. This approach aims to mitigate the impact of adverse weather conditions on our FFB yields.
- Additionally, this initiative presents an opportunity to enhance operational resilience, ensure stability in the supply chain for our customers, and bolster stakeholder confidence.

4. Cybersecurity Risk

To manage cybersecurity risk such as malware, ransomware, unauthorised access and/or loss of data, the Group has put in place measures to protect the confidentiality and integrity of its data and information technology (IT) infrastructure. Amongst others, firewall systems have been implemented to manage and monitor network traffic and access to the Group's systems. Anti-virus and malware software are installed in all systems, with regular data backup and encryption in place to safeguard critical and confidential data. Regular maintenance of the Group's IT systems is carried out and appropriate action taken to close any identified gaps.

5. Regulatory Risk

The increasing regulatory risks in Indonesia, namely tightened land use enforcement, may lead some plantation companies to scale down or exit their operations over the longer term following a wave of large-scale land seizures.

Mitigation strategy

- Develop a robust corporate governance structure and procedures that align with best practices in the sector to facilitate the achievement of organisational objectives.
- Develop deeper understanding of regulatory compliance risk that empowers the Group to navigate regulatory changes effectively.
- Identify and map regulatory changes to business practices that will highlight areas requiring enhancement in response to new regulations.

Anti-Bribery and Corruption

In line with the Group's policy against bribery and corruption, the Group has put in place the Anti-Bribery and Corruption Policy ("ABAC Policy") to manage the processes in relation to bribery and corruption risks in the Group. Amongst others, the ABAC Policy sets out the business conduct of the Group's directors, employees and third parties who have dealings or transactions with the Group by requiring them to adhere to the Code of Business Ethics (Vendors and Business Associates) and the Whistleblower Policy. The Group's ABAC Policy, Code of Business Ethics (Vendors and Business Associates) and Code of Ethics and Conduct (Directors and Employees), Conflict of Interest Policy and the Whistleblower Policy can be found at MKHOP's website.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Internal Audit Function

During the financial year, the ARMC worked closely with the Internal Audit team, distinct from the external auditors, to provide independent internal audit services to the Group, who reports independently to the ARMC. The internal audit function provides the ARMC with quarterly reports, based on the audits conducted, highlighting observations, recommendations and management action plans to improve the internal control system and contribute towards improving the Group's risk management.

The key role of the internal audit function is to assess management's adherence to establish policies and procedures as well as to act as an independent sounding board to the ARMC concerning areas of weaknesses or deficiencies in the risk management, governance and control processes for appropriate remedial measures to be carried out by the management.

Review by the External Auditors

Pursuant to Paragraph 15.23 of Bursa Securities' MMLR, the external auditors have reviewed this Statement on Risk Management and Internal Control in accordance with the scope set out in Audit and Assurance Practice Guide 3 ("AAPG 3") Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Governance & Financial Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Annual Report for FY2025.

Based on their procedures performed, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control is not prepared, in all material aspects, in accordance with disclosure required by paragraphs 41 and 42 of the *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers* to be set out, nor is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and control system including the assessment and opinion by the Board and management thereon. The external auditors are not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems. The report from the external auditors was made solely for and directed solely to the Board of Directors in connection with their compliance with the Bursa Securities' MMLR and for no other purposes or parties.

Management Assurance

In accordance with the requirements of the *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers*, the Executive Directors and the Group Financial Controller have given reasonable assurance to the Board that the Group's risk management and internal control system, in all material aspects, is operating adequately and effectively. The management has taken the necessary measures to improve the system of risk management and internal control by continuously reviewing, monitoring and considering all risks exposed by the Group to ensure that the risks are within acceptable levels within the Group's business objectives.

Conclusion

The Board is of the view that the Group's system of risk management and internal control during the year in review was reasonably adequate and effective to safeguard the shareholders' investment, the interests of customers, regulators, employees and the assets of the Group.

For the financial year under review, there were no significant control failures or weaknesses that result in material losses and require disclosure in the Group's Annual Report were identified.

This Statement has been approved by the Board on 22 December 2025.

ADDITIONAL COMPLIANCE INFORMATION

1. Audit and Non-Audit Fees

The amount of audit fees and non-audit fees paid by the Company and its subsidiaries to the external auditors for the financial year ended 30 September 2025 are as follows:

	Group RM	Company RM
Audit Fees	312,320	65,000
Non-audit Fees	10,000	10,000
Total	322,320	75,000

The non-audit fees was payment towards reviewing the statement on risk management and internal control of the Group.

2. Utilisation of Proceeds Raised from the Public Issue

The status of the utilisation of proceeds from the initial public offering ("IPO") as at 30 September 2025 are set out as follows:

Utilisation of proceeds	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Original Intended Timeframe for Utilisation ⁽¹⁾	Revised Timeframe for Utilisation ⁽²⁾
Expansion of land banks for oil palm plantation	42,000	6,549	35,451	Within 24 months	Within 42 months
Capital expenditures for existing plantation lands	10,000	2,796	7,204	Within 18 months	Within 36 months
Setup of palm kernel crushing facility	9,000	9,000	-	Completed	-
Refurbishment and/or upkeep of existing palm oil mill	12,000	12,000	-	Completed	-
Capital expenditures for refurbishment and construction of workers/staff housing quarters	10,000	4,861	5,139	Within 24 months	Within 36 months
Capital expenditures to expand coverage of electricity supply	10,000	-	10,000	Within 24 months	Within 48 months
Repayment of loan due to a related party	30,000	30,000	-	Completed	-
Working capital	3,420	3,420	-	Completed	-
Estimated listing expenses	9,980	9,980	-	Completed	-
	136,400	78,606	57,794		

Notes:

⁽¹⁾ From the listing date of the Company on the Main Market of Bursa Malaysia Securities Berhad on 30 April 2024.

⁽²⁾ The Company undertook an extension of the timeframe for the utilisation of balance unutilised IPO proceeds with total amount of approximately RM57.8 million as at 30 September 2025 as disclosed in the Company's announcement dated 24 October 2025.

ADDITIONAL COMPLIANCE INFORMATION

3. Material Contracts Involving Directors and Major Shareholders' Interest

There was no material contract entered into by the Company and its subsidiaries involving the interest of the Directors and major shareholders during the financial year.

4. Sanctions and/or Penalties

There were no material public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year.

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DIRECTORS' REPORT

The directors have pleasure in presenting their report to the members together with the audited financial statements of the Group and of the Company for the financial year ended 30 September 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and providing of management services.

The information on the name, country of incorporation, principal activities and percentage of issued share capital held by the Company in subsidiaries are as disclosed in Note 13 to the financial statements.

RESULTS OF OPERATIONS

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

	The Group RM	The Company RM
Profit for the financial year, representing profit attributable to owner of the parent	79,789,373	55,735,012

DIVIDENDS

Since the end of the previous financial year, a second interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 30 September 2024 amounting to RM20,329,343 was declared on 27 November 2024 and paid on 30 December 2024.

A first interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 30 September 2025 amounting to RM20,325,743 was declared on 27 May 2025 and paid on 25 June 2025.

A second interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 30 September 2025 amounting to RM20,306,087 was declared on 26 November 2025 and is to be paid on 30 December 2025. The financial statements for the current financial year do not reflect the dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 September 2026.

The directors do not recommend any final dividend payment in respect of the financial year ended 30 September 2025.

DIRECTORS' REPORT

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

DIRECTORS

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

Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngj Chong
Tan Sri Datuk Chen Lok Loi
Dato' Lee Khee Meng
Chen Wei Chyong
Yeo Kiat Seng
Leong Sow Yoke
Ong Kim Pin
Tan Hoe Hing
Dr. Hasuria binti Che Omar
Yahya bin Ariffin

LIST OF DIRECTORS OF SUBSIDIARIES

Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngj Chong
Tan Sri Datuk Chen Lok Loi
Dato' Lee Khee Meng
Chen Wei Chyong
Teh Lee Lean
Tang Hee Teik
Chen Way Liang
Mohd Fadil bin Nasir (Appointed on 14 October 2025)

DIRECTORS' REPORT

DIRECTORS' INTERESTS

The shareholding and deemed shareholdings in the ordinary shares of the Company and its ultimate holding company of those who were directors at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

Shareholdings in the Company	Number of ordinary shares			
	At 1 October 2024	Bought	Sold	At 30 September 2025
Direct Interest				
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong	39,582	50,000	-	89,582
Tan Sri Datuk Chen Lok Loi	1,514,692	-	-	1,514,692
Chen Wei Chyong	4,302	-	-	4,302
Yeo Kiat Seng	74,288	-	-	74,288
Ong Kim Pin	87,532	50,000	-	137,532
Tan Hoe Hing	147,000	33,000	-	180,000
Deemed Interest				
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong*^	698,863,357	-	(34,500)	698,828,857
Tan Sri Datuk Chen Lok Loi*#	697,733,548	-	(34,500)	697,699,048

* Deemed interest by virtue of his shareholdings in Chen Choy & Sons Realty Sdn. Bhd. ("CCSR"), the controlling shareholder of MKH Berhad, whereby the Company is a subsidiary of MKH Berhad.

^ Deemed interest through shares held in Lotus Way Sdn. Bhd. and a nominee company.

Deemed interest through shares held in a nominee company.

Shareholdings in the Ultimate Holding Company - MKH Berhad	Number of ordinary shares			
	At 1 October 2024	Bought	Sold	At 30 September 2025
Direct Interest:				
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong	1,277,080	-	-	1,277,080
Tan Sri Datuk Chen Lok Loi	10,602,844	-	-	10,602,844
Chen Wei Chyong	30,119	-	-	30,119
Ong Kim Pin	122,724	-	-	122,724
Yeo Kiat Seng	30,020	-	-	30,020
Deemed Interest:				
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong~	253,129,658	-	-	253,129,658
Tan Sri Datuk Chen Lok Loi*	245,374,787	-	-	245,374,787

~ Deemed interest through shares held in CCSR, Lotus Way Sdn. Bhd. and a nominee company.

* Deemed interest through shares held in CCSR and a nominee company.

DIRECTORS' REPORT

DIRECTORS' INTERESTS (CONT'D)

Other than as disclosed above, none of the other directors in office at the end of the financial year held shares or had beneficial interest in the shares of the ultimate holding company during or at the beginning and end of the financial year.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object 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, none of the directors of the Company have received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors or the fixed salary of a full time employee of the Company or its related corporations as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The directors' benefits are as follows:

	The Group RM	The Company RM
Directors of the Company		
Executive Directors:		
Other emoluments	1,558,355	1,558,355
Estimated monetary value of benefits-in-kind	55,750	55,750
	1,614,105	1,614,105
Non-Executive Directors:		
Fees	1,040,000	1,040,000
Other emoluments	86,000	86,000
	1,126,000	1,126,000
	2,740,105	2,740,105
Directors of subsidiaries		
Directors:		
Other emoluments	705,932	-
	3,446,037	2,740,105

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that there were no known bad debts to be written off and that no allowance for doubtful debts is required; and
- (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

- (i) which would require the writing off of bad debts or the setting up of allowance for doubtful debts in the financial statements of the Group and of the Company; or
- (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (iii) 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
- (iv) 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:

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

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

In the opinion of the directors:

- (i) the results of the 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
- (ii) 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 the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT

SHARE OPTIONS

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

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

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirements of Section 127(4)(b) of the Companies Act, 2016 in Malaysia.

During the financial year, the Company repurchased 5,536,700 of its issued ordinary shares from the open market at an average price of RM0.61 per share. The total consideration paid for the repurchase of ordinary shares including transaction costs was RM3,398,944.

As at 30 September 2025, the Company held 7,436,700 treasury shares out of its 1,023,590,845 issued ordinary shares. Such treasury shares are held at a carrying amount of RM4,524,625. Further details are disclosed in Note 18 to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains directors' and officers' liability insurance for purposes of Section 289 of the Companies Act, 2016, throughout the financial year, which provides appropriate insurance coverage for the directors and officers of the Company. The amount of insurance premium paid during the year amounted to RM44,074.

There was no indemnity given to or insurance effected for the auditors of the Company in accordance with Section 289 of the Companies Act, 2016.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT EVENTS TO THE END OF THE FINANCIAL YEAR

Details of significant events during the financial year and subsequent events to the end of the financial year are disclosed in Note 28 to the financial statements.

ULTIMATE HOLDING COMPANY

The directors regard MKH Berhad, a company incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, as the ultimate holding company of the Company.

DIRECTORS' REPORT

AUDITORS

The auditors, Deloitte Malaysia PLT (formerly known as Deloitte PLT), have expressed their willingness to continue in office.

AUDITORS' REMUNERATION

The amount paid or payable by the Group and by the Company as remuneration of the auditors for statutory audit for the financial year ended 30 September 2025 amounting to RM312,320 and RM65,000 respectively.

Signed on behalf of the Board in accordance with a resolution of the directors dated 22 December 2025.

DATO' LEE KHEE MENG

CHEN WEI CHYONG

STATEMENT BY DIRECTORS

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

We, the undersigned, being two of the directors of the Company, do hereby state that in the opinion of the directors, the accompanying financial statements as set out on pages 116 to 179, are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 22 December 2025.

DATO' LEE KHEE MENG

CHEN WEI CHYONG

STATUTORY DECLARATION

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

I, Tan Soo Hoon, being the person primarily responsible for the financial management of **MKH OIL PALM (EAST KALIMANTAN) BERHAD**, do solemnly and sincerely declare that the financial statements as set out on pages 116 to 179, are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at
Kajang in the State of Selangor on 22 December 2025.

TAN SOO HOON
MIA MEMBERSHIP NO: 23960

Before me

SUBRAMANIAM A/L THIRUPATHY (B514)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MKH OIL PALM (EAST KALIMANTAN) BERHAD (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **MKH OIL PALM (EAST KALIMANTAN) BERHAD**, which comprise the statements of financial position as at 30 September 2025, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 116 to 179.

In our opinion, the accompanying financial statements of the Group and of the Company give a true and fair view of the financial position of the Group and the Company as at 30 September 2025, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Key audit matter	How the matter was addressed in the audit
Valuation of production buildings The Group revalued its production buildings every five years from the last date of valuation or at shorter intervals whenever the fair value of the said assets are expected to differ substantially from their carrying amount.	Our audit procedures consisted of, amongst others, the following: - Obtained the valuation report of management's independent professional valuation specialist and evaluated the details; - Performed assessment on the management's independent professional valuation specialist's competency, capabilities and objectivity in performing the valuation of the production buildings located in Indonesia;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MKH OIL PALM (EAST KALIMANTAN) BERHAD (Incorporated in Malaysia)

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

Key Audit Matters (Cont'd)

Key audit matter	How the matter was addressed in the audit
Valuation of production buildings (Cont'd) As at 30 September 2025, the production buildings of the Group were revalued based on an independent professional valuation on a market value basis using the cost valuation method. Significant judgement is required in determining the fair value of the production buildings. The valuation techniques and assumptions used are determined by the management independent professional valuation specialist. The significant judgement on the valuation of production buildings is disclosed in Note 2(c)(ii) and Note 31(b) to the financial statements.	Our audit procedures consisted of, amongst others, the following: (Cont'd) - Assessed the data provided by management to the management's independent professional valuation specialist, such as the age of the production buildings; - Assessed the appropriateness of market data used by management's independent professional valuation specialist as inputs in their valuations, such as estimated replacement cost, in consideration of the current market conditions; - Engaged our internal valuation specialist to review the valuation report of the production buildings and assessed the methodology and the appropriateness of the key assumptions applied by the management's independent professional valuation specialist; - Reviewed the assessment of our internal valuation specialist; and - Assessed the adequacy and reasonableness of the disclosures in the financial statements.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to be communicated in our auditors' report.

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 of the Group and the Directors' Reports but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the Analysis of Shareholdings which is expected to be made available to us after this date.

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

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

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

When we read the Analysis of Shareholdings, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request management to correct the other information accordingly.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MKH OIL PALM (EAST KALIMANTAN) BERHAD (Incorporated in Malaysia)

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MKH OIL PALM (EAST KALIMANTAN) BERHAD (Incorporated in Malaysia)

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis to forming an opinion on the Group's 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, related safeguards.

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, as disclosed in Note 13 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 contents of this report.

DELOITTE MALAYSIA PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

ALVIN CHANG SHU-WEI
Partner - 03480/01/2026 J
Chartered Accountant

22 December 2025

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	4	363,189,716	352,217,484	66,286,124	34,075,819
Cost of sales	5	(195,481,642)	(216,240,385)	(6,654,864)	(5,350,164)
Gross profit		167,708,074	135,977,099	59,631,260	28,725,655
Other income		15,517,614	8,041,603	6,925,198	4,192,831
Sales and marketing expenses		(19,496,599)	(10,364,146)	-	-
Administrative expenses		(43,579,441)	(35,082,800)	(1,341,445)	(1,323,558)
Other expenses		(12,808,594)	(12,175,668)	(7,498,845)	(4,324,377)
Profit from operations		107,341,054	86,396,088	57,716,168	27,270,551
Finance costs		(37,371)	(1,377,635)	(37,371)	(181,776)
Profit before tax	6	107,303,683	85,018,453	57,678,797	27,088,775
Tax expense	8	(27,514,310)	(20,808,744)	(1,943,785)	(1,492,808)
Profit for the financial year		79,789,373	64,209,709	55,735,012	25,595,967
Other comprehensive income/(loss):					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Remeasurement gains on defined benefit plans	20	227,254	1,087,745	-	-
Income tax relating to remeasurement gains on defined benefit plans	8	(49,996)	(239,304)	-	-
Revaluation surplus of production buildings		8,982,455	-	-	-
Income tax relating to surplus arising from revaluation of production buildings	8	(1,976,140)	-	-	-
		7,183,573	848,441	-	-
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Foreign currency translation differences		(31,983,728)	(43,677,561)	-	-
Total comprehensive income for the financial year		54,989,218	21,380,589	55,735,012	25,595,967

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Profit for the financial year attributable to:					
Owner of the parent		79,789,373	63,563,373	55,735,012	25,595,967
Non-controlling interests		-	646,336	-	-
		79,789,373	64,209,709	55,735,012	25,595,967
Total comprehensive income attributable to:					
Owner of the parent		54,989,218	21,070,891	55,735,012	25,595,967
Non-controlling interests		-	309,698	-	-
		54,989,218	21,380,589	55,735,012	25,595,967
Basic and diluted earning per share (sen)	9	7.85	8.25		

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

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

		Note	The Group		The Company	
			2025 RM	2024 RM	2025 RM	2024 RM
ASSETS						
Non-Current Assets						
Property, plant and equipment	10	273,444,875	302,715,676	1,473,299	1,448,741	
Goodwill	11	6,453,604	6,787,354	-	-	
Prepaid lease payments	12	35,800,099	37,728,040	-	-	
Investment in subsidiaries	13	-	-	193,645,172	167,856,408	
Receivables, deposits and prepayments	14	315,363	1,058,635	32,966,141	43,966,141	
Total Non-Current Assets		316,013,941	348,289,705	228,084,612	213,271,290	
Current Assets						
Inventories	15	48,376,433	36,250,144	-	-	
Biological assets	16	9,875,602	8,268,800	-	-	
Receivables, deposits and prepayments	14	36,243,969	20,400,463	87,983,934	71,382,922	
Current tax assets		-	413,558	-	-	
Cash, bank balances, term deposit and short-term placement	17	242,251,733	225,224,376	86,534,124	106,442,496	
Total Current Assets		336,747,737	290,557,341	174,518,058	177,825,418	
Total Assets		652,761,678	638,847,046	402,602,670	391,096,708	

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

		The Group		The Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	18	378,294,087	378,294,087	378,294,087	378,294,087
Treasury shares	18	(4,524,625)	(1,125,681)	(4,524,625)	(1,125,681)
Reserves	19	209,211,323	194,877,191	26,158,490	11,078,564
Total Equity		582,980,785	572,045,597	399,927,952	388,246,970
Non-Current Liabilities					
Provisions of post-employment benefit obligations	20	19,617,911	18,731,306	-	-
Deferred tax liabilities	21	17,380,525	15,390,929	56,000	50,600
Loans and borrowings	22	498,392	463,412	498,392	463,412
Total Non-Current Liabilities		37,496,828	34,585,647	554,392	514,012
Current Liabilities					
Payables and accruals	23	26,928,770	31,041,821	1,370,093	1,161,745
Loans and borrowings	22	230,322	161,039	230,322	161,039
Current tax liabilities		5,124,973	1,012,942	519,911	1,012,942
Total Current Liabilities		32,284,065	32,215,802	2,120,326	2,335,726
Total Liabilities		69,780,893	66,801,449	2,674,718	2,849,738
Total Equity and Liabilities		652,761,678	638,847,046	402,602,670	391,096,708
Net assets per share (RM)	9	0.57	0.56		

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Share capital RM	Treasury shares RM	Non-distributable			Retained earnings RM	Total equity RM
			Translation reserve RM	Revaluation reserve RM	Distributable		
The Group							
As at 1 October 2024	378,294,087	(1,125,681)	(34,734,622)	7,176,541	222,435,272	572,045,597	
Comprehensive income							
Profit for the financial year	-	-	-	-	79,789,373	79,789,373	
Other comprehensive income							
Foreign currency translation differences	-	-	(31,983,728)	-	-	(31,983,728)	
Revaluation surplus of production buildings - net of tax	-	-	-	7,006,315	-	7,006,315	
Remeasurement gains on defined benefit plans - net of tax	-	-	-	-	177,258	177,258	
Total comprehensive income	-	-	(31,983,728)	7,006,315	79,966,631	54,989,218	
Transactions with owners							
Share buy back	-	(3,398,944)	-	-	-	(3,398,944)	
Dividends paid (Note 24)	-	-	-	-	(40,655,086)	(40,655,086)	
Total transactions with owners	-	(3,398,944)	-	-	(40,655,086)	(44,054,030)	
As at 30 September 2025	378,294,087	(4,524,625)	(66,718,350)	14,182,856	261,746,817	582,980,785	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

The Group	Share capital RM	Treasury shares RM	Non-distributable			Distributable	Attributable to owners of the parent RM	Non-controlling interests RM	Total equity RM
			Translation reserve RM	Revaluation reserve RM	Retained earnings RM				
As at 1 October 2023	80,468,000	-	8,377,647	6,775,200	214,730,513		310,351,360	17,600,768	327,952,128
Comprehensive income									
Profit for the financial year	-	-	-	-	63,563,373		63,563,373	646,336	64,209,709
Other comprehensive income									
Foreign currency translation differences	-	-	(43,340,923)	-	-		(43,340,923)	(336,638)	(43,677,561)
Remeasurement gains on defined benefit plans - net of tax	-	-	-	-	848,441		848,441	-	848,441
Total comprehensive income	-	-	(43,340,923)	-	64,411,814		21,070,891	309,698	21,380,589
Transactions with owners									
Acquisition of non-controlling interest in a subsidiary	53,515,709	-	228,654	401,341	(36,235,238)		17,910,466	(17,910,466)	-
Issuance of shares pursuant to:									
Acquisition of a subsidiary	27,863,922	-	-	-	-		27,863,922	-	27,863,922
Debt settlement	88,967,612	-	-	-	-		88,967,612	-	88,967,612
Initial public offering	136,400,000	-	-	-	-		136,400,000	-	136,400,000
Share issuance expenses	(8,921,156)	-	-	-	-		(8,921,156)	-	(8,921,156)
Share buy back	-	(1,125,681)	-	-	-		(1,125,681)	-	(1,125,681)
Dividends paid (Note 24)	-	-	-	-	(20,471,817)		(20,471,817)	-	(20,471,817)
Total transactions with owners	297,826,087	(1,125,681)	228,654	401,341	(56,707,055)		240,623,346	(17,910,466)	222,712,880
As at 30 September 2024	378,294,087	(1,125,681)	(34,734,622)	7,176,541	222,435,272		572,045,597	-	572,045,597

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

The Company	Share capital RM	Treasury shares RM	Distributable Retained earnings RM	Total equity RM
As at 1 October 2024	378,294,087	(1,125,681)	11,078,564	388,246,970
Profit for the financial year, representing total comprehensive income for the financial year	-	-	55,735,012	55,735,012
Share buy back	-	(3,398,944)	-	(3,398,944)
Dividends paid (Note 24)	-	-	(40,655,086)	(40,655,086)
As at 30 September 2025	378,294,087	(4,524,625)	26,158,490	399,927,952
As at 1 October 2023	80,468,000	-	5,954,414	86,422,414
Profit for the financial year, representing total comprehensive income for the financial year	-	-	25,595,967	25,595,967
Issuance of shares pursuant to:				
Acquisition of non-controlling interest	53,515,709	-	-	53,515,709
Acquisition of a subsidiary	27,863,922	-	-	27,863,922
Debt settlement	88,967,612	-	-	88,967,612
Initial public offering	136,400,000	-	-	136,400,000
Share issuance expenses	(8,921,156)	-	-	(8,921,156)
Share buy back	-	(1,125,681)	-	(1,125,681)
Dividends paid (Note 24)	-	-	(20,471,817)	(20,471,817)
As at 30 September 2024	378,294,087	(1,125,681)	11,078,564	388,246,970

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

STATEMENTS OF
CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
Profit before tax	107,303,683	85,018,453	57,678,797	27,088,775
Adjustments for:				
Amortisation of prepaid lease payments	1,679,055	1,437,472	-	-
Bad debts written off	-	66,987	-	-
Changes in fair value of biological assets	(2,362,091)	(2,904,078)	-	-
Depreciation of property, plant and equipment	33,820,486	32,705,748	498,477	389,459
Dividend income from a subsidiary	-	-	(59,213,114)	(28,652,824)
Interest expense	37,371	1,377,635	37,371	181,776
Interest income	(6,639,220)	(3,444,777)	(6,772,394)	(4,144,056)
Inventories written off	360	10,947	-	-
Property, plant and equipment written off	884,415	787,320	-	-
Provision of post-employment benefit obligations	4,948,751	4,965,494	-	-
Unrealised loss on foreign exchange - net	29,092	40,687	-	-
Operating Profit/(Loss) Before Changes in Working Capital	139,701,902	120,061,888	(7,770,863)	(5,136,870)
Change in inventories	(12,126,649)	4,556,578	-	-
Change in receivables, deposits and prepayments	(10,892,069)	20,503,295	3,084,994	798,379
Change in payables and accruals	(4,142,143)	(19,345,545)	208,348	217,139
Cash Generated From/(Used In) Operations	112,541,041	125,776,216	(4,477,521)	(4,121,352)
Dividend received	-	-	43,984,268	28,652,824
Interest received	6,639,220	3,444,777	6,772,394	4,144,056
Interest paid	(37,371)	(1,377,635)	(37,371)	(181,776)
Retirement benefit obligations paid	(2,348,898)	(1,690,067)	-	-
Tax paid	(23,095,433)	(15,964,496)	(2,437,666)	(350,696)
Tax refunded	186,021	3,543,924	6,250	31,316
Net Cash From Operating Activities	93,884,580	113,732,719	43,810,354	28,174,372

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES				
Acquisition of property, plant and equipment	(13,433,200)	(22,342,147)	(198,035)	(52,587)
Acquisition of shares in subsidiaries – net of cash	-	-	-	(1)
Advances to a subsidiary	-	-	(400,495)	(800,000)
Cash and bank balances acquired from acquisition of a subsidiary (Note 13)	-	2,394,745	-	-
Deposit paid for acquisition of a subsidiary (Note 14(d))	(4,208,165)	-	(4,208,165)	-
Proceeds from divestment of interest in subsidiaries	-	-	-	4,933
Repayment from a subsidiary	-	-	11,000,000	-
Subscription of shares in a subsidiary	-	-	-	(9,999)
Net Cash Used In Investing Activities	(17,641,365)	(19,947,402)	6,193,305	(857,654)
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES				
Repayment of loan to a related company	-	(30,000,000)	-	(30,000,000)
Dividend paid	(40,655,086)	(20,471,817)	(40,655,086)	(20,471,817)
Share issuance expenses	-	(8,921,156)	-	(8,921,156)
Repayment of term loans	-	(2,331,403)	-	-
Share buy back	(3,398,944)	(1,125,681)	(3,398,944)	(1,125,681)
Repayment of hire-purchase arrangements	(220,737)	(142,485)	(220,737)	(142,485)
Proceeds from issuance of shares pursuant to initial public offering	-	136,400,000	-	136,400,000
Subscription of shares in subsidiaries	-	-	(25,637,264)	-
Net Cash (Used In)/From Financing Activities	(44,274,767)	73,407,458	(69,912,031)	75,738,861
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	31,968,448	167,192,775	(19,908,372)	103,055,579
Effects of exchange rate fluctuations	(14,941,091)	(13,974,954)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	225,224,376	72,006,555	106,442,496	3,386,917
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR (NOTE 17)	242,251,733	225,224,376	86,534,124	106,442,496

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

Acquisition of property, plant and equipment

During the financial year, the Group and the Company acquired property, plant and equipment by the following means:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Hire-purchase arrangement	325,000	190,000	325,000	190,000
Cash payments	13,433,200	22,342,147	198,035	52,587
	13,758,200	22,532,147	523,035	242,587

Reconciliation of liabilities arising from financing activities

The table below details the reconciliation of the opening and closing balances in the statements of financial position for the liabilities arising from the financing activities in the statements of cash flows of the Group and of the Company:

	As at 1.10.2024 RM	Acquisition of property, plant and equipment by hire- purchase arrangement RM	Financing cash outflow RM	As at 30.09.2025 RM
The Group and The Company				
Hire-purchase liabilities	624,451	325,000	(220,737)	728,714

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

Reconciliation of liabilities arising from financing activities (Cont'd)

	As at 1.10.2023 RM	Acquisition of property, plant and equipment by hire- purchase arrangement RM	Debt assignments RM	Debt settlement via issuance of shares RM	Non- financing cash flows RM	Financing cash outflow RM	Effect of movements in exchange rate RM	As at 30.09.2024 RM
The Group								
Term loans	2,359,952	-	-	-	-	(2,331,403)	(28,549)	-
Hire-purchase liabilities	576,936	190,000	-	-	-	(142,485)	-	624,451
Amount due to related companies	68,118,846	-	55,487,000	(88,967,612)	(4,638,234)	(30,000,000)	-	-
	71,055,734	190,000	55,487,000	(88,967,612)	(4,638,234)	(32,473,888)	(28,549)	624,451
The Company								
Hire-purchase liabilities	576,936	190,000	-	-	-	(142,485)	-	624,451
Amount due to related companies	8,408,291	-	110,453,141	(88,967,612)	106,180	(30,000,000)	-	-
	8,985,227	190,000	110,453,141	(88,967,612)	106,180	(30,142,485)	-	624,451

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

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

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

The principal activities of the Company are investment holding and provision of management services.

The information on the name, country of incorporation, principal activities and percentage of issued share capital held by the Company in subsidiaries is as disclosed in Note 13 to the financial statements.

The registered office of the Company is located at G-02 & G-03, Ground Floor, Wisma MKH, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan.

The principal place of business of the Company is located at G-02 & G-03, Ground Floor, Wisma MKH, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan.

The directors regard MKH Berhad, a company incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, as the ultimate holding company of the Company.

The financial statements were approved and authorised for issue in accordance with a Board of Directors' resolution dated 22 December 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

(a) Statement of compliance

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

The financial statements of the Group and of the Company have been prepared under the historical cost basis except as otherwise stated in the financial statement.

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reported period. It also requires directors to exercise their judgements in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgements are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(c) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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

(a) Statement of compliance (Cont'd)

Adoption of MFRS and Amendments to MFRSs

In the current financial year, the Group and the Company have adopted all the MFRS and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to their operations and effective for annual financial periods beginning on or after 1 October 2024 as follows:

Amendments to:

MFRS 7 and MFRS 107	Supplier Finance Arrangements
MFRS 16	Lease Liability in a Sale and Leaseback
MFRS 101	Classification of Liabilities as Current or Non-current
MFRS 101	Non-current Liabilities with Covenants

The adoption of these MFRS and amendments to MFRSs did not result in significant changes in the accounting policies of the Group and of the Company, and has no significant effect on the financial performance or position of the Group and of the Company.

Standards and Amendments in Issue But Not Yet Effective

At the date of authorisation for issue of these financial statements, the new and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and by the Company are as listed below:

MFRS 18	Presentation and Disclosure in Financial Statements ³
MFRS 19	Subsidiaries without Public Accountability: Disclosure ³
Amendments to:	
MFRS 7 and MFRS 9	Contracts Referencing Nature-dependent Electricity ²
MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures</i>) ²
MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
MFRS 19	Subsidiaries without Public Accountability: Disclosures ³
MFRS 121	Lack of Exchangeability ¹
MFRSs	Annual improvements to MFRS Accounting Standards – Volume 11 ²

¹ Effective for annual periods beginning on or after 1 January 2025, with earlier application permitted.

² Effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.

³ Effective for annual periods beginnings on or after 1 January 2027, with earlier application permitted.

⁴ Effective date deferred to a date to be announced by MASB.

NOTES TO THE FINANCIAL STATEMENTS

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

(a) Statement of compliance (Cont'd)

Standards and Amendments in Issue But Not Yet Effective (Cont'd)

The directors anticipate that the abovementioned MFRSs and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective. The adoption of these Standards and amendments may have an impact on the financial statements of the Group and of the Company in the period of initial application. However, it is not practicable to provide a reasonable estimate of the effect of the said MFRSs and amendments to MFRSs until the Group and the Company undertake a detailed review.

(b) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements of the Group and of the Company are presented in Ringgit Malaysia ("RM"), which is also the Group's functional currency. All financial information presented in RM has been rounded to the nearest RM, unless otherwise stated.

(c) Significant accounting estimates and judgements

Significant areas of estimation, uncertainty and critical judgements used in applying accounting principles that have significant effect on the amount recognised in the financial statements are described in the following paragraphs:

- (i) Tax expense (Note 8) - significant judgement is required in determining the capital allowances and deductibility of certain expenses when estimating the tax expense. There were transactions during the ordinary course of business for which the ultimate tax determination of whether additional taxes will be due is uncertain. The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax in the periods in which the outcome is known. As such, significant judgement is required in determining the tax litigation status in Indonesia as a tax refund may be recognised when it is probable that an inflow of economic benefits will be received by the Group.
- (ii) Valuation of production buildings (Note 10) - the valuation of production buildings performed by management is based on independent professional valuations with reference to cost method of valuation, being assumed to have a direct relationship with its cost of construction, which is then adjusted to allow for cost of finance, profit and demand to reflect its profitable present market value. The management believes that the chosen valuation techniques and assumptions are appropriate in determining the valuation of the Group's production buildings.
- (iii) Depreciation of property, plant and equipment (Note 10) - the cost of property, plant and equipment is depreciated or amortised on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these property, plant and equipment to be within 5 to 20 years based on past experience with similar assets or/and common life expectancies of the industries. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets resulting in revision of future depreciation or amortisation charges. Depreciation of bearer plants is charged so as to write off the cost of mature plantations, using the straight-line method, over the estimated useful life of 20 years (2024: 20 years) or over the lease period, whichever is shorter.

NOTES TO THE FINANCIAL STATEMENTS

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

(c) Significant accounting estimates and judgements (Cont'd)

Significant areas of estimation, uncertainty and critical judgements used in applying accounting principles that have significant effect on the amount recognised in the financial statements are described in the following paragraphs: (Cont'd)

- (iv) Impairment of goodwill (Note 11) - significant judgement is used in the estimation of the present value of future cash flows generated by the cash-generating units which involve uncertainties and are based on assumptions used and judgements made regarding estimates of future cash flows and discount rate.
- (v) Fair values of biological assets (Note 16) - to arrive at the fair value of fresh fruit bunches ("FFB"), the management considered the oil content of the unripe FFB and derived the assumption that the net cash flows to be generated from FFB prior to more than 15 days to harvest to be negligible, therefore quantity of unripe FFB on bearer plant of up to 15 days prior to harvest was used for valuation purpose. Costs to sell, which include harvesting and transport cost, are deducted in arriving at the net cash flow to be generated.
- (vi) Provision of post-employment benefit obligations (Note 20) - the provision is determined using actuarial valuation prepared by an independent actuary. The actuarial valuation involved making assumptions about discount rate, future salary increase and resignation rate. As such, this estimated provision amount is subject to significant uncertainty.
- (vii) Impairment of investment in subsidiaries (Note 13) - Management reviews the investment in subsidiaries for impairment when there is an indication of impairment. Recoverable amounts of the investments in subsidiaries are assessed by reference to the fair value less cost of disposal of the underlying assets or the value-in-use of the respective subsidiaries. The Company has determined the recoverable amount of the investment in subsidiaries based on its value-in-use. Value-in-use is the net present value of the projected future cash flows derived from business operations of the respective subsidiaries discounted at an appropriate pre-tax discount rate. This discounted cash flows method involves the use of estimated future results and a set of assumptions to support their income and cash flows.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group and by the Company, unless otherwise stated.

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(a) Basis of consolidation (Cont'd)

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

In the Company's separate financial statements, investment in subsidiaries are stated at cost less accumulated impairment losses.

(b) Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair value of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

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

Upon disposal of a foreign subsidiary, the cumulative amount of translation differences accumulated in equity at the date of disposal of the subsidiary is reclassified to the consolidated profit or loss.

(c) Foreign currency

(i) Foreign currency transactions

Differences arising on settlement or translation of monetary items are recognised in profit or loss.

In preparing the financial statements of the individual entities, transactions in currencies other than the Group entities' functional currency (foreign currencies) are recorded in the Group entities' functional currency at the exchange rates prevailing at the date of the transaction. Monetary items denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. Non-monetary items denominated in foreign currencies are not retranslated at the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

Non-monetary items that are measure in terms of historical cost in a foreign currency are translated using the exchange rates at the date of initial transaction.

On consolidation, the assets and liabilities of foreign operations are translated into Ringgit Malaysia at the rate of exchange prevailing at the reporting date and their profit or loss are translated at exchange rates prevailing at the dates of the transaction. The exchange difference arising on transaction for consolidation are recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(d) Revenue recognition

Revenue is measured at the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, or other similar items, the Group and the Company estimate the amount of consideration to which they will be entitled based on the expected value or the most likely outcome.

(i) Sales of goods

Revenue from crude palm oil, crude palm kernel oil and palm kernel is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue is recognised by the Group at a point in time when the control of the goods underlying the performance obligation is transferred to the buyers. The credit term granted to customers generally ranged from cash on delivery to 30 days. No allocation of transaction price required to performance obligation as each contract consists of one performance obligation only.

There is no right of return and warranty provided to the customers on the sale of crude palm oil, crude palm kernel oil and palm kernel.

(ii) Services

Revenue from services is recognised as and when services are rendered.

(iii) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(iv) Dividend income and income from short-term placement

Dividend income and income from short-term placement are recognised when the right to receive payment are established.

(e) Borrowing costs

All borrowing costs are recognised in profit or loss using the effective interest method, in the period in which they are incurred except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(f) Taxation

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(f) **Taxation (Cont'd)**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is measured at tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle the current tax assets and current tax liabilities on a net basis.

(g) **Property, plant and equipment**

(i) **Recognition and measurement**

All items of property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any, except for production buildings.

Production buildings are stated at valuation, which is the fair value at the date of the valuation, less accumulated depreciation and impairment loss, if any.

The Group revalues its production buildings every five years from the last date of valuation or at shorter intervals whenever the fair values of the said assets are expected to differ substantially from their carrying amounts.

Surplus arising from revaluation are transferred to revaluation reserve. Any deficits are offset against the unutilised previously recognised revaluation surplus to the extent of a previous increase for the same property and the balance is thereafter recognised in profit or loss. Upon disposal or retirement of an asset, any unutilised revaluation reserve relating to the particular asset is transferred to retained earnings.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

(ii) **Subsequent costs**

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The cost of the day-to-day servicing of the property, plant and equipment are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment and the principal annual rates are as follows:

Bearer plants	20 years, or over the lease period if shorter
Motor vehicles, plant and machinery	5% - 20%
Furniture, fittings and office equipment	10% - 20%
Production buildings	5% - 12.5%
Commercial buildings	5% - 12.5%
Plantation infrastructure	12.5%
Renovation	20%

Property, plant and equipment under construction are not depreciated until these assets are ready for their intended use.

Bearer plants are classified as immature until it is available for harvest. At that point, bearer plants are measured at amortised cost and depreciated over their useful lives.

The methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(h) Property, plant and equipment under hire-purchase arrangement

Property, plant and equipment acquired under hire-purchase arrangement are capitalised in the financial statements and the corresponding obligations treated as liabilities. Finance charges are allocated to profit or loss to give a constant periodic rate of interest on the remaining hire-purchase obligations.

(i) Prepaid lease payments

The upfront payments for right to use the leasehold land over a predetermined period are accounted for as prepaid lease payments that are stated at cost less accumulated amortisation, are amortised over the lease term on a straight-line basis.

(j) Goodwill

Goodwill arising on the acquisition of subsidiaries is identified as any excess of the consideration paid over the Group's share of fair values of the identifiable assets, liabilities and contingent liabilities acquired as at the date of acquisition. Goodwill is initially measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(j) Goodwill (Cont'd)

Goodwill acquired is allocated to the cash-generating units ("CGU") expected to benefit from the acquisition synergies. An impairment loss is recognised in profit or loss when the carrying amount of the CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount is the higher of the CGU's fair value less costs to sell and its value in use. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each assets in the CGU. Impairment loss on goodwill is not reversed in a subsequent period.

(k) Biological assets

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

(l) Inventories

Crude palm oil, crude palm kernel oil and palm kernel include direct labour, an appropriate share of production overheads and the fair values attributable to agriculture produce at year end in accordance with MFRS 141 *Agriculture*. The fair values of biological assets harvested from the Group's plantation and sold during the year are recorded as part of the biological assets movements in Note 16 to the financial statements and as part of changes in fair value of biological assets in determining profit.

(m) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless it reverses a previous revaluation in which case it is charged to the revaluation surplus.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless it reverses an impairment loss on revalued assets, in which case, the reversal is treated as a revaluation increase.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(n) Financial instruments

Financial assets and financial liabilities are recognised when the Group and the Company become parties to the contractual provision of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in profit and loss. Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or a loss in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

(i) Financial assets

Measurement category	Criteria	Financial assets
Financial assets at amortised cost	Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.	Receivables and deposits (Note 14) Cash, bank balances and term deposit (Note 17)
Financial assets measured at fair value through profit or loss ("FVTPL")	Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through profit or loss.	Short-term placement (Note 17)

Impairment of financial assets

An impairment loss is recognised in profit and loss based on expected credit losses ("ECL") at the end of each reporting period.

The Group and the Company recognise lifetime ECL for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition. The impairment losses and reversals are recognised in profit or loss.

For other financial assets such as other receivables and amount due from intercompany, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(n) Financial instruments (Cont'd)

(i) Financial assets (Cont'd)

Derecognition of financial assets

The Group and the Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group and by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Measurement category	Criteria	Financial liabilities
Financial liabilities at amortised cost	Financial liabilities are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.	Loans and borrowings (Note 22) Payables and accruals (Note 23)

Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and the Company's obligation are discharged, cancelled or they expire. The differences between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

(o) Cash and cash equivalents

The Group and the Company adopt the indirect method in the preparation of the statement of cash flows. Cash and cash equivalents are short-term and highly liquid investments and are readily convertible to cash with insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(p) Provisions

Provisions are made when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the management's best estimate of the amount required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

At the reporting date, provisions are reviewed by the management and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that the Group will be required to settle the obligation.

(q) Treasury shares

When share capital recognised as equity is repurchased, the amount of consideration paid is recognised directly in equity. Repurchased shares that have not been cancelled including any attributable costs are classified as treasury shares and presented as deduction from total equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration and the carrying amount is presented as a movement in equity.

4. REVENUE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers:				
Sales of crude palm oil, crude palm kernel oil and palm kernel	363,189,716	352,217,484	-	-
Management fees	-	-	7,073,010	5,422,995
	363,189,716	352,217,484	7,073,010	5,422,995
Revenue from other sources:				
Dividend income from a subsidiary	-	-	59,213,114	28,652,824
	363,189,716	352,217,484	66,286,124	34,075,819
Timing of revenue recognition				
Point in time	363,189,716	352,217,484	-	-
Over time	-	-	7,073,010	5,422,995
	363,189,716	352,217,484	7,073,010	5,422,995

At the end of the financial year, there is unsatisfied performance obligation on the advances from customer where the Group has billed or has collected payment before the goods are delivered to the customer as disclosed in Note 23(b) to the financial statements. The advances from customer will be recognised as revenue when the performance obligation is satisfied. This performance obligation is part of contract that have original expected duration of less than one year.

NOTES TO THE FINANCIAL STATEMENTS

5. COST OF SALES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cost of sales of crude palm oil, crude palm kernel oil and palm kernel	195,481,642	216,240,385	-	-
Direct operating costs	-	-	6,654,864	5,350,164
	195,481,642	216,240,385	6,654,864	5,350,164

6. PROFIT BEFORE TAX

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax is arrived at after charging:				
Amortisation of prepaid lease payments (Note 12)	1,679,055	1,437,472	-	-
Auditors' remuneration:				
Statutory audit	312,320	318,766	65,000	60,000
Non-statutory audit	10,000	25,000	10,000	25,000
Bad debts written off	-	66,987	-	-
Depreciation of property, plant and equipment (Note 10)	33,820,486	32,705,748	498,477	389,459
Expenses relating to short-term leases	444,849	466,992	310,043	313,934
Inventories written off	360	10,947	-	-
Interest expense on:				
Loans and borrowings	37,371	69,291	37,371	27,543
Amount due to related companies (Note 26(b))	-	1,308,344	-	154,233
	37,371	1,377,635	37,371	181,776
Loss on foreign exchange - net				
Realised	307,220	1,362,553	65,812	3,134
Unrealised	29,092	40,687	-	-
Property, plant and equipment written off	884,415	787,320	-	-
Personnel expenses (including key management personnel):				
Contributions to Employees Provident Fund	612,510	494,283	459,538	347,220
Provision of post-employment benefit obligations (Note 20)	4,948,751	4,965,494	-	-
Wages, salaries and others	14,761,466	13,309,378	5,241,742	4,235,665
	20,322,727	18,769,155	5,701,280	4,582,885

NOTES TO THE FINANCIAL STATEMENTS

6. PROFIT BEFORE TAX (CONT'D)

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
And crediting:				
Changes in fair value of biological assets (Note 16)	2,362,091	2,904,078	-	-
Interest income:				
Bank balances, term deposit and short-term placement	6,639,220	3,444,777	3,214,306	1,340,030
Amount due from a subsidiary (Note 26(b))	-	-	3,558,088	2,804,026
	6,639,220	3,444,777	6,772,394	4,144,056

7. DIRECTORS' REMUNERATION

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors of the Company				
Executive Directors:				
Other emoluments	1,558,355	1,151,410	1,558,355	1,151,410
Non-Executive Directors:				
Fees	1,040,000	970,000	1,040,000	970,000
Other emoluments	86,000	114,000	86,000	114,000
	1,126,000	1,084,000	1,126,000	1,084,000
	2,684,355	2,235,410	2,684,355	2,235,410
Directors of subsidiaries				
Directors:				
Other emoluments	705,932	555,253	-	-
Estimated monetary value of benefits-in-kind				
Directors of the Company				
- Executive Directors	55,750	55,750	55,750	55,750
	3,446,037	2,846,413	2,740,105	2,291,160

NOTES TO THE FINANCIAL STATEMENTS

8. TAX EXPENSE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax				
Malaysia:				
Current financial year	2,210,800	1,454,100	2,210,500	1,454,100
(Over)/Under provision in prior financial year	(272,017)	35,308	(272,115)	35,308
Overseas:				
Current financial year	24,358,991	18,781,488	-	-
Underprovision in prior financial year	1,137,227	722,678	-	-
	27,435,001	20,993,574	1,938,385	1,489,408
Deferred tax (Note 21):				
Origination and reversal of temporary differences	78,909	(255,784)	5,000	2,900
Underprovision of deferred tax liabilities in prior financial year	400	70,954	400	500
	79,309	(184,830)	5,400	3,400
Total tax expense recognised in profit or loss	27,514,310	20,808,744	1,943,785	1,492,808
Deferred tax related to other comprehensive income (Note 21):				
Remeasurement gains on defined benefits plans	49,996	239,304	-	-
Revaluation surplus of production buildings	1,976,140	-	-	-
	2,026,136	239,304	-	-

NOTES TO THE FINANCIAL STATEMENTS

8. TAX EXPENSE (CONT'D)

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

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	107,303,683	85,018,453	57,678,797	27,088,775
Tax calculated using the Malaysian tax rate of 24% (2024: 24%)	25,752,900	20,404,400	13,843,000	6,501,000
Tax effect of:				
Non-deductible expenses	3,413,636	802,794	2,583,500	1,991,500
Non-taxable income	(792,872)	(513,950)	(14,211,000)	(7,035,500)
Effect of difference in overseas tax rate	(1,995,763)	(1,537,440)	-	-
Deferred tax assets not recognised	270,799	824,000	-	-
Under/(Over) provision in prior financial year:				
Current tax	865,210	757,986	(272,115)	35,308
Deferred tax	400	70,954	400	500
Tax expense	27,514,310	20,808,744	1,943,785	1,492,808

The tax effects of unused tax losses which would give rise to net deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which unused tax losses can be utilised. As at 30 September 2025, the estimated amount of unused tax losses, for which the net deferred tax assets are not recognised in the financial statements due to uncertainty of its realisation, is as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unused tax losses	7,831,587	6,703,257	-	-

Under the Indonesia tax regulations, the unused tax losses can be utilised within 5 years after the tax losses were incurred.

Business loss incurred in year of assessment ("YA")	RM	Carried forward up to YA	Unutilised amount will be disregarded in YA
2023	2,956,907	2028	2029
2024	3,746,350	2029	2030
2025	1,128,330	2030	2031

NOTES TO THE FINANCIAL STATEMENTS

8. TAX EXPENSE (CONT'D)

Tax Assessments YA2019

On 7 January 2021, PT Maju Kalimantan Hadapan ("PTMKH"), a subsidiary of the Company, received a Notice of Tax Overpaid Assessment from the Indonesia's Director General of Tax ("DGT") amounting to IDR29,816 million, equivalent to RM7.54 million for the year of assessment 2019.

On 1 April 2021, PTMKH filed an objection letter in reply to the above Notice of Tax Overpaid Assessment, as management are of the opinion, PTMKH should have tax refund amounting to IDR35,281 million, equivalent to RM8.92 million. DGT has restricted the claim on management fee incurred by PTMKH amounted to IDR21,855 million, equivalent to RM5.53 million which resulted in additional tax liability of IDR5,464 million, equal to RM1.38 million. On 24 December 2021, the objection letter has been rejected by tax appeal office in Balikpapan, Indonesia.

On 18 March 2022, PTMKH filed an appeal to tax court in Jakarta, Indonesia. On 24 August 2022, PTMKH received a notice of tax hearing from Jakarta's tax court to attend the said tax appeal on 7 September 2022. The Jakarta's tax court had requested PTMKH to provide additional analysis and summary report for the tax assessment during the tax hearing on 7 September 2022, 5 October 2022, 9 November 2022, 7 December 2022, 25 January 2023, 22 February 2023, 29 March 2023 and 17 May 2023. As at to date, the Jakarta's tax court has yet to make a conclusion on PTMKH appeal to the abovementioned.

Tax Assessments YA2023

On 16 January 2025, PTMKH received a Notice of Tax Overpaid Assessment from DGT amounting to IDR2,720 million, equivalent to RM0.68 million for the year of assessment 2023.

On 14 April 2025, PTMKH filed an objection letter in reply to the above Notice of Tax Overpaid Assessment, as management is of the opinion that PTMKH should have tax refund amounting to IDR11,679 million, equivalent to RM2.95 million. DGT has restricted the claim on management fee and interest expense on amount due to a related company incurred by PTMKH amounted to IDR40,723 million, equivalent to RM10.30 million which resulted in additional tax liability of IDR8,959 million, equivalent to RM2.27 million. On 28 October 2025, the objection letter has been rejected by tax appeal office in Balikpapan, Indonesia. PTMKH will further proceed to file appeal to tax court in Jakarta, Indonesia.

Based on consultation with the local tax experts, the directors of PTMKH are of the opinion that PTMKH has a valid defence against DGT's assessments for YA2019 and YA2023. Accordingly, PTMKH has not made any adjustments in respect of the tax assessments in the financial statements of the Group and PTMKH.

NOTES TO THE FINANCIAL STATEMENTS

9. EARNINGS AND NET ASSETS PER SHARE

Basic earnings per share

The basic earnings per share is calculated by dividing the Group's profit attributable to owners of the parent by the weighted average number of ordinary shares in issue, net of weighted average number of treasury shares during the financial year.

Basic earnings per share are calculated as follows:

	The Group	
	2025 RM	2024 RM
Profit attributable to owners of the parent	79,789,373	63,563,373
Weighted average number of ordinary shares in issue		
At beginning of the financial year	1,023,590,845	110,468,000
Effect of pre-initial public offering reorganisation	-	566,998,792
Effect of initial public offering	-	92,568,306
At end of the financial year	1,023,590,845	770,035,098
Adjusted weighted average number of treasury shares	(7,047,119)	(18,579)
Weighted average number of ordinary shares in issue	1,016,543,726	770,016,519
Basic earnings per share (sen)	7.85	8.25

Diluted earnings per share

The basic and diluted earnings per share are the same as the Group has no potential dilutive equity instruments.

Net assets per share

The net assets per share is calculated by dividing the total equity attributable to owners of the parent by the number of ordinary shares in issue, net of treasury shares at the reporting date as disclosed in Note 18 to the financial statements.

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FINANCIAL STATEMENTS

10. PROPERTY, PLANT AND EQUIPMENT

The Group 2025	Motor vehicles, plant and machinery RM	Furniture, fittings and office equipment RM	Buildings RM	Plantation infrastructure RM	Bearer plants RM	Renovation RM	Under construction RM	Total RM
Cost/Valuation								
As at 1 October 2024	121,800,961	10,406,499	47,212,585	49,643,929	339,403,641	755,517	17,458,248	586,681,380
Additions	4,782,132	821,905	375,060	16,194	-	-	7,762,909	13,758,200
Write-offs	(5,492,439)	(487,149)	(551,465)	-	-	-	-	(6,531,053)
Reclassification	16,538,248	194,943	2,720,423	-	-	-	(19,453,614)	-
Revaluation	-	-	16,512,215	-	-	-	-	16,512,215
Effect of movements in exchange rate	(7,607,443)	(679,951)	(3,662,421)	(3,467,870)	(21,704,539)	-	(1,150,674)	(38,272,908)
As at 30 September 2025	130,021,459	10,256,237	62,606,397	46,192,253	317,699,102	755,517	4,616,869	572,147,834
Accumulated Depreciation								
As at 1 October 2024	70,359,231	7,120,074	22,516,507	27,484,432	156,158,070	327,390	-	283,965,704
Charge for the financial year	10,769,436	711,914	3,265,969	2,224,445	16,697,619	151,103	-	33,820,486
Write-offs	(4,825,213)	(460,079)	(361,346)	-	-	-	-	(5,646,638)
Revaluation	-	-	7,529,760	-	-	-	-	7,529,760
Effect of movements in exchange rate	(5,455,813)	(477,815)	(1,608,517)	(1,932,980)	(11,491,228)	-	-	(20,966,353)
As at 30 September 2025	70,847,641	6,894,094	31,342,373	27,775,897	161,364,461	478,493	-	298,702,959
Net Carrying Amounts								
As at 30 September 2025	59,173,818	3,362,143	31,264,024	18,416,356	156,334,641	277,024	4,616,869	273,444,875

NOTES TO THE FINANCIAL STATEMENTS

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

The Group 2024	Motor vehicles, plant and machinery RM	Furniture, fittings and office equipment RM	Buildings RM	Plantation infrastructure RM	Bearer plants RM	Renovation RM	Under construction RM	Total RM
Cost/Valuation								
As at 1 October 2023	126,440,305	11,095,438	43,231,439	53,710,287	276,515,890	755,517	14,591,501	526,340,377
Additions	4,868,098	654,249	-	-	-	-	17,009,800	22,532,147
In respect of subsidiary acquired (Note 13)	2,668,160	25,478	2,400,087	1,560,881	98,145,072	-	257,842	105,057,520
Write-offs	(4,616,524)	(500,425)	(129,283)	-	-	-	-	(5,246,232)
Reclassification	5,843,396	239,483	6,539,266	164,008	-	-	(12,786,153)	-
Effect of movements in exchange rate	(13,402,474)	(1,107,724)	(4,828,924)	(5,791,247)	(35,257,321)	-	(1,614,742)	(62,002,432)
As at 30 September 2024	121,800,961	10,406,499	47,212,585	49,643,929	339,403,641	755,517	17,458,248	586,681,380
Accumulated Depreciation								
As at 1 October 2023	71,955,978	7,712,017	20,377,497	27,413,048	141,283,353	176,287	-	268,918,180
Charge for the financial year	9,410,628	653,797	3,088,128	2,405,165	16,996,927	151,103	-	32,705,748
In respect of subsidiary acquired (Note 13)	1,336,785	21,719	1,497,247	638,025	15,077,207	-	-	18,570,983
Write-offs	(3,868,306)	(474,996)	(115,610)	-	-	-	-	(4,458,912)
Effect of movements in exchange rate	(8,475,854)	(792,463)	(2,330,755)	(2,971,806)	(17,199,417)	-	-	(31,770,295)
As at 30 September 2024	70,359,231	7,120,074	22,516,507	27,484,432	156,158,070	327,390	-	283,965,704
Net Carrying Amounts								
As at 30 September 2024	51,441,730	3,286,425	24,696,078	22,159,497	183,245,571	428,127	17,458,248	302,715,676

NOTES TO THE
FINANCIAL STATEMENTS

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

The buildings of the Group include production buildings and commercial buildings. The production buildings stated at valuation were revalued by the directors in September 2025 based on an independent professional valuation on a market value basis using the cost valuation method, except for commercial buildings located at oil palm plantation with carrying amounts (including additions during the financial year) totalling RM9,528,794 (2024: RM13,098,687) were not revalued as at 30 September 2025. The directors are of the view that it is not practicable to fair value these commercial buildings as these are mainly staff quarters and amenities which were built on oil palm plantation for use by the plantation workers and there is a lack of active market for the buildings.

The Group	Motor vehicles, plant and machinery RM	Furniture, fittings and office equipment RM	Buildings RM	Plantation infrastructure RM	Bearer plants RM	Renovation RM	Under construction RM	Total RM
2025								
Analysis of cost and valuation								
At valuation - 2025	-	-	21,735,230	-	-	-	-	21,735,230
At cost	130,021,459	10,256,237	40,871,167	46,192,253	317,699,102	755,517	4,616,869	550,412,604
	130,021,459	10,256,237	62,606,397	46,192,253	317,699,102	755,517	4,616,869	572,147,834
Net Carrying Amounts								
At valuation - 2025	-	-	21,735,230	-	-	-	-	21,735,230
At cost	59,173,818	3,362,143	9,528,794	18,416,356	156,334,641	277,024	4,616,869	251,709,645
	59,173,818	3,362,143	31,264,024	18,416,356	156,334,641	277,024	4,616,869	273,444,875
2024								
Analysis of cost and valuation								
At valuation - 2020	-	-	19,218,432	-	-	-	-	19,218,432
At cost	121,800,961	10,406,499	27,994,153	49,643,929	339,403,641	755,517	17,458,248	567,462,948
	121,800,961	10,406,499	47,212,585	49,643,929	339,403,641	755,517	17,458,248	586,681,380
Net Carrying Amounts								
At valuation - 2020	-	-	11,597,391	-	-	-	-	11,597,391
At cost	51,441,730	3,286,425	13,098,687	22,159,497	183,245,571	428,127	17,458,248	291,118,285
	51,441,730	3,286,425	24,696,078	22,159,497	183,245,571	428,127	17,458,248	302,715,676

NOTES TO THE FINANCIAL STATEMENTS

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

The Company	Motor Vehicles RM	Furniture, fittings, and office equipment RM	Renovation RM	Total RM
2025				
Cost				
As at 1 October 2024	938,251	528,450	755,517	2,222,218
Additions	471,000	52,035	-	523,035
As at 30 September 2025	1,409,251	580,485	755,517	2,745,253
Accumulated Depreciation				
As at 1 October 2024	280,785	165,301	327,391	773,477
Charge for the financial year	274,000	73,373	151,104	498,477
As at 30 September 2025	554,785	238,674	478,495	1,271,954
Net Carrying Amounts				
As at 30 September 2025	854,466	341,811	277,022	1,473,299
2024				
Cost				
As at 1 October 2023	716,762	507,352	755,517	1,979,631
Additions	221,489	21,098	-	242,587
As at 30 September 2024	938,251	528,450	755,517	2,222,218
Accumulated Depreciation				
As at 1 October 2023	111,592	96,139	176,287	384,018
Charge for the financial year	169,193	69,162	151,104	389,459
As at 30 September 2024	280,785	165,301	327,391	773,477
Net Carrying Amounts				
As at 30 September 2024	657,466	363,149	428,126	1,448,741

Included in the above property, plant and equipment are motor vehicles acquired under the hire-purchase liabilities as follows:

	The Group and The Company	
	2025 RM	2024 RM
Net carrying amounts	854,466	657,466

NOTES TO THE FINANCIAL STATEMENTS

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

The net carrying amounts of revalued assets had they been carried at cost would have been as follows:

	The Group	
	2025 RM	2024 RM
Production buildings	10,751,049	9,106,402

Included in the above property, plant and equipment of the Group are:

(a) Motor vehicles and plant and machinery analysed as follows:

The Group	Motor vehicles RM	Plant and machinery RM	Total RM
2025			
Cost	13,618,198	116,403,261	130,021,459
Accumulated depreciation	(8,396,728)	(62,450,913)	(70,847,641)
Net carrying amounts	5,221,470	53,952,348	59,173,818
2024			
Cost	12,908,285	108,892,676	121,800,961
Accumulated depreciation	(8,306,453)	(62,052,778)	(70,359,231)
Net carrying amounts	4,601,832	46,839,898	51,441,730

(b) Property, plant and equipment under construction are mainly construction of buildings, plant and machinery and plantation infrastructure in oil palm plantation.

(c) Bearer plants comprise oil palm trees.

(d) Bearer plants pledged as security for credit facility granted to a subsidiary as disclosed in Note 22 are as follows:

	The Group	
	2025 RM	2024 RM
Cost	229,286,711	246,881,896
Accumulated depreciation	(141,003,679)	(139,002,155)
Net carrying amounts	88,283,032	107,879,741

NOTES TO THE FINANCIAL STATEMENTS

11. GOODWILL

	The Group	
	2025 RM	2024 RM
At cost		
At beginning of year	6,787,354	6,077,776
In respect of subsidiary acquired (Note 13)	-	1,271,685
Effect of movements in exchange rate	(333,750)	(562,107)
At end of year	6,453,604	6,787,354

Impairment test for goodwill

Goodwill is allocated to the Group's cash-generating units ("CGU") in respect of plantation segment.

Key assumptions used in the value-in-use calculations based on 17 to 20 years (2024: 6 to 10 years) cash flow projection in respect of impairment test for goodwill on the plantation segment are:

- (i) discount rate of 10.0% (2024: 11.0%) which is pre-tax and reflected specific risks of the plantation segment in Indonesia;
- (ii) oil palm trees with an average life of 25 years (2024: 25 years) with the first three years as immature and remaining years as mature which is the average life cycle of the trees;
- (iii) Crude Palm Oil ("CPO") average selling price of RM3,500 (2024: RM3,500) per metric tonne based on the management's estimate;
- (iv) Average CPO extraction rate of 21.0% (2024: 21.5%) based on the industry trend and past performance;
- (v) Average annual oil palm yield per hectare of 21 to 25 metric tonnes (2024: 21 to 25 metric tonnes) based on management's estimate and historic yield; and
- (vi) Replanting cost, including cost to maturity of RM30,000 per hectare (2024: Nil) based on the management's estimate.

In assessing the value-in-use, management does not foresee any possible changes in the above key assumptions that would cause the carrying amounts of the goodwill to materially exceed its recoverable amounts. During the financial year, the management take into consideration of replanting when the oil palm trees reach the age of 25 years which is within the first lease term of the prepaid lease payments as part of the assumptions in assessing the full value-in-use calculation for CGU. Accordingly, the value-in-use calculations reflect the remaining unexpired lease period of the prepaid lease payments.

NOTES TO THE FINANCIAL STATEMENTS

12. PREPAID LEASE PAYMENTS

	The Group	
	2025 RM	2024 RM
At beginning of year	37,728,040	18,190,571
Amortisation for the financial year (Note 6)	(1,679,055)	(1,437,472)
In respect of subsidiary acquired (Note 13)	-	21,382,135
Effect of movements in exchange rate	(248,886)	(407,194)
At end of year	35,800,099	37,728,040

The above are leasehold lands with remaining unexpired lease period of 17 to 20 years (2024: 18 to 21 years).

The leasehold land of RM16,290,743 (2024: RM17,168,535) is pledged as security for credit facility granted to a subsidiary as disclosed in Note 22.

13. INVESTMENT IN SUBSIDIARIES

	The Company	
	2025 RM	2024 RM
Unquoted shares - at cost		
Ordinary shares	193,645,172	167,856,408

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Proportion of ownership interest and voting power held by the Group	
			2025 %	2024 %
*^#PT Maju Kalimantan Hadapan ("PTMKH")	Republic of Indonesia	Oil palm plantation, crude oil palm and crude palm kernel oil	100	100
^ PT Sawit Prima Sakti ("PTSPS")	Republic of Indonesia	Oil palm plantation	100	100
*~ Hala Maju Sdn. Bhd. ("HMSB")	Malaysia	Investment holding	100	100

NOTES TO THE FINANCIAL STATEMENTS

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

- * During the financial year, the Company subscribed for an additional 191,661 (2024: Nil) new ordinary shares in PTMKH and 190,000 (2024: 9,999) new ordinary shares in HMSB. The said additional subscription did not give rise to any changes in proportion of ownership interest and voting power held by the Group.
- ^ Subsidiary audited by a member firm of Deloitte Malaysia PLT (formerly known as Deloitte PLT).
- # The investment in shares has been pledged as security for credit facility granted to a subsidiary as disclosed in Note 22.
- ~ In the previous financial year, the Company acquired one ordinary share, representing 100% of the issued share capital of HMSB for a total cash consideration of RM1 on 29 December 2023. The said acquisition did not give rise to a material impact on the financial statement of the Group and of the Company.

In the previous financial year, the Company subscribed for additional 9,999 new ordinary shares in HMSB at an issue price of RM1 each for a total cash consideration of RM9,999 on 2 April 2024.

In the previous financial year, the Company has disposed of one ordinary share in both PTMKH and PTSPS respectively to HMSB for a total cash consideration of RM4,933 to facilitate the acquisition of PTMKH and PTSPS on 17 January 2024.

Acquisition of non-controlling interest in PTMKH and acquisition of a subsidiary, PTSPS in the previous financial year

In the previous financial year, the Company increased its issued and fully paid-up capital by way of issuance of 67,255,894 new ordinary shares at an issue price of RM1.21 each for a total consideration otherwise than cash of RM81,379,631 as full and final settlement of the purchase consideration of 5.67% equity interest in PTMKH and 100% equity interest in PTSPS on 20 December 2023. Accordingly, PTMKH and PTSPS became the wholly owned subsidiaries of the Group and the Company.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed for the acquisition of a subsidiary, PTSPS in the previous financial year are as follows:

	The Group 2024 RM
Property, plant and equipment	84,486,537
Prepaid lease payments	21,382,135
Receivables, deposits and prepayments	314,613
Biological assets	160,324
Cash and bank balances	2,394,745
Provisions of post-employment benefit obligations	(618,737)
Deferred tax liabilities	(13,644,852)
Payables and accruals	(69,882,528)
Total identifiable assets acquired and liabilities assumed	26,592,237
Goodwill on acquisition (Note 11)	1,271,685
Total purchase consideration	27,863,922

NOTES TO THE FINANCIAL STATEMENTS

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

Acquisition of non-controlling interest in PTMKH and acquisition of a subsidiary, PTSPS in the previous financial year (Cont'd)

The purchase consideration was satisfied by:

	The Group 2024 RM
Issuance of 23,028,035 new ordinary shares at an issue price of RM1.21	27,863,922

14. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-current					
Non-trade					
Amount due from subsidiaries (a)		-	-	32,966,141	43,966,141
Other receivables		9,622	10,344	-	-
Prepayments		305,741	1,048,291	-	-
		315,363	1,058,635	32,966,141	43,966,141
Current					
Trade					
Trade receivables (b)		3,987,046	2,751,217	1,763,880	1,424,370
Non-trade					
Amount due from subsidiaries (a)		-	-	81,940,142	69,889,763
Other receivables (c)		24,470,481	14,754,257	10,105	7,147
Deposits (d)		7,411,075	2,492,042	4,269,807	61,642
Prepayments		375,367	402,947	-	-
		32,256,923	17,649,246	86,220,054	69,958,552
		36,243,969	20,400,463	87,983,934	71,382,922

(a) Included in the non-trade portion of amount due from subsidiaries are:

- (i) RM43,966,141 (2024: RM54,966,141) which are unsecured and bears interest at 7.0% (2024: 7.0%) per annum in which RM11,000,000 (2024: RM11,000,000) are receivable within one year and the remaining of RM32,966,141 (2024: RM43,966,141) are receivable after one year but not later than five years. In the previous financial year, the amount due from a subsidiary amounting to RM54,966,141 was derived from the debt assignments; and

NOTES TO THE FINANCIAL STATEMENTS

14. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

- (a) Included in the non-trade portion of amount due from subsidiaries are: (Cont'd)
- (ii) RM70,940,142 (2024: RM58,889,763) which are unsecured, interest free and are repayable on demand. In the previous financial year, included in this non-trade portion of the amount due from subsidiaries, RM55,487,000 was derived from the debt assignments.
- (b) The Group's normal credit term is 30 days (2024: 30 days).

Included in trade receivables of the Company is an amount of RM1,763,880 (2024: RM1,424,370) due from subsidiaries.

The ageing analysis of the Group's and the Company's trade receivables are as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Neither past due nor impaired	3,987,046	2,751,217	1,763,880	1,424,370

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired comprise mainly debtors who are creditworthy customers with good payment records and mostly are regular customers that have been transacting with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

- (c) Included in other receivables of the Group are:
- (i) an amount of RM2,727,087 (2024: RM2,110,539) being amount due from Plasma Farmers Cooperative in Indonesia; and
- (ii) an amount of RM21,375,733 (2024: RM9,517,088) being indirect taxes paid in advance to tax authorities.

Income Tax Article 26

In January 2025, PTMKH received a Letter of Tax Underpayment Assessment from DGT for indirect income tax article 26 for the financial year 2023 amounting to IDR11,051 million, equivalent to RM2.80 million. In March 2025, PTMKH made the full payment of the underpayment amounting to IDR11,051 million, equivalent to RM2.80 million. In April 2025, the Company submitted the objection letter to the tax office.

On 28 October 2025, DGT partially accepted the objection letter to refund IDR5,571 million, equivalent to RM1.41 million to PTMKH. As at to date, PTMKH is still in process of preparing an appeal to the tax courts regarding the remaining amount of IDR5,480 million, equivalent to RM1.39 million.

Based on consultation with the local tax experts, the directors of PTMKH are of the opinion that PTMKH has a valid defence against DGT's assessments for indirect income tax article 26 for the financial year 2023. Accordingly, PTMKH has not made any adjustments in respect of the tax assessments in the financial statements of the Group and PTMKH.

NOTES TO THE FINANCIAL STATEMENTS

14. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

(c) Included in other receivables of the Group are: (Cont'd)

- (ii) an amount of RM21,375,733 (2024: RM9,517,088) being indirect taxes paid in advance to tax authorities. (Cont'd)

Value Added Tax

In October 2025, PTMKH received and accepted a Letter of Refund of Excess Tax Payment for value added tax relating to the financial year 2024, in respect of an overpayment of IDR34,900 million, equivalent to RM8.83 million.

The directors of PTMKH are of the opinion that the refund is valid and enforceable as PTMKH has accepted the refund. Accordingly, the refund has been recognised in the financial statements of the Group and PTMKH subsequent to the end of the financial year.

- (d) During the financial year, included in deposits of the Group and the Company is an amount of RM4,208,165 (2024: Nil) in respect of deposits paid as partial purchase consideration for acquisition of a subsidiary as disclosed in Note 28.

15. INVENTORIES

	The Group	
	2025 RM	2024 RM
At cost:		
Fertilisers	6,449,798	4,086,494
Plantation consumables	13,781,293	14,952,582
Crude palm oil, crude palm kernel oil and palm kernel	28,145,342	17,211,068
	48,376,433	36,250,144

During the financial year, the cost of inventories recognised as an expense in cost of sales of the Group is RM195,481,642 (2024: RM216,240,385).

The amount recognised as an expense by the Group during the year in respect of inventories written off was RM360 (2024: RM10,947).

16. BIOLOGICAL ASSETS

	The Group	
	2025 RM	2024 RM
Net Book Value		
At beginning of year	8,268,800	6,011,296
Changes in fair values (Note 6)	2,362,091	2,904,078
In respect of subsidiary acquired (Note 13)	-	160,324
Effect of movements in exchange rate	(755,289)	(806,898)
At end of year	9,875,602	8,268,800

NOTES TO THE FINANCIAL STATEMENTS

16. BIOLOGICAL ASSETS (CONT'D)

The biological assets of the Group comprise fresh fruit bunches (“FFB”) prior to harvest. Management has considered FFB less than 15 days before harvesting in the calculation of fair value. FFB more than 15 days before harvesting are excluded from the valuation as their fair values are considered negligible.

The fair value measurement of the biological assets is valued using present value of net cashflows expected to be generated from the sale of FFB, adjusted for estimated oil content of unharvested FFB, less harvesting, transport and other costs to sell. The fair value is categorised within Level 2 of the fair value hierarchy and is disclosed in Note 31.

During the financial year, the Group harvested approximately 385,718 metric tonnes (“MT”) (2024: 406,658 MT) of FFB.

17. CASH, BANK BALANCES, TERM DEPOSIT AND SHORT-TERM PLACEMENT

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances		165,691,952	159,844,357	12,504,343	41,062,477
Term deposit	(a)	2,530,000	-	-	-
Short-term placement	(b)	74,029,781	65,380,019	74,029,781	65,380,019
		242,251,733	225,224,376	86,534,124	106,442,496

(a) The term deposit bears effective interest rate of 5.75% (2024: Nil) per annum with maturity period of 30 days (2024: Nil).

(b) Short-term placement of the Group and the Company represented investment in highly liquid market funds, which is readily convertible to known amounts of cash and is subject to an insignificant risk of changes in value. The short-term placement earns return at effective rate of 3.55% (2024: 3.56%) per annum.

18. SHARE CAPITAL

	The Group and The Company			
	Number of shares		Amount	
	Share capital (issued and fully paid-up)	Treasury shares	Share capital (issued and fully paid-up) RM	Treasury shares RM
2025				
At beginning of year	1,023,590,845	(1,900,000)	378,294,087	(1,125,681)
Share buy back	-	(5,536,700)	-	(3,398,944)
At end of year	1,023,590,845	(7,436,700)	378,294,087	(4,524,625)

NOTES TO THE FINANCIAL STATEMENTS

18. SHARE CAPITAL (CONT'D)

	The Group and The Company			
	Number of shares		Amount	
	Share capital (issued and fully paid-up)	Treasury shares	Share capital (issued and fully paid-up) RM	Treasury shares RM
2024				
At beginning of year	110,468,000	-	80,468,000	-
Share split	552,340,000	-	-	-
Issuance of share pursuant to:				
Acquisition of non-controlling interest	44,227,859	-	53,515,709	-
Acquisition of a subsidiary	23,028,035	-	27,863,922	-
Debt settlement	73,526,951	-	88,967,612	-
Initial public offering	220,000,000	-	136,400,000	-
Share issuance expenses	-	-	(8,921,156)	-
Share buy back	-	(1,900,000)	-	(1,125,681)
At end of year	1,023,590,845	(1,900,000)	378,294,087	(1,125,681)

(a) Ordinary shares

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

In the previous financial year, the following issue of shares were made by the Company:

Type of shares	Number of shares	Term of issue	Purpose of issue
Ordinary share	552,340,000	Non-cash	Share split by subdivision of every one existing ordinary share into six new ordinary shares
Ordinary share	44,227,859	Non-cash	Issued new ordinary share at RM1.21 each for a total consideration otherwise than cash of RM53,515,709 for the purchase consideration of 5.67% equity interest of PTMKH
Ordinary share	23,028,035	Non-cash	Issued new ordinary share at RM1.21 each for a total consideration otherwise than cash of RM27,863,923 for the purchase consideration of 100% equity interest of PTSPS
Ordinary share	73,526,951	Non-cash	Issued new ordinary share at RM1.21 each for a total consideration otherwise than cash of RM88,967,612 for the settlement of debt
Ordinary share	220,000,000	Cash	Initial public offering at an issue price of RM0.62 per ordinary share

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS

18. SHARE CAPITAL (CONT'D)

(b) Treasury shares

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

The Company acquired 5,536,700 (2024: 1,900,000) shares in the Company through purchases on the Bursa Malaysia Securities Berhad during the financial year. The total amount paid to acquire the shares including transaction costs was RM3,398,944 (2024: RM1,125,681) and this was presented as a component within shareholders' equity.

The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders. The repurchase transactions were financed by internally generated funds. The shares repurchased are held as treasury shares.

19. RESERVES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-distributable				
Translation reserve	(66,718,350)	(34,734,622)	-	-
Revaluation reserve	14,182,856	7,176,541	-	-
	(52,535,494)	(27,558,081)	-	-
Distributable				
Retained earnings	261,746,817	222,435,272	26,158,490	11,078,564
	209,211,323	194,877,191	26,158,490	11,078,564

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the assets and liabilities of foreign operations which are translated into Ringgit Malaysia at the rate of exchange prevailing at the reporting date and their profit or loss are translated at exchange rates prevailing at the dates of the transactions. This form part of the Group's net investment in foreign operations upon consolidation. The exchange differences arising on transaction for consolidation are recognised in other comprehensive income.

Revaluation reserve

The revaluation reserve relates to the revaluation of production buildings.

Retained earnings

Distributable reserves are those available for distribution as dividends. The entire retained earnings of the Company are available to be distributed as single tier dividends to the shareholders of the Company.

NOTES TO THE FINANCIAL STATEMENTS

20. PROVISIONS OF POST-EMPLOYMENT BENEFIT OBLIGATIONS

	The Group	
	2025 RM	2024 RM
At beginning of year	18,731,306	18,149,226
In respect of subsidiary acquired (Note 13)	-	618,737
Amounts recognised in profit or loss (Note 6):		
Current service costs	3,798,987	3,810,985
Interest on obligation	1,149,764	1,154,509
	4,948,751	4,965,494
Payment during the financial year	(2,348,898)	(1,690,067)
Amounts recognised in other comprehensive income:		
Remeasurement gains	(227,254)	(1,087,745)
Effect of movements in exchange rate	(1,485,994)	(2,224,339)
At end of year	19,617,911	18,731,306

Post-employment benefit obligations

Two subsidiaries of the Company in Indonesia operate an unfunded defined benefit scheme, as required under the Labour Law of the Republic of Indonesia. The provision is determined based on estimation of amount of benefits that employees have earned in return for their service in the current and previous financial years. The defined benefit obligation were determined based on actuarial valuations prepared by an independent actuary using the projected unit credit method.

The defined benefit scheme exposes the Group to actuarial risks, such as longevity risk and interest rate risk.

The amount recognised in the consolidated statement of financial position is determined as follows:

	The Group	
	2025 RM	2024 RM
Present value of obligations	19,617,911	18,731,306

Principal assumption at reporting date are as follows:

	The Group	
	2025	2024
Discount rate	7.00%	6.75%
Future salary increase	8.00%	8.00%
Resignation age	22% per annum until age 18, then decrease linearly to 0% at age 57/6% per annum until age 38, then decrease linearly to 0% at age 57	22% per annum until age 18, then decrease linearly to 0% at age 57/6% per annum until age 38, then decrease linearly to 0% at age 57

NOTES TO THE FINANCIAL STATEMENTS

20. PROVISIONS OF POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONT'D)

Sensitivity analysis

The sensitivity analysis below has been determined based on reasonably possible changes in the discount rate and future salary increase occurring at the reporting date, while holding all other assumptions constant.

	The Group	
	2025 RM	2024 RM
Discount rate increase by 1%	1,293,932	1,256,181
Discount rate decrease by 1%	(1,450,790)	(1,413,440)
Future salary increase by 1%	(1,461,589)	(1,418,340)
Future salary decrease by 1%	1,329,261	1,284,679

The sensitivity analysis presented above has been determined using deterministic method and may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

As at 30 September 2025, the weighted-average duration of the defined benefit obligations was ranging from 12.17 to 15.49 years (2024: 12.42 to 15.52 years).

The benefits, which reflect the expected future service, as appropriate are expected to be paid as follows:

	The Group	
	2025 RM	2024 RM
Within 1 year	2,834,426	2,918,887
Between 2 and 5 years	10,109,807	9,131,352
After 5 years	17,940,259	17,831,815
	30,884,492	29,882,054

21. DEFERRED TAX LIABILITIES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At beginning of year	15,390,929	1,744,445	50,600	47,200
In respect of subsidiary acquired (Note 13)	-	13,644,852	-	-
Recognised in profit or loss (Note 8)	79,309	(184,830)	5,400	3,400
Recognised in other comprehensive income (Note 8)	2,026,136	239,304	-	-
Effect of movements in exchange rate	(115,849)	(52,842)	-	-
	17,380,525	15,390,929	56,000	50,600

NOTES TO THE FINANCIAL STATEMENTS

21. DEFERRED TAX LIABILITIES (CONT'D)

Presented after appropriate offsetting as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deferred tax assets	4,439,814	4,293,459	-	-
Deferred tax liabilities	(21,820,339)	(19,684,388)	(56,000)	(50,600)
	(17,380,525)	(15,390,929)	(56,000)	(50,600)

Deferred tax assets and liabilities are attributable to the following:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deferred tax assets				
Deductible temporary differences arising from:				
Property, plant and equipment	123,873	172,572	-	-
Provisions of post-employment benefit obligations	4,315,941	4,120,887	-	-
	4,439,814	4,293,459	-	-
Deferred tax liabilities				
Taxable temporary differences arising from:				
Property, plant and equipment	1,414,884	1,675,327	56,000	50,600
Biological assets	2,172,633	1,819,136	-	-
Surplus arising from revaluation of buildings	2,416,522	550,633	-	-
Inventories of crude palm oil, crude palm kernel oil and palm kernel	2,378,405	1,492,566	-	-
Fair value adjustment on prepaid lease payment in respect of subsidiaries acquired	13,437,895	14,146,726	-	-
	21,820,339	19,684,388	56,000	50,600

NOTES TO THE FINANCIAL STATEMENTS

22. LOANS AND BORROWINGS

	The Group and The Company	
	2025 RM	2024 RM
Non-current		
Hire-purchase liabilities	498,392	463,412
Current		
Hire-purchase liabilities	230,322	161,039
	728,714	624,451

The maturity profile of the hire-purchase liabilities are as follows:

	The Group and The Company	
	2025 RM	2024 RM
Payable within 1 year	230,322	161,039
Payable after 1 year but not later than 2 years	247,211	174,558
Payable after 2 years but not later than 3 years	153,282	182,458
Payable after 3 years but not later than 4 years	91,902	85,434
Payable after 4 years but not later than 5 years	5,997	20,962
	728,714	624,451

Hire-purchase liabilities are payable as follows:

The Group and The Company	Future minimum hire-purchase payments RM	Finance charges RM	Present value of minimum hire-purchase payments RM
2025			
Less than one year	257,596	27,274	230,322
Between one and five years	524,968	26,576	498,392
	782,564	53,850	728,714
2024			
Less than one year	184,720	23,681	161,039
Between one and five years	491,627	28,215	463,412
	676,347	51,896	624,451

NOTES TO THE FINANCIAL STATEMENTS

22. LOANS AND BORROWINGS (CONT'D)

The hire-purchase liabilities bear effective interest at rates ranging from 4.34% to 4.59% (2024: 4.33% to 4.53%) per annum.

The Group has unutilised secured revolving credit facility with a limit of RM21,030,000, which is secured and supported as follow:

- (a) legal charge over the oil palm plantation land at a subsidiary in Indonesia;
- (b) legal charge over the bearer plant at a subsidiary in Indonesia;
- (c) pledge of shares of a subsidiary; and
- (d) corporate guarantee of the Company.

23. PAYABLES AND ACCRUALS

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Trade					
Trade payables	(a)	6,346,647	10,357,532	-	-
Non-trade					
Other payables		4,057,070	3,272,400	147,435	25,855
Advances from customers	(b)	4,825,241	9,498,794	-	-
Accruals		11,699,812	7,913,095	1,222,658	1,135,890
		26,928,770	31,041,821	1,370,093	1,161,745

- (a) The normal credit term granted to the Group ranges from 14 to 90 days (2024: 14 to 90 days).
- (b) This represents downpayments received from purchasers of crude palm oil, crude palm kernel oil and palm kernel.

NOTES TO THE FINANCIAL STATEMENTS

24. DIVIDENDS

	Net dividend per share Sen	Total amount RM	Date of payment
2025			
Second interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 30 September 2024	2.0	20,329,343	30 December 2024
First interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 30 September 2025	2.0	20,325,743	25 June 2025
		40,655,086	

2024

First interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 30 September 2024

2.0 20,471,817 12 June 2024

A second interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 30 September 2025 amounting to RM20,306,087 was declared on 26 November 2025 and to be paid on 30 December 2025. The financial statements for the current financial year do not reflect the dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 September 2026.

The directors do not recommend any final dividend payment in respect of the financial year ended 30 September 2025.

25. CAPITAL COMMITMENTS

As at the reporting date, the Group has the following commitments in respect of capital expenditure on property, plant and equipment:

	The Group	
	2025 RM	2024 RM
Approved and contracted for	16,410,783	1,695,089
Approved but not contracted for	44,037,517	14,591,327
	60,448,300	16,286,416

NOTES TO THE FINANCIAL STATEMENTS

26. RELATED PARTY DISCLOSURES

(a) Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group and to the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Company have a related party relationship with its holding company, subsidiaries, related companies and key management personnel. Related companies refer to subsidiaries of MKH Berhad.

(b) Related party transactions

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Received or receivable from subsidiaries				
Advances to	-	-	400,495	800,000
Debt assignments	-	-	-	110,453,141
Debt settlement via issuance of shares	-	-	151,500	-
Dividend income	-	-	59,213,114	28,652,824
Interest income (Note 6)	-	-	3,558,088	2,804,026
Management fee	-	-	7,073,010	5,422,995
Repayment of loan	-	-	11,000,000	-
Paid or payable to holding company				
Dividend paid	11,740,801	5,870,401	11,740,801	5,870,401
Paid or payable to related companies				
Debt assignments	-	110,453,141	-	-
Debt settlement via issuance of shares	-	88,967,612	-	88,967,612
Dividend paid	14,765,899	7,381,539	14,765,899	7,381,539
Expenses related to short-term lease	296,954	296,954	296,954	296,954
Interest expense (Note 6)	-	1,308,344	-	154,233
Parking fees	9,540	9,884	9,540	9,884
Repayment of loan	-	30,000,000	-	30,000,000

NOTES TO THE FINANCIAL STATEMENTS

26. RELATED PARTY DISCLOSURES (CONT'D)

(c) Key management personnel compensation

The key management personnel compensation is as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors of the Company				
Directors' fees	1,040,000	970,000	1,040,000	970,000
Other emoluments - including post-employment benefits	1,644,355	1,265,410	1,644,355	1,265,410
Estimated monetary value of benefits-in-kind	55,750	55,750	55,750	55,750
	2,740,105	2,291,160	2,740,105	2,291,160
Other key management personnel				
Remuneration	3,102,939	2,625,640	1,350,298	1,110,589
Post-employment benefits	149,991	122,398	149,991	122,398
	3,252,930	2,748,038	1,500,289	1,232,987
Total key management personnel compensation	5,993,035	5,039,198	4,240,394	3,524,147

Other key management personnel comprises persons other than the directors of Company, having authority and responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly.

(d) Related party balances

Information on outstanding balances with subsidiaries is disclosed in Note 14.

27. SEGMENT INFORMATION

For management purposes, the Group is organised into business segments based on their products and services. The Group's chief operation decision maker reviews the information of each business segment on at least monthly basis for the purposes of resource allocation and assessment of segment performance. Therefore, the Group's reportable segments under MFRS 8 *Operating Segments* are as follows:

- (i) Plantation - oil palm cultivation
- (ii) Investment holding - investment holding and management services

Segment revenue and results

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment results represents profit before tax of the segment. Inter-segment transactions are entered into in the ordinary course of business based on terms mutually agreed upon by the parties concerned.

NOTES TO THE FINANCIAL STATEMENTS

27. SEGMENT INFORMATION (CONT'D)

Segment assets

Segment assets are measured based on all assets (including goodwill) of the segment, excluding current tax assets.

Segment liabilities

Segment liabilities are measured based on all liabilities, excluding loans and borrowings, deferred tax liabilities and current tax liabilities.

Segment revenue and results

	Plantation RM	Investment holding RM	Elimination RM	Total RM
2025				
Revenue				
Total external revenue	363,189,716	-	-	363,189,716
Inter-segment revenue	18,702,356	66,308,630	(85,010,986)	-
Total segment revenue	381,892,072	66,308,630	(85,010,986)	363,189,716
Results				
Operating results	109,562,977	(5,262,322)	(3,598,821)	100,701,834
Interest expense	(3,598,821)	(37,371)	3,598,821	(37,371)
Interest income	3,423,606	3,215,614	-	6,639,220
Segment results	109,387,762	(2,084,079)	-	107,303,683
Tax expense	(25,570,127)	(1,944,183)	-	(27,514,310)
Profit/(Loss) for the financial year	83,817,635	(4,028,262)	-	79,789,373
Other segment information				
Changes in fair value of biological assets	(2,362,091)	-	-	(2,362,091)
Depreciation and amortisation	35,001,064	498,477	-	35,499,541
Inventories written off	360	-	-	360
Loss on foreign exchange:				
Realised	58,390	248,830	-	307,220
Unrealised	29,092	-	-	29,092
Provision of post-employment benefit obligations	4,948,751	-	-	4,948,751

NOTES TO THE FINANCIAL STATEMENTS

27. SEGMENT INFORMATION (CONT'D)

Segment revenue and results (Cont'd)

	Plantation RM	Investment holding RM	Elimination RM	Total RM
2024				
Revenue				
Total external revenue	352,217,484	-	-	352,217,484
Inter-segment revenue	17,574,840	34,191,250	(51,766,090)	-
Total segment revenue	369,792,324	34,191,250	(51,766,090)	352,217,484
Results				
Operating results	88,732,546	(2,965,603)	(2,815,632)	82,951,311
Interest expense	(4,011,491)	(181,776)	2,815,632	(1,377,635)
Interest income	2,104,317	1,340,460	-	3,444,777
Segment results	86,825,372	(1,806,919)	-	85,018,453
Tax expense	(19,315,936)	(1,492,808)	-	(20,808,744)
Profit/(Loss) for the financial year	67,509,436	(3,299,727)	-	64,209,709
Other segment information				
Bad debts written off	66,987	-	-	66,987
Changes in fair value of biological assets	(2,904,078)	-	-	(2,904,078)
Depreciation and amortisation	33,753,761	389,459	-	34,143,220
Inventories written off	10,947	-	-	10,947
Loss on foreign exchange:				
Realised	993,093	357,854	11,606	1,362,553
Unrealised	5,301,636	-	(5,260,949)	40,687
Provision of post-employment benefit obligations	4,965,494	-	-	4,965,494
2025				
Assets				
Total assets	443,964,936	208,796,742	-	652,761,678
Liabilities				
Segment liabilities	45,161,504	1,385,177	-	46,546,681
Loans and borrowings	-	728,714	-	728,714
Deferred tax liabilities	17,324,525	56,000	-	17,380,525
Current tax liabilities	4,604,873	520,100	-	5,124,973
Total liabilities	67,090,902	2,689,991	-	69,780,893
Other segment information				
Additions to non-current assets other than financial instruments	13,235,165	523,035	-	13,758,200

NOTES TO THE FINANCIAL STATEMENTS

27. SEGMENT INFORMATION (CONT'D)

Segment revenue and results (Cont'd)

	Plantation RM	Investment holding RM	Elimination RM	Total RM
2024				
Assets				
Segment assets	415,074,061	223,359,427	-	638,433,488
Current tax assets	413,558	-	-	413,558
Total assets	415,487,619	223,359,427	-	638,847,046
Liabilities				
Segment liabilities	48,609,222	1,163,905	-	49,773,127
Loans and borrowings	-	624,451	-	624,451
Deferred tax liabilities	15,340,329	50,600	-	15,390,929
Current tax liabilities	-	1,012,942	-	1,012,942
Total liabilities	63,949,551	2,851,898	-	66,801,449
Other segment information				
Additions to non-current assets other than financial instruments	22,289,561	242,586	-	22,532,147

Geographical information

Revenue and non-current assets information is presented based on the segment's country of domicile. Revenue from external customers based on the location of its customers has not been disclosed as revenue earned outside the segment's country of domicile is insignificant. Non-current assets do not include receivables, deposits and prepayments.

	Revenue		Non-current assets	
	2025 RM	2024 RM	2025 RM	2024 RM
Malaysia	-	-	1,473,299	1,448,741
Republic of Indonesia	363,189,716	352,217,484	314,225,279	345,782,329
	363,189,716	352,217,484	315,698,578	347,231,070

Major customer information

Total revenue from one (2024: one) major customers which individually contributed 10% or more of the Group's revenue amounted to RM325,950,113 (2024: RM287,904,103), arising from the plantation segment.

NOTES TO THE FINANCIAL STATEMENTS

28. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT EVENTS TO THE END OF THE FINANCIAL YEAR

On 26 August 2025, the Company and its subsidiary, HMSB entered into a Conditional Shares Sale and Purchase Agreement with PT Sinar Reka Murni ("PT Sinar") to acquire 999 ordinary shares and 1 ordinary share respectively, representing 100% equity interest in PT Tunas Tani Tutus ("PT Tunas") from PT Sinar for a total purchase consideration of IDR34,965,000,000 (equivalent to RM9,100,729).

On 19 September 2025, the Company made a deposit payment of IDR16,000,000,000 (equivalent to RM4,208,165) as disclosed in Note 14(d), representing the total purchase consideration for 457 ordinary shares of PT Tunas from PT Sinar.

On 14 October 2025, the Company and HMSB perfected the shares transfer for 456 ordinary shares and 1 ordinary share respectively. On the same date, the Company and HMSB subscribed for additional 18,001 ordinary shares and 999 ordinary shares respectively in PT Tunas at a nominal value of IDR500,000 per ordinary share with a total cash subscription of IDR9,500,000,000 (equivalent to RM2,474,383). PT Sinar has declined to take up the shares proportionately allocated to it. Accordingly, the Company and HMSB hold 92.285% and 5.00% equity interest in PT Tunas respectively.

On 20 October 2025, PT Tunas received approval from the Ministry of Law of the Republic of Indonesia for the transition from a domestic local company to a foreign-owned entity. This change will allow PT Tunas to operate within the framework of foreign investment. Accordingly, PT Tunas became a subsidiary of the Group and of the Company. As at the reporting date, the acquisition of the subsidiary had not yet been fully completed, as it remains subject to the fulfilment of certain conditions, including the remaining staged payment arrangements and applicable regulatory requirements.

29. FINANCIAL INSTRUMENTS

Categories of financial instruments

The following table analyses the financial assets and financial liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial assets				
At FVTPL:				
Short-term placement	74,029,781	65,380,019	74,029,781	65,380,019
At amortised cost:				
Receivables and deposits	35,878,224	20,007,860	120,950,075	115,349,063
Cash, bank balances, and term deposit	168,221,952	159,844,357	12,504,343	41,062,477
Financial liabilities				
At amortised cost:				
Payables and accruals, excluding advances from customers	22,103,529	21,543,027	1,370,093	1,161,745
Loans and borrowings	728,714	624,451	728,714	624,451

NOTES TO THE FINANCIAL STATEMENTS

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is a subsidiary of MKH Berhad and is guided by the Group's financial risk management policies.

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing its risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy are not to engage in speculative transactions.

The main risks and corresponding management policies arising from the Group's and from the Company's normal course of business are as follows:

(i) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

The Group's and the Company's exposure to credit risk primarily arise from the receivables. For other financial assets, the Group minimises credit risk by dealing with high credit rating counterparties. The maximum risk associated with recognised financial assets is the carrying amounts as presented in the statements of financial position.

The Group has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures.

The credit risk concentration profile of the Group's net trade related receivables at the reporting date are 100% derived from Republic of Indonesia.

At the reporting date, the Group has concentration of credit risk on trade receivables whereby amount owing by one (2024: two) customer with balance amounting to RM3,987,046 (2024: RM2,450,232) representing 100% (2024: 89%) of the total trade receivables balances.

Financial guarantee

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to a subsidiary for credit terms granted to a subsidiary.

The Company monitors on an ongoing basis the repayments made by the subsidiary and their financial performance.

The financial guarantees have not been recognised since the fair value on initial recognition was immaterial as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiary's borrowings in view of the securities pledged by the subsidiary and it was not probable that the counterparties to financial guarantee contracts will claim under the contracts.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations when they fall due. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through use of stand-by credit facilities.

The Group actively manages its operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions so as to achieve overall cost effectiveness.

NOTES TO THE FINANCIAL STATEMENTS

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(ii) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the reporting date based on contractual undiscounted repayment of obligations.

	Carrying amount RM	Total contractual amount RM	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM
The Group					
2025					
Financial liabilities:					
Payables and accruals, excluding advances from customers	22,103,529	22,103,529	22,103,529	-	-
Loans and borrowings	728,714	782,564	257,596	264,180	260,788
	22,832,243	22,886,093	22,361,125	264,180	260,788
The Company					
2025					
Financial liabilities:					
Payables and accruals, excluding advances from customers	1,370,093	1,370,093	1,370,093	-	-
Loans and borrowings	728,714	782,564	257,596	264,180	260,788
	2,098,807	2,152,657	1,627,689	264,180	260,788
The Group					
2024					
Financial liabilities:					
Payables and accruals, excluding advances from customers	21,543,027	21,543,027	21,543,027	-	-
Loans and borrowings	624,451	676,347	184,720	191,304	300,323
	22,167,478	22,219,374	21,727,747	191,304	300,323
The Company					
2024					
Financial liabilities:					
Payables and accruals, excluding advances from customers	1,161,745	1,161,745	1,161,745	-	-
Loans and borrowings	624,451	676,347	184,720	191,304	300,323
	1,786,196	1,838,092	1,346,465	191,304	300,323

NOTES TO THE FINANCIAL STATEMENTS

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk when the currency denomination differs from its functional currency.

The Group has transactional currency exposures arising from sales or purchases, term loans and advances from related companies that are denominated in a currency other than the respective functional currencies of the Group entities, primarily Ringgit Malaysia ("RM") and Indonesian Rupiah ("IDR"). The foreign currencies in which these transactions are denominated are mainly United States Dollar ("USD") and RM. Foreign currency exposure in transactions and currencies other than functional currencies of the operating entities are kept to an acceptable level.

The Group also holds cash and cash equivalents denominated in USD for working capital purposes.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations. The Group's net investment in Republic of Indonesia are not hedged as currency positions in IDR are considered to be long-term in nature.

Financial assets and financial liabilities denominated in USD and RM are as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
USD				
Cash and bank balances	1,661,144	2,060,851	463,307	21,303
RM				
Cash and bank balances	1,011,049	101,531	-	-

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit/(loss) and equity for the financial year to a reasonably possible change in the USD, RM and IDR exchange rates against their respective functional currencies, with all other variables held constant. The 5% (2024: 5%) sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

NOTES TO THE FINANCIAL STATEMENTS

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iii) Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk (Cont'd)

	Profit/(Loss) for the financial year			
	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
USD/RM				
Strengthened 5%	17,600	810	17,600	810
Weakened 5%	(17,600)	(810)	(17,600)	(810)
USD/IDR				
Strengthened 5%	46,700	79,500	-	-
Weakened 5%	(46,700)	(79,500)	-	-
RM/IDR				
Strengthened 5%	39,400	4,000	-	-
Weakened 5%	(39,400)	(4,000)	-	-
The Group			Translation reserve	
			2025 RM	2024 RM
IDR/RM				
Strengthened 5%			16,262,900	14,870,824
Weakened 5%			(16,262,900)	(14,870,824)

(iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk relates to interest bearing financial assets and financial liabilities. Interest bearing financial asset of the Group includes term deposit and short-term placement and interest bearing financial assets of the Company include amount due from a subsidiary and short-term placement. Interest bearing financial liabilities of the Group and of the Company include hire purchase liabilities.

The hire purchase liabilities totaling RM728,714 (2024: RM624,451) and amount due from a subsidiary amounting to RM43,966,141 (2024: RM54,966,141) at fixed rate exposes the Group and/or the Company to fair value interest rate risk. The term deposit and short-term placement amounting to RM2,530,000 (2024: Nil) and RM74,029,781 (2024: RM65,380,019) respectively at floating rate exposes the Group and the Company to cash flow interest rate risk.

The Group and the Company actively review its debts portfolio to ensure favourable rates are obtained.

NOTES TO THE FINANCIAL STATEMENTS

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iv) Interest rate risk (Cont'd)

Sensitivity analysis for interest rate risk

At the reporting date, a change of 50 (2024: 50) basis points in interest rates, with all other variables held constant, would increase/decrease the equity and profit/loss after tax by approximately RM290,900 (2024: RM248,400), arising mainly as a result of higher/lower interest expense on floating rate of term deposit and short-term placement.

31. FAIR VALUE

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of MFRS 2 *Share-based Payments*, leasing transactions that are within the scope of MFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 *Inventories* or value in use in MFRS 136 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(a) Fair value measurement of financial instruments

The methods and assumptions used to estimate the fair values of the following classes of financial assets and financial liabilities are as follows:

(i) **Cash and bank balances, term deposit and short-term placement, receivables and deposits and payables and accruals**

The carrying amounts of current financial assets and financial liabilities approximate their fair values due to the relatively short-term maturities of these financial assets and financial liabilities.

(ii) **Long-term other receivables**

The fair values of long-term other receivable are estimated using expected future cash flows of contractual instalment payments discounted at current prevailing rates offered for similar types of credit or lending arrangements.

NOTES TO THE FINANCIAL STATEMENTS

31. FAIR VALUE (CONT'D)

(a) Fair value measurement of financial instruments (Cont'd)

The methods and assumptions used to estimate the fair values of the following classes of financial assets and financial liabilities are as follows: (Cont'd)

(iii) Hire-purchase liabilities

The fair value of hire purchase liabilities is estimated using discounted cash flow analysis, based on current lending rates for similar types of lending arrangement.

The carrying amounts and fair value of financial instruments, other than the carrying amounts which are reasonable approximation of fair values, are as follows:

	The Group	
	Carrying Amount RM	Fair Value RM
2025		
Financial asset		
Long-term other receivables	9,622	9,622
Financial liability		
Hire purchase liabilities	728,714	782,564
2024		
Financial asset		
Long-term other receivables	10,344	10,344
Financial liability		
Hire purchase liabilities	624,451	676,347

NOTES TO THE FINANCIAL STATEMENTS

31. FAIR VALUE (CONT'D)

(b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's financial assets at the reporting date:

The Group	Fair value measurement using			
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2025				
Buildings under property, plant and equipment (Note 10)				
Production buildings	-	-	21,735,230	21,735,230
Short-term placement (Note 17)	74,029,781	-	-	74,029,781
Biological assets (Note 16)	-	9,875,602	-	9,875,602
Liability for which fair value is disclosed				
Hire purchase liabilities	-	782,564	-	782,564
Asset for which fair value is disclosed				
Long-term other receivables	-	9,622	-	9,622
2024				
Short-term placement (Note 17)	65,380,019	-	-	65,380,019
Biological assets (Note 16)	-	8,268,800	-	8,268,800
Liability for which fair value is disclosed				
Hire purchase liabilities	-	676,347	-	676,347
Asset for which fair value is disclosed				
Long-term other receivables	-	10,344	-	10,344

NOTES TO THE FINANCIAL STATEMENTS

31. FAIR VALUE (CONT'D)

(b) Fair value hierarchy (Cont'd)

Fair value reconciliation of production buildings under property, plant and equipment measured at Level 3 are as follows:

The Group	2025 RM
Production buildings under property, plant and equipment	
At beginning of year	11,597,391
Reclassification	3,696,042
Depreciation charge for the financial year	(1,529,938)
Revaluation	8,982,455
Effect of movements in exchange rates	(1,010,720)
At end of year	21,735,230

Description of valuation techniques used and key unobservable inputs to valuation on production buildings under property, plant and equipment measured at Level 3 are as follows:

Property category	Valuation technique	Significant unobservable inputs	Range
Production buildings	Cost method	Construction price per square feet	RM9 – RM129

The estimated fair value would increase/decrease if the construction price per square feet were higher/lower.

Cost method of valuation

In the cost method of valuation, the market value of the subject property is the sum of the market value of the production building. The value of the building is assumed to have a direct relationship with its cost of construction, which is then adjusted to allow for cost of finance, profit and demand to reflect its profitable present market value.

Valuation processes applied by the Group

The fair value of production buildings under property, plant and equipment is determined by external independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The Group revalues its buildings every five years or at shorter intervals whenever the fair value of the said assets is expected to differ substantially from the carrying amounts.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer.

Transfer between Level 1 and 2 fair values

There is no transfer between Level 1 and 2 fair values during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

32. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to sustain future development of the business so that they can continue to maximise returns for its shareholders and benefits for other stakeholders.

The Group and the Company manage their capital structure and make adjustments to them, in light of changes in economic conditions. To maintain or to adjust capital structure, the Group and the Company may adjust the dividend payment to shareholder, return capital to shareholder, issue new shares or take additional or repay its loans and borrowings. No changes were made in the objectives, policies and processes during the financial years ended 30 September 2025 and 30 September 2024.

The Group and the Company are not subject to any externally imposed capital requirements other than the subsidiary, PTMKH which is required to maintain a debt-to-equity ratio of 75:25 in respect of the revolving credit facility.

LIST OF PROPERTIES

AS AT 30 SEPTEMBER 2025

The details of the properties owned by the Group as at 30 September 2025 are as follows:

Registered owner/ Title/Location	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Land area	Built-up area	Date of purchase	Encumbrance	Audited Net Book Value as at 30 September 2025 RM'000
PTMKH/Hak Guna Usaha No. 8, Puancepak dan Sedulang/Puancepak and Sedulang Village, Muara Kaman District, Kutai Kartanegara Regency, East Kalimantan Province	Oil palm plantation, office building, CPO mill and estate quarter/Oil palm plantation/Leasehold of 35 years expiring on 12 September 2042 (with an unexpired term of lease of 17 years) with an option to renew for a further period of 25 years and generally can be further renewed for another period of 35 years upon fulfilment of conditions	15,942.6 Ha/ (equivalent to 39,395 acres)	5,206,461 Square Feet ("sq ft")	21/9/2007	First rank mortgage in favour of OCBC Al-Amin Bank Berhad	182,088
PTMKH/Hak Guna Bangunan No. 6, Sebulu Ilir/ Sebulu District, Kutai Kartanegara Regency, East Kalimantan	Jetty facilities building/Jetty housing/Leasehold of 20 years expiring on 29 December 2030 (with an unexpired term of lease of 6 years) with an option to renew for a further period of 20 years upon fulfilment of conditions	11,065 sq ft	Nil	30/12/2010	Nil	
PTMKH/Hak Pakai Certificate No. 6, 7 & 8, Sebulu Ilir/Sebulu District, Kutai Kartanegara Regency, East Kalimantan	Jetty and ancillary facilities building/ CPO bulking station/Leasehold of 20 years expiring on 25 January 2031 (with an unexpired term of lease of 7 years) with an option to renew for a further period of 20 years upon fulfilment of conditions	4.8 Ha/ (equivalent to 12 acres)	129,494 sq ft	23/2/2011	Nil	
PTSPS/Hak Guna Usaha Certificate No. 138 & 139, Puancepak/ Puancepak Village, Muara Kaman District, Kutai Kartanegara Regency, East Kalimantan	Oil palm plantation and estate quarter/Oil palm plantation/ Leasehold of 35 years expiring on 25 April 2045 (with an unexpired term of lease of 20 years) with an option to renew for a further period of 25 years and generally can be further renewed for another period of 35 years upon fulfilment of conditions	2,445.5 Ha/ (equivalent to 6,043 acres)	156,320 sq ft	6/4/2010	Nil	88,265

ANALYSIS OF SHAREHOLDINGS

AS AT 31 DECEMBER 2025

Issued and fully paid-up capital	: RM387,215,243
No. of shares issued and paid-up	: 1,023,590,845
	(inclusive of 8,743,500 shares bought-back by the Company and retained as treasury shares as at 31 December 2025)
Class of equity securities	: Ordinary shares
Voting rights by show of hand	: One vote for every member
Voting rights by poll	: One vote for every share held
No. of shareholders	: 8,197

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	%	Total Holdings	%
1 - 99	1,012	12.346	25,007	0.002
100 - 1,000	2,233	27.242	1,060,027	0.105
1,001 - 10,000	3,006	36.672	13,769,314	1.357
10,001 - 100,000	1,556	18.982	50,610,840	4.987
100,001 - 50,745,716	387	4.721	287,414,675	28.321
50,745,717 and above	3	0.037	661,967,482	65.228
Total	8,197	100.000	1,014,847,345	100.000

SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	No. of Ordinary Shares Held			
	Direct Interest	%	Indirect Interest	%
Chen Choy & Sons Realty Sdn. Bhd.	30,477,919	3.003	665,950,339 ⁽¹⁾⁽²⁾	65.621
MKH Berhad	293,520,019	28.923	369,147,463 ⁽³⁾	36.375
Metro Kajang (Oversea) Sdn. Bhd.	316,479,801	31.185	-	-
MKH Plantation Sdn. Bhd.	51,967,662	5.121	-	-
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong	89,582	0.009	698,828,857 ⁽⁴⁾⁽⁵⁾	68.860
Tan Sri Datuk Chen Lok Loi	1,514,692	0.149	697,699,048 ⁽⁴⁾⁽⁶⁾	68.749
Datuk Chen Fook Wah	23,336	0.002	696,521,957 ⁽⁴⁾⁽⁷⁾	68.633

Notes:

⁽¹⁾ Deemed interest by virtue of its shareholdings held through a nominee company.

⁽²⁾ Deemed interest by virtue of its shareholdings in MKH Berhad.

⁽³⁾ Deemed interest by virtue of its shareholdings in Metro Kajang (Oversea) Sdn. Bhd., MKH Plantation Sdn. Bhd. and Maha Usaha Sdn. Bhd.

⁽⁴⁾ Deemed interest by virtue of his shareholdings in Chen Choy & Sons Realty Sdn. Bhd. ("CCSR"), the controlling shareholder of MKH Berhad, whereby the Company is a subsidiary of MKH Berhad.

⁽⁵⁾ Deemed interest by virtue of his shareholdings in Lotus Way Sdn. Bhd. and a nominee company.

⁽⁶⁾ Deemed interest by virtue of his shareholdings held through a nominee company.

⁽⁷⁾ Deemed interest by virtue of his shareholdings in Activest Sdn. Bhd. and a nominee company.

ANALYSIS OF SHAREHOLDINGS

AS AT 31 DECEMBER 2025

LIST OF TOP 30 SHAREHOLDERS

(Without Aggregating Securities From Different Securities Accounts Belonging To the Same Registered Holder)

No.	Name	Shareholdings	%(~)
1	METRO KAJANG (OVERSEA) SDN. BHD.	313,754,301	30.916
2	MKH BERHAD	293,520,019	28.923
3	MKH PLANTATION SDN. BHD.	38,334,662	3.777
4	CHEN CHOY & SONS REALTY SDN. BHD.	27,723,735	2.732
5	PT HIKMAT ALIRAN SUKSES	22,030,575	2.171
6	PM NOMINEES (TEMPATAN) SDN. BHD. NEWPARADIGM ASSET MANAGEMENT SDN. BHD. FOR AMONA SDN. BHD.	16,040,000	1.581
7	MKH PLANTATION SDN. BHD.	13,633,000	1.343
8	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GAN BOON TIAN	10,008,300	0.986
9	NEOH CHOO EE & COMPANY, SDN. BERHAD	9,500,000	0.936
10	TEOH PENG LEE	5,170,000	0.509
11	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HUAT HING RESOURCES SDN. BHD.	4,718,000	0.465
12	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GAN BOON TIAN (MY4428)	4,047,900	0.399
13	MONTRIDGE CAPITAL SDN. BHD.	3,915,707	0.386
14	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOH LENG PHEOW	3,300,000	0.325
15	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHEN CHOY & SONS REALTY SDN. BHD. (8122378)	3,282,857	0.323
16	NG LOO SOON	3,000,000	0.296
17	NG OOI WAH	2,950,428	0.291
18	SOH SIEW CHING	2,900,000	0.286
19	SIA THIAN SANG	2,844,257	0.280
20	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GAN BOON TIAN (6000077)	2,820,000	0.278
21	TAN AIK CHOON	2,773,571	0.273
22	YONG MOH LIM	2,744,600	0.270
23	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CAU VONG HOLDINGS SDN. BHD.	2,728,106	0.269
24	METRO KAJANG (OVERSEA) SDN. BHD.	2,725,500	0.269
25	CHEN CHOY & SONS REALTY SDN. BERHAD	2,697,100	0.266
26	LIM WAI SENG	2,530,000	0.249

ANALYSIS OF SHAREHOLDINGS

AS AT 31 DECEMBER 2025

LIST OF TOP 30 SHAREHOLDERS (CONT'D)

(Without Aggregating Securities From Different Securities Accounts Belonging To the Same Registered Holder)

No.	Name	Shareholdings	% (~)
27	AFFIN HWANG NOMINEES (ASING) SDN. BHD. DBS VICKERS SECS (S) PTE LTD FOR LITTLE RAIN ASSETS LIMITED	2,303,257	0.227
28	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAI KOK KONG	2,067,900	0.204
29	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GAN BOON TIAN	2,012,000	0.198
30	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR SIM SEE HUA (PB)	2,000,000	0.197
TOTAL		808,075,775	79.625

Note:

(~) Based on 1,014,847,345 ordinary shares (excluding 8,743,500 treasury shares).

DIRECTORS' SHAREHOLDINGS

AS AT 31 DECEMBER 2025

DIRECTORS' INTEREST IN SHARES

Name of Directors	No. of Ordinary Shares Held			
	Direct Interest	%	Indirect Interest	%
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong	89,582	0.009	698,828,857 ⁽¹⁾⁽²⁾	68.860
Tan Sri Datuk Chen Lok Loi	1,514,692	0.149	697,699,048 ⁽¹⁾⁽³⁾	68.749
Chen Wei Chyong	4,302	0.000 ^(^)	-	-
Yeo Kiat Seng	74,288	0.007	-	-
Tan Hoe Hing	180,000	0.018	-	-

Notes:

^(^) Less than 0.001%.

⁽¹⁾ Deemed interest by virtue of his shareholdings in CCSR, the controlling shareholder of MKH Berhad, whereby the Company is a subsidiary of MKH Berhad.

⁽²⁾ Deemed interest by virtue of his shareholdings in Lotus Way Sdn. Bhd. and a nominee company.

⁽³⁾ Deemed interest by virtue of his shareholdings held through a nominee company.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-First Annual General Meeting (“21st AGM”) of MKH Oil Palm (East Kalimantan) Berhad (the “Company”) will be held at Emerald Ballroom, 1st Floor, RHR Hotel @ Kajang, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan, Malaysia on Thursday, 5 March 2026 at 10.00 a.m. to transact the following businesses:

AS ORDINARY BUSINESS:

- | | |
|---|---|
| 1. To receive the Audited Financial Statements for the financial year ended 30 September 2025 together with the Directors’ and Auditors’ reports thereon. | (Please refer to Explanatory Note A) |
| 2. To approve the payment of Directors’ fees amounting to RM1,040,000 for the financial year ended 30 September 2025 to the Non-Executive Directors. | (Ordinary Resolution 1) |
| 3. To approve the payment of Directors’ benefits (excluding Directors’ fees) to the Non-Executive Directors from 5 March 2026 until the next Annual General Meeting of the Company. | (Ordinary Resolution 2) |
| 4. To re-elect the following Directors who retire by rotation pursuant to Clause 112(1) of the Company’s Constitution and being eligible, have offered themselves for re-election: | |
| (a) Mr. Yeo Kiat Seng | (Ordinary Resolution 3) |
| (b) En. Yahya bin Ariffin | (Ordinary Resolution 4) |
| (c) Mr. Tan Hoe Hing | (Ordinary Resolution 5) |
| (d) Dr. Hasuria binti Che Omar | (Ordinary Resolution 6) |
| 5. To re-appoint Deloitte Malaysia PLT (formerly known as Deloitte PLT) as the Company’s Auditors for the financial year ending 30 September 2026 and to authorise the Directors to fix their remuneration. | (Ordinary Resolution 7) |

AS SPECIAL BUSINESS:

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

- | | |
|---|--------------------------------|
| 6. Ordinary Resolution
<i>Authority To Issue Shares Pursuant To Sections 75 And 76 Of The Companies Act 2016</i> | (Ordinary Resolution 8) |
|---|--------------------------------|

“THAT subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company’s Constitution and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) or party(ies) whomsoever as the Directors may in their absolute discretion, deem fit and expedient in the best interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being **AND THAT** the Directors are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

7. Ordinary Resolution

Proposed Renewal Of Authority For The Company To Purchase Its Own Shares

(Ordinary Resolution 9)

“THAT subject to the Companies Act 2016 (the “Act”), rules, regulations and orders made pursuant to the Act, provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other relevant authorities, the Directors of the Company be and are hereby authorised to exercise the power of the Company to purchase such amount of ordinary shares in the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company (“Proposed Renewal of Share Buy-Back”) subject further to the following:

- (i) the aggregate number of shares purchased does not exceed 5% of the existing number of shares of the Company (“Purchased Shares”) at the point of purchase;
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing the Purchased Shares shall not exceed the total retained profits of the Company at the time of the purchase(s); and
- (iii) the authority conferred by this resolution will commence immediately upon passing of this resolution and will continue to be in force until:
 - (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company unless the authority is renewed subject to conditions; or
 - (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
 - (c) it is revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting;whichever occurs first,
- (iv) upon the completion of the purchase(s) of the Purchased Shares, the Directors of the Company be and are hereby authorised to deal with the Purchased Shares in the following manner:
 - (a) to cancel the Purchased Shares so purchased; or
 - (b) to retain the Purchased Shares so purchased as treasury shares for distribution as dividends to the shareholders and/or resell on the market of Bursa Securities; or
 - (c) to retain part of the Purchased Shares so purchased as treasury shares and cancel the remainder; or
 - (d) to deal in such other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Bursa Securities and any other relevant authorities may allow from time to time.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities and with fullest power to do all such acts and things thereafter as the Directors may deem fit and expedient in the best interest of the Company.”

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

ANY OTHER BUSINESS:

8. To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act 2016.

By Order of the Board,

Keng Ching Tong (MAICSA 7056252)
SSM Practicing Certificate No.: 201908000962
Chartered Secretary
Kajang, Selangor Darul Ehsan
Date: 29 January 2026

Notes:

1. **Appointment of Proxy**

- a) *A member of the Company entitled to attend and vote at the meeting is entitled to attend and vote in person or by proxy or by attorney or by duly authorised representative. A proxy or attorney or duly authorised representative may but need not be a member of the Company.*
- b) *The power of attorney or an office copy or a notarially certified copy thereof or the instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing. If the appointor is a corporation, it must be executed under its common seal or in the manner authorised by its constitution.*
- c) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), the exempt authorised nominee may appoint any number of proxy (no limit) in respect of each omnibus account it holds.*
- d) *If the Form of Proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.*
- e) *Only members whose names appear in the Record of Depositors as at 26 February 2026 shall be entitled to attend and vote at the 21st AGM or appoint a proxy or proxies to attend and vote on his/her behalf.*

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

1. Appointment of Proxy (Cont'd)

f) The instrument appointing a proxy together with the power of attorney (if any) under which it is signed or an office copy or a notarially certified copy of that power or authority, must be deposited with Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") not less than 24 hours before the time appointed for the taking of the poll or no later than Wednesday, 4 March 2026 at 10.00 a.m.. The Form of Proxy can be submitted through either one of the following avenues:

- (i) Lodgement of Form of Proxy in hard copy To be deposited at Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
- (ii) Electronic lodgement of Form of Proxy The Form of Proxy can be lodged electronically via Vistra Share Registry and IPO (MY) portal at <https://srmy.vistra.com>. Please follow the procedures for electronic lodgement of Form of Proxy in the Administrative Guide for the 21st AGM.

2. To Receive the Audited Financial Statements - Explanatory Note A

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act, does not require a formal approval of the shareholders for the audited financial statements. As such, this item is not put forward for voting.

3. Ordinary Resolution 1: Payments of Directors' Fees to Non-Executive Directors for the financial year ended 30 September 2025

The proposed payment of Directors' fees amounting to RM1,040,000 for the financial year ended 30 September 2025 to be shared by the following Non-Executive Directors of the Company:

Name	RM
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngı Chong	365,000
Tan Sri Datuk Chen Lok Loi	365,000
Ms. Leong Sow Yoke	60,000
Mr. Yeo Kiat Seng	50,000
Mr. Ong Kim Pin	50,000
Mr. Tan Hoe Hing	50,000
Dr. Hasuria binti Che Omar	50,000
En. Yahya bin Ariffin	50,000
Total	1,040,000

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

4. **Ordinary Resolution 2: Payments of Directors' Benefits (excluding Directors' Fees) to Non-Executive Directors**

Pursuant to Section 230 of the Act, any fees and benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The Company is seeking shareholders' approval on the benefits/emoluments payable to the Non-Executive Directors which comprises the following:

- (a) meeting allowance of RM2,000 per meeting is to be given to the Chairman/Chairperson of the Board and Board Committees;*
- (b) meeting allowance of RM1,000 per meeting is to be given to members of the Board and Board Committees;*
- (c) lodging allowance of RM250 and food allowance of RM220 per day as well as traveling allowance of up to RM650 to be given to outstation Non-Executive Director(s);*

in relation to attending the meeting of the Board and Board Committees for the period commencing 5 March 2026 until the next AGM of the Company.

5. **Ordinary Resolutions 3 to 6: Re-election of Retiring Directors**

Mr. Yeo Kiat Seng, En. Yahya bin Ariffin, Mr. Tan Hoe Hing and Dr. Hasuria binti Che Omar are standing for re-election pursuant to Clause 112(1) of the Company's Constitution at the 21st AGM.

The Board of Directors (the "Board") had via Nomination Committee ("NC"), assessed the performance and eligibility of the said retiring Directors, based on the following:

- Evaluation of the effectiveness of the retiring Directors in terms of character and integrity, experience and competency, time and commitment, as well as ability to act in the best interests of the Company based on the criteria set out in the Group's Fit and Proper Policy;*
- The level of independence demonstrated by the Independent Directors i.e., En. Yahya bin Ariffin, Mr. Tan Hoe Hing and Dr. Hasuria binti Che Omar, the ability to continually provide constructive suggestions to the management as well as to express their own views independent of the management or other Directors; and*
- The Directors' level of contribution to the Board and Board Committees' deliberations.*

Based on the aforesaid assessment, the Board and the NC are satisfied that the retiring Directors standing for re-election have demonstrated these attributes and met the Fit and Proper criteria for re-election to the Board as the aforesaid Directors have devoted sufficient time to carry out their responsibilities throughout their tenure and possess relevant qualification, knowledge and experience which complement the Board's competencies.

The Board (save for retiring Directors who had abstained from deliberation on their own re-election) has approved the NC's recommendations and to propose to the shareholders of the Company to approve the re-election of the retiring Directors at the 21st AGM. The profiles of the retiring Directors are set out in the Profile of Directors section in the Annual Report 2025.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

6. **Ordinary Resolution 7: Re-appointment of Auditors**

The Audit and Risk Management Committee (“ARMC”) has conducted evaluation of the performance and effectiveness of Deloitte Malaysia PLT (formerly known as Deloitte PLT) (“Deloitte”), including an assessment of Deloitte’s independence, objectivity, professionalism, sufficiency of resources and service quality in relation to the financial year ended 30 September 2025 audit.

The ARMC was satisfied with the performance, suitability and independence of Deloitte as external auditors and has recommended to the Board for Deloitte to be re-appointed at the 21st AGM and its remuneration be determined by the Board. The Board in turn has endorsed the ARMC’s recommendation.

7. **Explanatory Statement Pertaining to Special Business**

Ordinary Resolution 8: Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

Ordinary Resolution 8 is for the purpose of granting a renewed mandate (“General Mandate”) and empowering the Directors of the Company, pursuant to Sections 75 and 76 of the Act, to issue and allot new shares in the Company from time to time at such price provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

The General Mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisition(s).

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Twentieth (20th) AGM which will lapse at the conclusion of the 21st AGM to be held on 5 March 2026.

Ordinary Resolution 9: Proposed Renewal of Authority for the Company to Purchase its Own Shares

Ordinary Resolution 9, if passed, will give authority to the Directors of the Company to exercise the power of the Company to purchase up to 5% of the existing number of shares of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier.

As at 31 December 2025, a total of 8,743,500 existing shares of the Company were purchased and held as treasury shares.

The detailed information on the Proposed Renewal of Share Buy-Back is set out in the Statement to Shareholders dated 29 January 2026 which is dispatched together with the Annual Report 2025.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (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 participation 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) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representatives 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 TWENTY-FIRST ANNUAL GENERAL MEETING

[PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD]

1. **Details of individuals who are standing for election as Directors**

Other than the retiring Directors standing for re-election (as per Resolutions 3 to 6 as stated above) at the 21st AGM, no individual is seeking election as a Director at the forthcoming 21st AGM.

The information relating to the shareholding of the above Directors in the Company and its related corporation are set out on page 184 of the Company's Annual Report.

2. **Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements**

Details of the general mandate to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in the Explanatory Note 7 of the Notice of 21st Annual General Meeting.

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FORM OF PROXY

MKH OIL PALM (EAST KALIMANTAN) BERHAD

(Registration No. 200401023680 (662186-D))

(Incorporated in Malaysia)

I/We _____

NRIC/Passport/Company No.: _____ Mobile Phone No.: _____

CDS Account No.: _____ Number of Shares Held: _____

Address: _____

being a member of MKH Oil Palm (East Kalimantan) Berhad hereby appoint:

1) Name of Proxy: _____ NRIC/Passport/Company No.: _____

Address: _____

Number of Shares Represented: _____

^ and failing him/her

2) Name of Proxy: _____ NRIC/Passport/Company No.: _____

Address: _____

Number of Shares Represented: _____

*or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Twenty-First Annual General Meeting of the Company to be held at Emerald Ballroom, 1st Floor, RHR Hotel @ Kajang, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan, Malaysia on Thursday, 5 March 2026 at 10.00 a.m. and at any adjournment thereof.

The proxy is to vote on the Resolutions set out in the Notice of Meeting with "X" in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

Resolutions		For	Against
Ordinary Resolution 1	Payment of Directors' fees for the financial year ended 30 September 2025		
Ordinary Resolution 2	Payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors of the Company		
Ordinary Resolution 3	Re-election of retiring Director, Mr. Yeo Kiat Seng		
Ordinary Resolution 4	Re-election of retiring Director, En. Yahya bin Ariffin		
Ordinary Resolution 5	Re-election of retiring Director, Mr. Tan Hoe Hing		
Ordinary Resolution 6	Re-election of retiring Director, Dr. Hasuria binti Che Omar		
Ordinary Resolution 7	Re-appointment of Deloitte Malaysia PLT (formerly known as Deloitte PLT) as Auditors of the Company and to authorise the Directors to fix their remuneration		
Ordinary Resolution 8	Authority for Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016		
Ordinary Resolution 9	Proposed Renewal of Authority for Share Buy-Back		

Dated this _____ day of _____ 2026

Signature/Common Seal of Member

* Delete the words "or failing him/her, the Chairman of the Meeting" if you do not wish to appoint the Chairman of the Meeting to be your proxy

^ Delete if inapplicable

Notes:-

1. A member of the Company entitled to attend and vote at the meeting is entitled to attend and vote in person or by proxy or by attorney or by duly authorised representative. A proxy or attorney or duly authorised representative may but need not be a member of the Company.
2. The power of attorney or an office copy or a notarially certified copy thereof or the instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing. If the appointor is a corporation, it must be executed under its common seal or in the manner authorised by its constitution.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), the exempt authorised nominee may appoint any number of proxy (no limit) in respect of each omnibus account it holds.
4. If the Form of Proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
5. Only members whose names appear in the Record of Depositors as at 26 February 2026 shall be entitled to attend and vote at the 21st AGM or appoint a proxy or proxies to attend and vote on his/her behalf.

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AFFIX
STAMP

THE COMPANY SECRETARY

MKH OIL PALM (EAST KALIMANTAN) BERHAD

Registration No. 200401023680 (662186-D)

c/o TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia

Please fold here

6. The instrument appointing a proxy together with the power of attorney (if any) under which it is signed or an office copy or a notarially certified copy of that power or authority, must be deposited with Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") not less than 24 hours before the time appointed for the taking of the poll or no later than Wednesday, 4 March 2026 at 10.00 a.m.. The Form of Proxy can be submitted through either one of the following avenues:
 - (i) Lodgement of Form of Proxy in hard copy To be deposited at Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) Electronic lodgement of Form of Proxy The Form of Proxy can be lodged electronically via Vistra Share Registry and IPO (MY) portal at <https://srmy.vistra.com>. Please follow the procedures for electronic lodgement of Form of Proxy in the Administrative Guide for the 21st AGM.



MKH OIL PALM (EAST KALIMANTAN) BERHAD
(200401023680 (662186-D))

G-02 & G-03, Ground Floor, Wisma MKH,
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