



OCB BERHAD

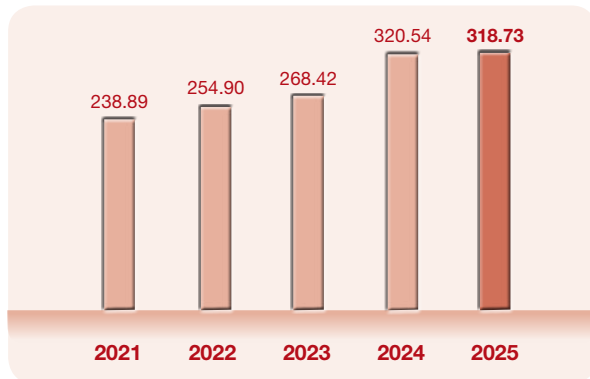
[Registration No. 195901000114 (3465-H)]

Annual Report **2025**

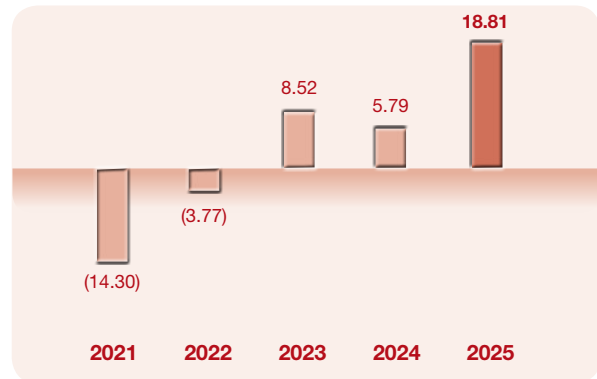
FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---------|--------|--------|--------|--------|
| Revenue (RM'million) | 238.89 | 254.90 | 268.42 | 320.54 | 318.73 |
| Earnings/(Loss) before interest, taxes, depreciation and amortisation ("EBITDA") (RM'million) | (3.36) | 7.92 | 24.46 | 24.55 | 33.75 |
| Profit/(Loss) before taxation (RM'million) | (13.90) | (2.00) | 17.48 | 16.46 | 26.04 |
| Profit/(Loss) after taxation (RM'million) | (14.30) | (3.77) | 8.52 | 5.79 | 18.81 |
| Net Profit/(Loss) attributable to equity holders (RM'million) | (14.10) | (3.61) | 8.52 | 4.23 | 17.32 |
| Total assets (RM'million) | 302.60 | 301.34 | 313.03 | 299.95 | 297.80 |
| Total borrowings and lease liabilities (RM'million) | 84.14 | 84.95 | 80.65 | 58.81 | 42.67 |
| Shareholders' equity (RM'million) | 173.11 | 169.41 | 177.97 | 180.61 | 195.84 |
| Earnings/(Loss) per share (Sen) | (13.71) | (3.51) | 8.28 | 4.11 | 16.84 |
| Net assets per share (RM) | 1.68 | 1.65 | 1.73 | 1.76 | 1.90 |

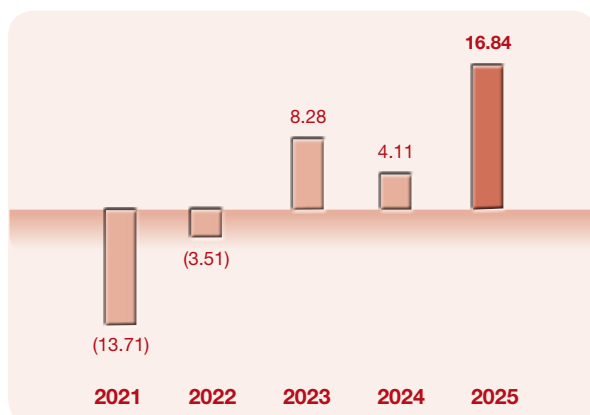
REVENUE
(RM'million)



PROFIT/(LOSS) AFTER TAXATION
(RM'million)



EARNINGS/(LOSS) PER SHARE
(Sen)



NET ASSETS PER SHARE
(RM)

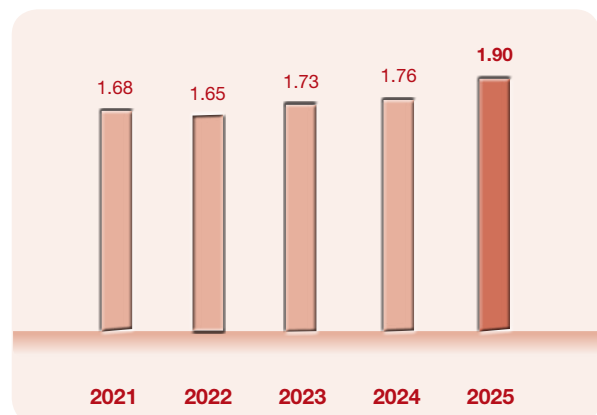


TABLE OF CONTENTS

| | |
|-----------------------------|---|
| 2 | Corporate Information |
| 3 | Corporate Structure |
| 4 | Management Discussion and Analysis |
| 12 | Group Directory |
| 16 | Profile of Directors |
| 19 | Profile of Key Senior Management |
| 22 | Sustainability Report |
| 42 | Corporate Governance Overview Statement |
| 54 | Audit and Risk Management Committee Report |
| 57 | Statement on Risk Management and Internal Control |
| 62 | Directors' Responsibility Statement |
| Financial Statements | |
| 63 | Directors' Report |
| 68 | Statement by Directors |
| 68 | Statutory Declaration |
| 69 | Independent Auditors' Report |
| 73 | Statements of Financial Position |
| 75 | Statements of Profit or Loss and Other Comprehensive Income |
| 77 | Statements of Changes in Equity |
| 78 | Statements of Cash Flows |
| 81 | Notes to the Financial Statements |
| 135 | Additional Compliance Information |
| 138 | List of Properties |
| 140 | Analysis of Shareholdings |
| 143 | Notice of Sixty-Seventh Annual General Meeting |
| 149 | Administrative Details for the Sixty-Seventh Annual General Meeting Proxy Form |

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tee Keng Hoon

*Chairman/Independent
Non-Executive Director*

Mohd Harris Bin Pardi

*Chief Operating Officer cum
Executive Director*

Khoo Kay Leong

*Senior Independent
Non-Executive Director*

Agnes Maria Sam A/P John Sam

*Independent
Non-Executive Director*

Chan Kee Eng

*Independent
Non-Executive Director*

Fong Heng Leong

*Non-Independent
Non-Executive Director*

Wong Choon Shein

*Non-Independent
Non-Executive Director*

COMPANY SECRETARIES

Lydia Tong Yiu Shyian-Shyian
SSM PC No. 202208000755
BC/L/1922

Nor Zarifah Binti Abdullah @ Mahmud
SSM PC No. 202208000338
LS0010328

AUDIT AND RISK MANAGEMENT COMMITTEE

Khoo Kay Leong

*Chairman/Senior Independent
Non-Executive Director*

Agnes Maria Sam A/P John Sam

*Member/Independent
Non-Executive Director*

Chan Kee Eng

*Member/Independent
Non-Executive Director*

REMUNERATION COMMITTEE

Chan Kee Eng

*Chairperson/Independent
Non-Executive Director*

Khoo Kay Leong

*Member/Senior Independent
Non-Executive Director*

Agnes Maria Sam A/P John Sam

*Member/Independent
Non-Executive Director*

NOMINATION COMMITTEE

Agnes Maria Sam A/P John Sam

*Chairperson/Independent
Non-Executive Director*

Khoo Kay Leong

*Member/Senior Independent
Non-Executive Director*

Chan Kee Eng

*Member/Independent
Non-Executive Director*

AUDITORS

Grant Thornton Malaysia PLT
(Member Firm of Grant Thornton
International Ltd)

Chartered Accountants
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan, Malaysia
T : +603-2692 4022
F : +603-2732 5119

REGISTERED AND CORPORATE OFFICE AND PRINCIPAL PLACE OF BUSINESS

2B-5, Level 5
Jalan SS 6/6, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia
T : +603-7880 7539
F : +603-7880 7536
E : corporate@ocbb.com.my

SHARE REGISTRAR

Tricor Investor & Issuing
House Services Sdn. Bhd.
197101000970 (11324-H)
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia
T : +603-2783 9299
F : +603-2783 9222
E : is.enquiry@vistra.com
W : www.vistra.com

PRINCIPAL BANKERS

Hong Leong Islamic Bank Berhad
HSBC Bank Malaysia Berhad
RHB Bank Berhad
AmBank (M) Berhad
AmBank Islamic Bank Berhad
Affin Bank Berhad
CIMB Bank Berhad

STOCK EXCHANGE LISTING

Main Market

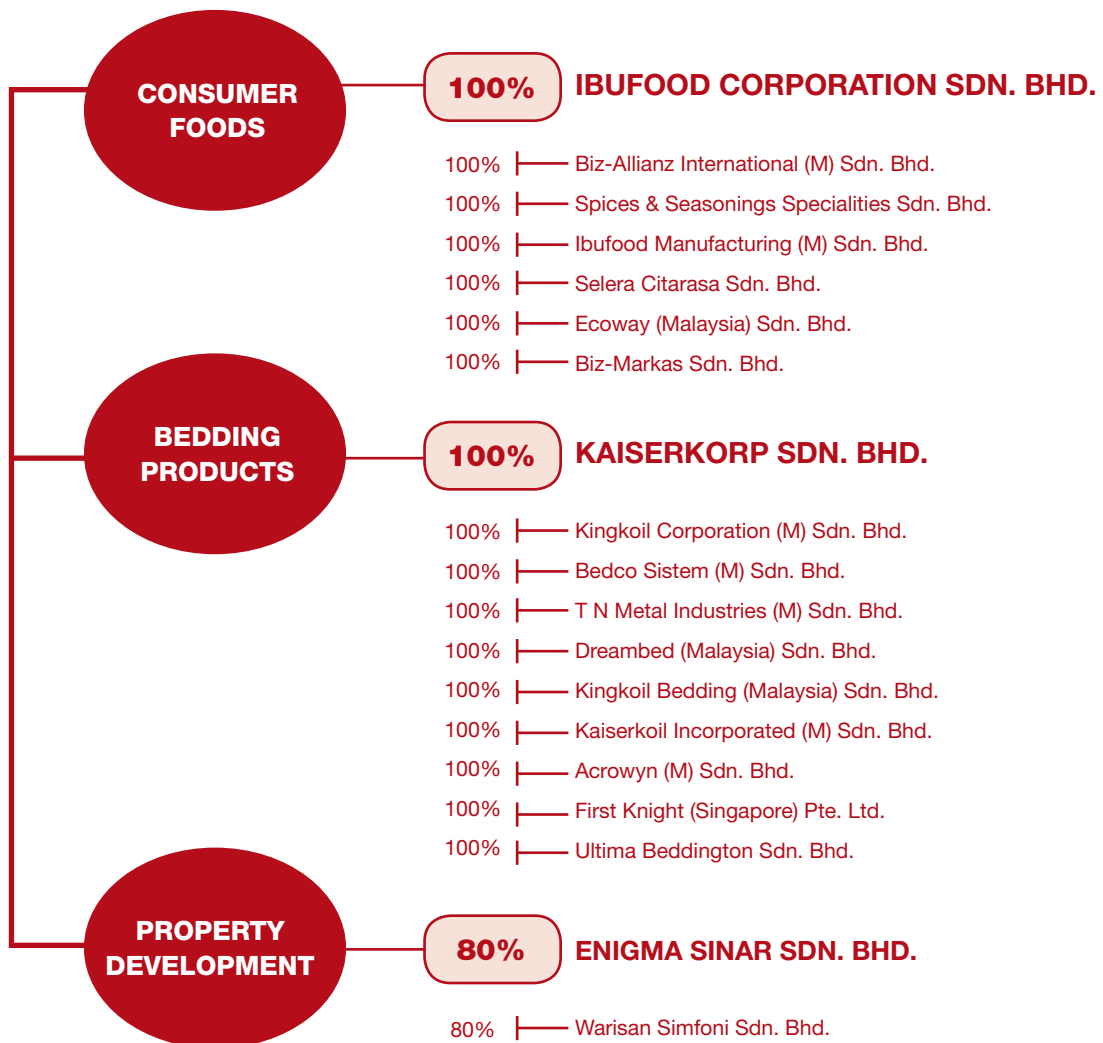
Bursa Malaysia Securities Berhad
Stock Name : OCB
Stock Code : 5533
Sector : Consumer Products
& Services
Sub-Sector : Food & Beverages

WEBSITE

www.ocbb.com.my

CORPORATE STRUCTURE

As at 1 APRIL 2026



* Listed on the Main Market of Bursa Malaysia Securities Berhad

MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Directors of OCB Berhad (“OCB” or “the Company”) and the Management are pleased to present material non-financial information on OCB and its group of companies (“OCB Group” or “the Group”) to complement the detailed information in the Directors’ Report and Financial Statements sections. The Management Discussion and Analysis (“MD&A”) will give shareholders and investors an operational commentary of the business of the Group.

OVERVIEW OF THE GROUP’S BUSINESS AND OPERATIONS

OCB is an investment holding company. During the financial year ended 31 December (“FYE”) 2025, the Company has 3 business operations which are divided into the following divisions:

- (1) Consumer Foods Division;
- (2) Bedding Products Division; and
- (3) Property Development Division.

Detailed information on Divisions above can be found in the Group Directory on pages 12 to 15 of this Annual Report.

Consumer Foods Division

The Consumer Foods Division operates as subsidiaries under Ibufood Corporation Sdn. Bhd. (“Ibufood Group”). The Ibufood Group is a major producer of premium quality instant noodles, mayonnaise, seasoning-powder, seasoning-oil, sauces and food ingredients.

It is represented by several brand names. IBUMIE is the highly recognizable brand for its instant noodles which comes in several different flavours.

The TELLY brand represents the food seasonings segment offering premium quality blended seasoning-powder, seasoning-oil, sauces, mayonnaise, specialty spices, soup, soup stocks, and marinades. The TELLY mayonnaise has grown over the years to become one of the market leaders in the Food Service sector.

Bedding Products Division

The Bedding Products Division is made up of subsidiaries under KaiserCorp Sdn. Bhd. (“KaiserCorp Group”). It manufactures and distributes mattresses, divans, sofas and assorted bedding accessories. The various types of mattresses are made of different premium spring coils, natural latex and foam-fibres. Our bedding manufacturing system has become an industry benchmark.

The Bedding Products Division promotes its products under the brand name of KING KOIL and FIRST KNIGHT. KING KOIL is the high-profile international brand synonymous with luxurious quality mattresses. The Division also promotes its products under the local brand name of FIRST KNIGHT, WONDERCOIL and TAGGE.

Property Development Division

The Property Development Division is operated through an 80%-owned subsidiary, Enigma Sinar Sdn. Bhd. (“Enigma”).

In 2023, Enigma commenced construction works for the development of an industrial park on a parcel of freehold industrial land located at H.S. (D) 165116, Lot No. PT 84453, Mukim Kapar, Daerah Klang, Negeri Selangor. The land area spans approximately 149,410 square meters. This development is being carried out in collaboration with a joint-venture partner under the project name “Excellent Technology Park @ Kapar International Industrial Park, Kapar”, situated at Jalan Akob, Bukit Kapar, Klang (“Project”), within an established industrial corridor that offers accessibility and connectivity to key transportation networks and surrounding commercial hubs.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS (CONT'D)

Property Development Division (cont'd)

The Project involves the construction of 36 semi-detached factory units, alongside the necessary infrastructure, amenities, public utilities, and other complementary developments that are appropriate or incidental to such industrial developments.

The Project has been carefully planned and executed in 2 distinct phases. Phase 1 involved the construction of 16 factory units, while Phase 2 comprised the development of an additional 20 factory units. Both phases have been successfully completed in accordance with the approved plans and specifications. All 36 factory units have been fully sold and the Project is currently in its final stage and is pending the issuance of the Certificate of Fitness from the relevant authorities.

The Project has been successfully completed and fully sold, contributing positively to the Group's financial performance for the financial year under review. The timely completion and strong take-up rate reflect the Group's effective execution capabilities and the continued demand for quality industrial developments.

Building on the success of the Project, the Group is actively exploring and planning new development opportunities to sustain its growth momentum and diversify its project pipeline, with a focus on enhancing long-term value for its stakeholders.

REVIEW OF THE FINANCIAL RESULTS AND FINANCIAL CONDITIONS

The Group's financial performance for the FYE 2025 as compared to FYE 2024 is as follows:

| | FYE 2025 RM'000 | FYE 2024 RM'000 | Increase/ (Decrease) RM'000 | % |
|--|--------------------|--------------------|-----------------------------------|--------|
| Revenue | 318,728 | 320,542 | (1,814) | (0.6) |
| Gross Profit | 69,187 | 76,304 | (7,117) | (9.3) |
| Earnings/(Loss) before interest, taxes, depreciation and amortisation | 33,752 | 24,552 | 9,200 | 37.5 |
| Profit/(Loss) before taxation | 26,037 | 16,464 | 9,573 | 58.1 |
| Profit/(Loss) after taxation | 18,807 | 5,785 | 13,022 | 225.1 |
| Net Profit/(Loss) attributable to equity holders | 17,319 | 4,226 | 13,093 | 309.8 |
| Total assets | 297,798 | 299,955 | (2,157) | (0.7) |
| Total borrowings and lease liabilities | 42,671 | 58,808 | (16,137) | (27.4) |
| Shareholders' equity | 195,837 | 180,608 | 15,229 | 8.4 |
| Earnings/(Loss) per share (Sen) | 16.84 | 4.11 | 12.73 | 309.7 |
| Net assets per share (RM) | 1.90 | 1.76 | 0.14 | 8.0 |

The Group recorded a revenue of RM318.7 million and a profit before taxation of RM26.0 million in the FYE 2025 as compared to a revenue of RM320.5 million and a profit before taxation of RM16.5 million reported in the immediate preceding financial year.

In comparison to FYE 2024, the Consumer Foods Division's revenue increased 0.6% to RM215.8 million. The higher sales from the Division were mainly due to the higher demand for its creamer products. Sales of its creamers increased to RM54.3 million in the FYE 2025 compared to RM47.4 million in the immediate preceding year.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF THE FINANCIAL RESULTS AND FINANCIAL CONDITIONS (CONT'D)

However, sales of its noodles and mayonnaise in the FYE 2025 declined to RM108.3 million (FYE 2024: RM112.8 million) and RM52.0 million (FYE 2024: RM53.0 million) respectively. The decline in noodles sales was primarily attributable to weaker demand for its products. Similarly, the decrease in mayonnaise sales was mainly due to slower demand in the domestic market, particularly within the food service pack segment.

The Property Development Division revenue increased 4% to RM39.4 million compared to RM37.7 million in the immediate preceding year.

The Bedding Products Division reported a decrease of 7% in revenue to RM63.6 million for FYE 2025 as compared to RM68.3 million in the immediate preceding year.

The Group reported a higher profit before taxation in the FYE 2025 as compared to a profit before taxation in the FYE 2024 mainly due to the recognition of a loss from the disposal of a wholly-owned subsidiary on 30 December 2024, resulting in a loss of RM14.8 million.

The Consumer Foods Division posted a profit before taxation of RM14.9 million for FYE 2025 as compared to a profit before taxation of RM14.8 million in the FYE 2024 mainly due to lower operating expenses due to better cost control and operational efficiency.

The Bedding Products Division reported a decline in profit before taxation of RM3.1 million for FYE 2025 as compared to a profit before taxation of RM4.8 million in the FYE 2024 on the back of lower sales and product margins.

Domestic projects have seen a decrease in activities and have registered sales of RM17.3 million compared to RM19.3 million in the previous corresponding year. Similarly, retail sales dropped 3% to RM45.9 million as compared to RM47.3 million in the FYE 2024.

The Property Development Division posted a profit before taxation of RM9.8 million in the FYE 2025 as against a profit before taxation of RM10.2 million in the FYE 2024 due to higher operating expenses in 2025.

The Group has not adopted any dividend policy. The Board of Directors of the Company ("Board") annually evaluates the Group's profitability, cash flows position and long-term plans prior to deciding on any dividend payment.

The Board has proposed a first and final single-tier dividend of 3.5 sen per share amounting to RM3,599,750 in respect of the FYE 2025 (FYE 2024: RM2,057,000) for approval by the shareholders at the forthcoming Annual General Meeting of the Company.

The earnings per share of the Company for FYE 2025 was 16.84 sen as against earnings per share of 4.11 sen for FYE 2024.

Consumer Foods Division

The Consumer Foods Division registered a revenue of RM215.8 million for FYE 2025 as against a revenue of RM214.4 million in the FYE 2024. The increase in revenue was mainly due to higher demand for its creamer products.

The sales of the trading segment (creamer) increased by RM6.9 million or 15% due to a higher demand from the export market. This segment has achieved RM54.3 million sales for FYE 2025 as compared to RM47.4 million in the immediate preceding financial year.

On the other hand, noodles sales remained substantial at RM108.3 million in FYE 2025, reflecting continued strong market presence despite a slight variation from RM112.8 million in FYE 2024.

The salad dressing segment remained relatively stable at RM52.0 million, reflecting a modest variation of RM1.0 million, as demand for its products experienced a slight slowdown.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF THE FINANCIAL RESULTS AND FINANCIAL CONDITIONS (CONT'D)

Consumer Foods Division (cont'd)

The sales of seasonings segment saw a decrease by RM0.1 million or 10% in the FYE 2025 attributable to the reduced of repeat orders from the overseas market for the Ready to Cook Curry Paste range.

The Division registered a profit before taxation of RM14.9 million in the FYE 2025 versus a profit before taxation of RM14.8 million in the FYE 2024. At the operational level, the Division showed a higher margin due to the lower operating expenses as a result of better cost control and operational efficiency.

Bedding Products Division

The Bedding Products Division registered a revenue of RM63.6 million and a profit before taxation of RM3.1 million in the FYE 2025 compared to a revenue of RM68.3 million and a profit before taxation of RM4.8 million in the FYE 2024. The lower profit before taxation was mainly attributable to a lower in sales and product margin.

The domestic retail market recorded a lower sales of 3% to RM45.9 million after the surge in demand in the previous year because of the reopening of the economy and the effect of the pent-up demand.

Similarly, the Division saw a dropped in its domestic project sales to RM17.3 million in the FYE 2025 as compared to RM19.3 million in the immediate preceding financial year. The decrease was mainly due to slower pace in activities in the domestic market.

Revenue from export sales reduced to RM0.3 million in the FYE 2025 as compared to RM1.7 million reported for FYE 2024 due to weaker sentiment in overseas hospitality segment.

Some of the main projects carried out by the Division in FYE 2025 included:

- Antara Genting, Pahang
- Pullman Kuching, Sarawak
- Oakwood Hotel & Residence, Cameron Highland, Pahang
- The Everly Lhesson, Kuching, Sarawak
- Copthorne Orchid Hotel, Penang
- Imperial Hotel, Kuching, Sarawak

Property Development Division

This Division reported a revenue recognition of RM39.4 million and a profit before taxation of RM9.8 million in the FYE 2025 as against revenue of RM37.7 million and a profit before taxation of RM10.2 million in the FYE 2024. The increase in revenue was mainly due to higher billing of its property development income from its joint venture industrial park project.

REVIEW OF THE OPERATING ACTIVITIES

Consumer Foods Division

The Semenyih and Sibul noodle plants have a current combined capacity of 12.0 million pieces of noodles per shift per month. For the full year 2025, the Semenyih noodle plant utilised 105% of its daily shift capacity while Sibul plant ran at 120% capacity.

The sales of instant noodles dropped 4% compared to FYE 2024. Domestic market made up 87% of total sales in this category for FYE 2025.

OEM label brand of instant noodles also contributed positively to the turnover for this product category in Year 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF THE OPERATING ACTIVITIES (CONT'D)

Consumer Foods Division (cont'd)

The Salad Dressing plant in Semenyih continued to contribute positively to the Division's performance. Our products has continue to perform well in both food service and retails channel, maintaining strong sales. Sales has dropped 2% year-on-year to RM52.0 million compared to RM53.0 million in the immediate preceding year.

The Division continue supplying Salad Dressing in bulk packing to industrial users such as bread factories. Industrial users usually require customized formula for each factory, but we foresee that we can leverage our Research & Development experience to grow this channel. We are also expanding our supply to more restaurant chains and outlets to grow this product category.

The Division also resumed participation in more food fairs as the global economy continues to reopen. In 2025, the Division participated in an exhibition, Anuga Asia Thaifex in Bangkok, Thailand.

Operationally, the Division performed well in 2025, benefiting from the stabilization of raw material prices. Overall, direct material costs decreased by approximately 0.1%, with significant reductions in ingredients, i.e. flour and palm oil. The price of flour decreased by 11%, while palm oil prices saw a more substantial decline of 12%. On the other hand, prices of fructose syrup and egg have risen 12% and 5% respectively.

Year 2025 marked a pivotal investment year for the Division, underscoring its commitment to strengthening operational capacity and supporting long-term growth. During the year, the Division commenced a major expansion programme with a total planned investment of approximately RM60.0 million. This expansion initiative is aimed at enhancing production capabilities, improving operational efficiency, and positioning the Division to meet increasing market demand. The key components of the expansion are as follows:

1. Installation of 2 new noodle production lines, comprising both cup and bowl noodle lines.
2. Upgrading and automation of existing manufacturing facilities.

All in all, Year 2025 has been a good year for the Division and we foresee it to perform better in the next financial year. To maintain this momentum, the Division will continue to prioritize automation and digitalization initiatives, with a focus on enhancing cost-efficiency and streamlining operations. By embracing these technologies, we aim to drive greater productivity, reduce operational costs, and ensure sustained growth in the years to come.

Bedding Products Division

The Division has invested in the operations of The KING KOIL Flagship Stores. Currently, it has 14 Flagship Stores via a licensing agreement with dealers selling only specific models.

As at 31 December 2025, the Flagship Stores are in the following locations:

1. Jalan Bangsar, Kuala Lumpur
2. Old Klang Road, Kuala Lumpur
3. Ikano Power Centre, Kuala Lumpur
4. Sungai Besi, Kuala Lumpur
5. Gurney Plaza, Penang
6. Vivacity, Kuching, Sarawak
7. Jalan Kemajuan, Seksyen 13, Selangor
8. Paradigm Mall, Johor Bahru
9. Mid Valley South Bay, Johor Bahru
10. Toppen Shopping Centre, Johor Bahru
11. Pavilion Bukit Jalil, Kuala Lumpur
12. Cheras 11th Mile, Selangor
13. Medan Ipoh Bestari, Perak
14. Setapak Sentral mall, Kuala Lumpur

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF THE OPERATING ACTIVITIES (CONT'D)

Bedding Products Division (cont'd)

During the year under review, the Division intensified its branding initiatives by deploying eye-catching brand graphics on trucks or lorries to enhance brand visibility and reach a wider audience as these vehicles travel throughout towns and cities. The Division also invested into digital billboards to strengthen brand awareness and drive business growth. With the right advertising strategies, compelling visuals, and precise market targeting, the Division believes it will continue to capture the attention of its target market and generate sustainable sales growth.

Recent global market shifts have accelerated the expansion of digital and e-commerce sectors, which have become indispensable to the Division's strategy. The Division will continue to accelerate its digital transformation efforts to capitalise on business growth opportunities.

In 2025, the Division remained actively engaged in its e-commerce activities by participating in various campaigns on both Lazada and Shopee platforms during key festivals and promotional periods, including:

1. Paydays Sale
2. Chinese New Year Sale
3. Ramadan Sale
4. Parents' Day Special
5. Merdeka Special
6. 9.9, 10.10, 11.11 and 12.12 Sale

Moving forward, the Division will continue to leverage on digital marketing such as digital billboards, online marketplaces, Google Ads, and others to enhance its brand awareness among Malaysians. In addition to that, the Division will continue the use of traditional marketing strategies such as the print media to reach our audience offline to maintain its brand presence among the older generation consumers focusing on sustainability of the KING KOIL brand. The Division will continue to participate in major events that align with its brands values of comfort, luxury and health.

The Division will also continue with its advertising and promotion budget for media spending to create new customer base and other brand building activities. The Division will allocate an additional budget into the digital and social media marketing such as in Facebook, Instagram, Google display network, YouTube Ads, Key Opinion Leaders, and other similar applications that will continue to play an important role in its marketing activities. Higher priority of marketing expenditure will be focused and allocated to digital marketing as it has rapidly grown in importance due to its interactivity, cost effectiveness and ability to reach a wide range of targeted audiences.

The Division will strengthen its business foundations based on strategic marketing plans targeting specific market segments (premium market, middle market, and the Malay consumer market).

As for the export market, the Division will continue to identify demand and look for countries with potential for our product.

The Division will continue to improve its customer relationship management system, to enhance its relationship with customers and improve its customers' service experience.

The Division has also planned to continue to refresh and enhance the design of its popular models to align with current trends. These launches will help improve sales and push our products further into the market.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF THE OPERATING ACTIVITIES (CONT'D)

Bedding Products Division (cont'd)

During the year, the Division has actively managed the rising costs of materials by negotiating with suppliers, exploring new supplies and alternative materials, implementing cost saving measures and others to preserve the Division's profitability.

Property Development Division

The industry experienced a positive surge in demand for industrial buildings, driven by several key factors. The country's robust economic performance, particularly within the manufacturing sector, has spurred the need for additional industrial spaces to support business growth and expansion.

As at 31 December 2025, all units launched under the Division's joint-venture Project have been fully sold.

This achievement reflects the Project's strong market demand and its appeal to both investors and end-users, demonstrating the Division's capability in delivering developments that meet market needs.

LIQUIDITY AND CAPITAL MANAGEMENT

The Group maintains a healthy level of cash and cash equivalents and banking facilities from financial institutions to fund the Group's short-term and long-term operational requirements. As at 31 December 2025, the Group's cash and cash equivalents amounted to RM75.5 million (31 December 2024: RM65.2 million), an increase of RM10.3 million is mainly attributable to net cash increase from operating activities, whereas the Group's total bank borrowings stood at RM42.67 million compared to RM58.81 million as at 31 December 2024 mainly due to repayment of term loans.

The Group's gearing ratio was 0.21 times as at 31 December 2025 as compared to 0.08 times as at 31 December 2024.

CAPITAL EXPENDITURE REQUIREMENTS, CAPITAL STRUCTURE AND CAPITAL RESOURCES

The Group strives to maintain a prudent financial structure to ensure that it has access to adequate capital and financing on terms which are favorable to the Group.

BUSINESS OUTLOOK 2026

The Malaysian economy is expected to see a spot of growth in early 2026, though expansion may moderate from 2025 levels. The full 2026 projection is around 4.6%. It is poised for resilient growth in anticipation of the global geopolitical uncertainties.

The economy grew by 5.2% in 2025, on account of strong domestic demand and favorable exports, exceeding the forecast range of 4% to 4.8%. This growth momentum is expected to continue in early 2026, supported by a sustained domestic demand and exports. Household spending will benefit from the continued support from employment and wage growth, as well as the Government policy measures and the Thirteenth Malaysia Plan ("13MP"). For Malaysia, economic resilience will be pivotal for it to withstand the internal and external shocks. Therefore, building resilience throughout the economic space should be emphasized in order to insulate it and maintain stability amid any type of future instabilities.

Going forward, inflation is not expected to remain moderate in 2026. The increasing commodity price outlook did not help to contain cost pressures on inflation. The domestic policy reforms implemented in 2025, such as the Sales and Service Tax ("SST") expansion and targeted RON95 subsidy rationalisation, are projected to result in only modest effects on inflation in 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OUTLOOK 2026 (CONT'D)

The business potential of OCB Berhad 2026 appears to be in a strong recovery phase, driven by its strategic move to strengthen and complement its core Consumer Foods and Bedding Products Divisions. Recent fourth quarter results indicate a strong recovery with improved revenue and profitability, signalling operational success and potential for sustainable long-term returns.

We are pleased to share that our outlook for 2026 is one of disciplined growth and strategic transformation, building on the strong recovery momentum we established through 2025. Our focus for 2026 can be broken down to 3 strategic drives.

Portfolio Diversification:

A key growth driver for 2026 will be our strategic pivot into property development, specifically targeting industrial projects like the industrial park in Klang. This diversification is expected to contribute 25% or more to the Group's net profits as these projects mature. While the outlook is positive, the Group will closely manage the transition into property development, which can have longer development cycles compared to consumer goods.

Capacity Expansion & Operational Efficiency:

We are currently integrating 2 new noodle production lines in our Consumer Foods Division. One for bowl and cup noodles and another scheduled for delivery by mid-year 2026. These investments are designed to significantly increase output volumes and improve margins through 2026.

Resilience in Core Segments:

Our Bedding Products Division remains anchored by a perpetual license for the KING KOIL brand, ensuring long-term stability in this high-performing division. In Consumer Foods Division, we continue to leverage the strong market presence of brands such as IBUMIE and TELLY to navigate a competitive landscape.

As of early 2026, OCB Berhad is navigating a cautiously optimistic outlook by leveraging technology, streamlining operations, and adapting to geopolitical shifts. We are focusing on digital transformation, enhancing sustainability, and improving operational efficiency to drive long-term value amid a volatile macroeconomic landscape. Our priority is to build a more agile, technology-driven enterprise to ensure sustained growth.

GROUP DIRECTORY

CONSUMER FOODS DIVISION

The Consumer Foods Division under Ibufood Corporation Sdn. Bhd. and its subsidiary companies (“Ibufood Group”) is the manufacturer of premium quality instant noodles under the brands IBUMIE and Baa..gus; and mayonnaise, salad dressings, seasoning-powder, seasoning-oil, and sauces under the brand TELLY.

IBUMIE’s Mi Goreng range is a leader in the dry-based instant noodle category. The range comes in 5 delicious flavours – *Asli (Original)*, *Thai Tom Yam*, *Kari Kapitan (Curry)*, *Sambal Udang (Spicy Shrimp)* and *Har-Mee (Shrimp)*.

IBUMIE’s soup-based range is spearheaded by the all-time favourite flavours - *Penang Har-Mee Soup (Shrimp Soup)* and *Penang White Curry*. Made with authentic shrimp powder, IBUMIE *Penang Har-Mee Soup* brings out the real sweetness of seafood in its broth. IBUMIE *Penang White Curry* which originates from the Peranakans, is reminiscent of Penang’s famous street curry noodles. The curry paste is made from fresh spices such as galangal, kaffir lime, lemon grass, ginger, kesum leaves and nutmeg. *Ala Miso Mee (Miso)* and *Ladamee (Black Pepper)* completes the IBUMIE soup range.

IBUMIE launched the Bowl Noodles series in 3 soup flavours, namely *Penang Har-Mee Soup (Shrimp Soup)*, *Penang White Curry* and *ala Miso Mee* in late 2021.

In April 2024, IBUMIE launched a new noodle product, Meepoh Kosong that highlights its focus on innovation and expanding its range. The product is designed to meet market demand for high-quality, ready-to-prepare noodles, aiming to boost the IBUMIE brand’s presence and attract more customers.

The sub-brand Baa..gus instant noodles caters to the more economically conscious consumers who want great tasting instant noodles at affordable prices. The 5 flavours in this range, are *Goreng Asli (Original)*, *Goreng Lebih Pedas (Extra Spicy)*, *Ayam Bawang (Onion Chicken)*, *Soto Ayam (Chicken Soto)* and *Kari (Curry)*.

Ibufood Group’s TELLY brand is a strong player in the food condiments and seasonings segment offering premium quality blended seasoning-powder, seasoning-oil, sauces, mayonnaise, salad dressings, spices, soup, stocks and marinades. TELLY’s range of salad dressings particularly, the 3 Litre *MayoBoy* has grown over the years to become a market leader in the Food Service sector, supplying burger kiosks nationwide. The retail range of salad dressings such as the *All Purpose Mayo*, *Vegetarian Mayo*, *Lite Mayo* and *Thousand Island* in 230ml and 470ml glass jars has also shown strong and consistent growth in the trade. TELLY’s *Roasted Sesame Mayo* range in 1 Litre PET bottle, 280ml squeeze bottle and 50ml sachet also received encouraging market feedback since its launch. Ibufood Group expects the salad dressings category to continue its upwards growth trajectory going forward.

Ibufood Group also offers private label flavour development and manufacturing services for instant noodles, salad dressings and seasonings.

HEAD OFFICE AND MANUFACTURING Selangor

Lot 1956, Jalan Bangi Lama Batu ½
43500 Semenyih
Selangor Darul Ehsan
Malaysia
T : +603-8723 9588
F : +603-8723 7589
E : sss@telly.com.my
W : www.telly.com.my
www.ibumie.my

MANUFACTURING Sarawak

No. 3, Lorong 31A
Jalan Ding Lik Kong
96000 Sibul
Sarawak
Malaysia
T : +6084-310 755
F : +6084-323 755

GROUP DIRECTORY

BEDDING PRODUCTS DIVISION

KING KOIL chiropractic mattress makes more ways to say Goodnight !

The Bedding Products Division is a wholly-owned subsidiary of Kaiserkorp Sdn. Bhd. (“Kaiserkorp Group”) and is a specialist in the manufacturing and distribution of premium brand innerspring coils, natural latex and foam-fibre mattress systems, divan-foundations and bedding accessories. Today, Kaiserkorp Group is the industry benchmark of a one-stop bedding solutions provider to consumers.

Kaiserkorp Group strives to achieve best-in-class quality and comfort through continuous improvement of sleep technology supported by KING KOIL’s main state-of-the-art Research and Development (“R&D”) centre in Arizona, the United States of America (“USA”). KING KOIL’s R&D centre provides design, creation, testing as well as market research on new product roll-outs. With the help of KING KOIL’s R&D centre, we are committed to designing, sourcing and manufacturing the best quality sleep products.

Kaiserkorp Group’s success is contributed by our close relationship with our retail partners to provide the best-in-class sleep solutions to our customers. We adopt business processes which are oriented towards adding long-term value and competitiveness to our retail partners for them to provide continuous care and support to our customers’ needs.

In Malaysia, Kaiserkorp Group is the exclusive licensee of the prestigious KING KOIL brand. KING KOIL is a world-leading brand and provider of high quality mattresses spanning 90 countries and 6 continents. KING KOIL is committed to providing the world with comfortable, healthy and good quality sleep. KING KOIL can be found in bedrooms of families as well as world-class hotels and medical institutions throughout the world.

KING KOIL has developed innovative products and provided strong service relationship to our customers. Our products are priced to meet the specifications and affordability parameters of customers. Through this understanding we have adopted a multi-brand strategy under KING KOIL to cater for different market segments. With this strategy, we have successfully developed WORLD LUXURY KINGKOIL, NATURAL RESPONSE, LUXURY HOTEL COLLECTION, EXTENDED LIFE, CERIA and PRINCE COLLECTION series suitable for different market segment. KING KOIL launched Malaysia 1st Flex Linen Mattress series – SIMPLICITY in 2019.

In 2025, KING KOIL introduced its smart mattress line, Smart MAGIC 8, marking a significant step in the Group’s product innovation initiatives. The Smart MAGIC 8 incorporates advanced sleep technology aimed at enhancing sleep quality and comfort, further strengthening the brand’s position in the premium bedding market while addressing evolving consumer demand for smart lifestyle products.

Aside from KING KOIL, Kaiserkorp Group also developed affordable brands like FIRST KNIGHT, WONDERCOIL and TAGGE thus providing additional affordable quality product range. Kaiserkorp is also into OEM manufacturing for third-party brands and retailers in Asia and North America.

Kaiserkorp Group continues to invest in brand building activities via innovative marketing strategies and creative advertising campaigns to further lift the brand’s image and build brand equity for KING KOIL in Malaysia. KING KOIL had started its digital journey to promote and engage consumers via Facebook, Instagram, YouTube, etc. To-date, there are 14 KING KOIL Flagship Stores located in major towns in Malaysia.

KING KOIL is the only mattress brand endorsed by the Doctors of the ICA and the Foundation of Chiropractic Education of Research (“FCER”) of USA.

GROUP DIRECTORY

BEDDING PRODUCTS DIVISION (CONT'D)

Another important business sector for Kaiserkorp Group is in hospitality where KING KOIL has been supplying to more than 60% of the 5-Star hotels in Malaysia for more than 3 decades, because KING KOIL brand is a popular and trusted brand among top hoteliers and hotel operators in Malaysia

Kaiserkorp Group also produces bedding related products and OEM brands for pillows of latex, down-feather, micro-fibre and polyester fibrefill plus fine bedlinens and cotton towels.

KING KOIL has partnered with PROTECT-A-BED to provide our customers with the best mattress protection against bed-bugs, allergens, stains and spills, perspiration and body fluids. PROTECT-A-BED is the world's bestselling mattress protector, selling in 30 countries and across 6 continents. It is the No.1 recognised brand in USA for mattress protection.

HEAD OFFICE

Wisma King Koil
Selangor

2C-5, Level 5
Jalan SS 6/6, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia
T : +603-7805 4766
F : +603-7805 4755
E : bed@kingkoil.com.my
W : www.kingkoil.com.my

CORPORATE SHOWROOM Selangor

2B-2, Level 2
Jalan SS 6/6, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia
T : +603-7805 4766

MANUFACTURING, SALES & SERVICE Selangor

Lot 2137, Jalan Enggang
Kampung Baru 9
Kebun Baru
42500 Teluk Panglima Garang
Kuala Langat
Selangor Darul Ehsan
Malaysia
T : +603-3122 1866/1867
+603-3122 1868/1869
F : +603-3122 1870

SALES & SERVICE

Kelantan, Terengganu and
Pahang

PT 133, Taman Sri Kebakat
Wakaf Bahru
16250 Kota Bahru
Kelantan Darul Naim
Malaysia
M : +6019-331 3408

SALES & SERVICE Penang

49P & 49Q
Lorong Sempadan Dua
11400 Pulau Pinang
Malaysia
T : +604-826 6601/6906
F : +604-826 6959

SALES & SERVICE Perak

6, Jalan Desa Cahaya 1
Taman Desa Cahaya
31400 Ipoh
Perak Darul Ridzuan
Malaysia
M : +6019-331 6581

SALES & SERVICE Seremban

168, Jalan Baiduri 3
Taman Baiduri
Off Jalan Tan Sri Manickavasagam
70200 Seremban
Negeri Sembilan Darul Khusus
Malaysia
T & F : +606-762 0412

SALES & SERVICE Johor

12, Jalan Sri Plentong 2
Taman Perindustrian Sri Plentong
81750 Masai
Johor Darul Takzim
Malaysia
T : +607-386 8681
F : +607-386 8682

GROUP DIRECTORY

PROPERTY DEVELOPMENT DIVISION

The Property Development Division demonstrates a robust performance in its key projects, underpinned by the efforts of its 80%-owned subsidiary, Enigma Sinar Sdn. Bhd. (“Enigma”). Enigma is spearheading the development of a significant industrial park, strategically located at H.S. (D) 165116, Lot No PT 84453, Mukim Kapar, Daerah Klang, Negeri Selangor. The land spans approximately 149,410 square meters, offering a prime location for industrial development in the growing area of Kapar.

The Division’s first development project namely *Excellent Technology Park @ Kapar International Industrial Park, Kapar* (“ETP @ KIIP Kapar”). This development is being executed in collaboration with a joint-venture partner, combining resources and expertise to create a state-of-the-art industrial hub. The park is located along Jalan Akob, Bukit Kapar, Klang, an area poised for economic growth due to its proximity to key transportation and commercial hubs.

The ETP @ KIIP Kapar development comprises 34 semi-detached factory units supported by comprehensive infrastructure, public utilities and other essential amenities to facilitate industrial operations. The development has been completed and fully sold, and is currently pending the issuance of the Certificate of Fitness.

In February 2026, the Division completed the acquisition of a property development company as part of its strategic expansion plan. The acquisition is expected to strengthen the Division’s presence in the property development sector and contribute to future growth through the introduction of new development projects.

Looking ahead, the Property Development Division remains optimistic about the continued growth. The Division will continue to focus on high-quality developments that meet market needs while exploring new opportunities to strengthen and diversify its project pipeline in the coming years.

HEAD OFFICE Selangor

2B-5, Level 5
Jalan SS 6/6, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia
T : +603-7880 7539
F : +603-7880 7536

PROFILE OF DIRECTORS

TEE KENG HOON

*Independent
Non-Executive Chairman*

Malaysian, Male, Aged 75

Tee Keng Hoon was appointed as an Independent Non-Executive Director of OCB on 1 December 2021 and was elected as Chairman of the Board of Directors on 1 January 2022.

He holds a Bachelor of Law (Honours) degree from the University of Singapore. He is the founder member and senior partner of Messrs Tay, Tee & Nasir and has been in practice for about 50 years.

MOHD HARRIS BIN PARDI

*Chief Operating Officer
cum Executive Director*

Malaysian, Male, Aged 73

Mohd Harris Bin Pardi was appointed to the Board of OCB on 2 January 2007 and assumed the position of Chief Operating Officer cum Executive Director on 17 April 2008. He is primarily responsible for the development and implementation of the OCB group of companies' ("OCB Group" or "the Group") operational strategies and policies. He also oversees the management, operations and marketing activities of the Group.

A graduate from Universiti Malaya, Malaysia with a Degree in Economics, he has extensive experience in the food & beverage ("F&B") and hospitality industry. His experience includes restaurant design and construction, operations and management, product development and manufacturing, human resource training and development. He was a member of the pioneer management team of McDonald's Malaysia, holding the position of Head of Corporate and Business Development at Golden Arches Restaurants Sdn. Bhd. from 1989 to 1994. In 1996, he left McDonald's Malaysia to start the Burger King Restaurant franchise in Malaysia as its first Managing Director.

KHOO KAY LEONG

*Senior Independent
Non-Executive Director*

Malaysian, Male, Aged 59

Khoo Kay Leong was appointed as Senior Independent Non-Executive Director of OCB on 1 September 2024. He is also the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee and Nomination Committee of OCB.

He is a Chartered Accountant, having qualified in 1994, and is a member of both the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. With more than 30 years of experience, he brings extensive expertise in accounting, financial management, corporate finance, and taxation, gained across a wide range of commercial and industrial sectors.

He began his professional career in 1986 with Messrs KPMG, a Big Four international accounting firm, before transitioning to the manufacturing sector in 1992. He subsequently held various senior management capacities in local corporations, prior to joining Can-One Berhad Group of companies ("Can-One Group") as Group Chief Financial Officer in 2012, a position he held until his early retirement in 2021.

PROFILE OF DIRECTORS

AGNES MARIA SAM A/P JOHN SAM

*Independent
Non-Executive Director*

Malaysian, Female, Aged 72

Agnes Maria Sam A/P John Sam was appointed as an Independent Non-Executive Director of OCB on 1 September 2020. She is also the Chairperson of the Nomination Committee and a member of the Audit and Risk Management Committee and the Remuneration Committee of OCB.

She holds a Master of Arts in Economic Policy from Boston University, Massachusetts, United States of America ("USA") and a Degree in Economic & Administration from Universiti Malaya, Malaysia.

She was an Administrative and Diplomatic Service (PTD) Officer with the Government of Malaysia from 1981 to 2017. During the course of her public service career, she served with the Public Service Department, Economic Planning Unit and Ministry of Finance. Her last position was as Head of Policy Initiatives while on secondment with Talent Corporation Malaysia Berhad.

CHAN KEE ENG

*Independent
Non-Executive Director*

Malaysian, Female, Aged 68

Chan Kee Eng was appointed as an Independent Non-Executive Director of OCB on 1 December 2021. She is also the Chairperson of the Remuneration Committee and a member of the Audit and Risk Management Committee and the Nomination Committee of OCB.

She holds a Bachelor of Business (Business Administration) from Royal Melbourne Institute of Technology, Australia and a Diploma in Management from Malaysian Institute of Management. She was working in the banking and finance industry for more than 30 years.

In 1984, she joined MUI Finance, a member of Malayan United Industries Berhad, as Confidential Secretary to the Assistant General Manager. After several years, she was transferred to the Loans Department, as Loan Officer in the Credit Supervision Unit.

In 1994, MUI Finance was acquired by Advance Synergy Berhad and renamed as United Merchant Finance Berhad ("UMF"). Under UMF, Chan Kee Eng was appointed as Branch Manager for one of its branches in 1998. She was later transferred to Head Office to head the Credit Supervision Unit to handle corporate loans recovery.

In 2000, UMF was acquired by Southern Bank Berhad together with another 2 smaller finance companies, i.e. Perdana Finance and Cempaka Finance, and renamed as Southern Finance Berhad, which was later acquired by CIMB Bank Berhad. In CIMB Bank Berhad, she was posted to various departments, viz., Credit Recovery, Legal Recovery, Loan Documentation and Administration. Her last position was Assistant Vice President, Credit Collection Agency Management and Legal, which involved liaising with solicitors on progress of litigation cases for vehicle and property loans, until her retirement in November 2017.

Chan Eng Kee is an Independent Non-Executive Director of Toyo Ventures Holdings Berhad which is listed on the Main Market of Bursa Securities. She is also the Senior Independent Non-Executive Director of Ocean Fresh Berhad, which is listed on the ACE Market of Bursa Securities.

PROFILE OF DIRECTORS

FONG HENG LEONG

*Non-Independent
Non-Executive Director*

Malaysian, Male, Aged 72

Fong Heng Leong was appointed to the Board of OCB as Executive Director on 19 April 2000 and was re-designated to Non-Independent Non-Executive Director on 1 January 2020.

He holds a Master of Business Administration from Heriot-Watt University, Edinburgh, UK and was a Chartered member of The Institute of Internal Auditors Malaysia.

He has extensive finance and accounting experience, particularly in the manufacturing and trading industries. He was the Head of the Finance Division of Kaiserkorp Sdn. Bhd., a wholly-owned subsidiary of OCB, a position he held until his appointment to the Board of OCB.

WONG CHOON SHEIN

*Non-Independent
Non-Executive Director*

Malaysian, Male, Aged 75

Wong Choon Shein was appointed to the Board of OCB as Non-Independent Non-Executive Director on 28 November 2017.

He has over 46 years of experience and knowledge in international trade and wide networking with major global players in the building and construction industry. He was the founder and Managing Director of Buildtrend Group, a major building materials and architectural products distributor of global brands (like ROCA, TOTO, Villeroy and Boch) and contractor. In July 1994, after divesting Buildtrend Group to Hong Leong Malaysia, he assumed the position of Group Managing Director, Building Materials Division of Hong Leong Industries Berhad until 1996. Home Expo, the first one-stop home renovation and decoration centre in Malaysia, was launched by him in 1999.

He has several business ventures in the building and construction industry in Malaysia, Singapore and Australia. He is also the ASEAN Business Development Director for BSC Group Hong Kong, a building materials and interior contracting group with business activities in Hong Kong, China and Macau.

He is a Non-Independent Non-Executive Director of Alcom Group Berhad which is listed on the Main Market of Bursa Securities.

Additional Information:

- 1. None of the Directors have any family relationship with any Director and/or major shareholder of the Company.*
- 2. None of the Directors have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and/or the Group.*
- 3. Save for Chan Kee Eng and Wong Choon Shein, none of the Directors have other directorship in public companies and listed issuers.*
- 4. None of the Directors have been convicted of any offence within the past 5 years or was publicly sanctioned or imposed with penalty by the relevant regulatory bodies during the financial year ended 31 December 2025 ("FYE 2025").*
- 5. Details of the Director's attendance at the Board meetings are set out in page 51 of this Annual Report.*

PROFILE OF KEY SENIOR MANAGEMENT

YEOH JIN BENG

*Director
Consumer Foods Division*

Malaysian, Male, Aged 74

Yeoh Jin Beng was appointed as Director of Ibufood Corporation Sdn. Bhd. (“Ibufood”) on 12 July 2002. He oversees the Consumer Foods Division which is under Ibufood. His expertise is in the manufacture and trading of fast-moving consumer goods.

He is 1 of the co-founders of Kaiserkorp Group which manufactures and distributes KINGKOIL and other branded mattresses in Malaysia. Prior to that, he was working for an international pharmaceutical company which deals in pharmaceutical and other specialty medical products.

He is a Non-Independent Non-Executive Director of Can-One Berhad, a company which is listed on the Main Market of Bursa Malaysia Securities Berhad.

CHARLES YEOH

*Director of Operations
Consumer Foods Division*

Malaysian, Male, Aged 36

Charles Edward Yeoh Min Hsien was appointed as Director of Operations of Ibufood on 18 June 2020 to oversee the operations of Consumer Foods Division which is under Ibufood.

His expertise in the manufacturing, marketing and international trade of fast-moving consumer goods. Having a background in finance and accounting from Brunel University West London, he has had experience in working at Kuwait Finance House (“KFH”) under the Investment Banking Division for 4 years. The role encompasses dealing with merger and acquisition deals, fund raising and sukuk issuances during the time with KFH.

PROFILE OF KEY SENIOR MANAGEMENT

CHIU CHU TZU

*Director of Research and
Development
Consumer Foods Division*

Malaysian, Female, Aged 69

Chiu Chu Tzu was appointed as Director of Research and Development (“R&D”) of Spices & Seasonings Specialities Sdn Bhd. in April 1999.

She graduated from Shih Chien University of Taipei, Taiwan in 1976 with a Degree in Food Nutrition.

She started her career working at Ve Wong Corporation, a Taiwanese manufacturer of instant noodles, soya sauce and chilli sauce. As the R&D Manager, Chiu Chu Tzu was instrumental in the development of several hit instant noodles flavour for the Ve Wong Brand such as Original Beef Soup, Red Braised Beef Soup, Sesame Oil Chicken Soup, Shallot Minced Pork Soup and Pork Rib Chicken Soup which are still sold until today. She was at Ve Wong for 16 years from 1978 until 1994.

She then moved to Indonesia to take up the R&D Director post at Wicaksana Overseas International Tbk. She was responsible for the development of several products such as instant noodles, chilli sauce, tea and canned food for the Michiyo and Gaga brands. Amongst the instant noodle flavours developed under her watch are Goreng Asli, Bolognese, Alfredo and Kaldu Ayam. Her time at Wicaksana was cut short due to the civil unrest in Indonesia in year 1998. She left for Kuala Lumpur, Malaysia the same year.

With her vast knowledge and years of experience in the development and manufacturing of oriental and Asian flavour instant noodles, she was key in the setting up of the new instant noodles and seasonings facilities in Bangi and then Semenyih. Some of the hit flavours developed includes the Penang Har Mee Soup, a fragrant shrimp noodles soup and Penang White Curry, both popular flavours amongst local Malaysians. She also played a critical role in the development of the Mayonnaise range of products which started in 2004. Currently, Telly Mayo Boy is a popular brand amongst burger boys in the Food Service channel.

SAK SWEE SANG

*Director
Bedding Products Division*

Malaysian, Male, Aged 56

Sak Swee Sang was appointed as Director in the Bedding Products Division on 21 November 2019. He is responsible for the accounting, operations and management of the Group.

He holds a Diploma in Commerce (Management Accounting) from Tunku Abdul Rahman College, Kuala Lumpur, Malaysia. He is an associate member of The Chartered Institute of Management Accountants, UK and The Malaysian Institute of Taxation. He is also a Chartered member of The Malaysian Institute of Accountants and The Institute of Internal Auditors Malaysia.

He has 32 years experience in accounting, audit and finance. He was with Messrs Sim & Co., a chartered accounting firm for 6 years before he joined Bedco Sistem (M) Sdn. Bhd., a wholly-owned subsidiary of OCB, as Finance and Administration Manager in 2000 and promoted to Head of Internal Audit of OCB from 2002 to 2005. He was an Executive Director OCB from December 2005 to August 2018.

PROFILE OF KEY SENIOR MANAGEMENT

TAN ENG HOE

*Chief Operating Officer
Bedding Products Division*

Malaysian, Male, Aged 73

Tan Eng Hoe was appointed as the Chief Operating Officer on 1 December 1997 to head Kaiserkorp Group which is principally involved in the manufacture and distribution of bedding products and sleep accessories products.

He has over 53 years of manufacturing, operation and marketing experience in the fibre felt, car seat cushion and mattresses industries. Early in his career, he was involved in the manufacture of rubberised natural fibre felt industry. In 1978, he went on to join a company manufacturing car seat cushions, holding various senior management positions therein until he joined Kaiserkorp Group in 1997.

Additional Information:

1. *Save for Yeoh Jin Beng who is the father of Charles Edward Yeoh Min Hsien, and the brother of Yeoh Jin Hoe and the brother-in-law of Patricia Woon Lai Ching @ Lee Yah Seng, both of whom are major shareholders of the Company, none of the Key Senior Management personnel has any family relationship with any Director and/or major shareholder of OCB.*
2. *None of the Key Senior Management personnel has any conflict of interest or potential conflict of interest, including interest in any competing business with OCB and/or the Group.*
3. *Save for Yeoh Jin Beng, none of the Key Senior Management personnel holds directorship in public companies and listed issuers.*
4. *None of the Key Senior Management personnel has been convicted of any offence within the past 5 years or was publicly sanctioned or imposed with penalty by the relevant regulatory bodies during the FYE 2025.*

SUSTAINABILITY REPORT

A. EMBRACING OUR RESPONSIBILITY

The Board of Directors of OCB Berhad (“OCB”) is pleased to present the Group’s Sustainability Report for the Group for the financial year ended 31 December (“FYE”) 2025 (“Report”). Aligned with the Bursa Malaysia Securities Berhad’s Sustainability Reporting Guide and Practice Note 9, this Report demonstrates our ongoing commitment to achieving economic progress while upholding our responsibilities toward the environment and society.

At OCB Berhad, our vision of success goes beyond financial accomplishments; it encompasses creating a future where sustainability and advancement coexist. Our commitment extends to fulfilling current needs while safeguarding opportunities for future generations. This guiding principle shapes all our actions.

The Board, supported by the Chief Operating Officer (“COO”) cum Executive Director (“ED”) as Chief Sustainability Officer (“CSO”), oversees sustainability strategies integrated into daily operations. This Report covers economic, environmental, and social initiatives across the Consumer Foods, Bedding Products and Property Development Divisions.

B. OUR FOUNDATION: THE OCB SUSTAINABILITY FRAMEWORK

Our commitment to sustainability extends beyond statements of intent. It is anchored in a structured approach that guides our actions and decision-making. The OCB Sustainability Framework, approved by the Board, serves as the roadmap for our sustainability journey, ensuring that sustainability principles are systematically embedded across the Group’s operations.

Our sustainability efforts are centered around key pillars:

| Sustainability Pillars | | |
|--|---|--|
| <ul style="list-style-type: none"> • Economic Prosperity: We strive for sustainable growth that benefits our stakeholders and contributes to the economy | <ul style="list-style-type: none"> • Environmental Stewardship: We are dedicated to minimizing our environmental footprint through responsible resource management and reducing pollution | <ul style="list-style-type: none"> • Social Responsibility: We foster a positive impact on society by upholding ethical practices, supporting our employees, and engaging with our communities |

SUSTAINABILITY REPORT

C. OUR SUSTAINABILITY GOALS: A ROADMAP FOR ACTION

At OCB, we remain committed to achieving economic growth while upholding our responsibilities as a responsible corporate citizen. Our business strategies and decisions are guided by our long-term sustainability objectives, focusing on minimizing our environmental impact and ensuring the continued delivery of high-quality, safe products.



D. GOVERNANCE: LEADING FROM THE TOP

Sustainability initiatives are led by the highest levels of the organization. The Board of Directors (“Board”) holds overall accountability for the Group’s sustainability agenda, while the COO cum ED, serving as the CSO, is responsible for directing and executing the Group’s sustainability strategy.

Our sustainability governance structure ensures accountability and effective implementation:



SUSTAINABILITY REPORT

E. OUR OPERATIONAL SCOPE

This Report presents the sustainability performance of our three core operating divisions:

- (a) Consumer Foods Division
- (b) Bedding Products Division
- (c) Property Development Division

F. ENGAGING WITH OUR STAKEHOLDERS

Stakeholder engagement is essential for the successful attainment of our sustainability goals. Following a comprehensive assessment, we have classified stakeholders into internal and external groups and conducted a systematic prioritization to identify their relative importance to the Group, as detailed below:

| Internal Stakeholders | External Stakeholders |
|-------------------------------|--------------------------------|
| a. Investors | a. Customers and end-consumers |
| b. Employees | b. Regulators |
| c. Board and Board Committees | c. Government authorities |
| | d. Suppliers |
| | e. Local communities |
| | f. Media |

Investors: We maintain open communication through our corporate website at www.ocbb.com.my, providing financial information and updates on business developments.

Customers and End-Consumers: We prioritize product quality and safety and offer various channels for communication, including company websites and customer service hotlines.

G. MATERIAL SUSTAINABILITY MATTERS: OUR FOCUS AREAS

Through a thorough process involving the Board, RMEC and RMSWG, we have identified the Material Sustainability Matters that are most relevant to our business and stakeholders.

| Group/Divisions | Areas | Material Sustainability Matters |
|-------------------------------|---------------|--|
| OCB Group | Social | <ul style="list-style-type: none"> • Ethical Business Conduct • Contribution to local communities • Data Privacy and Security |
| Consumer Foods Division | Social | <ul style="list-style-type: none"> • Product quality and safety • Labour practices • Workplace safety and health • Workforce diversity |
| | Economic | <ul style="list-style-type: none"> • Procurement practices |
| | Environmental | <ul style="list-style-type: none"> • Effluent and waste • Energy consumption |
| Bedding Products Division | Social | <ul style="list-style-type: none"> • Product quality and safety • Labour practices • Workplace safety and health • Workforce diversity |
| | Economic | <ul style="list-style-type: none"> • Procurement practices |
| | Environmental | <ul style="list-style-type: none"> • Energy consumption |
| Property Development Division | Social | <ul style="list-style-type: none"> • Labour practices • Workplace safety and health |
| | Economic | <ul style="list-style-type: none"> • Procurement practices |

SUSTAINABILITY REPORT

H. MATERIALITY MATRIX

The Materiality Matrix helps us prioritize our sustainability efforts by assessing the significance of each matter based on its impact and influence on stakeholders:



I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE

Sustainability management is integrated throughout our Group's operations. We remain dedicated to implementing specific initiatives to address our most material sustainability priorities:

(a) Ethical Business Conduct

OCB Group is committed to ethical business conduct. The Group consistently maintains fair business practices with the utmost integrity and enforces a zero-tolerance policy regarding corruption and misconduct in all business interactions across the Group. Details of the codes and policies pertaining to the Group's ethical standards are available on the Company's website.

- Code of Conduct and Ethics
- Policy on Corporate Code of Conduct
- Anti-Corruption Policy
- Standard Operating Procedure for Anti-Corruption
- Policy on Whistle Blowing
- Workplace Anti-Bullying Policy

Where necessary, the above-mentioned codes and policies will be reviewed and updated to align with the new regulations, laws, and/or accommodate changes within the Group's needs. Approval is sought from the Board as part of sound corporate governance.

SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

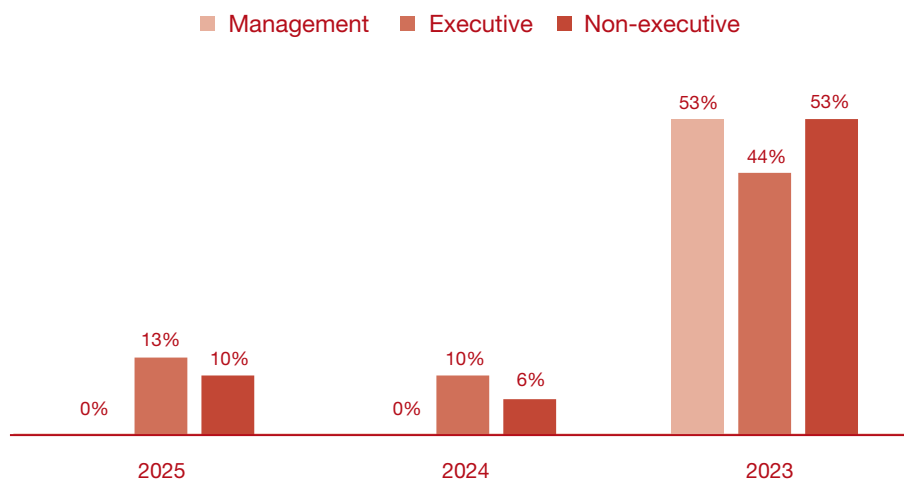
(a) Ethical Business Conduct (cont'd)

The Anti-Corruption Policy and the Standard Operating Procedure for Anti-Corruption reiterate our commitment to conduct our business within the provision of all the applicable anti-corruption regulatory requirements and to ensure mandatory compliance among our Group, Directors, officers and employees. To ensure that employees are informed of and updated with the Group's Anti-Corruption Policy, training is given regularly. Employees are also required to sign an anti-corruption pledge form to hold each of them accountable and responsible for carrying out their duties and to hinder them from engaging in any corruption misconduct throughout their employment.

We recognize that a vigilant and engaged stakeholder community is essential to our anti-corruption efforts. Therefore, we encourage our internal and external stakeholders to voice their concerns regarding any corruption and improper activities within the Group through our whistleblower communication channel. This open communication channel reflects our commitment to transparency and our efforts to ensure that the Group is free from any corruption and irregularities.

The percentage of each category of employees who have received training on anti-corruption was as follows:

| FYE | 2025 | 2024 | 2023 |
|--|------|------|------|
| Percentage of each category of employees who have received training on anti-corruption | | | |
| – Management | 0% | 0% | 53% |
| – Executive | 13% | 10% | 44% |
| – Non-executive | 10% | 6% | 53% |
| Operations assessed for corruption-related risks | 100% | 100% | 75% |
| Confirmed incident of corruption | 0 | 0 | 0 |



SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

(b) Product Quality and Safety

Consumer Foods Division

We take great pride in the safety and quality of our products. The Division has obtained certification for Hazard Analysis and Critical Control Point (“HACCP”) MS 1480:2007 and Good Manufacturing Practice (“GMP”) from Société Générale de Surveillance (“SGS”), as well as Halal certification from Department of Islamic Development Malaysia (“JAKIM”). These certifications set out procedures to ensure that the products are safe for consumption.

Bedding Products Division

The Bedding Products Division’s Research & Development (“R&D”) team consistently refines bedding designs to enhance sleep comfort and promote healthy sleep posture. Employees attend exhibitions to stay updated on new products and technologies. The Division is endorsed by the International Chiropractors Association of the United States of America and holds MS ISO 9001:2000 quality certification. In addition, the Division is also certified under MS ISO 14001:2015 (Environmental Management System).

Our mattress line includes the Luxury Hotel Collection with fire-retardant barrier mattresses. The fire-retardant barrier is designed to slow down the spread of fire in mattresses, resulting in a slower burn rate. The fire-retardant mattresses are subject to a meticulous evaluation process, including a fire safety test that follows the guidelines outlined in 16 CFR Part 1633. 16 CFR Part 1633 is a US federal standard which measures how quickly a mattress catches fire and how much energy is released when it is exposed to an ignition like burning bedding. This is important as mattresses are the primary fuel in most cases of a fire emergency. Thus, by slowing down the burning rate of the mattress provides essential time to escape.

Further enhancing our commitment to environmental responsibility, the Bedding Products Division has taken significant steps to utilize more sustainable materials. We have fully replaced PVC with LDPE (Low-Density Polyethylene) in our mattress materials. LDPE is a more environmentally friendly alternative to PVC. In addition, we are now utilizing recycled yarn for mattress underlay, reducing waste and promoting a circular economy.

The Group’s product quality and safety performance were as follows:

| FYE | 2025 | 2024 | 2023 |
|---|------|------|------|
| Major non-compliance of product quality and safety standards which resulted in significant product return or recall | 0 | 0 | 0 |
| Major complaints from consumers | 0 | 0 | 0 |

(c) Workplace Safety and Health

A safe workplace enhances productivity, morale, and operational efficiency. We are committed to ongoing investments in employee training, ergonomic enhancements, and advanced safety technologies to establish a secure and supportive environment for all personnel.

Safety and Health Committees (“SHC”) have been formed within the Consumer Foods and Bedding Products Divisions, adhering to OSHA 1994 and the Factories and Machinery Act 1967.

Every factory maintains a dedicated fire-fighting team whose members participate in regular training sessions to ensure proficiency and preparedness for emergency situations. Annual fire drills are conducted to familiarize employees with safety protocols during emergencies.

SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

(c) Workplace Safety and Health (cont'd)

The performance of the Group in relation to training on safety and health was as follows:

| FYE | 2025 | 2024 | 2023 |
|--|------|------|------|
| Number of work-related fatalities | 0 | 0 | 0 |
| Number of employees trained on health & safety | 167 | 50 | 52 |
| Lost Time Incident Rate | 1.17 | 1.95 | 0.52 |

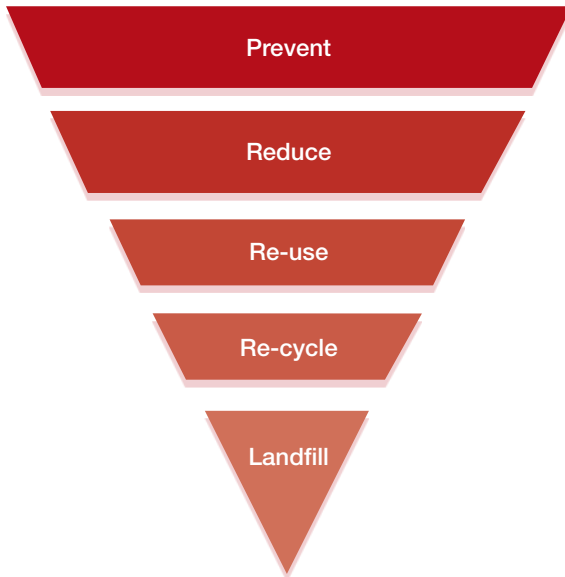
Trainings attended by the employees in the FYE 2025 were as follows:



(d) Effluent and Waste

Solid Waste Management

The main objectives of solid waste management strategies are to mitigate health, environmental, land-use, resource, and economic impacts arising from improper waste disposal. OCB Group implements this solid waste management methodology in its operations:



Our top priority is to prevent waste generation and create a sustainable, regenerative society for future generations.

We design our products and processes to use less materials and minimize waste production. Followed by reduction of waste, re-use, recycle and as the last resort, disposing nonrecyclable materials.

SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

(d) Effluent and Waste (cont'd)

Solid Waste Management (cont'd)

Within both our food and mattress manufacturing divisions, we prioritise the optimisation of purchasing and production efficiency through precise sales forecasting, strategic procurement of raw materials, and rigorous production planning. Waste reduction is achieved by employing extensive employee training initiatives and utilising our advance ERP system to streamline operations and maximise resource utilisation.

In reflecting the Group's dedication to producing high-quality products and minimizing landfill waste, every King Koil mattress and divan comes with a pro-rated warranty that lasts for 10 or 15 years and is protected against any manufacturing defects. This assurance is essential in preserving the mattress' lifespan which could last at least, for the warranty period. In addition, the Bedding Products Division has implemented the online "Product Warranty Registration". This initiative not only saves printing of warranty cards, it also facilitates the registration of warranty by consumers.

Each division implements source segregation of waste into recyclable and non-recyclable categories. Recyclable materials are processed through approved recycling contractors, while non-recyclable waste is managed via authorized municipal waste disposal contractors. This systematic approach ensures responsible waste handling across our operations.

The Group remains dedicated to responsible waste management practices, reflecting our commitment to environmental sustainability and resource efficiency. Below is a summary of our waste disposal performance:

| FYE | 2025 | 2024 | 2023 |
|------------------------------------|------------------|-----------|------|
| Total waste generated | 719.30 MT | 752.63 MT | – |
| Total waste diverted from disposal | 213.32 MT | 198.99 MT | – |
| Total waste diverted to disposal | 505.98 MT | 553.64 MT | – |

Water Management

The Group places strong emphasis on water conservation across its operations. The Consumer Foods Division, being the largest water user due to high-volume activities such as washing, cooking, and cleaning, has implemented targeted water efficiency initiatives. These include the installation of water recycling systems, adoption of low-flow fixtures, and optimisation of cleaning processes. Our broader strategy involves regular monitoring and audits, employee training and awareness programmes, and continued investment in water-efficient technologies, all aimed at reducing overall water consumption and enhancing operational sustainability.

The Consumer Foods Division manages effluent discharge through a wastewater treatment plant ("WWTP") that complies with all regulatory standards. A designated qualified staff oversees WWTP operations, with monthly performance reports submitted to the Department of Environment ("DOE"). Management continuously monitors treatment capacity to ensure the WWTP can accommodate increased effluent volumes resulting from production growth, maintaining our commitment to responsible water resource management.

The total volume of water used of the Group was as follows:

| FYE | 2025 | 2024 | 2023 |
|---|--------------|-------|-------|
| Total volume of water used (Megalitres) | 90.63 | 72.23 | 65.08 |

SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

(d) Effluent and Waste (cont'd)

Air Quality Management

The Consumer Foods Division utilizes steam boilers as a critical component of its manufacturing processes, providing essential thermal energy for cooking, sterilization, and facility heating. These industrial steam boilers, which have been certified by the Department of Safety and Health, are operated by trained technicians who undergo regular competency assessments. Our combustion emissions management program ensures that all operations remain well within the regulatory limits established by the DOE, with continuous monitoring systems in place to track air quality impacts.

In FYE 2025, we achieved full compliance with no air quality violations (FYE 2023 and FYE 2024: Nil), demonstrating our focus on environmental responsibility. Regular maintenance further improves boiler efficiency and environmental performance.

(e) Procurement Practices

A key part of our procurement strategy is supporting local economic growth. In the 2025 financial year, our Consumer Foods, Bedding Products and Property Development divisions mainly sourced their materials and services from regional suppliers. By prioritizing local procurement, we not only make our supply chain more resilient but also create real economic value in the communities where we operate, which supports our larger sustainability goals.

The proportion of purchases from local suppliers were as follows:

| FYE | 2025 | 2024 | 2023 |
|--|------|------|------|
| Proportion of purchases from local suppliers | 92% | 95% | 94% |

(f) Energy Consumption

The Management has established an Energy Consumption Policy and system designed to minimise the Group's environmental impact and advance sustainable practices. Furthermore, the Group remains committed to assessing and adopting energy-saving initiatives that have the potential for significant environmental benefits.

In our pursuit of sustainability, we have strategically invested in energy-efficient machines and equipment to optimize our operations and reduce energy consumption. We are also committed to continuous education, providing our employees with the knowledge and skills needed to actively participate in our Group's energy-saving initiatives. This holistic approach ensures that our efforts towards sustainability are both impactful and inclusive.

During the year, the Group's Bedding factory implemented solar power systems as part of our ongoing commitment to minimizing environmental impact. This investment underscores our dedication to advancing cleaner energy solutions and reducing our carbon footprint. The installation of solar panels at our facility represents a significant milestone in our sustainability initiatives. By integrating renewable energy into our operations, we are lowering reliance on conventional fossil fuels while promoting a more sustainable and energy-efficient manufacturing process.

Our solar power initiative is not only environmentally responsible but also aligns with our long-term financial goals through the potential reduction of energy costs over time.

SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

(f) Energy Consumption (cont'd)

The total energy consumption by the Group was as follows:

| FYE | 2025 | 2024 | 2023 |
|-------------------------------------|-------|-------|-------|
| Total energy consumption (Megawatt) | 3,630 | 4,047 | 3,969 |

(g) Greenhouse Gas Emissions

The Group strives to operating in an environmentally responsible manner and seeks to minimise greenhouse gas emissions across its operations. In addition to the energy efficiency initiatives outlined above, the Group continues to implement further measures to reduce its overall carbon footprint, including the following strategies:

| Sustainable Sourcing | Logistics Optimization | Equipment Efficiency | Digital Collaboration |
|--|--|--|---|
| We strategically source raw materials from suppliers who adhere to sustainable practices, ensuring that their operations align with our environmental objectives | We optimize logistics management by maximizing the efficiency of each transportation trip, thereby reducing the total number of trips required and lowering associated emissions | Regular preventive maintenance of our plants and machinery ensures minimal downtime and optimal performance, reducing energy waste and maximizing operational efficiency | We promote virtual meetings among employees to minimize business travel, thereby reducing transportation-related emissions and supporting a low-carbon work culture |

These integrated efforts demonstrate our dedication to sustainable business practices, driving continuous improvement in environmental performance while supporting our long-term sustainability goals.

The Group is committed to transparent reporting and continuous improvement in managing its environmental impact, with a particular focus on reducing greenhouse gas emissions. Below is a detailed overview of our emission performance:

| FYE | 2025 | 2024 | 2023 |
|--|----------|----------|------|
| Scope 1 emissions | 4,976 MT | 3,067 MT | – |
| Scope 2 emissions | 2,809 MT | 6,874 MT | – |
| Scope 3 emissions (from business travel and employee commuting) | 422 MT | 490 MT | – |

(h) Workforce Diversity

We recognise that building a diverse and inclusive workforce sparks innovation, raises productivity, and enhances employee satisfaction. Our policies are crafted to promote equal opportunities, maintain fair labour practices, and encourage the professional growth of every employee.

The Group fosters equal opportunities for all employees. We practise gender neutrality and non-discrimination by selecting talent based on merit while actively encouraging diversity across gender, race, religion, age, and nationality in its hiring policies.

SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

(h) Workforce Diversity (cont'd)

Gender and age group representation in OCB Group (excluding the Board of OCB) were as follows:

| FYE | 2025 | 2024 | 2023 |
|---|------|------|------|
| Percentage of employees by age group | | | |
| – Management Under 30 years old | 0% | 0% | 0% |
| – Management Between 30-50 years old | 10% | 10% | 32% |
| – Management Above 50 years old | 90% | 90% | 68% |
| – Executive Under 30 years old | 8% | 4% | 6% |
| – Executive Between 30-50 years old | 57% | 58% | 54% |
| – Executive Above 50 years old | 35% | 38% | 40% |
| – Non-executive Under 30 years old | 38% | 34% | 37% |
| – Non-executive Between 30-50 years old | 46% | 49% | 45% |
| – Non-executive Above 50 years old | 16% | 17% | 18% |
| Percentage of employees by gender | | | |
| – Management Male | 90% | 90% | 82% |
| – Management Female | 10% | 10% | 18% |
| – Executive Male | 55% | 58% | 54% |
| – Executive Female | 45% | 42% | 46% |
| – Non-executive Male | 62% | 64% | 66% |
| – Non-executive Female | 38% | 36% | 34% |

All Directors of OCB are above 50 years of age. The gender representation of the OCB Board was as follows:

| FYE | 2025 | 2024 | 2023 |
|--------------------------------------|------|------|------|
| Percentage of Directors by gender | | | |
| – Male | 71% | 71% | 75% |
| – Female | 29% | 29% | 25% |
| Percentage of Directors by age group | | | |
| – Above 50 years old | 100% | 100% | 100% |

(i) Labour Practices and Standards

Human Resource Development

The Board recognizes that our people are the cornerstone of the OCB Group's success and sustained competitive advantage. We are committed to fostering a culture of continuous learning and professional growth throughout our organization. Our comprehensive workforce development strategy includes structured technical training programs designed to enhance specialized skills relevant to each division's operations, as well as soft skills development to improve interpersonal effectiveness, leadership capabilities, and cross-functional collaboration.

Management has established clear learning pathways that align with both individual career aspirations and organizational objectives, ensuring that investment in human capital yields tangible benefits for both employees and the company. We actively encourage participation in external workshops while also maintaining robust internal training resources.

SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

(i) Labour Practices and Standards (cont'd)

Human Resource Development (cont'd)

Our dedication to continuous learning ensures that employees acquire the skills required to address emerging industry challenges. This approach enhances employee satisfaction and retention, thereby advancing our sustainability objectives by fostering a stable and capable workforce.

In 2025, our employees took part in training courses covering various disciplines, as follows:



The total training hours completed by employees were as follows:

| FYE | 2025 | 2024 | 2023 |
|---|-------|-------|-------|
| Total training hours by employee category | | | |
| – Management | 85 | 72 | 174 |
| – Executive | 1,733 | 1,227 | 1,316 |
| – Non-executive | 1,870 | 1,280 | 1,073 |

Employee Retention and Recruitment

OCB Group actively seeks talented individuals who align with our values and business objectives. We recognize and reward employee contributions through a performance-based system that includes competitive compensation and recognition programs.

The Management team diligently ensures that all employee matters are fully compliant with the Employment Act of 1965 by conducting regular audits of payroll procedures and workplace conditions. We are dedicated to cultivating a supportive work environment that prioritises employee well-being and professional development, while upholding strict adherence to legal requirements across all aspects of our operations.

SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

(i) Labour Practices and Standards (cont'd)

Employee Retention and Recruitment (cont'd)

1) Permanent staff and contractors/temporary staff

Permanent employees form the foundation of our workforce across all Group operations. In addition to this core team, certain Divisions strategically employ contract staff to support specific projects or address temporary operational demands. We also maintain the valuable contributions of some employees who have reached retirement age but continue to provide essential expertise and institutional knowledge to the Group.

The proportion of employees who are contractors or temporary staff were as follows:

| FYE | 2025 | 2024 | 2023 |
|--|------|------|------|
| Percentage of employees who are contractors or temporary staff | 0% | 19% | 13% |

2) Employee turnover

The Group acknowledges that employee turnover is a natural aspect of workforce dynamics in any organization. While we recognize this reality, we maintain that our turnover rate remains controlled and manageable through proactive human resource strategies. We have implemented comprehensive succession planning frameworks across all divisions, with a particular focus on identifying and developing potential successors for critical roles.

These succession plans are regularly updated and reviewed by senior management to ensure they remain relevant to our operational needs and strategic objectives. When key employees depart due to retirement, career advancement opportunities, or other personal reasons, these plans facilitate a seamless transition of responsibilities, minimizing disruption to our operations and maintaining continuity in our sustainability initiatives.

The number of employee turnover was as follows:

| FYE | 2025 | 2024 | 2023 |
|-----------------------------------|------|------|------|
| Total number of employee turnover | | | |
| – Management | 2 | 1 | 7 |
| – Executive | 13 | 11 | 13 |
| – Non-executive | 53 | 31 | 42 |

SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

(i) Labour Practices and Standards (cont'd)

Employee Retention and Recruitment (cont'd)

3) Employees' rights

The Group maintains strict adherence to Malaysia's employment laws, with particular emphasis on the Employment Act 1955, which forms the foundation of our employment practices. Our comprehensive approach to compliance ensures that all employees receive their statutory rights and protections, including proper compensation, safe working conditions, and fair treatment.

Our commitment to compliance has created a positive work environment where employees feel valued and protected, leading to higher job satisfaction and reduced turnover. By upholding these standards, we not only fulfill our legal obligations but also strengthen our reputation as a responsible employer.

The number of substantiated complaints concerning human rights violations was as follows:

| FYE | 2025 | 2024 | 2023 |
|---|------|------|------|
| Substantiated complaints concerning human rights violations | 0 | 0 | 0 |

4) Foreign Worker Practices

The Group employs foreign workers across various production departments, where they play a crucial role in bridging labor market gaps and supporting our operational capacity. These workers contribute significantly to achieving our production targets and maintaining high product quality standards through their specialized skills and dedication.

All foreign workers possess valid working visas in compliance with Malaysian immigration requirements, and the Management is committed to providing housing conditions that meet the minimum standards mandated by Malaysian law, including the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990. Our comprehensive approach to foreign worker management includes regular health screenings, access to medical facilities, and structured orientation programs to ensure their well-being and integration into our workforce. This commitment to fair treatment and compliance strengthens our reputation as a responsible employer while supporting our sustainability goals through a stable and motivated workforce.

(j) Contribution to Local Community

Contributing to society helps us build stronger connections within our community and make a meaningful difference. Our efforts include initiatives like educational sponsorships and environmental conservation, all designed to promote a brighter future. All Divisions have supported various non-profit organizations through both monetary and in-kind donations, and regularly hosts educational visits for students, undergraduates, and governmental groups.

The total amount invested in the community where the target beneficiaries are external to the Group, and the total number of beneficiaries of the investment in communities were as follows:

| FYE | 2025 | 2024 | 2023 |
|--|-----------|-------------|-------------|
| Total amount invested in the community (external) | RM782,767 | RM1,346,394 | RM1,177,914 |
| Number of beneficiaries of the investment in communities | 3,923 | 18,128 | 3,310 |

SUSTAINABILITY REPORT

I. OUR SUSTAINABILITY EFFORTS: DRIVING POSITIVE CHANGE (CONT'D)

(k) Data Privacy and Security

Data privacy and security are fundamental elements of our operational strategy. The Group's IT Policy outlines robust and thorough procedures designed to prevent unauthorized access to company systems, ensuring the protection of confidential financial and strategic data.

The Group implements comprehensive IT security measures designed to prevent breaches, encompassing regular system inspections and employee training for the identification and handling of phishing threats. Consistent internal and external audits are carried out to verify adherence to the established IT governance framework, thereby ensuring the security, integrity, and reliability of the digital infrastructure.

To safeguard against data breaches and ensure the integrity of our information systems, we proactively upgrade both hardware and software components as needed. This includes replacing legacy equipment with models featuring advanced security capabilities and maintaining up-to-date software with the latest security patches. These investments demonstrate our commitment to responsible digital stewardship and risk management, protecting both our operations and the trust of our stakeholders.

The number of breaches of customer privacy and losses of customer data reported was as follows:

| FYE | 2025 | 2024 | 2023 |
|---|------|------|------|
| Number of substantiated complaints concerning breaches of customer privacy and losses of customer data reported | 0 | 0 | 0 |

SUSTAINABILITY REPORT

J. STATEMENT OF ASSURANCE

To enhance the credibility of the Sustainability Report, selected sections of this Sustainability Report have been subjected to an internal review by the Company's internal auditors.

The Scope and Subject Matters covered in the review were as follows:

| Material Matter | Subject Matters | Scope |
|--------------------------------|---|--|
| Anti-corruption | Percentage of employees who have received training on anti-corruption by employee category | Operation divisions reviewed: (a) Consumer Foods Division (b) Bedding Products Division (c) Property Development Division |
| | Percentage of operations assessed for corruption-related risks | |
| | Confirmed incidents of corruption and action taken | |
| Community/ society | Total amount invested in the community where the target beneficiaries are external to the listed issuer | |
| | Total number of beneficiaries of the investment in communities | |
| Diversity | Percentage of employees by gender and age group, for each employee category | |
| | Percentage of directors by gender and age group | |
| Energy management | Total energy consumption | |
| Health and safety | Number of work fatalities | |
| | Lost time incident rate ("LTIR") | |
| | Number of employees trained on health and safety standards | |
| Labour practices and standards | Total hours of training by employee category | |
| | Percentage of employees that are contractors or temporary staff | |
| | Total number of employee turnover by employee category | |
| | Number of substantiated complaints concerning human rights violation | |
| Supply chain management | Proportion of spending on local suppliers | |
| Data privacy and security | Number of substantiated complaints concerning breaches of customer privacy and losses of customer data | |
| Water | Total volume of water used | |
| Waste Management | Total waste diverted from and total waste directed to disposal | |
| Greenhouse gas emissions | Total weight of CO ₂ e emission for Scope 1, Scope 2 and Scope 3 (Categories 6 and 7). | |

This Report was approved by the Board on 6 April 2026.

SUSTAINABILITY REPORT

BURSA MALAYSIA PRESCRIBED TABLE

OCB Berhad

BMLR Transition Period

Date & Time: 2026-04-20 10:37:27
FYE 31/12/2025

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|-------------------------|--|------------------|--------|--------|-----------|
| Anti-corruption | Percentage of employees who have received training on anti-corruption by employee category - Management | Percentage | 0 | — | Internal |
| Anti-corruption | Percentage of employees who have received training on anti-corruption by employee category - Executive | Percentage | 13 | — | Internal |
| Anti-corruption | Percentage of employees who have received training on anti-corruption by employee category - Non-executive | Percentage | 10 | — | Internal |
| Anti-corruption | Percentage of operations assessed for corruption-related risks | Percentage | 100 | — | Internal |
| Anti-corruption | Confirmed incidents of corruption and action taken | Number | 0 | — | Internal |
| Health and safety | Number of work-related fatalities | Number | 0 | — | Internal |
| Health and safety | Number of employees trained on health and safety standards | Number | 167 | — | Internal |
| Health and safety | Lost time incident rate ("LTIR") | Rate | 1.17 | — | Internal |
| Waste management | Total waste generated | Metric tonne | 719.30 | — | Internal |
| Waste management | Total waste diverted from disposal | Metric tonne | 213.32 | — | Internal |
| Waste management | Total waste directed to disposal | Metric tonne | 505.98 | — | Internal |
| Water | Total volume of water used | Megalitre | 90.63 | — | Internal |
| Supply chain management | Proportion of spending on local suppliers | Percentage | 92 | — | Internal |
| Energy management | Total energy consumption | Megawatt | 3,630 | — | Internal |
| Emissions management | Scope 1 emissions in tonnes of CO2e | Metric tonne | 4,976 | — | Internal |

SUSTAINABILITY REPORT

BURSA MALAYSIA PRESCRIBED TABLE (CONT'D)

OCB Berhad

BMLR Transition Period

Date & Time: 2026-04-20 10:37:27
FYE 31/12/2025

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|-----------------------|--|------------------|-------|--------|-----------|
| Emissions management | Scope 2 emissions in tonnes of CO ₂ e | Metric tonne | 2,809 | — | Internal |
| Emissions management | Scope 3 emissions in tonnes of CO ₂ e (from business travel and employee commuting) | Metric tonne | 422 | — | Internal |
| Diversity | Percentage of employees by age group - Management Under 30 years old | Percentage | 0 | — | Internal |
| Diversity | Percentage of employees by age group - Management Between 30 - 50 years old | Percentage | 10 | — | Internal |
| Diversity | Percentage of employees by age group - Management Above 50 years old | Percentage | 90 | — | Internal |
| Diversity | Percentage of employees by age group - Executive Under 30 years old | Percentage | 8 | — | Internal |
| Diversity | Percentage of employees by age group - Executive Between 30 - 50 years old | Percentage | 57 | — | Internal |
| Diversity | Percentage of employees by age group - Executive Above 50 years old | Percentage | 35 | — | Internal |
| Diversity | Percentage of employees by age group - Non-executive Under 30 years old | Percentage | 38 | — | Internal |
| Diversity | Percentage of employees by age group - Non-executive Between 30 - 50 years old | Percentage | 46 | — | Internal |
| Diversity | Percentage of employees by age group - Non-executive Above 50 years old | Percentage | 16 | — | Internal |

SUSTAINABILITY REPORT

BURSA MALAYSIA PRESCRIBED TABLE (CONT'D)

OCB Berhad BMLR Transition Period

Date & Time: 2026-04-20 10:37:27
FYE 31/12/2025

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|--------------------------------|---|------------------|-------|--------|-----------|
| Diversity | Percentage of employees by gender group - Management Male | Percentage | 90 | — | Internal |
| Diversity | Percentage of employees by gender group - Management Female | Percentage | 10 | — | Internal |
| Diversity | Percentage of employees by gender group - Executive Male | Percentage | 55 | — | Internal |
| Diversity | Percentage of employees by gender group - Executive Female | Percentage | 45 | — | Internal |
| Diversity | Percentage of employees by gender group - Non-executive Male | Percentage | 62 | — | Internal |
| Diversity | Percentage of employees by gender group - Non-executive Female | Percentage | 38 | — | Internal |
| Diversity | Percentage of directors by gender - Male | Percentage | 71 | — | Internal |
| Diversity | Percentage of directors by gender - Female | Percentage | 29 | — | Internal |
| Diversity | Percentage of directors by age group - Above 50 | Percentage | 100 | — | Internal |
| Labour practices and standards | Total hours of training by employee category - Management | Hours | 85 | — | Internal |
| Labour practices and standards | Total hours of training by employee category - Executive | Hours | 1,733 | — | Internal |
| Labour practices and standards | Total hours of training by employee category - Non-executive | Hours | 1,870 | — | Internal |
| Labour practices and standards | Percentage of employees that are contractors or temporary staff | Percentage | 0 | — | Internal |
| Labour practices and standards | Total number of employee turnover by employee category - Management | Number | 2 | — | Internal |

SUSTAINABILITY REPORT

BURSA MALAYSIA PRESCRIBED TABLE (CONT'D)

OCB Berhad

BMLR Transition Period

Date & Time: 2026-04-20 10:37:27
FYE 31/12/2025

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|--------------------------------|---|------------------|---------|--------|-----------|
| Labour practices and standards | Total number of employee turnover by employee category - Executive | Number | 13 | — | Internal |
| Labour practices and standards | Total number of employee turnover by employee category - Non-executive | Number | 53 | — | Internal |
| Labour practices and standards | Number of substantiated complaints concerning human rights violations | Number | 0 | — | Internal |
| Community/Society | Total amount invested in the community where the target beneficiaries are external to the listed issuer | MYR | 782,767 | — | Internal |
| Community/Society | Total number of beneficiaries of the investment in communities | Number | 3,923 | — | Internal |
| Data privacy and security | Number of substantiated complaints concerning breaches of customer privacy and losses of customer data | Number | 0 | — | Internal |

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of OCB Berhad (“OCB” or “the Company”) is fully committed to the principles and recommendations made in the Malaysian Code on Corporate Governance (“MCCG”). This ensures that the best practices of corporate governance including accountability and transparency are adhered to by the Company to achieve long-term financial performance and growth as the Board is mindful of its accountability to the shareholders and various stakeholders of the Company.

The Board is pleased to report to the shareholders, the Company’s application of the 3 key principles of the MCCG during the financial year ended 31 December (“FYE”) 2025:

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

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Roles and Responsibilities of the Board

The Board’s main roles are to create value for shareholders and provide leadership to OCB and its subsidiary companies (“the Group”). It is primarily responsible for the Group’s overall strategic plans and directions, overseeing the conduct of the businesses, risk management, succession planning of Senior Management, implementing investor relations programmes and ensuring the system of internal controls and management information system are adequate and effective.

The Board provides overall strategic guidance, effective oversight on the governance and management of the business affairs of the Group. Responsibilities of the Board include:

- (i) Ensuring that the Group’s goals are clearly established, the necessary resources are in place for the Group to meet its objectives and that strategic plan, which promotes long-term value creation by incorporating strategies related to economic, environmental, safety and health, social and governance considerations, while also addressing climate-related risks and opportunities to support sustainability;
- (ii) Establishing policies for strengthening the performance of the Group including ensuring that Management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital;
- (iii) Overseeing the conduct of the Group’s business to evaluate whether the business is being properly managed. This includes ensuring the solvency of the Group and the ability of the Group to meet its contractual obligations and to safeguard its assets;
- (iv) Appointing the Chief Operating Officer/Executive Director including setting the relevant terms and objectives and where necessary, terminating his employment with the Group;
- (v) Ensuring that the Group has appropriate business risk management framework and corporate governance framework, including adequate control environment be it the internal control systems and management information systems, systems for compliance with applicable laws, regulations, rules, directives and guidelines and controls in areas of significant financial and business risks;
- (vi) Appointing Board committees to address specific issues, considering recommendations of the various Board committees and discussing problems and reservations arising from these committees’ deliberations and reports;
- (vii) Ensuring that the statutory financial statements of the Company and of the Group are fairly stated and otherwise conform with the relevant regulations including acceptable accounting policies that result in balanced and understandable financial statements;

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Roles and Responsibilities of the Board (cont'd)

- (viii) Ensuring that there is in place and appropriate succession plan for members of the Board and Senior Management;
- (ix) Ensuring that the Group adheres to high standards of ethics and corporate behaviour in accordance with the Group's code of corporate conduct including transparency in the conduct of business. Directors are required to comply with the Directors' Code of Best Practice;
- (x) Reviewing the Board Charter periodically and making it available publicly on the Company's website including the Terms of Reference ("TOR") of the respective Board Committees;
- (xi) Ensuring that there is in place, an appropriate corporate disclosure policy and procedure which leverage on information technology for effective and timely dissemination of information which are comprehensive and accurate; and
- (xii) Ensuring that there is in place an appropriate investor relations and communications policy which encourages shareholders' participation at general meetings and promotes effective communication and proactive engagements with shareholders.

Roles of the Chairman and Chief Operating Officer

There is a clear and distinct division of responsibilities between the Chairman and the Chief Operating Officer ("COO") cum Executive Director ("ED") to ensure that there is an appropriate balance of power and role, responsibility and accountability at Board level.

The Chairman holds a Non-Executive position and is primarily responsible for the smooth running of the Board and encourages active participation by Board members and provides reasonable time for discussion of issues raised at meetings. Decisions reached at Board meetings reflect the consensus of the whole Board and not the views of any individual or group. The Chairman's other responsibilities include, among others, instilling good corporate governance practices.

The COO cum ED is responsible for the development of the corporate goals and objectives of the Group, and the setting of strategies for the businesses. The COO cum ED is primarily responsible for the day-to-day operations of the businesses of the Group, which includes implementation of policies and strategies adopted by the Board. He is responsible for communicating matters relating to the Group's businesses to the Board. His knowledge of the Group's businesses and affairs contributes significantly towards the attainment of the Group's goals and objectives.

Board Charter

The Board had in 2013 adopted a Board Charter which clearly sets out the Board's strategic intent and outline the Board's roles, powers, duties, and functions as well as a Schedule of Matters Reserved for collective decision of the Board. The Board Charter serves as a source of reference and primary induction literature, providing insight to prospective Board members and the Senior Management.

The Board Charter is subject to periodic review and updates by the Board whenever deemed necessary. The Board Charter was reviewed and updated on 25 November 2024 in line with the needs of the Group and the new regulations that impacted the discharge of the Board's responsibilities. This is to ensure its relevance for good corporate governance practices within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Code of Best Practice

The Board continues to adhere to the Code of Best Practice for Directors which sets out the standard of conduct expected of Directors with the aim to cultivate a good ethical conduct that in turn promotes the values of transparency, integrity, accountability and social responsibility.

Access to Information and Advice

Prior to the Board meetings, every Director is given an agenda and a comprehensive set of Board papers consisting of reports on the Group's financial performance, status of major projects, future development, the quarterly or annual financial results, the minutes of preceding meetings of the Board and the Board Committees, and relevant proposal papers (if any) to allow them sufficient time to review, consider and deliberate knowledgeably on the matters to be tabled.

Senior Management staff as well as advisers and professionals appointed to act for the Company on corporate proposals to be undertaken by the Company are invited to attend the meetings to furnish the Board with their views and explanations on relevant agenda items tabled to the Board and to provide clarification on issues that may be raised by any Director.

In between Board meetings, approvals on matters requiring the sanction of the Board are sought by way of circular resolutions enclosing all the relevant information to enable the Board to make informed decisions. All circular resolutions approved by the Board are tabled for notation at the subsequent Board meeting.

The Board also perused the decisions deliberated by the Board Committees through minutes of these Committees. The Chairman of the respective Board Committees is responsible for informing the Board at the Directors' Meetings of any salient matters noted by the Committees and which may require the Board's direction.

All Board members have direct access to the advice and services of the Company Secretaries for the purpose of the Board's affairs and the business. The Company Secretaries are responsible for ensuring that the Board procedures are followed, applicable rules and regulations for the conduct of the affairs of the Board are complied with, and for all matters associated with the maintenance of the Board or otherwise required for its efficient operation. The Company Secretaries also keep the Board members updated on new requirements, guidelines and rulings issued by the relevant regulatory authorities. The Board may undertake independent professional advice, where necessary and in appropriate circumstances, in furtherance of its duties.

Board Composition and Independence

The Board currently has 7 members, comprising an Independent Non-Executive Chairman, 3 Independent Non-Executive Directors, 2 Non-Independent Non-Executive Directors and a COO cum ED. The number of Independent Directors on the Board of the Company is more than the required one-third stipulated in Paragraph 15.02 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Independent Non-Executive Directors do not participate in the day-to-day management of the business of the Company. In staying clear of any potential conflict of interest situation, the Independent Non-Executive Directors remain in a position to fulfill their responsibility of providing a check and balance to the Board. They provide independent and objective views, advice and judgment which take into account the interests of the Group as well as shareholders and investors.

The Independent Directors led by the Chairman of the Board provide a broader view, independent and balanced assessment of proposals from the Senior Management of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Board Committees

In discharging its duties, the Board is assisted by the Board Committees namely, the Audit and Risk Management Committee, Remuneration Committee and Nomination Committee. Each Committee operates within its respective defined TOR which have been approved by the Board. The TOR of the respective Board Committees are periodically reviewed and assessed to ensure that the TOR remain relevant and adequate in governing the functions and responsibilities of the Committee concerned and reflect the latest developments in the MMLR of Bursa Securities and the MCGG.

A. Audit and Risk management Committee (“ARMC”)

For details of the ARMC’s composition and activities during the FYE 2025, please refer to the ARMC Report on pages 54 to 56 of this Annual Report.

B. Remuneration Committee (“RC”)

The RC comprises the following members, all of whom are Independent Non-Executive Directors:

Chan Kee Eng (*Chairperson*)
Khoo Kay Leong (*Member*)
Agnes Maria Sam A/P John Sam (*Member*)

The TOR of the RC are available for reference at www.ocbb.com.my.

The RC’s primary responsibility is to structure and review the remuneration policies for key executives of the Group, with a view to ensure that compensation and other benefits encourage performance that enhances the Group’s long-term profitability and value. The remuneration packages for Key Senior Management personnel are subject to the approval of the Board, and in the case of Directors’ fees and benefits, the approval of the shareholders at the Annual General Meeting (“AGM”) of the Company. In carrying out its duties and responsibilities, the RC has full, free and unrestricted access to the Company’s records, properties and personnel.

During the FYE 2025, the RC convened 1 meeting and full attendance of the RC members was recorded at the said meeting.

The Company pays its Directors’ fees which are approved annually by the shareholders. The Directors are paid meeting allowance for the meetings they attended and are also reimbursed reasonable expenses incurred by them in the course of carrying out their duties on behalf of the Company. Where applicable, the Board also takes into consideration any relevant information on Directors’ fees provided by the independent consultants or from survey data.

The Company has in place a Remuneration Policy for Directors and Senior Management which is available for reference at www.ocbb.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Board Committees (cont'd)

B. Remuneration Committee ("RC") (cont'd)

The details of the aggregate remuneration of the Directors of the Company (comprising remuneration received and/or receivable from the Company and its subsidiaries) during FYE 2025 were as follows:

| No. | Name | Company (RM'000) | | | | | | Group (RM'000) | | | | | | | |
|------------------------|------------------------------|------------------|------------|-----------------------|-------|---------------------------------|------------------|----------------|------|------------|-----------------------|-------|---------------------------------|------------------|-------|
| | | Fee | Allowances | Salary ⁽¹⁾ | Bonus | Benefits-in-kind ⁽²⁾ | Other emoluments | Total | Fee | Allowances | Salary ⁽¹⁾ | Bonus | Benefits-in-kind ⁽²⁾ | Other emoluments | Total |
| Executive Director | | | | | | | | | | | | | | | |
| 1. | Mohd Harris Bin Pardi | - | 6.0 | 241.9 | - | 4.0 | - | - | 6.0 | 241.9 | - | - | 4.0 | - | 251.9 |
| Non-Executive Director | | | | | | | | | | | | | | | |
| 2. | Tee Keng Hoon | 92.4 | 20.7 | - | - | - | - | 92.4 | 20.7 | - | - | - | - | 113.1 | |
| 3. | Khoo Kay Leong | 106.8 | 20.8 | - | - | - | - | 106.8 | 20.8 | - | - | - | - | 127.6 | |
| 4. | Agnes Maria Sam A/P John Sam | 106.8 | 6.0 | - | - | - | - | 106.8 | 6.0 | - | - | - | - | 112.8 | |
| 5. | Chan Kee Eng | 106.8 | 21.1 | - | - | - | - | 106.8 | 21.1 | - | - | - | - | 127.9 | |
| 6. | Wong Choon Shein | 67.2 | 26.0 | - | - | - | - | 67.2 | 26.0 | - | - | - | - | 93.2 | |
| 7. | Fong Heng Leong | 67.2 | 6.0 | - | - | 4.0 | - | 67.2 | 6.0 | - | - | 4.0 | - | 77.2 | |

Notes:

(1) Salary comprised basic salary, EPF, SOCSO and EIS.

(2) Benefits-in-kind comprised provision of company motor vehicle, petrol allowances, driver, medical reimbursement, insurance and phone bill.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Board Committees (cont'd)

B. Remuneration Committee ("RC") (cont'd)

The number of Directors whose total remuneration falls within the following bands were:

| Remuneration Range | Number of Directors | |
|------------------------|---------------------|------------------------|
| | Executive Director | Non-Executive Director |
| Below RM50,000 | – | – |
| RM50,001 to RM100,000 | – | 2 |
| RM100,001 to RM150,000 | – | 4 |
| RM250,001 to RM300,000 | 1 | – |

In determining the remuneration packages of the Group's Key Senior Management personnel, factors that were taken into consideration included their individual responsibilities, skills, expertise and contributions to the Group's performance and whether the remuneration packages are competitive and sufficient to ensure that the Group is able to attract and retain executive talents. On the disclosure of the remuneration of the top 5 Senior Management personnel, the Board was of the view that disclosure on a named basis would not be in the interest of the Company because such information is sensitive and proprietary in view of the competitive nature of the human resource market and such confidentiality supports the Group's efforts to attract and retain executive talent.

The remunerations of the top 5 Senior Management personnel of the Group during FYE 2025 were categorized as follows:

| Category | Group RM'000 | Company RM'000 |
|--|--------------|----------------|
| Salaries and bonuses ⁽¹⁾ | 4,488 | – |
| Statutory contributions ⁽²⁾ | 375 | – |
| Benefits-in-kind ⁽³⁾ | 542 | – |
| Total | 5,405 | – |

Notes:

- (1) Salaries and bonuses comprised basic salary and bonus.
- (2) Statutory contributions comprised EIS, EPF and SOCSO.
- (3) Benefits-in-kind comprised provision of company motor vehicle, petrol allowance, driver, medical reimbursement, insurance and phone bill.

The number of Senior Management personnel whose total remuneration falls within the following bands were as follows:

| Remuneration Range | Number of Senior Management Personnel |
|-----------------------------------|---------------------------------------|
| Between RM550,001 – RM600,000 | 1 |
| Between RM700,001 – RM750,000 | 1 |
| Between RM750,001 – RM800,000 | 1 |
| Between RM1,350,001 – RM1,400,000 | 1 |
| Between RM1,900,001 – RM1,950,000 | 1 |

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Board Committees (cont'd)

C. Nomination Committee (“NC”)

The NC comprises the following members, all of whom are Independent Non-Executive Directors:

Agnes Maria Sam A/P John Sam (*Chairperson*)
 Khoo Kay Leong (*Member*)
 Chan Kee Eng (*Member*)

The TOR of the NC are available for reference at www.ocbb.com.my.

The NC’s roles are primarily to:

- identify, select and recommend to the Board, candidates for directorships of the Company;
- recommend to the Board, Directors to fill the seats on Board Committees;
- evaluate the effectiveness of the Board and the Board Committees (including its size and composition), contributions and performance of each individual Director and the independence of the Independent Directors; and
- ensure an appropriate framework and plan for the Board and Management succession for the Group.

During the FYE 2025, the NC convened 1 meeting and the attendance of the NC members was as follows:

| Member | Number of meetings attended in FYE 2025 | % of Attendance |
|------------------------------|---|-----------------|
| Agnes Maria Sam A/P John Sam | 1 out of 1 meeting | 100 |
| Khoo Kay Leong | 1 out of 1 meeting | 100 |
| Chan Kee Eng | 1 out of 1 meeting | 100 |

Summary of the key activities undertaken by the NC in the discharge of its duties during the FYE 2025 were as follows:

- (i) Assessed and reviewed the independence of the Independent Directors and their tenure of service as Independent Directors on the Company;
- (ii) Evaluated each individual director to assess the Director’s calibre and ability to understand the requirements, risk and management of the Group’s business; contribution and performance; character, integrity and professional conduct in dealing with any conflict of interest or potential conflict of interest situations; ability to critically challenge and ask the right questions; commitment and due diligence, confidence to stand up for a point of view; interaction at meetings and his/her training records for the current year under review;
- (iii) Conducted the conflict of interest assessment for each individual director;
- (iv) Evaluated the Board and the Board Committees to assess their mix, composition, size, roles, responsibilities as well their activities, communications and effectiveness for the current year under review; and
- (v) Endorsed the re-election of Wong Choon Shein and Fong Heng Leong as Directors, subject to shareholders’ approval at the Sixty-Seventh AGM of the Company to be held in June 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Board Committees (cont'd)

C. Nomination Committee (“NC”) (cont'd)

The NC, after having conducted the abovementioned evaluation and assessment, concluded that:

- (i) all the Independent Directors of the Company continued to demonstrate conduct and behaviour that were essential indicators of their independence, and each of them continued to fulfill the definition and criteria of independence as set out in the MMLR of Bursa Securities.
- (ii) each Director of the Company has the requisite competence, calibre to serve on the Board and Board Committee(s) and had demonstrated his/her commitment to the Group in terms of time, participation and dialogue during the current year under review.
- (iii) each Director of the Company does not have any conflict of interest in discharging their duties.
- (iv) the Board and the Board Committees’ respective responsibilities were well-defined and set out in the Board Charter. The criteria in the MMLR of Bursa Securities that at least 1 of the members of the ARMC must be a member of the Malaysian Institute of Accountants or a person approved under the MMLR of Bursa Securities is met.

Appointments to the Board

The Board has in place a Policy on Nomination and Assessment Process of Board Members which was approved and adopted on 24 February 2020.

Candidates for appointment to the Board as Directors shall be selected after taking into consideration, the mix of skills, experience and strength that would be relevant for the effective discharge of the Board’s responsibilities. Potential candidates shall first be evaluated by the NC and, if recommended by the NC, subsequently by the Board based on their respective profiles as well as their character, integrity, professionalism, independence (if applicable) and their ability to commit sufficient time and energy to the Company’s matters.

Gender Diversity Policy

The Board had, on the recommendation of the NC, approved the revised Board Diversity Policy for adoption on 29 November 2021. The said Policy stipulates, among other things, that the NC will consider the benefit of all aspects of diversity in order to maintain an appropriate range and balance of skills, experience and background on the Board. In identifying suitable candidates for appointment to the Board, the NC will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

As recommended by MCCG, the Company aims to appoint and/or maintain at least 30% women participation on the Board by 2023. The Company will put greater effort into looking for suitable candidates for appointment to the Board to achieve its target and will work towards having the appropriate age and ethnic diversity on the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Annual Assessment

The NC annually reviews the size and composition of the Board and the Board Committees in order to ensure the Board has the requisite competencies and capacity to effectively oversee the overall business and carry out its responsibilities. The NC uses the Board and Board Committee Evaluation Form, Audit & Risk Management Committee Evaluation Form and Performance Evaluation Sheet comprising questionnaires for the assessment. The effectiveness of the Board is assessed in the areas of the Board's responsibilities and composition, administration and conduct of meetings, communication and interaction with Management and stakeholders, and Board engagement.

The annual evaluations of the individual Directors/Board Committee members are performed by the NC using the Directors' Evaluation Form comprising questionnaires pertaining to the Director's knowledge and skills, participation, contribution and performance, calibre and personality and Conflict of Interest Assessment Form for the disclosure of their nature and extent of any conflict of interest or potential conflict of interest, including interest in any competing business with OCB and/or the Group.

To assess the independence of the Independent Directors, each of the Independent Directors annually provides the NC with their Self-Assessment Checklist.

The Board members had at its meeting on 24 November 2025, concurred with the NC, that the Board comprised a good mix of individuals of different race and gender from diverse industries contributing considerable knowledge, skills and expertise. All the Board Committees were found adequate in terms of number.

Tenure of Independent Directors

The Company has implemented a cumulative 9-year term limit for Independent Directors where upon completion of a cumulative 9-year term, an Independent Director may continue to serve on the Board subject to his/her re-designation as a Non-Independent Director.

On 1 January 2022, the Company adopted Practice 5.4 – Step Up of the MCCG, by limiting the tenure of its Independent Directors to 9 years without further extension and the Board Charter was amended accordingly to reflect the adoption.

Re-elections to the Board

Clause 82 of the Company's Constitution provides that an election of Directors shall take place each year and at the AGM, one-third of the Directors for the time being, or if their number is not 3 or a multiple of 3, then the number nearest to one-third shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office at least once in every 3 years but shall be eligible for re-election.

Non-Independent Non-Executive Directors, Wong Choon Shein and Fong Heng Leong are due to retire by rotation at the conclusion of the forthcoming Sixty-Seventh AGM of the Company pursuant to Clause 82 of the Company's Constitution, have formally expressed their willingness to seek re-election.

The Board, with Wong Choon Shein and Fong Heng Leong abstaining from voting, had endorsed their re-election as Directors at the forthcoming Sixty-Seventh AGM of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Meetings and Time Commitment

5 Board meetings were held during FYE 2025 and the attendance of the Directors was as follows:

| Director | Number of meetings attended in FYE 2025 | % of Attendance |
|------------------------------|---|-----------------|
| Tee Keng Hoon | 5 out of 5 meetings | 100 |
| Khoo Kay Leong | 5 out of 5 meetings | 100 |
| Agnes Maria Sam A/P John Sam | 5 out of 5 meetings | 100 |
| Chan Kee Eng | 5 out of 5 meetings | 100 |
| Wong Choon Shein | 5 out of 5 meetings | 100 |
| Fong Heng Leong | 5 out of 5 meetings | 100 |
| Mohd Harris Bin Pardi | 5 out of 5 meetings | 100 |

The Board was satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company during FYE 2025. All the Directors do not hold directorships more than that prescribed under the MMLR of Bursa Securities.

The Directors also made time to attend/participate in appropriate external webinars/trainings/forums in FYE 2025 as shown below to equip themselves further with the knowledge to discharge their duties more effectively and to keep abreast of developments on a continuous basis in compliance with Paragraph 15.08 of the MMLR of Bursa Securities:

| Directors | Seminar/Training/Dialogue | Date |
|------------------------------|---|------------------------------------|
| Tee Keng Hoon | 2025 MFRS Updates | 5 December 2025 |
| Khoo Kay Leong | Mandatory Accreditation Programme Part II: Leading for Impact (LIP) | 13 January 2025 to 14 January 2025 |
| | Webinar e-Invoice Accounting and its Implementation Mechanism | 18 July 2025 |
| | Webinar Building a Culture of Good Governance and Sustainability : The Role of the Board and Management | 23 September 2025 |
| | 2026 Budget Seminar | 27 November 2025 |
| Agnes Maria Sam A/P John Sam | 2025 MFRS Updates | 5 December 2025 |
| Chan Kee Eng | The Journey into the AI Age: Game Changer for Your Digital Transformation Era | 17 June 2025 |
| | Audit Oversight Board | 25 November 2025 |
| Mohd Harris Bin Pardi | Mandatory Accreditation Programme Part II: Leading for Impact (LIP) | 4 June 2025 to 5 June 2025 |
| | Strategic Oversight in Strategy Implementation – Getting Execution Right at the Board Level | 28 July 2025 |
| | Board Simulation – Balancing Risks & Opportunity in Sustainability Leadership | 9 September 2025 |
| Fong Heng Leong | Mandatory Accreditation Programme Part II: Leading for Impact (LIP) | 13 January 2025 to 14 January 2025 |
| Wong Choon Shein | 2025 MFRS Updates | 2 December 2025 |

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Suitability and Independence of External Auditors

Grant Thornton Malaysia PLT, the External Auditors, report to the ARMC in respect of their audit on each year's statutory financial statements and on matters that require the attention of the ARMC.

At least twice a year, the ARMC will have a separate session with the External Auditors without the presence of the COO cum ED and the Management.

The External Auditors are required to declare their independence annually to the ARMC as specified by the By-Laws issued by the Malaysian Institute of Accountants. The External Auditors had provided the declaration in their annual audit plan presented to the ARMC of the Company.

Sound Risk management Framework

The Board recognises the importance of a sound risk management framework and internal control system in order to safeguard the Group's assets and therefore, shareholders' investments in the Group.

The Board affirms its overall responsibility for the Group's system of internal controls. This includes reviewing the adequacy and integrity of financial, operational and compliance controls and risk management procedures within an acceptable risk profile. Since certain risks and threats are externally driven, unforeseen and beyond the Group's control, the system can only provide reasonable assurance against misstatement or loss.

The Board had put in place an ongoing process for identifying, evaluating and managing significant risks faced by the Group.

A Statement on Risk Management and Internal Control which provides an overview of the state of internal controls within the Group is set out in pages 57 to 61 of this Annual Report.

Internal Audit Function

The internal audit function is set out in the ARMC Report on page 60 of this Annual Report.

The key features of the Risk Management Framework are set out in the Directors' Statement on Risk Management and Internal Control as presented on pages 57 to 59 of this Annual Report.

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

Compliance with Applicable Financial Reporting Standards

The Board takes responsibility for presenting a balanced and understandable assessment of the Group's operations and prospects each time it releases its quarterly and annual financial statements to shareholders. The ARMC reviews the information to be disclosed to ensure its accuracy and adequacy.

A statement by Directors of their responsibilities in preparing the financial statements is set out on page 62 of this Annual Report.

Investors Relations and Shareholders' Communication

The Company recognises the importance of effective and timely communication with shareholders and investors to keep them informed of the Group's latest financial performance and material business/corporate matters affecting the Company. Such information is available to shareholders and investors through the Annual Reports, the various disclosures and announcements made to Bursa Securities and the Company's website at www.ocbb.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

The AGM provides the principal platform for dialogue and interactions with shareholders. Notice of the AGM and related papers thereto are sent to shareholders at least 28 days before the AGM to facilitate easy review by the shareholders. In respect of items on Special Business, the notice of the AGM will be accompanied by a full explanation of the effects of the proposed resolution.

Question and Answer session will be allowed during the proceedings of the AGM wherein the Directors, Company Secretaries and the External Auditors will be available to answer the queries raised by shareholders. A full explanation for each resolution proposed at the AGM will usually be provided by the Chairman before the resolution is put to the vote.

Separate issues are tabled in separate resolutions at the AGM. Voting is carried systematically and motions carried through are properly recorded. In accordance with Paragraph 8.29A(1) of the MMLR of Bursa Securities, poll voting will be carried out at the forthcoming Sixty-Seventh AGM of the Company to be held on 22 June 2026.

Leverage on Information Technology for Effective dissemination of Information

The Company's website at www.ocbb.com.my facilitates effective dissemination of the latest and up-to-date information pertaining to the Company to the investors and general public.

This Annual Report, Share Buy-Back Statement, Notice of the Sixty-Seventh AGM and other AGM related documents will be made available on the Company's website at www.ocbb.com.my or shareholders may request for the printed copy of the same from the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd ("Tricor"). A notification in respect of the availability of the aforesaid documents will be sent via email to shareholders with email address and via ordinary mail to the other shareholders.

Shareholders also have the option to submit to the Company's Share Registrar, Tricor, their Proxy Form either in hard copy or electronic form via Vistra Share Registry and IPO (MY) portal ("Portal") at <https://srm.vistra.com>.

COMPLIANCE WITH MCCG

The Board considers that the Company has complied with the Practices and applied the key principles of the MCCG throughout FYE 2025 except for the Practices below where the explanations for departure are disclosed in the Corporate Governance Report:

- | | | |
|---------------|---|--|
| Practice 5.9 | : | The Board comprises at least 30% women directors. |
| Practice 8.2 | : | The Board discloses on a named basis the top 5 Senior Management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000. |
| Practice 13.3 | : | Listed companies should leverage technology to facilitate voting including voting in absentia; and remote shareholders' participation at general meetings. |

The Board has reviewed and approved this Corporate Governance Overview Statement on 6 April 2026. The Board is satisfied that this Corporate Governance Overview Statement provides the information necessary to enable shareholders to evaluate how the MCCG has been applied and obligations are fulfilled under the MCCG and the MMLR of Bursa Securities throughout FYE 2025, save for the exceptions as disclosed above.

This Corporate Governance Overview Statement is to be read in conjunction with the Corporate Governance Report, which is made available online on the Company's website at www.ocbb.com.my.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of OCB Berhad (“OCB” or “the Company”) is pleased to present the Audit and Risk Management Committee (“ARMC”) Report for the financial year ended 31 December 2025 (“FYE 2025”).

The terms of reference of the ARMC are available on the Company’s website at www.ocbb.com.my.

COMPOSITION

The ARMC comprises the following members, all of whom are Independent Non-Executive Directors:

Members

Khoo Kay Leong (*Chairman*)
Agnes Maria Sam A/P John Sam (*Member*)
Chan Kee Eng (*Member*)

The profile of the current ARMC members can be found on pages 16 to 17 of this Annual Report.

Secretaries

Lydia Tong Yiu Shyian-Shyian
Nor Zarifah Binti Abdullah @ Mahmud

NUMBER OF MEETINGS AND ATTENDANCE

During FYE 2025, the ARMC held 5 meetings and the attendance of the members was as follows:

| Member | Number of meetings attended in FYE 2025 | % of Attendance |
|------------------------------|---|-----------------|
| Khoo Kay Leong | 5 out of 5 meetings | 100 |
| Agnes Maria Sam A/P John Sam | 5 out of 5 meetings | 100 |
| Chan Kee Eng | 5 out of 5 meetings | 100 |

The Head of Finance also attended all the above ARMC meetings upon invitation by the ARMC. The Group’s External Auditors also attended 2 of the ARMC meetings which were held on 7 April 2025 and 24 November 2025. The ARMC members also had private sessions in the said meetings with the External Auditors without the presence of the Management to discuss audit findings and any other observations that they may have noted during the audit process.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF ACTIVITIES

The main activities undertaken by the ARMC in discharging their responsibility during the FYE 2025 were as follows:

- (i) Reviewed the announcements on the quarterly unaudited financial results of OCB and its subsidiary companies (“OCB Group” or “the Group”) before recommendation to the Board for its consideration and approval;
- (ii) Reviewed the quarterly internal audit reports regarding significant risk areas and internal control matters coming to the attention of the ARMC and discussion on the findings with Senior Management to ensure that appropriate and timely measures have been taken to improve on the internal control system;
- (iii) Reviewed conflict of interest or potential conflict of interest situations and related parties transactions, if any, entered into by the Group and the disclosure of such transactions in the quarterly financial reporting and Annual Report to ensure compliance with Bursa Malaysia Securities Berhad’s Main Market Listing Requirements;
- (iv) Reviewed the half-yearly risk management reports on significant key risks identified, discussion with the Management and action to be taken to address or mitigate these risks, and also the half-yearly Sustainability Report on material sustainability matters;
- (v) Reviewed with the External Auditors, the audit report and their findings arising from the final audit of the financial statements of the Group and of the Company for the financial year ended 31 December 2024 (“FYE 2024”);
- (vi) Reviewed the audited financial statements of the Group and of the Company for FYE 2024 with the External Auditors prior to submission to the Board for approval;
- (vii) Discussed with the Senior Management and the External Auditors on developments in respect of the Malaysian Financial Reporting Standards (“MFRSs”) applicable to the financial statements of the Group and of the Company for the beginning of 1 January 2025 and their judgment of the items that may affect the financial statements;
- (viii) Reviewed the assistance given by the Company’s employees to the Internal Auditors and External Auditors;
- (ix) Reviewed the ARMC Report, Statement on Risk Management and Internal Control and Sustainability Report for inclusion in the Annual Report 2024;
- (x) Evaluated the performance of the internal audit function for FYE 2024;
- (xi) Evaluated the performance of the External Auditors and made recommendation to the Board for their re-appointment for the FYE 2025;
- (xii) Reviewed and approved the External Audit Plan in respect of the financial statements of the Group and of the Company for FYE 2025 and the scope for the annual audit for the Group presented by the External Auditors;
- (xiii) Reviewed and approved the Internal Audit Plan for the Group for Year 2026 presented by the Internal Auditors; and
- (xiv) Reviewed and reported the quarterly reporting of any corruption and bribery cases to the Board.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION

The Company engaged an independent external consulting firm (“Internal Auditors”) to perform the internal audit function of the Group. Internal audit performs the role of promoting an efficient and effective control environment through independent and objective internal control reviews, education and business process consultation. The areas to be covered by the audit are selected on a rotational basis, with core risk areas being subject to more regular audit than those outside the defined core risk areas.

A risk-based approach is adopted in the planning and conduct of audits which is consistent with the Group’s established risk-based framework in identifying, designing, implementing and monitoring of risks process and control systems.

The ARMC reviews the scope of the internal audit and approves the Internal Audit Plan before the actual audit takes place. The findings of the internal audit work done are reported directly to the ARMC. The scope of the Internal Auditors covers the audits of all units and operations of the Group including the various computer application systems of the Group. Besides the scheduled audits, the Internal Auditors also conduct ad hoc fact-based investigation audit, as and when a need arises. The final reports from the Internal Auditors were directly forwarded to the ARMC.

Key observations and opportunities for improvements identified were also presented to the ARMC for the Management to revert with responses to mitigate gaps, if any, are identified.

The Internal Auditors also assist the Risk Management Executive Committee in collecting data, monitor and report on material sustainability matters.

A summary of activities of the internal audit function during FYE 2025 is presented in the Statement on Risk Management and Internal Control. The Group paid a total fee of RM123,294 for services rendered in respect of internal audit for FYE 2025.

This Report was approved by the Board on 6 April 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors of OCB Berhad (“OCB” or “the Company”) (“Board”) recognises the importance of a consistently sound risk management and internal control system to meet the Group’s business objectives, safeguard shareholders’ interest and the Group’s assets. It affirms its responsibilities for the Group’s risk management and internal control system which include the establishment of an appropriate control environment and framework as well as review of the adequacy, integrity and effectiveness of the internal control system. The internal control system covers the areas of governance, risk management, finance, operations, sustainability, anti-corruption, management information systems, compliance with the relevant laws and regulations, including related party transactions.

However, in view of the limitations inherent in any system of internal control, the system is designed to identify and manage, rather than eliminate, the risk of failure to achieve corporate objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss.

INTERNAL CONTROL SYSTEM

The Board maintains an organisational structure with clearly defined levels of responsibility and authority and appropriate reporting procedures which are clearly set out in the Board Charter. The Board meets regularly and has a Schedule of Matters specifically reserved for its collective decision in order that effective control over strategic, financial, operational, sustainability and compliance issues can be maintained. This structure includes the Risk Management Executive Committee (“RMEC”) and the Audit and Risk Management Committee (“ARMC”).

The Chief Operating Officer (“COO”) cum Executive Director (“ED”) and Senior Management team are assigned with the responsibility of managing the Group. Key functions such as finance, tax, treasury, sustainability, corporate, legal matters and contract awarding are controlled centrally by them. They are also accountable for the conduct and performance of the various operating divisions. The COO cum ED and Senior Management team monitor the affairs of the operating divisions through review of performance and operation reports and having regular management meetings with the Heads of the operating divisions to identify, discuss and resolve business, financial, operational, sustainability and management issues. The meetings also serve as an excellent platform whereby the Group’s goals and objectives are communicated.

RISK MANAGEMENT

The Board confirms that there is an on-going process for identifying, assessing and responding to risks to achieve the objectives of the Group for the financial year under review. The process is in place for the year under review and up to the date of issuance of the Statement on Risk Management and Internal Control.

The Group has formalised the risk management process in place to identify, evaluate and manage the significant risks faced by the Group in meeting its business objectives. The risk management process is conducted in accordance with the Group’s Risk Management Framework. The Framework sets out the Risk Management Policy and Risk Management Methodologies. The Group has integrated sustainability-related risks and opportunities into its Risk Management Framework. This ensures that climate-related risks and social responsibility initiatives are not managed in isolation but are mapped against the Group’s strategic objectives.

In accordance with the Risk Management Framework, the Group had in 2013 formed a RMEC at corporate level to oversee the Group’s risk management process. The RMEC currently consists of the COO cum ED, Key Management staff, Internal Auditors (Risk Management Co-ordinator) and the Company Secretaries. At each operating division, a Risk Management and Sustainability Working Group (“RMSWG”) was also formed consisting of the COO cum ED, Internal Auditors (Risk Management Co-ordinator) and the Senior Managers of the operating divisions.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT(CONT'D)

Risks are identified and assessed by the RMSWG of each operating division by employing the following methodologies:

(A) Identifying risks

Risk is defined as the possibility of an event occurring that will have an impact on the achievement of objectives. Risk is measured in terms of impact and likelihood.

In the risk identification process, all potential events that could adversely impact the achievement of business objectives are identified by the RMSWG.

The risks can be categorised into the following 4 objectives:

- Strategic – high level goals, aligned with and supporting Group’s mission
- Operation – effective and efficient use of resources
- Reporting – reliability of financial reporting
- Compliance – compliance with applicable laws and regulations

(B) Quantify risks

The risks identified are quantified for their impact on the Group.

The potential impact of a risk event is the combination of the likelihood (probability) that the risk will happen and the impact (gravity) which it will cause if the risk does happen.

A score of (1) to (5) will be assigned for likelihood and impact respectively.

Consequently, a risky event may have a combined score of (1) up to (25) depending on its likelihood and impact scores. A risk with a high rating poses more serious threat to the organisation than a low rating risk. The risk will be mapped into the following risk heat-chart:

| | | | | | | |
|-------------------|---|---------------|---|---|---|---|
| LIKELIHOOD | 5 | M | M | H | H | H |
| | 4 | M | M | M | H | H |
| | 3 | L | M | M | M | H |
| | 2 | L | L | M | M | M |
| | 1 | L | L | L | M | M |
| | | 1 | 2 | 3 | 4 | 5 |
| | | IMPACT | | | | |

(C) Responses to risks

For each risk identified, the Management will have one or more of the following response options:

- Avoid the risk by not proceeding with an activity which generates the risk.
- Treat the risk by applying controls to minimize the likelihood or impact of the risk.
- Transfer the risk by sharing the impact of the risk with outside parties such as insurance or joint venture.
- Tolerate the residue (balance) risk if it is within the Group’s risk appetite.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT(CONT'D)

Risks are identified and assessed by the RMSWG of each operating division by employing the following methodologies: (cont'd)

(D) Risk control strategies

For each of the type of risks response chosen, the relevant control strategies are identified.

If an existing control falls short of its effectiveness or if there is no existing control in managing a significant risk, then new control strategies must be developed to manage the risk so that the residue risk is reduced to an acceptable level.

(E) Monitoring of risks and controls

Ongoing risk monitoring is conducted to review the effectiveness of the control strategies in respect of the risks identified and that corrective actions are taken where necessary. To monitor adherence, the Group utilizes Key Risk Indicators (KRIs) and performance metrics. These include monitoring metrics such as the rate of internal control deficiency resolution and incident frequency, ensuring that the Group's actual risk profile remains within the calibrated tolerance levels.

(F) Periodic review

Risk profile of the Group changes with the internal and external organisational developments. An event regarded as low risk today may become high risk in the future. Therefore, an effective risk management project is not a one-time exercise but an ongoing process which forms part of the operation of the Group. In this regard, the risk profile and control processes will be continually updated on a regular basis, at least quarterly.

The RMSWG of each operating division reports its work to the RMEC. The RMEC will then meet to discuss and evaluate the RMSWGs' reports for adoption. Thereafter, the RMEC will report to the ARMC twice yearly about key risks and risk management activities carried out during that period.

During the FYE 2025, the RMEC and the RMSWG of all the operating divisions had their respective meetings. The RMEC and RMSWG carried out reviews on the following areas of the Group during the financial year under review:

- Anti-corruption training, standard operating procedures ("SOPs") and risks
- Sustainability
- Business prospects
- Sales and Marketing
- Warehouse
- Purchasing
- Production
- Human resource
- Finance
- Management Information System/ Information Technology
- Credit control and collections
- Safety/Fire fighting
- Product development/Research & development
- Quality control

The Board, through the RMEC, continuously monitors emerging global and local risks that may impact the Group's long-term resilience. For the period under review, the Group identified and assessed emerging risks including supply chain and transition risks related to carbon pricing. Specific mitigating strategies have been developed to enhance the Group's readiness for these evolving threats.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT

The ARMC is responsible for reviewing and monitoring the adequacy, integrity and effectiveness of the Group's system of internal control. In this respect, the Group outsourced the internal audit function to an independent external consulting firm, Messrs Tan Yen Yeow & Company, headed by Mr. Tan Yen Yeow who is a member of the Malaysian Institute of Accountants (MIA) and The Institute of Internal Auditors Malaysia. The internal audit function is free from any conflict of interest with the Company, thus enabling objective assessment of the internal control systems to be conducted.

The internal audit function assists the Board to achieve the following objectives:

- Assesses the adequacy and integrity of the current internal control system and provides recommendations to improve the existing control environment in relation to business processes and risk management practices;
- Evaluates existing policies and procedures of key business processes and sustainability management and provides recommendations for enhancement;
- Highlights opportunity to improve efficiency, effectiveness and economic aspects of the Group's operations;
- Promotes a system of internal control that is responsive to the dynamic and ever-changing business environment; and
- To be cost effective and sustainable over time.

The Internal Auditors carries out its work in line with the International Professional Practices Framework (IPPF).

The annual Internal Audit Plan is reviewed and approved by the ARMC prior to each financial year. The Plan is developed based on the analysis of the businesses of the Group. The Internal Auditors will focus its resources on core risk areas which will be audited more frequently than low risk areas.

For purposes of identifying and prioritising risks, the Internal Auditors will discuss with the RMEC and the RMSWG, review management reports and financial statements as well as learning from previous audit experiences.

During the FYE 2025, the Internal Auditors carried out reviews on the following core areas of the Group and the operating divisions to assess the adequacy and effectiveness of internal controls, compliance with regulations and the Group's policies and procedures by each of the operating divisions:

- Sustainability statement
- Joint venture revenue recognition
- Human resource management
- Payroll
- Safety and health
- Purchasing
- Payments
- Accounts payable

The findings of the internal audit were tabled at the ARMC meetings for deliberation and the ARMC's expectations on the corrective measures were communicated to the respective Heads of the operating divisions.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

CONCLUSION

The External Auditors provide reasonable assurance in the form of their annual statutory audit of the financial statements. Further areas for improvement identified during the course of the statutory audit by the External Auditors are brought to the attention of the ARMC through management letters or discussed at the ARMC meetings. If necessary, the Internal Auditors shall meet with the External Auditors to discuss matters arising from the external audit and review of the Statement on Risk Management and Internal Control by the External Auditors.

Standard Operating Procedures which include policies within each operating division are in place and continuously updated.

Continuous training and development programmes are also provided to enhance employees' competencies and maintain a risk-controlled culture.

Based on the Internal Audit reports for the FYE 2025, the Board was of the view that the risk management and internal control system in place for the year under review were generally adequate. The Board, having received assurance from the COO cum ED, was satisfied with the adequacy and integrity of the risk management and internal control system. There were no material internal control weaknesses which had resulted in material losses, uncertainties or contingencies that would require disclosure in this Annual Report.

The External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in this Annual Report and reported that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of the internal control system within the Group.

This Statement was approved by the Board on 6 April 2026.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of the results and cash flows and changes in equity of the Group and of the Company for that financial year.

In preparing the financial statements for the financial year ended 31 December 2025, the Directors consider that, the Group has used the Malaysian Financial Reporting Standards (“MFRSs”) and International Financial Reporting Standards (“IFRSs”), applied them consistently and made judgments and estimates that are reasonable and prudent.

The Directors also consider that the MFRSs and IFRSs have been followed and confirmed that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy at any time, the financial position of the Group and of the Company, and which enable them to ensure that the financial statements comply with the requirements of the Companies Act, 2016, disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the MFRSs and IFRSs.

The Auditors’ responsibilities are stated in their Report to the shareholders of the Company.

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 5 to the Financial Statements.

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

FINANCIAL RESULTS

| | Group RM'000 | Company RM'000 |
|-----------------------------------|-----------------|-------------------|
| Net profit for the financial year | 18,807 | 9,663 |
| Attributable to:- | | |
| Owners of the Company | 17,319 | |
| Non-controlling interest | 1,488 | |
| | 18,807 | |

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.

ISSUE OF SHARES AND DEBENTURES

There were no issuance of shares or debentures during the financial year.

DIVIDENDS

Since the end of previous financial year, the Company declared and paid:

| | Company RM'000 |
|---|-------------------|
| In respect of financial year ended 31 December 2024: | |
| A first and final single-tier dividend of RM0.02 per ordinary share, paid on 25 July 2025 | 2,057 |

DIRECTORS' REPORT

DIVIDENDS (CONT'D)

On 25 February 2026, the Board of Directors had recommended a first and final single-tier dividend of 3.5 sen per share in respect of the financial year ended 31 December 2025 for shareholders' approval at the forthcoming Annual General Meeting. The current financial statements do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

DIRECTORS

The Directors who held office during the financial year and up to the date of this report are:-

Tee Keng Hoon (Chairman/Independent Non-Executive Director)
Wong Choon Shein (Non-Independent Non-Executive Director)
Mohd Harris Bin Pardi (Chief Operating Officer cum Executive Director)*
Fong Heng Leong (Non-Independent Non-Executive Director)*
Agnes Maria Sam A/P John Sam (Independent Non-Executive Director)
Chan Kee Eng (Independent and Non-Executive Director)
Khoo Kay Leong (Senior Independent Non-Executive Director)

* *Director of the Company and certain subsidiaries*

The Directors of subsidiaries other than the above-mentioned who held office during the financial year and up to the date of this report are as follows:-

Nur Aisyah Wong @ Wong Wai Yin (Huang Huiyan)
Tan Eng Hoe
Yeoh Jin Beng
Sak Swee Sang
Yeoh Jin Hoe
Goh Teck Hong

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the Directors do not held any interest in the shares of the Company and its related corporations.

DIRECTORS' REPORT

DIRECTORS' BENEFITS

During the financial year, the benefits received by the Directors of the Company and the Directors of the subsidiaries are as follows:-

| | Group and Company RM'000 |
|----------------------------------|-----------------------------|
| Executive Directors:- | |
| Salaries and other emoluments | 222 |
| Defined contribution plan | 26 |
| | 248 |
| Non-Executive Directors:- | |
| Allowances | 101 |
| Fees | 547 |
| | 648 |
| Sub-total | 896 |
| Benefits in kind | 8 |
| Total | 904 |

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

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefits (other than the benefit included in the aggregate amount of remuneration received or receivable by the Directors as shown in financial statements of the Group and of the Company) 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.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

There was no indemnity coverage and insurance premium paid for Directors and officers of the Company during the financial year.

AUDIT AND RISK MANAGEMENT COMMITTEE

The functions of the Audit and Risk Management Committee are to review accounting policies, internal controls, financial results, risk management & sustainability and annual financial statements of the Group and of the Company on behalf of the Board of Directors.

In performing its functions, the Audit and Risk Management Committee reviewed the overall scope of external audit. It met up with the Company's internal auditors to discuss the results of their examinations and their evaluation of the system of internal accounting controls of the Group and of the Company. The Audit and Risk Management Committee also reviewed the assistance given by the Group's and the Company's officers to the internal auditors.

The Audit and Risk Management Committee reviewed the financial statements of the Group and of the Company as well as the external auditors' report thereon and recommended to the Board of Directors, the reappointment of Grant Thornton Malaysia PLT as statutory auditors.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION

Before the statements of financial position and statements of profit or loss and other comprehensive income of the Group and of the Company were made out, the Directors took reasonable steps:-

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the provision for doubtful debts and satisfied themselves that adequate provision had been made for doubtful debt and there were no bad debts to be written off; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

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

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

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

In the opinion of the Directors:-

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

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 73 to 134 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

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

.....
MOHD HARRIS BIN PARDI

.....
FONG HENG LEONG

Petaling Jaya, Selangor Darul Ehsan
6 April 2026

STATUTORY DECLARATION

I, Sak Swee Sang, being the Officer primarily responsible for the financial management of OCB Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 73 to 134 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act, 1960.

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

.....)
SAK SWEE SANG
(MIA NO: 14333)

Before me:

No. W924
Mohd Omar Nathan Bin Abdullah
No. Sijil Amalan Peguam : BC/M/1699
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OCB BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of OCB Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended and notes to the financial statements, including material accounting policy information as set out on pages 73 to 134.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards ("IFRSs") 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 ("ISAs"). 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 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, in forming our opinion thereon and we do not provide a separate opinion on these matters.

Impairment of trade receivables

The risk – As at 31 December 2025, the Group reported trade receivables amounted to RM53,781,215. Based on the impairment requirements under MFRS 9, the management is required to apply forward-looking approach in assessing the impairment of trade receivables. The management has applied broader range of information including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cashflows of trade receivables to calculate the expected credit losses using a provision matrix. Due to the materiality of the Group's trade receivables to the financial statements, we have identified impairment of trade receivables as a significant risk requiring special audit consideration.

Our response – In addition to other procedures, we considered it is necessary to test the trade receivables aging report, assess the reasonableness of assumptions and judgements made by the management regarding the expected credit losses and recoverability of debts from each customer and test the recoverability of outstanding trade receivables through examination of subsequent cash collections.

We found that management's assumptions and judgements regarding the adequacy of the impairment of trade receivables to be reasonable in the context of the financial statements as a whole. The Group's disclosures regarding impairment of trade receivables are included in Note 12 to the Financial Statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OCB BERHAD

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

Key Audit Matters (cont'd)

Recoverability of carrying amount of the assets of a cash-generating unit ("CGU") containing goodwill on consolidation

The risk - As at 31 December 2025, the carrying amount of goodwill on consolidation of the Consumer Foods Division amounted to RM16,111,251. The Group is required to perform an annual impairment assessment on the carrying amount of the assets of a CGU to which goodwill on consolidation has been allocated.

We focused on the recoverability of the carrying amount of assets of the CGU with goodwill on consolidation due to significant estimates involved in determining key assumptions used in deriving the recoverable amount of the CGU, i.e. revenue growth rate, expenses increase rate, terminal value and discount rate as applicable.

The Directors and the management performed impairment assessments of the CGU by applying value-in-use determined using discounted cash flow projections based on approved budgets. Various considerations are involved in the preparation of cash flow projections, including actual historical results, current available information such as the outcome of tender processes, secured contracts or latest available market information. Based on the assessments performed, the Board of Directors are of the opinion that the carrying amounts of the assets under Consumer Foods Division, including its goodwill on consolidation are recoverable.

Our response – Together with our valuation expert, we evaluated the reasonableness of key assumptions used by management in the approved cash flow projections by comparing the revenue growth rate, expenses increase rate and terminal value to historical results and industry data, where appropriate. We assessed the reliability of approved budget by comparing their previous years' approved budget against past trends of actual results. We also involved our valuation expert to assess the discount rate used in determining the recoverable amounts of the CGUs. We checked the appropriateness of sensitivity analysis performed by management, including disclosures on reasonable possible changes in key assumptions and the corresponding effect on the recoverable amounts.

Whilst recognising that forecasting is inherently judgemental, based on the above procedures performed, we found that there is no any material exception noted. The Group's disclosures about impairment assessment of cash-generating unit containing goodwill on consolidation are disclosed in Note 6 to the Financial Statements.

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OCB BERHAD

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

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards and the requirements of the Companies Act 2016. 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 intends to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OCB BERHAD

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

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group's financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the Financial Statements.

OTHER MATTER

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

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

KHO KIM ENG
(NO: 03137/10/2026 J)
CHARTERED ACCOUNTANT

Kuala Lumpur
6 April 2026

STATEMENTS OF FINANCIAL POSITION

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | Note | Group | | Company | |
|---|------|----------------|----------------|----------------|----------------|
| | | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 3 | 92,302 | 81,552 | 8 | 11 |
| Investment properties | 4 | 4,626 | 4,880 | – | – |
| Investment in subsidiaries | 5 | – | – | 126,663 | 118,299 |
| Goodwill on consolidation | 6 | 16,111 | 16,111 | – | – |
| Other intangible assets | 7 | 30 | 30 | – | – |
| Deferred tax assets | 8 | 30 | 5 | – | – |
| Amount due from subsidiaries | 9 | – | – | – | 9,263 |
| Total non-current assets | | 113,099 | 102,578 | 126,671 | 127,573 |
| Current assets | | | | | |
| Inventories | 10 | 30,561 | 58,012 | – | – |
| Right of return assets | 11 | 290 | 261 | – | – |
| Trade receivables | 12 | 53,781 | 60,110 | – | – |
| Other receivables, deposits and prepayments | 13 | 13,827 | 3,217 | 3 | 3 |
| Amount due from subsidiaries | 9 | – | – | 16,700 | 11,256 |
| Tax recoverable | | 2,119 | 2,226 | 90 | 90 |
| Fixed deposits with licensed banks | 14 | 21,839 | 22,152 | – | – |
| Cash and bank balances | | 62,282 | 51,399 | 6,700 | 3,599 |
| Total current assets | | 184,699 | 197,377 | 23,493 | 14,948 |
| Total assets | | 297,798 | 299,955 | 150,164 | 142,521 |
| EQUITY AND LIABILITIES | | | | | |
| EQUITY | | | | | |
| Share capital | 15 | 103,105 | 103,105 | 103,105 | 103,105 |
| Reserves | 16 | 92,732 | 77,503 | 46,628 | 39,022 |
| Equity attributable to owners of the Company | | 195,837 | 180,608 | 149,733 | 142,127 |
| Non-controlling interests | 5 | 2,989 | 1,501 | – | – |
| Total equity | | 198,826 | 182,109 | 149,733 | 142,127 |
| LIABILITIES | | | | | |
| Non-current liabilities | | | | | |
| Bank borrowings | 17 | 11,744 | 31,208 | – | – |
| Lease liabilities | 18 | 58 | – | – | – |
| Deferred tax liabilities | 8 | 4,721 | 4,674 | 1 | 1 |
| Total non-current liabilities | | 16,523 | 35,882 | 1 | 1 |

STATEMENTS OF FINANCIAL POSITION

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | Note | Group | | Company | |
|---|------|----------------|----------------|----------------|----------------|
| | | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Current liabilities | | | | | |
| Trade payables | 19 | 28,068 | 29,873 | - | - |
| Other payables, accruals and deposits received | 20 | 18,308 | 18,651 | 430 | 393 |
| Contract liabilities | 21 | 2,996 | 3,208 | - | - |
| Refund liabilities | 11 | 362 | 330 | - | - |
| Tax payable | | 1,846 | 2,302 | - | - |
| Bank borrowings | 17 | 30,856 | 27,600 | - | - |
| Lease liabilities | 18 | 13 | - | - | - |
| Total current liabilities | | 82,449 | 81,964 | 430 | 393 |
| Total liabilities | | 98,972 | 117,846 | 431 | 394 |
| Total equity and liabilities | | 297,798 | 299,955 | 150,164 | 142,521 |

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | Note | Group | | Company | |
|--|------|----------------|----------------|----------------|----------------|
| | | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Revenue from contract with customers | | | | | |
| - Sales of goods | | 279,334 | 282,805 | - | - |
| - Property development | | 39,394 | 37,737 | - | - |
| - Dividend income | | - | - | 990 | 6,235 |
| Total revenue | 22 | 318,728 | 320,542 | 990 | 6,235 |
| Cost of sales | | (249,541) | (244,238) | - | - |
| Gross profit | | 69,187 | 76,304 | 990 | 6,235 |
| Other income | | 1,549 | 1,218 | - | - |
| Finance income | | 804 | 723 | 2,081 | 773 |
| Selling and distribution expenses | | (19,773) | (25,809) | - | - |
| Administration expenses | | (22,875) | (21,449) | (1,746) | (1,636) |
| Other expenses | | (1,433) | (1,630) | - | - |
| Loss on disposal of subsidiaries | | - | (11,796) | - | (10,508) |
| Reversal of impairment loss on non-financial assets | | - | - | 8,364 | - |
| Net (loss)/reversal of impairment loss on financial assets | | (112) | 80 | (10) | (10) |
| Finance expenses | | (1,310) | (1,177) | - | - |
| Profit/(loss) before tax | 23 | 26,037 | 16,464 | 9,679 | (5,146) |
| Tax expenses | 24 | (7,230) | (7,623) | (16) | (4) |
| Profit/(loss) from continuing operations | | 18,807 | 8,841 | 9,663 | (5,150) |
| Loss from discontinued operation, net of tax | 25 | - | (3,056) | - | - |
| Net profit/(loss) for the financial year | | 18,807 | 5,785 | 9,663 | (5,150) |
| Other comprehensive income | | | | | |
| <i>Item that will be reclassified subsequently to profit or loss:-</i> | | | | | |
| Foreign exchange translation differences for foreign operation | | (33) | (46) | - | - |
| Total comprehensive income/(loss) for the financial year | | 18,774 | 5,739 | 9,663 | (5,150) |

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | Note | Group 2025 RM'000 | Group 2024 RM'000 |
|---|------|-------------------------|-------------------------|
| Net profit/(loss) for the financial year attributable to:- | | | |
| Owners of the Company | | | |
| - Continuing operations | | 17,319 | 7,282 |
| - Discontinued operation | | - | (3,056) |
| Non-controlling interests | | 1,488 | 1,559 |
| | | 18,807 | 5,785 |
| Total comprehensive income/(loss) for the financial year attributable to:- | | | |
| Owners of the Company | | | |
| - Continuing operations | | 17,286 | 7,236 |
| - Discontinued operation | | - | (3,056) |
| Non-controlling interests | | 1,488 | 1,559 |
| | | 18,774 | 5,739 |
| Basic earnings/(loss) per share (sen) | | | |
| Basic/Diluted (sen) | 26 | | |
| - Continuing operations | | 16.84 | 7.08 |
| - Discontinued operation | | - | (2.97) |

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| Group | Note | ← Attributable to owners of the Company → | | | | | Total equity RM'000 |
|--|------|---|--|---|-----------------|---|------------------------|
| | | Share capital RM'000 | Non- distributable Foreign currency translation reserve RM'000 | Distributable Retained earnings RM'000 | Total RM'000 | Non- controlling interest RM'000 | |
| Balance at 1 January 2024 | | 103,105 | 223 | 74,643 | 177,971 | (58) | 177,913 |
| Net profit for the financial year | | - | - | 4,226 | 4,226 | 1,559 | 5,785 |
| Other comprehensive loss | | - | (46) | - | (46) | - | (46) |
| Total comprehensive (loss)/ income for the financial year | | - | (46) | 4,226 | 4,180 | 1,559 | 5,739 |
| Dividend paid | 27 | - | - | (1,543) | (1,543) | - | (1,543) |
| Balance at 31 December 2024 | | 103,105 | 177 | 77,326 | 180,608 | 1,501 | 182,109 |
| Net profit for the financial year | | - | - | 17,319 | 17,319 | 1,488 | 18,807 |
| Other comprehensive loss | | - | (33) | - | (33) | - | (33) |
| Total comprehensive (loss)/income for the financial year | | - | (33) | 17,319 | 17,286 | 1,488 | 18,774 |
| Dividend paid | 27 | - | - | (2,057) | (2,057) | - | (2,057) |
| Balance at 31 December 2025 | | 103,105 | 144 | 92,588 | 195,837 | 2,989 | 198,826 |

| Company | Share capital RM'000 | Retained earnings RM'000 | Total RM'000 |
|--|----------------------------|--------------------------------|-----------------|
| Balance at 1 January 2024 | 103,105 | 45,715 | 148,820 |
| Total comprehensive loss for the financial year | - | (5,150) | (5,150) |
| Dividend paid | 27 | (1,543) | (1,543) |
| Balance at 31 December 2024 | 103,105 | 39,022 | 142,127 |
| Total comprehensive income for the financial year | - | 9,663 | 9,663 |
| Dividend paid | 27 | (2,057) | (2,057) |
| Balance at 31 December 2025 | 103,105 | 46,628 | 149,733 |

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | Note | Group | | Company | |
|---|------|----------------|----------------|----------------|----------------|
| | | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| OPERATING ACTIVITIES | | | | | |
| Profit/(loss) before tax | | | | | |
| - Continuing operations | | 26,037 | 16,464 | 9,679 | (5,146) |
| - Discontinued operation | | - | (3,055) | - | - |
| Adjustments for: | | | | | |
| Amortisation of investment properties | | 115 | 441 | - | - |
| Depreciation of property, plant and equipment | | 6,290 | 6,470 | 3 | 4 |
| Dividend income | | - | - | (990) | (6,235) |
| Loss/(gain) on disposal of property, plant and equipment | | 6 | (43) | - | - |
| Impairment loss on trade receivables | | 557 | 1,266 | - | - |
| Impairment loss on amount due from subsidiaries | | - | - | 10 | 10 |
| Reversal of impairment loss on investment in subsidiary | | - | - | (8,364) | - |
| Loss on disposal of subsidiaries | | - | 11,796 | - | 10,508 |
| Loss on termination of lease | | - | 4 | - | - |
| Bad debts written off | | - | 23 | - | - |
| Finance expenses | | 1,310 | 1,177 | - | - |
| Finance income | | (804) | (723) | - | - |
| Inventories written off | | 1,590 | 61 | - | - |
| Property, plant and equipment written off | | 1 | 5 | - | - |
| Provision of slow moving inventories | | 93 | 1,124 | - | - |
| Reversal of provision on slow moving inventories | | (975) | (1,109) | - | - |
| Reversal of impairment loss on trade receivables | | (445) | (1,374) | - | - |
| Reversal of impairment loss on other receivables | | - | (60) | - | - |
| Unrealised loss on foreign exchange | | 89 | 248 | - | - |
| Finance income - unwinding discount on amount due from subsidiaries | | - | - | (2,081) | (773) |
| Operating profit/(loss) before working capital changes | | 33,864 | 32,715 | (1,743) | (1,632) |
| Changes in working capital:- | | | | | |
| Right of return assets | | (29) | 8 | - | - |
| Contract liabilities and refund liabilities | | (180) | 531 | - | - |
| Inventories | | 26,743 | 20,940 | - | - |
| Receivables | | (4,393) | (38,631) | - | - |
| Payables | | (2,148) | 14,224 | 37 | (38) |
| Cash generated from/(used in) operations | | 53,857 | 29,787 | (1,706) | (1,670) |
| Tax refunded | | 501 | 138 | - | - |
| Tax paid | | (8,058) | (5,943) | (16) | (22) |
| Net cash from/(used in) operating activities | | 46,300 | 23,982 | (1,722) | (1,692) |

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | Note | Group | | Company | |
|---|------|----------------|----------------|----------------|----------------|
| | | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| INVESTING ACTIVITIES | | | | | |
| Dividend received | | - | - | 990 | 6,235 |
| Repayment from/(advances to) subsidiaries | | - | - | 5,890 | (2,910) |
| Finance income received | | 804 | 723 | - | - |
| Placement of fixed deposits | | (282) | (6,165) | - | - |
| Proceed from disposal of, subsidiaries net of cash disposed | 25 | - | 3,701 | - | 3,000 |
| Proceeds from disposal of property, plant and equipment | | 2 | 139 | - | - |
| Purchase of property, plant and equipment | A | (16,617) | (9,425) | - | (2) |
| Net cash (used in)/from investing activities | | (16,093) | (11,027) | 6,880 | 6,323 |
| FINANCING ACTIVITIES | | | | | |
| Dividend paid | | (2,057) | (1,543) | (2,057) | (1,543) |
| Drawdowns of borrowings | | | | | |
| - Bankers' acceptances and bill payables | | 69,749 | 91,916 | - | - |
| - Revolving credits | | 17,277 | 2,000 | - | - |
| - Trust receipts | | - | 1,810 | - | - |
| - Term loan | | - | 3,450 | - | - |
| Repayments of borrowings | | | | | |
| - Bankers' acceptances and bill payables | | (70,862) | (87,354) | - | - |
| - Trust receipts | | - | (231) | - | - |
| Repayments of term loans | | (31,176) | (15,064) | - | - |
| Repayments of hire purchase | | (463) | (453) | - | - |
| Repayments of lease liabilities | | (11) | - | - | - |
| Finance cost paid | | (1,310) | (1,177) | - | - |
| Net cash used in financing activities | | (18,853) | (6,646) | (2,057) | (1,543) |
| CASH AND CASH EQUIVALENTS | | | | | |
| Net changes | | 11,354 | 6,309 | 3,101 | 3,088 |
| Effect of exchange translation differences on cash and cash equivalents | | 17 | (102) | - | - |
| Brought forward | | 64,101 | 57,894 | 3,599 | 511 |
| Carried forward | B | 75,472 | 64,101 | 6,700 | 3,599 |

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

| | Group | | Company | |
|---------------------------------------|-----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Total purchases | (16,967) | (9,734) | - | 2 |
| Financed by hire purchase arrangement | 350 | 309 | - | - |
| Cash purchases | (16,617) | (9,425) | - | 2 |

B. CASH AND CASH EQUIVALENTS

| | Group | | Company | |
|--|----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Bank overdrafts (Note 17) | - | (1,083) | - | - |
| Fixed deposits with licensed banks (Note 14) | 21,839 | 22,152 | - | - |
| Cash and bank balances | 62,282 | 51,399 | 6,700 | 3,599 |
| | 84,121 | 72,468 | 6,700 | 3,599 |
| Less: | | | | |
| Fixed deposits with licensed banks with maturities periods of more than three months | (8,649) | (8,367) | - | - |
| | 75,472 | 64,101 | 6,700 | 3,599 |

C. CASH OUTFLOW FOR LEASE AS A LESSEE

| | Group | | Company | |
|--|----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| <i>Included in net cash from/(used in) operating activities:</i> | | | | |
| Payment relating to short-term leases | 1,503 | 1,403 | 60 | 60 |
| <i>Included in net cash used in financing activities:</i> | | | | |
| Payment of lease liabilities | 11 | - | - | - |
| Interest paid in relation to lease liabilities | 3 | - | - | - |
| | 1,517 | 1,403 | 60 | 60 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

1. GENERAL INFORMATION

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

The registered and corporate office and principal place of business of the Company are located at 2B-5, Level 5, Jalan SS 6/6, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 5 to the Financial Statements. There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors passed on 6 April 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention.

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

2.3 Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency and all values are rounded to the nearest thousand (RM'000), unless otherwise stated.

2.4 Basis of consolidation

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

2.5 Malaysian Financial Reporting Standards ("MFRSs")

2.5.1 Adoption of new standards/amendments/improvements to MFRSs

The Group and the Company adopted new standards and amendments to MFRSs which are mandatory for the financial years beginning on or after 1 January 2025.

Initial application of the new standards and amendments to the standards did not have material impact to the financial statements of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. BASIS OF PREPARATION (CONT'D)

2.6 Standards issued but not yet effective

The Group and the Company have not applied the following MFRSs and Amendments to MFRSs that have been issued by Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the Group and the Company:-

Effective for the financial periods beginning on or after 1 January 2026:-

| | |
|---------------------------------|---|
| Amendments to MFRS 7 and MFRS 9 | Financial Instruments and Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments and Contracts Referencing Nature-dependent Electricity |
|---------------------------------|---|

Amendments that are part of Annual Improvement - Volume 11

| | |
|--|--|
| Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107 | First-time Adoption of Malaysian Financial Reporting Standards, Financial Instruments: Disclosures, Financial Instruments, Consolidated Financial Statements and Statement of Cash Flows – Annual Improvements |
|--|--|

Effective for the financial periods beginning on or after 1 January 2027:-

| | |
|-----------------------------------|---|
| MFRS 18 | Presentation and Disclosure in Financial Statements |
| MFRS 19 and Amendments to MFRS 19 | Subsidiaries without Public Accountability: Disclosures |
| Amendments to MFRS 121 | The Effect of Changes in Foreign Exchange Rates - Translation to a Hyperinflation Presentation Currency |

Amendments to MFRSs - effective date deferred indefinitely:-

| | |
|------------------------------------|--|
| Amendments to MFRS 10 and MFRS 128 | Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture |
|------------------------------------|--|

The Group and the Company intend to adopt these new and amended standards, if applicable, when they become effective. The initial application of the above standards/amendments to MFRSs is not expected to have any material impact to the financial statements of the Group and the Company upon adoption, except for MFRS 18 Presentation and Disclosure in Financial Statements.

MFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, there are consequential amendments to MFRS 107 Statement of Cash Flows and MFRS 134 Interim Financing Reporting.

The amendments will have an impact on the Group’s and Company’s presentation of statements of profit or loss and other comprehensive income, statements of cash flows and additional disclosures in the notes to the financial statements but not on the measurement or recognition of any items in the Group’s and Company’s financial statements.

The Group and the Company are currently assessing the impact of MFRS 18 and plan to adopt the new standard on the required effective date.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. BASIS OF PREPARATION (CONT'D)

2.7 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and the Company's accounting policies and reported amounts of assets, liabilities, income and expenses and disclosures made.

Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual result may differ from the judgements, estimates and assumptions made by management and will seldom equal the estimated results.

2.7.1 Estimation uncertainty

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:-

Climate-related matters

The long-term consequences of climate changes on financial statements are difficult to predict and require entities to make significant assumptions and develop estimates. Assumptions used by the Group are subject to uncertainties relating to regulatory changes (eg. green taxes adopted by governments), new environmental commitments made by the Group to meet its carbon reduction goals, development of new technologies, depletion of natural resources used to produce telecommunication hardware, etc. Due to these uncertainties, the figures reported in the Group's future financial statements could differ from the estimates established at the time when these financial statements were approved.

Useful lives of depreciable assets

Assets are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of the assets to be within 2 to 89 years and reviews the useful lives of depreciable assets at the end of each reporting year. As at 31 December 2025, management assessed that the useful lives represent the expected utility of the assets to the Group. Actual results, however, may vary due to changes in the expected level of usage and technological developments, which may result in the adjustment to the Group's assets.

The carrying amount of the Group's property, plant and equipment and investment properties at the end of the reporting year are disclosed in Notes 3 and 4 to the Financial Statements.

Amortisation of intangible assets

The useful lives of intangible assets are estimated to be indefinite. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The carrying amounts of the Group's intangible assets at the end of the reporting year are disclosed in Notes 6 and 7 to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. BASIS OF PREPARATION (CONT'D)

2.7 Significant accounting estimates and judgements (cont'd)

2.7.1 Estimation uncertainty (cont'd)

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below (cont'd):-

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the time the estimates are made. The management reviews inventories to identify damaged, obsolete and slow-moving inventories which require judgement and changes in such estimates could result in revision to the valuation of inventories.

The carrying amount of the Group's inventories at the end of the reporting year is disclosed in Note 10 to the Financial Statements.

Provision for expected credit losses of trade receivables

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

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year, which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

The information about the ECLs on the Group's trade receivables are disclosed in Notes 12 and 31 to the Financial Statements.

Estimating variable consideration for returns and volume rebates

The Group estimates variable consideration to be included in the transaction price for the sales with rights of return and volume rebates.

The Group developed a statistical model for forecasting sales returns. The model used the historical return data of each product to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Group.

The Group's expected volume rebates are analysed on a per customer basis for contracts that are subject to a single volume threshold. Determining whether a customer will be likely entitled to rebate will depend on the customer's historical rebates entitlement and accumulated purchases to date.

The Group applies a statistical model for estimating expected volume rebates for contracts with more than one volume threshold. The model uses the historical purchasing patterns and rebates entitlement of customers to determine the expected rebate percentages and the expected value of the variable consideration. Any significant changes in experience as compared to historical purchasing patterns and rebate entitlements of customers will impact the expected rebate percentages estimated by the Group.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. BASIS OF PREPARATION (CONT'D)

2.7 Significant accounting estimates and judgements (cont'd)

2.7.1 Estimation uncertainty (cont'd)

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below (cont'd):-

Estimating variable consideration for returns and volume rebates (cont'd)

The information about the returns and volume rebates of the Group are disclosed in Notes 11 and 22 to the Financial Statements.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's carrying amount or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Company's assets within the next financial year. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and asset-specific risk factors.

The information about the impairment of non-financial assets are disclosed in the Notes 3, 4, 5, 6 and 7 to Financial Statements.

Leases – incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay' which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of goods include a right of return and volume rebates that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group determines that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of edible products with rights of return, given the large number of customer contracts that have similar characteristics. In estimating the variable consideration for the edible products with volume rebates, the Group determines that using a combination of the most likely amount method and expected value method is appropriate. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determines that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. BASIS OF PREPARATION (CONT'D)

2.7 Significant accounting estimates and judgements (cont'd)

2.7.2 Significant management judgements

The following is significant management judgement in applying the accounting policies of the Group that have the most significant effect on the financial statements:-

Income taxes and deferred taxes

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

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which all the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The information about the income tax and deferred tax are disclosed in the Notes 8 and 24 to the Financial Statements.

Classification between investment properties and owner-occupied properties

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

Certain 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 finance lease), the Group accounts for the portion separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

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

Determining the lease term of contracts with renewal options

The Group determines the lease term with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.

The Group has various lease contracts that include extension options. The Group applies judgement in evaluating whether to exercise the option to renew the lease. It considers all relevant factors that create an economic incentive for it to exercise the renewal option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew. The Group includes the renewal period as part of the lease term for such leases. The Group generally exercises its option to renew those leases with a renewal option.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

3. PROPERTY, PLANT AND EQUIPMENT

| Group | Land and buildings RM'000 (Note 3(b)) | Equipment, tools, plant and machinery RM'000 | Motor vehicles RM'000 | Furniture, fittings and others RM'000 | Capital-work-in progress RM'000 | Right-of-use assets RM'000 (Note 3(c)) | Total RM'000 |
|---------------------------------|---|---|--------------------------|--|------------------------------------|--|-----------------|
| Cost | | | | | | | |
| As at 1 January 2025 | 84,107 | 88,334 | 11,076 | 24,364 | 259 | 3,114 | 211,254 |
| Additions | 2,885 | 6,395 | 455 | 686 | 6,546 | 82 | 17,049 |
| Disposals | - | (1,940) | (238) | - | - | - | (2,178) |
| Written off | - | - | - | (51) | - | - | (51) |
| As at 31 December 2025 | 86,992 | 92,789 | 11,293 | 24,999 | 6,805 | 3,196 | 226,074 |
| Accumulated depreciation | | | | | | | |
| As at 1 January 2025 | 26,341 | 74,502 | 8,520 | 19,408 | - | 931 | 129,702 |
| Charge for the financial year | 1,070 | 3,239 | 855 | 1,070 | - | 56 | 6,290 |
| Disposals | - | (1,932) | (238) | - | - | - | (2,170) |
| Written off | - | - | - | (50) | - | - | (50) |
| As at 31 December 2025 | 27,411 | 75,809 | 9,137 | 20,428 | - | 987 | 133,772 |
| Net carrying amount | | | | | | | |
| As at 31 December 2025 | 59,581 | 16,980 | 2,156 | 4,571 | 6,805 | 2,209 | 92,302 |
| Cost | | | | | | | |
| As at 1 January 2024 | 84,124 | 90,318 | 12,216 | 29,282 | 289 | 3,829 | 220,058 |
| Additions | 6,053 | 2,086 | 673 | 922 | - | - | 9,734 |
| Transfer | - | 30 | - | - | (30) | - | - |
| Disposals | - | (1,617) | (661) | - | - | - | (2,278) |
| Disposal of subsidiaries | (6,070) | (115) | (1,152) | (5,766) | - | - | (13,103) |
| Written off | - | (2,368) | - | (74) | - | - | (2,442) |
| Termination | - | - | - | - | - | (715) | (715) |
| As at 31 December 2024 | 84,107 | 88,334 | 11,076 | 24,364 | 259 | 3,114 | 211,254 |
| Accumulated depreciation | | | | | | | |
| As at 1 January 2024 | 28,177 | 75,514 | 9,197 | 21,448 | - | 1,285 | 135,621 |
| Charge for the financial year | 1,114 | 3,084 | 944 | 1,265 | - | 63 | 6,470 |
| Disposals | - | (1,617) | (565) | - | - | - | (2,182) |
| Disposal of subsidiaries | (2,950) | (111) | (1,056) | (3,236) | - | - | (7,353) |
| Written off | - | (2,368) | - | (69) | - | - | (2,437) |
| Termination | - | - | - | - | - | (417) | (417) |
| As at 31 December 2024 | 26,341 | 74,502 | 8,520 | 19,408 | - | 931 | 129,702 |
| Net carrying amount | | | | | | | |
| As at 31 December 2024 | 57,766 | 13,832 | 2,556 | 4,956 | 259 | 2,183 | 81,552 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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

| Company | Motor vehicles RM'000 | Furniture, fittings and others RM'000 | Total RM'000 |
|---------------------------------------|--------------------------|--|-----------------|
| Cost | | | |
| As at 1 January 2025/31 December 2025 | 417 | 557 | 974 |
| Accumulated depreciation | | | |
| As at 1 January 2025 | 417 | 546 | 963 |
| Charge for the financial year | - | 3 | 3 |
| As at 31 December 2025 | 417 | 549 | 966 |
| Net carrying amount | | | |
| As at 31 December 2025 | - | 8 | 8 |
| Cost | | | |
| As at 1 January 2024 | 417 | 555 | 972 |
| Additions | - | 2 | 2 |
| As at 31 December 2024 | 417 | 557 | 974 |
| Accumulated depreciation | | | |
| As at 1 January 2024 | 415 | 544 | 959 |
| Charge for the financial year | 2 | 2 | 4 |
| At at 31 December 2024 | 417 | 546 | 963 |
| Net carrying amount | | | |
| As at 31 December 2024 | - | 11 | 11 |

(a) Assets pledged as securities to financial institutions

The net carrying amounts of assets pledged as securities for bank borrowings granted are:-

| Group | 2025 RM'000 | 2024 RM'000 |
|-----------------------|----------------|----------------|
| - Land and buildings | 46,320 | 47,089 |
| - Plant and machinery | 2,374 | 1,065 |

Property, plant and equipment held under hire purchase arrangement

The net carrying amount of motor vehicles of the Group that are financed under hire purchase arrangement is RM1,584,725 (2024: RM1,653,487).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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

(b) Land and buildings

| Group | Freehold land and buildings RM'000 (Note 3(b)(i)) | Buildings RM'000 | Total RM'000 |
|---------------------------------|---|---------------------|-----------------|
| Cost | | | |
| As at 1 January 2025 | 80,991 | 3,116 | 84,107 |
| Additions | 2,885 | – | 2,885 |
| As at 31 December 2025 | 83,876 | 3,116 | 86,992 |
| Accumulated depreciation | | | |
| As at 1 January 2025 | 24,480 | 1,861 | 26,341 |
| Charge for the financial year | 1,008 | 62 | 1,070 |
| As at 31 December 2025 | 25,488 | 1,923 | 27,411 |
| Net carrying amount | | | |
| As at 31 December 2025 | 58,388 | 1,193 | 59,581 |
| Cost | | | |
| As at 1 January 2024 | 81,008 | 3,116 | 84,124 |
| Additions | 6,053 | – | 6,053 |
| Disposal of subsidiaries | (6,070) | – | (6,070) |
| As at 31 December 2024 | 80,991 | 3,116 | 84,107 |
| Accumulated depreciation | | | |
| As at 1 January 2024 | 26,378 | 1,799 | 28,177 |
| Charge for the financial year | 1,052 | 62 | 1,114 |
| Disposal of subsidiaries | (2,950) | – | (2,950) |
| As at 31 December 2024 | 24,480 | 1,861 | 26,341 |
| Net carrying amount | | | |
| As at 31 December 2024 | 56,511 | 1,255 | 57,766 |

(i) Freehold land and buildings

The Directors of the Group and of the Company are of the opinion that it would not be possible to segregate the costs of the freehold land and buildings separately as they were acquired in a lump sum amount.

During the financial year ended 31 December 1998, the Directors revalued certain subsidiaries' freehold land and buildings based on open market value basis. They were revalued by an independent professional valuer.

The above freehold land and buildings of the subsidiaries have not been revalued ever since. The subsidiaries did not adopt a policy of regular revaluation as required by MFRS 116, Property, Plant and Equipment and were applying the transitional provision for assets revalued before the coming into force of the respective standard. This is the deemed cost of the properties.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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

(b) Land and buildings (cont'd)

(i) Freehold land and buildings (cont'd)

Had these assets been carried at original cost less accumulated depreciation, the net carrying amount of the subsidiaries' revalued freehold land and buildings are RM13,800,005 (2024: RM11,211,906).

(c) Right-of-use assets

As lessee

| | Leasehold land RM'000 | Outlet premise RM'000 | Total RM'000 |
|---------------------------------|-----------------------------|-----------------------------|-----------------|
| Group | | | |
| Cost | | | |
| As at 1 January 2024 | 3,114 | 715 | 3,829 |
| Termination | – | (715) | (715) |
| As at 31 December 2024 | 3,114 | – | 3,114 |
| Additions | – | 82 | 82 |
| As at 31 December 2025 | 3,114 | 82 | 3,196 |
| Accumulated depreciation | | | |
| As at 1 January 2024 | 888 | 397 | 1,285 |
| Charge for the financial year | 43 | 20 | 63 |
| Termination | – | (417) | (417) |
| As at 31 December 2024 | 931 | – | 931 |
| Charge for the financial year | 43 | 13 | 56 |
| As at 31 December 2025 | 974 | 13 | 987 |
| Net carrying amount | | | |
| As at 31 December 2025 | 2,140 | 69 | 2,209 |
| As at 31 December 2024 | 2,183 | – | 2,183 |

The following are the amounts relating to right-of-use assets recognised in profit or loss:-

| | 2025 RM'000 | 2024 RM'000 |
|---|----------------|----------------|
| Group | | |
| Depreciation expense of right-of-use assets | 56 | 63 |
| Expenses relating to short-term leases | 1,503 | 1,403 |
| Company | | |
| Expenses relating to short-term leases | 60 | 60 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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

Material accounting policy information

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Subsequently, property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such cost as individual asset with specific useful life and depreciation respectively. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group assesses at contract inception whether a contract is, or contains, a lease. At the commencement date of the lease (i.e., the date of the underlying asset is available for use), the Group recognises right-of-use assets representing the non-cancellable right to use the underlying assets and lease liabilities to make lease payments over the lease term, except for short-term leases and leases of low-value assets which are recognised as expenses on a straight-line basis over the lease term:

- Lease liabilities is measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the year in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.
- The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received.

Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful life as follows:-

| | |
|--|-----------------|
| Freehold land | Not depreciated |
| Buildings | 2% |
| Equipment, tools, plant and machinery | 6.7% to 20% |
| Motor vehicles | 10% to 20% |
| Furniture, fittings and others | 2% to 50% |
| Leasehold land recognised as right-of-use assets | 60 - 89 years |
| Outlet premise recognised as right-of-use assets | 6 years |

Capital work-in-progress consists of building under construction for intended use as production facilities. Assets under construction are not depreciated until they are completed and ready for their intended use.

The residual values, useful lives and depreciation method are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable, or at least annually to ensure that the amount, method and rate of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. INVESTMENT PROPERTIES

| Group | Freehold land and buildings RM'000 | Leasehold buildings RM'000 | Total RM'000 |
|-------------------------------------|---|----------------------------------|-----------------|
| Cost | | | |
| As at 1 January 2025 | 1,736 | 4,952 | 6,688 |
| Foreign exchange translation effect | - | (197) | (197) |
| As at 31 December 2025 | 1,736 | 4,755 | 6,491 |
| Accumulated amortisation | | | |
| As at 1 January 2025 | 247 | 996 | 1,243 |
| Charge for the financial year | 35 | 80 | 115 |
| Foreign exchange translation effect | - | (43) | (43) |
| As at 31 December 2025 | 282 | 1,033 | 1,315 |
| Accumulated impairment | | | |
| As at 1 January 2025 | 191 | 374 | 565 |
| Foreign exchange translation effect | - | (15) | (15) |
| As at 31 December 2025 | 191 | 359 | 550 |
| Net carrying amount | | | |
| As at 31 December 2025 | 1,263 | 3,363 | 4,626 |
| Cost | | | |
| As at 1 January 2024 | 12,089 | 5,584 | 17,673 |
| Foreign exchange translation effect | - | (287) | (287) |
| Disposal of subsidiaries | (10,353) | (345) | (10,698) |
| As at 31 December 2024 | 1,736 | 4,952 | 6,688 |
| Accumulated amortisation | | | |
| As at 1 January 2024 | 5,031 | 1,061 | 6,092 |
| Charge for the financial year | 354 | 87 | 441 |
| Foreign exchange translation effect | - | (56) | (56) |
| Disposal of subsidiaries | (5,138) | (96) | (5,234) |
| As at 31 December 2024 | 247 | 996 | 1,243 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. INVESTMENT PROPERTIES (CONT'D)

| Group (cont'd) | Freehold land and buildings RM'000 | Leasehold buildings RM'000 | Total RM'000 |
|-------------------------------------|---|----------------------------------|-----------------|
| Accumulated impairment | | | |
| As at 1 January 2024 | 191 | 396 | 587 |
| Foreign exchange translation effect | – | (22) | (22) |
| As at 31 December 2024 | 191 | 374 | 565 |
| Net carrying amount | | | |
| As at 31 December 2024 | 1,298 | 3,582 | 4,880 |
| (a) Market value | | | |
| As at 31 December 2025 | 1,350 | 3,760 | 5,110 |
| As at 31 December 2024 | 1,400 | 3,760 | 5,160 |

The market value at the reporting date was obtained from observable market information, determined by reference to the selling price reported in the actual sales transactions of the similar land and buildings at proximity area within reasonable period, adjusted with the latest market condition of the property market of the respective area. No independent valuation by professional valuer has been performed on these investment properties.

(b) Recognised in profit or loss

The followings are recognised in profit or loss in respect of investment properties:-

| Group | 2025 RM'000 | 2024 RM'000 |
|---|----------------|----------------|
| Amortisation expense of investment properties | 115 | 441 |
| Rental income | (486) | (310) |

Material accounting policy information

Investment properties which consist of land and building held for capital appreciation or rental purpose are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequently, investment properties are stated at cost less accumulated amortisation, except for freehold land which is not amortised due to indefinite useful live and any impairment losses. Amortisation is recognised on the straight-line method over the estimated useful lives of the properties as follows:-

| | |
|--------------------|-----------------------------------|
| Leasehold building | Over the lease period of 50 years |
| Freehold buildings | 2% to 10% |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

5. INVESTMENT IN SUBSIDIARIES

| Company | 2025 RM'000 | 2024 RM'000 |
|-------------------------------------|----------------|----------------|
| Unquoted shares, at cost | 126,663 | 126,663 |
| Less: Accumulated impairment losses | | |
| At beginning of financial year | (8,364) | (8,364) |
| Reversal during the financial year | 8,364 | – |
| | 126,663 | 118,299 |

Details of the subsidiaries, which are all incorporated and operating in Malaysia, except for First Knight (Singapore) Pte. Ltd. which is incorporated and operating in Singapore, are as follows:-

| Name of companies | Effective equity interest | | Principal activities |
|---|------------------------------|-----------|---|
| | 2025 % | 2024 % | |
| Kaiserkorp Sdn. Bhd. * | 100 | 100 | Investment holding |
| Ibufood Corporation Sdn. Bhd. | 100 | 100 | Investment holding |
| Enigma Sinar Sdn. Bhd. | 80 | 80 | Land owner |
| Subsidiaries of Kaiserkorp Sdn. Bhd. | | | |
| T N Metal Industries (M) Sdn. Bhd. * | 100 | 100 | Property holding |
| Kingkoil Bedding (Malaysia) Sdn. Bhd. * | 100 | 100 | Manufacturing of bedding products and property holding |
| Kaiserkoil Incorporated (M) Sdn. Bhd. * | 100 | 100 | Property holding |
| Dreambed (Malaysia) Sdn. Bhd. * | 100 | 100 | Property holding |
| Bedco Sistem (M) Sdn. Bhd. * | 100 | 100 | Manufacturing of spring mattress, headboards and divans |
| Kingkoil Corporation (M) Sdn. Bhd. * | 100 | 100 | Granting its products trademark and know-how to its licensee |
| Acrowyn (M) Sdn. Bhd. * | 100 | 100 | Dormant |
| Ultima Beddington Sdn. Bhd. * | 100 | 100 | Dormant |
| First Knight (Singapore) Pte. Ltd.* | 100 | 100 | Property holding |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries, which are all incorporated and operating in Malaysia, except for First Knight (Singapore) Pte. Ltd. which is incorporated and operating in Singapore, are as follows (cont'd):-

| Name of companies | Effective equity interest | | Principal activities |
|--|---------------------------|-----------|---|
| | 2025 % | 2024 % | |
| Subsidiaries of Ibufood Corporation Sdn. Bhd. | | | |
| Ibufood Manufacturing (M) Sdn. Bhd. | 100 | 100 | Investment holding |
| Spices & Seasonings Specialities Sdn. Bhd. | 100 | 100 | Manufacturing of food seasonings, sauces, instant noodles and other edible products |
| Ecoway (Malaysia) Sdn. Bhd. | 100 | 100 | Dormant |
| Biz-Allianz International (M) Sdn. Bhd. | 100 | 100 | Trading and distribution of consumer products |
| Selera Citarasa Sdn. Bhd. * | 100 | 100 | Dormant |
| Biz-Markas Sdn. Bhd. | 100 | 100 | Dormant |

* Subsidiaries not audited by Grant Thornton Malaysia PLT

5.1 Disposal of subsidiaries

On 27 December 2024, the Company announced the decision to dispose of a 100% owned subsidiary, Agrow Malaysia Sdn. Bhd. and its subsidiaries ("Agrow Group"), comprising its entire building materials division which had been under-performing over the last 5 years. The disposal is consistent with the Group's long-term strategy to maximise growth and profitability by focusing on bedding products, consumer foods, property development and other related business.

Upon the fulfillment of the terms and conditions on 30 December 2024, the disposal of Agrow Group was completed with a cash consideration of RM3,000,000, recorded a loss of RM11,796,219 and RM10,508,000 respectively in the financial statements of the Group and of the Company.

At Group level, the loss of control of Agrow Group is presented as "Discontinued Operation" and disclosed in Note 25 to the Financial Statements.

5.2 Non-controlling interests in subsidiaries

Information of the Group's subsidiary that have non-controlling interest ("NCI") are as follows:-

| | 2025 | 2024 |
|---|-------|-------|
| Enigma Sinar Sdn. Bhd. | | |
| Percentage of ownership interest and voting right | 20% | 20% |
| Carrying amount of NCI (RM'000) | 2,989 | 1,501 |
| Net profit allocated to NCI (RM'000) | 1,488 | 1,559 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

5.2 Non-controlling interests in subsidiaries (cont'd)

The summary of financial information before intra-group elimination for the Group's subsidiaries that have material non-controlling interests are as below:-

| | 2025 RM'000 | 2024 RM'000 |
|--|----------------|----------------|
| Enigma Sinar Sdn. Bhd. | | |
| Summary of financial position as at 31 December | | |
| Current assets | 32,160 | 60,124 |
| Non-current liabilities | - | (26,560) |
| Current liabilities | (17,221) | (26,066) |
| Net assets | 14,939 | 7,498 |
| Included in the net total comprehensive loss is: | | |
| Revenue | 39,394 | 37,737 |
| Summary of financial performance for the financial year ended 31 December | | |
| Net profit for the year/total comprehensive income | 7,441 | 7,793 |
| Summary of cash flows for the financial year ended 31 December | | |
| Cash from operating activities | 42,659 | 10,107 |
| Cash from investing activities | 11 | - |
| Cash used in financing activities | (34,835) | (10,321) |
| Net changes in cash flows | 7,835 | (214) |

Material accounting policy information

Subsidiaries are entities, including structured entities, controlled by the Company. Investments in subsidiaries are measured at cost less impairment losses, if any. Subsidiaries are consolidated by applying acquisition method from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. The cost of an acquisition is the aggregate of the consideration transferred, measured at acquisition date fair value. Acquisition costs incurred are expensed and included in administration expenses.

Non-controlling interests at the end of the reporting year, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if that results in a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. GOODWILL ON CONSOLIDATION

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

| | Cash-generating unit ("CGU") | | | Total RM'000 |
|---|---------------------------------|-------------------------------|-----------------------------|-----------------|
| | Building materials RM'000 | Bedding products RM'000 | Consumer foods RM'000 | |
| Group Cost | | | | |
| As at 1 January 2024 | 1,099 | 21,054 | 38,186 | 60,339 |
| Disposal of subsidiaries | (1,099) | – | – | (1,099) |
| As at 31 December 2024/ 31 December 2025 | – | 21,054 | 38,186 | 59,240 |
| Accumulated impairment losses | | | | |
| As at 1 January 2024 | (1,099) | (21,054) | (22,075) | (44,228) |
| Disposal of subsidiaries | 1,099 | – | – | 1,099 |
| As at 31 December 2024/ 31 December 2025 | – | (21,054) | (22,075) | (43,129) |
| Net carrying amount | | | | |
| As at 31 December 2025 | – | – | 16,111 | 16,111 |
| As at 31 December 2024 | – | – | 16,111 | 16,111 |

The impairment losses are recognised based on impairment testing performed on the goodwill which was supported by decrease of future economic benefits attached to the goodwill resulted from the tense industry competitions.

Impairment testing for CGU containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest CGU level within the Group at which the goodwill is monitored for internal management purpose.

As at the end of the financial year, the Management had carried out an annual impairment assessment on the CGU of Consumer Foods.

The recoverable amount of the CGU is the value-in-use determined using a five-years discounted cash flow projections based on the financial budgets approved by the management.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. GOODWILL ON CONSOLIDATION (CONT'D)

Impairment testing for CGU containing goodwill (cont'd)

The key assumptions represent management's assessment of future trends in the consumer foods industries and are based on both external sources and internal sources (historical data). Key assumptions made in determining the value-in-use are as follows:-

- Revenue was anticipated at a constant annual growth rate of 2% (2024: 5%) per annum;
- Expenses were projected at annual increase of approximately 2% (2024: 5%) per annum;
- A pre-tax discount rate of 8.2% (2024: 9.1%) was applied in determining the recoverable amount of the unit; and
- The size of operation will remain at least or not lower than the current results.

With regards to the assessment of value-in-use of this CGU, management believes that no reasonably possible changes in any of the key assumptions would cause the carrying value of this unit to differ materially from its recoverable amount except for the changes in prevailing operating environment which is not ascertainable.

Material accounting policy information

Goodwill on consolidation is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill on consolidation is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill on consolidation acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Goodwill is tested for impairment annually as at the end of each reporting year and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGU) to which the goodwill relates. Where the recoverable amount of the CGU is less than their carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future years.

7. OTHER INTANGIBLE ASSETS

| Group | Trademark RM'000 | Licenses RM'000 | Total RM'000 |
|--|---------------------|--------------------|-----------------|
| Cost | | | |
| As at 1 January 2024/31 December 2024/ 31 December 2025 | 2,030 | 12,367 | 14,397 |
| Accumulated impairment | | | |
| As at 1 January 2024/31 December 2024/ 31 December 2025 | 2,000 | 12,367 | 14,367 |
| Net carrying amount | | | |
| As at 31 December 2024/31 December 2025 | 30 | - | 30 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

7. OTHER INTANGIBLE ASSETS (CONT'D)

Trademarks

Trademark with net carrying amount of RM30,000 relates to the use of the “Miyachi” for the Group’s consumer foods business. The useful life of the trademark is estimated to be indefinite because based on the current market share of the trademark, Directors believe that there is no foreseeable limit to the period over which trademark is expected to generate net cash inflows for the Group. Based on Directors’ rule of thumb and the sale volume of the products, Directors concluded that no impairment indicator is identified on the trademark.

Trademark with net carrying amount of RM2,000,000 related to the use of the “First Knight” for the Group’s bedding products business which had been fully impaired in prior years led by impairment testing performed on the intangible asset, supported by decrease of future economic benefits attached to the trademark resulted from the tense industry competitions.

License

License consists of “Kingkoil” is related to the use of the bedding products and estimated to have indefinite useful lives which has been fully impaired in prior years led by impairment testing performed on the intangible asset. Management believes there is no foreseeable limit to the period over which the license is expected to generate cash flows for the Group.

Material accounting policy information

Intangible assets acquired separately are measured on initial recognition at cost. The costs of intangible assets acquired in a business combination are their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated impairment loss.

Intangible assets with indefinite useful life are not amortised but tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired either individually or at cash-generating unit level. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

8. DEFERRED TAX ASSETS/(LIABILITIES)

| | Group | |
|---|---------|---------|
| | 2025 | 2024 |
| | RM'000 | RM'000 |
| Deferred tax assets | | |
| As at 1 January | 5 | – |
| Transferred from profit or loss (Note 24) | 25 | 5 |
| As at 31 December | 30 | 5 |
| Deferred tax liabilities | | |
| As at 1 January | 4,674 | 4,122 |
| Transferred to profit or loss (Note 24) | 30 | 590 |
| Disposal of subsidiaries (Note 25) | – | (106) |
| Underprovision in prior year (Note 24) | 17 | 68 |
| As at 31 December | 4,721 | 4,674 |
| Total | (4,691) | (4,669) |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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

The deferred tax assets/(liabilities) as at the reporting date are made up of temporary differences arising from:-

| Group | 1 January RM'000 | Recognised in profit or loss RM'000 | Disposal of subsidiaries RM'000 | 31 December RM'000 |
|--|---------------------|--|---------------------------------------|-----------------------|
| 2025 | | | | |
| Deferred tax assets | | | | |
| Unutilised capital allowances and provisions | 866 | (836) | - | 30 |
| Deferred tax liabilities | | | | |
| Accelerated capital allowances | (4,633) | 785 | - | (3,848) |
| Revaluation of land and buildings | (902) | 29 | - | (873) |
| | (4,669) | (22) | - | (4,691) |

| | | | | |
|--|---------|-------|-----|---------|
| 2024 | | | | |
| Deferred tax assets | | | | |
| Unutilised capital allowances and provisions | 1,827 | (961) | - | 866 |
| Deferred tax liabilities | | | | |
| Accelerated capital allowances | (5,018) | 279 | 106 | (4,633) |
| Revaluation of land and buildings | (931) | 29 | - | (902) |
| | (4,122) | (653) | 106 | (4,669) |

| Company | 1 January RM'000 | Recognised in profit or loss RM'000 | 31 December RM'000 |
|---------------------------------|---------------------|--|-----------------------|
| Deferred tax liabilities | | | |
| 2025 | | | |
| Accelerated capital allowances | | 1 | 1 |
| 2024 | | | |
| Deferred tax liabilities | | | |
| Accelerated capital allowances | | 1 | 1 |

Deferred tax assets have not been recognised in respect of the following items as they may not have sufficient future taxable profits to be used to offset or they arose from the subsidiaries that have a recent history of losses.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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

| | Group | | Company | |
|-------------------------------|----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Unabsorbed tax losses | 7,793 | 8,107 | - | - |
| Unutilised capital allowances | 147 | 144 | - | - |
| | 7,940 | 8,251 | - | - |

The unabsorbed tax losses and unutilised capital allowances of the Group and of the Company are available for offsetting against future taxable profits subject to no substantial changes in shareholder of those entities under the Income Tax Act 1967 and relevant provisions of Income Tax Act 1967. Any unabsorbed tax losses from Year of Assessment 2018 onwards can be carried forward for a maximum of 10 years. Upon the expiry date, the unabsorbed tax losses will be disregarded.

The expiry dates of the unrecognised unabsorbed tax losses are as follows:-

| | Group | | Company | |
|-------------------------|----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Year of assessment 2028 | 7,529 | 7,843 | - | - |
| Year of assessment 2029 | 264 | 264 | - | - |
| | 7,793 | 8,107 | - | - |

Material accounting policy information

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the tax laws that have been enacted or substantively enacted by the end of the reporting year.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted by the end of the reporting year.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

9. AMOUNT DUE FROM SUBSIDIARIES

| Company | 2025 RM'000 | 2024 RM'000 |
|--|----------------|----------------|
| Amount due from subsidiaries | 17,764 | 21,573 |
| Less: Accumulated impairment losses | | |
| As at 1 January | (1,054) | (1,044) |
| Impairment losses recognised during the year | (10) | (10) |
| As at 31 December | (1,064) | (1,054) |
| | 16,700 | 20,519 |
| Represented by: | | |
| Non-current | – | 9,263 |
| Current | 16,700 | 11,256 |
| | 16,700 | 20,519 |

The amount due from a subsidiary, Enigma Sinar Sdn. Bhd. amounting to RM16,700,080 (2024: RM20,519,076) is non-trade, non-interest bearing, unsecured and receivable over 12 months (2024: 3 years). Consequently, finance expenses of RM2,081,004 were recognised in the profit or loss represent the discounting effect of the amount due from a subsidiary classified under non-current asset based on 6.68% discount rate in prior financial year.

Amount due from other subsidiary with non-interest bearing is unsecured and receivable on demand.

10. INVENTORIES

| Group | 2025 RM'000 | 2024 RM'000 |
|---|----------------|----------------|
| Current assets | | |
| Freehold land held for property development | 2,392 | 31,105 |
| Raw materials | 16,521 | 14,988 |
| Goods in transit | 546 | 599 |
| Work-in-progress | 1,793 | 2,196 |
| Finished goods | 9,309 | 9,124 |
| | 30,561 | 58,012 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

10. INVENTORIES (CONT'D)

- (a) In prior year, the freehold land held for property development was pledged to a licensed bank as securities for bank facilities granted to the Group as disclosed in Note 17 to the Financial Statements.

| | 2025 RM'000 | 2024 RM'000 |
|--|----------------|----------------|
| (b) Recognised in profit or loss:- | | |
| Inventories recognised as cost of sales | 245,305 | 239,827 |
| Inventories written off | 1,590 | 61 |
| Provision of slow moving inventories | 93 | 1,124 |
| Reversal of provision on slow moving inventories | (975) | (1,109) |

- (c) The reversal of provision on slow moving inventories was made during the year when the related inventories were sold above their carrying amounts.

Material accounting policy information

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods include direct materials, direct labour and an appropriate proportion of manufacturing overheads. Cost of inventories for bedding products is determined using first-in-first-out method. Cost of inventories for consumers trading goods and food stuffs are determined using weighted average method. Where necessary, allowance is made for deteriorated, obsolete and slow moving inventories.

The freehold land on which development has commenced is expected to be completed within the normal operating cycle. The cost of freehold land is subsequently recognised as cost of sales in profit or loss as and when the control is transferred to the customer.

11. RIGHT OF RETURN ASSETS AND REFUND LIABILITIES

| Group | 2025 RM'000 | 2024 RM'000 |
|-------------------------|----------------|----------------|
| Right of return assets: | | |
| - Bedding products | 171 | 169 |
| - Consumer foods | 119 | 92 |
| | 290 | 261 |
| Refund liabilities: | | |
| - Bedding products | 214 | 212 |
| - Consumer foods | 148 | 118 |
| | 362 | 330 |

Refer to Note 22 to the Financial Statements for the material accounting policy information of right of return assets and refund liabilities.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

12. TRADE RECEIVABLES

| Group | 2025 RM'000 | 2024 RM'000 |
|-------------------------------------|----------------|----------------|
| Trade receivables | 54,504 | 60,721 |
| Less: Accumulated impairment losses | (723) | (611) |
| As at 31 December | 53,781 | 60,110 |

Trade receivables are non-interest bearing and the normal credit terms are generally ranging from 14 to 90 (2024: 14 to 120) days.

The movements of the accumulated impairment losses of trade receivables during the year are as follow:-

| Group | 2025 RM'000 | 2024 RM'000 |
|-----------------------------|----------------|----------------|
| As at 1 January | 611 | 3,656 |
| Recognised during the year | 557 | 1,266 |
| Reversed during the year | (445) | (1,374) |
| Disposal of subsidiaries | - | (2,811) |
| Written off during the year | - | (126) |
| As at 31 December | 723 | 611 |

The impairment losses on trade receivables was reversed during the financial year as a result of subsequent receipts and written off of the amount.

Refer to Note 31.2 (a) to the Financial Statements for information related to credit risk management of the Group.

13. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

| | Group | | Company | |
|-----------------------------------|----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Sundry receivables | 411 | 630 | - | - |
| Goods and services tax receivable | 6 | 6 | - | - |
| Deposits | 13,105 | 1,609 | 3 | 3 |
| Prepayments | 305 | 972 | - | - |
| | 13,827 | 3,217 | 3 | 3 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

13. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

The movements of the accumulated impairment losses of prepayments during the financial year are as follow:-

| Group | 2025 RM'000 | 2024 RM'000 |
|--------------------------|----------------|----------------|
| As at 1 January | - | 780 |
| Reversed during the year | - | (60) |
| Disposal of subsidiaries | - | (720) |
| As at 31 December | - | - |

The impairment losses on other receivables were reversed during the financial year as a result of subsequent receipts of the amount.

14. FIXED DEPOSITS WITH LICENSED BANKS

Group

Fixed deposits are placed with licensed banks.

The fixed deposits amounting to RM13,189,703 (2024: RM13,784,886) with maturity periods ranging from 1 to 3 months (2024: 1 to 3 months) bear interest ranging from 1.85% to 3.25% (2024: 2.25% to 3.85%) per annum.

The fixed deposits amounting to RM8,649,459 (2024: RM8,367,198) with maturity periods of more than 3 months bear interest ranging from 2.10% to 3.75% (2024: 2.35% to 3.75%) per annum.

15. SHARE CAPITAL

| Group and Company | No. of ordinary shares | | Amount | |
|---|------------------------|--------------|----------------|----------------|
| | 2025 Unit | 2024 Unit | 2025 RM'000 | 2024 RM'000 |
| Issued and fully paid with no par value:- | | | | |
| As at 1 January/31 December | 102,850,000 | 102,850,000 | 103,105 | 103,105 |

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual assets.

16. RESERVES

| | Group | | Company | |
|--------------------------------------|----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Non-distributable: | | | | |
| Foreign currency translation reserve | 144 | 177 | - | - |
| Distributable: | | | | |
| Retained earnings | 92,588 | 77,326 | 46,628 | 39,022 |
| | 92,732 | 77,503 | 46,628 | 39,022 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

17. BANK BORROWINGS

| Group | 2025 RM'000 | 2024 RM'000 |
|-----------------------|----------------|----------------|
| Current | | |
| <u>Secured</u> | | |
| Bank overdrafts | – | 1,083 |
| Term loans | 1,319 | 4,639 |
| Bankers' acceptances | 16,252 | 16,689 |
| Bill payables | 1,070 | 1,746 |
| Revolving credits | 11,820 | 3,000 |
| Hire purchase | 395 | 443 |
| | 30,856 | 27,600 |
| Non-current | | |
| <u>Secured</u> | | |
| Term loans | 2,715 | 30,571 |
| Revolving credits | 8,457 | – |
| Hire purchase | 572 | 637 |
| | 11,744 | 31,208 |
| Total bank borrowings | 42,600 | 58,808 |

Bank borrowings from banks are for financing of assets acquisition and working capital purposes.

Bank borrowings bear interest rates ranging from 1.70% to 5.00% (2024: 2.12% to 6.68%) per annum.

Set out below are the movements of the hire purchase during the financial year:-

| Group | 2025 RM'000 | 2024 RM'000 |
|------------------------|----------------|----------------|
| As at 1 January | 1,080 | 1,313 |
| Additions | 350 | 309 |
| Accretion of interest | 41 | (27) |
| Payments | (504) | (426) |
| Discontinued operation | – | (89) |
| As at 31 December | 967 | 1,080 |

Bank borrowings of the Group are secured by:-

- (i) Corporate guarantee by the Company;
- (ii) letter of negative pledge over the present and future floating assets of subsidiaries;
- (iii) trade financing general agreement;
- (iv) facilities agreement and first party first legal charge on certain properties of the subsidiaries;
- (v) specific debenture over plant and machineries financed by the banks;
- (vi) blanket counter indemnity;
- (vii) open all monies first party debenture by way of fixed and floating charges over the property of a subsidiary; and
- (viii) open all monies facilities agreement by a subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

18. LEASE LIABILITIES

| Group | 2025 RM'000 | 2024 RM'000 |
|---|----------------|----------------|
| <u>Current liabilities</u> | | |
| - less than 1 year | 13 | - |
| <u>Non-current liabilities</u> | | |
| - more than 1 year but less than 2 years | 13 | - |
| - more than 2 years but less than 5 years | 44 | - |
| - more than 5 years | 1 | - |
| Total non-current liabilities | 58 | - |
| Total | 71 | - |

The lease liabilities bear interest at a rate of 5% (2024: Nil) per annum.

Set out below are the movements of the lease liabilities during the financial year:-

| Group | 2025 RM'000 | 2024 RM'000 |
|-----------------------|----------------|----------------|
| As at 1 January | - | 294 |
| Additions | 82 | - |
| Accretion of interest | 3 | - |
| Payments | (14) | - |
| Termination | - | (294) |
| As at 31 December | 71 | - |

The following is the amount relating to lease liabilities recognised in profit or loss:-

| | 2025 RM'000 | 2024 RM'000 |
|---------------------------------------|----------------|----------------|
| Interest expense on lease liabilities | 3 | - |

The lease liabilities are secured by the related underlying asset.

The maturity analysis of lease liabilities is disclosed in Note 31.2 (b) to the Financial Statements.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised in property, plant and equipment on the statements of financial position:

| | Range of remaining term | Number of leases with extension options | Number of leases with variable payment linked to an index | Number of leases with termination options |
|----------------|----------------------------|--|---|--|
| <u>2025</u> | | | | |
| Outlet premise | 5 years | 1 | - | - |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

19. TRADE PAYABLES

The normal trade credit terms granted by the trade payables range from 30 to 120 days (2024: 30 to 120) days.

20. OTHER PAYABLES, ACCRUALS AND DEPOSITS RECEIVED

| | Group | | Company | |
|--------------------------------|----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Sundry payables | 9,261 | 9,612 | - | - |
| Sales and services tax payable | 609 | 596 | - | - |
| Accruals of expenses | 8,428 | 8,422 | 430 | 393 |
| Deposits received | 10 | 21 | - | - |
| | 18,308 | 18,651 | 430 | 393 |

21. CONTRACT LIABILITIES

| | Group | |
|--|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 |
| Advance deposits received from customers | 307 | 461 |
| Secured deposits received from customers | 2,689 | 2,747 |
| | 2,996 | 3,208 |
| As at 1 January | 3,208 | 4,195 |
| Deposits received during the year | 3,145 | 4,181 |
| Disposal of subsidiaries (Note 25) | - | (1,523) |
| Recognised as revenue during the year | (3,357) | (3,645) |
| As at 31 December | 2,996 | 3,208 |

The Group records contract liabilities which represent deposit collected from customers for the future sale of goods.

Contract liabilities are recognised as revenue when the Group perform obligations under the contract.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

22. REVENUE FROM CONTRACT WITH CUSTOMERS

(a) Disaggregated revenue information

| Group | Continuing operations | | Discontinued operation |
|---------------------------------------|-----------------------|----------------|------------------------|
| | 2025 | 2024 | 2024 |
| Segments | RM'000 | RM'000 | RM'000 |
| Types of income | | | |
| Recognised at a point in time: | | | |
| - Sales of goods | 279,334 | 282,805 | 48,666 |
| - Rental income | - | - | 210 |
| | 279,334 | 282,805 | 48,876 |
| Recognised over time: | | | |
| - Land owner's entitlement | 39,394 | 37,737 | - |
| | 318,728 | 320,542 | 48,876 |
| Geographical markets | | | |
| - Malaysia | 249,147 | 254,034 | 48,876 |
| - Indonesia | 53,036 | 45,757 | - |
| - Republic of Singapore | 4,376 | 5,709 | - |
| - Brunei | 4,404 | 4,929 | - |
| - Australia | 2,169 | 2,198 | - |
| - United States of America | 498 | 892 | - |
| - Others | 5,098 | 7,023 | - |
| | 318,728 | 320,542 | 48,876 |
| Company | | | |
| | | 2025 | 2024 |
| | | RM'000 | RM'000 |
| Type of income | | | |
| Recognised at a point in time: | | | |
| - Dividend income | | 990 | 6,235 |
| Geographical market | | | |
| - Malaysia | | 990 | 6,235 |

Revenue amounted to RM2,325,226 (2024: RM2,382,570) was recognised in relation to deposits received from customers under contract liabilities at the beginning of the year.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

22. REVENUE FROM CONTRACT WITH CUSTOMERS (CONT'D)

(b) Performance obligations

Sale of goods

Revenue from sale of goods is recognised at the point in time when controls of the asset are transferred to the customer, generally on delivery of the goods in the business of building materials, bedding products and consumer foods. Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The normal credit term is 14 to 90 days (2024: 14 to 120 days) upon delivery.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customer with a right of return and volume rebates.

While there is no warranty given for the customers of the Group, the rights of return and volume rebates give rise to variable consideration. The requirements in MFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price.

Rights of return (Note 11)

Certain contracts provide a customer with a right to return the goods which are damaged and/or expired within a specified period.

For goods that are expected to be returned, the Group recognises a refund liability. The Group measures the obligation to refund some or all of the consideration, received (or receivable) from customer at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting year.

A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer. The Group uses the expected value method to estimate the goods that will be returned by the customer because this method best predicts the amount of variable consideration to which the Group will be entitled. The Group updates the measurement of the assets recorded for any revisions to its expected level of returns as well as any additional decrease in the value of the returned products.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

22. REVENUE FROM CONTRACT WITH CUSTOMERS (CONT'D)

(b) Performance obligations (cont'd)

Sale of goods (cont'd)

Volume rebates

The Group provides retrospective volume rebates in the form of trade discounts/rebates/incentives to certain customers once the quantity of products purchased exceeds a threshold specified in the contract for a pre-determined period i.e. quarterly, biannually and annually. Rebates are offset against amounts payable by the customers. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Land owner's entitlement from joint venture development

The Group recognises revenue from joint property development over time if it creates an asset with no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The stage of completion is measured using the output method, which is based on the level of completion of the development phase of the project certified by the customer.

Where the outcome of a development cannot be reasonable estimated, revenue is recognised to the extent of property development costs incurred that is probable will be recoverable, and the property development costs shall be recognised as expenses in the year in which they are incurred. As at 31 December 2025, the transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) which is expected to be recognised as revenue within the next one year is RM3,602,434 (2024: RM9,850,520).

Dividend income

Dividend income from investments is recognised when the right to receive the dividend has been established.

Rental income

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

Transaction price allocated to the remaining performance obligations

As at 31 December 2025, the transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) which are estimated to be recognised as revenue arising from sale of goods within the next one year amounted to RM2,996,464 (2024: RM3,208,411).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

23. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax is determined after charging/(crediting) amongst others, the following items:-

| | Group | | Company | |
|--|----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Audit remunerations related to statutory audit | | | | |
| - Grant Thornton Malaysia PLT | | | | |
| • Continuing operations | 215 | 197 | 91 | 95 |
| • Discontinued operation | - | 70 | - | - |
| - other auditors | 114 | 124 | - | - |
| Other services: | | | | |
| - Grant Thornton Malaysia PLT | | | | |
| • Continuing operations | 53 | 76 | 20 | 28 |
| • Discontinued operation | - | 20 | - | - |
| Short-term leases of premises | | | | |
| • Continuing operations | 1,503 | 1,403 | 60 | 60 |
| • Discontinued operation | - | 150 | - | - |
| Realised loss/(gain) on foreign exchange | | | | |
| • Continuing operations | 578 | 632 | - | - |
| • Discontinued operation | - | (31) | - | - |

24. TAX EXPENSES

| Group | Continuing operations | | Discontinued operation |
|---------------------------------------|-----------------------|----------------|------------------------|
| | 2025 RM'000 | 2024 RM'000 | 2024 RM'000 |
| Current year | | | |
| - current tax | 7,173 | 6,853 | 3 |
| - deferred tax (Note 8) | 5 | 585 | - |
| | 7,178 | 7,438 | 3 |
| Under/(over) provision in prior year: | | | |
| - current tax | 35 | 117 | (2) |
| - deferred tax (Note 8) | 17 | 68 | - |
| | 52 | 185 | (2) |
| | 7,230 | 7,623 | 1 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

24. TAX EXPENSES (CONT'D)

| Company | 2025 RM'000 | 2024 RM'000 |
|------------------------------|----------------|----------------|
| Current year | | |
| - current tax | 16 | - |
| Underprovision in prior year | | |
| - current tax | - | 4 |

Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated assessable profits for the financial year.

The reconciliations of income tax expenses applicable to profit/(loss) before tax at the statutory tax rate to income tax expenses at the effective tax rate of the Group and of the Company are as follows:-

| | Group | | Company | |
|--|----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Profit/(loss) before tax | | | | |
| - Continued operations | 26,037 | 16,464 | 9,679 | (5,146) |
| - Discontinued operation | - | (3,055) | - | - |
| Tax expenses at 24% | 6,249 | 3,218 | 2,323 | (1,235) |
| Tax effects in respect of:- | | | | |
| Expenses not deductible for tax purposes | 1,509 | 4,643 | 437 | 2,917 |
| Income not subject to tax | (505) | (888) | (2,744) | (1,682) |
| Tax allowances granted during the year | - | (45) | - | - |
| Movement of deferred tax assets not recognised | (75) | 510 | - | - |
| Underprovision in prior year | 7,178 | 7,438 | 16 | - |
| | 52 | 185 | - | 4 |
| Tax expenses at effective tax rate | 7,230 | 7,623 | 16 | 4 |

25. DISPOSAL OF SUBSIDIARIES CLASSIFIED AS DISCONTINUED OPERATION

On 27 December 2024, the Company announced the decision to dispose of a 100% owned subsidiary, Agrow Group, comprising its entire building materials division which had been under-performing over the last 5 years. The disposal is consistent with the Group's long-term strategy to maximise growth and profitability by focusing on bedding products, consumer foods, property development and other related business.

The disposal of Agrow Group was completed on 30 December 2024. For the year ended 31 December 2024, the results from this sub-group is presented separately on the consolidated statement of profit or loss and other comprehensive income as discontinued operation.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

25. DISPOSAL OF SUBSIDIARIES CLASSIFIED AS DISCONTINUED OPERATION (CONT'D)

The results of Agrow Group are as follows:

| | Group 2024 RM'000 |
|---|----------------------------------|
| Revenue | 48,876 |
| Cost of sales | (39,975) |
| Gross profit | 8,901 |
| Finance income | 12 |
| Other income | 158 |
| Marketing, selling and distribution costs | (601) |
| Administration expenses | (10,058) |
| Other expenses | (755) |
| Impairment losses on financial assets | (820) |
| Reversal of impairment losses on financial assets | 908 |
| Finance costs | (770) |
| Loss before tax | (3,025) |
| Tax expense | (1) |
| Net loss from Agrow Group | (3,026) |
| Less: elimination of related party transactions | (30) |
| Loss from discontinued operation, net of tax | (3,056) |

The details of asset/(liabilities) arising from the disposal and the effects on the Group's financial results are as follows:-

| | Group 2024 RM'000 |
|--|----------------------------------|
| Property, plant and equipment | 5,750 |
| Investment property | 5,464 |
| Inventories | 12,759 |
| Trade receivables | 17,837 |
| Other receivables | 2,157 |
| Tax recoverable | 92 |
| Cash and cash equivalents | 911 |
| Trade payables | (10,126) |
| Other payables | (1,193) |
| Contract liabilities | (1,523) |
| Borrowing | (15,614) |
| Bank overdrafts | (1,612) |
| Deferred tax liabilities | (106) |
| Net assets disposed off | 14,796 |
| Loss on disposal of subsidiaries | (11,796) |
| Consideration received | 3,000 |
| Less: cash and cash equivalents disposed | 701 |
| Net cash inflows from disposal | 3,701 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

25. DISPOSAL OF SUBSIDIARIES CLASSIFIED AS DISCONTINUED OPERATION (CONT'D)

Statement of cash flows

Cash flows generating by Agrow Group for the reporting year are summarised as below:

| | 2024 RM |
|---------------------------------------|-------------|
| Net cash used in operating activities | (3,768,126) |
| Net cash used in investing activities | (348,144) |
| Net cash from financing activities | 4,732,041 |
| Net changes in cash flows | 615,771 |

26. EARNING/(LOSS) PER SHARE

Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated based on Group's net profit/(loss) for the year attributable to owners of the Company over the weighted average number of ordinary shares during the financial year.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares. Diluted earnings/(loss) per share equals to basic earnings per share during the financial year as the Company does not have any potential dilutive shares as at the end of the reporting year.

Net profit attributable to ordinary shares:

| | Group | |
|--|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 |
| Net profit from continuing operations attributable to ordinary equity holders of the Company | 17,319 | 7,282 |
| Net loss from discontinued operation attributable to ordinary equity holders of the Company | - | (3,056) |
| Net profit attributable to ordinary equity holders of the Company | 17,319 | 4,226 |

Weighted average number of ordinary shares in issue:

| | 2025 No. of shares Unit | 2024 No. of shares Unit |
|--------------------------|-------------------------------|-------------------------------|
| At 1 January/31 December | 102,850,000 | 102,850,000 |

Basic earnings per ordinary shares:

| | 2025 sen | 2024 sen |
|-----------------------------|-------------|-------------|
| From continuing operations | 16.84 | 7.08 |
| From discontinued operation | - | (2.97) |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

27. DIVIDENDS

Since the end of the previous financial year, the Company declared and paid:

| | Group and Company | |
|---|-------------------|--------|
| | 2025 | 2024 |
| | RM'000 | RM'000 |
| <i>In respect of financial year ended 31 December 2024:</i> | | |
| A first and final single-tier dividend of RM0.02 per ordinary share | 2,057 | – |
| <i>In respect of financial year ended 31 December 2023:</i> | | |
| A first and final single-tier tax exempt dividend of RM0.015 per ordinary share | – | 1,543 |

On 25 February 2026, the Board of Directors had recommended a first and final single-tier dividend of 3.5 sen per share in respect of the financial year ended 31 December 2025 for shareholders' approval at the forthcoming Annual General Meeting. The current financial statements do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

28. EMPLOYEES BENEFITS EXPENSES

| | Group | | Company | |
|-------------------------------|--------|--------|---------|--------|
| | 2025 | 2024 | 2025 | 2024 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Salaries and other emoluments | 33,126 | 32,513 | – | – |
| Defined contribution plan | 2,360 | 2,335 | – | 26 |
| Social security contributions | 322 | 298 | – | – |
| Other benefits | 5,687 | 4,910 | 203 | 211 |
| | 41,495 | 40,056 | 203 | 237 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

28. EMPLOYEES BENEFITS EXPENSES (CONT'D)

The remuneration receivable by Directors and other member of key management personnel of the Group and of the Company during the financial year are as follows:-

| | Group | | Company | |
|-----------------------------------|----------------|----------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Executive Directors:- | | | | |
| Salaries and other emoluments | 222 | 223 | 222 | 223 |
| Defined contribution plan | 26 | 26 | 26 | 26 |
| | 248 | 249 | 248 | 249 |
| Non-Executive Directors:- | | | | |
| Allowances | 101 | 925 | 101 | 88 |
| Fees | 547 | 561 | 547 | 561 |
| | 648 | 1,486 | 648 | 649 |
| Key management personnel:- | | | | |
| Salaries and other emoluments | 6,448 | 5,918 | - | - |
| Defined contribution plan | 440 | 462 | - | - |
| | 6,888 | 6,380 | - | - |
| Sub-total | 7,784 | 8,115 | 896 | 898 |
| Benefits in kind | 8 | 10 | 8 | 10 |
| Total | 7,792 | 8,125 | 904 | 908 |

29. RELATED PARTY DISCLOSURES

A related party is a person or an entity that is related to the OCB Berhad and its subsidiaries as defined in MFRS 124 Related Party Disclosures. A related party transaction is a transfer of resources, services or obligations between the Group and its related party, regardless of whether a price is charged.

(a) Significant related party transactions during the financial year are as follows:-

| | Company | |
|--|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 |
| Dividend income received from subsidiaries | 990 | 6,235 |
| Rental paid to a subsidiary | 60 | 60 |

The Directors of the Company are of the opinion that the terms of the above transactions were entered on a negotiated basis between the companies.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

29. RELATED PARTY DISCLOSURES (CONT'D)

(b) Compensation of key management personnel

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. Key management includes all the Directors of the Company and its subsidiaries and certain members of senior management of the Group. The remuneration of key management personnel is disclosed in Note 28 to the Financial Statements.

(c) The outstanding balances arising from related party transactions as at the reporting date are disclosed in Note 9 to the Financial Statements.

30. OPERATING SEGMENT

(a) Business segments

Management currently identifies the Group's manufacturing and trading activities as operating segments. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results. The following summary describes the operations in each of the Group's reportable segments:-

- | | | |
|--|---|--|
| (i) Bedding products | : | Manufacturing and trading of various types of bedding products |
| (ii) Consumer foods | : | Manufacturing and trading of various types of consumer foods |
| (iii) Property development | : | Development of properties and its related activities |
| (iv) Others | : | Investment holding and property holding |
| (v) Building materials (Discontinued operation) | : | Trading in building materials |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

30. OPERATING SEGMENT (CONT'D)

(a) Business segments (cont'd)

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

| | Note | Bedding products RM'000 | Consumer foods RM'000 | Property development RM'000 | Others RM'000 | Adjustments and eliminations RM'000 | Total consolidated financial statements RM'000 |
|---|-------|----------------------------|--------------------------|--------------------------------|------------------|--|---|
| 2025 | | | | | | | |
| Revenue:- | | | | | | | |
| External revenue | | 63,565 | 215,769 | 39,394 | - | - | 318,728 |
| Inter-segment revenue | (i) | - | - | - | 990 | (990) | - |
| | | 63,565 | 215,769 | 39,394 | 990 | (990) | 318,728 |
| Results:- | | | | | | | |
| Finance income | | - | 742 | 62 | 2,081 | (2,081) | 804 |
| Finance expenses | | (444) | (866) | - | - | - | (1,310) |
| Depreciation of property, plant and equipment | | (1,940) | (4,348) | - | (2) | - | (6,290) |
| Amortisation of investment properties | | (115) | - | - | - | - | (115) |
| Income tax expense | | (867) | (3,990) | (2,357) | (16) | - | (7,230) |
| Other non-cash | | | | | | | |
| - income | (ii) | (1,161) | (259) | - | - | - | (1,420) |
| - expenses | (ii) | 1,219 | 1,117 | - | - | - | 2,336 |
| Segment profit/(loss) | (iii) | 3,514 | 15,032 | 9,744 | 7,598 | (9,345) | 26,543 |
| Assets:- | | | | | | | |
| Additions to non-current assets | (iv) | (10,477) | (6,490) | - | - | - | (16,967) |
| Segment assets | (v) | 101,517 | 141,210 | 32,160 | 149,392 | (126,481) | 297,798 |
| Liabilities:- | | | | | | | |
| Segment liabilities | (vi) | 30,063 | 69,104 | 17,221 | 431 | (17,847) | 98,972 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

30. OPERATING SEGMENT (CONT'D)

(a) Business segments (cont'd)

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties. (cont'd)

| | Note | Bedding products RM'000 | Consumer foods RM'000 | Property development RM'000 | Others RM'000 | Adjustments and eliminations RM'000 | Total continuing operations RM'000 | Building materials (Discontinued operation) RM'000 | Adjustments and eliminations RM'000 | Total consolidated financial statements including discontinued operation RM'000 |
|---|-------|----------------------------|--------------------------|--------------------------------|------------------|--|---------------------------------------|---|--|--|
| 2024 | | | | | | | | | | |
| Revenue:- | | | | | | | | | | |
| External revenue | | 68,346 | 214,459 | 37,737 | - | - | 320,542 | 48,786 | - | 369,328 |
| Inter-segment revenue | (i) | - | - | - | 6,235 | (6,235) | - | 90 | (90) | - |
| | | 68,346 | 214,459 | 37,737 | 6,235 | (6,235) | 320,542 | 48,876 | (90) | 369,328 |
| Results:- | | | | | | | | | | |
| Finance income | | - | 671 | 52 | - | - | 723 | 12 | - | 735 |
| Finance expenses | | (325) | (852) | - | - | - | (1,177) | (770) | - | (1,947) |
| Depreciation of property, plant and equipment | | (2,033) | (4,154) | - | (4) | 1 | (6,190) | (280) | - | (6,470) |
| Amortisation of investment properties | | (118) | - | - | - | (1) | (119) | (322) | - | (441) |
| Income tax expense | | (1,253) | (3,901) | (2,465) | (4) | - | (7,623) | (1) | - | (7,624) |
| Other non-cash - income | (ii) | (1,429) | (206) | - | - | - | (1,635) | (908) | - | (2,543) |
| - expenses | (ii) | 1,146 | 557 | - | 10,508 | 1,288 | 13,499 | 985 | - | 14,484 |
| Segment profit/(loss) | (iii) | 5,169 | 14,946 | 10,206 | (5,137) | (8,266) | 16,918 | (2,267) | (30) | 14,621 |
| Assets:- | | | | | | | | | | |
| Additions to non-current assets | (iv) | (6,574) | (2,643) | - | (2) | - | (9,219) | (515) | - | (9,734) |
| Segment assets | (v) | 95,942 | 124,079 | 60,124 | 141,747 | (121,937) | 299,955 | - | - | 299,955 |
| Liabilities:- | | | | | | | | | | |
| Segment liabilities | (vi) | 26,657 | 61,908 | 52,625 | 393 | (23,737) | 117,846 | - | - | 117,846 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

30. OPERATING SEGMENT (CONT'D)

(a) Business segments (cont'd)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:-

- (i) Inter-segment revenues are eliminated on consolidation.
- (ii) Other non-cash (income)/expenses consist of the following items:-

| | 2025 RM'000 | 2024 RM'000 |
|--|----------------|----------------|
| Continuing operations | | |
| <u>Income</u> | | |
| Reversal of impairment losses on trade receivables | (445) | (526) |
| Reversal of provision on slow moving inventories | (975) | (1,109) |
| | (1,420) | (1,635) |
| <u>Expenses</u> | | |
| Unrealised loss on foreign exchange | 89 | 248 |
| Bad debts written off | - | 7 |
| Impairment losses on trade receivables | 557 | 446 |
| Inventories written off | 1,590 | 61 |
| Loss/(gain) on disposal of property, plant and equipment | 6 | (43) |
| Property, plant and equipment written off | 1 | 5 |
| Loss on disposal of subsidiaries | - | 11,796 |
| Loss on termination of lease | - | 4 |
| Provision of slow moving inventories | 93 | 975 |
| | 2,336 | 13,499 |
| Discontinued operation | | |
| <u>Income</u> | | |
| Reversal of impairment losses on other receivables | | (60) |
| Reversal of impairment losses on trade receivables | | (848) |
| | | (908) |
| <u>Expenses</u> | | |
| Bad debts written off | | 16 |
| Impairment losses on trade receivables | | 820 |
| Provision of slow moving inventories | | 149 |
| | | 985 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

30. OPERATING SEGMENT (CONT'D)

(a) Business segments (cont'd)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (cont'd):-

- (iii) The following items are added to/(deducted from) segment profit to arrive at "Net profit/loss for the financial year" presented in the consolidated statements of profit or loss and other comprehensive income:-

| | 2025 RM'000 | 2024 RM'000 |
|-----------------------------------|----------------|----------------|
| Continuing operations | | |
| Segment profit | 26,543 | 16,918 |
| Finance income | 804 | 723 |
| Finance expenses | (1,310) | (1,177) |
| Tax expense | (7,230) | (7,623) |
| Net profit for the financial year | 18,807 | 8,841 |

| | 2024 RM'000 |
|---------------------------------|----------------|
| Discontinued operation | |
| Segment loss | (2,297) |
| Finance income | 12 |
| Finance expenses | (770) |
| Tax expenses | (1) |
| Net loss for the financial year | (3,056) |

- (iv) Additions to non-current assets consist of:-

| | 2025 RM'000 | 2024 RM'000 |
|---|----------------|----------------|
| Continuing operations | | |
| Property, plant and equipment | | |
| - cash purchases | 16,617 | 9,425 |
| - financed by hire purchase arrangement | 350 | 309 |
| | 16,967 | 9,734 |

| | 2024 RM'000 |
|---|----------------|
| Discontinued operation | |
| Property, plant and equipment | |
| - cash purchase | 406 |
| - financed by hire purchase arrangement | 109 |
| | 515 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

30. OPERATING SEGMENT (CONT'D)

(a) Business segments (cont'd)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (cont'd):-

- (v) The following items are adjusted from segments assets to arrive at total assets reported in the consolidated statements of financial position:-

| | 2025 RM'000 | 2024 RM'000 |
|----------------------------|------------------|------------------|
| Investment in subsidiaries | (110,552) | (102,190) |
| Inter-segment balances | (15,929) | (19,747) |
| | (126,481) | (121,937) |

- (vi) The following item is adjusted from segments liabilities to arrive at total liabilities reported in the consolidated statements of financial position:-

| | 2025 RM'000 | 2024 RM'000 |
|------------------------|----------------|----------------|
| Inter-segment balances | (17,847) | (23,737) |

(b) Geographical information

The Group's revenue and non-current assets information based on geographical location are as follow:-

| | Revenue | | Non-current assets | |
|------------------------------|----------------|----------------|--------------------|----------------|
| | 2025 RM'000 | 2024 RM'000 | 2025 RM'000 | 2024 RM'000 |
| Continuing operations | | | | |
| Geographical markets | | | | |
| - Malaysia | 249,147 | 254,034 | 109,738 | 98,997 |
| - Indonesia | 53,036 | 45,757 | - | - |
| - Republic of Singapore | 4,376 | 5,709 | 3,361 | 3,581 |
| - Brunei | 4,404 | 4,929 | - | - |
| - Australia | 2,169 | 2,198 | - | - |
| - United States of America | 498 | 892 | - | - |
| - Others | 5,098 | 7,023 | - | - |
| | 318,728 | 320,542 | 113,099 | 102,578 |

| | Revenue | |
|-------------------------------|----------------|----------------|
| | 2025 RM'000 | 2024 RM'000 |
| Discontinued operation | | |
| Geographical market | | |
| - Malaysia | - | 48,876 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

30. OPERATING SEGMENT (CONT'D)

(b) Geographical information (cont'd)

Non-current assets information presented above consist of the following items as presented in the consolidated statements of financial position:-

| | 2025 RM'000 | 2024 RM'000 |
|-------------------------------|----------------|----------------|
| Property, plant and equipment | 92,302 | 81,552 |
| Investment properties | 4,626 | 4,880 |
| Goodwill on consolidation | 16,111 | 16,111 |
| Other intangible assets | 30 | 30 |
| Deferred tax assets | 30 | 5 |
| | 113,099 | 102,578 |

31. FINANCIAL INSTRUMENTS

31.1 Categories of Financial Instruments

The table below provides an analysis of financial assets categorised as financial assets measured at amortised cost ("AC") and financial liabilities categorised as financial liabilities measured at amortised cost ("AC"):-

| Group | 2025 RM'000 | 2024 RM'000 |
|------------------------------------|----------------|----------------|
| Financial assets | | |
| Trade receivables | 53,781 | 60,110 |
| Other receivables and deposits | 13,516 | 2,239 |
| Fixed deposits with licensed banks | 21,839 | 22,152 |
| Cash and bank balances | 62,282 | 51,399 |
| | 151,418 | 135,900 |
| Financial liabilities | | |
| Trade payables | 28,068 | 29,873 |
| Other payables | 17,699 | 18,055 |
| Bank borrowings | 42,600 | 58,808 |
| | 88,367 | 106,736 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 Categories of Financial Instruments (cont'd)

The table below provides an analysis of financial assets categorised as financial assets measured at amortised cost ("AC") and financial liabilities categorised as financial liabilities measured at amortised cost ("AC") (cont'd):-

| Company | 2025 RM'000 | 2024 RM'000 |
|--------------------------------|----------------|----------------|
| Financial assets | | |
| Other receivables and deposits | 3 | 3 |
| Amount due from subsidiaries | 16,700 | 20,519 |
| Cash and bank balances | 6,700 | 3,599 |
| | 23,403 | 24,121 |
| Financial liabilities | | |
| Other payables | 430 | 393 |

31.2 Financial Risk Management Objectivities and Policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. Financial risk management policies are established to ensure that adequate resources are available for the development of the Group's and the Company's businesses whilst managing their credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group and the Company operate within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows:-

(a) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It is the Group's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group does not expect to incur material credit losses of their financial assets or other financial instruments.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's portfolio of financial instruments is broadly diversified along industry, product and geographical lines and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group does not offer credit terms without the approval of the head of credit control.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management Objectivities and Policies (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

(a) Credit risk (cont'd)

Following are the areas where the Group and the Company are exposed to credit risk:-

Trade receivables

As at the end of the reporting year, the maximum exposure to credit risk arising from receivables is limited to their carrying amounts stated in the statements of financial position.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external rating, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management.

More than 65% (2024: 70%) of the Group's customers have been transacting with the Group for long-term basis, none of these customer's balances have been written off or are credit-impaired at the reporting date. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether an individual or a legal entity, whether wholesale, retail or end-user customers, their geographic location, industry, trading history with the Group and existence of previous financial difficulties.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset. The Group does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment.

The Group evaluates the concentration of risk with respect to trade receivables as low as its customers are located in several jurisdictions and industries and operate in largely independent markets.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management Objectivities and Policies (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

(a) Credit risk (cont'd)

Following are the areas where the Group and the Company are exposed to credit risk (cont'd):-

Trade receivables (cont'd)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

| | ← Days past due → | | | | Total RM'000 |
|--|---------------------------|--------------------------|---------------------------|--------------------------------|-----------------|
| | Not past due RM'000 | 1 - 30 days RM'000 | 31 - 60 days RM'000 | More than 60 days RM'000 | |
| 31 December 2025 | | | | | |
| Expected credit loss rate | 0% | 0% | 0% | 56.8% | |
| Estimated total gross carrying amount | 45,840 | 6,728 | 662 | 1,274 | 54,504 |
| Expected credit loss | - | - | - | (723) | (723) |
| | 45,840 | 6,728 | 662 | 551 | 53,781 |
| 31 December 2024 | | | | | |
| Expected credit loss rate | 0% | 0% | 0% | 64.2% | |
| Estimated total gross carrying amount | 45,958 | 11,430 | 2,381 | 952 | 60,721 |
| Expected credit loss | - | - | - | (611) | (611) |
| | 45,958 | 11,430 | 2,381 | 341 | 60,110 |

The credit risk concentration profile of the Group at the end of the reporting year is as follows:-

| | 2025 | | 2024 | |
|---------------------|--------|---------------|--------|---------------|
| | RM'000 | % of total | RM'000 | % of total |
| By country:- | | | | |
| Malaysia | 51,024 | 94.9 | 57,346 | 95.4 |
| Singapore | 1,040 | 1.9 | 866 | 1.4 |
| Indonesia | 758 | 1.4 | 893 | 1.5 |
| Brunei | 493 | 0.9 | 391 | 0.7 |
| United States | 466 | 0.9 | 614 | 1.0 |
| | 53,781 | 100.0 | 60,110 | 100.0 |

Trade receivables that are neither past due nor impaired are credit worthy receivables with good payment records with the Group.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management Objectivities and Policies (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

(a) Credit risk (cont'd)

Following are the areas where the Group and the Company are exposed to credit risk (cont'd):-

Trade receivables (cont'd)

As at the reporting date, approximately 32% (2024: 28%) of trade receivables was due from three (2024: three) major customers, namely Customer A (16%), Customer B (14%) and Customer C (2%) (2024: Customer A (13%) and Customer B (14%) and Customer C (1%)).

The net carrying amount of trade receivables are considered reasonable approximate of their fair values. The maximum exposure to credit risk is the carrying value of each class of receivable mentioned above. Trade receivables that are individually determined to be impaired at the end of the reporting year relate to receivables that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Other receivables

The net carrying amount of other receivables are considered reasonable approximate of their fair values. The maximum exposure to credit risk is represented by their carrying amounts stated in the statements of financial position. At the end of the reporting year, there was no indication that the other receivables and deposits are not recoverable.

Financial guarantees

The maximum exposure to credit risk of RM41,481,852 (2024: RM57,592,034) is represented by the outstanding banking facilities utilised by the subsidiaries as at the end of the reporting year.

The Company provides financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and their repayments to the banks. As at the end of the reporting year, there was no indication that any of the subsidiaries would default on repayments.

Intercompanies balances

The maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

The Company provides unsecured advances to subsidiaries and monitors the results of the subsidiaries regularly. As at the end of the reporting year, there was no indication that the advances to the subsidiaries are not recoverable.

Cash and cash equivalents

The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable banks with high quality external credit ratings.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management Objectivities and Policies (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due.

In managing its exposures to liquidity risk arises principally from its various payables, loans and borrowings, the Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible that they will have sufficient liquidity to meet their liabilities as and when they fall due.

The Group and the Company aim at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

Following are the areas where the Group and the Company are exposed to liquidity risk:-

| Group | Carrying amount RM'000 | Contractual cash flows RM'000 | Maturity | | | |
|-------------------|------------------------------|-------------------------------------|----------------------------|---------------------------|---------------------------|--------------------------------|
| | | | Within 1 year RM'000 | 1 to 2 years RM'000 | 2 to 5 years RM'000 | More than 5 years RM'000 |
| 2025 | | | | | | |
| Trade payables | 28,068 | 28,068 | 28,068 | - | - | - |
| Other payables | 17,699 | 17,699 | 17,699 | - | - | - |
| Lease liabilities | 71 | 80 | 16 | 16 | 47 | 1 |
| Bank borrowings | 42,600 | 47,423 | 32,172 | 1,147 | 6,868 | 7,236 |
| | 88,438 | 93,270 | 77,955 | 1,163 | 6,915 | 7,237 |
| 2024 | | | | | | |
| Trade payables | 29,873 | 29,873 | 29,873 | - | - | - |
| Other payables | 18,055 | 18,055 | 18,055 | - | - | - |
| Bank borrowings | 58,808 | 109,018 | 29,753 | 17,338 | 60,355 | 1,572 |
| | 106,736 | 156,946 | 77,681 | 17,338 | 60,355 | 1,572 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management Objectivities and Policies (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

(b) Liquidity risk (cont'd)

Following are the areas where the Group and the Company are exposed to liquidity risk (cont'd):-

| Company | Carrying amount RM'000 | Contractual cash flows RM'000 | Maturity Within 1 year RM'000 |
|----------------------|------------------------------|-------------------------------------|--|
| 2025 | | | |
| Other payables | 430 | 430 | 430 |
| Financial guarantees | 41,482 | 41,482 | 41,482 |
| | 41,912 | 41,912 | 41,912 |
| 2024 | | | |
| Other payables | 393 | 393 | 393 |
| Financial guarantees | 57,592 | 57,592 | 57,592 |
| | 57,985 | 57,985 | 57,985 |

(c) Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

To mitigate the Group's exposure to foreign currency risk, the Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currency of the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Singapore Dollar ("SGD"), Brunei Dollar ("BND") and Swiss Franc ("CHF").

The Group's exposure to foreign currency risk, based on carrying amounts as at the end of the reporting year is as follows:-

| | Group Denominated in | | | |
|------------------------|-------------------------|---------------|---------------|---------------|
| | USD RM'000 | SGD RM'000 | BND RM'000 | CHF RM'000 |
| 2025 | | | | |
| Trade receivables | 466 | 1,040 | 493 | - |
| Other receivables | 29 | - | - | - |
| Cash and bank balances | 1,492 | 629 | - | - |
| Trade payables | (1,013) | (10) | - | (117) |
| Other payables | (159) | - | - | - |
| Contract liabilities | (161) | - | - | - |
| | 654 | 1,659 | 493 | (117) |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management Objectivities and Policies (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

(c) Foreign currency risk (cont'd)

The Group's exposure to foreign currency risk based on carrying amounts as at the end of the reporting year is as follows (cont'd):-

| | Group Denominated in | | | |
|------------------------|-------------------------|---------------|---------------|---------------|
| | USD RM'000 | SGD RM'000 | BND RM'000 | CHF RM'000 |
| 2024 | | | | |
| Trade receivables | 614 | 866 | 391 | - |
| Other receivables | 148 | - | - | - |
| Cash and bank balances | 5,632 | 521 | - | - |
| Trade payables | (813) | - | - | - |
| Other payables | (505) | (7) | (4) | - |
| Contract liabilities | (535) | - | - | - |
| | 4,541 | 1,380 | 387 | - |

Exposure to foreign exchange rates vary during the financial year depending on the volume of overseas transactions.

As at the reporting date, the management of the Group determined that the effects of sensitivity of the Group's net profit for the financial year and the equity as at the end of financial year to a reasonable possible change in USD, SGD, BND and CHF to be immaterial.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's interest rate management objective is to manage the interest expenses by maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group's targets a mix of fixed and floating debts based on assessment of its existing exposure and desired interest rate profile.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management Objectivities and Policies (cont'd)

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows (cont'd):-

(d) Interest rate risk (cont'd)

The interest rate profile of the Group's significant interest-bearing financial instruments based on the carrying amounts as at the end of the reporting year is as follows:-

| Group | 2025 RM'000 | 2024 RM'000 |
|------------------------------------|----------------|----------------|
| Fixed rate instruments | | |
| <u>Financial asset</u> | | |
| Fixed deposits with licensed banks | 21,839 | 22,152 |
| <u>Financial liabilities</u> | | |
| Bank borrowings | 17,219 | 17,769 |
| Lease liabilities | 71 | - |
| | 17,290 | 17,769 |
| Floating rate instrument | | |
| <u>Financial liabilities</u> | | |
| Bank borrowings | 25,381 | 41,039 |

The Group does not account for any fixed rate financial assets and liabilities through profit or loss and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

The following table illustrates the sensitivity of net profit to a reasonable possible change in interest rates of +/- 50 basis point ("bp"). These changes considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each year and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

| | Group Increase/(decrease) net profit for the financial year/equity as at year end | |
|------|--|------------------|
| | RM'000 +50 bp | RM'000 -50 bp |
| 2025 | (127) | 127 |
| 2024 | (205) | 205 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

31. FINANCIAL INSTRUMENTS (CONT'D)

31.3 Fair value of financial instruments

The carrying amounts of financial assets and liabilities of the Company at the reporting date approximate their fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date or immaterial discounting impact.

31.4 Fair value hierarchy

No fair value hierarchy has been disclosed as the Group and the Company do not have any financial instruments measured at fair value.

31.5 Reconciliation of liabilities arising from financing activities

| | As at 1 January RM'000 | Repayments RM'000 | Drawdowns RM'000 | Discontinued operation RM'000 | Additions/ (termination) RM'000 | As at 31 December RM'000 |
|---|------------------------------|----------------------|---------------------|-------------------------------------|---------------------------------------|--------------------------------|
| 2025 | | | | | | |
| - term loans | 35,210 | (31,176) | - | - | - | 4,034 |
| - bankers' acceptances and bill payables | 18,435 | (70,862) | 69,749 | - | - | 17,322 |
| - revolving credits | 3,000 | - | 17,277 | - | - | 20,277 |
| - hire purchase | 1,080 | (463) | 350 | - | - | 967 |
| - lease liabilities | - | (11) | - | - | 82 | 71 |
| 2024 | | | | | | |
| - term loans | 47,118 | (15,064) | 3,450 | (294) | - | 35,210 |
| - bankers' acceptances and bill payables | 20,465 | (87,354) | 91,916 | (6,592) | - | 18,435 |
| - trust receipts | 60 | (231) | 1,810 | (1,639) | - | - |
| - revolving credits | 8,000 | - | 2,000 | (7,000) | - | 3,000 |
| - hire purchase | 1,313 | (453) | 309 | (89) | - | 1,080 |
| - lease liabilities | 294 | - | - | - | (294) | - |

32. CAPITAL COMMITMENTS

| | 2025 RM | Group 2024 RM |
|---|-------------------|---------------------|
| Authorised and contracted for: | | |
| Property, plant and equipment | 661,660 | - |
| Authorised but not contracted for: | | |
| Property, plant and equipment | 44,022,458 | 2,922,680 |
| | 44,684,118 | 2,922,680 |

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

33. CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital are to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as going concerns, so as to maintain investor, creditor and market confidence and to sustain future development of the businesses. The Directors monitor and determine to maintain an optimal debt-to-equity ratio that complies with debts covenants and regulatory requirements.

The Group and the Company set the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Group and the Company manage the capital structure and make adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends pay to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

Total capital managed at Group level is the shareholders' funds as shown in the statements of financial position.

In 2025, the Group's strategy which was unchanged from 2024, was to maintain the debts-to-equity ratio of not more than 1.0.

| | 2025 RM'000 | 2024 RM'000 |
|--|----------------|----------------|
| Bank borrowings | 42,600 | 58,808 |
| Lease liabilities | 71 | – |
| Less: cash and bank balances | (62,282) | (51,399) |
| Less: fixed deposits with licensed banks | (21,839) | (22,152) |
| Net debts | (41,450) | (14,743) |
| Total equity | 198,826 | 182,109 |
| Net debts-to-equity ratio | (0.21) | (0.08) |

There were no changes in the Group's and the Company's approach to capital management during the financial year.

34. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND AFTER THE REPORTING DATE

On 26 June 2025, a wholly-owned subsidiary, Bedco Sistem (M) Sdn. Bhd. entered into a Sales and Purchase Agreement for the acquisition of a single storey semi-detached factory at a total consideration of RM7,207,200. As of approval date of the financial statements, the transaction has been completed.

On 18 January 2026, Bedco Sistem (M) Sdn. Bhd. entered into another Sales and Purchase Agreement for the acquisition of a piece of freehold land at a total consideration of RM2,586,150. As of approval date of the financial statements, the transaction has not yet been completed.

ADDITIONAL COMPLIANCE INFORMATION

AUDIT AND NON-AUDIT FEES PAID/PAYABLE

During the financial year ended 31 December 2025 (“FYE 2025”), the amount of audit and non-audit fees paid/payable by the Group and the Company to the External Auditors, Grant Thornton Malaysia PLT (“GTM”) or a firm or corporation affiliated to GTM, for services rendered to the Company and its subsidiaries were as follows:

| Type of fees | Group RM | Company RM |
|----------------|-------------|---------------|
| Audit fees | 214,500 | 91,000 |
| Non-audit fees | 53,099 | 20,240 |

MATERIAL CONTRACTS

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiaries involving the interests of the Directors, Chief Executive who is not a Director, or major shareholder, which are still subsisting at the end of the FYE 2025 or, if not then subsisting, which were entered into since the end of the previous financial year.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group’s business activities and interest-based financial position.

(A) Group Total Income and Total Assets

| Total Income | Remarks | Group | |
|---------------------|---------|--------------------|--------------------|
| | | 2025 (RM) | 2024 (RM) |
| Revenue | | 318,727,838 | 320,541,766 |
| Other income | | 1,549,019 | 1,218,344 |
| Interest income | | 803,725 | 722,737 |
| Total | | 321,080,582 | 322,482,847 |
| Total Assets | | 297,798,057 | 299,955,463 |

(B) Business Activities

| Shariah Non-Compliant Activities | Remarks | Group | |
|----------------------------------|---------|--------------|--------------|
| | | 2025 (RM) | 2024 (RM) |
| Total | | N/A | N/A |

ADDITIONAL COMPLIANCE INFORMATION

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

(C) Component of Financial Position

(i) Cash Component

| Islamic Account/Instruments | Remarks | Group | |
|-------------------------------------|---------|-------------------|-------------------|
| | | 2025 (RM) | 2024 (RM) |
| Cash at bank (exclude cash in hand) | | 17,363,950 | 10,545,053 |
| Deposits with licensed bank | | 2,297,530 | 2,246,776 |
| Total | | 19,661,480 | 12,791,829 |

| Conventional Account/Instruments | Remarks | Group | |
|-------------------------------------|--------------|-------------------|-------------------|
| | | 2025 (RM) | 2024 (RM) |
| Cash at bank (exclude cash in hand) | | 44,887,357 | 40,830,218 |
| Deposits with licensed bank | | 19,541,137 | 19,905,308 |
| Other cash equivalents | Cash in hand | 31,315 | 23,992 |
| Total | | 64,459,809 | 60,759,518 |

(ii) Debt Component

| Islamic Financing | Remarks | Group | |
|----------------------------------|---------------|-------------------|-------------------|
| | | 2025 (RM) | 2024 (RM) |
| Current | | | |
| Term financing | | 792,332 | 3,598,422 |
| Bank overdrafts | | – | 222,753 |
| Banker's acceptances | | 11,152,420 | 16,689,335 |
| Bill payables | | 323,574 | 539,512 |
| Revolving credit and financing | | 8,819,820 | – |
| Other islamic financing facility | Hire purchase | 230,000 | 312,000 |
| Non-Current | | | |
| Term financing | | 2,714,503 | 29,920,147 |
| Revolving credit and financing | | 8,457,343 | – |
| Other islamic financing facility | Hire purchase | – | 400,204 |
| Total | | 32,489,992 | 51,682,373 |

ADDITIONAL COMPLIANCE INFORMATION

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

(C) Component of Financial Position (cont'd)

(ii) Debt Component (cont'd)

| Conventional Borrowing | Remarks | Group | |
|----------------------------------|---------------|-------------------|------------------|
| | | 2025 (RM) | 2024 (RM) |
| Current | | | |
| Term loans | | 526,740 | 1,040,553 |
| Bank overdrafts | | – | 860,412 |
| Banker's acceptances | | 5,099,759 | – |
| Bill payables | | 746,000 | 1,205,999 |
| Revolving credit and loans | | 3,000,000 | 3,000,000 |
| Other islamic financing facility | Hire purchase | 165,124 | 131,135 |
| Non-Current | | | |
| Term loans | | – | 650,692 |
| Other islamic financing facility | Hire purchase | 572,074 | 236,612 |
| Total | | 10,109,697 | 7,125,403 |

LIST OF PROPERTIES

AS AT 31 DECEMBER 2025

| Location | Tenure | Area (Square Metres) | Description and Existing Use | Approximate Age of Buildings (Years) | Net Book Value as at 31.12.2025 (RM) | Year of Last Revaluation/ Acquisition |
|--|---|----------------------------------|---|--------------------------------------|--------------------------------------|---------------------------------------|
| Lot 1, Lorong Perak 2 42500 Teluk Panglima Garang Kuala Langat Selangor Darul Ehsan Malaysia | Leasehold 99 years expiring 2086 Residual lease 61 years | 5,236 Built-up 2,913 | 1½ Storey Factory | 37 | 5,063,965 | 1998 |
| Lot 2137, Jalan Enggang Kg. Batu 9, Kebun Baru 42500 Teluk Panglima Garang Kuala Langat Selangor Darul Ehsan Malaysia | Freehold | 20,233 Built-up 11,148 | 1 Storey Factory | 27 | 15,729,182 | 1998 |
| Lot 2446, Jalan Pulau Carey 42500 Teluk Panglima Garang Kuala Langat Selangor Darul Ehsan Malaysia | Freehold | 20,285 | Vacant Land | Not Applicable | 6,053,098 | 2024 |
| Lot 2447, Jalan Pulau Carey 42500 Teluk Panglima Garang Kuala Langat Selangor Darul Ehsan Malaysia | Freehold | 20,158 Built-up 3,345 | 1 Storey Factory | 21 | 4,011,665 | 2011 |
| Lot 2448, Jalan Pulau Carey 42500 Teluk Panglima Garang Kuala Langat Selangor Darul Ehsan Malaysia | Freehold | 21,954 | Vacant Land | Not Applicable | 5,147,000 | 2011 |
| 2C, Jalan SS 6/6, Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan Malaysia | Freehold | 372 Built-up 1,802 | 4 Storey Commercial Shoplot /Office | 29 | 4,176,000 | 1998 |
| Lot 1956 Jalan Bangi Lama Batu 1 ½ 43500 Semenyih Selangor Darul Ehsan Malaysia | Freehold | 40,696 Built-up 22,360 | 1 Storey Detached Factory cum 3 Storey Office and 1 Storey Detached Warehouse | 26 | 15,378,807 | 2009 |
| Lot 32-06, Level 32 Pinnacle Tower Jalan Dato' Abdullah Tahir Taman Abad 80300 Johor Bharu Johor Darul Takzim Malaysia | Freehold | 121 | Service Apartment | 9 | 639,722 | 2016 |

LIST OF PROPERTIES

AS AT 31 DECEMBER 2025

| Location | Tenure | Area (Square Metres) | Description and Existing Use | Approximate Age of Buildings (Years) | Net Book Value as at 31.12.2025 (RM) | Year of Last Revaluation/ Acquisition |
|--|--|---------------------------------|------------------------------------|---|---|---|
| Lot 10-05, Level 10 Pinnacle Tower Jalan Dato' Abdullah Tahir Taman Abad 80300 Johor Bharu Johor Darul Takzim Malaysia | Freehold | 123 | Service Apartment | 9 | 625,044 | 2016 |
| Lots 916, 917 & 918 Block 5 Seduan Land District Sungai Aup, Sibu Sarawak Malaysia | Leasehold 60 years expiring 2067 Residual lease 42 years | 10,004 Built-up 5,340 | 2 Storey Detached Factory | 23 | 4,815,798 | 2002 |
| No. 49-P Lorong Sempadan Dua Bandar Air Itam 11400 Pulau Pinang Malaysia | Freehold | 138 Built-up 220 | 2 Storey Shoplot | 42 | 461,832 | 2012 |
| No. 49-Q Lorong Sempadan Dua Bandar Air Itam 11400 Pulau Pinang Malaysia | Freehold | 264 Built-up 357 | 2 Storey Shoplot | 42 | 886,869 | 2012 |
| 11 Woodlands Close Woodlands 11 #10-32 Singapore 737853 | Leasehold 60 years expiring 2070 Residual lease 45 years | 170 Built-up 170 | Flatted Office | 14 | 1,680,606 | 2013 |
| 11 Woodlands Close Woodlands 11 #10-33 Singapore 737853 | Leasehold 60 years expiring 2070 Residual lease 45 years | 170 Built-up 170 | Flatted Office | 14 | 1,680,607 | 2013 |

ANALYSIS OF SHAREHOLDINGS AS AT 1 APRIL 2026

| | | |
|-------------------------------|---|--------------------------------|
| Total number of issued shares | : | 102,850,000 |
| Class of shares | : | Ordinary shares |
| Voting rights | : | 1 vote per ordinary share held |

ANALYSIS BY SIZE OF SHAREHOLDINGS

| Size of shareholdings | No. of shareholders | % | No. of shares held | % |
|-----------------------------|---------------------|---------------|--------------------|---------------|
| Less than 100 shares | 28 | 1.48 | 1,128 | * |
| 100 to 1,000 shares | 564 | 29.79 | 495,222 | 0.48 |
| 1,001 to 10,000 shares | 979 | 51.72 | 3,916,130 | 3.81 |
| 10,001 to 100,000 shares | 280 | 14.79 | 7,144,140 | 6.95 |
| 100,001 to 5,142,499 shares | 39 | 2.06 | 36,641,000 | 35.62 |
| 5,142,500 shares and above | 3 | 0.16 | 54,652,380 | 53.14 |
| Total | 1,893 | 100.00 | 102,850,000 | 100.00 |

Note:

* Negligible

SUBSTANTIAL SHAREHOLDERS

(According to the Register of Substantial Shareholders)

| Name | ← Direct → | | ← Indirect → | | ← Total → | |
|--|--------------------|-------|---------------------------|----------------------|--------------------|-------|
| | No. of shares held | % | No. of shares held | % | No. of shares held | % |
| Rangkai Kartika Sdn. Bhd. ("RKSB") | 29,565,680 | 28.75 | – | – | 29,565,680 | 28.75 |
| Zeigells (M) Sdn. Bhd. ("ZSB") | – | – | 29,565,680 ^(a) | 28.75 ^(a) | 29,565,680 | 28.75 |
| Ng Kok Yin | – | – | 29,565,680 ^(b) | 28.75 ^(b) | 29,565,680 | 28.75 |
| Ho Kit Heng | – | – | 29,565,680 ^(b) | 28.75 ^(b) | 29,565,680 | 28.75 |
| Das O'Connors Sdn. Bhd. ("DOSB") | 17,885,800 | 17.39 | – | – | 17,885,800 | 17.39 |
| Yeoh Jin Hoe | – | – | 17,885,800 ^(c) | 17.39 ^(c) | 17,885,800 | 17.39 |
| Patricia Woon Lai Ching @ Lee Yah Seng | – | – | 17,885,800 ^(c) | 17.39 ^(c) | 17,885,800 | 17.39 |
| Cheong Pooi Leong | 7,200,900 | 7.00 | – | – | 7,200,900 | 7.00 |

Notes:

^(a) Deemed interest by virtue of its 100% shareholding in RKSB.

^(b) Deemed interest by virtue of his substantial shareholding in ZSB, which in turn holds 100% equity interest in RKSB.

^(c) Deemed interest by virtue of his/her substantial shareholding in DOSB.

ANALYSIS OF SHAREHOLDINGS

AS AT 1 APRIL 2026

DIRECTORS' SHAREHOLDINGS

(According to the Register of Directors' Shareholdings)

| Name | ← Direct → | | ← Indirect → | | ← Total → | |
|---------------------------------|--------------------|---|--------------------|---|--------------------|---|
| | No. of shares held | % | No. of shares held | % | No. of shares held | % |
| Tee Keng Hoon | - | - | - | - | - | - |
| Khoo Kay Leong | - | - | - | - | - | - |
| Agnes Maria Sam A/P John Sam | - | - | - | - | - | - |
| Chan Kee Eng | - | - | - | - | - | - |
| Mohd Harris Bin Pardi | - | - | - | - | - | - |
| Fong Heng Leong | - | - | - | - | - | - |
| Wong Choon Shein | - | - | - | - | - | - |

ANALYSIS OF SHAREHOLDINGS AS AT 1 APRIL 2026

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (According to the Record of Depositors)

| No. | Name | No. of shares held | % |
|--------------|---|--------------------|--------------|
| 1. | Rangkai Kartika Sdn. Bhd. | 29,565,680 | 28.75 |
| 2. | Das O'Connors Sdn. Bhd. | 17,885,800 | 17.39 |
| 3. | Cheong Pooi Leong | 7,200,900 | 7.00 |
| 4. | Maybank Securities Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Ching Ching | 5,039,500 | 4.90 |
| 5. | Chew Huat Heng | 5,017,400 | 4.88 |
| 6. | Tan Han Chuan | 4,976,100 | 4.84 |
| 7. | Maybank Securities Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Ong Huey Peng | 4,964,820 | 4.83 |
| 8. | Suasana Proaktif Sdn. Bhd. | 2,267,100 | 2.20 |
| 9. | HLIB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Taipanmatics Sdn. Bhd. | 2,250,000 | 2.19 |
| 10. | Ong Wee Lieh | 1,986,100 | 1.93 |
| 11. | Chan Wan Moi | 1,823,900 | 1.77 |
| 12. | Ng Keng Khoon | 613,000 | 0.60 |
| 13. | Kenanga Nominees (Tempatan) Sdn. Bhd. - Derrick Kong Ying Kit (PCS) | 503,000 | 0.49 |
| 14. | Tan Pak Nang | 500,000 | 0.49 |
| 15. | Juliet Yap Swee Hwang | 498,300 | 0.48 |
| 16. | Chan Wan Moi | 447,200 | 0.43 |
| 17. | Ong Chai Hock | 440,300 | 0.43 |
| 18. | Tay Teck Ho | 370,000 | 0.36 |
| 19. | Hoo Wan Fatt | 364,900 | 0.35 |
| 20. | Prize Focus Sdn. Bhd. | 334,500 | 0.33 |
| 21. | Chee Sai Mun | 284,600 | 0.28 |
| 22. | Tay Ying Lim @ Tay Eng Lim | 266,500 | 0.26 |
| 23. | Ng Teng Song | 254,000 | 0.25 |
| 24. | Han Kwai Choo | 250,000 | 0.24 |
| 25. | Khor Saw Hoon | 228,900 | 0.22 |
| 26. | Fam Boon Kok | 195,780 | 0.19 |
| 27. | Lim Shoor Bing | 190,000 | 0.18 |
| 28. | Cartaban Nominees (Asing) Sdn. Bhd. - The Bank of New York Mellon for Acadian Emerging Markets Micro-Cap Equity Master Fund | 182,700 | 0.18 |
| 29. | CGS International Nominees Malaysia (Asing) Sdn. Bhd. - Pledged Securities Account for Alphacap Pty Ltd | 180,000 | 0.17 |
| 30. | Lim Thang Soon Holdings Sdn. Bhd. | 171,500 | 0.17 |
| Total | | 89,252,480 | 86.78 |

NOTICE OF SIXTY-SEVENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixty-Seventh Annual General Meeting (“AGM”) of OCB Berhad will be held at Seminar Room 1, Kelab Golf Negara Subang, Jalan SS 7/2, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Monday, 22 June 2026 at 10.00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

- | | | |
|----|---|--|
| 1. | To receive the Audited Financial Statements of the Group and of the Company for the financial year ended 31 December 2025 and the Reports of the Directors and Auditors thereon. | (Please refer to Note E of this Agenda) |
| 2. | To declare a first and final single-tier dividend of 3.5 sen per share in respect of the financial year ended 31 December 2025. | Resolution 1 |
| 3. | To re-elect the following Directors of the Company who retire pursuant to Clause 82 of the Company’s Constitution: | |
| | (i) Wong Choon Shein | Resolution 2 |
| | (ii) Fong Heng Leong | Resolution 3 |
| 4. | To approve the payment of Directors’ fees amounting to RM547,200 to the Non-Executive Directors of the Company and its subsidiaries for the financial year ended 31 December 2025. | Resolution 4 |
| 5. | To approve the payment of benefits of up to RM150,000 to the Non-Executive Directors of the Company and its subsidiaries for the financial year ending 31 December 2026. | Resolution 5 |
| 6. | To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix the remuneration of the Auditors. | Resolution 6 |

AS SPECIAL BUSINESS

- | | | |
|----|--|---------------------|
| 7. | To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution: | |
| | Proposed authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 | Resolution 7 |

“THAT subject to the Companies Act, 2016, the Constitution of the Company and the approvals of the relevant governmental and/or regulatory authorities, if applicable, the Board of Directors of the Company (“Board”) be and is hereby empowered pursuant to Sections 75 and 76 of the Companies Act, 2016, to allot and issue shares in the Company at any time at such issue price which is at a not more than a ten per centum (10%) discount to the 5-day volume weighted average market price of the shares of the Company immediately before the relevant price fixing date to such Qualified Placee(s) as the Board may in its absolute discretion deem fit or appropriate, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares in the Company for the time being (excluding treasury shares), and upon such other additional terms and conditions (if any) to be determined by the Board. For the purposes of this resolution, “Qualified Placee(s)” shall refer to persons who are not (in accordance with Paragraph 6.04(c) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad) (a) a director, major shareholder or chief executive of the Company or a holding company of the Company (if applicable),

NOTICE OF SIXTY-SEVENTH ANNUAL GENERAL MEETING

or person(s) with such director, major shareholder or chief executive; or (b) nominee corporations, unless the names of the ultimate beneficiaries are disclosed. Qualified Placees shall also be person(s) or party(ies) who/ which qualify under Schedules 6 and 7 of the Capital Markets and Services Act, 2007;

THAT such authority if/when passed shall constitute an authority for the issue of shares with prior shareholders' approval in a general meeting of the precise terms and conditions of the issue;

THAT such authority shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it shall lapse, unless by ordinary resolution passed at that Meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first;

AND THAT the Board be and is empowered to apply for and obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad."

8. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

Proposed renewal of authority for the Company to purchase its own shares

Resolution 8

"THAT subject to compliance with the Companies Act, 2016, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company's Constitution and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Board of Directors of the Company ("Board") from time to time through Bursa Securities upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company, provided that:

- (i) the aggregate number of shares to be purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares in the Company as at the date of the share buy-back;
- (ii) an aggregate amount of the funds not exceeding the retained profits of the Company as at the date of the share buy-back, be utilised by the Company for the purchase of its own shares; and
- (iii) the shares of the Company to be purchased may be cancelled, retained as treasury shares, distributed as dividends or resold on Bursa Securities, or a combination of any of the above, at the absolute discretion of the Board;

NOTICE OF SIXTY-SEVENTH ANNUAL GENERAL MEETING

AND THAT the authority conferred by this resolution will commence immediately upon the passing of this resolution and will continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time it shall lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the MMLR of Bursa Securities or any other relevant authorities;

AND FURTHER THAT the Board be and is hereby authorised to do all such acts and things and to take all such steps as it deems fit, necessary, expedient and/or appropriate in order to complete and give full effect to the purchase by the Company of its own shares with full powers to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities.”

9. To transact any other business of which due notice shall have been given in accordance with the Company’s Constitution and/or the Companies Act, 2016.

NOTICE OF DIVIDEND PAYMENT AND DIVIDEND ENTITLEMENT DATE

NOTICE IS HEREBY GIVEN THAT a first and final single-tier dividend of 3.5 sen per share in respect of the financial year ended 31 December 2025 (“Dividend”), if approved by shareholders at the Sixty-Seventh Annual General Meeting of the Company, will be paid to shareholders on 31 July 2026. The entitlement date for the Dividend shall be 17 July 2026.

Shareholders will be entitled to the Dividend only in respect of:

- (a) shares transferred into their Securities Account before 4.30 p.m. on 17 July 2026, for transfers; and
- (b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board of Directors

LYDIA TONG YIU SHYIAN-SHYIAN
SSM PC No. 202208000755
BC/L/1922

NOR ZARIFAH BINTI ABDULLAH @ MAHMUD
SSM PC No. 202208000338
LS0010328
Company Secretaries

Petaling Jaya
Selangor Darul Ehsan
Malaysia
24 April 2026

NOTICE OF SIXTY-SEVENTH ANNUAL GENERAL MEETING

Notes:

(A) GENERAL MEETING RECORD OF DEPOSITORS

Only a depositor whose name appears on the General Meeting Record of Depositors as at 15 June 2026 shall be entitled to attend the Sixty-Seventh AGM of the Company or appoint proxy(ies) to attend and vote in his/her stead.

(B) MODE OF MEETING AND PROXY

- (i) A member of the Company entitled to attend and vote at the Sixty-Seventh AGM of the Company is entitled to appoint not more than 2 proxies of his/her own choice to attend and vote in his/her stead. A proxy may but need not be a member of the Company. Where a member appoints more than 1 proxy, the member shall specify the proportion of his/her shareholding to be represented by each proxy, failing which, the appointment shall be invalid.*
- (ii) Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than 2 proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend the Sixty-Seventh AGM of the Company. Where a member of the Company is an Exempt Authorised Nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("Omnibus Account"), such EAN may appoint multiple proxies in respect of each Omnibus Account it holds. In both cases, such appointment shall be invalid unless the Authorised Nominee or EAN specifies the proportion of its shareholdings to be represented by each proxy it has appointed.*
- (iii) The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation, under its common seal or signed by its attorney duly authorised in writing or by 2 officers, 1 of whom shall be a director, on behalf of the corporation. Any alteration to the instrument appointing a proxy must be initialled.*
- (iv) The appointment of a proxy may be made in hard copy form or by electronic form and must be deposited with/received by the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor"), not less than 48 hours before the time appointed for holding the Sixty-Seventh AGM of the Company or any adjournment thereof, and in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, otherwise the person so named shall not be entitled to vote in respect thereof.*
- (v) In the case of an appointment made in hard copy form, the Proxy Form, together with the power of attorney (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of our Share Registrar, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or alternatively, to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.*
- (vi) In the case of appointment by electronic form, the Proxy Form must be electronically lodged with the Company's Share Registrar, Tricor via Vistra Share Registry and IPO (MY) portal ("Portal") at <https://srm.vistra.com>. Please refer to the Administrative Details for the Sixty-Seventh AGM on the procedures for electronic lodgement of Proxy Form via the Portal.*

NOTICE OF SIXTY-SEVENTH ANNUAL GENERAL MEETING

(C) POLL VOTING

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), all the resolutions set out in this Notice will be put to the vote by way of poll. Independent Scrutineers will be appointed to verify the results of the poll.

(D) PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the forthcoming Sixty-Seventh AGM of the Company and/or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the Sixty-Seventh AGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Sixty-Seventh AGM of the Company (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”);*
- (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and*
- (iii) agrees that the member will indemnify the Company in respect of any penalty, claim, demand, loss and damage as a result of the member’s breach of warranty.*

(E) AUDITED FINANCIAL STATEMENTS

This agenda item is meant for discussion only as under the provision of Section 340(1) of the Companies Act, 2016, the audited financial statements do not require a formal approval of the members. Hence, this item will not be put forward for voting.

(F) EXPLANATORY NOTES FOR ITEM 3 OF THE AGENDA

The profiles of the retiring Directors are set out in the Profile of Directors on page 18 of the Company’s Annual Report 2025. For the purpose of determining the eligibility of the Directors, Wong Choon Shein and Fong Heng Leong who are standing for re-election at the Sixty-Seventh AGM, the Board of Directors of the Company (“Board”) through its Nomination Committee (“NC”) had assessed them using the Directors’ Evaluation Form and Conflict of Interest Assessment Form, in order to assess each of their caliber and ability to understand the requirements, risk and management of the Group’s business; contribution and performance; character, integrity and professional conduct in dealing with any conflict of interest or potential conflict of interest situations; ability to critically challenge and ask the right questions; commitment and due diligence; confidence to stand up for a point of view; interaction at meetings and training records for the financial year ended 31 December 2025.

Based on the evaluation results, the aforesaid retiring Directors, Wong Choon Shein and Fong Heng Leong met the performance criteria required of an effective member of the Board.

The Board, at the recommendation of the NC, endorsed the re-election of the Directors named under Resolutions 2 and 3 who are due to retire in accordance with the Company’s Constitution and are eligible to stand for re-election.

NOTICE OF SIXTY-SEVENTH ANNUAL GENERAL MEETING

(G) EXPLANATORY NOTES ON SPECIAL BUSINESS

Resolution 7 - Proposed authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of Companies Act, 2016

Ordinary Resolution 7 proposed, if passed, will give a mandate to the Board, from the date of the forthcoming Sixty-Seventh AGM of the Company, to allot and issue ordinary shares of the Company at any time at such issue price which is at a not more than a 10% discount to the 5-day volume weighted average market price of the shares of the Company immediately before the relevant price fixing date, to such Qualified Placee(s) as the Board may in its absolute discretion, consider to be in the interest of the Company and upon such other additional terms and conditions (if any) to be determined by the Board, without having to convene a general meeting provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares in the Company for the time being ("Mandate"). The Mandate from the shareholders will be effective immediately upon passing of the Ordinary Resolution and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

The Mandate will provide flexibility to the Company to raise more capital expeditiously and efficiently during this challenging time, to meet its funding requirements including but not limited to working capital, operational expenditures, future investment(s), and/or acquisition(s).

The Board, having considered the current and prospective financial position, needs and capacity of the Group, is of the opinion that the Mandate is in the best interests of the Company and its shareholders.

As at the date of this notice, no new ordinary shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM of the Company held on 23 June 2025. Hence, no proceeds were raised.

Resolution 8 - Proposed renewal of authority for the Company to purchase its own shares

Ordinary Resolution 8 proposed, if passed, will renew the authority for the Company to purchase through Bursa Securities such number of ordinary shares in the Company up to an aggregate amount not exceeding 10% of the total number of issued shares in the Company. The renewed authority from the shareholders will be effective immediately upon passing of the Ordinary Resolution and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

For further information, please refer to the Share Buy-Back Statement dated 24 April 2026 which is made available together with the Company's Annual Report 2025 at <http://ocbb.com.my/67th-annual-general-meeting/>.

ADMINISTRATIVE DETAILS FOR THE SIXTY-SEVENTH ANNUAL GENERAL

| | | |
|-------|---|--|
| Date | : | Monday, 22 June 2026 |
| Time | : | 10.00 a.m. |
| Venue | : | Seminar Room 1, Kelab Golf Negara Subang, Jalan SS 7/2, Kelana Jaya 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia |

REGISTRATION

1. Registration will start at 9.00 a.m. at the foyer of Seminar Room 1 and will end at a time as directed by the Chairman of the Meeting.
2. Please read the signage to ascertain where you should register yourself for the Sixty-Seventh AGM and join the queue accordingly.
3. Please present your **original** MyKad/Passport at the registration counter for verification and ensure that you collect your MyKad/Passport thereafter.
4. Upon verification, you are required to write your name and sign the Attendance List placed on the registration table.
5. You will be given an identification wristband with personalised passcode for purpose of voting at the Sixty-Seventh AGM.
6. If you are attending the Sixty-Seventh AGM as a shareholder, proxy or corporate representative, you will be registered **once** and will be given only **one** identification wristband to enter Seminar Room 1.
7. No individual will be allowed to register on behalf of another individual even with the original MyKad/Passport of the other individual.
8. There will be no replacement in the event you lose or misplace the identification wristband. No individual will be allowed to enter Seminar Room 1 without wearing the identification wristband.
9. You must wear the identification wristband throughout the Sixty-Seventh AGM.
10. The registration counter will only handle verification of identity and registration of attendance.

HELP DESK

1. Please proceed to the Help Desk for any clarification or queries apart from registration details.
2. The Help Desk will also handle revocation of proxy's appointment.

ENTITLEMENT TO ATTEND, SPEAK AND VOTE

Only a depositor whose name appears in the Record of Depositors as at 15 June 2026 shall be entitled to attend, speak and vote at the Sixty-Seventh AGM or appoint proxies to attend, speak and vote on his/her behalf in respect of the number of shares registered in his/her name at that time.

PROXY

1. If you are a member of the Company, you are entitled to appoint not more than two (2) proxies to exercise all or any of your rights to attend, speak and vote at the Sixty-Seventh AGM. If you appoint more than one (1) proxy, please specify the proportion of your shareholding to be represented by each proxy, failing which, the appointment shall be invalid.
2. If you are unable to attend the Sixty-Seventh AGM and wish to appoint a proxy to attend and vote on your behalf, please submit your Proxy Form for the AGM in accordance with the notes and instructions printed therein.
3. If you wish to attend the Sixty-Seventh AGM yourself, please do not submit any Proxy Form. You will NOT be allowed to attend the AGM together with a proxy appointed by you.
4. If you have submitted your Proxy Form prior to the Sixty-Seventh AGM and subsequently decided to attend the AGM yourself, please proceed to the Help Desk to revoke the appointment of your proxy.

ADMINISTRATIVE DETAILS FOR THE SIXTY-SEVENTH ANNUAL GENERAL

PROXY (CONT'D)

5. Accordingly, the Proxy Form and/or documents relating to the appointment of proxy or authorised representative or attorney for the Sixty-Seventh AGM whether in hard copy form or electronic means shall be deposited or submitted in the following manner not later than **Saturday, 20 June 2026 at 10.00 a.m.:**

(i) In hard copy:

By hand or post to the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or alternatively, to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

(ii) By electronic form:

You may also submit your proxy appointment electronically via Vistra Share Registry and IPO (MY) portal ("Portal") at <https://srmy.vistra.com>.

ELECTRONIC LODGEMENT OF PROXY FORM

The procedures to lodge your Proxy Form electronically via the Portal are summarised below:

| Procedure | Action |
|---|--|
| i. Steps for Individual Shareholders | |
| Register as a User with the Portal | <ul style="list-style-type: none"> Visit the Portal at https://srmy.vistra.com. Click "Register" and select "Individual Holder" and complete the New User Registration Form. For guidance, you may refer to the tutorial guide available on the homepage. Once registration is completed, you will receive an email notification to verify your registered email address. After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved. Once you receive the confirmation email, activate your account by creating your password. <p><i>If you are an existing user of the Portal or Tricor's previous TIH Online portal, you are not required to register again.</i></p> |
| Proceed with submission of Proxy Form | <ul style="list-style-type: none"> After the release of the Notice of Sixty-Seventh AGM by the Company, login with your email address and password. Select the corporate event: "OCB BERHAD 67TH AGM" Navigate to the 3 dots at the end of the corporate event and choose "SUBMISSION OF PROXY FORM". Read and agree to the Terms and Conditions and confirm the Declaration. Indicate the total number of shares assigned to your proxy(ies) to vote on your behalf. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. Indicate your voting instructions – FOR or AGAINST or ABSTAIN. Print the proxy form for your record. |

ADMINISTRATIVE DETAILS

FOR THE SIXTY-SEVENTH ANNUAL GENERAL

ELECTRONIC LODGEMENT OF PROXY FORM (CONT'D)

The procedures to lodge your Proxy Form electronically via the Portal are summarised below: (cont'd)

| Procedure | Action |
|--|---|
| ii. Steps for Corporation or Institutional Shareholders | |
| Register as a User with the Portal | <ul style="list-style-type: none"> • Visit the Portal at https://srmy.vistra.com. • Click “Register” and select “Representative of Corporate Holder” and complete the New User Registration Form. • Complete the registration form with your personal details. • Once registration is completed, you will receive an email notification to verify your registered email address. • After verification, your registration will be reviewed and approval within two (2) working days. A confirmation email will be sent once approved. • Once you receive the confirmation email, activate your account by creating your password. <p><i>Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Tricor if you need clarifications on the user registration.</i></p> |
| Proceed with submission of Proxy Form | <ul style="list-style-type: none"> • Login to https://srmy.vistra.com with your email address and password. • Select the corporate event: “OCB BERHAD 67TH AGM” • Navigate to the icon “>” at the end of the corporate event. • Read and agree to the Terms and Conditions and confirm the Declaration. • Select the corporate holder’s name. • Proceed to download the submission file. • Prepare the file for the appointment of proxy(ies) by inserting the required data. • Proceed to upload the duly completed proxy appointment file. • Select “Confirm” to complete your submission. • Print the confirmation report of your submission for your record. |

CORPORATE MEMBER

Any corporate member who wishes to appoint a representative instead of a proxy to attend the meeting should submit the **original** Certificate of Appointment under the seal of the corporation to the office of the Share Registrar at any time before the time appointed for holding the above meeting or to the registration staff on the day of the above meeting for the Company’s record.

VOTING PROCEDURE

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all Resolutions to be tabled at the Sixty-Seventh AGM will be put to vote by way of poll. For this purpose, the Company has appointed Tricor to conduct the poll by way of electronic voting and Quantegic Services Sdn Bhd as scrutineers to verify the poll results.

Shareholders or proxies or corporate representatives or attorneys can proceed to vote on the resolutions upon the announcement by the Chairman of the Meeting. Upon completion of the voting session for the Sixty-Seventh AGM, the Scrutineers will verify the poll results followed by the Chairman’s declaration whether the resolutions are duly passed.

ADMINISTRATIVE DETAILS FOR THE SIXTY-SEVENTH ANNUAL GENERAL

SEATING ARRANGEMENT FOR THE SIXTY-SEVENTH AGM

1. Free seating. All shareholders, proxies, corporate representatives will be allowed to enter Seminar Room 1 from 9.00 a.m. onwards.
2. All shareholders, proxies, corporate representatives are encouraged to be seated at least five (5) minutes before the commencement of the Sixty-Seventh AGM.

MOBILE DEVICES

Please ensure that all mobile devices i.e. phones, pagers, other sound emitting devices are put on silent mode during the AGM to ensure smooth and uninterrupted proceedings.

FOOD AND BEVERAGE

There will NOT be any food served before and after the AGM. Only morning coffee and tea will be served.

NO DOOR GIFT/FOOD VOUCHER

There will be no distribution of door gift/food voucher for participating at the Sixty-Seventh AGM.

OCB Berhad would like to thank all its shareholders for their kind co-operation and understanding in these challenging times.

ENQUIRY

If you have any queries on the above, please contact the Company's Share Registrar, Tricor at +603-2783 9299 or email to is.enquiry@vistra.com during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays).

I/We (NRIC/Company No.)
 (Full Name in Block Letters)
 of
 (Address)

and telephone no./email address being a member/members of OCB Berhad ("the Company"), hereby appoint:

| | | | |
|------------------------------|-------------------|---------------|--------------------|
| Full Name (In Block Letters) | NRIC/Passport No. | No. of Shares | % of Shareholdings |
| Telephone No. | Email Address | | |

and/or

| | | | |
|------------------------------|-------------------|---------------|--------------------|
| Full Name (In Block Letters) | NRIC/Passport No. | No. of Shares | % of Shareholdings |
| Telephone No. | Email Address | | |

or failing him/her, THE CHAIRMAN OF THE MEETING as *my/our proxy to vote for *me/us on *my/our behalf at the Sixty-Seventh Annual General Meeting ("AGM") of the Company to be held at Seminar Room 1, Kelab Golf Negara Subang, Jalan SS 7/2, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Monday, 22 June 2026 at 10.00 a.m. and at any adjournment thereof. *I/We indicate with an "X" in the spaces below how *I/we wish *my/our vote to be cast.

| Resolution | Ordinary Business | For | Against |
|------------|--|-----|---------|
| 1 | To declare a first and final single-tier dividend of 3.5 sen per share in respect of the financial year ended 31 December 2025 | | |
| 2 | To re-elect Wong Choon Shein as Director | | |
| 3 | To re-elect Fong Heng Leong as Director | | |
| 4 | To approve the payment of Directors' fees amounting to RM547,200 to the Non-Executive Directors of the Company and its subsidiaries for the financial year ended 31 December 2025 | | |
| 5 | To approve the payment of benefits of up to RM150,000 to the Non-Executive Directors of the Company and its subsidiaries for the financial year ending 31 December 2026 | | |
| 6 | To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix the remuneration of the Auditors | | |
| | Special Business | | |
| 7 | Proposed authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 | | |
| 8 | Proposed renewal of authority for the Company to purchase its own shares | | |

Subject to the above stated voting instructions, *my/our proxy may vote or abstain from voting on the resolutions as *he/she/they may think fit.

| | |
|---|---|
| If appointment of proxy is under hand: _____ Signed by *individual member/officer or attorney of *member/authorised nominee of (beneficial owner) | No. of Shares held: Securities Account No.: (CDS Account No.) (Compulsory) Date: |
| If appointment of proxy is under seal: The Common Seal of was hereto affixed in accordance with its Constitution in the presence of: _____ Director _____ Director/Secretary In its capacity as *member/attorney of *member/authorised nominee of (beneficial owner) | No. of Shares held: Securities Account No.: (CDS Account No.) (Compulsory) Date: |

Signed this day of, 2026.

* Strike out whichever is not desired.
 [Unless otherwise instructed, the proxy may vote as he/she thinks fit.]

Notes:

- (i) Only a depositor whose name appears on the General Meeting Record of Depositors as at 15 June 2026 shall be entitled to attend at the Sixty-Seventh AGM of the Company or appoint proxy(ies) to attend and vote in his/her stead.
- (ii) A member of the Company entitled to attend and vote at the Sixty-Seventh AGM of the Company is entitled to appoint not more than 2 proxies of his/her own choice to attend and vote in his/her stead. A proxy may but need not be a member of the Company. Where a member appoints more than 1 proxy, the member shall specify the proportion of his/her shareholding to be represented by each proxy, failing which, the appointment shall be invalid.



Notes: (cont'd)

- (iii) Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than 2 proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend the Sixty-Seventh AGM of the Company. Where a member of the Company is an Exempt Authorised Nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("Omnibus Account"), such EAN may appoint multiple proxies in respect of each Omnibus Account it holds. In both cases, such appointment shall be invalid unless the Authorised Nominee or EAN specifies the proportion of its shareholdings to be represented by each proxy it has appointed.
- (iv) The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation, under its common seal or signed by its attorney duly authorised in writing or by 2 officers, 1 of whom shall be a director, on behalf of the corporation. Any alteration to the instrument appointing a proxy must be initialled.
- (v) The appointment of a proxy may be made in hard copy form or by electronic form and must be deposited with/received by the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor"), not less than 48 hours before the time appointed for holding the Sixty-Seventh AGM of the Company or any adjournment thereof, and in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, otherwise the person so named shall not be entitled to vote in respect thereof.
- (vi) In the case of an appointment made in hard copy form, the Proxy Form, together with the power of attorney (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of our Share Registrar, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
- (vii) In the case of appointment by electronic form, the Proxy Form must be electronically lodged with the Company's Share Registrar, Tricor via Vistra Share Registry and IPO (MY) portal ("Portal") at <https://smy.vistra.com>. Please refer to the Administrative Details for the Sixty-Seventh AGM on the procedures for electronic lodgement of Proxy Form via the Portal.
- (viii) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to the vote by way of poll. Independent Scrutineers will be appointed to verify the results of the poll.
- (ix) By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the forthcoming Sixty-Seventh AGM of the Company and/or any adjournment thereof, the member of the Company accepts and agrees to the Personal Data Privacy terms as set out in the Notice of Sixty-Seventh AGM of the Company dated 24 April 2026.

1st Fold Here

AFFIX
STAMP

The Share Registrar
Tricor Investor & Issuing House Services Sdn. Bhd.
[Registration Number: 197101000970 (11324-H)]
Unit 32-01, Level 32, Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia

2nd Fold Here

Fold This Flap For Sealing



OCB BERHAD

[Registration No. 195901000114 (3465-H)]

2B-5, Level 5
Jalan SS 6/6, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Tel No. : +603 7880 7539
Fax No. : +603 7880 7536
Website : www.ocbb.com.my