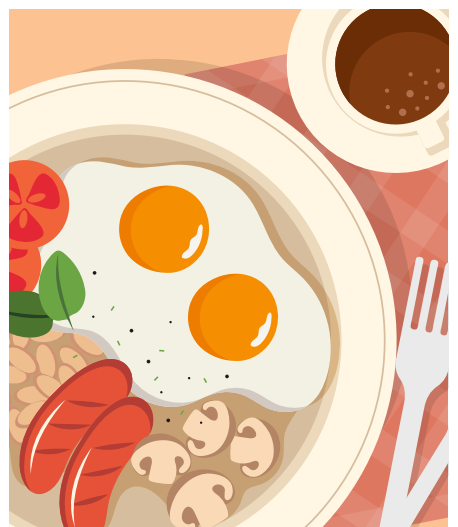
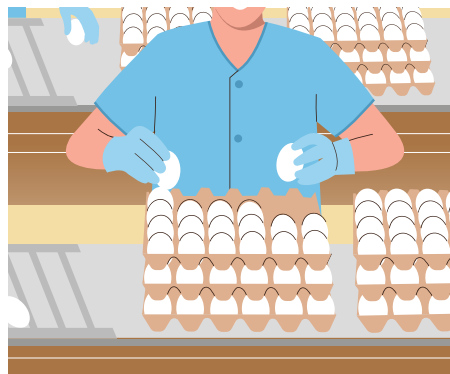
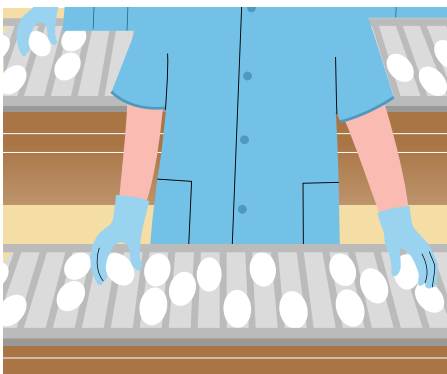
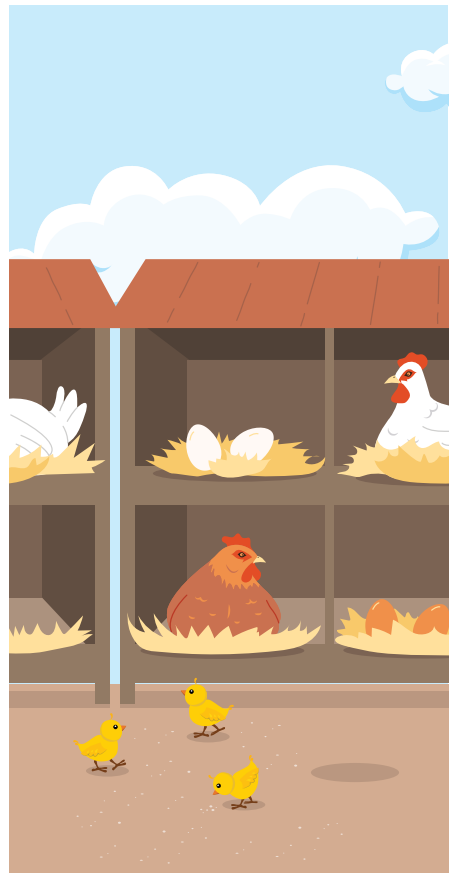




ANNUAL REPORT 2024

TPC PLUS BERHAD
Registration No. 200301012910 (615330-T)



22nd ANNUAL GENERAL Meeting

CM V Room, Level 7
Courtyard by Marriott Melaka
Lorong Haji Bachee,
Kampung Bukit China,
75100 Melaka,
Malaysia

Date & Time
Thursday,
29 May 2025
12:00 noon



Online Version 

This report and additional information on
TPC Plus Berhad are available online at
corporate website www.tpc.com.my

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OUR PROFILE

OUR GOALS

Eggs serve as a vital source of affordable protein, vitamins, and minerals for countless families in Malaysia. Our steadfast commitment is to deliver nutritious eggs responsibly and sustainably, aligning with our mission to promote health and well-being in communities.

OUR VISION

To become a premier egg producer and the most trusted supplier of fresh, high-quality eggs and poultry products in Malaysia.

OUR MISSION

We strive to continuously enhance and invest in our people and technologies to deliver high-quality and fresh egg and egg products to our valued customers.

OUR CORE VALUES

- Providing a safe and hygienic work environment for our employees.
- Investing in modern technologies and facilities to achieve farm efficiencies.
- Maximising profits and competitiveness through economies of scale in production.
- Actively contributing to social initiatives for sustainable development.

TPC Plus Berhad ("TPC" or "the Company") and its subsidiaries ("the Group") are primarily involved in the livestock farming industries and oil palm activities. Currently, the Group produces resource-efficient footprints in Malaysia.

Headquartered in Simpang Ampat, Melaka, our businesses have experienced substantial growth over the past two decades. The Group achieved a significant milestone when it became publicly listed on Bursa Malaysia Securities Berhad on 18 December 2003. After the official takeover by Huat Lai Resources Berhad in 2012, significant changes were observed especially when the Group underwent a regularisation and internal restructuring exercises from 2014 to 2016.

With businesses spanning the entire value chain, TPC's integrated operations encompass raising pullets and layers, manufacturing feeds, and producing, packaging, and distributing eggs and poultry feeds throughout Malaysia. Being as one of the egg producers in the country, the Group places utmost importance on ensuring the highest quality and nutritional value in its eggs, which are widely consumed by the local community on a regular basis. The broad eggs offering capabilities help us to continue to serve a diverse customer base like wholesalers, distributors, hypermarkets, bakeries, restaurants, retailers, and ultimately, consumers.

Today, TPC has become one of the preferred eggs suppliers in Malaysia. Despite the uncertainties and challenges experienced over several years, the Group continues to expand, delivering sustainable value to our stakeholders through operational excellence, improved performance standards, and robust corporate governance practices.

We strive to foster positive relationships with our stakeholders by promoting transparency, ethical practices, and accountability in all aspects of our operations. Additionally, we actively engage in initiatives that contribute to community development, environmental sustainability, and social responsibility.

MILESTONES AND DEVELOPMENTS

**OUR STRATEGY HAS
REMAINED CONSISTENT
FOR OVER YEARS**

1



Focus on operational excellence

TPC Management Process to optimise everything within our control.

2



Adapt to changing consumer demand

Expand and adjust eggs production to meet needs of customers and consumers.

3



Allocate capital responsibly

Deploy capital to organic growth.

1978



Teck Ping Chan Agriculture Sdn. Bhd., the wholly owned subsidiary of the Group commenced its poultry farming business.



2003

TPC Plus Berhad was incorporated and became publicly listed on the Second Board of Bursa Malaysia Securities Berhad on 18th December in the same year.

2012



TPC Group was acquired by Huat Lai Resources Berhad in October, reaching production capacity of 300,000 eggs per day.

2017



TPC Group invested in its own feedmill and expanded its livestock farming into Rembau, Negeri Sembilan with an additional 8 layer houses, increased its daily egg production to approximately 1,400,000.

CORPORATE INFORMATION

BOARD OF DIRECTORS



Non-Independent
Executive Directors

Datuk Lim Yew Piau
Chairman

Mr Lim Yew Kwang
Managing Director

Ms Lim Chian Harn



Senior Independent
Non-Executive Director

**YBhg. Tan Sri Datuk Seri
(Dr.) Abu Seman
bin Haji Yusop**

Independent
Non-Executive Directors

Mr Chong Chee Siong

Mr Chong Peng Khang

COMPANY SECRETARY

Ms Ong Soo Leng
SSM PC No. 202008002605
MAICSA 7018257

AUDITORS

Crowe Malaysia PLT
52, Jalan Kota Laksamana 2/15
Taman Kota Laksamana, Seksyen 2
75200 Melaka

SHARE REGISTRAR

Bina Management (M) Sdn Bhd
Lot 10, The Highway Centre
Jalan 51/205
46050 Petaling Jaya, Selangor
Tel No. : 03-7784 3922
Fax No. : 03-7784 1988
Email : binawin@binamg168.com

PRINCIPAL BANKERS

Bangkok Bank Berhad
MBSB Bank Berhad

AUDIT COMMITTEE

Mr Chong Peng Khang, Chairman
YBhg. Tan Sri Datuk Seri (Dr.)
Abu Seman bin Haji Yusop
Mr Chong Chee Siong

NOMINATION AND REMUNERATION COMMITTEE

Mr Chong Chee Siong, Chairman
YBhg. Tan Sri Datuk Seri (Dr.)
Abu Seman bin Haji Yusop
Mr Chong Peng Khang

RISK MANAGEMENT COMMITTEE

YBhg. Tan Sri Datuk Seri (Dr.)
Abu Seman bin Haji Yusop, Chairman
Mr Chong Chee Siong
Mr Chong Peng Khang
Mr Lim Yew Kwang
Ms Lim Chian Harn

REGISTERED OFFICE

PT 1678, Mukim of Serkam
77300 Merlimau
Melaka
Tel No. : 06-268 6315
Fax No. : 06-268 6327
Email : contact@tpc.com.my

STOCK EXCHANGE LISTING

Main Market
Bursa Malaysia Securities Berhad

WEBSITE

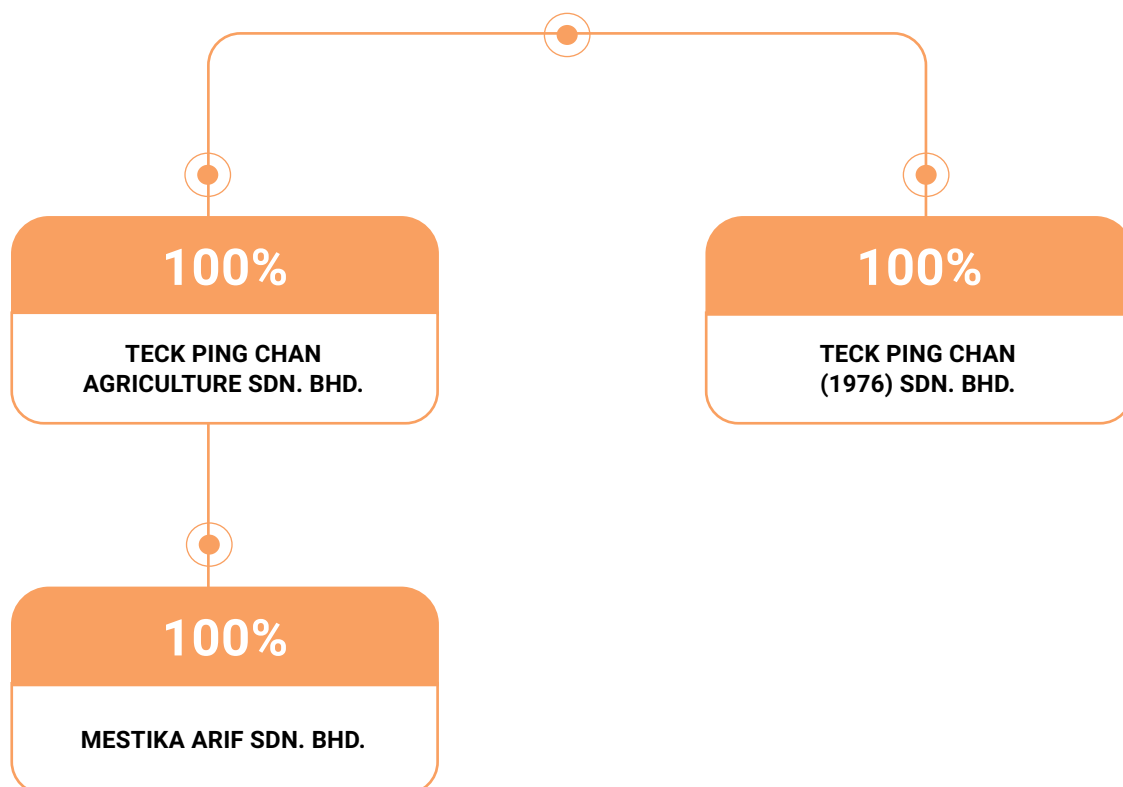
www.tpc.com.my

GROUP STRUCTURE

AS AT 31 MARCH 2025



TPC PLUS BERHAD



DIRECTORS' PROFILE

Malaysian

Male

48
years old

DATUK LIM YEW PIAU

Chairman, Non-Independent Executive Director

Datuk Lim Yew Piau was appointed to the Board of TPC Plus Berhad on 8 March 2012 and redesignated as Chairman of the Board with effect from 1 June 2023. He is also a director of all the subsidiaries of the Company.

Datuk Lim Yew Piau has over 25 years of poultry farming experience and knowledge. Datuk Lim undertook various positions in operating, purchasing, sales and marketing divisions before being promoted to the current position. Presently, he is tasked to assist the organisation in streamlining its operations and to oversee the logistic, marketing and distribution of eggs and feeds to customers.

Datuk Lim Yew Piau is a brother of Mr Lim Yew Kwang and of all the directors of Huat Lai Resources Berhad, a substantial shareholder of the Company. He is also an uncle to Ms Lim Chian Harn.

Malaysian

Male

51
years old

LIM YEW KWANG

Managing Director, Non-Independent Executive Director

Mr Lim Yew Kwang was appointed to the Board of TPC Plus Berhad on 8 March 2012 and redesignated as Managing Director effective from 1 June 2023. He is also a director of all the subsidiaries of the Company and a member of the Risk Management Committee.

Mr Lim Yew Kwang has over 25 years of poultry farming experience and knowledge. Mr Lim Yew Kwang gains vast experience through his direct involvement in various farm projects and he has been leading the management team on the day-to-day operations of the Group. Currently, he is primarily responsible for managing the various aspects of the farm operation and flock health and for developing strategic plans of the Group's current projects and expansion plans.

Mr Lim Yew Kwang is a brother of Datuk Lim Yew Piau and of all the directors of Huat Lai Resources Berhad, a substantial shareholder of the Company. He is also an uncle to Ms Lim Chian Harn.

DIRECTORS' PROFILE

Malaysian

Female

35
years old**LIM CHIAN HARN**

Non-Independent Executive Director

Ms Lim Chian Harn was appointed to the Board of TPC Plus Berhad on 1 June 2023. She is also a member of the Risk Management Committee.

Ms Lim Chian Harn graduated from the London School of Economics and Political Science, UK with an Accounting and Finance degree.

Ms Lim Chian Harn started her career in TPC Plus Berhad in 2014 as Finance Executive responsible for the preparation of reports, monitor financial records and coordinate the daily accounting procedures of the Company. With her knowledge and commitment, she had headed and successfully completed the regularisation plan and several expansion plans of the Company over the years.

Ms Lim Chian Harn was promoted to Finance Manager of TPC Group in 2022 and is currently involved in strategic planning, compliance, internal audits and business improvement initiatives of the Company and Group. She is also engaged in the management of the Group's poultry farming activities and therefore has the experience in the poultry farming sector.

Ms Lim Chian Harn is a niece of Mr Lim Yew Kwang and Datuk Lim Yew Piau.

Ms Lim Chian Harn is also the daughter of Mr Lim Yeow Her and a niece of Mr Lim Yeow Kian and Datuk Seri Lim Yeow Siong, all of whom have an indirect interest in TPC Plus Berhad through Huat Lai Resources Berhad, a substantial shareholder of TPC Plus Berhad.

Malaysian

Male

81
years old**YBHG. TAN SRI DATUK SERI (DR.) ABU SEMAN BIN HAJI YUSOP**

Senior Independent Non-Executive Director

YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop was appointed as Director and Chairman of the Board of TPC Plus Berhad on 30 November 2015. He resigned as Chairman of the Board with effect from 1 June 2023. He is the Chairman of the Risk Management Committee and a member of the Audit Committee and the Nomination and Remuneration Committee.

YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop is currently the Chairman of the Board of Trustee of Yayasan Alor Gajah (January 1995 till today). Besides that, he has also held several senior positions in the private and public sectors. He was a Senior Legal Adviser with Malaysian Shipping Corporation Berhad (MISC) and the Chairman of Majlis Amanah Rakyat (MARA) (2000 – 2004), University of Kuala Lumpur (2000 – 2004), Kolej Poly-Tech MARA (2000 – 2004), Powertec Berhad (1995 – 1997) and ICM Industries Corp. Bhd (1997).

YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop was a Member of Parliament for the Alor Gajah / Masjid Tanah constituency in Melaka during 1995 to 2013 and the Parliamentary Secretary of the Ministry of Internal Security during 2004 to 2006. YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop became the Deputy Minister of the Federal Territory in 2006 to 2008, Deputy Minister of Defence in 2008 to 2009 and Deputy Minister of Home Affairs from 2009 to 2013.

YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop began his career as a police officer of the Royal Malaysian Police in 1964 and was seconded to the Anti-Corruption Agency in 1968. He read law at Middle Temple, London in 1974 and qualified as a Barrister-At-Law in 1977 and served as Deputy Public Prosecutor in 1978 to 1981. He is currently running his own legal practice.

DIRECTORS' PROFILE

Malaysian

Male

50
years old**CHONG CHEE SIONG**

Independent Non-Executive Director

Mr Chong Chee Siong was appointed to the Board of TPC Plus Berhad on 30 November 2015. He is the Chairman of the Nomination and Remuneration Committee and a member of the Audit Committee and the Risk Management Committee.

Mr Chong Chee Siong graduated with an Advanced Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College and has about 4 years of auditing experience. He left as a General Manager after about 7 years in the commercial sector, including 3 years in a Malaysian public listed company, before starting his own business. Currently, Mr Chong Chee Siong is also a Director of another Malaysian public listed company.

Malaysian

Male

45
years old**CHONG PENG KHANG**

Independent Non-Executive Director

Mr Chong Peng Khang was appointed to the Board of TPC Plus Berhad on 30 November 2015. He is the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee and the Risk Management Committee.

Mr Chong Peng Khang graduated from Multimedia University, Malaysia with a Bachelor of Accounting (Hons) Degree. He is a Chartered Accountant of the Malaysian Institute of Accountants and a fellow member of the Association of Chartered Certified Accountants.

He began his career as an auditor with Deloitte Kassim Chan and subsequently Ernst & Young, involving in audit and business advisory of companies from various industries. His experience covers audit and assurance engagements, corporate reporting and compliance, taxation and wide ranging overseas exposures. He has previously headed the accounting and finance division of a public company listed on the Main Market of Bursa Malaysia Securities Berhad and responsible for the corporate finance, accounting, tax and cash flow functions of the company and its subsidiaries. He has then held several senior finance roles in some major Malaysian conglomerate companies covering industries from manufacturing, heavy and process equipment, energy and automotive. Mr Chong Peng Khang is also a Director in two other Malaysian public listed companies.

All the above Directors are Malaysian.

Save as disclosed, the Directors do not have family relationship with any Director and/or major shareholder of TPC Plus Berhad.

During the financial year ended 31 December 2024, none of the Directors:

- i. have any conflict of interests or potential conflict of interest, including interest in any competing business, with TPC Plus Berhad or its subsidiaries other than the 3 Executive Directors i.e. Mr Lim Yew Kwang, Datuk Lim Yew Piau and Ms Lim Chian Harn who have interests in the recurrent related party transactions stated in the Company's Circular to Shareholders dated 30 April 2024.
- ii. have been convicted of any offences within the past 5 years other than traffic offences, if any; and
- iii. have public sanction or penalty imposed by the relevant regulatory bodies.

KEY MANAGEMENT PROFILES

The profiles of Datuk Lim Yew Piau, Mr Lim Yew Kwang and Ms Lim Chian Harn are listed in the Directors' Profiles on page 6 and 7.

DATUK LIM YEW PIAU

Chairman

LIM YEW KWANG

Managing Director

LIM CHIAN HARN

Executive Director

LIM YEW CHUA

Project Manager

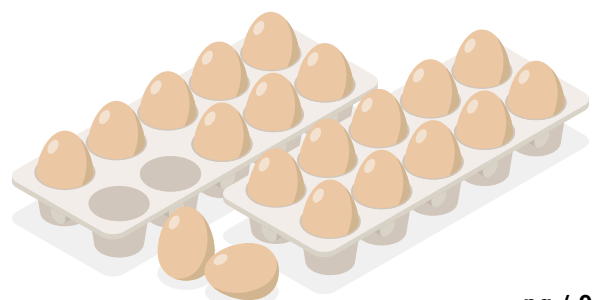
Malaysian

Male

58
years old

Mr Lim Yew Chua joined TPC Group since 2012. Mr Lim has over 30 years of poultry farming experience and knowledge. Mr Lim took several senior leadership roles in strategising and overseeing the Group's development throughout the years. He is also proficient in construction and managerial roles. Currently, he is primarily responsible in the overall development and construction of farm houses and various projects in the Group.

Mr Lim Yew Chua is a brother of Mr Lim Yew Kwang, Datuk Lim Yew Piau and all the directors of Huat Lai Resources Berhad, a substantial shareholder of the Company. He is also an uncle of Ms Lim Chian Harn. Mr Lim has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2024.



KEY MANAGEMENT PROFILES

CHAM CHEE SONG

Feedmill Manager

Malaysian

Mr Cham Chee Song joined TPC Group in 2017. Prior to joining TPC Group, he has worked in the poultry farming sector for nearly 20 years. Mr Cham is currently in charge of the feed production planning and performance monitoring as well as the in-process and outgoing quality control of the raw materials and feeds.

Male

Mr Cham is the cousin of Ms Lim Chian Harn. He does not have any conflict of interest with the Company. Mr Cham has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2024.

**41
years old****LIM CHIN YOONG**

Senior Grading Store Supervisor

Malaysian

Mr Lim Chin Yoong joined TPC Group in 2014. Mr Lim has held various positions since he joined TPC Group and raised from rank and file to his current position. Mr Lim is currently in charge of the day-to-day operation and management at the egg grading store. He also oversees the sales and distribution management to ensure that the Group achieves its sales target and that all egg deliveries are on schedule.

Male

Mr Lim is the nephew of Datuk Lim Yew Piau and Mr Lim Yew Kwang. Mr Lim is also the cousin of Ms Lim Chian Harn. He does not have any conflict of interest with the Company. He does not have conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2024.

**39
years old**

KEY MANAGEMENT PROFILES

ARSHAD AZIZ ABDULLAH

Farm Manager

Malaysian

Male

61
years old

Encik Arshad Aziz Abdullah joined TPC Group in 2021. Mr Arshad graduated from Universiti Pertanian Malaysia in 1988 with a Diploma in Animal Health and Production. Prior to joining TPC Group, he began his career with various poultry farming companies as the veterinary and farm manager. Mr Arshad has accumulated more than 30 years of experience in poultry management. He is currently responsible for managing the various aspects of the layer farm's operation and monitoring the health and production performance of the flocks. He also oversees the maintenance of all the machineries and equipment in the farms.

Encik Arshad does not have any family relationship with any Directors/major shareholder of the Company. He does not have any conflict of interest with the Company. Mr Arshad has no conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2024.

FOO SHI JING

Account Manager

Malaysian

Male

33
years old

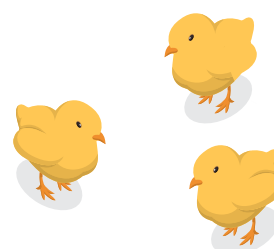
Mr Foo Shi Jing joined TPC Group in 2018. Mr Foo graduated with an Advanced Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman University College, Kuala Lumpur. Prior to joining TPC Group, he started his career as an audit associate and worked his way up to become the audit senior before joining the Group in 2018. During his tenure in the field of auditing, he gained vast exposure and experience being involved in audits, tax, audit investigation, accounting, due diligence and corporate advisory works. His portfolio of clients ranged from small and medium sized enterprises, manufacturing companies, trading, property developers, public listed companies and large multinational companies. Mr Foo then started his career path with the Group as an account executive and was subsequently promoted to the account manager.

Presently, Mr Foo oversees the financial management of TPC Group. He is responsible for managing the accounting, taxation, the preparation and the reporting of financial as well as the non-financial related matters of TPC Group.

Mr Foo does not have any family relationship with any Directors/major shareholder of the Company. He does not have any conflict of interest with the Company. Mr Foo does not have conviction of any offences within the past five (5) years, or any sanctions and penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2024.

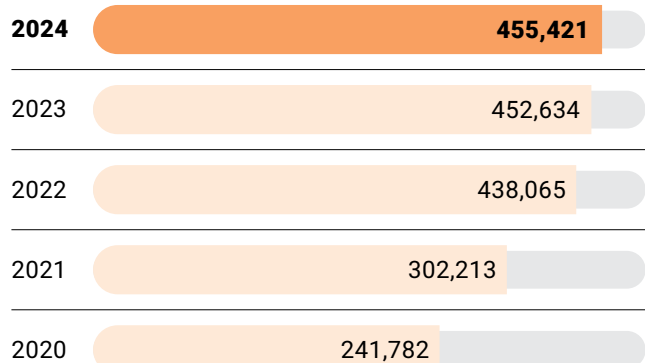
FINANCIAL HIGHLIGHTS

	FINANCIAL YEAR ENDED 31 DECEMBER				
	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000
Revenue	241,782	302,213	438,065	452,634	455,421
(Loss)/Profit before taxation	(29,122)	(30,981)	7,386	49,901	25,886
(Loss)/Profit attributable to owners of the Company	(22,754)	(28,453)	7,318	43,414	18,276
Total assets	203,460	221,286	227,739	308,610	323,587
Net assets	66,868	62,872	70,190	113,604	125,715
Current assets	98,305	110,660	123,027	190,219	210,809
Current liabilities	112,247	139,716	143,630	159,261	163,369
Share capital	57,099	86,080	86,080	86,080	86,080
Basic (loss)/earnings per share (sen)	(9.70)	(9.66)	2.37	14.08	5.93
Weighted average number of shares issued	234,525,557	294,654,686	308,232,783	308,232,783	308,232,783
Current ratio (times)	0.88	0.79	0.86	1.19	1.29

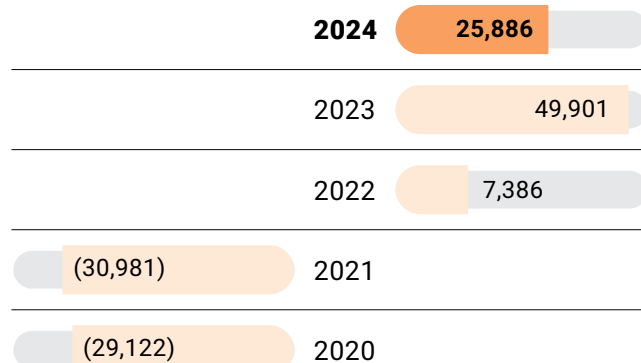


FINANCIAL HIGHLIGHTS

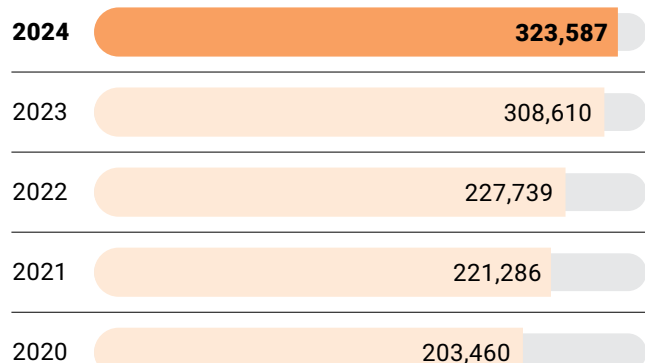
REVENUE RM'000



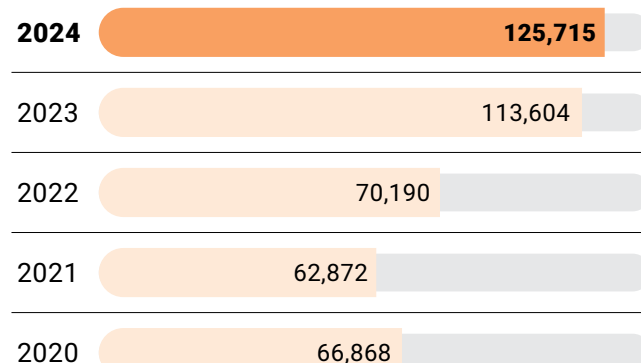
(LOSS)/PROFIT BEFORE TAXATION RM'000



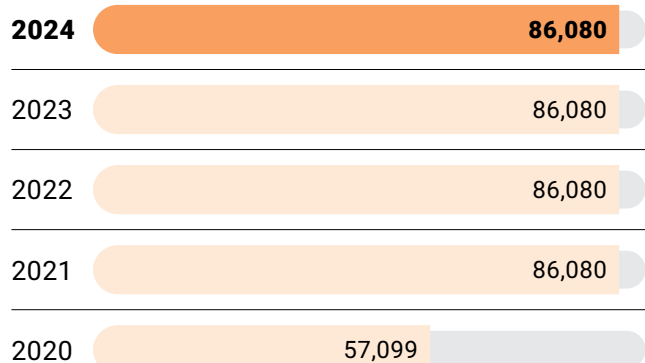
TOTAL ASSETS RM'000



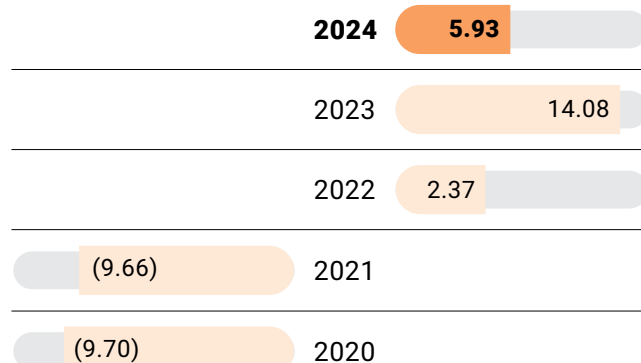
NET ASSETS RM'000



SHARE CAPITAL RM'000



BASIC (LOSS)/EARNINGS PER SHARE sen



CHAIRMAN STATEMENT

“

TPC has declared its first-ever dividend payout of RM6.16 million to shareholders, reflecting our commitment to delivering value and recognising the confidence and trust placed in us.

”

Dear shareholders,
on behalf of the Board of Directors, it is a pleasure to present the Annual Report of TPC Plus Berhad (“TPC” or “the Group”) for the financial year ended 31 December 2024 (“FY2024”).

DATUK LIM YEW PIAU

Chairman, Non-Independent Executive Director

CHAIRMAN STATEMENT

We are pleased to report a stable performance in FY2024, demonstrating strong execution of our strategy in a dynamic market environment. Despite various challenges, the Group achieved solid financial results, recording a total revenue of RM455.42 million and a net profit after taxation (PAT) of RM18.28 million. In a significant milestone, TPC has declared its first-ever dividend payout of RM6.16 million to shareholders, reflecting our commitment to delivering value and recognising the confidence and trust placed in us.

OPERATING ENVIRONMENT

Malaysia's egg industry experienced steady consumption growth in FY2024, supported by a stable and sufficient supply of chicken eggs, driven by collaborative efforts across the industry. The total trade value of the livestock sector, including eggs, also saw significant growth, reflecting a positive trajectory for the industry and its contribution to the broader economy. The government's role in ensuring a stable supply remains crucial in meeting the increasing demand.

According to the Department of Statistics Malaysia (DOSM, 2021), per capita egg consumption stood at approximately 20.7 kilograms in 2020 and is projected to rise to 41.4 kilograms by 2030. To sustain this growing demand, the National Agro-Food Policy 2021-2030 (DAN 2.0) has set a Self-Sufficiency Ratio (SSR) target of 123.0% for chicken and duck eggs by 2030.

Regardless of market conditions, the demand for affordable and nutritious food is expected to continue rising. As an industry player, the Group remains committed to leveraging our scale and capabilities to meet this demand and expand our reach to more communities.

AN OVERVIEW OF FINANCIAL PERFORMANCE FOR FY2024

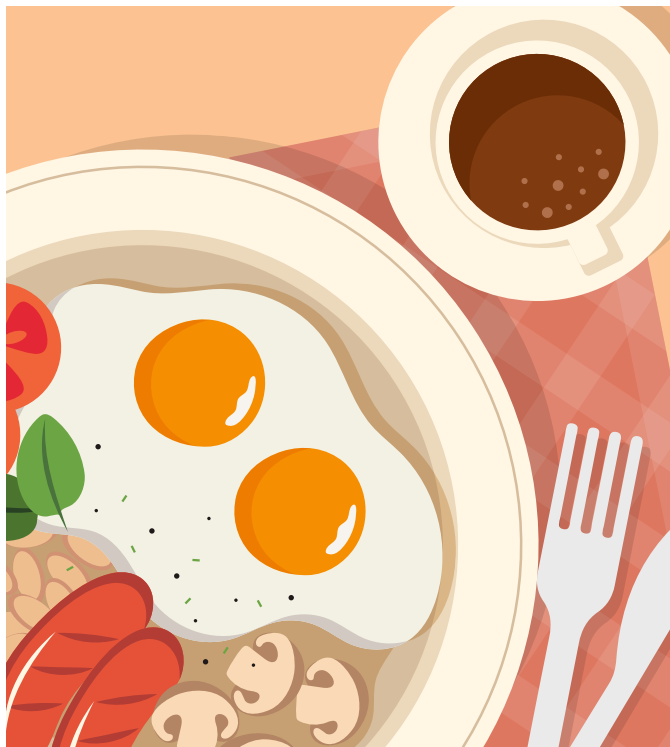
For the financial year under review, TPC recorded a modest revenue increase of 0.6%, reaching RM455.42 million, compared to RM452.63 million in the previous financial year. This growth was largely driven by higher sales volumes of eggs and poultry feed, despite a decline in the average selling prices of both. The reduction in poultry feed prices was primarily attributed to the global stabilisation of raw material costs, particularly corn and soybean meal. In FY2024, the Group's cost of sales increased in line with the overall revenue growth.

The Group's profit before taxation ("PBT") amounted to RM25.89 million, reflecting a 48.1% decrease from RM49.90 million reported in the financial year ended 31 December 2023 (FY2023). This decline was mainly due to lower average selling prices of eggs and a reduction in government subsidies for various egg grades by three sen per egg, effective 17 June 2024.

A more detailed review of the Group's performance is covered under the Management Discussion and Analysis ("MDNA") section in this Annual Report.



CHAIRMAN STATEMENT

**BUILDING INTEGRITY AND SUSTAINABLE FUTURE**

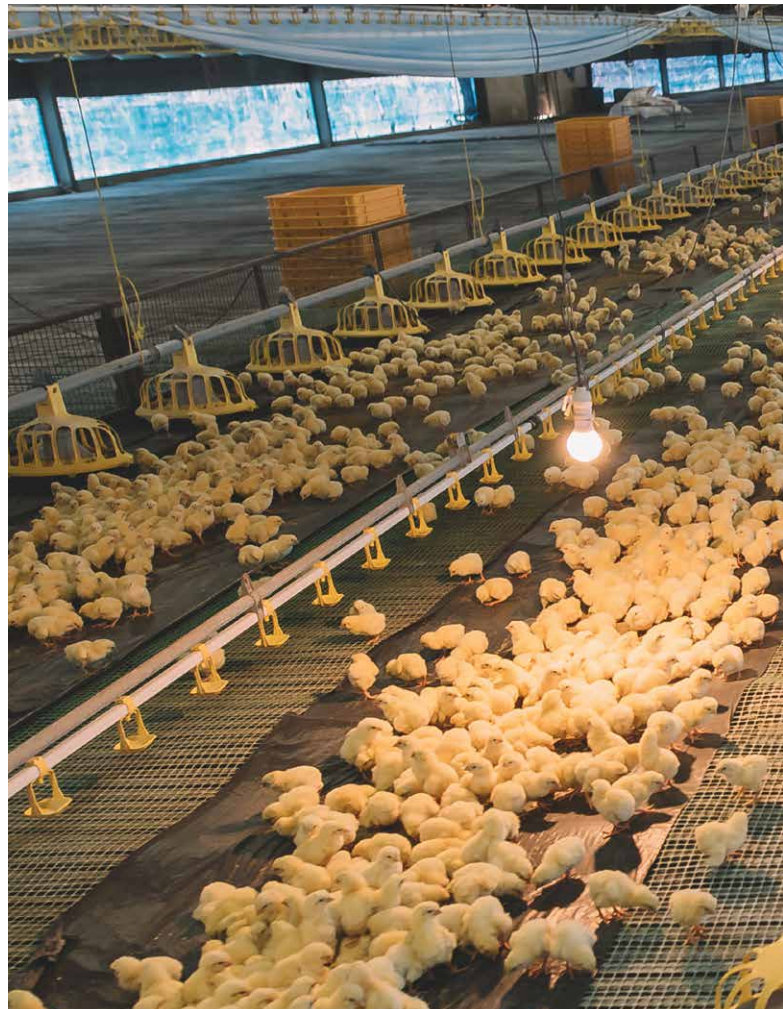
The Board consistently considers environmental and social matters, recognising their importance to our stakeholders and the Group's long-term strategies and performance. TPC remains committed to delivering excellence and sustainable value for all stakeholders. We adopt a robust, holistic approach to environmental, social, and governance (ESG) factors across our business while managing risks effectively.

Our ongoing sustainability efforts will be shared in the Group's Sustainability Statement, which will be updated annually. The progress on material sustainability matters is further detailed in the Sustainability Statement of this Annual Report.

OUTLOOK

We are proud of our performance over the past year and our ability to respond to dynamic market conditions with favourable results. Going forward, we remain focused on the long-term, adhering to our proven operating model that has sustained our business throughout the various cycles that characterise our industry.

As always, we will strive to operate in an efficient and responsible manner and support initiatives that promote environmental and social responsibility throughout the Group. We will focus on enhancing operational capabilities,



expanding production capacity, and adopting advanced technologies. The Group plans to scale operations to meet rising egg demand, upgrade infrastructure, and improve facilities. We are committed to strengthening biosecurity, improving farm management, and investing in closed house systems (CHS) to ensure resilience against disease and market disruptions.

While the immediate future may present challenges, the Board and Management of TPC are committed to adapting strategies, controlling risks, and maintaining our market position as one of Malaysia's leading egg producers.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I would like to extend my sincere appreciation to our shareholders, customers, bankers, and business associates for their continued trust and unwavering support.

CHAIRMAN STATEMENT

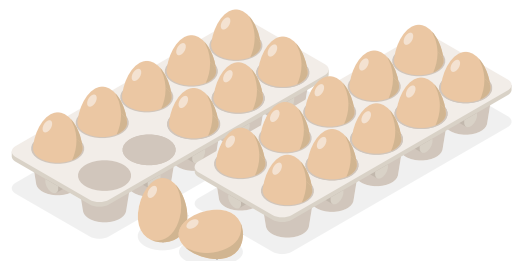


I also wish to thank our employees for their dedication and hard work, which have been instrumental in steering the Group through challenges and seizing new opportunities.

Looking ahead, the management will continue to strengthen our order book, exercise financial prudence, and optimise operating costs to maximise shareholder value. With decades of experience in this industry, we remain focused on fostering value creation, ensuring sustainability, and executing growth strategies across all business segments. The Board is confident that the Group and its management team are well-positioned to deliver future success.

Thank you.

Datuk Lim Yew Piau
Chairman
TPC Plus Berhad



MANAGEMENT DISCUSSION AND ANALYSIS



OVERVIEW AND BUSINESS OPERATION

TPC Plus Berhad ("TPC" or the "Company") has been a cornerstone of Malaysia's poultry farming industry since its establishment in 1978. Headquartered in Alor Gajah, Melaka, the Company reached a major milestone in 2003 with its successful listing on Bursa Malaysia Securities Berhad. This achievement, supported by strong investor confidence, underscores TPC's stability and long-term success in the industry.

Together with its subsidiaries (the "Group"), TPC initially entered the market as an egg producer, focusing on the production, grading, packaging, and marketing of eggs across Malaysia. In April 2012, Huat Lai Resources Berhad acquired a controlling stake in the Company, accelerating its expansion in layer farming and egg production. Today, TPC operates a fully integrated poultry business, encompassing the rearing of day-old chicks, the management of pullets and layers, and the manufacturing and distribution of poultry feeds.

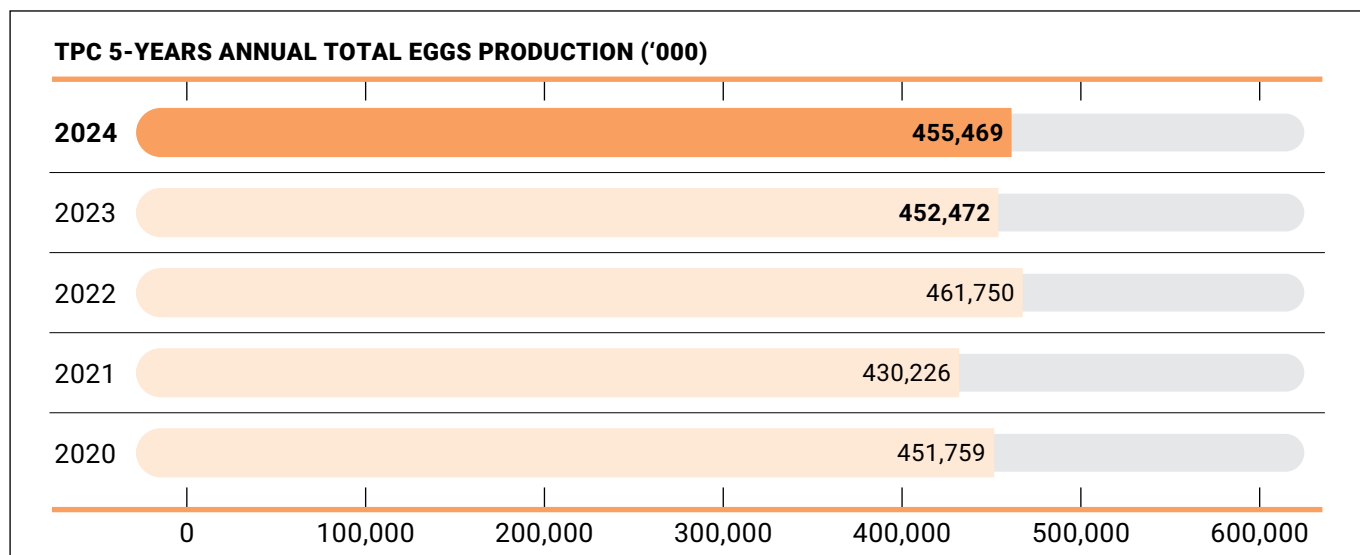
With layer farms and feedmill plant strategically located in Alor Gajah, Melaka, and Rembau, Negeri Sembilan, the Group currently produces and supplies approximately 1.4 million eggs daily to customers across Peninsular Malaysia.

Committed to its vision of becoming Malaysia's leading egg producer and the most trusted supplier of fresh, high-quality poultry products, the Group continuously leverages innovation and technology to enhance operational efficiency and farm productivity.

As of the Financial Year Ended ("FY" or "FYE") 2024, the Group owns 294.83 acres of freehold land valued at RM40.88 million. As a key contributor to the nation's food supply, TPC remains dedicated to delivering high-quality, nutritious eggs while upholding the highest standards of excellence and sustainability. By achieving economies of scale and ensuring a reliable supply chain, the Group is well-positioned to drive continued growth and success in Malaysia's poultry industry.

MANAGEMENT DISCUSSION AND ANALYSIS

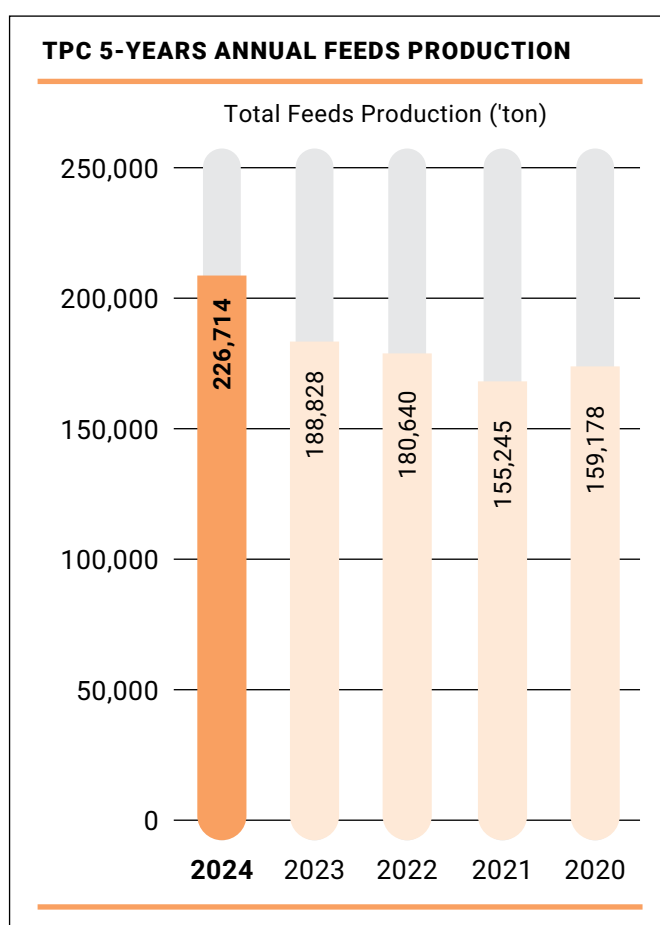
REVIEW OF OPERATIONS



Based on historical consumption patterns, we anticipate that the overall demand for eggs will typically correlate with population growth trends. However, various factors can influence both egg supply and consumption within specific periods. According to statistics from the Department of Statistics Malaysia (DOSM, 2021), Malaysians consumed approximately 20.7 kilograms of eggs per person in 2020. The consumption of chicken eggs is expected to continue rising, reaching 41.4 kilograms of eggs per person by 2030.

In view of challenges posed by the volatility of the market and unforeseen circumstances in FY2024, TPC reported a decent performance in comparison to the splendid results in preceding year. Although chicken egg subsidies abides, government's policies aimed at controlling egg prices remain in force, the Group adopted a cautious and moderate approach in FY2024, focusing on maintaining cost efficiencies and preserving optimal level of capital for unanticipated events. This was further demonstrated through the Group's relatively conservative capital expenditure during the financial year under review.

We reaffirm our commitment to agility and productivity in navigating the unpredictable market landscape. In FY2024, TPC managed to continue maintaining its egg production level closed to FY2023's, with total production standing at 455 million eggs, marking a slight increase by 0.7% from 452 million eggs in FY2023. To drive business performance, the Group remains dedicated to optimising overall operations, adopting latest technologies and delivering value to stakeholders amidst evolving market conditions.



MANAGEMENT DISCUSSION AND ANALYSIS

In response to the growing bird population and increasing demand for poultry feeds, TPC expanded its feedmill production capacity in FY2023. This strategic investment began delivering tangible results in FY2024, with higher production output and increased revenue. Total poultry feed production rose significantly from 159,178 tons in FY2020 to 226,714 tons in FY2024 – the highest level since the Group established its feedmill plant in 2017 – representing a remarkable 42.4% growth over the past five years. This expansion not only strengthens TPC's ability to meet the surging feed demand but also reinforces the Group's position as a key player in Malaysia's poultry industry.

Beyond this milestone, the increased feedmill capacity reflects TPC's unwavering commitment to ensuring optimal bird nutrition and overall flock health, both of which are critical to sustain high levels of productivity and product quality. By enhancing in-house feed production, the Group reduces reliance on external sources, achieving greater cost efficiency, supply stability, and improved quality control over poultry nutrition. This ensures that our birds receive well-balanced, nutrient-rich feed formulations tailored to optimise egg production and maintain high industry standards.

Furthermore, this expansion underscores TPC's long-term vision of strengthening its vertically integrated operations, reinforcing its ability to sustain growing consumer demand for high-quality eggs.

Through this initiative, TPC not only enhances operational resilience but also upholds its commitment to sustainable and responsible poultry farming practices. By prioritising efficiency, innovation, and product excellence, the Group remains steadfast in delivering premium-quality eggs while contributing to food security and industry growth.

FINANCIAL PERFORMANCE REVIEW

	FYE 2024 (RM'000)	FYE 2023 (RM'000)	Percentage changes
REVENUE	455,421	452,634	0.6%
COST OF SALES ("COS")	448,927	443,397	1.2%
OTHER INCOME	28,049	50,105	(44.0%)
FINANCE COSTS	4,782	3,461	38.2%
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION ("EBITDA")	42,394	63,396	(33.1%)
PROFIT BEFORE TAX ("PBT")	25,886	49,901	(48.1%)
NET PROFIT AFTER TAX ("PAT")	18,276	43,414	(57.9%)
<i>PBT MARGIN</i>	<i>5.7%</i>	<i>11.0%</i>	<i>(48.2%)</i>
<i>PAT MARGIN</i>	<i>4.0%</i>	<i>9.6%</i>	<i>(58.3%)</i>

REVENUE

Our strategic expansion plans have contributed to a commendable revenue performance. In FY2024, the Group achieved a modest revenue increase of 0.6%, reaching RM455.42 million, compared to RM452.63 million in the previous financial year. This growth was primarily driven by higher sales volumes of eggs and poultry feed, despite a decline in the average selling prices of both. The decrease in poultry feed prices was largely due to the global stabilisation of raw material costs, particularly corn and soybean meal.

COST OF SALES

The cost of sales includes expenses directly related to farm production, such as feeds, packaging materials, and medicine. In FY2024, TPC's cost of sales rose in line with the overall revenue growth.

MANAGEMENT DISCUSSION AND ANALYSIS

OTHER INCOME

In FY2024, the Group recorded other income of RM28.05 million, compared to RM50.11 million in FY2023. This 44.0% decrease was primarily due to a reduction in chicken egg subsidies recognised during the financial year under review.

FINANCE COSTS

Total finance costs for the Group increased by 38.2%, rising from RM3.46 million in FY2023 to RM4.78 million in FY2024. This increase was primarily due to the newly drawdown of term loan at the end of FY2023 for the feedmill expansion project and a higher utilisation of trade line facilities.

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION ("EBITDA")

The Group's EBITDA for FY2024 saw a significant decline of 33.1%, dropping from RM63.40 million in FY2023 to RM42.39 million in the financial year under review. This decrease was primarily due to the reduction in chicken egg subsidies recognised during the year. However, aside from this, overall performance has remained stable.

NET PROFIT AFTER TAXATION ("PAT")

The Group's net profit after taxation for FY2024 decreased by RM25.14 million, or 57.9%, to RM18.28 million, compared to RM43.41 million in the previous financial year. As with the factors discussed under EBITDA, this decline was primarily due to the reduction in chicken egg subsidies. Additionally, the lower net profit was partly impacted by the unabsorbed tax losses, which were fully utilised in FY2024, compared to the previous year.

FINANCIAL POSITION STRENGTH

	FYE 2024	FYE 2023	Percentage changes %
Total Assets (RM'000)	323,587	308,610	4.9
Total Liabilities (RM'000)	197,872	195,006	1.5
Debt/Asset Ratio (Times)	0.61	0.63	(3.2)
Net Assets Per Share (RM)	0.41	0.37	10.8
Gearing Ratio (Times)	0.14	0.31	(54.8)
Current Ratio (Times)	1.29	1.19	8.4

TPC Group's financial position remains a solid foundation for driving core business outcomes. As of 31 December 2024, the Group's total assets stood at RM323.59 million, reflecting a 4.9% increase from RM308.61 million at the close of FY2023.

A breakdown of the Group's total assets for FY2024 is as follows:

- (i) Non-current assets totalled RM112.78 million, primarily consisting of freehold land, buildings, and machinery, representing 34.9% of total assets.
- (ii) Trade receivables, including amounts owed by related companies, amounted to RM106.20 million, contributing 32.8% of total assets.
- (iii) Cash and cash equivalents stood at RM67.21 million, comprising 20.8% of total assets.

MANAGEMENT DISCUSSION AND ANALYSIS



The Group's total liabilities increased by 1.5%, from RM195.01 million in FY2023 to RM197.87 million in FY2024. These liabilities mainly consist of:

- (i) Trade payables of RM91.72 million, all non-related parties, accounting for 46.4% of total liabilities.
- (ii) Borrowings, both short-term and long-term, representing 42.7% of total liabilities.

Total equity attributable to shareholders grew by 10.7%, increasing from RM113.60 million (RM0.37 per share) in FY2023 to RM125.72 million (RM0.41 per share) by the end of FY2024. The net borrowings (total bank borrowings less cash and cash equivalents) as of FY2024 stood at RM17.28 million, against shareholders' funds of RM125.72 million, resulting in a gearing ratio of 0.14 times—an improvement from 0.31 times in FY2023.

The Group concluded FY2024 with a robust financial position, as reflected by the improvement in the current ratio, which rose from 1.19 times in FY2023 to 1.29 times in FY2024. This indicates a healthy liquidity position and demonstrates the Group's strong ability to meet its short-term obligations due within the next twelve months.

CASH AND CAPITAL MANAGEMENT

The management of TPC Group consistently reviews and manages the capital structure to strike a balance between maximising shareholder returns and maintaining financial stability.

	31 December 2024 RM'000	31 December 2023 RM'000
Net cash from operating activities	30,847	35,590
Net cash from/(for) investing activities	2,552	(24,494)
Net cash (for)/from financing activities	(15,071)	22,528
Net change in cash and cash equivalents	18,328	33,624
Cash and cash equivalents at beginning of the financial year	48,880	15,256
Cash and cash equivalents at end of the financial year	67,208	48,880

To maintain a resilient capital structure, the Group carefully assesses its operating cash flows, capital commitments, and potential strategic investment opportunities. Management has adopted a more cautious approach to capital and cash management practices.

The Group's liquidity position remains robust, with cash and cash equivalents totalling RM67.21 million as of 31 December 2024, up from RM48.88 million on 31 December 2023. Going forward, the Group's primary focus will be on maintaining an optimal level of cash and capital to support operational improvements.

CASH FLOW FROM OPERATING ACTIVITIES

Net cash from operating activities for FY2024 was RM30.85 million, compared to RM35.59 million in FY2023, reflecting a slight decrease of RM4.74 million, or 13.3%. This decline in cash inflow was primarily due to reduced government subsidies and lower average selling prices of eggs and poultry feeds compared to the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

Despite a nearly 57.9% drop in TPC's bottom line, net cash flows from operations saw only a moderate decline of 13.3%. This resilience can be attributed to TPC's prudent financial management, which focused on preserving cash and capital to effectively navigate uncertainties.

CASH FLOW FROM INVESTING ACTIVITIES

The Group's investment activities reported a net inflow of RM2.55 million for FY2024, compared to a net outflow of RM24.49 million in FY2023. This turnaround is primarily due to a decrease in short-term investments of RM2.63 million during the financial year. Additionally, unlike FY2023, there was no significant capital expenditure in FY2024, as the Group had already made an investment in expanding its feedmill plant capacity in the last quarter of FY2023. Management has since focused on enhancing operational capabilities to support future growth initiatives.

CASH FLOW FOR FINANCING ACTIVITIES

In FY2024, the Group's net cash for financing activities recorded a net outflow of RM15.07 million, compared to a net inflow of RM22.53 million in FY2023. This shift was primarily driven by a reduced utilisation of tradeline facilities, amounting to RM3.62 million in FY2024, down from RM10.11 million in the previous year.

This highlights that the Group maintains a sufficient level of cash and capital to meet its liabilities as they come due. Additionally, in FY2024, the Group declared its first-ever dividend payout of approximately RM6.16 million. The improvement in overall cash flow for FY2024 serves as a positive indicator of progress, reflecting the Group's financial health and growth potential.

CAPITAL STRUCTURE, RESERVE AND EXPENDITURE

As of 31 December 2024, TPC's share capital stood at RM86.08 million, with reserves totalling RM39.64 million, bringing the equity attributable to shareholders to RM125.72 million. With a total of 308,232,783 ordinary shares, the net assets value per share at the close of FY2024 was RM0.41.

The Group finances its operations through a combination of internal cash reserves, trade payables, and banking facilities. Sufficient trade facilities have been secured from financial institutions to support both current and future working capital needs (e.g. tradelines and overdrafts) as well as funding for ongoing and upcoming projects.

The Group's capital expenditure strategy has focused primarily on two key areas:

Investments in new machineries for our feedmill plants in FY2023, which have now been fully deployed to enhance production capabilities and manufacturing efficiency.

Upgrading existing farmhouses to improve operational efficiency and business performance. These enhancements aim to optimise farming operations, ensure the welfare of livestock, and drive increased productivity and profitability across the Group.

RISK FACTORS EXPOSURE AND MITIGATION MEASURES

Our business, financial and operational results are subject to numerous uncertainties and risks, where many of which are beyond our controls. Hence, the Group has put in place different risk management controls to minimise or to mitigate, if not to totally eliminate, the adverse impact or perceived risks associated in the business.

Egg Production Subject to Agricultural and Disease Risks

We are exposed to the risk of outbreaks of livestock-related diseases, including the Avian influenza A virus, at our poultry farms and/or contracted farms, which could have a significant adverse impact on our operations, financial performance, and prospects. Avian influenza A virus, commonly known as bird flu, is a highly contagious viral disease among birds that can cause illness or death in domesticated poultry. Additionally, extreme weather conditions and other disease outbreaks can significantly affect the quantity and quality of eggs produced and distributed. Despite our best efforts, disease outbreaks may still occur, potentially impacting the health of our flocks. Negative publicity surrounding such outbreaks in the poultry industry can also harm consumer perception, even if our flocks remain unaffected. These challenges can be broadly categorised into higher costs and declining productivity.

In response to these risks, the Group has implemented a timely and effective vaccination program to maintain the resistance levels of our flocks. TPC Group employs in-house veterinarians and an experienced farm management team to carry out and monitor these vaccination programs, minimising the risk of disease outbreaks. By ensuring optimal flock performance, we safeguard overall farm productivity and the health of our biological assets.

Moreover, the Group has slowly converted all conventional open flock houses into a closed house system ("CHS"), which provides enhanced biosecurity.

MANAGEMENT DISCUSSION AND ANALYSIS

One of the CHS's key features is built-in ventilation technology, which helps to regulate temperatures and reduce heat stress. This system also creates a more hygienic environment by preventing contact between commercial layers and wild birds, which could be potential disease carriers. These improvements significantly reduce the likelihood of major disease outbreaks, thereby supporting overall flock productivity.

While the Group has taken substantial measures to mitigate these risks, there is no assurance that unforeseen disease outbreaks or adverse weather conditions will not have a significant impact on the health or mortality of our flocks, potentially affecting the Group's performance.

Poultry Industry Risks: Feed Costs, Market Fluctuations, and Biosecurity

The Group's principal business activities are subject to inherent risks within the poultry industry, including, but not limited to, raw material shortages, rising labor and feed costs, fluctuating egg selling prices, changes in egg demand, and evolving environmental regulations. As such, past performance should not be seen as a reliable indicator of future results. During periods of increased demand, industry players may boost production, potentially leading to an oversupply of eggs in the market.

Feed costs, which represent the largest component of egg production expenses, are particularly vulnerable to fluctuations in raw material prices. Major ingredients such as soybean meal, corn meal, and wheat grain are primarily imported, and the prices of these commodities are influenced by factors such as weather conditions, harvest volumes, global supply and demand, agricultural policies, and currency exchange rates. Any significant rise in feed production costs without a corresponding increase in egg prices will negatively impact our operations. For instance, Malaysia recently allowed the temporary importation of eggs from India due to a local egg shortage.

Despite these challenges, the Group remains focused on mitigating risks through strategic investments in CHS, increased automation in production, and continuous improvements in farm management. To maintain and grow market share, the Group emphasises investing in new technological innovations that enhance biosecurity and expand egg production. However, there can be no assurance that changes in these factors will not significantly impact the Group's performance or its ability to sustain its market position.

Credit Risks Management

The Group's exposure to credit risk primarily arises from trade receivables. To manage this exposure, we implement a comprehensive approach, including credit approvals, setting credit limits, and continuous monitoring of receivables.

In the event of significant delays or defaults in payment by major customers, it could negatively impact our operating cash flows and financial position. Any impairment of receivables would further adversely affect our financial performance. To mitigate these credit risks, we maintain a strict credit control system, regularly assess the creditworthiness of our customers, and take legal action when necessary to recover overdue amounts.

Impact of Macroeconomic and Regulatory Changes on the Group's Operations

Any adverse macroeconomic developments, both globally and within the nation, can impact the financial performance of the Group. Changes in government policies, such as the introduction of new regulations, licensing requirements, minimum wage policies, or price control schemes on poultry products, may also have significant effects on the Group's operations.

To mitigate such risks, the Group consistently monitors economic, political, and regulatory conditions. This enables the implementation of preventive and corrective measures as soon as any potential changes that could impact the business are identified. The key management team works closely with the Department of Veterinary Services ("DVS"), the Audit Committee, and other external professionals to remain fully informed about the latest regulatory changes and requirements.

Dependence on Leadership and Expertise of Management Team for Continued Success

The continued success of the Group is highly dependent on the leadership, experience, and industry knowledge of our management team. We rely on the strategic direction and leadership of our Executive Directors to drive the business development and growth of the Group. They are supported by a team of qualified senior management in the Farm Operations and Finance & Accounts Departments, who bring valuable experience and expertise essential to our operations.

However, the Group's reliance on a few key individuals presents a risk should there be unforeseen changes in leadership or succession gaps. Specifically, senior management is responsible for the Group's expansion into the layer division, overseeing overall development, financial planning, and budgeting.

MANAGEMENT DISCUSSION AND ANALYSIS

The absence or inability to effectively replace these key individuals could impact the Group's long-term growth and strategic initiatives.

Therefore, succession planning is a critical focus to ensure the stability and sustainability of the Group's leadership in the future.

RISKS MANAGEMENT FRAMEWORK

The Group aims to cultivate a strong risk management culture by promoting the risk management framework across the organisation. For more details on the structure of the Group's risk management and internal control systems, please refer to the Statement on Risk Management and Internal Control in this Annual Report.

FUTURE PROSPECT AND OUTLOOK

The future prospects for TPC Group in the layer farming business remain promising, with the Group focusing on enhancing its operational capabilities, expanding production capacity, and adopting advanced technologies. One of the key areas of growth is the expansion of production capacity. TPC Group is committed to scaling its layer farming operations to meet the growing demand for eggs in the market. By increasing production capacity, the Group aims to strengthen its market position and ensures it can meet both current and future demand. This includes upgrading infrastructure, adding new farms, and enhancing existing facilities.

The Group is also dedicated to maintain high standards by strengthening biosecurity measures and improving farm management practices. Continued investment in CHS and enhanced management practices will minimise risks associated with disease outbreaks, environmental factors, and market disruptions, ensuring the resilience of the Group's operations. In addition, TPC Group may explore diversifying its product offering to meet evolving consumer preferences and increase market share.

Sustainability is another cornerstone of TPC Group's future plans. The Group will continue to implement environmentally friendly farming practices, such as energy-efficient solutions, waste reduction, and better water usage efficiency. These initiatives align with corporate social responsibility and ensure compliance with stricter environmental regulations, supporting long-term sustainability.

TPC Group also focus on building stronger relationships with customers, suppliers, and stakeholders by maintaining transparency, improving communication, and consistently delivering high-quality products. Strengthening these relationships will help to solidify the Group's reputation and establish it as a trusted partner in the poultry industry.



Furthermore, as part of its growth strategy, TPC Group may explore new geographical markets, both locally and internationally, to expand its customer base and reduce dependence on existing markets.

In conclusion, TPC Group is well-positioned for growth in the layer farming business, driven by its focus on operational excellence, technological innovation, sustainability, and market expansion. These efforts will contribute to the Group's long-term success and create significant value for its stakeholders.

DIVIDENDS

Although TPC does not have a formal dividend policy, we recognise the importance of rewarding our shareholders for their ongoing support. The decision to declare a dividend is based on various factors, including financial performance, capital expenditure requirements, overall financial health, and any other relevant considerations deemed important by our Board. It is also subject to the solvency test as mandated by the Companies Act 2016.

We are pleased to announce that TPC successfully transitioned from accumulated losses to retained profits in the FY2024, making distributable profits available for dividends. As a result of this exceptional performance, the Board had declared our first-ever dividend payout of RM6.16 million to shareholders. This milestone represents a significant achievement for the Group.

Going forward, TPC will continue to prioritise enhancing shareholder value while balancing the Group's performance to ensure sustainable growth.

SUSTAINABILITY STATEMENT

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Dear Valued Stakeholders,

TPC Plus Berhad (“TPC” or “the Company”) and its subsidiaries (“TPC Group” or “the Group”) recognise the vital importance of continuously developing and enhancing business operations in a sustainable and responsible manner. We view our sustainability commitments and initiatives as integral to achieving long-term value creation for our various stakeholders.

The Board of Directors of TPC (“the Board”) is pleased to present the Sustainability Statement for the financial period ended 31 December 2024 (“FY2024”). The Sustainability Statement underscores our commitment towards sustainability by addressing key sustainability matters relevant to the Group’s nature and business operations, with the ultimate aim of creating more value for our businesses, society and stakeholders.

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Scope

This Statement covers the Group’s sustainability performance and progress of our layer farm and feed mill divisions in Melaka and Negeri Sembilan, Malaysia.

Reporting Period

This Statement covers the reporting period from 1 January 2024 till 31 December 2024.

Reporting Frameworks and Standards

This Statement is prepared pursuant to Practice Note 9 and 9A of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). In particular, the management of material sustainability matters is disclosed, in all material aspects, in accordance with Part A and B of Practice Note 9A of MMLR and the Sustainability Reporting Guide (3rd Edition) issued by Bursa Securities (“the Guide”) on the content of the Sustainability Statement.

Approval

This Sustainability Statement has been reviewed and approved by our Board of Directors on 10 April 2025.

Feedbacks

In our continuous effort to improve sustainability measures and reporting standards, we welcome stakeholders’ feedback on this Statement and any other relevant matters. Relevant feedback, comments and enquiries can be directed to contact@tpc.com.my.



SUSTAINABILITY STATEMENT

SUSTAINABILITY FRAMEWORK AT A GLANCE

Guided by the Group's vision, mission and core values, we have developed a sustainability framework, covering our sustainability objectives, sustainability agenda and the identified key stakeholders relevant to us as follows:



SUSTAINABILITY GOVERNANCE STRUCTURE

As we continue developing our sustainability framework, we recognise the importance of having an effective governance structure to drive and execute our sustainability strategies across the Group.

At TPC, our sustainability efforts are guided by the top-down approach, with the Board holding ultimate responsibility for the Group's overall sustainability initiatives, strategies and performance monitoring, while the Audit Committee supports the Board by reviewing the management of sustainability matters and monitoring progress for reporting to the Board.

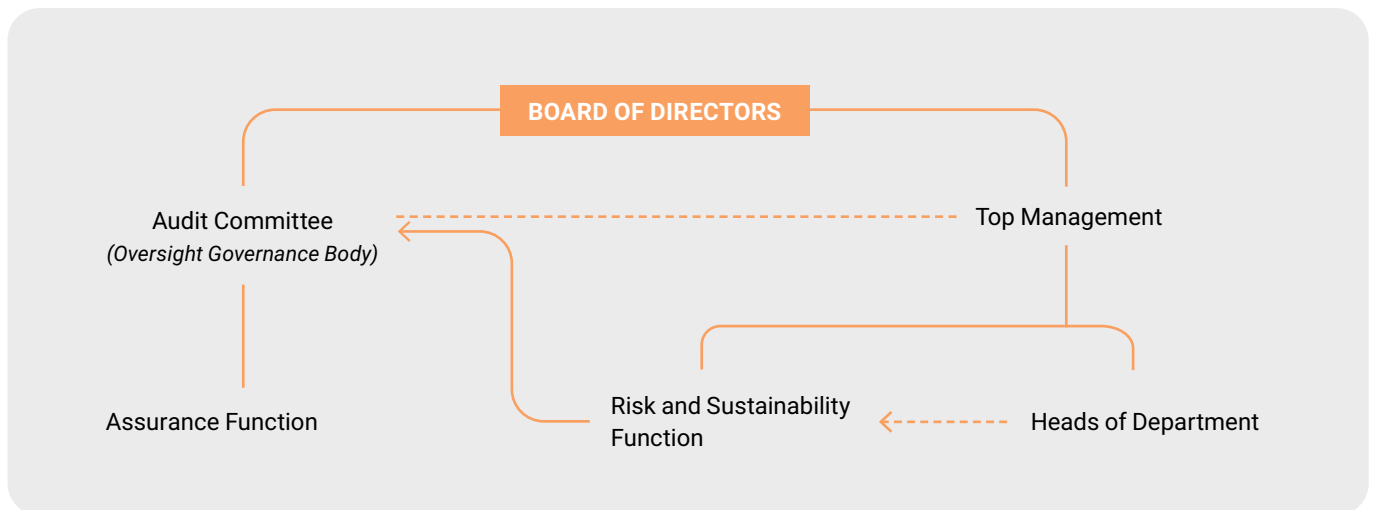
The responsibility for implementing and managing sustainability initiatives is delegated to Top Management, led by the Managing Director and Executive Director, and supported by the Account Manager. Their role is to drive sustainability initiatives, monitor performance, and ensure alignment with the Group's strategic direction.

As for the Heads of Department, they are accountable for managing sustainability within their respective business functions. Their responsibilities include identifying, assessing, managing, and periodically reviewing sustainability risks and opportunities while collaborating with Top Management to implement sustainability initiatives effectively.

The Risk and Sustainability Function acts as the coordinating body within the Group, providing guidance, facilitating stakeholder engagement, and monitoring the progress of sustainability initiatives across business operations.

SUSTAINABILITY STATEMENT

To ensure the robustness and integrity of our sustainability management practices, the assurance function provides independent evaluation on the adequacy and effectiveness of sustainability activities and reports its findings to the Audit Committee.



SUSTAINABILITY STATEMENT

STAKEHOLDERS ENGAGEMENT

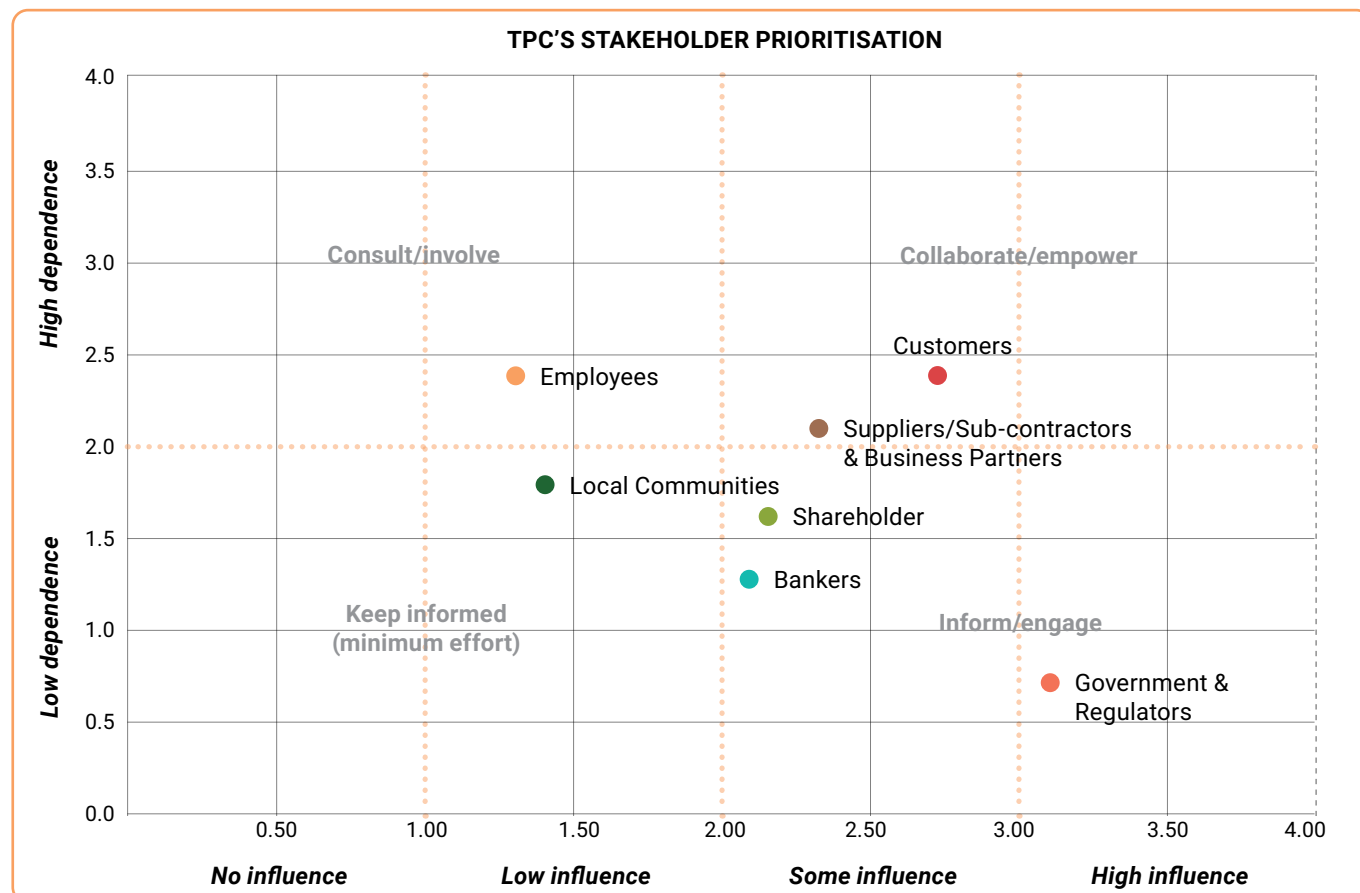
Stakeholders are the individuals or entities who may be impacted by our business decisions and operations. As part of our sustainability management, we perceive an effective and on-going stakeholders' engagement is essential for us to gain an insight on their areas of concern and expectations for the development of our sustainability strategies.

For the FY2024, we have interacted with our key stakeholders with the following approaches:

Stakeholders	Engagement Approach	Engagement Focus & Objectives	Frequency	Initiatives to include
Customers	<ul style="list-style-type: none"> • Customer feedbacks/ complaints • Email and physical communications • Questionnaires 	<ul style="list-style-type: none"> • Food safety and quality • Supply consistency • Customer feedback review/ experience • Timely eggs order delivery 	On-going	Company website, Customer satisfaction survey, daily or weekly phone calls
Employees	<ul style="list-style-type: none"> • On-going trainings and developments • Performance appraisal system • Internship programme • Questionnaires 	<ul style="list-style-type: none"> • Employees' welfare and safety • Career development • Competitive remuneration and benefits • Corporate culture • Employees engagement 	On-going/ Monthly/ Quarterly/ Yearly	Yearly trainings, daily or weekly talk, yearly performance appraisal, CSR volunteering activities, Communication with Management
Suppliers/ Subcontractors & Business Partners	<ul style="list-style-type: none"> • Email and physical Communications • Direct negotiation by phone calls or via email • Sound payment practices • Long term business relationship • Questionnaires 	<ul style="list-style-type: none"> • Payments • Transparent procurement practices 	On-going/ Periodical	Supply contract negotiation, supplier commitment, supplier audit and evaluation, sound payment practices
Government & Regulators	<ul style="list-style-type: none"> • Bursa Malaysia Reporting • Regulatory Compliance • Authorities • Labour practices 	<ul style="list-style-type: none"> • Compliance • Food safety • Biosecurity • Labour and employment issues • Government taxes contribution 	Quarterly/ Yearly	Formal meeting physically and virtually, inspection by local authorities, quarterly production report submission
Local Communities	<ul style="list-style-type: none"> • Community engagement programme (CSR projects) • Sponsorships • Domestic Job Opportunities • Environmental impact from business operations 	<ul style="list-style-type: none"> • Social welfare and contributions • Biosecurity and farm management 	On-going	Sponsorships and donation of eggs, participation in CSR activities
Shareholders	<ul style="list-style-type: none"> • Annual general meeting • Investor relations • Quarterly financial results • Bursa Announcements • Annual report • Corporate website • Questionnaires 	<ul style="list-style-type: none"> • Financial performance • Business growth and risk • Corporate Strategy and performance • Business outlook and prospects 	Quarterly/ Yearly/ As needed	Annual General Meetings (AGMs), Quarterly financial result announcement
Bankers	<ul style="list-style-type: none"> • Quarterly announcement • Annual report • Physical communications/ farm visits • Direct communication via phone calls or emails • Questionnaires 	<ul style="list-style-type: none"> • Financial performance and liquidity • Business growth and risk • Repayment ability 	Monthly/ Quarterly/ As needed	Formal meeting physically, email and phone communication, site visits, monthly bank statements

SUSTAINABILITY STATEMENT

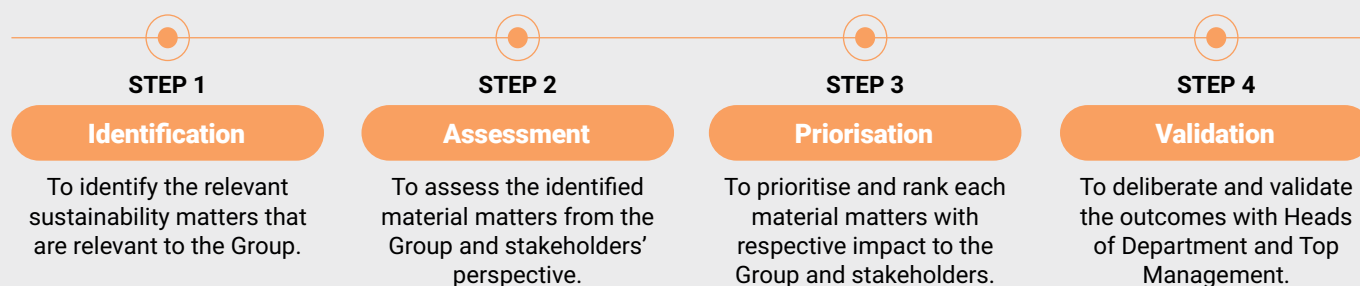
We assessed the significance of each stakeholder group by evaluating their influence and dependency. The results are reflected in the materiality matrix below:



MATERIALITY ASSESSMENT AND SUSTAINABILITY STRATEGIES

The Board considers materiality assessment a vital process for the Group to identify, evaluate, and prioritise key sustainability risks and opportunities that are most significant to both the Group and its stakeholders. Informed by stakeholder engagement, we conduct an annual materiality assessment to review existing sustainability matters and uncover any emerging risks or opportunities across Environmental, Economic, Social, and Governance ("EESG") aspects.

For FY2024, we adopted a consistent four-step approach to carry out the assessment, as illustrated below:



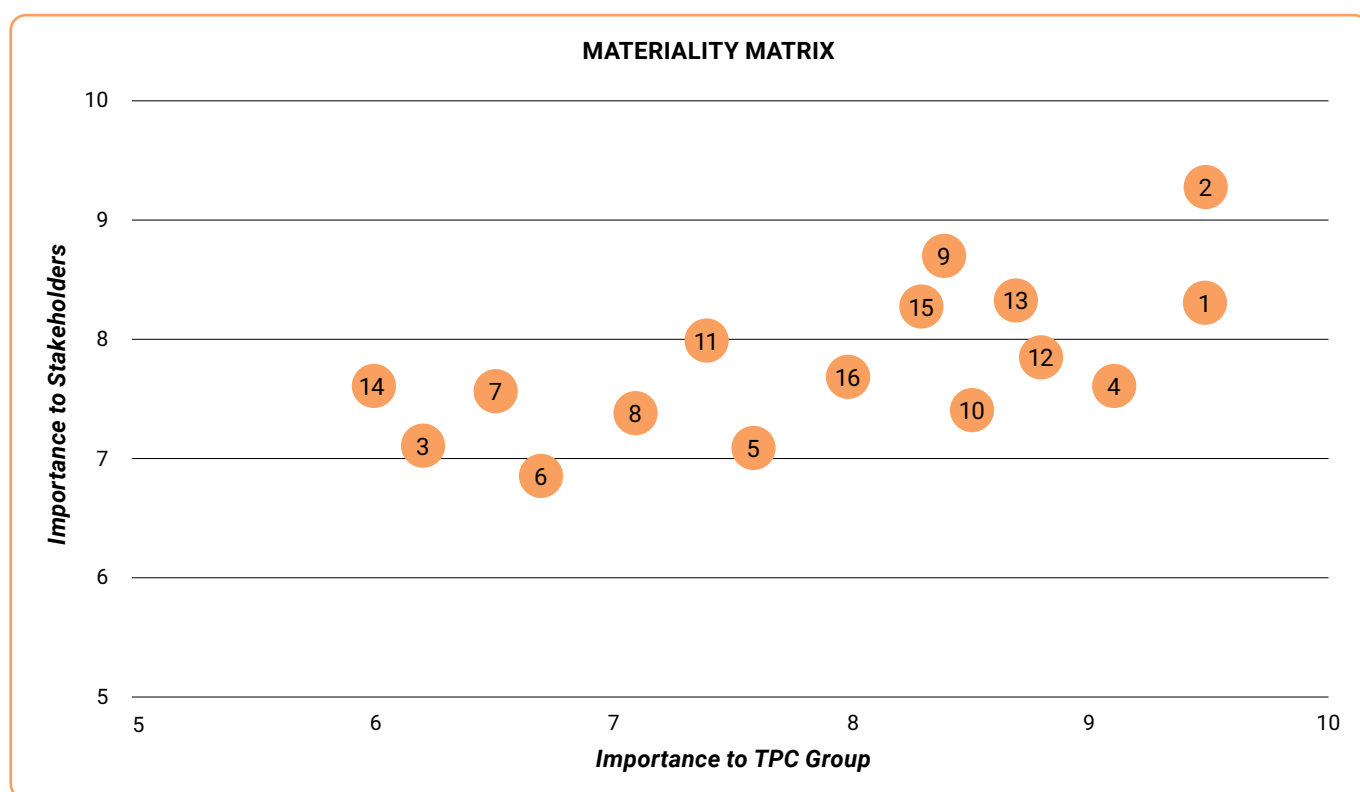
SUSTAINABILITY STATEMENT

MATERIALITY MATRIX

Based on the materiality assessment conducted, additional material matters have been identified in alignment with Bursa Securities' Sustainability Reporting Guide (3rd Edition).

In total, **16 material factors** were identified for FY2024, categorised based on their significance—ranging from “Important” to “Most Important” in terms of stakeholder relevance.

These are illustrated in the following Materiality Matrix:



Economics

1. Sustainable Business Growth and Performance
2. Product Safety, Quality and Brand
3. Technology and Innovation
4. Customer Satisfaction
5. Local Supply Chain Management

Environment

6. Environmental Stewardship
7. Waste and Effluent Management
8. Emission Discharged

Social

9. Occupational Safety and Health
10. Training and Development
11. Employee Welfare and Engagement
12. Workforce and Management Diversity
13. Data Privacy
14. Community Outreach

Governance

15. Corporate Governance Practices
16. Anti-Bribery

SUSTAINABILITY STATEMENT

Sustainability Strategies & UNSDG Mapping

Following the identified material matters, we have then taken into consideration the Seventeen (17) Sustainable Development Goals (“SDGs”) introduced by the United Nations Department of Economic and Social Affairs to formulate our sustainability strategies.

As a result, we mapped six (6) UNSDGs to our material matters and sustainability strategies, summarised as follows:

	UNSDGs	Material Matters	Sustainability Strategies
Economic	 	<ul style="list-style-type: none"> Sustainable Business Growth and Performance Product Safety and Quality Technology Automation Customer Satisfaction Local Supply Chain Management 	<ul style="list-style-type: none"> To expand market presence via wholesalers, distributors, hypermarkets and bakeries To maintain the quality, safety and freshness for our egg products To leverage on technology automation for operational efficiency To understand customers' requirements and satisfaction level for continuous improvements To adopt responsible procurement practice, whenever viable
Environment	 	<ul style="list-style-type: none"> Environmental Stewardship Waste and Effluent Management Energy and Water Management 	<ul style="list-style-type: none"> To promote environmentally friendly initiatives To protect the environment with on-going environmental monitoring and management
Social	  	<ul style="list-style-type: none"> Occupational Safety & Health Training and Development Employee Welfare & Engagement Workforce and Management Diversity Customer Privacy Community Outreach 	<ul style="list-style-type: none"> To support workplace diversity and inclusivity To increase employees' Occupational Safety & Health (“OSH”) awareness and prevent workplace injury To invest in the training and development of our employees To protect our employees' rights and interests at all times To safeguard our customers' information and prevent data leakage To contribute to the local community
Governance		<ul style="list-style-type: none"> Corporate Governance Practice Anti-Bribery 	<ul style="list-style-type: none"> To uphold good corporate governance, ethical business practices and adhere to all applicable laws and regulations To maintain a corruption and bribery free business environment

SUSTAINABILITY STATEMENT (Economics)

Economics

SUSTAINABLE BUSINESS GROWTH AND PERFORMANCE

To sustain business growth and expansion for long term value creation



Why it is Important

We recognise that our journey toward sustainable business growth not only drives our success as an egg producer but also plays a crucial role in strengthening food security and delivering wider benefits to society through responsible and ethical practices. Egg production is a core pillar of TPC Group's business, playing a vital role in supporting Malaysia's food security and meeting the nation's nutritional needs. As demand for eggs continues to grow, ensuring a stable and sustainable supply is crucial for both our long-term business success and the well-being of the communities we serve. Expanding our production capacity enables us to meet growing market demand, while simultaneously creating job opportunities and contributing to broader economic development.

Our Approach

Since 2012, TPC Group has pursued a strategic growth plan to expand its egg production capabilities. Over the past decade, total egg

production has increased by 78.4%, rising from 259 million eggs in FY2014 to 455 million eggs in FY2024. Our diversified customer base includes wholesale egg dealers, retailers, fast-food chains, hypermarkets, and food manufacturers across Malaysia.

To enhance operational efficiency and sustainability, the Group established its feed mill plant in July 2017, adopting a fully integrated business model. This enables us to produce high-quality feed, carefully formulated to meet the nutritional needs of commercial layers at various growth stages. By maintaining full control over the production process, from feed manufacturing to egg handling, we ensure consistent quality, biosecurity, and traceability throughout our supply chain.

We are committed to responsible and sustainable business practices that align with our long-term growth strategy. Our expansion efforts are designed not only to increase production but also to create job opportunities and improve societal well-being. We actively explore additional growth and diversification opportunities that align with our sustainability objectives and add value to our stakeholders.

Our Performance

In FY2024, the Group recorded a total revenue of RM455.4 million, representing a 0.6% increase compared to the previous year. This growth was primarily driven by higher average selling prices of eggs and increased sales of poultry feed. Egg production rose to 452.4 million eggs, reflecting a 0.66% year-on-year increase.

Additionally, the expansion of our feed mill operations has enhanced supply chain efficiency and contributed to the growth in feed sales. In response to a growing bird population and rising demand for poultry feed, TPC expanded its feedmill production capacity in FY2023. This strategic investment began yielding tangible results in FY2024, reflected in increased production output and higher revenue. Poultry feed production rose significantly—from 159,178 tons in FY2020 to 226,714 tons in FY2024—marking the highest output since the Group established its feedmill plant in 2017. This represents a remarkable 58% growth over the past five years. The expansion not only enhances TPC's ability to meet the rising demand for feed but also solidifies the Group's position as one of the key players in Malaysia's poultry industry.

SUSTAINABILITY STATEMENT (Economics)

QUALITY ASSURANCE

To maintain our MeSTI and HALAL certification status

Why it is Important

Ensuring product quality and safety is critical to maintaining our customers' trust and confidence. TPC Group is committed to delivering high-quality, safe, and fresh egg products to meet the diverse needs of our customers. Maintaining the highest standards in our products, services, and projects is critical not only for safeguarding our reputation but also for ensuring long-term sustainability and market competitiveness.

Our Approach

TPC Group continuously enhances the safety, freshness, and reliability of egg products and poultry feed. In response to evolving market demands, we have diversified our product range to include omega eggs alongside our standard eggs, catering to varied customer preferences.

The Group upholds strict hygiene and food safety standards, as demonstrated by our successful attainment of the MeSTI (*Makanan Selamat Tanggungjawab Industri*) Certification. This certification affirms our compliance with stringent industry requirements, including operational control, hygiene and maintenance practices, traceability, and systematic record-keeping.



Quality control is embedded throughout our supply chain. We maintain rigorous sourcing protocols for feed ingredients, conducting proactive sampling and testing to ensure both safety and quality. Our feed is formulated using 100% natural ingredients, such as corn and soybeans, which are carefully processed at our dedicated feed mill plant. This meticulous approach ensures optimal nutrition for our livestock while guaranteeing purity and freshness in our products.

To maintain our quality standards, our Quality Assurance ("QA") team conducts in-house testing and issues Certificates of Analysis ("COA") for liquid egg customers in the food industry, ensuring compliance with industry specifications. Additionally, our liquid egg products are certified Halal, reinforcing our commitment to serving a diverse market with products that meet stringent religious and quality requirements.

Our Sales and Marketing team actively gathers customer feedback, promptly addressing concerns and complaints to continuously enhance our products and services. This proactive approach allows us to continuously refine our offerings and strengthen customer trust in our brand.

Our Performance

In FY2024, we recorded zero non-compliances with food safety regulations and standards. Our liquid egg products hold a valid Halal certification, and we have established proactive measures to ensure its renewal and continuous compliance upon expiry.

Moving forward, we will continue to uphold and refine our quality management systems to further enhance our customers' confidence and strengthen our company image, ensuring that our sustainability journey remains at the forefront of our operational strategy.

SUSTAINABILITY STATEMENT (Economics)

TECHNOLOGY AUTOMATION

Embracing automation to streamline processes, enhance productivity, and drive sustained success.

Why it is Important

Labor shortages and increasing regulations on foreign labor have posed challenges to the Group. To address this, automation and infrastructure enhancements have become essential in maintaining operational efficiency and ensuring business sustainability. At TPC Group, we recognise the need to optimise poultry farming conditions to enhance productivity, uphold animal welfare, and strengthen food security, all while reducing reliance on manual labor.

Our Approach

To enhance efficiency and reduce dependency on manual labor, TPC Group has progressively implemented automation across specific key processes:

Closed-House Farming System

To create an optimal living environment, our Group has invested in a closed-house system, which enhances biosecurity, reduces exposure to external pollutants and diseases and enhances poultry welfare, leading to improved egg yield and quality.

Climate Control System

To further support hen health and productivity, we have introduced a robust climate control system that regulates temperature throughout the day and night, mitigating the effects of extreme weather fluctuations, optimising air circulation and reducing ammonia levels, creating a cleaner and healthier living environment. Ensuring optimal housing conditions and climate control for our layers is essential for maintaining high productivity, animal welfare and operational sustainability.

Automated Egg Grading & Sorting:

Manual egg grading and sorting are labor-intensive and prone to human error, which can impact product consistency and operational costs. To streamline operations and improve efficiency, our Group has installed state-of-the-art, fully automated and computerised egg-grading and sorting machines that significantly reduce the necessity for laborious manual inspection processes.

With these cutting-edge technologies in place, we not only ensure precision and reduce processing time in grading and sorting eggs but also minimise human error and maximise productivity. This modernisation underscores our commitment to innovation and quality, positioning the Group as a premium egg producer in the industry while improving overall operational effectiveness.

Our Performance

Improved housing and climate control have reduced stress and disease risks, leading to higher egg production. Automation has decreased processing time while increasing production capacity and maintaining grading accuracy.

Moving forward, TPC Group remains committed to leveraging advanced automation technologies to drive sustainable and efficient operations while reinforcing our commitment to innovation and product excellence.

SUSTAINABILITY STATEMENT (Economics)

CUSTOMER SATISFACTION

To maintain high customer satisfaction by responding quickly to complaints and ensuring prompt resolutions.

Why it is Important

Customer satisfaction is a key driver of brand reputation and long-term business success. A high level of customer trust and confidence translates into stronger customer loyalty, positive brand image and sustained market growth. It is important for TPC Group to maintain effective communication and prompt response mechanisms to address customer concerns and expectations.

Our Approach

We actively engage with our customers through emails, phone calls and in-person communication. Our commitment is to provide a swift response to product and service inquiries, including price quotations, within 24 hours of reaching our sales personnel.

Customers are encouraged to share their feedback, comments and inquiries through the following channels. We are dedicated to addressing all concerns within 24 hours on working days:



Call us at 06-5529079



Email us at contact@tpc.com.my

Our Performance

In FY2024, we received a total of six (6) customer complaints, primarily related to cracked eggs and leakage. This marks an improvement compared to eight (8) complaints recorded in FY2023. Importantly, all issues were promptly addressed and resolved by our customer service team within 24 hours. Moving forward, TPC Group remains committed to strengthening customer engagement and optimising our response processes to further enhance customer satisfaction and uphold our reputation for quality and reliability.

LOCAL SUPPLY CHAIN MANAGEMENT

Maintains high-quality standards while supporting local suppliers and boosting the domestic economy.

Why it is Important

Sustainable supply chain management is important to ensuring product quality, operational efficiency and long-term business sustainability. By integrating responsible sourcing practices, TPC upholds high-quality standards while also supporting local suppliers, contributing to the strength of the domestic economy.

Our Approach

While we integrate responsible sourcing practices, we also place strong emphasis on the quality of feed raw materials and Day-Old Chicks ("DOC") supplied by our suppliers. Through regular communication and quality assessments, we closely monitor supplier performance, ensuring product quality, reliability, and timely delivery. Additionally, we prioritise local sourcing to reduce our carbon footprint and support the local economy.

Our Performance

In FY2024, all our suppliers met our sourcing and quality requirements. Our Group remains committed to prioritising local suppliers to support the domestic economy and reduce our carbon footprint.

	FY2024	FY2023
Proportion of spending on local suppliers	99.9%	100%

Moving forward, TPC Group remains committed to enhancing supplier engagement, promoting responsible sourcing and strengthening sustainability practices across our supply chain.

SUSTAINABILITY STATEMENT (Environment)

Environment

ENVIRONMENTAL STEWARDSHIP

To preserve the environment and minimise adverse environmental impact from operation

Why it is Important

In conducting our business, the Group remains committed to environmental protection, as reflected in the various initiatives we have implemented. We actively adopt practices that promote the preservation of natural resources for future generations while minimising our environmental footprint.

As part of our commitment to responsible and sustainable poultry farming, biosecurity is another critical component of our operational practices within our layer farming activities. We recognise that effective biosecurity management not only protects animal health and ensures a consistent egg supply but also plays a key role in safeguarding the environment, preserving biodiversity and public health.

Our Approach and Performance

Animal Welfare and Natural Resources

In our operations, we prioritise the welfare of our hens, ensuring they are housed in conditions that allow for natural behavior, access to fresh water and a healthy diet. We also focus on protecting natural resources, such as the surrounding land and local biodiversity, by adopting responsible farming practices.

The Group acknowledges the impact that foul odors and flies from poultry manure will affect nearby communities. To address this, we are actively transitioning all farmhouses to a closed-house system, which is expected to significantly mitigate fly-related issues and improve overall environmental conditions.



In addition, we have implemented biosecurity protocols across all our farms and production facilities covering farm access control and mandatory hygiene procedures for all personnel, contractors and visitors, disease monitoring, feed and water safety, routine cleaning, disinfection and pest management and waste disposal practices. We prioritise non-chemical control methods to prevent pest and wild bird invasions, reducing disease transmission risks while protecting the environment. Here's what we've implemented:

Wire Nettings: We've installed wire nettings at key locations such as chicken houses around the farm, the feed mill, and the eggstore distribution center. These nettings serve as the primary measure to prevent wild birds from entering these areas, thereby reducing the risk of disease transmission.

Traps: Additionally, traps have been strategically placed at designated locations as a secondary measure against intrusions by rodents. This further mitigates the risk of pests infiltrating our facilities and potentially spreading diseases.

By prioritising non-chemical methods such as wire nettings and traps, we aim to effectively control pest and wild bird invasions while minimising environmental impact and promoting sustainable practices in disease prevention.

SUSTAINABILITY STATEMENT (Environment)

WASTE AND EFFLUENT MANAGEMENT

To manage emissions and waste disposal properly in accordance with environmental regulations

Why it is Important

At TPC, conserving nature remains the top priority of our sustainability strategy. Our approach to waste management focuses on reducing environmental impact, maximising resource recovery and ensuring compliance with relevant environmental regulations, including the Environmental Quality Act 1974.

Our Approach

Chicken manure is a by-product of our farm operations. We clear it every other day to prevent the build-up of toxic gases like hydrogen sulphide, methane, ammonia, and carbon dioxide, which can pollute the air and attract flies. The manure is promptly sent to a plant for fermentation process, with effective microorganisms used to reduce odour. The Group ensures a clean and safe farm environment, ensuring our operations have minimal impact on the surrounding community.

The Group has adopted a cleaner operational approach by selling all spent hens to a halal processing plant. This helps reduce water consumption, air pollution, pests such as flies and rodents, and eliminates waste—issues that would arise if the hens were culled on our farm.

In compliance with the Environmental Quality Act 1974, the Group is cognisant of its responsibility in practising responsible emission and waste disposal in order to minimise the adverse environmental impact arising from our business operation.

TPC acknowledges that the environmental impact of paper usage is significant. The Group's approach to waste management is to avoid unnecessary paper consumption and waste generation, where possible and appropriate, in order to reduce wastage. TPC has always looked at ways to reduce paper usage so that less waste. Generally, the Group practises the following on paper management:

- **Reducing paper** - by encouraging avoiding printing and photocopying and emphasising paperless and electronic mode. In addition to this, practise double-sided printing or reduce the size to have the best economical usage of papers.
- **Reusing** - by printing on the other side of the printed papers.
- **Recover and recycle** - recycle the papers by having proper recycling bins.

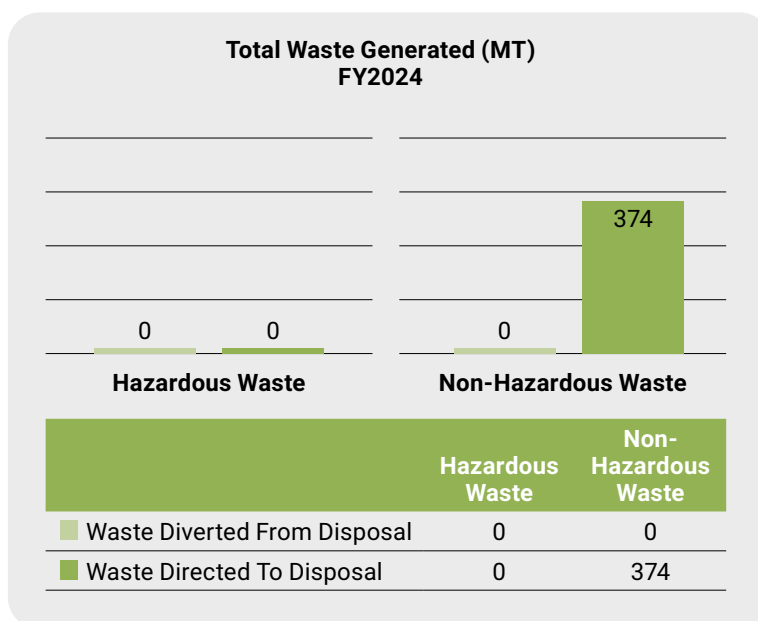
Apart from that, recycling waste (waste management) has become the Group's daily routine. Old newspapers, magazines and used paper egg trays are all the common materials collected regularly and sent to facilities for proper handling. The Group has also recently purchased reusable plastic egg trays to collect the eggs from the farms and later on be transferred to the grading store. This is to slowly minimise the usage of paper egg trays to reduce waste created from operations.

Papers are often the major contributor to waste in a workplace. Therefore, it has become a common practice for all the employees of the Group to set aside papers that have been used on only one side, to be used for printing drafts on the other side.

Our Performance

In FY2024, the total waste generated from our operations amounted to 374 metric tonnes of non-hazardous waste. The majority of this waste comprised used egg paper cartons, which were collected and disposed of at landfills through licensed waste contractors.

	FY2024
Total Waste Generated (MT)	374



In FY2024, we did not record any incidents of non-compliance related to waste disposal, nor did we incur any fines or penalties from the Department of Environment ("DOE").

SUSTAINABILITY STATEMENT (Environment)

ENERGY AND WATER MANAGEMENT

To ensure efficient use of energy and water resources

Why it is Important

Our commitment to sustainability extends to the efficient use of energy and water resources across our business operations. We strive to promote responsible utilisation of natural resources so as to minimise our environmental footprint for a more sustainable future.

Our Approach and Performance

Energy Efficiency

Energy management is a critical component of the Group's strategy to reduce environmental impact and achieve long-term sustainability. The Group has been actively imposing standards to effectively control and reduce energy consumption, including electricity and fuel usage, to

- Reduce greenhouse gas emissions,
- Lower operational costs,
- Support climate change mitigation efforts, and
- Ensure the long-term sustainability of our operations.

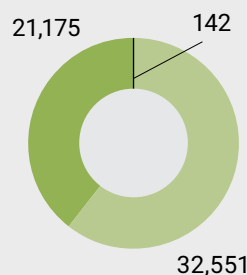
The bulk of our energy consumption arises from electricity usage, particularly to power our farm plants, machinery, and agricultural equipment. This includes systems such as ventilation systems, feed mills, lighting within livestock housing facilities, egg grading stores, and offices. The Group has continuously monitored and taken steps to optimise electricity consumption in all these areas.

	FY2022	FY2023	FY2024
Annual Electricity Usage (MWh)	9,053.16	9,041.97	9,864.94

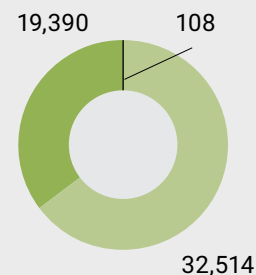
In FY2024, our annual electricity consumption increased by 9% compared to the previous financial year, primarily due to higher poultry feed production volumes. Total feed production rose from 188,828 tons in FY2023 to 226,714 tons in FY2024. The increase in production led to greater energy usage, as more electricity was required to operate machinery such as grinders, mixers, and pelletisers throughout the manufacturing process.

As a result of increased electricity use, along with the inclusion of diesel and petrol consumption, our total energy consumption in FY2024 was recorded at 55,012 gigajoules ("GJ"), equivalent to 15,281 MWh. Notably, diesel and petrol consumption recorded a reduction of 8.4% and 24.4% respectively, compared to FY2023, reflecting our ongoing efforts towards improving energy efficiency.

Non-Renewable Source
by Type (GJ)
FY2023



Non-Renewable Source
by Type (GJ)
FY2024



Electricity Diesel Petrol

Note: Figure for FY2023 has been reinstated to include energy consumption from diesel and petrol combustion.

Carbon emissions

In FY2024, our total greenhouse gas ("GHG") emissions amounted to 9,200 metric tonnes of CO₂ equivalent ("MTCO₂-e"), as follows:

Emission Scope	GHG Emissions (MTCO ₂ -e)
Scope 1	1,364
Scope 2	7,635
Scope 3	201
Total	9,200

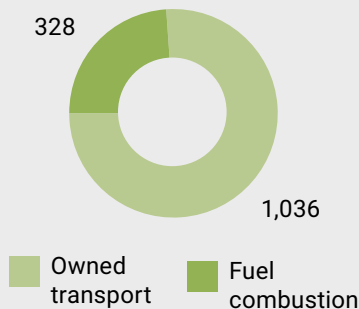
- Scope 1 emissions of 1,364 MTCO₂-e were generated from direct sources under our operational control, primarily diesel and petrol combustion.
- Scope 2 emissions, totaling 7,635 MTCO₂-e, were associated with purchased electricity used to power our farm plants, egg grading stores and offices.
- Scope 3 emissions amounting to 201 MTCO₂-e, based on employee commuting data. We recognise the importance of accounting for our broader value chain emissions and plan to gradually expand Scope 3 coverage to include upstream and downstream activities in the coming years.

SUSTAINABILITY STATEMENT

(Environment)

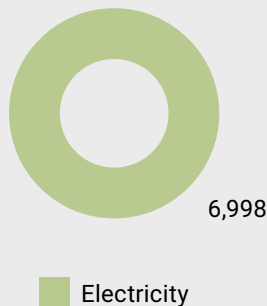
Scope 1

Total Direct GHG Emissions (equivalent) (MTCO₂-e) FY2024



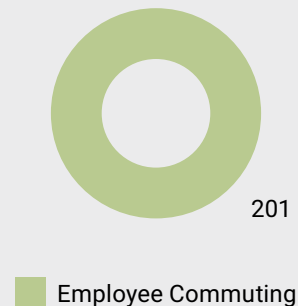
Scope 2

Total Direct GHG Emissions (equivalent) (MTCO₂-e) FY2024



Scope 3

Total Direct GHG Emissions (equivalent) (MTCO₂-e) FY2024



Note: The reporting of GHG data above is in accordance with the GHG Protocol Corporate Standard. Our Scope 1 and 3 data are computed based on UK Government GHG Conversions Factors Company Reporting 2024 whereas Scope 2 data are based on Grid Emission Factor (GEF) Malaysia from Energy Commission of Malaysia.

We understand that effective energy management is essential not only for reducing our environmental footprint but also for combating climate change and improving cost efficiency. We have implemented several strategies across our facilities to minimise electricity consumption and to maximise energy efficiency:

- Establish a lighting schedule across key areas in our premises to ensure lights are switched off during hours of low activity or when rooms are unoccupied.
- Conduct regular maintenance on electrical equipment and light fittings to ensure they are functioning efficiently while replacing outdated and energy-inefficient equipment with LED lights and energy-efficient fixtures.
- Turning off electrical appliances such as computers and kitchen equipment in the office and pantry when they are not in use.

Water Consumption

As a Group with sustainable commitment, we promote water-saving practices among employees. The water consumed by the employees is obtained from the municipal water supply. We have taken small steps to control the water used to be in line with the sustainability efforts, namely:

- **Slow the flow** - Adjusting water pressure/outflow for toilets, washbasins, and pantry, throughout our office premises
- **Seek the leak** - Conducting checks and fixing leaks immediately, where possible

Water is utilised in various essential functions, including maintaining temperature through cooling pads in chicken houses and for feeding livestock.

	FY2022	FY2023	FY2024
Annual Water Consumption - (Megalitre)	164.752	108.671	121.527

In the financial year 2024, water consumption increased by 11.8% compared to the previous reporting year, primarily due to prolonged hot weather. Water is mainly used in cooling pads to regulate the temperature in chicken houses and for cleaning farm facilities.

Based on assessments using the Aqueduct Water Risk Atlas developed by the World Resources Institute to assess water risks, none of our farm operations in Melaka and Negeri Sembilan are located in water-stressed regions. Furthermore, our Group does not source water from any water-stressed regions.

Water Treatment

TPC has invested in its own water treatment to process and treat natural water resources. In order to ensure the safety and quality of the processed water for consumption by the livestock, samples are regularly collected and sent to external laboratories for testing. This rigorous testing regimen ensures that the water meets stringent quality standards and is free from contaminants that could potentially harm the health and well-being of the livestock.

By maintaining strict quality control measures and regularly monitoring the water supply, TPC demonstrates its commitment to providing a safe and healthy environment for its livestock, thereby upholding high standards of animal welfare and product quality.

SUSTAINABILITY STATEMENT (Social)

Social

OCCUPATIONAL SAFETY AND HEALTH

Safety first: striving for zero workplace injuries

Why it is important

TPC Group views occupational safety and health at the workplace as of utmost importance. We commit to provide a safe and conducive working environment and facilities for all our employees as well as stakeholders, including contractors, suppliers and visitors. Trainings and briefings will be provided to create awareness of the health and safety environment for both contractors and newly recruited employees.

Our Approach

The Group practices "Zero-Tolerance" against any discrimination or harassment based on gender, political opinion, marital status, age, disability, etc. All employees are guided to avoid any conduct in the workplace that creates, encourages or permits an offensive, intimidating or inappropriate working environment. The Group has established a complaint procedure for reporting harassment, discrimination or retaliation. We will treat all aspects of the procedure confidentially and disciplinary action will be taken toward employees who are found guilty of sexual assault.

Accident reporting and investigation procedures are set up to systematically identify event details and causal factors to determine corrective measures. An accident investigation's primary purpose is to prevent future occurrences, not to place blame. This will provide both employers and employees with the opportunity to identify hazards in their operations and to impose corrective actions to avoid future incidents from recurring as well as continuous enhancement. TPC Group regularly provides safety and health-related updates and briefings to the workers to ensure they have a high degree of safety and health awareness in the workforce.

Our Performance

To further reinforce safe equipment handling and operational procedures, we conducted an annual refresher course for all relevant employees during the year.

	FY2023	FY2024
Number of employees trained on safety and health standards	2	26

Work-related injuries:

Injury Type	Total Number of Cases FY2024
Work-related injuries	0
High-consequence injuries	0
Work-related fatality	0

Work-related Ill Health:

Ill-Health Type	Total Number of Cases FY2024
Work-related ill health	0
Work-related fatality	0

	FY2023	FY2024
Number of fatalities	0	0
Lost Time Incident Rate ("LTIR")	0.27	0

In FY2024, we reinforced our commitment to workplace safety and health by training twenty-six (26) employees on safety standards, up from just two (2) in FY2023. We recorded zero-work-related injuries, ill health cases or fatalities, with one high-consequence injury reported. Our LTIR stood at zero, and we maintained a clean record with no incidents of non-compliance or penalties from the Department of Occupational Safety and Health ("DOSH"). These results reflect our ongoing efforts to promote a safe working environment through proactive risk management, regulatory compliance, and continuous employee training.

SUSTAINABILITY STATEMENT (Social)

TRAINING AND DEVELOPMENT

To provide sufficient training opportunities for all employees

Why it is important

At TPC, we believe sustainable growth begins with investing in our most valuable asset: our people. We are committed to recruiting, developing and retaining talent while providing a work environment that both fosters their growth and empowers them to reach their full potential. Through continuous training and development opportunities, we aim to enhance our employees' skills, knowledge, and expertise, knowing that their growth directly contributes to the success and advancement of the entire group.

Our Approach

The Group offers a range of training and development initiatives to enhance the capabilities and competencies of our employees. Our employees are required to submit a Training Request Form to request approval for participating in their interested training programmes.

Our Performance

Employee training hours

In FY2024, we spent 416 hours on training in internal and external learning and development programs. Below is the breakdown of training hours by employee category:

Employee Category	Total Hours of Training	
	FY2023	FY2024
Management	35	55
Executive	63	98
Non-executive/Technical Staff	63	174
General Workers	91	89
Total	252	416

Gender	Total Hours of Training	
	FY2024	
Male	204	
Female	212	
Total	416	



Basic For E-Invoicing Implementation And Transformation Strategies

	FY2023	FY2024
Overall average training hours per employee (hours)	0.59	1.02

	Male	Female
Average training hours per gender (hours)	0.55	5.73

Areas	List of Training Programs Attended in FY2024
Finance and Accounting	<ul style="list-style-type: none"> Overview of E-Invoicing And Implementation Assessment Basic For E-Invoicing Implementation And Transformation Strategies Anti-corruption Annual Refresher Training (Year 2024)
Human Resources	<ul style="list-style-type: none"> (MC) Boss I-NET (HCMS)-3 Time Attendance Management System Anti-corruption Annual Refresher Training (Year 2024)
Production & Operation	<ul style="list-style-type: none"> (MC) Kursus Penyelaras Keselamatan Dan Kesihatan Pekerjaan Bagi Sektor Pekerjaan Berkaitan Jalan Raya (WRRS OSH-C) Program AKKP (Pindaan) 2022 Tugas Dan Tanggungjawab Pematuhan KKP Yang Lebih Efektif & Efisien Forum Keselamatan Kebakaran Dalam Pengurusan Industri Anjuran Jabatan Bomba Dan Penyelamat Malaysia Negeri Melaka Tahun 2024 Anti-corruption Annual Refresher Training (Year 2024) Safety and Health Refresher Training (Year 2024)
General	<ul style="list-style-type: none"> Team Building Program Unveil Your Power

SUSTAINABILITY STATEMENT (Social)



Team Building Program Unveil Your Power

Employee retention and attrition

TPC Group is proud to have a highly engaged workforce, which is reflected in the long tenure of our employees. On average, our local employees have been with us for approximately 8 years, while our foreign employees stay with us for an average of 3 years.

Employee Category	Total Number of New Hires	
	Male	Female
Management	1	0
Executive	0	0
Non-executive/Technical Staff	1	0
General Workers	8	0
Total	10	0

Employee Category	Total Number of Employee Turnover	
	Male	Female
Management	1	0
Executive	0	0
Non-executive/Technical Staff	3	9
General Workers	7	21
Total	11	30

In addition to ongoing training and development, we prioritise aligning our employees' goals with the Group's objectives. To facilitate this alignment, we have established Key Performance Indicators for employees. Through regular evaluations and the provision of training and development opportunities, we empower our employees to realise their full potential and make meaningful contributions to a sustainable future for all.



Work-Related Road Safety Training Course

SUSTAINABILITY STATEMENT (Social)

EMPLOYEES WELFARE & ENGAGEMENT

To protect our employees' right and interest at all times

Why it is important

We believe that the foundation of a sustainable and thriving organisation lies in the dedication and productivity of our employees. As such, our commitment to sustainability encompasses the well-being of our workforce.

Our Approach

At TPC Group, we prioritise the protection of our employees' rights through the adoption of our Employee Handbook. This comprehensive document outlines key rights and benefits, ensuring that our employees are supported and empowered within our organisation.



Apart from the entitlements above, we take a step further where we share not only the good but the bad as well, together with our employees. For any celebration or special occasion such as Chinese New Year, Hari Raya, our employee's wedding and giving birth of new-borns, we celebrate with our employees by giving them "angpao" to share the joy and happiness. Meanwhile, in the event of difficult time such as hospitalisation, we also stay connected with them by visit them with fruit basket.

Our Performance

For FY2024, we are glad to inform that we have protected our employees' rights properly and adequately while complying to all the applicable labour laws and regulations. Hence, no relevant fines or penalties were imposed to the Group.

	FY2023	FY2024
Number of substantiated complaints concerning human rights violations	0	0

As part of our proactive approach in cultivating a close bonding and harmony workplace, we engaged with our employees by organising the following event and activities during FY2024:



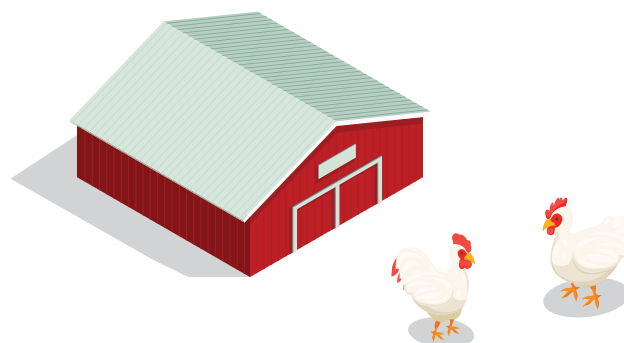
Free Employee Medical Health Check



Badminton Tournament 2024



Annual Dinner 2024



SUSTAINABILITY STATEMENT (Social)

WORKFORCE AND MANAGEMENT DIVERSITY

Promote workforce equality and diversity to foster sustainable talent management

Why it is important

At TPC, we recognise that our people are the driving force behind our success. A diverse and inclusive workforce is essential for fostering a culture built on respect, tolerance, and harmony. By integrating different perspectives across various races, religions, genders, ethnicities, and age groups, we not only promote a positive work environment but also enhance creativity, innovation, and business growth.

A diverse workforce is a key driver of business success in the competitive poultry industry, which is traditionally male-dominated. Embracing gender diversity and ensuring fair representation across all levels of the organisation will help us adapt to changing market conditions, improve decision-making, and ultimately achieve long-term sustainability.

Our Approach

At TPC, talent management is key to attracting and retaining the best talent. Our approach encompasses recruitment, remuneration, training, and career development, all based on objective merit. This ensures fairness and alignment with the Group's strategic goals. We place a strong emphasis on diversity and inclusion, which is essential for maintaining a dynamic, agile workforce that reflects the diverse needs of our market and industry.

We also aim to improve the representation of youth in our workforce, ensuring a sustainable talent pipeline for the future. While experienced directors bring invaluable insights from their extensive careers, we recognise the importance of integrating fresh perspectives from younger talent to drive innovation and adaptability.

In the traditionally male-dominated poultry industry, we are committed to enhancing gender diversity



across all levels of our workforce. Moving forward, we aim to create more opportunities and a supportive environment for women in poultry operations and leadership roles.

We also embrace diversity in its broader sense, including providing equal employment opportunities to persons with disabilities. While we currently do not have any employees with disabilities within our workforce, we remain open and supportive of recruiting employees with disabilities. We are committed to building an inclusive workplace that values individual abilities and ensures everyone has the opportunity to contribute meaningfully to TPC's success.

Our Performance

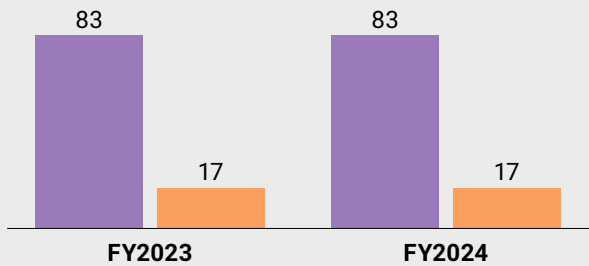
As of FY2024, the Board of TPC comprises 83% male and 17% female members, while our Key Senior Management team remains fully male. Recognising that the poultry industry has traditionally been male-dominated, TPC remains committed to strengthening gender diversity not only at the Board level but across all levels of the organisation. In line with the best practices outlined in the MCCG, we aim to achieve at least 30% female representation on the Board over time. Beyond the Board, we are committed to fostering a more inclusive leadership pipeline by providing equal opportunities for capable female talents to progress into senior roles in the future.

The Board also emphasises maintaining a balanced mix of experience and fresh perspectives. Directors within the 30 to 50-year-old age group are preferred to foster diverse viewpoints, while experienced directors with extensive industry exposure provide invaluable insights and expert guidance. Similarly, age diversity within Key Senior Management reflects a healthy mix of dynamism and experience. As of FY2024, 60% of our Key Senior Management team are aged between 30 and 50 years, contributing fresh ideas and adaptability to changing market dynamics. The remaining 40% are above 50 years old, providing stability, leadership, and deep industry expertise.

SUSTAINABILITY STATEMENT (Social)

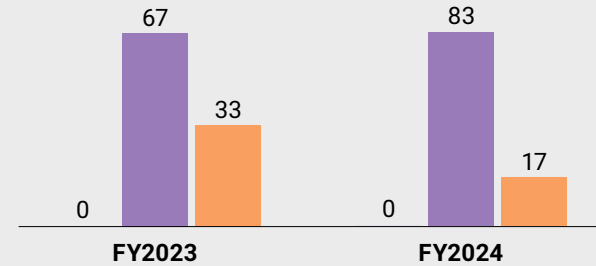
Board Diversity by Gender (%)

Male Female



Board Diversity by Age (%)

<30 y/o 30-49 y/o > 50 y/o



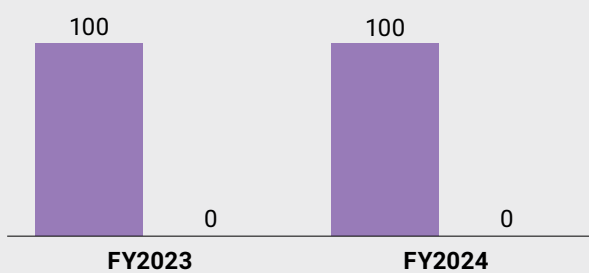
Board Diversity by Ethnicity (%)

Others Indian Chinese Malay



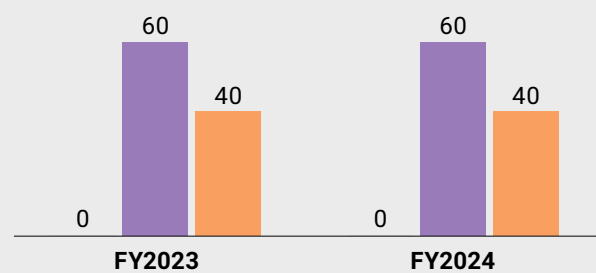
Key Senior Management Diversity by Gender (%)

Male Female



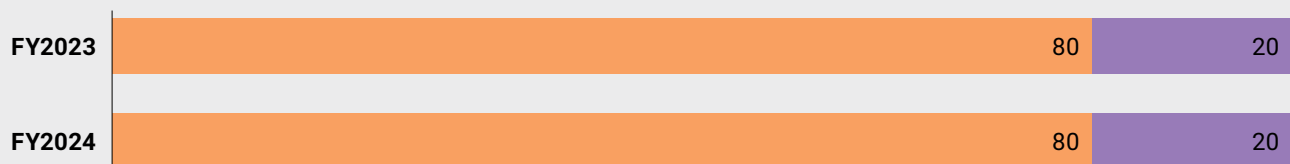
Key Senior Management Diversity by Age (%)

<30 y/o 30-49 y/o > 50 y/o



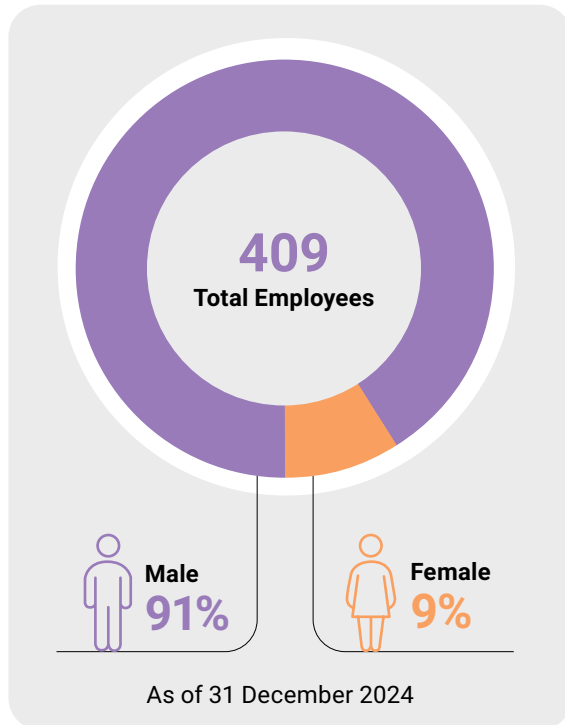
Key Senior Management Diversity by Ethnicity (%)

Chinese Malay



SUSTAINABILITY STATEMENT (Social)

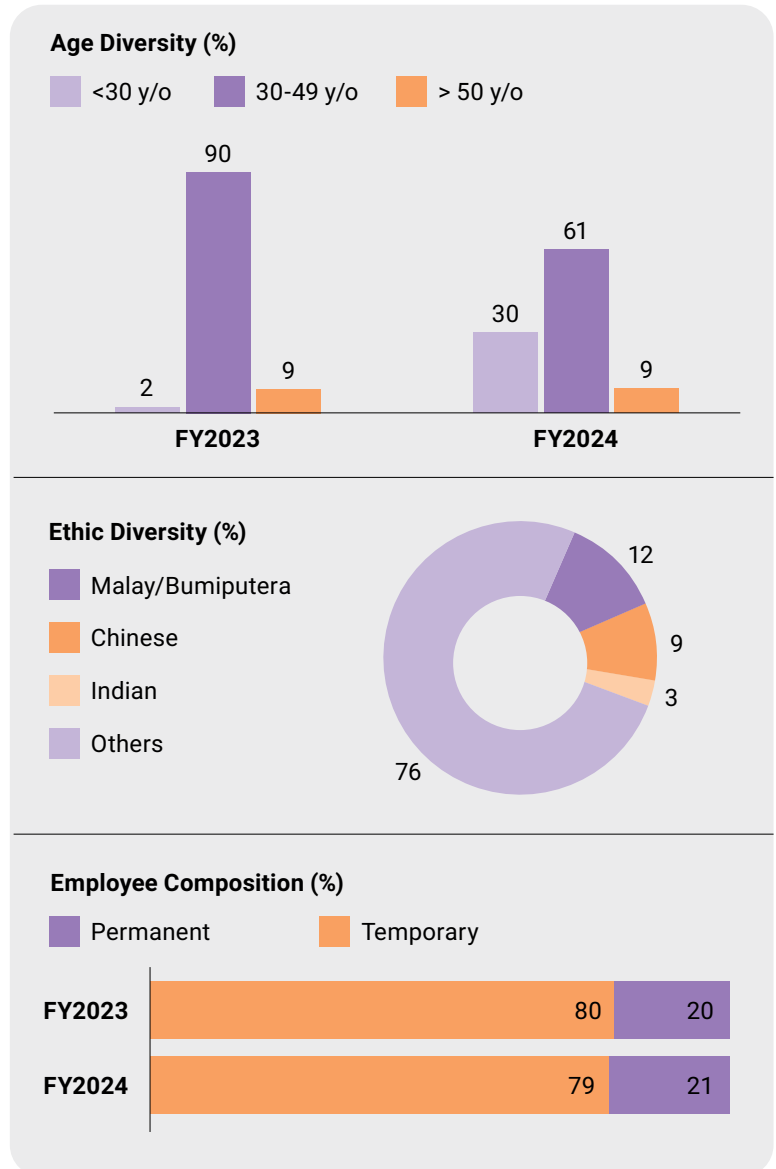
Workforce Profile



As of FY2024, TPC's workforce reflects a diverse mix of gender, age, ethnicity, nationality, and employment type, in line with the operational nature of the poultry industry. A majority of our workforce (61%) falls within the 30 to 50-year-old age group, while 30% are below 30 years old and 9% are above 50 years old. We believe that balancing young talents with experienced employees enhances teamwork, knowledge sharing, and adaptability in a fast-changing environment.

Gender diversity remains a challenge, with male employees making up 91% of our workforce and female employees at 9%. Nonetheless, we recognise the importance of promoting greater equality and are committed to creating more opportunities for women in the workplace.

In terms of ethnicity, our workforce consists of 12% Malay, 9% Chinese, 3% Indian, and 76% from other ethnic groups, primarily foreign employees supporting operational roles.

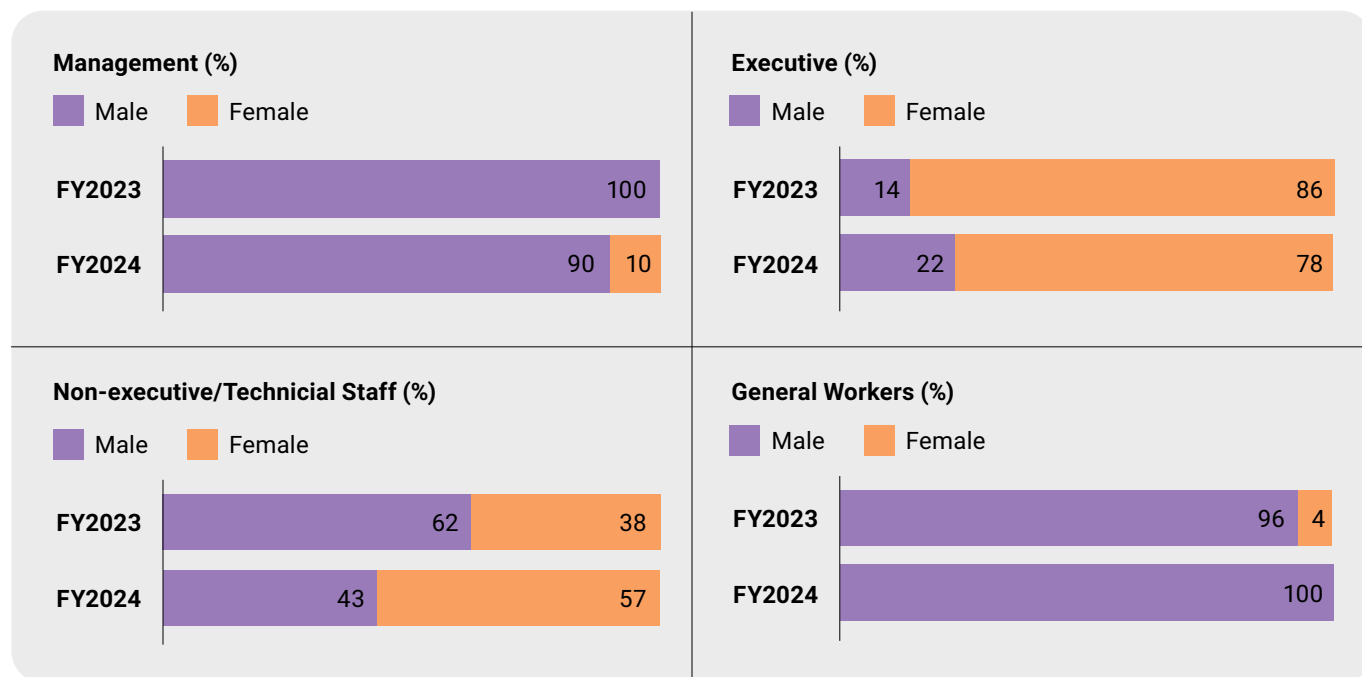


Note: The figure for FY2023 on the percentage of employees who are contractors or temporary staff has been reinstated following a correction to address a misinterpretation in the original computation method.

SUSTAINABILITY STATEMENT

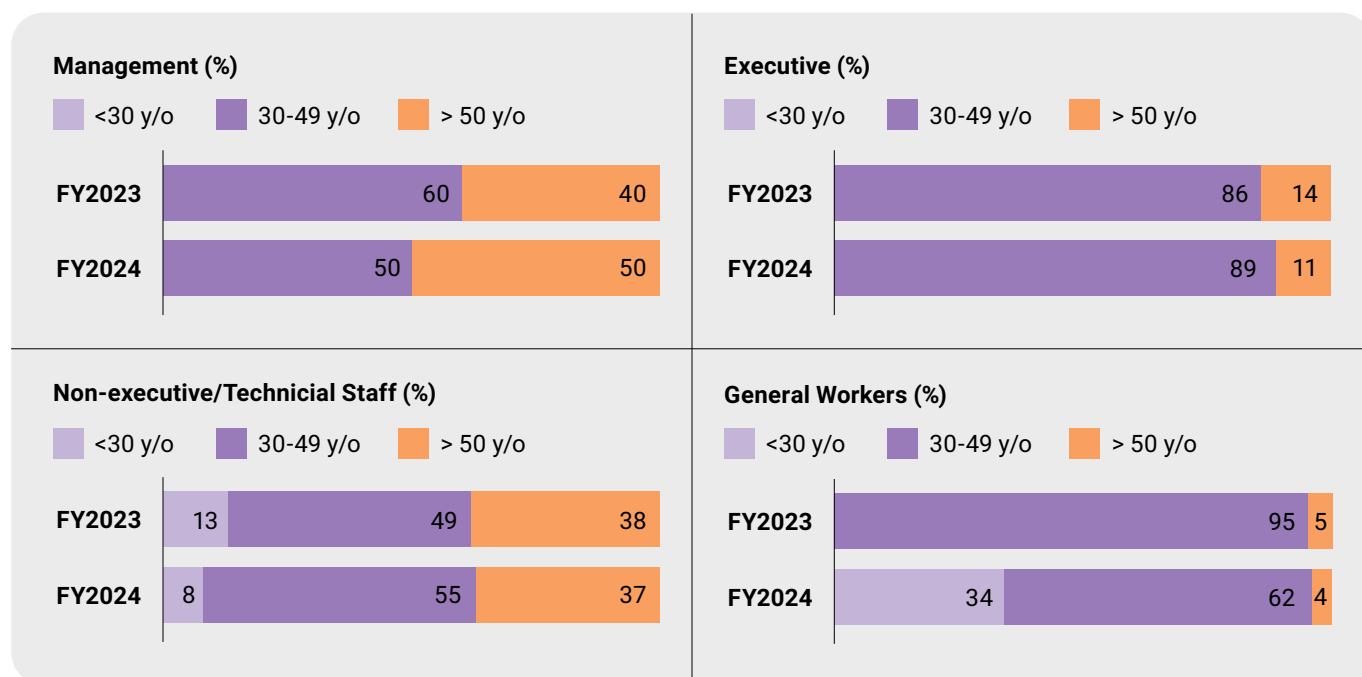
(Social)

Gender Diversity by Employee Category



Note: The figure for FY2023 on the percentage of employees by gender has been reinstated following a correction to address a misinterpretation in the original computation method.

Age Diversity by Employee Category



Note: The figure for FY2023 on the percentage of employees by age group has been reinstated following a correction to address a misinterpretation in the original computation method.

SUSTAINABILITY STATEMENT (Social)

CUSTOMER PRIVACY

To protect all of our customers' information

Why it is important

At TPC, we view customer privacy not merely as a legal obligation but as an essential part of responsible business practice. Protecting our customers' sensitive information is crucial in preventing data leaks and the potential loss of trust and reputation. We recognise that safeguarding customer data is fundamental to maintaining strong and lasting business relationships.

Our Approach

Our Privacy Policy is established in alignment with the requirements of the Personal Data Protection Act ("PDPA") 2010. This policy guides our practices in handling, storing, and protecting personal data entrusted to us by customers. We are dedicated to safeguarding customer information with the highest level of integrity, responsibility and confidentiality. To demonstrate our commitment, we proactively enter into Non-Disclosure Agreements ("NDAs") with our customers, establishing a legally binding framework that protects sensitive information exchanged throughout our business engagements.

In addition to legal safeguards, we continuously promote a culture of accountability within our organisation to ensure that all employees understand the importance of customer privacy.

Our Performance

In FY2024, we are pleased to report that we received zero complaints related to privacy breaches, and there were no incidents of data leakage or loss of customer information. As we grow and expand our operations, we will continue to review and enhance our data privacy measures to foster greater trust and confidence among our customers and stakeholders.

	FY2023	FY2024
Number of substantiated complaints concerning breaches in customer privacy or data loss	0	0

COMMUNITY OUTREACH

To enrich the local communities

Why it is Important

At TPC, we recognise the significant social impact of our operations on local communities. Over the years, we have fostered a culture of giving back, particularly focusing on supporting underprivileged sections of society. We firmly believe that contributing to the well-being and development of local communities is not only a moral responsibility but also essential to the sustainable success of our business. Through various community outreach initiatives, we aim to create lasting positive changes that align with our commitment to social responsibility and contribute to the broader goals of sustainability.

Our Approach

Over the years, TPC has embedded a culture of social responsibility within the Group, focusing on supporting underprivileged sectors of society. We are committed to using our resources to uplift the community, with a particular focus on providing essential aid to those who need it most. Our community engagement activities span both financial and in-kind contributions, ensuring that we can meet diverse needs.

Our Performance

TPC acknowledges the social influences of its operations and activities to local communities. Over the years, TPC has practised a culture of giving back to unprivileged sections of society. The Group believes that contribution towards local communities is crucial to the sustainable success of a business. During the year, the Group supported the community by providing financial assistance for the projects undertaken by local schools and religious associations.

Besides cash contributions, we also sponsored food, eggs and daily essentials to the needy and underprivileged minorities. With each passing year, we strive to undertake more activities that reflect our long-term commitment to the well-being of wider community.

SUSTAINABILITY STATEMENT (Social)

In FY2024, we actively contributed to our society in the following events:

a) CSR Package at Zoo Melaka



b) Donation of things to Pejabat Daerah dan Tanah Tampin to flood victims



We participated in the CSR Green Package initiative at Zoo Negara, involving cleaning and improvement of the grounds and enclosures. The objective of the event was to educate the public about wildlife conservation and environmental issues, while simultaneously promoting a positive social impact through increased access to nature and enhancement of community well-being

We donated some necessities to Pertubuhan Daerah dan Tanah Tampin that help to distribute to flood victims in Tampin area in December 2024. As the actual number of beneficiaries from our donation could not be ascertained, we have considered and recorded the donation as benefiting one collective recipient.

SUSTAINABILITY STATEMENT (Social)

c) Donation of eggs and chickens to flood victims in Johor



We donated eggs and chickens from our own farm to the flood victims in the Johor area, hoping that our contribution would help meet their immediate needs and, in turn, foster a sense of community and solidarity. Given that the actual number of beneficiaries from our donation is unknown, we have accounted for it as a single beneficiary representing the whole group. It is also worth noting that as the eggs and chickens were sourced directly from our own production, we did not assign any monetary value or include the cost of these items in our total contribution spent.

Key highlights of TPC's contributions for FY2024 are as follows:

Reached
10
beneficiaries

RM19,900
spent on contributions to
local schools, NGOs and
religious associations

	FY2023	FY2024
Total number of beneficiaries of the investment in communities	RM6,700	RM19,900
Total number of beneficiaries of the investment in communities	8	10

SUSTAINABILITY STATEMENT (Governance)

Governance

CORPORATE GOVERNANCE

To uphold the ethical business practices and comply with all applicable laws and regulations

Why it is important

Strong corporate governance serves as the foundation for achieving our sustainability goals. We are dedicated to maintaining the highest standards of corporate governance, emphasising accountability, transparency, integrity, and ethical conduct. By upholding these principles, we aim to safeguard the investments of our shareholders, protect the interests of all stakeholders, and preserve the assets of the Group.

Our Approach and Performance

The Board of TPC and key senior management remain committed to conducting business with integrity. In pursuit of this objective, the Board has ratified the Employee Code of Conduct and Ethics ("Code"), delineating ethical standards and behaviors to nurture a culture of honesty and

accountability within the Group. Upholding the Code, all directors, management, and employees are expected to execute their responsibilities with utmost integrity and professionalism. Additionally, these documents offer guidance for addressing compliance and ethical concerns.

Being a public listed company in Malaysia, we are well aware that the sustainable growth and success of our business are underpinned by a robust foundation of corporate governance. At TPC, corporate governance is not merely a compliance-driven routine but a fundamental cornerstone that guides every aspect of our operations. We wish to highlight that our adherence to corporate governance is aligned with the MMLR and the MCCG.

The Board assumes a pivotal role in overseeing the Group's overall strategic direction and ensuring robust corporate governance for the sustainable creation of long-term value for all stakeholders. A detailed overview of our corporate governance performance is provided in the Corporate Governance Overview Statement within this Annual Report, which should be read together with our Corporate Governance Report. Both sets of information are available on Bursa Securities' website at <https://www.bursamalaysia.com/>



SUSTAINABILITY STATEMENT (Governance)

ANTI-BRIBERY

To maintain a corruption and bribery-free business environment

Why it is Important

An anti-bribery policy sets clear expectations for ethical behavior within the organisation. It helps foster a culture of integrity and fairness, ensuring that employees make decisions based on merit, not personal gain or influence.

Our Approach



TARGET 16.5

**SUBSTANTIALLY REDUCE
CORRUPTION AND BRIBERY**

In alignment with **SDG Target 16.5**, our Group has implemented an Anti-Corruption Policy ("AC Policy"), underscoring our zero-tolerance stance against all forms of bribery and corruption. All employees are required to sign a declaration affirming their commitment to and compliance with the Group's Code, AC Policy and Whistle Blowing Policy ("WB Policy"). Additionally, our business associates are expected to uphold ethical conduct and adhere to the anti-corruption guidelines outlined in the AC Policy. To support the effective implementation of the AC Policy, the Board has also put in place a WB Policy, offering an avenue and structured mechanism for employees and stakeholders to confidentially report any suspected or known wrongful activities without fear of retaliation. All disclosures are handled with strict confidentiality and can be made directly to the Chairman of the Audit Committee.

Our Group's Code, AC Policy and WB Policy are available on our website at <http://www.tpc.com.my/corporate-governance>.

Our Performance

Operations assessed for risks related to corruption

	FY2023	FY2024
Percentage of operations assessed for corruption-related risks	100%	100%

Confirmed incidents of corruption and action taken

	FY2023	FY2024
Number of confirmed corruption incidents	0	0

Percentage of employees who have received training on anti-corruption

Employee Category	Completion Rate (%)	
	FY2023	FY2024
Management	100	100
Executive	57	78
Non-executive/Technical Staff	18	16
General Workers	1	2

In FY2024, 100% of the operations are assessed for corruption related risks and there is zero (0) confirmed incidents of corruption case reported. Additionally, there were no public cases brought against the Group or its employees for non-compliance with applicable laws and regulations. The Group did not incur any fines, penalties, or settlements related to corruption. Furthermore, no whistleblowing reports were received during the financial year.

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM

TPC Plus Berhad as a Listed Issuer, is required to provide mandatory ESG disclosures as part of the Main Market Listing Requirements, in line with the enhanced Sustainability Reporting Guide, 3rd Edition. The following performance data table, downloaded from the ESG Reporting Platform, summarises indicators that are pertinent against our Material Matters. For 2024, our 16 Material Matters are:

ECONOMIC



Sustainable
Business Growth



Technology
Innovation



Supply Chain
Management



Quality Assurance



Customer
Satisfaction

ENVIRONMENT



Environmental
Stewardship



Waste
Management



Emission
Discharged

SOCIAL



Workforce Diversity



Talent Management



Customer Privacy



Occupational Safety
& Health



Employee Welfare &
Engagement



Community
Outreach

GOVERNANCE



Corporate
Governance



Anti-Bribery

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM

We have matched all mandatory indicators to the relevant Material Matters. Some of our Material Matters do not have quantitative data and have been covered in the Sustainability Statement. The figures below have not been subjected to an assurance process.

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	100.00	100.00
Executive	Percentage	57.14	77.78
Non-executive/Technical Staff	Percentage	17.78	16.33
General Workers	Percentage	1.08	1.76
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	6,700.00	19,900.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	8	10
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Management Under 30	Percentage	0.00	0.00
Management Between 30-50	Percentage	60.00 *	50.00
Management Above 50	Percentage	40.00 *	50.00
Executive Under 30	Percentage	0.00 0.00	0.00
Executive Between 30-50	Percentage	86.00 *	88.89
Executive Above 50	Percentage	14.00 *	11.11
Non-executive/Technical Staff Under 30	Percentage	13.00 *	8.16
Non-executive/Technical Staff Between 30-50	Percentage	49.00 *	55.10
Non-executive/Technical Staff Above 50	Percentage	38.00 *	36.73
General Workers Under 30	Percentage	0.00 *	34.31
General Workers Between 30-50	Percentage	95.00 *	61.58
General Workers Above 50	Percentage	5.00 *	4.11
Gender Group by Employee Category			
Management Male	Percentage	100.00 *	90.00
Management Female	Percentage	0.00	10.00
Executive Male	Percentage	14.00 *	22.22
Executive Female	Percentage	86.00 *	77.78
Non-executive/Technical Staff Male	Percentage	62.00 *	42.86
Non-executive/Technical Staff Female	Percentage	38.00 *	57.14
General Workers Male	Percentage	96.00 *	99.71
General Workers Female	Percentage	4.00 *	0.29

Internal assurance

External assurance

No assurance

(*) Restated

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM

Indicator	Measurement Unit	2023	2024
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	83.33	83.33
Female	Percentage	16.67	16.67
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	83.33	66.67
Above 50	Percentage	16.67	33.33
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	14,963.50 *	15,280.99
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.27	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	2	26
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	35	55
Executive	Hours	63	98
Non-executive/Technical Staff	Hours	63	174
General Workers	Hours	91	89
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	80.42 *	79.22
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	1	0
Executive	Number	0	0
Non-executive/Technical Staff	Number	3	9
General Workers	Number	7	21
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	99.99
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	108.671000	121.527000

Internal assurance

External assurance

No assurance

(*) Restated

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**Board**") of TPC Plus Berhad ("**TPC**" or "**Company**") is pleased to present below a summary of how TPC Group has applied the following 3 principles set out in the Malaysian Code on Corporate Governance ("**Code**") during the financial year ended 31 December 2024 ("**FYE 2024**"):

Principle

A

Board leadership and effectiveness

Principle

B

Effective audit and risk management

Principle

C

Integrity in corporate reporting and meaningful relationship with stakeholders

This Corporate Governance Overview Statement is complemented by a Corporate Governance Report prepared according to the format prescribed by Bursa Malaysia Securities Berhad ("**Bursa**"). The Corporate Governance Report can be found on the Company's website at www.tpc.com.my and through the announcement on Bursa's website, www.bursamalaysia.com.

Principle

A

BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

The Board of Directors is responsible for the overall corporate governance of the Company and is always mindful of its responsibilities towards the Company's shareholders and other stakeholders.

In discharging its fiduciary duties and responsibilities, the Board is guided by the prevailing legal and regulatory requirements such as the Companies Act 2016, the Main Market Listing Requirements ("**MMLR**") of Bursa, the Code as well as the Company's Constitution and Board Charter.

To assist the Board in the effective discharge of their duties and responsibilities, the Board had established Board committees namely the Audit Committee, the Nomination and Remuneration Committee ("**NRC**") and the Risk Management Committee all of which are operated under defined terms of reference approved by the Board. The Board's and the Board committee's charter can be found at the Company's website, www.tpc.com.my.

During the FYE 2024, the Board had reviewed and amended the Audit Committee Charter and will review the other charters periodically to ensure that they remain relevant and adequate.

During the year, the chairman of each Board committee had reported to the Board of Directors all the key issues deliberated at their respective committee meetings. The proposals of the committees were all brought forward and tabled at Board of Directors' meetings for consideration and approval as the Board is the ultimate decision-making body of the Company with the exception of matters requiring shareholders' approval.

The positions of the Company's Chairman and the Managing Director are held by 2 different individuals whose responsibilities are segregated and clearly defined in the Board Charter to ensure that there is a balance of power and authority with neither of them having unfettered power of decision making.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Datuk Lim Yew Piau, the Chairman of the Board of Directors, is not a member of the Audit Committee, NRC nor Risk Management Committee to ensure that there is check and balance and does not give rise to self-review when deliberating the recommendations and proposals put forth by the chairman of the committee at the Board of Directors' meetings for approvals.

The principal duties of the Chairman are to conduct the meetings of the Board and shareholders and to facilitate constructive discussions at these meetings. The Managing Director on the other hand is responsible for the day-to-day running of the businesses of the Group and the implementation of strategies and policies approved by the Board.

The Board is supported by a Company Secretary who is a member of the Malaysian Institute of Chartered Secretaries and Administrators and qualified to act under Section 235 of the Companies Act 2016. The Company Secretary is also the secretary of the Audit Committee, NRC and Risk Management Committee.

All Board members have direct access to the advice and services of the Company Secretary and Senior Management. The Directors, whether as a full board or in their individual capacity, may seek independent professional advice in the discharge of their duties and responsibilities at the Company's expense.

Board meetings for each year are scheduled at the 4th quarter of the preceding year to give the Directors sufficient time to plan their schedules and be able to attend the meetings. None of the Directors hold more than 5 directorships in public listed companies and all of them are able to devote their time to serve the Board effectively.

5 Board meetings were held during the FYE 2024 and all the Directors attended every meeting held except Mr Lim Yew Kwang and YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop who both attended 4 out of the 5 meetings held. Member from the Management was invited to attend Board and Board committee meetings to brief and provide additional information on questions or issues raised by the Directors. Where decisions were made by the Board via Directors' Circular Resolutions in between Board meetings, the Circular Resolutions approved by the Board will be tabled for notation at subsequent Board Meeting.

The Board and the Management are responsible for instilling good corporate governance and upholding the code of ethics set out in the Group's policies. The code of conduct of the Board is set out in the Board Charter. The Group's Employee Code of Conduct and Ethics, Anti-Corruption Policy and Whistle Blowing Policy are made available at the Company's website.

The Board together with the Management acknowledge their responsibilities in promoting sustainability in areas covering environment, social and governance. Further information on the Company's approach towards sustainability is provided in the Sustainability Statement of this Annual Report.

2. Board Composition

There are 3 Executive Directors and 3 Independent Non-Executive Directors on the Board of Directors of TPC i.e. with at least half of the Board comprising Independent Directors as set out in the Code.

Gender Diversity

The Board recognises the benefits of having a diverse Board and workforce and therefore had adopted a Diversity Policy for the Group where diversity refers to age, gender, ethnicity, nationality, cultural background, religious belief and social-economic status. Diversity also encompasses the way people differ in terms of education, life and work experience, personality, location and marital status.

The NRC will endeavour that gender diversity, being part of the Diversity Policy adopted, will be considered in the recruitment and succession planning of the Board and Senior Management. Currently, there is 1 female Director representing 16.67% of the Board of Directors of TPC and this complies with Paragraph 15.02 of the MMLR of Bursa to have at least one woman director on the Board.

Moving forward, the NRC will continue to consider gender diversity as part of the criteria for the selection of a new Director in order to achieve the 30% women representation on the Board as encouraged by the Code.

The Group had always maintained its policy of having a working environment where there is respect for people regardless of their gender and where it is free from gender harassment and discrimination in order to attract and retain women participation on the Board and the management of the Group.

It is also a policy of the Group that there shall be no preference given to male applicants for a position unless the job involves labour work as needed in farms. The Company will ensure that any women with the appropriate experience and qualifications are considered equally in the recruitment and selection process.

Activities of the NRC

The Board of TPC Plus Berhad had on 11 May 2004 established a Nomination Committee and a Remuneration Committee which were subsequently merged as the Nomination and Remuneration Committee on 20 April 2012. The current NRC comprises all the 3 Independent Non-Executive Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

During the FYE 2024, the NRC had reviewed and proposed to the Board on the amendments to the Policy and Procedure on the Nomination and Appointment of Director and Senior Management and the Re-appointment of Director.

Besides evaluating the Audit Committee, the Board of Directors and their members during the year, the NRC had also reviewed the Board skills matrix and the independence of Independent Directors.

The NRC was satisfied with the level of commitment and devotion given by each Director towards discharging his/her roles and responsibilities effectively. The Board had accordingly endorsed the recommendation from the NRC for the re-election of Mr Lim Yew Kwang (the Managing Director of TPC) and YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop (an Independent Non-Executive Director of TPC) who are both retiring by rotation at the 22nd Annual General Meeting ("AGM") to be held on 29 May 2024. However, YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop had subsequently informed the Board that he will not be seeking for re-election at the 22nd AGM and will accordingly retire at the close of the AGM.

The NRC had also recommended to the Board to retain Mr Chong Chee Siong and Mr Chong Peng Khang as Independent Directors to fulfil Paragraph 15.02 of the MMLR of Bursa whereby at least 2 Directors or 1/3 of the Board of Directors of the Company, whichever is the higher, are Independent Directors.

The Board is agreeable with the NRC that Mr Chong Chee Siong and Mr Chong Peng Khang who are both free from management are able to continue exercising independent judgement and not affected by any influences that could jeopardise their objectivity. On top of that, they do not have any personal, family or economic interests in TPC Group.

The Board is also of the view that a Director's independence should not be determined solely by reference to a set period of time and strongly believe that the Group will benefit from long serving Independent Directors who are familiar and have insight knowledge of the Group's business and operations.

Therefore, the Board will seek the approval of the shareholders to retain Mr Chong Chee Siong and Mr Chong Peng Khang as Independent Directors by way of ordinary resolutions passed through two-tier voting at the Company's 22nd AGM.

Through self-assessment, each Director was able to identify his own training needs and had attended the following training programmes during the FYE 2024 in compliance with Paragraph 15.08 of the MMLR:

Directors	Training
Lim Yew Kwang	Turning Tough into Triumph: Strategic Planning for Malaysia's 2025 Fiscal Shift
Datuk Lim Yew Piau	Turning Tough into Triumph: Strategic Planning for Malaysia's 2025 Fiscal Shift
YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop	The Malaysian Code on Corporate Governance: A Step-by-Step articulation of the 48 Practices, including how to furnish explanations for any departure, and the use of alternative practices to achieve the Intended Outcomes
Chong Chee Siong	Workplace Ergonomic Awareness
Chong Peng Khang	Special Voluntary Disclosure Program 2.0 & Contemporaneous Transfer Pricing Documentation Conflict of Interest (COI) & Related Party Transactions Security Awareness Training Session for Email Management Users MIA Accounting & Financial Technology Showcase 2024 Multinational Tax Seminar 2024 Workplace Harassment Leadership & Communication Tax & Business Summit 2024
Lim Chian Harn	Overview of E-Invoicing and Implementation Assessment

CORPORATE GOVERNANCE OVERVIEW STATEMENT

3. Remuneration

The NRC had proposed to the Board of Directors on the Directors' fees to be paid for the FYE 2024. The Directors' fees agreed by the Board is subject to shareholders' approval at the Company's forthcoming 22nd AGM.

The Executive Directors were remunerated based on their experience, responsibilities and contributions in order to motivate and retain them in achieving the Company's plans, strategies and goals. Non-Executive Directors were paid an annual Directors' fees and meeting allowance for attending Board and Board Committee meetings.

None of the Directors were remunerated based on the Company's or Group's turnover. The breakdown of the remuneration of the Directors of the Company for the FYE 2024 are as follows:

	TPC Plus Berhad (RM'000)							Total
	Fees [*]	Salary	Bonus	EPF	SOCSSO	EIS	Allowance [^]	
Executive Directors								
Lim Yew Kwang	48.00	-	-	-	-	-	-	48.00
Datuk Lim Yew Piau	48.00	-	-	-	-	-	-	48.00
Lim Chian Harn	48.00	-	-	-	-	-	-	48.00

Non-Executive Directors								
YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop	50.40	-	-	-	-	-	2.40	52.80
Chong Chee Siong	50.40	-	-	-	-	-	3.00	53.40
Chong Peng Khang	50.40	-	-	-	-	-	3.00	53.40

	Subsidiary of TPC Plus Berhad (RM'000)							Total
	Fees	Salary	Bonus	EPF	SOCSSO	EIS	Allowance	
Executive Directors								
Lim Yew Kwang	-	120.00	60.00	21.60	1.09	0.12	-	202.81
Datuk Lim Yew Piau	-	120.00	60.00	21.60	1.09	0.12	-	202.81
Lim Chian Harn	-	81.00	87.75	20.32	1.09	0.12	-	190.28

Non-Executive Directors								
YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop	-	-	-	-	-	-	-	-
Chong Chee Siong	-	-	-	-	-	-	-	-
Chong Peng Khang	-	-	-	-	-	-	-	-

Note

^{*} Directors' fees is subject to shareholders' approval at the 22nd AGM.

[^] The payment of a meeting allowance:

- of RM600.00 a day for meetings held during 1 January 2024 till 30 May 2024 was approved by the shareholders at the 20th AGM held on 30 May 2023; and
- of RM600.00 day for meetings held during 31 May 2024 till 31 December 2024 was approved by the shareholders at the 21st AGM held on 30 May 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle

B

EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Audit Committee

The Audit Committee comprises 3 Independent Non-Executive Directors and none of them are former partner of the Company's External Auditors or its affiliate firms. The Chairman of the Audit Committee is Mr Chong Peng Khang who is a Chartered Accountant of the Malaysian Institute of Accountants and a fellow member of the Association of Chartered Certified Accountants.

The Audit Committee had evaluated the External Auditors, Crowe Malaysia PLT ("CM"), during the year in respect of their calibre, performance, quality control processes, audit team, independence and objectivity, audit scope and planning, fees and also its communications with the Audit Committee.

In recommending to the Board for the re-appointment of CM as the Company's External Auditors for the financial year ending 31 December 2025, the Audit Committee had also considered CM's Transparency Report which covers, among others, the management and governance of CM, the quality control system and the independence policy put in place, the workload and trainings provided to CM's staff and also the external and internal review to monitor the quality of audit provided by CM.

Further details of the Audit Committee including a summary of activities carried out by the Audit Committee during the year is set out in the Audit Committee Report of this Annual Report.

2. Risk Management and Internal Control Framework

The Board recognises the importance of having an effective governance embedding risk management and internal control processes and also acknowledges its overall responsibility for maintaining a sound system of internal control covering not only financial controls but also relating to operational, compliance and risk management.

The Company's Risk Management Committee and Audit Committee will assist the Board in fulfilling its responsibilities in the risk governance and internal control functions respectively.

The Risk Management Committee had during the year reviewed the Group Key Risk Profile and will put in place additional controls in the human resource management and the sustainability management when necessary.

The internal audit function of the Company is outsourced to an independent consulting company, Needsbridge Advisory Sdn Bhd, to assist the Board in assessing the adequacy and effectiveness of the Group's risk management and internal control system. The Internal Auditors are given full access to all the documents relating to the Group's governance, financial statements and operational assessments and they report directly to the Audit Committee.

Two internal audits were performed during the year i.e. one on the production and inventory management on feed milling and the other one on egg grading and liquid egg production management. These audits were carried out in accordance with the Internal Audit Plan which was formulated based on the Group's risk profile and which had been approved by the Board of Directors.

The Internal Auditors will update the Audit Committee at Audit Committee meeting the status of the Management's action plans drawn up based on the findings of their audits. All in all, the Board was satisfied that actions were taken by the Management to mitigate most of the risks identified and that the internal control system put in place during 2024 was sufficient to safeguard shareholders' investment and the Group's assets.

The Audit Committee had evaluated the Internal Auditors during the year and was satisfied that the Internal Auditors had been independent throughout their audit and had sufficient resources and experience in carrying out their duties and responsibilities in accordance with the Company's Internal Audit Charter and the guidance of the International Professional Practices Framework in all material aspects.

Further information on the Group's risk management and internal control is made available in the Statement on Risk Management and Internal Control of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Principle

C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Engagement with Stakeholders

The Board acknowledged and had always practised timely, accurate and equal dissemination of material information to its shareholders, investors and the public at large. The Board had also formally adopted a Corporate Disclosure Policy for the Group.

Material information and updates, quarterly financial results, Circular to Shareholders and Annual Report are announced to Bursa and are accessible through Bursa's and the Company's website.

In conserving the environment and to improve sustainability, printed copies of the Company's Annual Report and Circular to Shareholders will only be provided to shareholders upon receiving their requests.

2. Conduct of General Meetings

The Company's AGM remains the principal forum for dialogue and interaction with shareholders. The Company's 21st AGM was held physically on 30 May 2024 as the Board was of the opinion that this arrangement is sufficient because the Company only had 1,616 shareholders as at 29 March 2024.

The Company had taken the following actions to ensure that shareholders were able to participate, engage the Board and Management and make informed voting decisions at the 21st AGM:

- i. The Notice of the 21st AGM was sent out to the shareholders on 30 April 2024 thereby giving the shareholders at least 28 days' notice and sufficient time to consider the resolutions set out in the agenda of the notice of the AGM and to make the necessary arrangements for attendance and voting.
- ii. The explanatory notes in the Notice of the AGM provided sufficient explanations to each of the resolutions proposed. This will help the shareholders to decide and exercise their voting rights accordingly.
- iii. An Administrative Guide for the 21st AGM was sent together with the Notice of the AGM informing the shareholders, among others, where the Company's Annual Report and Circular to Shareholders can be accessed and downloaded for their information.
- iv. Shareholders who were not able to attend the AGM were encouraged to appoint the Chairman of the AGM as their proxy and to indicate in the Proxy Form how they wish their votes to be cast. The Chairman of the AGM will then vote according to the wishes of the shareholders who had appointed him as their proxy. The completed Proxy Form may be lodged at the Company's Registered Office or sent to the Company electronically via email.
- v. Shareholders who have questions in relation to any item on the Agenda of the 21st AGM were able to send in their questions in advance to the Company's registered office or via e-mail. The questions received will be responded at the AGM.
- vi. During the 21st AGM, the shareholders present were given sufficient time to raise questions and seek further clarification if necessary. The Board of Directors, Senior Management and External Auditors were present at the AGM to answer all the questions raised.
- vii. An independent scrutineer was appointed by the Board to validate the votes cast at the 21st AGM. Shareholders were able to access to Bursa's or the Company's website for the results of the poll on the same day.
- viii. A summary of the key matters discussed at the 21st AGM was uploaded to the Company's website and the minutes of the 21st AGM proceedings was also posted on the Company's website within 30 business days after the AGM for shareholders' information.

The Board of Directors has reviewed and approved this Corporate Governance Overview Statement on 10 April 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") is committed to maintaining a robust risk management and internal control system for TPC Plus Berhad ("the Company") and its subsidiaries ("the Group"). In line with this commitment, the Board is pleased to present the Statement on Risk Management and Internal Control for the financial year under review, outlining the Group's risk management framework and internal control processes.

This statement has been prepared in accordance with Paragraph 15.26(b) and Practice Note 9 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the Main Market. It is also guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guidelines") and the Malaysian Code on Corporate Governance 2021. The scope of this statement covers the Company and its subsidiaries.

BOARD RESPONSIBILITIES

The Board of Directors ("the Board") holds ultimate responsibility for the establishment, implementation, and oversight of the Group's risk management and internal control system. It conducts regular reviews to ensure their adequacy and effectiveness, providing assurance that the Group is progressing towards its mission, vision, core values, strategies, and business objectives. Most importantly, the Board is committed to safeguarding stakeholders' interests and protecting the Group's assets.

Additionally, the Board is responsible for defining the Group's risk appetite, ensuring alignment with its corporate objectives, strategic direction, external environment, business nature, and corporate/product lifecycle.

The Board has delegated the responsibilities outlined above to the Risk Management Committee ("RMC"), which is tasked, through its charter and the Risk Management Framework ("RM Framework") approved by the Board, with overseeing governance on risk management and assuring the Board of the adequacy and effectiveness of the Group's risk management system. Additionally, the Audit Committee ("AC") plays a governance oversight role concerning the internal control system, keeping the Board informed of all significant financial

and non-financial matters brought to its attention by the Management, internal audit function, and external auditors.

The identification, assessment, and management of key business risks and opportunities within the Group have been delegated to the Risk Management Working Group ("RMWG"), comprising Key Management Personnel ("KMP") and relevant Heads of Departments ("HOD").

The Managing Director and Executive Directors have assured the Board that, to the best of their knowledge, the Group's risk management and internal control systems are operating effectively and adequately in all key areas. The Board further confirms that these processes have been in place throughout the financial year under review and up to the date of approval of this Statement for inclusion in the Company's Annual Report.

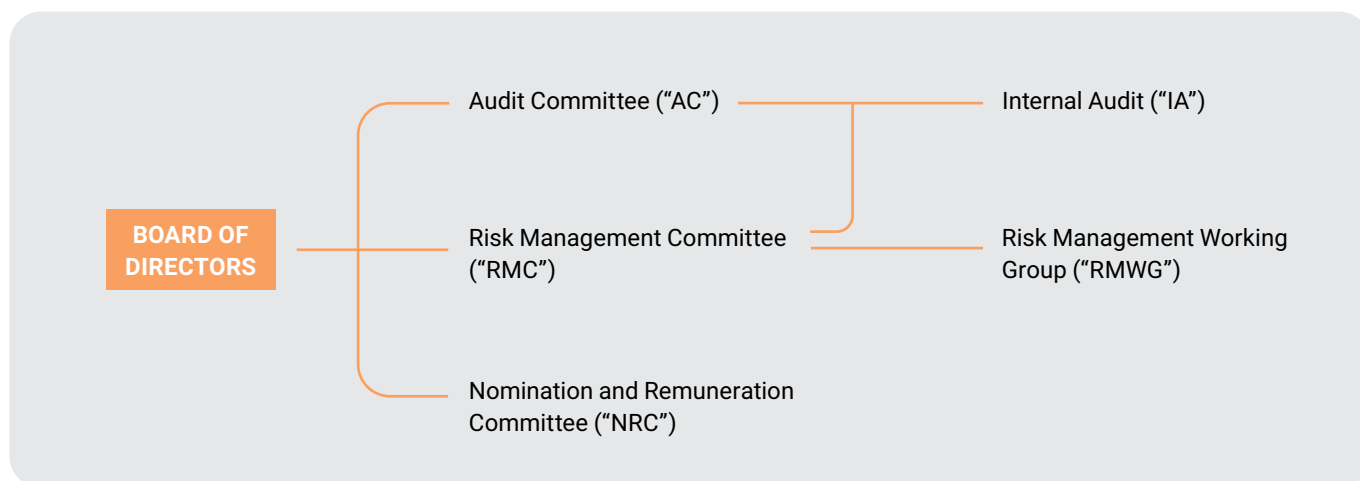
The internal control system encompasses, among others, the control environment, risk assessment, control activities, information and communication, and monitoring activities. However, due to the inherent limitations of any internal control system, the system implemented by Management is designed to mitigate, rather than to eliminate, the risk of failing to achieve the Group's business objectives. As a result, the internal control system can only provide reasonable, rather than absolute, assurance against material misstatements, losses, or fraud.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT

The Board recognises risk management as an integral component of the internal control system and good corporate governance, essential to achieving its strategic objectives. The Board remains committed to identifying, evaluating, and managing the significant risks faced by the Group during the financial year under review. To facilitate this, the Board has established a RM Framework, which serves as the governance structure and process for enterprise-wide risk management. This framework aims to embed risk management practices at all levels of the Group and to adequately and effectively address key business risks as the Second Line of defense. The responsibilities for identifying, evaluating, and managing these key business risks have been delegated to the RMWG.

The RM Framework outlines the objectives and processes for risk management, as approved by the Board, and establishes a clear governance structure for the Group's risk management activities, as detailed below:



The RM Framework clearly defines the roles and responsibilities of the Board, the RMC, the AC, the Nomination and Remuneration Committee ("NRC"), the RMWG, and the internal audit function. The RMC is chaired by the Senior Independent Non-Executive Director and operates under the formal terms of reference outlined in the Risk Management Committee Charter ("RMC Charter").

The RM Framework outlines a systematic risk management process, covering each step of risk identification, risk assessment, control identification, risk treatment, and control activities for application by the RMWG. Risk assessments, conducted at both gross and residual levels, are guided by likelihood and impact ratings established by the Board, as outlined in the RM Framework. Based on this process, key risks are identified within the Group's risk appetite to ensure that risks are managed within acceptable thresholds.

At the strategic level, the Management formulates business plans, strategies, and investment proposals with risk considerations. These are then presented to the Board for review and deliberation to ensure alignment with the Group's risk appetite.

As the First Line of defense, the respective HODs or divisions (i.e. risk owners) are responsible for managing the risks within their areas. They ensure that business processes operate effectively and efficiently by maintaining a robust internal control system and implementing appropriate risk and control procedures. Any changes in key operational risks or the emergence of new risks are identified through daily operational management. Risk owners are responsible for assessing changes to existing risks and formulating and implementing effective controls to mitigate these risks. Material risks are escalated to the RMC for final decisions regarding the formulation and implementation of internal controls, with reports provided to the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The monitoring of the Group's risk management process is further strengthened by internal audits conducted by an outsourced internal audit function. Specific audit objectives and business risks are identified for each internal audit cycle based on an internal plan approved by the AC.

This risk management process has been consistently followed by the Group throughout the financial year under review and up to the date of approval of this statement.

Significant risks faced by the Group, along with the mitigation plans implemented, are discussed in the "Risk Factors Exposure and Mitigation Measures" section of the Management Discussion and Analysis.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The key elements of the Group's internal control systems are described below:

- **Board of Directors/Board Committees**

The role, functions, composition, operation and processes of the Board are guided by formal Board Charter whereby roles and responsibilities of the Board, the Chairman, the Managing Director and the Management are specified to preserve the independence of the Board from the Management.

Board Committees (i.e. AC, NRC and RMC) are established to carry out duties and responsibilities delegated by the Board and are governed by written terms of reference and charter.

Meeting of Board and respective Board Committees are carried out on scheduled basis to review the performance of the Group, from financial and operational perspective, as well as the Group's business strategies. Any significant matters will be highlighted to the board members during the meeting to ensure timely information are conveyed.

- **Organisation Structure, Accountability and Authorisation**

The Group has a well-defined organisation structure in place with clear lines of reporting and accountability. The Group is committed to employing suitable and qualified staff so that the appropriate level of authorities and responsibilities can be delegated while accountability of performance and controls are assigned accordingly to competent staffs to ensure operational efficiency.

Segregation of duties is practiced across the entities, check and balance mechanism exists to prevent manipulation, to the detriment of the Group's interests.

Authority limit is established within the Group to provide a clear functional framework of authority for critical control points. This includes financial authorisation matrix on capital expenditure and asset disposal and write-off.

- **Risk Identification, Risk Assessment, Risk Response and Control Activities**

Risk identification is the process in identifying internal and external influences that may potentially affect the strategies, objectives, activities, or operations of the entities. Risk assessment requires respective risk owners to analyse the identified risks in term of their probability and impact to form mitigation measures in accordance with their risk score. Internal controls, as risk responses, are designed and formulated in order to bring the identified risks down to an acceptable level in line with the risk appetite of the board and entities/ Group's risk profile. Control activities include the policies and procedures that help ensure management directives are carried out effectively.

- **Human Resource, Whistleblowing and Anti-Corruption Policy**

Guidelines on human resource management are in place to ensure the Group's ability to operate in an effective and efficient manner by employing and retaining adequately competent employees who possess the necessary knowledge, skill and experience in carrying out their duties and responsibilities effectively and efficiently.

Whistleblowing Policy is in force to provide avenue for employees, shareholders and external parties to report any suspected breach or breach of any law or regulations in a safe and confidential manner. The aim of this policy is to provide an internal mechanism for reporting and investigating any wrongdoings in the workplace.

The Group adopted Anti-Corruption Policy to promote the culture of high standards of honesty and integrity within organisation. All business dealings should be transparently performed and accurately reflected on records with monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws and best practices.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

• Information and Communication

Information critical to the achievement of the Group's business objectives are provided by the Senior Management to the Board on a periodic basis. This allows matters that require the Board's attention to be highlighted for review, deliberation and decision making on a timely basis.

At operational level, clear reporting lines are established across the Group and operations reports are prepared for dissemination to relevant personnel for effective communication of critical Information throughout the Group for timely decision making and execution in pursuit of the business objectives.

The Group puts in place effective and efficient information and communication infrastructures and channels (i.e. enterprise resources planning systems, secured intranet, electronic mail system and modern telecommunication) and processing system, so that operational data and external data can be collected and processed into relevant and adequate information and communicated timely, reliably and securely to dedicated personnel within the Group for decision making and for communication with relevant external stakeholders.

• Monitoring and Review

As Executive Directors are closely and directly involved in daily operations of the Group, regular reviews of operational data including production, marketing and financial are strictly scrutinised by the Executive Directors to identify non-compliances and for decision making. Apart from the above, quarterly financial performance review containing key financial results and comparison against previous corresponding financial results are presented to the Board for their review.

Furthermore, internal audits are carried out by outsourced internal audit function (which reports directly to the AC) on key risk areas identified based on the key risk profile of the Group. The internal audit function assesses the adequacy and effectiveness of internal controls in relation to specific governance, risk and control processes and highlights potential risks and implications of its observations that may impact the Group as well as recommends improvements on the observations made to minimise the risks. Modifications and update will be made as necessary to ensure the internal controls remain effective and relevant. The results of the internal audit carried out are reported to the AC.

• Farm Management and Biosecurity and Disease Control

Good farm management practices and biosecurity and disease controls to mitigate biosecurity and disease threats are incorporated into policies and procedures adopted by the farms, the production chain and distribution process. Periodical pest control programme will be conducted to assure the hygiene of both farm and poultry products. Feed and vaccination programmes are in place to ensure the performance of biological assets is optimal and overall farm productivity is enhanced.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to NeedsBridge Advisory Sdn Bhd, a professional firm. This function assists the Board and the AC by providing independent assessments of the adequacy, efficiency, and effectiveness of the Group's governance, risk, and control structures and processes.

The engagement of the outsourced internal audit function is governed by an engagement letter, which outlines key terms such as the purpose and scope of work, accountability, independence, responsibilities of the outsourced internal audit function, the management's responsibilities, authority granted to the internal audit function, limitations of the scope of work, confidentiality, proposed fees, and the engagement team. The engagement is also governed by the Group's Internal Audit Charter, which was reviewed and approved by the Board during the financial year. The appointment, resignation, and proposed audit fees of the outsourced internal audit function are subject to review by the AC and approval by the Board. The scope of the control review by the outsourced internal audit function is determined and approved by the AC, with input from executive management.

The outsourced internal audit function reports directly to the AC. The engagement director holds professional certifications, including Certified Internal Auditor ("CIA") and Certification in Risk Management Assurance ("CRMA"), both accredited by the Institute of Internal Auditors Global ("IIA") and a professional member of the Institute of Internal Auditors Malaysia ("IIAM"). The internal audit activities are conducted in accordance with the International Professional Practices Framework ("IPPF"), including the Mission, Core Principles for the Professional Practice of Internal Auditing, Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing established by the IIA.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

For the financial year under review, the internal audit function allocated resources, including one associate director, one senior consultant, and at least one consultant or associate consultant per engagement, with oversight performed by the senior director.

To preserve the independence and objectivity of the internal audit function, it is not permitted to act on behalf of Management, implement management action plans, conduct ongoing internal control monitoring (except for following up on the progress of action plan implementation), authorise or execute transactions, prepare source documents for transactions, have custody of assets, or perform functions equivalent to those of management or employees.

The outsourced internal audit function is granted unrestricted access to all functions, records, properties, personnel, the AC, and other specialised services within or outside the Group, as well as necessary assistance from personnel in the units where audits are performed.

Internal audits are guided by a risk-based internal audit plan, which is drafted based on existing and emerging business risks identified in the Group's key risk profile, the Senior Management's opinions, previous internal audits, and subject to review and approval by the AC. Each internal audit cycle within the plan is specific regarding audit objectives, key risks to assess, and the scope of internal control reviews.

As the Third Line of defense, the internal audit function evaluates risks and related controls to determine the adequacy and effectiveness of governance, risk, and control structures and processes. The recommendations provided by the outsourced internal audit function are based on the root causes of the observations identified during audits. The audit procedures include process evaluations through interviews with relevant personnel, reviews of Standard Operating Procedures (SOPs) and/or process flows, and observations of how processes function in practice. Testing of controls involves reviewing a sample of transactions selected according to predetermined sample sizes based on the nature of the audit.

During the financial year ended 31 December 2024, the outsourced internal audit function conducted reviews of internal controls related to the 1) Production and Inventory Management of the Feed Milling Division, and 2) Egg Grading and Liquid Egg Production Management of Teck Ping Chan Agriculture Sdn Bhd, all in accordance with the approved internal audit plan.

After completing the internal audit fieldwork, the internal audit reports were presented to the AC during its scheduled meetings. The reports included findings, recommendations based on the root causes of the observations, and management's response and action plans. Updates on the status of action plans from previous audits were presented at subsequent AC meetings for review and discussion.

Additionally, during the AC meetings, the outsourced internal audit function reported on staff strength, qualifications, experience, and continuous professional education for the AC's review.

The cost of maintaining the outsourced internal audit function for the financial year ended 31 December 2024 amounted to RM37,000.00.

MANAGEMENT RESPONSIBILITIES AND ASSURANCE

In accordance with the Guidelines, the Management is responsible to the Board for:

- Identifying risks relevant to the Group's business objectives and strategies;
- Designing, implementing, and monitoring the risk management framework in alignment with the Group's strategic vision and overall risk appetite;
- Identifying emerging risks or changes to existing risks, responding appropriately, and promptly bringing these matters to the attention of the Board.

The Board has received assurance from the Group's Managing Director, the highest-ranking executive in the Company and the person primarily responsible for managing the Company's financial affairs, that, to the best of his knowledge, the Group's risk management and internal control systems are operating adequately and effectively in all material aspects.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ASSURANCE PROVIDED BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement as required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. In accordance with the scope set out in the Audit and Assurance Practice Guide 3 ("AAPG 3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants, and for inclusion in the Annual Report for the year ended 31 December 2024, the External Auditors have reported to the Board that nothing has come to their attention that caused them to believe the Statement intended for inclusion in the Annual Report, in all material respects, has not been prepared in accordance with the disclosures required by Paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, nor to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems, including the assessment and views expressed by the Board of Directors and Management. The External Auditors are not required to consider whether the processes described to address material internal control issues related to significant problems disclosed in the Annual Report will, in fact, resolve those issues.

OPINION AND CONCLUSION

Based on the review of the risk management results and processes, the results of internal audit activities, and the monitoring and review mechanisms outlined above, along with the assurance provided by the Group's Managing Director, the Board is of the opinion that the risk management and internal control systems are satisfactory and have not resulted in any material losses, contingencies, or uncertainties that would require disclosure in the Group's Annual Report. The Board continues to implement relevant measures to maintain and, where necessary, improve the Group's governance, risk, and control structures and processes to meet the Group's strategic objectives.

The Board is committed to upholding high standards of effective risk management and internal control systems throughout the Group, and, where necessary, will put in place appropriate plans to further enhance the Group's systems of internal control. Notwithstanding this, the Board will continue to evaluate and manage the significant business risks faced by the Group to achieve its business objectives in the current and challenging business environment.

This Statement was approved by the Board of Directors on 10 April 2025.

AUDIT COMMITTEE REPORT

1. COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee appointed by the Board of Directors comprises the following Directors who are all Independent Non-Executive Directors:

Mr Chong Peng Khang - Chairman
YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop - Member
Mr Chong Chee Siong - Member

2. TERMS OF REFERENCE

The Terms of Reference of the Audit Committee is available for reference on the Company's website, www.tpc.com.my.

3. MEETINGS AND ATTENDANCE

The Audit Committee met 5 times during the financial year ended 31 December 2024 and all the Audit Committee members participated at every meeting held except YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop who attended 4 out of the 5 meetings held.

The Audit Committee also had a private session with the Internal Auditors and the External Auditors during the year to discuss the operations and management of the Group without the presence of the Management or Executive Directors.

4. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

A summary of the main activities carried out by the Audit Committee during the financial year ended 31 December 2024 are as follows:

4.1 Financial reporting and external audit

- (a) Reviewed the Group's unaudited quarterly financial results and the audited financial statements for the year ended 31 December 2023 with the Management and the External Auditors before recommending the same to the Board of Directors for approval and announcement to Bursa Malaysia Securities Berhad.
- (b) Discussed with the Management and the External Auditors the key audit findings in the Report to the Audit Committee for the financial year ended 31 December 2023 such as the valuation of biological assets (being the key audit matter), revenue recognition, related party transactions, recoverability of debts, additions of property, plant and equipment and going concern assessment.
- (c) Discussed with the Management and the External Auditors the Audit Review Memorandum (Closing Meeting) before recommending the audited Financial Statements for the financial year ended 31 December 2023 to the Board of Directors for approval.

AUDIT COMMITTEE REPORT

4. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE (CONT'D)

4.1 Financial reporting and external audit (cont'd)

- (d) Discussed with the External Auditors the audit plan for the financial year ended 31 December 2024 including the key audit matter i.e. valuation of biological assets and other areas of audit emphasis and risk such as revenue recognition, related party transactions, and recoverability of trade receivables and related parties trade debts.
- (e) Ensured that the External Auditors had maintained its independence while carrying out its duties.
- (f) Reviewed the audit and non-audit fees before recommending the same to the Board for approval.
- (g) Assessed the External Auditors and considered the information in the External Auditors' Transparency Report covering the financial year ended 31 December 2023 before recommending to the Board on the re-appointment of the External Auditors at the Annual General Meeting to be held in 2025.

4.2 Internal control and internal audit

- (a) Discussed matters raised in the Internal Audit Report on the adequacy and effectiveness of the internal control and risk management system in the following areas and assessed the findings and implementation plans raised in the report:
 - (i) Feed milling production and inventory management.
 - (ii) Egg grading and liquid egg production management.
- (b) Reviewed and discussed with the Management and Internal Auditors the status and progress of the Management's action plan in managing potential risks identified in previous internal audit findings.
- (c) Reviewed the Internal Audit Plan for the financial years ended 31 December 2024 and ending 31 December 2025 on the following:
 - (i) Egg grading and liquid egg production management.
 - (ii) Human resources management.
 - (iii) Farm management at TPC 2, Rembau, Negeri Sembilan.
- (d) Reviewed and recommended that the Internal Audit Charter be amended to state that the Charter is to be reviewed periodically and update it when necessary. The amendment was then recommended to the Board for approval.
- (e) Reviewed the Statement on Risk Management and Internal Control before recommending it to the Board of Directors for approval and incorporate it in the Company's Annual Report.
- (f) Reviewed the Internal Auditor's engagement letter and audit fees before recommending the same to the Board for approval.
- (g) Evaluated the outsourced internal audit function and considered the competency, the resources and the functions undertaken by the Internal Auditors before recommending to the Board of Directors for their re-appointment.

AUDIT COMMITTEE REPORT

4. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE (CONT'D)**4.3 Conflict of interest**

- (a) Reviewed the Group's new Conflict of Interest Policy before recommending it to the Board of Directors for approval.
- (b) Directors were required to declare at the commencement of all Board committee and Board of Directors' meetings whether they have any conflict of interest or potential conflict of interest (other than related party transactions) in any of the items listed in the agenda of the notice of meeting. There was no conflict of interest situation arose during the financial year ended 31 December 2024.

4.4 Related party transactions

- (a) Reviewed and ensured that the Review and Disclosure Procedures for Related Party Transaction is adequate and appropriate.
- (b) Ensured that mandates have been received from shareholders for all recurrent related party transactions.
- (c) Ensured that all recurrent related party transactions with shareholders' mandate are carried out in the ordinary course of business.
- (d) Reviewed the Circular to Shareholders in relation to the proposed renewal of the existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

4.5 Other matters

- (a) Reviewed the financial position of the Company and the results of the solvency test before recommending to the Board of Directors on the declaration of the 1st and 2nd interim dividend on 30 May 2024 and 28 November 2024 respectively for the financial year ended 31 December 2024.
- (b) Reviewed the Sustainability Framework before recommending it to the Board of Directors for approval.
- (c) Reviewed and proposed to the Board of Directors on the amendments to the Audit Committee Charter to, among others, include it the duties of the Audit Committee to review conflict of interest situations involving Directors and Key Senior Management and to take measures to resolve or mitigate the conflict of interest.
- (d) Reviewed the Whistleblowing Policy and tabled the proposed amendments to the Board of Directors for approval.
- (e) Reviewed the Audit Committee Report before publishing it in the Company's 2023 Annual Report.

ADDITIONAL COMPLIANCE INFORMATION

1. AUDIT AND NON-AUDIT FEES

The audit and non-audit fees for the financial year ended 31 December 2024 incurred for services rendered to the Company and its subsidiaries by the Company's Auditors, Crowe Malaysia PLT, or a firm or a corporation affiliated to the Auditors are as follows:

	Audit Fees (RM)	Non-audit Fees (RM)*
Company	38,000	10,000
Subsidiaries	87,000	24,000
Total	125,000	34,000

* Non-audit fees consist of fees for reviewing Statement on Risk Management and Internal Control and tax fees.

2. RECURRENT RELATED PARTY TRANSACTIONS

The recurrent related party transactions conducted during the financial year ended 31 December 2024 which are all within the shareholders' mandate given to Teck Ping Chan Agriculture Sdn Bhd ("TPCA") are as follows:

Related party	Nature of relationship	Nature of transaction	Amount Transacted (RM)
Huat Lai Resources Berhad ("HLRB")	HLRB is a major shareholder of TPC holding 59.02% direct interest in TPC.	Sale of eggs® by TPCA to HLRB	7,709,880
		Sale of layer feed by TPCA to HLRB	61,067,832
		Purchase of eggs®, raw material and livestock by TPCA from HLRB	52,651,228
Huat Lai Feedmill Sdn Bhd ("HLFM")	HLFM is a wholly-owned subsidiary of HLRB.	Sale of layer feed by TPCA to HLFM	90,546,383
		Purchase of grower feed and raw material by TPCA from HLFM	7,810,038
HLRB Processing Sdn Bhd ("HLPR")	HLPR is a wholly-owned subsidiary of HLRB.	Sales of spent layers by TPCA to HLPR	1,348,483
Linggi Agriculture Sdn Bhd ("LASB")	LASB is a wholly-owned subsidiary of HLRB.	Sale of layer feed and eggs® by TPCA to LASB	89,056,285
		Purchase of eggs® by TPCA from LASB	89,292
Chuan Hong Poultry Farm Sdn Bhd ("CHPF")	CHPF is a wholly-owned subsidiary of HLRB.	Sale of layer feed, eggs® and raw material by TPCA to CHPF	6,245,975
		Purchase of eggs®, feeds and raw materials by TPCA from CHPF	12,500

ADDITIONAL COMPLIANCE INFORMATION

2. RECURRENT RELATED PARTY TRANSACTIONS (CONT'D)

The recurrent related party transactions conducted during the financial year ended 31 December 2024 which are all within the shareholders' mandate given to Teck Ping Chan Agriculture Sdn Bhd ("TPCA") are as follows (cont'd):

Related party	Nature of relationship	Nature of transaction	Amount Transacted (RM)
Jalin Indah Poultry Farm Sdn Bhd ("JIPF")	JIPF is a wholly-owned subsidiary of HLRB.	Sale of layer feed and eggs [@] from TPCA to JIPF	52,875,535
Huat Lai Paper Products Sdn Bhd ("HLPP")	HLPP is a wholly-owned subsidiary of HLRB.	Purchase of egg trays by TPCA from HLPP	3,601,858

[@] TPCA will purchase eggs from the related parties when TPCA does not have enough eggs of a particular size at that point of transaction and vice versa.

3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

There were no material contracts subsisting at the end of the financial year or entered into since the end of the previous financial year by the Company or its subsidiaries which involved the interests of Directors, chief executive who is not a director or major shareholders.

STATEMENT ON DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required to prepare financial statements for each financial year which are made out in accordance with the applicable approved accounting standards so as to give a true and fair view of the financial position of the Group and of the Company as of the financial year end and of their financial performance and cash flows for the financial year ended on that date.

In preparing the audited financial statements of the Group and of the Company for the year ended 31 December 2024:

1. The Directors are satisfied that the Management had:
 - i. adopted appropriate accounting policies and consistently applied them;
 - ii. made judgments and estimates that are reasonable and prudent;
 - iii. followed all applicable accounting standards; and
 - iv. prepared the financial statements on a going concern basis.
2. The Directors have ensured that accounting records were properly kept, accurate and reliable to sufficiently explain all transactions and financial position of the Group and of the Company.
3. The Directors have taken steps that are reasonably available to them:
 - i. to safeguard the assets of the Group and of the Company; and
 - ii. to detect and prevent fraud and other irregularities.

This statement has been reviewed and approved by the Board of Directors on 10 April 2025.

FINANCIAL STATEMENTS



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DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services.

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the Company in each subsidiary company are set out in the "Subsidiaries" section of this report.

RESULTS

	THE GROUP RM	THE COMPANY RM
Profit after taxation for the financial year	18,275,781	18,842,254
Attributable to:-		
Owners of the Company	18,275,781	18,842,254

DIVIDENDS

Dividends paid or declared by the Company since 31 December 2023 are as follows:-

Ordinary Share	RM
In respect of the financial year 31 December 2024	
A first single-tier interim dividend of 1 sen per ordinary share, paid on 23 July 2024	3,082,328
A second single-tier interim dividend of 1 sen per ordinary share, paid on 27 December 2024	3,082,328
	6,164,656

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

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT**ISSUES OF SHARES AND DEBENTURES**

During the financial year:-

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

DIRECTORS' REPORT

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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

DIRECTORS

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

LIM YEW KWANG *
DATUK LIM YEW PIAU *
LIM CHIAN HARN
YBHG. TAN SRI DATUK SERI (DR.) ABU SEMAN BIN HAJI YUSOP
CHONG CHEE SIONG
CHONG PENG KHANG

* Directors of the Company and its subsidiaries.

DIRECTORS' INTERESTS

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

DIRECTORS' REPORT**DIRECTORS' BENEFITS**

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from the following transactions:-

	THE GROUP RM	THE COMPANY RM
Immediate holding company		
Sales of goods	(68,777,712)	-
Purchase of goods	52,651,228	-
Subsidiary		
Dividend income	-	(18,589,747)
Management fee received/receivable	-	(360,000)
Fellow subsidiaries		
Sales of goods	(240,310,287)	-
Purchase of goods	11,513,688	-

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

DIRECTORS' REMUNERATION

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

	THE GROUP RM	THE COMPANY RM
Fees	295,200	295,200
Salaries, bonuses and allowances	540,801	8,400
Defined contribution benefits	63,516	-
	899,517	303,600

INDEMNITY AND INSURANCE COST

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

DIRECTORS' REPORT

SUBSIDIARIES

(a) The details of the Company's subsidiaries are as follows:-

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PERCENTAGE OF ISSUED SHARE CAPITAL HELD BY PARENT	PRINCIPAL ACTIVITIES
<i>Subsidiaries of the Company</i>			
Teck Ping Chan Agriculture Sdn. Bhd.	Malaysia	100%	Poultry farming
Teck Ping Chan (1976) Sdn. Bhd.	Malaysia	100%	Dormant
Mestika Arif Sdn. Bhd. *	Malaysia	100%	Oil palm plantation

* Held by Teck Ping Chan Agriculture Sdn. Bhd., a subsidiary of the Company.

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

HOLDING COMPANIES

The immediate and ultimate holding companies are Huat Lai Resources Berhad and Esprit Unity Sdn. Bhd., respectively. Both the aforesaid holding companies are incorporated in Malaysia.

AUDITORS

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

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

	THE GROUP RM	THE COMPANY RM
Audit fees	125,000	38,000
Non-audit fees	5,000	5,000
	130,000	43,000

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS DATED 10 APRIL 2025

Lim Yew Kwang

Datuk Lim Yew Piau

STATEMENT BY DIRECTORS

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

We, Lim Yew Kwang and Datuk Lim Yew Piau, being two of the directors of TPC Plus Berhad, state that, in the opinion of the directors, the financial statements set out on pages 87 to 144 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year ended on that date.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS DATED 10 APRIL 2025

Lim Yew Kwang

Datuk Lim Yew Piau

STATUTORY DECLARATION

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

I, Lim Yew Kwang, being the director primarily responsible for the financial management of TPC Plus Berhad, do solemnly and sincerely declare that the financial statements set out on pages 87 to 144 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Lim Yew Kwang, NRIC Number: 740726-04-5229
at Melaka
in the State of Melaka
on this 10 April 2025

Before me

Shahrizah Binti Yahya (M084)
Commissioner for Oaths

Lim Yew Kwang

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TPC PLUS BERHAD

(Incorporated in Malaysia) Registration No: 200301012910 (615330-T)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of TPC Plus Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 87 to 144.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

INDEPENDENT AUDITORS' REPORT

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p>Valuation of biological assets Refer to Notes 5.8 and 9 to the financial statements</p> <p>The Group's biological assets (comprise pullets and layers) have a carrying amount of approximately RM20.1 million.</p> <p>In determining the fair value of the biological assets, the Group uses the discounted cash flows model and significant judgement is involved in determining the key assumptions which will impact the amount of fair value of biological assets recognised.</p> <p>We focused on this component because of its significance to the statements of financial position and the significant judgement involved in determining the key assumptions, namely the projected number of table eggs produced by each layer, the projected selling price of the table eggs, mortality rate, feed consumption rate and feed costs over the remaining life of the layers, as well as the discount rates.</p> <p>The accounting policy for biological assets has been disclosed in Note 5.8 to the financial statements.</p> <p>The key assumptions used in the discounted cash flows model and the sensitivity analysis are disclosed in Note 9 to the financial statements.</p>	<p>We evaluated the appropriateness of the methodology and key assumptions used by management in valuing the biological assets.</p> <p>We checked the mathematical accuracy of the valuation model prepared by management.</p> <p>We corroborated the projected number of table eggs produced and feed consumption volume to the historical data.</p> <p>In respect of the projected selling prices and feed costs, we compared the projected prices against historical prices and checked the reasonableness of the adjustments made for abnormal market movements.</p> <p>We test checked the mortality rate assumption against historical actual mortality rate.</p> <p>We assessed the appropriateness of the range used to test the sensitivity analysis performed by management as disclosed in Note 9.</p>

INDEPENDENT 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, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT**Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)**

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

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

INDEPENDENT AUDITORS' REPORT

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

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

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

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

OTHER MATTERS

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

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

Melaka

10 April 2025

Tan Lin Chun
02839/10/2025 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		THE GROUP		THE COMPANY	
	NOTE	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	6	-	-	76,214,316	73,214,316
Property, plant and equipment	7	112,448,011	118,390,585	-	-
Investment properties	8	330,000	-	-	-
		112,778,011	118,390,585	76,214,316	73,214,316
CURRENT ASSETS					
Biological assets	9	20,114,074	23,740,693	-	-
Inventories	10	12,842,927	13,213,771	-	-
Trade receivables	11	2,714,478	4,009,869	-	-
Other receivables, deposits and prepayments	12	2,342,029	1,702,885	-	-
Amounts owing by related companies	13	103,775,084	93,710,482	-	370,770
Short-term investments	14	1,770,329	4,395,929	844,463	3,500,863
Current tax assets		2,000	-	-	-
Fixed deposits with licensed banks	15	18,040,000	5,565,000	-	-
Cash and bank balances		49,208,444	43,880,783	13,095,051	394,954
		210,809,365	190,219,412	13,939,514	4,266,587
TOTAL ASSETS		323,587,376	308,609,997	90,153,830	77,480,903

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		THE GROUP		THE COMPANY	
	NOTE	2024 RM	2023 RM	2024 RM	2023 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	86,079,659	86,079,659	86,079,659	86,079,659
Revaluation reserve	17	11,793,613	11,793,613	-	-
Retained profits/(Accumulated losses)		27,842,111	15,730,986	3,733,802	(8,943,796)
Equity attributable to owners of the Company		125,715,383	113,604,258	89,813,461	77,135,863
NON-CURRENT LIABILITIES					
Deferred tax liabilities	18	13,157,056	12,617,793	-	-
Long-term borrowings	19	21,345,739	23,127,131	-	-
		34,502,795	35,744,924	-	-
CURRENT LIABILITIES					
Trade payables	22	91,715,256	94,739,477	-	-
Other payables and accruals	23	3,805,350	3,696,406	340,369	345,040
Amounts owing to related companies	24	137,476	360,726	-	-
Short-term borrowings	25	63,138,796	60,406,809	-	-
Current tax liabilities		4,572,320	57,397	-	-
		163,369,198	159,260,815	340,369	345,040
TOTAL LIABILITIES		197,871,993	195,005,739	340,369	345,040
TOTAL EQUITY AND LIABILITIES		323,587,376	308,609,997	90,153,830	77,480,903

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	NOTE	THE GROUP		THE COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
REVENUE	26	455,421,447	452,633,787	18,949,747	360,000
COST OF SALES		(448,926,712)	(443,396,838)	-	-
GROSS PROFIT		6,494,735	9,236,949	18,949,747	360,000
OTHER INCOME		28,048,761	50,105,491	343,601	100,862
		34,543,496	59,342,440	19,293,348	460,862
ADMINISTRATIVE EXPENSES		(2,983,223)	(4,421,604)	(451,094)	(445,643)
SELLING AND DISTRIBUTION EXPENSES		(1,672,908)	(1,463,281)	-	-
OTHER EXPENSE		(95,000)	(95,000)	-	-
FINANCE COSTS		(4,781,869)	(3,461,287)	-	-
NET REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS	27	875,390	-	-	-
PROFIT BEFORE TAXATION	28	25,885,886	49,901,268	18,842,254	15,219
INCOME TAX EXPENSE	31	(7,610,105)	(6,487,233)	-	-
PROFIT AFTER TAXATION		18,275,781	43,414,035	18,842,254	15,219
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		18,275,781	43,414,035	18,842,254	15,219
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		18,275,781	43,414,035	18,842,254	15,219
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		18,275,781	43,414,035	18,842,254	15,219
EARNINGS PER SHARE (SEN)	32				
- Basic		5.93	14.08		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

THE GROUP	NOTE	SHARE CAPITAL RM	NON- DISTRIBUTABLE		ATTRIBUTABLE TO OWNERS OF THE COMPANY RM
			REVALUATION RESERVE RM	DISTRIBUTABLE (ACCUMULATED LOSSES)/ RETAINED PROFITS RM	
Balance at 1.1.2023		86,079,659	11,793,613	(27,683,049)	70,190,223
Profit after taxation/Total comprehensive income for the financial year		-	-	43,414,035	43,414,035
Balance at 31.12.2023/1.1.2024		86,079,659	11,793,613	15,730,986	113,604,258
Profit after taxation/Total comprehensive income for the financial year		-	-	18,275,781	18,275,781
Dividends	33	-	-	(6,164,656)	(6,164,656)
Balance at 31.12.2024		86,079,659	11,793,613	27,842,111	125,715,383

THE COMPANY	NOTE	SHARE CAPITAL RM	DISTRIBUTABLE		TOTAL EQUITY RM
				(ACCUMULATED LOSSES)/ RETAINED PROFITS RM	
Balance at 1.1.2023		86,079,659		(8,959,015)	77,120,644
Profit after taxation/Total comprehensive income for the financial year		-		15,219	15,219
Balance at 31.12.2023/1.1.2024		86,079,659		(8,943,796)	77,135,863
Profit after taxation/Total comprehensive income for the financial year		-		18,842,254	18,842,254
Dividends	33	-		(6,164,656)	(6,164,656)
Balance at 31.12.2024		86,079,659		3,733,802	89,813,461

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	25,885,886	49,901,268	18,842,254	15,219
Adjustments for:-				
Depreciation of property, plant and equipment	11,713,472	10,136,414	-	-
Depreciation of investment properties	13,333	-	-	-
Gain on disposal of property, plant and equipment	(1,400)	(1,000)	-	-
Reversal of impairment losses on receivables	(875,390)	-	-	-
Interest expenses	4,781,869	3,461,287	-	-
Interest income	(697)	(102,501)	(697)	-
Fair value gain on short-term investments	(304,765)	-	(279,586)	-
Dividend income from short-term investments	(68,939)	(130,923)	(63,318)	(100,862)
Operating profit/(loss) before working capital changes	41,143,369	63,264,545	18,498,653	(85,643)
Decrease in inventories	370,844	2,296,026	-	-
Decrease in biological assets	3,626,619	5,601,109	-	-
Decrease/(Increase) in trade and other receivables	656,247	(431,728)	-	3,260
(Decrease)/Increase in trade and other payables	(3,276,166)	4,634,448	(4,671)	100,849
Increase in amounts owing by related companies	(8,861,937)	(39,607,388)	-	-
Decrease in amounts owing to related companies	(254,372)	(80,924)	-	-
CASH FROM OPERATIONS	33,404,604	35,676,088	18,493,982	18,466
Income tax paid	(2,557,919)	(112,298)	-	-
Income tax refunded	-	25,994	-	-
NET CASH FROM OPERATING ACTIVITIES	30,846,685	35,589,784	18,493,982	18,466

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	NOTE	THE GROUP		THE COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES					
Additional investment in an existing subsidiary		-	-	(3,000,000)	-
Decrease/(Increase) in short-term investments		2,625,600	(3,530,924)	2,656,400	(3,500,863)
Interest income received		697	102,501	697	-
Fair value gain on short-term investments		304,765	-	279,586	-
Withdrawal of pledged fixed deposit		525,000	2,400,000	-	-
Dividend received		68,939	130,923	63,318	100,862
Purchase of property, plant and equipment	34(a)	(647,062)	(23,272,553)	-	-
Proceeds from disposal of property, plant and equipment		1,400	1,000	-	-
(Advances to)/Repayment from related companies		(327,275)	(324,705)	370,770	675
NET CASH FROM/(FOR) INVESTING ACTIVITIES		2,552,064	(24,493,758)	370,771	(3,399,326)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES					
Interest paid	34(b)	(4,781,869)	(3,461,287)	-	-
Dividends paid	33	(6,164,656)	-	(6,164,656)	-
Drawdown of term loans	34(b)	-	27,650,000	-	-
Advances from/(Repayment to) related companies	34(b)	31,122	(51,036)	-	-
Repayment to a director	34(b)	-	(5,000)	-	-
Drawdown of bankers' acceptances	34(b)	3,615,000	10,107,000	-	-
Repayment of hire purchase payables	34(b)	(3,700,933)	(3,676,552)	-	-
Repayment of term loans	34(b)	(4,069,752)	(8,034,670)	-	-
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(15,071,088)	22,528,455	(6,164,656)	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		18,327,661	33,624,481	12,700,097	(3,380,860)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		48,880,783	15,256,302	394,954	3,775,814
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	34(d)	67,208,444	48,880,783	13,095,051	394,954

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad. The registered office and principal place of business are as follows:-

Registered office : PT 1678, Mukim of Serkam
77300 Merlimau
Melaka

Principal place of business : Lot 942, Simpang Ampat
78000 Alor Gajah
Melaka

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

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 10 April 2025.

2. HOLDING COMPANIES

The immediate and ultimate holding companies are Huat Lai Resources Berhad and Esprit Unity Sdn. Bhd., respectively. Both the aforesaid holding companies are incorporated in Malaysia.

3. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. BASIS OF PREPARATION

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

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

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

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

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

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 7 to the financial statements.

(b) Property, Plant and Equipment under Revaluation

Certain properties of the Group are reported at revalued amounts which are based on valuations performed by independent professional valuers by reference to the selling prices of recent transactions and asking prices of similar properties of nearby location and where necessary, adjusting for tenure, location, size and market trends. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuations. The carrying amount of property, plant and equipment measured at revaluation as at the reporting date is disclosed in Note 7 to the financial statements.

(c) Impairment of Property, Plant and Equipment

The Group determines whether an item of its property, plant and equipment is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 7 to the financial statements.

(d) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 10 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(e) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amounts of trade receivables and amounts owing by related companies as at the reporting date are disclosed in Notes 11 and 13 to the financial statements respectively.

(f) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amounts owing by related companies as at the reporting date are disclosed in Notes 12 and 13 to the financial statements respectively.

(g) Biological Assets

The fair value of biological assets is determined using a discounted cash flows model which considers the projected quantity and price of the table eggs to be produced over the life of the layers, taking into account the layers' mortality rate.

In measuring the fair value of biological assets, management estimates and judgements are required which include the projected number of table eggs produced by each layer, the projected selling price of the table eggs, mortality rate, consumption rate, feed costs and other projected costs over the remaining life of the layers, as well as the discount rates. Changes to any of these assumptions would affect the fair value of the biological assets.

The key assumptions used in the discounted cash flows model and the sensitivity analysis are disclosed in Note 9 to the financial statements.

(h) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Critical Judgements Made in Applying Accounting Policies

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

Classification between Investment Properties and Owner-occupied Properties

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

5.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.2 BASIS OF CONSOLIDATION (CONT'D)

Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

5.3 FINANCIAL INSTRUMENTS

(a) *Financial Assets*

Financial Assets through Profit or Loss

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

Financial Assets at Amortised Cost

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

(b) *Financial Liabilities*

Financial Liabilities at Amortised Cost

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.3 FINANCIAL INSTRUMENTS (CONT'D)

(c) *Equity*

Ordinary Shares

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

(d) *Financial Guarantee Contracts*

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

5.4 INVESTMENTS IN SUBSIDIARIES

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

5.5 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land and buildings, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land and buildings are stated at revalued amounts based on periodic valuations, at least once in every 5 years, less subsequent depreciation for buildings. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.5 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

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

Buildings	5 to 20 years
Plant and machinery	6.67% to 20%
Office equipment, furniture and fittings	10%
Road	10%
Motor vehicles	20%
Bearer plant	10 years

5.6 INVESTMENT PROPERTIES

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation period is:-

Freehold commercial buildings	5 years
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5.7 SHORT-TERM LEASES AND LEASES OF LOW-VALUE ASSETS

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

5.8 BIOLOGICAL ASSETS

Biological assets, which comprise pullets and layers, are measured at fair value less cost to sell.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.9 INVENTORIES

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

5.10 IMPAIRMENT

(a) *Impairment of Financial Assets*

The Group recognises a loss allowance for expected credit losses on trade receivables.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.10 IMPAIRMENT (CONT'D)

(b) *Impairment of Non-financial Assets*

The carrying values of assets, other than those to which MFRS 136 does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value-in-use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group determines the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset. Any impairment loss recognised in respect of a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

5.11 EMPLOYEE BENEFITS

(a) *Short-term Benefits*

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(b) *Defined Contribution Plans*

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.12 INCOME TAXES

(a) *Current Tax*

Current tax assets and liabilities are the expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

(b) *Deferred Tax*

Deferred tax is recognised using the liability method for all temporary differences other than those that arise from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

5.13 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.14 FAIR VALUE MEASUREMENTS

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 a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical asset or liability 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.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

5.15 REVENUE

The revenue represents sales of goods which was recognised at a point in time when the goods have been transferred and accepted by customers, net of discounts. The revenue is derived from local sales.

(a) *Sales of Poultry Farming Products and By-Products from Poultry Farming*

Revenue from sales of poultry farming products and by-products from poultry farming are recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

(b) *Sales of Oil Palm*

Revenue from sales of fresh fruit bunch is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

5.16 OTHER OPERATING INCOME

Government Grants/Subsidies

Government grants/subsidies related to income are recognised in profit or loss over the periods to match the related costs for which the grants/subsidies are intended to compensate.

6. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2024 RM	2023 RM
Unquoted shares, at cost	90,479,899	87,479,899
Less: Accumulated impairment losses	(14,265,583)	(14,265,583)
	76,214,316	73,214,316

The details of the subsidiaries are as follows:-

NAME OF SUBSIDIARY	PRINCIPAL PLACE OF BUSINESS AND COUNTRY OF INCORPORATION	PERCENTAGE OF ISSUED SHARE CAPITAL HELD BY PARENT		PRINCIPAL ACTIVITIES
		2024	2023	
		Subsidiaries of the Company		
Teck Ping Chan Agriculture Sdn. Bhd.	Malaysia	100%	100%	Poultry farming
Teck Ping Chan (1976) Sdn. Bhd.	Malaysia	100%	100%	Dormant
Mestika Arif Sdn. Bhd. *	Malaysia	100%	100%	Oil palm plantation

* Held by Teck Ping Chan Agriculture Sdn. Bhd., a subsidiary of the Company.

During the current financial year, the Company subscribed 3,000,000 new ordinary shares in Teck Ping Chan (1976) Sdn. Bhd. by capitalising the amount owing by the subsidiary of RM3,000,000.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	AT 1.1.2024 RM	ADDITIONS (NOTE 34(a)) RM	TRANSFER TO INVESTMENT PROPERTIES (NOTE 8) RM	DEPRECIATION CHARGES (NOTE 28) RM	AT 31.12.2024 RM
2024					
CARRYING AMOUNT					
Freehold land	40,279,550	603,644	(260,000)	-	40,623,194
Buildings	30,755,075	697,364	(83,333)	(4,206,395)	27,162,711
Plant and machinery	44,960,232	2,290,154	-	(6,172,324)	41,078,062
Office equipment, furniture and fittings	188,003	-	-	(45,169)	142,834
Motor vehicles	2,197,833	2,523,069	-	(1,287,111)	3,433,791
Bearer plant	9,892	-	-	(2,473)	7,419
Total	118,390,585	6,114,231	(343,333)	(11,713,472)	112,448,011

THE GROUP	AT 1.1.2023 RM	ADDITIONS (NOTE 34(a)) RM	DEPRECIATION CHARGES (NOTE 28) RM	AT 31.12.2023 RM
2023				
CARRYING AMOUNT				
Freehold land	35,075,000	5,204,550	-	40,279,550
Buildings	33,860,067	1,012,365	(4,117,357)	30,755,075
Plant and machinery	32,643,549	16,885,554	(4,568,871)	44,960,232
Office equipment, furniture and fittings	228,856	41,359	(82,212)	188,003
Road	133	-	(133)	-
Motor vehicles	2,891,576	671,625	(1,365,368)	2,197,833
Bearer plant	12,365	-	(2,473)	9,892
Total	104,711,546	23,815,453	(10,136,414)	118,390,585

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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

THE GROUP	AT COST RM	AT VALUATION RM	ACCUMULATED DEPRECIATION RM	CARRYING AMOUNT RM
2024				
Freehold land	5,808,194	34,815,000	-	40,623,194
Buildings	1,709,729	38,485,000	(13,032,018)	27,162,711
Plant and machinery	108,179,002	-	(67,100,940)	41,078,062
Office equipment, furniture and fittings	12,592,464	-	(12,449,630)	142,834
Road	208,087	-	(208,087)	-
Motor vehicles	14,536,160	-	(11,102,369)	3,433,791
Bearer plant	24,730	-	(17,311)	7,419
Total	143,058,366	73,300,000	(103,910,355)	112,448,011
2023				
Freehold land	5,204,550	35,075,000	-	40,279,550
Buildings	1,012,365	38,685,000	(8,942,290)	30,755,075
Plant and machinery	105,888,848	-	(60,928,616)	44,960,232
Office equipment, furniture and fittings	12,592,464	-	(12,404,461)	188,003
Road	208,087	-	(208,087)	-
Motor vehicles	12,466,901	-	(10,269,068)	2,197,833
Bearer plant	24,730	-	(14,838)	9,892
Total	137,397,945	73,760,000	(92,767,360)	118,390,585

- (a) The carrying amount of property, plant and equipment pledged to licensed banks as security for banking facilities extended to the Group as disclosed in Note 25 to the financial statements are as follows:-

	THE GROUP	
	2024 RM	2023 RM
CARRYING AMOUNT		
Freehold land	31,929,550	31,929,550
Buildings	23,226,218	26,004,161
Plant and machinery	15,056,285	23,956,542
	70,212,053	81,890,253

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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

- (b) The carrying amount of property, plant and equipment of the Group held under hire purchase arrangements are as follows:-

	THE GROUP	
	2024 RM	2023 RM
CARRYING AMOUNT		
Buildings	8,636,761	7,139,859
Plant and machinery	3,076,390	1,380,781
	11,713,151	8,520,640

- (c) The details of the Group's property which are carried at fair value are analysed as follows:-

THE GROUP	LEVEL 1 RM	LEVEL 2 RM	LEVEL 3 RM	TOTAL RM
2024				
CARRYING AMOUNT				
Freehold land	-	34,815,000	-	34,815,000
Buildings	-	25,664,724	-	25,664,724
	-	60,479,724	-	60,479,724
2023				
CARRYING AMOUNT				
Freehold land	-	35,075,000	-	35,075,000
Buildings	-	29,762,395	-	29,762,395
	-	64,837,395	-	64,837,395

The level 2 fair values have been determined based on the market comparison approach that reflects recent transaction prices for similar properties. The most significant input into this valuation approach is the price per square foot of comparable properties.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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

(d) If the freehold land and buildings were measured using the cost model, the carrying amount would be as follows:-

	THE GROUP	
	2024 RM	2023 RM
CARRYING AMOUNT		
Freehold land	33,590,410	33,750,410
Buildings	19,092,730	20,829,022
	52,683,140	54,579,432

8. INVESTMENT PROPERTIES

	THE GROUP	
	2024 RM	2023 RM
Cost:-		
At 1 January	1,200,000	1,200,000
Transfer from property, plant and equipment (Note 7)	460,000	-
At 31 December	1,660,000	1,200,000
Accumulated depreciation:-		
At 1 January	(1,200,000)	(1,200,000)
Transfer from property, plant and equipment (Note 7)	(116,667)	-
Depreciation during the financial year (Note 28)	(13,333)	-
At 31 December	(1,330,000)	(1,200,000)
	330,000	-
Represented by:-		
Freehold land	260,000	-
Freehold commercial buildings	70,000	-
	330,000	-
Fair value:-		
Freehold land	260,000	-
Freehold commercial buildings	1,283,333	1,200,000
	1,543,333	1,200,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

8. INVESTMENT PROPERTIES (CONT'D)

- (a) In the previous financial year, the freehold commercial building has been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 25 to the financial statements.
- (b) The fair values of the investment properties are within level 3 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties. The most significant input into this valuation approach is the price per square foot of comparable properties.

9. BIOLOGICAL ASSETS

	THE GROUP	
	2024 RM	2023 RM
At fair value less cost to sell:-		
Pullets and layers	20,114,074	23,740,693

Biological assets comprise pullets and layers and the movement can be analysed as follows:-

	THE GROUP	
	2024 RM	2023 RM
At 1 January	23,740,693	29,341,802
Increase due to purchases	22,689,894	30,335,638
Livestock losses	(3,190,037)	(3,418,422)
Change in fair value	(1,577,306)	(2,616,446)
Depopulation	(21,549,170)	(29,901,879)
At 31 December	20,114,074	23,740,693

In measuring the fair value of biological assets, management estimates and judgements are required, which include the projected number of table eggs produced by each layer, the projected selling prices of the table eggs, mortality rate, feed consumption rate, feed costs and other projected costs over the remaining life of the layers as well as the discount rates.

The Group has classified its biological assets measured at fair value within Level 3 of the fair value hierarchy. The following table shows the valuation technique used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation mode.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. BIOLOGICAL ASSETS (CONT'D)

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
<p>Discounted cash flows:</p> <p>The valuation method considers the projected quantity and price of table eggs to be produced over the life of the layers, taking into account layers' mortality rate.</p>	<p>Significant assumptions made in determining the fair value of the table eggs as follows:</p> <ul style="list-style-type: none"> the projected selling prices of the table eggs are based on management's estimate by reference to historical selling price adjusted for abnormal market movements. management's estimate of feed and other variable costs projected to incur throughout the laying period. 	<p>The fair value is sensitive to projected selling prices and projected feed costs.</p>

The key assumptions used for the fair value calculation are as follows:-

	THE GROUP	
	2024	2023
Projected selling prices of the table eggs (RM per egg)	0.353	0.360
Feed and other variable costs (RM per bird per month)	6.869	7.278
Discount rate	11.45%	7.24%

Sensitivity analysis

If the projected selling prices of the table eggs had been 1 sen lower than management's estimates, the fair value of the biological assets would have decreased by RM2,254,000 (2023 – RM2,950,000).

If the projected feed costs had been 10 sen higher than management's estimates, the fair value of the biological assets would have decreased by RM930,000 (2023 – RM1,220,000).

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

10. INVENTORIES

	THE GROUP	
	2024 RM	2023 RM
Eggs	219,497	191,001
Raw materials	10,235,679	10,757,018
Feeds	2,137,815	1,980,553
Medicine	249,936	285,199
	12,842,927	13,213,771
Recognised in profit or loss:-		
Inventories recognised as cost of sales	279,878,654	260,225,304

None of the inventories are stated at net realisable value.

11. TRADE RECEIVABLES

	THE GROUP	
	2024 RM	2023 RM
Trade receivables	3,016,202	4,311,593
Allowance for impairment losses	(301,724)	(301,724)
	2,714,478	4,009,869
Allowance for impairment losses:-		
At 1 January/31 December	301,724	301,724

The Group's normal trade credit terms range from 7 to 90 (2023 – 7 to 90) days.

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	THE GROUP	
	2024 RM	2023 RM
Other receivables	1,100	-
Deposits	815,844	227,811
Prepayments	1,525,085	1,475,074
	2,342,029	1,702,885

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. AMOUNTS OWING BY RELATED COMPANIES

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Immediate holding company				
Trade balances	14,882,970	25,749,052	-	-
Subsidiary				
Non-trade balances	-	-	-	370,770
Fellow subsidiaries				
Trade balances	88,602,410	68,463,516	-	-
Non-trade balances	289,704	373,304	-	-
	88,892,114	68,836,820	-	-
Allowance for impairment losses:-				
- trade balances	-	(875,390)	-	-
	88,892,114	67,961,430	-	-
	103,775,084	93,710,482	-	370,770
Allowance for impairment losses:-				
At 1 January	875,390	875,390	-	-
Reversal during the financial year (Note 27)	(875,390)	-	-	-
At 31 December	-	875,390	-	-

- (a) The trade balances are subject to the normal trade credit terms range from 30 to 120 (2023 – 30 to 120) days. The amount owing is to be settled in cash.
- (b) The non-trade balances represent advance payments for purchase.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

14. SHORT-TERM INVESTMENTS

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Money market funds, at fair value	1,770,329	4,395,929	844,463	3,500,863

The funds invest mainly into debentures, deposits and money market instruments and thus have minimum exposure to changes in market value.

The money market funds of the Group and of the Company are carried at fair value. The fair value hierarchy for money market funds are classified as Level 2.

15. FIXED DEPOSITS WITH LICENSED BANKS

Fixed deposits of the Group of RM40,000 (2023 – RM565,000) are pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 25 to the financial statements.

The weighted average effective interest rates of fixed deposits with licensed banks at the end of the reporting period were as follows:-

	THE GROUP	
	2024 %	2023 %
Fixed deposits with licensed banks	3.64	3.24

The average maturities of fixed deposits with licensed banks of the Group at the end of the reporting period are 183 (2023 – 297) days.

16. SHARE CAPITAL

	THE GROUP/THE COMPANY			
	2024 NUMBER OF SHARES	2023	2024 RM	2023 RM
ISSUED AND FULLY PAID-UP				
Ordinary shares	308,232,783	308,232,783	86,079,659	86,079,659

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

17. REVALUATION RESERVE

	THE GROUP	
	2024 RM	2023 RM
Surplus on revaluation of		
- property, plant and equipment, net of tax	11,793,613	11,793,613

The revaluation reserve represents the increase in the fair value of freehold land and buildings of the Group (net of deferred tax, where applicable) presented under property, plant and equipment.

18. DEFERRED TAX LIABILITIES

THE GROUP	RECOGNISED IN PROFIT OR LOSS (NOTE 31)		
	AT 1.1.2024 RM	AT 31.12.2024 RM	AT 31.12.2024 RM
2024			
<i>Deferred Tax Liability</i>			
Property, plant and equipment	14,471,072	771,808	15,242,880
<i>Deferred Tax Assets</i>			
Biological assets	(104,527)	(378,553)	(483,080)
Hire purchase payables	(1,195,406)	(334,924)	(1,530,330)
Impairment losses on trade receivables	(282,508)	210,094	(72,414)
Unabsorbed tax losses	(270,838)	270,838	-
	(1,853,279)	(232,545)	(2,085,824)
	12,617,793	539,263	13,157,056

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

18. DEFERRED TAX LIABILITIES (CONT'D)

THE GROUP	AT 1.1.2023 RM	RECOGNISED IN PROFIT OR LOSS (NOTE 31) RM	AT 31.12.2023 RM
2023			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	7,932,694	6,538,378	14,471,072
Biological assets	523,420	(523,420)	-
	8,456,114	6,014,958	14,471,072
<i>Deferred Tax Assets</i>			
Biological assets	-	(104,527)	(104,527)
Hire purchase payables	(1,875,743)	680,337	(1,195,406)
Impairment losses on trade receivables	(282,508)	-	(282,508)
Unabsorbed tax losses	-	(270,838)	(270,838)
	(2,158,251)	304,972	(1,853,279)
	6,297,863	6,319,930	12,617,793

19. LONG-TERM BORROWINGS

	THE GROUP	
	2024 RM	2023 RM
Hire purchase payables (Note 20)	3,251,603	1,431,013
Term loans (secured) (Note 21)	18,094,136	21,696,118
	21,345,739	23,127,131

20. HIRE PURCHASE PAYABLES

	THE GROUP	
	2024 RM	2023 RM
Current liabilities (Note 25)	3,147,516	3,562,759
Non-current liabilities (Note 19)	3,251,603	1,431,013
	6,399,119	4,993,772

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

21. TERM LOANS (SECURED)

	THE GROUP	
	2024 RM	2023 RM
Current liabilities (Note 25)	4,937,280	5,405,050
Non-current liabilities (Note 19)	18,094,136	21,696,118
	23,031,416	27,101,168

The term loans are repayable over 36 to 96 (2023 – 36 to 96) monthly instalments from the date of drawdown and are secured in the same manner as the bankers' acceptances as disclosed in Note 25 to the financial statements.

22. TRADE PAYABLES

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

23. OTHER PAYABLES AND ACCRUALS

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Other payables	672,465	1,051,735	2,169	1,240
Amount payable for purchase of property, plant and equipment	360,889	-	-	-
Payroll liabilities	2,141,130	2,044,981	-	-
Accrued expenses	630,866	599,690	338,200	343,800
	3,805,350	3,696,406	340,369	345,040

24. AMOUNTS OWING TO RELATED COMPANIES

	THE GROUP	
	2024 RM	2023 RM
Fellow subsidiaries		
Trade balances	-	254,372
Non-trade balances	137,476	106,354
	137,476	360,726

The non-trade balances represent unsecured payments made on behalf. The amount owing is repayable on demand and is to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

25. SHORT-TERM BORROWINGS

	THE GROUP	
	2024 RM	2023 RM
Bankers' acceptances (secured)	55,054,000	51,439,000
Hire purchase payables (Note 20)	3,147,516	3,562,759
Term loans (secured) (Note 21)	4,937,280	5,405,050
	63,138,796	60,406,809

- (a) The weighted average effective interest rates at the end of the reporting period for borrowings were as follows:-

	INTEREST RATE	THE GROUP	
		2024 %	2023 %
Bankers' acceptances (secured)	Floating	5.44	5.62
Hire purchase payables	Fixed	5.83	5.79
Term loans (secured)	Floating	6.30	6.28

- (b) The bankers' acceptances are secured as follows:-
- by a first party legal charge over certain freehold land, buildings and plant and machinery of the Group as disclosed in Note 7 to the financial statements;
 - by a first party legal charge over the freehold commercial building of the Group as disclosed in Note 8 to the financial statements in the previous financial year;
 - by lien over the Group's fixed deposits with a licensed bank as disclosed in Note 15 to the financial statements; and
 - by corporate guarantee from the Company and immediate holding company.
- (c) The major covenants of the bankers' acceptances and term loans are as follows:-
- the subsidiary's gearing ratio shall not exceed 2.5 times;
 - the subsidiary shall not effect any change in the ownership and shareholding of the subsidiary and its related companies;
 - the subsidiary's total loan to value shall not exceed 1.0 times; and
 - the subsidiary is not allowed to have financing of inter-company transactions.

The covenants are tested annually on 31 December. The Group has complied with the covenants throughout the reporting periods.

There are no indicators that the Group would have difficulties complying with the upcoming covenant assessments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

26. REVENUE

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Revenue from Contracts with Customers				
<i>Recognised at a point in time</i>				
Sales of poultry farming products	454,718,294	451,999,563	-	-
Sales of by-products from poultry farming	270,541	241,037	-	-
Sales of fresh fruit bunch	432,612	393,187	-	-
	455,421,447	452,633,787	-	-
Revenue from Other Sources				
Dividend income	-	-	18,589,747	-
Management fee	-	-	360,000	360,000
	-	-	18,949,747	360,000
	455,421,447	452,633,787	18,949,747	360,000

27. NET REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	THE GROUP	
	2024 RM	2023 RM
Reversal of impairment losses (Note 13)	875,390	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

28. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit before taxation is arrived at after charging/ (crediting):-				
Auditors' remuneration:				
- audit fees	125,000	110,000	38,000	38,000
- non-audit fees:				
- auditors of the Company	5,000	5,000	5,000	5,000
- member firm of the auditors of the Company	29,000	28,500	5,000	4,500
Depreciation of property, plant and equipment (Note 7)	11,713,472	10,136,414	-	-
Depreciation of investment properties (Note 8)	13,333	-	-	-
Direct operating expenses on investment properties	4,312	4,312	-	-
Lease expenses:				
- short-term leases	820	820	-	-
Total interest expense on financial liabilities that are not at fair value through profit or loss	4,781,869	3,461,287	-	-
Fair value gain on short-term investments	(304,765)	-	(279,586)	-
Gain on disposal of property, plant and equipment	(1,400)	(1,000)	-	-
Government grants/subsidies	(26,660,781)	(49,138,424)	-	-
Rental income from investment properties	(50,800)	(40,800)	-	-
Dividend income:				
- short-term investments	(68,939)	(130,923)	(63,318)	(100,862)
Interest income on financial assets measured at amortised cost:				
- fixed deposits with licensed banks	-	(102,501)	-	-
- short-term investments	(697)	-	(697)	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

29. KEY MANAGEMENT PERSONNEL COMPENSATION

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

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

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
<i>Directors of the Company</i>				
Short-term employee benefits:				
- fees	295,200	300,800	295,200	300,800
- salaries, allowances and bonus	540,801	543,313	8,400	8,400
	836,001	844,113	303,600	309,200
Defined contribution benefits	63,516	72,760	-	-
	899,517	916,873	303,600	309,200
<i>Director of the Subsidiary</i>				
Short-term employee benefits:				
- salaries, allowances and bonus	-	90,579	-	-
Defined contribution benefits	-	7,200	-	-
	-	97,779	-	-
Total directors' remuneration	899,517	1,014,652	303,600	309,200

30. STAFF COSTS

	THE GROUP	
	2024 RM	2023 RM
Wages, salaries and bonus	16,117,010	14,944,513
Defined contribution benefits	533,452	499,067
Other employee benefits	398,299	386,887
	17,048,761	15,830,467

Staff costs included amounts of RM346,411 (2023 – RM135,090) in respect of remuneration paid to employees related to Directors of the Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

31. INCOME TAX EXPENSE

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Current tax expense	7,065,040	167,040	-	-
Under provision in the previous financial year	5,802	263	-	-
	7,070,842	167,303	-	-
Deferred tax (Note 18):				
- Relating to origination and reversal of temporary differences	(814,358)	7,000,525	-	-
- Under/(Over) provision in the previous financial year	1,353,621	(680,595)	-	-
	539,263	6,319,930	-	-
	7,610,105	6,487,233	-	-

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

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit before taxation	25,885,886	49,901,268	18,842,254	15,219
Tax at the statutory tax rate of 24% (2023 – 24%)	6,212,613	11,976,304	4,522,141	3,653
Tax effects of:-				
Non-deductible expenses	284,714	429,196	48,670	12,332
Non-taxable income	(227,274)	(6,339)	(4,528,640)	-
Under provision of current tax in the previous financial year	5,802	263	-	-
Under/(Over) provision of deferred taxation in the previous financial year	1,353,621	(680,595)	-	-
Utilisation of tax incentives	-	(1,186,011)	-	-
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(42,171)	(4,068,385)	(42,171)	(15,985)
Deferred tax assets not recognised in current year	22,800	22,800	-	-
Income tax expense for the financial year	7,610,105	6,487,233	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

31. INCOME TAX EXPENSE (CONT'D)

Subject to agreement with the tax authorities, at the end of the reporting period, the unutilised capital allowances and unabsorbed tax losses of the Group and of the Company are as follows:-

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Unutilised capital allowances	12,000	12,000	-	-
Unabsorbed tax losses:				
- expires year of assessment 2028	2,619,000	2,619,000	-	-
- expires year of assessment 2030	-	16,000	-	16,000
- expires year of assessment 2031	-	145,000	-	145,000
- expires year of assessment 2033	-	14,700	-	14,700
	2,631,000	2,806,700	-	175,700

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

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

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Unabsorbed tax losses	2,561,000	2,641,700	-	175,700

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

32. EARNINGS PER SHARE

The basic earnings per share of the Group is calculated by dividing the net profit for the financial year by the weighted average number of ordinary shares in issue during the financial year.

	THE GROUP	
	2024	2023
Profit after taxation (RM)	18,275,781	43,414,035
Weighted average number of ordinary shares in issue	308,232,783	308,232,783
Basic earnings per share (sen)	5.93	14.08

33. DIVIDENDS

	THE GROUP/THE COMPANY	
	2024 RM	2023 RM
First single-tier interim dividend of 1 sen per ordinary share in respect of the current financial year	3,082,328	-
Second single-tier interim dividend of 1 sen per ordinary share in respect of the current financial year	3,082,328	-
	6,164,656	-

34. CASH FLOW INFORMATION

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

	THE GROUP	
	2024 RM	2023 RM
Cost of property, plant and equipment purchased (Note 7)	6,114,231	23,815,453
Acquired through hire purchase arrangements (Note 34(b))	(5,106,280)	(542,900)
Other payables – balances remained unpaid at financial year end	(360,889)	-
	647,062	23,272,553

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. CASH FLOW INFORMATION (CONT'D)

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

THE GROUP	TERM LOANS (SECURED) RM	HIRE PURCHASE PAYABLES RM	BANKERS' ACCEPTANCES (SECURED) RM	BANK OVERDRAFTS (SECURED) RM	AMOUNTS OWING TO RELATED COMPANIES RM	TOTAL RM
2024						
At 1 January	27,101,168	4,993,772	51,439,000	*	106,354	83,640,294
<i>Changes in Financing Cash Flows</i>						
Net drawdown of borrowing	-	-	3,615,000	-	-	3,615,000
Repayment of principal	(4,069,752)	(3,700,933)	-	-	-	(7,770,685)
Repayment of interests	(1,626,784)	(383,146)	(2,771,049)	(890)	-	(4,781,869)
Advances from related companies	-	-	-	-	31,122	31,122
	(5,696,536)	(4,084,079)	843,951	(890)	31,122	(8,906,432)
<i>Other Changes</i>						
Acquisition of new hire purchase arrangements for assets purchased in current financial year (Note 34(a))	-	5,106,280	-	-	-	5,106,280
Interest expenses recognised in profit or loss	1,626,784	383,146	2,771,049	890	-	4,781,869
	1,626,784	5,489,426	2,771,049	890	-	9,888,149
At 31 December	23,031,416	6,399,119	55,054,000	*	137,476	84,622,011

* Bank overdrafts form part of the cash and cash equivalents, therefore, no movement is presented.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. CASH FLOW INFORMATION (CONT'D)

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

THE GROUP	TERM LOANS (SECURED) RM	HIRE PURCHASE PAYABLES RM	BANKERS' ACCEPTANCES (SECURED) RM	BANK OVERDRAFTS (SECURED) RM	AMOUNTS OWING TO RELATED COMPANIES RM	AMOUNT OWING TO A DIRECTOR RM	TOTAL RM
2023							
At 1 January	7,485,838	8,127,424	41,332,000	*	157,390	5,000	57,107,652
<i>Changes in Financing Cash Flows</i>							
Net drawdown of borrowing	-	-	10,107,000	-	-	-	10,107,000
Proceeds from drawdown	27,650,000	-	-	-	-	-	27,650,000
Repayment of principal	(8,034,670)	(3,676,552)	-	-	-	-	(11,711,222)
Repayment of interests	(555,242)	(431,984)	(2,462,986)	(11,075)	-	-	(3,461,287)
Repayment to related companies	-	-	-	-	(51,036)	-	(51,036)
Repayment to a director	-	-	-	-	-	(5,000)	(5,000)
	19,060,088	(4,108,536)	7,644,014	(11,075)	(51,036)	(5,000)	22,528,455
<i>Other Changes</i>							
Acquisition of new hire purchase arrangements for assets purchased in current financial year (Note 34(a))	-	542,900	-	-	-	-	542,900
Interest expenses recognised in profit or loss	555,242	431,984	2,462,986	11,075	-	-	3,461,287
	555,242	974,884	2,462,986	11,075	-	-	4,004,187
At 31 December	27,101,168	4,993,772	51,439,000	*	106,354	-	83,640,294

* Bank overdrafts form part of the cash and cash equivalents, therefore, no movement is presented.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. CASH FLOW INFORMATION (CONT'D)

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

	THE GROUP	
	2024 RM	2023 RM
Payment of short-term lease	820	820

- (d) The cash and cash equivalents comprise the following:-

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Fixed deposits with licensed banks	18,040,000	5,565,000	-	-
Cash and bank balances	49,208,444	43,880,783	13,095,051	394,954
	67,248,444	49,445,783	13,095,051	394,954
Less: Fixed deposits pledged to a licensed bank (Note 15)	(40,000)	(565,000)	-	-
	67,208,444	48,880,783	13,095,051	394,954

35. RELATED PARTY DISCLOSURES

- (a) **Holding Companies and Subsidiaries**

The holding companies are disclosed in Note 2 to the financial statements.

The subsidiaries are disclosed in Note 6 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

35. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transactions and Balances

The Group and the Company carried out the following significant transactions with the related parties during the financial year:-

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Immediate holding company				
Sales of goods	(68,777,712)	(93,393,224)	-	-
Purchase of goods	52,651,228	59,212,259	-	-
Subsidiary				
Dividend income	-	-	(18,589,747)	-
Management fee received/receivable	-	-	(360,000)	(360,000)
Fellow subsidiaries				
Sales of goods	(240,310,287)	(200,435,437)	-	-
Purchase of goods	11,513,688	23,947,664	-	-

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in Notes 13 and 24 to the financial statements.

36. CAPITAL COMMITMENTS

	THE GROUP	
	2024 RM	2023 RM
Purchase of property, plant and equipment	9,549,062	2,713,667

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

37. OPERATING SEGMENTS

(a) Business Segment and Geographical Information

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments is not presented.

(b) Major Customers

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:-

	Revenue	
	2024 RM	2023 RM
Customer A	90,546,382	89,823,800
Customer B	89,056,285	100,214,517
Customer C	52,875,535	93,307,734
Customer D	68,777,712	-

38. FINANCIAL INSTRUMENTS

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

38.1 Financial Risk Management Policies

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

(a) Market Risk

(i) Foreign Currency Risk

The Group and the Company do not have any transactions or balances denominated in foreign currencies and hence, are not exposed to foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopts a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

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

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Notes 21 and 25 to the financial statements.

Interest Rate Risk Sensitivity Analysis

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

	THE GROUP	
	2024 RM	2023 RM
Effects on Profit After Taxation		
Increase of 26 basis points (2023 – 26 basis points)	-151,420	-102,502
Decrease of 26 basis points (2023 – 26 basis points)	+151,420	+102,502

(iii) Price Risk

The exposure to price risk arises mainly from changes in prices of money market fund of the Group and of the Company.

Price Risk Sensitivity Analysis

Any reasonably possible change in the prices of money market fund at the end of the reporting period does not have a material impact on the profit after taxation and other comprehensive income of the Group and of the Company and hence, no sensitivity analysis is presented. There is no impact on the equity of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

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

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

(i) Credit Risk Concentration Profile

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by 4 (2023 – 3) customers which constituted approximately 96% (2023 – 95%) of its trade receivables (including related companies), net of loss allowance.

(ii) Maximum Exposure to Credit Risk

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

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiary of RM81,686,844 (2023 – RM80,273,873), representing the outstanding banking facilities of the subsidiary as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair values on initial recognition were not material.

(iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables, financial strength to reduce the risk of loss.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

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

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

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

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

Trade Receivables and Amounts Owed by Related Companies

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables (including related companies).

Inputs, Assumptions and Techniques Used for Estimating Impairment Losses

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

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

The expected loss rates are based on the payment profiles of sales over 36 months (2023 – 36 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

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

Trade Receivables and Amounts Owing by Related Companies (Cont'd)

Allowance for Impairment Losses

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

THE GROUP	NON-CREDIT IMPAIRED RM
<u>Trade Receivables</u>	
Balance at 1.1.2023/31.12.2023/ 1.1.2024/31.12.2024	301,724
<u>Amounts Owing by Related Companies</u>	
Balance at 1.1.2023/31.12.2023/1.1.2024	875,390
Reversal	(875,390)
Balance at 31.12.2024	-

The information about the credit exposure and loss allowances recognised for trade receivables (including related companies) are as follows:-

THE GROUP	GROSS AMOUNT RM	LIFETIME COLLECTIVE ALLOWANCE RM	CARRYING AMOUNT RM
2024			
Current (not past due)	95,334,578	(268,010)	95,066,568
1 to 30 days past due	11,164,824	(31,534)	11,133,290
31 to 60 days past due	1,940	(1,940)	-
61 to 90 days past due	240	(240)	-
	106,501,582	(301,724)	106,199,858

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

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

Trade Receivables and Amounts Owing by Related Companies (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for trade receivables (including related companies) are as follows (Cont'd):-

THE GROUP	GROSS AMOUNT RM	LIFETIME COLLECTIVE ALLOWANCE RM	CARRYING AMOUNT RM
2023			
Current (not past due)	98,519,740	(1,172,693)	97,347,047
1 to 30 days past due	4,252	(4,252)	-
31 to 60 days past due	169	(169)	-
	98,524,161	(1,177,114)	97,347,047

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

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

Other Receivables

Other receivables are also subject to the impairment requirements of MFRS 9. However, the balance is immaterial and hence, it is not provided for.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

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

Amounts Owning by Related Companies (Non-trade)

The Group and the Company consider amounts owing by related companies (non-trade) have low credit risks. As the Group and the Company are able to determine the timing of payments from related companies (non-trade) when they are payable, the Group and the Company consider the amount outstanding to be in default when the related companies (non-trade) are not able to pay when demanded.

The Group and the Company determine the probability of default for these loans and advances individually using internal information available.

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Financial Guarantee Contracts

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

Inputs, Assumptions and Techniques Used for Estimating Impairment Losses

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

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

Financial Guarantee Contracts (Cont'd)

Allowance for Impairment Losses

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

(c) Liquidity Risk

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

THE GROUP	CONTRACTUAL COUPON/ INTEREST RATE %	CARRYING AMOUNT RM	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM	WITHIN 1 YEAR RM	1 – 5 YEARS RM	OVER 5 YEARS RM
2024						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	91,715,256	91,715,256	91,715,256	-	-
Other payables and accruals	-	3,805,350	3,805,350	3,805,350	-	-
Amounts owing to related companies	-	137,476	137,476	137,476	-	-
Hire purchase payables	4.67 – 6.80	6,399,119	7,141,110	3,504,780	3,636,330	-
Term loans (secured)	5.75 – 7.25	23,031,416	31,105,554	6,466,114	18,487,652	6,151,788
Bankers' acceptances (secured)	5.06 – 5.65	55,054,000	55,054,000	55,054,000	-	-
		180,142,617	188,958,746	160,682,976	22,123,982	6,151,788

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

THE GROUP	CONTRACTUAL COUPON/ INTEREST RATE %	CARRYING AMOUNT RM	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM	WITHIN 1 YEAR RM	1 – 5 YEARS RM	OVER 5 YEARS RM
2023						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	94,739,477	94,739,477	94,739,477	-	-
Other payables and accruals	-	3,696,406	3,696,406	3,696,406	-	-
Amounts owing to related companies	-	360,726	360,726	360,726	-	-
Hire purchase payables	4.85 – 6.95	4,993,772	5,430,445	3,815,283	1,615,162	-
Term loans (secured)	5.75 – 7.25	27,101,168	37,810,772	5,814,016	21,297,129	10,699,627
Bankers' acceptances (secured)	5.30 – 5.86	51,439,000	51,439,000	51,439,000	-	-
		182,330,549	193,476,826	159,864,908	22,912,291	10,699,627

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

THE COMPANY	CARRYING AMOUNT RM	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM	WITHIN 1 YEAR RM
2024			
Other payables and accruals	340,369	340,369	340,369
Financial guarantee contracts in relation to corporate guarantees given to a subsidiary	-	81,686,844	81,686,844
	340,369	82,027,213	82,027,213
2023			
Other payables and accruals	345,040	345,040	345,040
Financial guarantee contracts in relation to corporate guarantees given to a subsidiary	-	80,273,873	80,273,873
	345,040	80,618,913	80,618,913

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.2 CAPITAL RISK MANAGEMENT

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

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, interest-bearing loans and borrowings, less cash and cash equivalents. Capital includes equity attributable to the owners of the parent. The debt-to-equity ratio of the Group at the end of the reporting period is as follows:-

	THE GROUP	
	2024 RM	2023 RM
Hire purchase payables (Note 20)	6,399,119	4,993,772
Term loans (secured) (Note 21)	23,031,416	27,101,168
Bankers' acceptances (secured) (Note 25)	55,054,000	51,439,000
	84,484,535	83,533,940
Less: Fixed deposits with licensed banks (Note 15)	(18,040,000)	(5,565,000)
Less: Cash and bank balances	(49,208,444)	(43,880,783)
Net debt	17,236,091	34,088,157
Total equity	125,715,383	113,604,258
Debt-to-equity ratio	0.14	0.30

There were no changes in the approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial Assets				
<u>Fair Value through Profit or Loss</u>				
Short-term investments (Note 14)	1,770,329	4,395,929	844,463	3,500,863
<u>Amortised Cost</u>				
Trade receivables (Note 11)	2,714,478	4,009,869	-	-
Other receivables and deposits (Note 12)	816,944	227,811	-	-
Amounts owing by related companies (Note 13)	103,775,084	93,710,482	-	370,770
Fixed deposits with licensed banks (Note 15)	18,040,000	5,565,000	-	-
Cash and bank balances	49,208,444	43,880,783	13,095,051	394,954
	174,554,950	147,393,945	13,095,051	765,724
Financial Liabilities				
<u>Amortised Cost</u>				
Trade payables (Note 22)	91,715,256	94,739,477	-	-
Other payables and accruals (Note 23)	3,805,350	3,696,406	340,369	345,040
Amounts owing to related companies (Note 24)	137,476	360,726	-	-
Hire purchase payables (Note 20)	6,399,119	4,993,772	-	-
Term loans (secured) (Note 21)	23,031,416	27,101,168	-	-
Bankers' acceptances (secured) (Note 25)	55,054,000	51,439,000	-	-
	180,142,617	182,330,549	340,369	345,040

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	THE GROUP		THE COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial Assets				
<u>Fair Value through Profit or Loss</u>				
Net gains recognised in profit or loss	374,401	130,923	343,601	100,862
<u>Amortised Cost</u>				
Net gains recognised in profit or loss	875,390	102,501	-	-
Financial Liabilities				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	(4,781,869)	(3,461,287)	-	-

38.5 FAIR VALUE INFORMATION

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

THE GROUP	FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE			FAIR VALUE OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE			TOTAL FAIR CARRYING	
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3	VALUE	AMOUNT
	RM	RM	RM	RM	RM	RM	RM	RM
2024								
Financial Assets								
Short-term investments								
- Fair value through profit or loss	-	1,770,329	-	-	-	-	1,770,329	1,770,329
Financial Liabilities								
Term loans (secured)	-	-	-	-	23,031,416	-	23,031,416	23,031,416
Hire purchase payables	-	-	-	-	6,399,119	-	6,399,119	6,399,119
	-	-	-	-	29,430,535	-	29,430,535	29,430,535
2023								
Financial Assets								
Short-term investments								
- Fair value through profit or loss	-	4,395,929	-	-	-	-	4,395,929	4,395,929
Financial Liabilities								
Term loans (secured)	-	-	-	-	27,101,168	-	27,101,168	27,101,168
Hire purchase payables	-	-	-	-	4,993,772	-	4,993,772	4,993,772
	-	-	-	-	32,094,940	-	32,094,940	32,094,940

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. FINANCIAL INSTRUMENTS (CONT'D)

38.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value at the end of the reporting period:-

THE COMPANY	FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE			TOTAL FAIR VALUE RM	CARRYING AMOUNT RM
	LEVEL 1 RM	LEVEL 2 RM	LEVEL 3 RM		
2024					
<u>Financial Assets</u>					
Short-term investment					
- Fair value through profit or loss	-	844,463	-	844,463	844,463
2023					
<u>Financial Assets</u>					
Short-term investment					
- Fair value through profit or loss	-	3,500,863	-	3,500,863	3,500,863

(a) Fair Value of Financial Instruments Carried at Fair Value

- (i) The fair value of money market funds is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.
- (ii) There were no transfers between level 1 and level 2 during the financial year.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

- (i) The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (ii) The fair value of the hire purchase payables are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	THE GROUP	
	2024 %	2023 %
Hire purchase payables	5.29	6.88

LIST OF PROPERTIES

AS AT 31 DECEMBER 2024

The top 10 properties of the Group in terms of highest net book value as at 31 December 2024 are as follows:

	Registered owner and Location	Existing use / Description	Land area and Tenure	Revaluation date	Approximate age of buildings (years)	Net book value (RM)
1	TECK PING CHAN AGRICULTURE SDN BHD Lot No. 3047 (Formerly Lot 659) Lot No. 3015 (Formerly Lot 660) Mukim of Melekek District of Alor Gajah, Melaka	Agriculture land use as layer poultry farm	27.481 hectares Freehold	1.11.2021	9 to 38	33,286,396.06
2	TECK PING CHAN AGRICULTURE SDN BHD Lot No. 96 & 97, Mukim of Melekek District of Alor Gajah, Melaka	Agriculture land use as layer poultry farm	5.6959 hectares Freehold	1.11.2021	10 to 35	
3	TECK PING CHAN AGRICULTURE SDN BHD Lot No. 125, 126 and 127 Mukim of Sungai Buloh District of Alor Gajah, Melaka	Agriculture land use as layer poultry farm	11.2171 hectares Freehold	1.11.2021	10 to 35	
4	MESTIKA ARIF SDN BHD Lot No. 2141 - 2149 (Formerly PT 303 - 311) Mukim of Taboh Naning District of Alor Gajah, Melaka	Agriculture land with oil palm trees	31.723 hectares Freehold	1.11.2021	NA	10,190,000.00
5	TECK PING CHAN AGRICULTURE SDN BHD Geran No. Hakmilik 61725, Lot 1409 Mukim Titian Bintangor, District of Rembau Negeri Sembilan	Agriculture land use as layer poultry farm	3.8698 hectares Freehold	1.11.2021	8	6,474,821.98
6	TECK PING CHAN AGRICULTURE SDN BHD Lot 1530, 1531, 1532, 1521 Mukim Titian Bintangor, District of Rembau Negeri Sembilan	Agriculture land use as layer poultry farm	16.2025 hectares Freehold	N/A	N/A	5,808,193.90
7	TECK PING CHAN AGRICULTURE SDN BHD Lot No. 1158 & 1159, Mukim of Melekek District of Alor Gajah, Melaka	Agriculture land use as layer poultry farm	8.114 hectares Freehold	1.11.2021	17	4,583,000.00
8	TECK PING CHAN AGRICULTURE SDN BHD Lot 102, GM 13, Mukim Sungai Buloh District of Alor Gajah, Melaka	Agriculture land use as chicken droppings store	2.0335 hectares Freehold	1.11.2021	7	2,021,346.05
9	TECK PING CHAN AGRICULTURE SDN BHD Lot No. 1512 - 1513, Mukim of Pegoh District of Alor Gajah, Melaka	Agriculture land with oil palm trees	4.695 hectares Freehold	1.11.2021	NA	1,625,000.00
10	TECK PING CHAN AGRICULTURE SDN BHD Lot 123, Mukim of Sungai Buloh District of Alor Gajah, Melaka	Agriculture land use as chicken droppings store	2.0967 hectares Freehold	1.11.2021	11	1,438,575.00

ANALYSIS OF SHAREHOLDINGS

AS AT 28 MARCH 2025

No. of shares issued	:	308,232,783
Class of shares	:	Ordinary shares
Voting rights	:	One vote for each ordinary share
Number of shareholders	:	1,569

SUBSTANTIAL SHAREHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
1. Huat Lai Resources Berhad	181,920,038	59.02	-	-
2. Esprit Unity Sdn Bhd	-	-	181,920,038	59.02 *
3. Lim Yeow Her	-	-	181,920,038	59.02 **
4. Lim Yeow Kian	-	-	181,920,038	59.02 **
5. Datuk Seri Lim Yeow Siong	-	-	181,920,038	59.02 **

Note:

* Deemed interested by virtue of its direct interests in Huat Lai Resources Berhad.

** Deemed interested by virtue of his direct interests in Huat Lai Resources Berhad and indirect interest in Huat Lai Resources Berhad through Esprit Unity Sdn Bhd.

ANALYSIS BY SIZE OF HOLDINGS

Size of Holdings	No. of Holders		No. of Shares	
		%		%
Less than 100	28	1.79	760	0.00
100 – 1,000	393	25.05	353,162	0.11
1,001 – 10,000	474	30.21	2,600,038	0.84
10,001 – 100,000	504	32.12	20,730,002	6.73
100,001 to less than 5% of the issued shares	169	10.77	102,628,783	33.30
5% and above of the issued shares	1	0.06	181,920,038	59.02
TOTAL	1,569	100.00	308,232,783	100.00

ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2025

THIRTY LARGEST SHAREHOLDERS

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

	Name	No. of Shares	%
1.	Huat Lai Resources Berhad	181,920,038	59.02
2.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yap Kee Hor (E-TJJ)	12,820,850	4.16
3.	Yap Yi Xuan	9,950,000	3.23
4.	Siah Tian Yee	9,031,900	2.93
5.	Eng Soon Cheik	3,725,400	1.21
6.	Kenanga Nominees (Tempatan) Sdn Bhd Beneficiary : Chong Mei	3,501,500	1.14
7.	Lim Lai Chuan	2,496,500	0.81
8.	Chong Peh Chin	2,402,700	0.78
9.	Eng Soon Cheik	2,296,200	0.74
10.	Ng Chee Heng	1,500,400	0.49
11.	Yap Kee Hor	1,500,000	0.49
12.	Wong Yow Ming	1,400,000	0.45
13.	Tan Lian Eng	1,210,600	0.39
14.	Yap Swee Hin	1,172,400	0.38
15.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Lee Cheong Keat @ Lee Chong Keat (Penang-CL)	1,000,800	0.32
16.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kean Leong Poultry Trading Sdn Bhd (E-BMM)	885,600	0.29
17.	Foong Thin Choy	825,000	0.27
18.	Ong Lay Yan	824,500	0.27
19.	Boon Seu Mui	783,000	0.25
20.	Chua Kau @ Chua Kim Yan	783,000	0.25
21.	Teo Boon Tong	776,000	0.25
22.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Siah Tian Yee (E-TJJ)	756,000	0.25
23.	Tung Kai Hng	700,000	0.23
24.	Teo Boon Hoo	668,900	0.22
25.	Ong Yoke Fatt	650,000	0.21
26.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Chong Boon Weng (MY0970)	640,100	0.21
27.	Lee Chee Beng	640,033	0.21
28.	Chua Kau @ Chua Kim Yan	613,000	0.20
29.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Chin Lee (E-JAH)	611,400	0.20
30.	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: Khoo Eng Seng	610,000	0.20

DIRECTORS' INTERESTS

IN THE COMPANY AND RELATED CORPORATION

None of the Directors of the Company hold any shares in the Company and/or its related corporation as at 28 March 2025.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 22nd Annual General Meeting of TPC Plus Berhad ("the Company") will be held at the **CM V Room, Level 7, Courtyard by Marriott Melaka, Lorong Haji Bachee, Kampung Bukit China, 75100 Melaka, Malaysia** on **Thursday, 29 May 2025 at 12:00 noon** for the purpose of transacting the following business:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon.
Please refer to Explanatory Note (a)
2. To approve the payment of Directors' fees amounting to RM295,200.00 for the financial year ended 31 December 2024. Resolution 1
3. To approve the payment of Directors' benefits (other than Directors' fees) to the Non-Executive Directors for the period from 30 May 2025 until the day of the next Annual General Meeting to be held in 2026.
Please refer to Explanatory Note (c) Resolution 2
4. To re-elect Mr Lim Yew Kwang who is retiring by rotation in accordance with Clause 21.5 of the Company's Constitution and, being eligible, has offered himself for re-election. Resolution 3
5. YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop who is retiring pursuant to Clause 21.5 of the Company's Constitution has expressed his intention not to seek for re-election at this 22nd Annual General Meeting ("AGM"). Therefore, he will retire at the close of the 22nd AGM.
6. To re-appoint Crowe Malaysia PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Directors to fix their remuneration. Resolution 4

As Special Business

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

7. **ORDINARY RESOLUTION**
Proposed retention of Independent Director Resolution 5

"THAT Mr Chong Chee Siong who has served as an Independent Non-Executive Director for a cumulative term of more than 9 years be retained and remain as an Independent Director of the Company until the conclusion of the 23rd Annual General Meeting to be held in 2026."
8. **ORDINARY RESOLUTION**
Proposed retention of Independent Director Resolution 6

"THAT Mr Chong Peng Khang who has served as an Independent Non-Executive Director for a cumulative term of more than 9 years be retained and remain as an Independent Director of the Company until the conclusion of the 23rd Annual General Meeting to be held in 2026."

NOTICE OF ANNUAL GENERAL MEETING

9. ORDINARY RESOLUTION

Resolution 7

Proposed renewal of existing shareholders' mandate on recurrent related party transactions of a revenue or trading nature

"THAT subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the renewal of the existing mandate to Teck Ping Chan Agriculture Sdn Bhd, a wholly-owned subsidiary of the Company, to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.5.1 of the Circular to Shareholders dated 30 April 2025 with the related parties mentioned therein which are necessary for its day-to-day operations provided that the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders.

AND THAT such mandate shall commence immediately upon the passing of this resolution and shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse unless by a resolution passed at the meeting the mandate is renewed;
- b. the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or
- c. revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be empowered to complete and do all such acts and things as they may consider expedient or necessary to give effect to the mandate and transactions contemplated and authorised by this resolution."

10. ORDINARY RESOLUTION

Resolution 8

Proposed new shareholders' mandate on recurrent related party transactions of a revenue or trading nature

"THAT subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to Teck Ping Chan Agriculture Sdn Bhd, a wholly-owned subsidiary of the Company, to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.5.2 of the Circular to Shareholders dated 30 April 2025 with the related parties mentioned therein which are necessary for its day-to-day operations provided that the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders.

NOTICE OF ANNUAL GENERAL MEETING

AND THAT such mandate shall commence immediately upon the passing of this resolution and shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse unless by a resolution passed at the meeting the mandate is renewed;
- b. the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or
- c. revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be empowered to complete and do all such acts and things as they may consider expedient or necessary to give effect to the mandate and transactions contemplated and authorised by this resolution."

11. To transact any other business of the Company of which due notice shall have been given.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend the 22nd Annual General Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Clause 18.7 of the Company's Constitution, to issue a General Meeting Record of Depositors as at 22 May 2025 ("the ROD"). Only a depositor whose name appears on the ROD shall be entitled to attend and vote at the 22nd Annual General Meeting or appoint proxy(ies) to attend and/or vote on his behalf.

BY ORDER OF THE BOARD

ONG SOO LENG
Company Secretary
SSM PC No. 202008002605
MAICSA 7018257

Melaka
30 April 2025

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) A member entitled to attend and vote at the 22nd Annual General Meeting ("AGM") shall be entitled to appoint another person(s) as his proxy(ies) to exercise all or any of his rights to attend, speak and vote at the AGM. There shall be no restriction as to the qualification of the proxy(ies).
- (ii) Where a member appoints more than one proxy, the proxies shall only be entitled to vote on poll and the appointment shall not be valid unless the member specifies the proportion of his holdings to be represented by each proxy.
- (iii) Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (iv) The instrument appointing a proxy shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, the instrument shall be executed under its common seal or under the hand of an officer or attorney duly authorised.
- (v) The duly completed proxy form must be received by the Company at its registered office located at PT 1678, Mukim of Serkam, 77300 Merlimau, Melaka or via e-mail at proxyform@tpc.com.my not less than 48 hours before the time fixed for holding the AGM or any adjournment thereof.
- (vi) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa"), all resolutions set out in this Notice will be put to vote by poll.

Explanatory Notes:

(a) Agenda 1

The Audited Financial Statements are laid before the meeting in pursuance of Section 340(1)(a) of the Companies Act 2016 for discussion only and do not require shareholders' approval. Hence, this matter will not be put for voting.

(b) Resolution 1 - Payment of Directors' fees

The Directors' fees amounting to RM295,200.00, if approved by shareholders, will be paid to the Directors who held office during the financial year ended 31 December 2024 in the following manner:

	Directors' fees
Executive Directors	RM4,000.00 per month
Non-executive Directors	RM4,200.00 per month

(c) Resolution 2 - Payment of Directors' benefits (other than Directors' fees)

The Company is seeking shareholders' approval for the payment of a meeting allowance of RM600.00 a day to Non-Executive Directors for attending meetings held during the period from 30 May 2025 until the day of the 23rd AGM to be held in 2026.

NOTICE OF ANNUAL GENERAL MEETING**(d) Resolution 3 – Re-election of retiring Director**

Pursuant to Clause 21.5 of the Company's Constitution, an election of Directors shall take place each year at the annual general meeting of the Company where 1/3 of the Directors for the time being or, if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office provided always that all Directors shall retire from office once at least in each 3 years and such retiring Directors shall be eligible for re-election.

Mr Lim Yew Kwang, the Managing Director of the Company, and Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop will be retiring at the 22nd AGM in accordance with Clause 21.5 of the Company's Constitution. However, Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop has expressed his intention not to seek for re-election and therefore he will retire at the close of the 22nd AGM.

Based on the results of the assessment carried out by the Nomination and Remuneration Committee ("NRC"), the Board collectively agreed with the NRC that Mr Lim Yew Kwang has been carrying out his duties diligently in the day-to-day operation of the Group and in the best interests of the Company.

Therefore, the Board of Directors has agreed to endorse the NRC's recommendation and seek shareholders' approval on the re-election of Mr Lim Yew Kwang as Director at the 22nd AGM.

Further information of Mr Lim Yew Kwang can be found in the Directors' Profile set out in the Company's Annual Report 2024.

(e) Resolution 4 - Re-appointment of Auditors

The Audit Committee has assessed the Auditors, Crowe Malaysia PLT, and was satisfied with the performance, independence and capabilities of the Auditors. The Board has endorsed the recommendation of the Audit Committee on the re-appointment of Crowe Malaysia PLT as the Company's Auditors for the financial year ending 31 December 2025 at the 22nd AGM.

(f) Resolutions 5 and 6 - Retention of Independent Directors

Ordinary Resolutions 5 and 6, if passed, will allow Mr Chong Chee Siong and Mr Chong Peng Khang to be retained and continue acting as Independent Directors to fulfil Paragraph 15.02 of the MMLR of Bursa whereby at least 2 Directors or 1/3 of the Board of Directors of the Company, whichever is the higher, are Independent Directors.

The Board is agreeable with the NRC that Mr Chong Chee Siong and Mr Chong Peng Khang who are both free from management are able to continue exercising independent judgement and not affected by any influences that could jeopardise their objectivity. They also do not have any personal, family or economic interests in TPC Group.

On top of that, the Board is of the view that a Director's independence should not be determined solely by reference to a set period of time and believe that the Group will benefit from long serving Independent Directors who are familiar and have insight knowledge of the Group's operations.

Therefore, the Board would like to seek the approval of the shareholders to retain Mr Chong Chee Siong and Mr Chong Peng Khang as Independent Directors by way of ordinary resolutions passed through two-tier voting at the Company's 22nd AGM.

Further information of Mr Chong Chee Siong and Mr Chong Peng Khang can be found in the Directors' Profile set out in the Company's Annual Report 2024.

(g) Resolutions 7 and 8 - Recurrent related party transactions

Ordinary Resolutions 7 and 8, if passed, will allow Teck Ping Chan Agriculture Sdn Bhd, a wholly-owned subsidiary of the Company, to enter into recurrent related party transactions in accordance with the MMLR of Bursa. This approval shall continue to be in force until the conclusion of the 23rd AGM or until the expiration of the period within which the 23rd AGM is required by the law to be held or until revoked/varied by a resolution passed by the shareholders in a general meeting.

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TPC PLUS BERHAD

Registration No. 200301012910 (615330-T)
(Incorporated In Malaysia under the Companies Act, 1965)

PROXY FORM

No. of shares held

*I/We, _____ of _____
being a member of **TPC Plus Berhad** hereby appoint _____ of _____
_____ or failing him/her _____
of _____ or failing him/her *the Chairman of the Meeting
as *my/our proxy to attend and vote on *my/our behalf at the 22nd Annual General Meeting of the Company to be held at
the **CM V Room, Level 7, Courtyard by Marriott Melaka, Lorong Haji Bachee, Kampung Bukit China, 75100 Melaka, Malaysia**
on **Thursday, 29 May 2025 at 12:00 noon** and at any adjournment thereof.

(Please indicate with an 'X' in the space provided below how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion)

		For	Against
Resolution 1	Approve the payment of Directors' fees		
Resolution 2	Approve the payment of Directors' benefits (other than Directors' fees)		
Resolution 3	Re-elect Mr Lim Yew Kwang as Director		
Resolution 4	Re-appoint Crowe Malaysia PLT as Auditors		
Resolution 5	Retain Mr Chong Chee Siong as Independent Director		
Resolution 6	Retain Mr Chong Peng Khang as Independent Director		
Resolution 7	Renew the existing mandate for recurrent related party transactions		
Resolution 8	Approve the new mandate for recurrent related party transactions		

Dated this _____ day of _____ 2025

The proportion of my shareholding
to be represented by my proxies is as follows:

First named proxy _____ %
Second named proxy _____ %
_____ 100%

Signature of member or
Common seal of corporate member

Notes:

- A member entitled to attend and vote at the 22nd Annual General Meeting ("AGM") shall be entitled to appoint another person(s) as his proxy(ies) to exercise all or any of his rights to attend, speak and vote at the AGM. There shall be no restriction as to the qualification of the proxy(ies).
- Where a member appoints more than one proxy, the proxies shall only be entitled to vote on poll and the appointment shall not be valid unless the member specifies the proportion of his holdings to be represented by each proxy.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, the instrument shall be executed under its common seal or under the hand of an officer or attorney duly authorised.
- The duly completed proxy form must be received by the Company at its registered office located at PT 1678, Mukim of Serkam, 77300 Merlimau, Melaka or via e-mail at proxyform@tpc.com.my not less than 48 hours before the time fixed for holding the AGM or any adjournment thereof.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the AGM Notice will be put to vote by poll.

* Strike out whichever is not desired

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Company Secretary

TPC Plus Berhad

PT 1678, Mukim of Serkam
77300 Merlimau, Melaka

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TPC PLUS BERHAD

Registration No. 200301012910 (615330-T)

PT 1678, Mukim of Serkam, 77300 Merlimau, Melaka, Malaysia.

Office Number: +606 268 6315

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