

# LTKM BERHAD

199701027444 (442942-H)

## ANNUAL REPORT 2025

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# LTK Omega Plus

Your Health Partner

**5x**  
**Omega-3**  
**& DHA**

Omega-3 Polyunsaturated Fatty Acids (PUFA), such as DHA, are found naturally in some foods. Egg is one of them. Adequate intake of Omega-3 and DHA is vital for the health benefits of our heart, brain and eyes. With an all natural feed formula to feed our chickens, we at LTK are able to produce even more nutritious eggs with higher content of Omega-3, DHA, Vitamin E and Selenium.



**100% Natural**

Feeds such as Flaxseed,  
Corn & Soybean.

**100% Natural**

Carotenoids. No synthetic  
colouring.

\* In comparison to an ordinary egg

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Form of Proxy

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Datuk Tan Kok

*Executive Chairman*

### Tan Chee Huey

*Executive Director*

### Loh Wei Ling

*Executive Director*

### Datin Lim Hooi Tin

*Non-Independent Non-Executive Director*

### Kenny Tan Kah Poh

*Independent Non-Executive Director*

### Mok Kam Loong

*Independent Non-Executive Director*

### Choo Seng Choon

*Independent Non-Executive Director*

## AUDIT & RISK MANAGEMENT COMMITTEE

**Choo Seng Choon** (*Chairman*)

**Kenny Tan Kah Poh**

**Mok Kam Loong**

## REMUNERATION COMMITTEE

**Datuk Tan Kok** (*Chairman*)

**Kenny Tan Kah Poh**

**Mok Kam Loong**

## NOMINATION COMMITTEE

**Kenny Tan Kah Poh** (*Chairman*)

**Mok Kam Loong**

**Choo Seng Choon**

## COMPANY SECRETARY

Ng Yim Kong

MACS00305

SSM PC 20208000309

## REGISTERED OFFICE

Unit 07-02, Level 7, Persoft Tower  
6B Persiaran Tropicana  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan  
Tel : 03-7804 5929  
Fax : 03-7805 2559

## CORPORATE OFFICE

No. 102, Batu 1 ½  
Jalan Meru  
41050 Klang  
Selangor Darul Ehsan  
Tel : 03-3342 2830/2831  
Fax : 03-3341 1967  
[www.ltkm.com.my](http://www.ltkm.com.my)

## REGISTRAR

Tricor Investor & Issuing House  
Services Sdn Bhd  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No.8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel : 03-2783 9299  
Fax : 03-2783 9222

## AUDITORS

Messrs. Ernst & Young  
Chartered Accountants  
Level 23A, Menara Millenium  
Jalan Damanlela  
Pusat Bandar Damansara  
50490 Kuala Lumpur

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia  
Securities Berhad  
Stock Name : LTKM



## PROFILE OF BOARD OF DIRECTORS

### DATUK TAN KOK

*Executive Chairman, Chairman of Remuneration Committee*

A Malaysian, aged 74, Datuk Tan Kok was appointed to the Board on 23 December 1999. He has more than 40 years of experience in the poultry sector, particularly in layer farming. He participated actively in the development of the layer industry and was previously appointed as the Chairman of the Sub-Committee of Layer Division of the Selangor Livestock Farmers' Association. Currently, he is a Committee Member of the Selangor Livestock Farmers' Association. He also sits on the Board of several private limited companies.

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

### TAN CHEE HUEY

*Executive Director*

A Malaysian, aged 45, Ms Tan Chee Huey was appointed to the Board on 24 February 2016. She graduated with a degree in Nutrition and Community Health (Hons.) from University Putra Malaysia. Prior to joining LTKM Berhad, she was a nutritionist in Mead Johnson Nutrition (Malaysia) Sdn Bhd. She joined the Group in 2007 and was later promoted to be the Corporate Affairs Manager of the Company. She is also involved in the management of the poultry operation.

She is the daughter-in-law of Datuk Tan Kok and Datin Lim Hooi Tin. She does not hold any directorship in other public listed companies.

### LOH WEI LING

*Executive Director*

A Malaysian, aged 44, Ms Loh Wei Ling was appointed to the Board on 4 October 2019. She graduated with a degree in Bachelor of Computer Science from the University of South Australia. Prior to joining LTKM Berhad, she was a Business Development Executive in The Star Publications Sdn. Bhd., for digital media in the areas of marketing and sales. She joined the Group in 2011 as the Administration Manager and is currently involved in the day-to-day administration of various subsidiaries of the Group.

She is the daughter-in-law of Datuk Tan Kok and Datin Lim Hooi Tin. She does not hold any directorship in other public listed companies.

### DATIN LIM HOOI TIN

*Non-Independent Non-Executive Director*

A Malaysian, aged 73, Datin Lim was appointed to the Board on 23 December 1999. She has wide experience in the administration and management of layer farm. She also sits on the Board of several private limited companies.

She is the wife of Datuk Tan Kok. She does not hold any directorship in other public listed companies.

## PROFILE OF BOARD OF DIRECTORS

cont'd

### KENNY TAN KAH POH

*Independent Non-Executive Director, Member of Audit & Risk Management Committee, Remuneration Committee and Chairman of Nomination Committee*

A Malaysian aged 39, Kenny Tan was appointed to the Board on 25 May 2017. He holds a Bachelor of Laws (Honours) from Oxford Brookes University, U.K. and the Certificate of Legal Practice from the Legal Qualifying Board of Malaysia. He was admitted to the High Court of Malaya as an Advocate and Solicitor in 2011. In the same year, he commenced his earlier legal practice in a mid-sized law firm in Kuala Lumpur as a legal associate and was subsequently made a Partner in January 2015. In 2017, he founded Kenny Tan & Co and he is currently the managing partner of the said firm.

Kenny Tan has experience in a diverse range of corporate and commercial transactions and his areas of practice include capital markets, mergers and acquisitions, corporate restructuring, listing, venture capital and security dealings. He also regularly advises companies of various industries on matters pertaining to directors' duties, corporate governance, shareholders' dispute, regulatory compliance and general litigation.

Kenny Tan has no family relationship with any director and/or major shareholder of the Company. He also serves as an independent non-executive director in Topvision Eye Specialist Berhad.

### MOK KAM LOONG

*Independent Non-Executive Director, Member of Audit & Risk Management Committee, Remuneration Committee and Nomination Committee*

A Malaysian aged 61, Mr Mok was appointed to the Board on 4 October 2019. He holds a Degree in Surveying (Land) from the University Technology Malaysia. He is a member of the Malaysian Royal Institute of Surveyors and is in practice as a licensed land surveyor. He has over 20 years of experience in the areas of land surveying and land development consultancies.

Mr Mok has no family relationship with any director and/or major shareholder of the Company. He does not hold any directorship in other public listed companies.

### CHOO SENG CHOON

*Independent Non-Executive Director, Chairman of Audit & Risk Management Committee, Member of Nomination Committee*

A Malaysian aged 51, Mr Choo was appointed to the Board on 25 February 2021. He is a Chartered Accountant of the Malaysian Institute of Accountants, a fellow member of the Chartered Association of Certified Accountants (UK), a Chartered Member of the Institute of Internal Auditors Malaysia and a Certified Internal Auditor. He also holds a Diploma in Financial Accounting from Tunku Abdul Rahman College, Kuala Lumpur. Mr Choo has over 25 years of professional and commercial experience in multi-discipline that includes internal audit, risk and financial management, performance & business management, IPOs, taxation, due diligence, corporate finance, business process re-engineering, investigations, corporate governance and financial audits. He currently owns and manages his own corporate advisory firm that specialises in the provision of business advisory, risk management and internal audit services to a wide range of public listed, multi-national and private companies operating in Malaysia and other Asia Pacific Regions.

Mr Choo has no family relationship with any director and/or major shareholder of the Company. He also serves as an independent non-executive director in EA Holdings Bhd and Hua Yang Berhad and non-independent non-executive director in Vinvest Capital Holdings Bhd.

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### General Information

Datuk Tan Kok and Datin Lim Hooi Tin, who is the spouse of the former, are also the substantial shareholders of the Company via their shareholding in Ladang Ternakan Kelang Sdn Berhad, a substantial shareholder of the Company. Other than as disclosed, none of the other Directors have any family relationship with any Director and/or substantial shareholders of the Company.

None of the Directors have:

- a. any conflict of interest with the Company and
- b. any convictions for offences within the past 10 years other than traffic offences.

## PROFILE OF KEY SENIOR MANAGEMENT

### KOK CHIEW HENG

*Sales & Marketing Manager, Poultry Division*

Kok Chiew Heng, aged 65, is a pioneer staff of LTK (Melaka) Sdn Bhd (“LM”) who joined in 1984 and is currently the Sales & Marketing Manager. He played a key role in establishing the operation’s network of loyal customers and efficient distribution system. In his current capacity as Sales & Marketing Manager, he is principally responsible for all aspects of marketing including development of new markets and market survey for both local and overseas.

### LOO ENG SENG

*Operations & Development Manager, Poultry Division*

Loo Eng Seng, aged 64, is the Operations and Development Manager and he joined LM in October 1986. He holds a Diploma in Civil Engineering from the Federal Institute of Technology. He is a qualified quantity surveyor and is currently responsible for various aspects of the farm’s operations including workers’ management, management of by-products, farm assets maintenance and development. His prior experience as a quantity surveyor has benefited the poultry operation with his implementation of effective management and control of overheads and farm assets.

### DR MAZILA BT MOKHTAR

*Veterinarian, Poultry Division*

Dr Mazila bt Mokhtar, aged 55, is the Veterinarian at LM. She holds a Doctorate of Veterinary Medicine and Animal Science from University Putra Malaysia (formerly known as Universiti Pertanian Malaysia). Prior to joining the Group in 1996, she worked for Broiler Farm Sdn Berhad, a company involved in broiler farming, as a Farm Veterinarian for two months and subsequently, as a Research Assistant in Veterinary Pathology and Microbiology, Faculty of Veterinary Medicine and Animal Science, University Putra Malaysia for a tenure of two years. With her experience in this field of poultry farming, she is currently responsible for the research and the management of flock health, bio-security and feed formulation programme.

### JANCY OH SUAN TIN

*Group Financial Controller*

Jancy Oh aged 52, is LTKM’s Group Financial Controller. She joined LTKM in December 2008. She graduated from the University of Malaya with a Bachelor of Accounting (Honours) in 1997 and has obtained her professional qualification from the Chartered Institute of Management Accountants (“CIMA”) in 2016. She is a member of the Malaysian Institute of Accountants since 2000. She started her career in the Hong Leong Group in 1997 and later joined DuPont Malaysia Sdn Bhd in 2001, a US multinational company that was based in Shah Alam and then KLK Group under Palm Oleo Sdn Bhd before joining LTKM in 2008. Her areas of experience include accounting, financial reporting, internal audit and controls, taxation and corporate related areas. She is currently responsible for the overall financial and reporting functions in LTKM Group. She also serves as an independent non-executive director in Kein Hing International Bhd since 22 November 2022.

### LOO LENG FONG

*Accounting Manager*

Loo Leng Fong aged 53, is LTKM’s Accounting Manager since 1998. She graduated from the University of Nebraska-Lincoln, U.S.A. in 1994 with a Bachelor of Science in Business Administration majoring in Finance. After her graduation, she started employment with Amsteel Mills Sdn Bhd before joining LTKM Berhad in 1998. She is in charge of the day-to-day accounting and finance operations of LTKM Group.

## LETTER TO SHAREHOLDERS

“

*On behalf of the Board of Directors of LTKM Berhad,  
I am pleased to present the Annual Report and the Audited  
Financial Statements of the Group and the Company for  
the financial year ended 31 March 2025 (“FY2025”).*

”



Malaysia's economy recorded a growth of 5.1% in 2024, with positive performance across nearly all major economic sectors. Both domestic and foreign investments remained robust, and the overall economic outlook was strong throughout the year. However, as 2025 commenced, global headlines were dominated by concerns over impending tariffs by the US government. These developments have introduced significant uncertainties at the global level, affecting many industries either directly or indirectly. While LTKM's core operations may not be immediately impacted by these tariffs, the broader implications — including foreign exchange rates volatility, commodity price fluctuations, and stock market instability — may inevitably influence our business and investment environment.

Operationally, the primary challenge for LTKM has been industry-specific: the egg supply situation in the market and the imposition of government-mandated egg price controls. In May 2025 the government announced removal of the egg price control with effect from 1 August 2025. With the removal of the price control, we anticipate that the egg market will ease and prices revert to free-float. However the impact on egg prices is still due to be seen as increased capacity resulting in ample egg supply has placed downward pressure on both local and export prices. Given that poultry remains our core business, LTKM continues to prioritize operational efficiency and cost management to maintain our competitiveness and profitability.

For a detailed analysis of the Group's financial performance for FY2025, we invite you to refer to the Management Discussion and Analysis section of this Annual Report.

I would also like to take this opportunity on behalf of the Board, to express our sincere appreciation to our management and staff, valued customers, bankers, suppliers, advisors, regulators, and shareholders for their continued dedication and support.

Thank you for your unwavering trust and confidence in LTKM.

**Datuk Tan Kok**  
Chairman

## MANAGEMENT DISCUSSION AND ANALYSIS

The information presented in this Management Discussion and Analysis should be read in conjunction with the Company's audited consolidated financial statements and the accompanying notes for the financial year 2025 which provides details necessary for a comprehensive understanding of LTKM's financial performance and position.

### OVERVIEW

In the financial year ended 31 March 2025, LTKM recorded a revenue of RM222.1 million, representing a 14% decline compared to RM257.7 million in FY2024. Despite the decrease in revenue, the Company delivered another year of strong earnings performance with profit before tax amounting to RM51.6 million as compared to RM64.6 million in the previous financial year. Earnings per share ("EPS") stood at 33.88 sen, down from 40.92 sen in FY2024.

### PERFORMANCE REVIEW

#### Revenue

| Segment                    | FY2025<br>RM'000 | FY2024<br>RM'000 | Change<br>% |
|----------------------------|------------------|------------------|-------------|
| Revenue                    | 222,066          | 257,687          | -14%        |
| <i>Poultry</i>             | 212,490          | 248,341          | -14%        |
| <i>Sand mining</i>         | 9,056            | 8,986            | 1%          |
| <i>Investment holdings</i> | 520              | 360              | 44%         |

The poultry segment remained the Group's primary revenue contributor, generating RM212.5 million in FY2025, compared to RM248.3 million in FY2024. The decline was largely due to lower average egg prices, which resulted in a 14% reduction in revenue for the segment.

Revenue from sand mining amounted to RM9.1 million (FY2024: RM9.0 million), reflecting a slight year-on-year increase. The investment holdings segment recorded improved revenue of RM0.52 million (FY2024: RM0.36 million), representing a 44% increase, primarily driven by higher rental rates.

Other segments contributed either nil or an insignificant amount to the Group's overall revenue for the financial year.

#### Profit before tax

| Segment                     | FY2025<br>RM'000 | FY2024<br>RM'000 | Change<br>% |
|-----------------------------|------------------|------------------|-------------|
| Profit before tax           | 51,642           | 64,639           | -20%        |
| <i>Poultry</i>              | 47,621           | 60,814           | -22%        |
| <i>Sand mining</i>          | 2,115            | 1,307            | 62%         |
| <i>Investment holdings</i>  | 2,256            | 2,759            | -18%        |
| <i>Property development</i> | (350)            | (241)            | -45%        |

The poultry segment recorded earnings of RM47.6 million in FY2025, representing a 22% decline compared to FY2024. This was primarily attributable to lower average egg prices, partially offset by reduced costs of key raw materials—particularly corn—and higher income from government subsidies.

Meanwhile, the sand mining segment delivered a strong performance as compared to the previous financial year, with segmental earnings improving by 62% at RM2.1 million; driven mainly by lower production costs.

As a result of the weaker performance in the poultry segment, the Group's overall profit before tax declined by 20%, from RM64.6 million in FY2024 to RM51.6 million in FY2025.

#### Significant movements of items in Consolidated Statement of Financial Position

| Balance sheet items    | FY2025<br>RM'000 | FY2024<br>RM'000 | Change<br>RM'000 |
|------------------------|------------------|------------------|------------------|
| Investment properties  | 94,000           | 93,800           | 200              |
| Investment securities  | 93,610           | 61,536           | 32,074           |
| Biological assets      | 9,771            | 9,276            | 495              |
| Inventories            | 18,251           | 16,086           | 2,165            |
| Trade receivables      | 8,145            | 9,375            | (1,230)          |
| Cash & bank balances   | 61,729           | 79,164           | (17,435)         |
| Trade & other payables | 17,674           | 19,981           | (2,307)          |
| Borrowings             | 60,313           | 61,040           | (727)            |
| Net cash               | 1,416            | 18,124           | (16,708)         |

# MANAGEMENT DISCUSSION AND ANALYSIS

cont'd

## Financial Position as at 31 March 2025

### 1. Investments

Investment in quoted securities increased significantly from RM61.5 million to RM93.6 million, reflecting additional investments made during the financial year.

### 2. Inventories

Inventories rose to RM18.3 million (FY2024: RM16.1 million), mainly due to higher stockholding of key raw materials.

### 3. Trade Receivables

Trade receivables declined to RM8.1 million compared to RM9.4 million in the previous financial year, in line with the lower revenue. The Group maintained its average collection period at 14 days (FY2024: 14 days), reflecting continued efficiency in receivables management.

### 4. Trade and Other Payables

Trade and other payables decreased to RM17.7 million (FY2024: RM20.0 million), primarily due to utilisation of trade financing facilities.

### 5. Cash, Bank Balances and Borrowings

Cash and bank balances stood at RM61.7 million, down from RM79.2 million in FY2024. Bank borrowings were slightly lower at RM60.3 million (FY2024: RM61.0 million). Of the total borrowings, RM24.7 million (FY2024: RM27.6 million) comprised long-term loans used to finance land acquisitions, while the remaining balance represented short-term borrowings for working capital purposes.

As a result, the Group closed the financial year with a net cash position of RM1.4 million (FY2024: RM18.1 million).

## DIVIDENDS

The Board is pleased to propose a single-tier final dividend of 2 sen per ordinary share for the financial year ended 31 March 2025. During the financial year, the Board had also declared and paid two interim dividends of 2 sen per ordinary share each, totalling 4 sen per ordinary share. Dividends amounting to RM2.9 million were paid to shareholders on 18 October 2024 and 28 March 2025, respectively. The interim and final dividends will result in a total dividend payment of RM8.6 million or 18% of the net profit for the financial year. The proposed final dividend is subject to the approval of the shareholders at the forthcoming 28th AGM.

## PROSPECTS

### Poultry Operations

Following another year of solid earnings in FY2025, the outlook for the next financial year is more cautious. The current supply of eggs situation in the local market is expected to exert downward pressure on selling prices, which may impact profitability amidst the removal of egg price control to be effective from 1 August 2025. On a positive note, the cost of major raw materials—particularly corn—is anticipated to remain stable, providing some relief on the cost front.

Despite the challenging market environment, LTKM remains focused on enhancing operational efficiencies and upholding stringent bio-security standards. These efforts are integral to ensuring the sustainability of our operations and maintaining our long-term competitiveness in the industry.

### Net Tangible Assets ("NTA")

The Company's NTA per share increased to RM2.31 as at the end of FY2025, compared to RM2.00 at the end of the previous financial year.

## FIVE YEARS FINANCIAL STATISTICS

| Year ended 31 March                                | 2025         | 2024              | 2023    | 2022     | 2021     |
|--|--------------|-------------------|---------|----------|----------|
|  | RM000        | RM000             | RM000   | RM000    | RM000    |
| Revenue  | 222,066      | 257,687           | 257,272 | 201,669  | 137,402  |
| Operating profits/(loss)                           | 55,191       | 68,623            | 34,292  | (15,623) | (24,722) |
| Finance costs                                      | (3,549)      | (3,984)           | (3,768) | (3,522)  | (3,718)  |
| Profit/(Loss) before tax                           | 51,642       | 64,639            | 30,524  | (19,145) | (28,440) |
| Profit/(Loss) attributable to equity holders       | 48,493       | 58,565            | 20,627  | (16,097) | (27,392) |
| Share capital                                      | 76,696       | 76,696            | 76,696  | 76,696   | 65,052   |
| No of shares                                       | 143,114      | 143,114           | 143,114 | 143,114  | 130,104  |
| Total equity                                       | 331,181      | 285,949           | 235,734 | 216,448  | 219,957  |
| Net earnings/(loss) per share - basic <sup>1</sup> | sen          | 33.88             | 40.92   | 14.41    | (11.60)  |
| Net dividend per share                             | sen          | 6.00 <sup>2</sup> | 10.00   | -        | -        |
| Dividend yield                                     | %            | 4.72 <sup>2</sup> | 6.99    | -        | -        |
| Net tangible asset                                 | RM per share | 2.31              | 2.00    | 1.65     | 1.51     |
| Price-earnings ratio                               | times        | 3.75              | 3.49    | 10.41    | (11.90)  |
| Net debt/total equity <sup>3</sup>                 | %            | -                 | -       | 0.13     | 10.19    |
| Closing share price                                | RM per share | 1.27              | 1.43    | 1.50     | 1.38     |
|  |              |                   |         |          | 0.99     |

<sup>1</sup> Adjusted to 143,114,006 number of ordinary share for FY2021.

<sup>2</sup> Include final dividend of 2.0 sen per ordinary share which is subject to the approval of shareholders at the forthcoming 28th AGM.

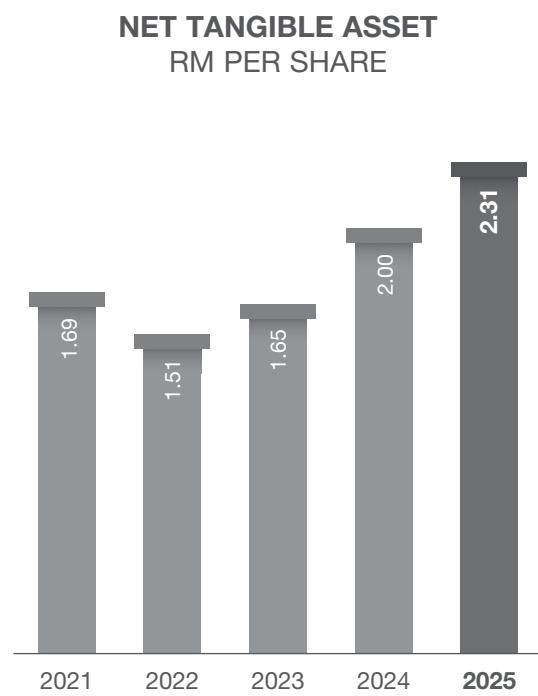
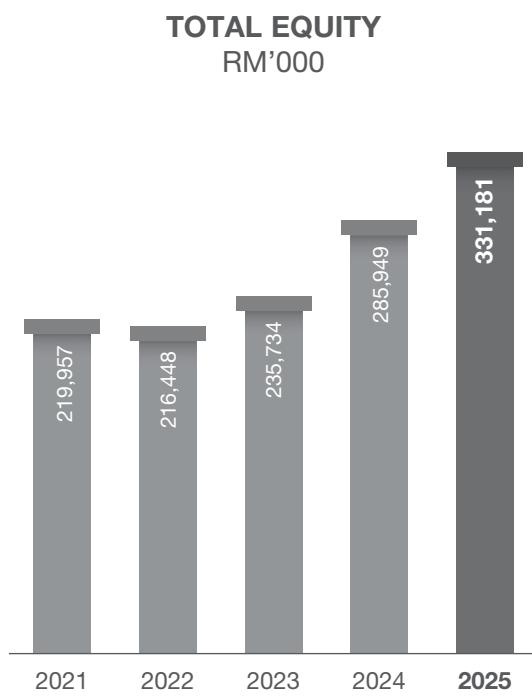
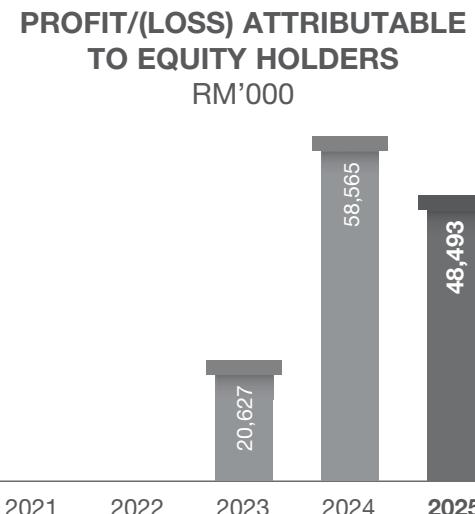
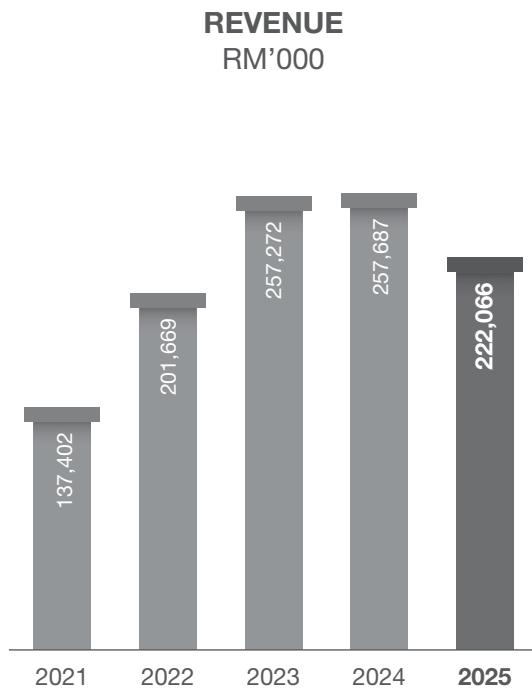
<sup>3</sup> Net debt represents total borrowings (incl. hire purchase payables) from financial institutions less cash and bank balances and short term deposits.



## FIVE YEARS

### FINANCIAL STATISTICS

cont'd



## AUDIT & RISK MANAGEMENT COMMITTEE REPORT

### COMPOSITION

| Members of the Committee            | Designation in the Company         |
|-------------------------------------|------------------------------------|
| Choo Seng Choon ( <i>Chairman</i> ) | Independent Non-Executive Director |
| Kenny Tan Kah Poh ( <i>Member</i> ) | Independent Non-Executive Director |
| Mok Kam Loong ( <i>Member</i> )     | Independent Non-Executive Director |

### TERMS OF REFERENCE

#### Objectives

The Audit & Risk Management Committee shall:

- a) assist the Board of Directors in fulfilling its fiduciary responsibilities relating to accounting and reporting practices of the Company and the Group;
- b) oversee and appraise the quality of the audits conducted both by the Company's internal and external auditors;
- c) maintain open lines of communication between the Board of Directors, the internal auditors and the external auditors for the exchange of views and information, as well as to confirm their respective authorities and responsibilities;
- d) determine the adequacy of the Group's administrative, operating, accounting controls and risk management measures; and
- e) evaluate risk exposures of the Group and assess the risk management measures to mitigate the risks effectively.

#### Members

- a) The Audit & Risk Management Committee shall be appointed by the Board of Directors from amongst the Directors of the Company and shall comprise not less than three members, of whom all shall be Non-Executive Directors, with a majority of them being Independent Directors.
- b) At least one member of the Audit & Risk Management Committee:
  - i) must be a member of the Malaysian Institute of Accountants ("MIA"); or
  - ii) if he is not a member of the MIA, he must have at least three years' working experience and:
    - o he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
    - o he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967
  - iii) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("BMSB").
- c) No Alternate Director shall be appointed as a member of the Audit & Risk Management Committee.
- d) The members of the Audit & Risk Management Committee shall elect a Chairman from among their members who shall be an Independent Director. The Chairman of the Audit & Risk Management Committee shall not also be the Chairman of the Board.
- e) The Chairman of the Board of Directors shall not be a member of the Audit & Risk Management Committee.
- f) The Nomination Committee shall review the term of office and performance of the Audit & Risk Management Committee and each of its members from time to time or as necessary to determine whether the Audit & Risk Management Committee and its members have carried out their duties in accordance with their terms of reference.

# AUDIT & RISK MANAGEMENT COMMITTEE REPORT

cont'd

## TERMS OF REFERENCE *cont'd*

### Members *cont'd*

- g) If a member of the Audit & Risk Management Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three, the Board of Directors shall, within three months of that event, appoint such number of new members as may be required to make up the minimum number of three members.
- h) No former key audit partner shall be appointed as a member of the Audit & Risk Management Committee unless and until he has observed a cooling-off period of at least three years.

### Rights

The Audit & Risk Management Committee shall, whenever necessary and reasonable for its performance and in accordance with the procedure to be determined by the Board of Directors and at the Company's cost:

- a) have authority to investigate any matter within its terms of reference;
- b) have resources which are required to perform its duties;
- c) have full and unrestricted access to any information pertaining to the Company;
- d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
- e) be able to obtain independent professional advice or other advice; and
- f) be able to convene meetings with the external auditors, internal auditors or both, excluding the attendance of Executive Directors and management of the Company, whenever deemed necessary.

### Functions

The Committee shall discharge the following functions:

- a) review the following and report the same to the Board of Directors of the Company:
  - i) with the external auditors:
    - the audit plan and the adequacy of their areas of audit emphasis;
    - their evaluation of the system of internal controls;
    - their audit report;
    - the assistance given by the employees of the Group to the external auditors
  - ii) the suitability, objectivity and independence of the external auditor and the competency of their service team;
  - iii) the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work effectively and independently;
  - iv) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal auditor;
  - v) the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing particularly on:
    - o changes in or implementation of major accounting policy;
    - o significant and unusual events; and
    - o compliance with accounting standards and other legal requirements;

## AUDIT & RISK MANAGEMENT COMMITTEE REPORT

cont'd

### **TERMS OF REFERENCE cont'd**

#### **Functions cont'd**

- a) review the following and report the same to the Board of Directors of the Company: *cont'd*
  - vi) any related party transaction and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
  - vii) any letter of resignation from the external auditors of the Company; and
  - viii) whether there is reason (supported by grounds) to believe that the Group's external auditors are not suitable for re-appointment.
  - ix) the quarterly risk management report focusing on identification of risk exposure, level of risk and risk management and mitigation measures.
- b) recommend the nomination of a person or persons as external auditors;
- c) prepare an Audit & Risk Management Committee Report at the end of each financial year;
- d) report promptly to BMSB where the Audit & Risk Management Committee is of the view that a matter reported by it to the Board of Directors of the Company has not been satisfactorily resolved resulting in a breach of the BMSB's Listing Requirements;
- e) meet with external auditors at least twice a year without the presence of the Executive Directors and members of the management; and
- f) any other functions as may be agreed to by the Audit & Risk Management Committee and the Board of Directors.

#### **Attendance and Meeting**

- a) The quorum of the Audit & Risk Management Committee shall be two of whom the majority of member's present shall be Independent Directors.
- b) Apart from the members of the Audit & Risk Management Committee who will be present at the meetings, the Audit & Risk Management Committee may invite any member of the management, employees, other Directors and representatives of the external auditors to be present at meetings of the Audit & Risk Management Committee.
- c) The Audit & Risk Management Committee shall meet at least four times a year and such additional meetings as the Chairman shall decide in order to fulfil its duties. In addition, the Chairman may call a meeting of the Audit & Risk Management Committee if a request is made by any Audit & Risk Management Committee member, the Company's Chairman, or the internal or external auditors.

#### **Minutes**

Minutes of each Audit & Risk Management Committee meeting are to be prepared and sent to its members. The Secretary shall also circulate the minutes of meetings of the Audit & Risk Management Committee to all members of the Board of Directors.

#### **Secretary**

The Company Secretary or his assistant shall be the Secretary of the Audit & Risk Management Committee.

## AUDIT & RISK MANAGEMENT COMMITTEE REPORT

cont'd

### TERMS OF REFERENCE *cont'd*

#### Internal Audit Function

The internal audit function of the Group is currently outsourced to a professional services firm and reports to the Audit & Risk Management Committee. The primary objective of the internal audit function is to undertake independent, regular and systematic review of the risk management and internal control systems of the Group so as to provide reasonable assurance that such systems are adequate and continue to operate satisfactorily and effectively in the Group.

The internal audit function is outsourced to Augment GC Sdn Bhd ("Augment"), a professional services firm that provides internal audit services. Augment is a corporate member of the Institute of Internal Auditors Malaysia ("IIAM") (Membership Number: C0515) and its personnel assigned for the internal audit function at LTKM are individual members of the IIAM. The internal auditor is free from any relationship or conflict of interest which could impair its objectivity and independence. The internal audit function has unrestricted access to all functions, records, personnel and assistance in respect of the areas of audit.

The internal audit function carries out its review in accordance to the risk-based internal audit plan that is approved by the Audit & Risk Management Committee. The internal audit function may also carry out investigations and special review at the request of Audit & Risk Management Committee or Management. The internal audit works were conducted using a risk-based approach and were guided by the International Professional Practice Framework. The number of staff deployed for each internal audit work ranges from three (3) to four (4) staff per visit including the Engagement Director.

During the financial year under review, the internal audit function reviewed the following key business processes in the Group:

- Group's Risk Assessment
- Treasury Management
- Organisational Governance
- Statement of Risk Management and Internal Control for Annual Report 2025

The internal audit function carried out the internal audit review to monitor compliance with the Group's procedures and the results of the review has been presented to the Audit & Risk Management Committee at their scheduled meeting.

The cost incurred for the internal audit function for the year ended 31 March 2025 was RM49,269.

#### Summary of Activities

During the financial year under review, the Audit & Risk Management Committee carried out the following activities:

- reviewed the annual audited financial statements of the Company/Group and quarterly unaudited results of the Group prior to presentation for the Board's approval;
- reviewed the Statement on Risk Management and Internal Control pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad for Board's approval;
- reviewed the related party transactions that had arisen within the Company or Group on quarterly basis;
- reviewed the Conflict of Interest ("COI") situations. There were no report of the COI for the year under review;
- reviewed with the internal and external auditors their audit plan prior to their commencement of audit;
- met with the external auditors in the absence of the Executive Directors and Management and reviewed any matters brought up with the Board and Management;
- reviewed the management letters and audit report of the external auditors;
- reviewed the quarterly internal audit reports that were conducted in accordance with approved risk-based internal audit plan. Based on the evaluation of system of internal control of the Group, recommendations to strengthen the system of internal control that were noted during the course of audit were highlighted to the Board and Management;
- reviewed the Audit & Risk Management Committee Report;

## AUDIT & RISK MANAGEMENT COMMITTEE REPORT

cont'd

### **TERMS OF REFERENCE cont'd**

#### **Summary of Activities cont'd**

During the financial year under review, the Audit & Risk Management Committee carried out the following activities:  
*cont'd*

- reviewed the quarterly Risk Management report, periodic ESG report and the annual Sustainability Report; and
- reviewed the updates of the Board Charter, Code of Conduct and Ethics, Whistle Blower Policy and Procedures, Anti-Bribery and Corruption Policy and the Fit and Proper Policy, and recommended them to the Board for approval.

#### **General Information**

Summary of attendance of Audit & Risk Management Committee meetings for the financial year ended 31 March 2025.

| <b>Audit &amp; Risk Management Committee Members</b> | <b>No. of Meetings Attended</b> |
|--|---------------------------------|
| Choo Seng Choon                                      | 5/5                             |
| Kenny Tan Kah Poh                                    | 4/5                             |
| Mok Kam Loong  | 4/5                             |

The Terms of Reference of the Audit & Risk Management Committee can be found at the Company's website at [www.ltkm.com.my](http://www.ltkm.com.my).

# CORPORATE GOVERNANCE

## OVERVIEW STATEMENT

The Directors are accountable to shareholders for the business and affairs of the Company. The Directors support high standard of corporate behaviour and accountability. The Malaysian Code on Corporate Governance 2021 ("the Code" or "MCCG 2021") aims to set out principles and best practices towards achieving excellent corporate governance framework. This Statement sets out the manner in which the Group has applied the three (3) principles prescribed in the MCCG 2021 namely Principle A: Board Leadership and Effectiveness; Principle B: Effective Audit and Risk Management; and Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This Statement and the Corporate Governance Report ("CG Report") are prepared in compliance with Paragraph 15.25 of the MMLR and set out in detail the manner in which the Board has applied each practice of the MCCG 2021 during the financial year. The CG Report is available in the Company's website at [www.ltkm.com.my](http://www.ltkm.com.my).

### PRINCIPAL A: BOARD LEADERSHIP & EFFECTIVENESS

#### A. BOARD OF DIRECTORS

##### (i) Board Composition

The Board comprises individuals from multiple fields who serve as executive and non-executive directors. There are currently seven (7) directors in the Board – an Executive Chairman, two Executive Directors, one Non-Independent Non-Executive Director and three Independent Non-Executive Directors. The Board considers its composition and size adequate to carry out its functions and responsibilities effectively. The Independent Non-Executive Directors are independent of management, and free from any business which could interfere with their independent judgment and their ability to act in the Group's best interest. Their presence are essential to provide unbiased and impartial opinions and decisions to Board deliberations. The information of all the Directors is set out in the Profile of Directors on pages 3 and 4 of this Annual Report.

##### (ii) Board Responsibilities

In discharging the Board's leadership and collective responsibilities under Practice 1.1 of the Code, the Board has established the following clear functions reserved for the Board:

- Reviewing and adopting strategic plans for the Group.
- Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed.
- Identifying principal risks and ensure the implementation of appropriate systems to manage these risks.
- Succession planning, including appointing, training, fixing the compensation of and where appropriate, appointment and/or placement of senior management.
- Developing and implementing an investor relations program or shareholder communications policy for the Company.
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.
- Ensuring that the Company adheres to high standards of ethics and corporate behaviour.

##### (iii) Board Charter

The Board has formalized and adopted a Board Charter which sets out the functions, roles and responsibilities of the Board in accordance with the principles of good corporate governance. The Board Charter is available on the Company's corporate website at [www.ltkm.com.my](http://www.ltkm.com.my) and is periodically reviewed by the Board. The Board has complied with Practice 2.1 of the Code.

##### (iv) Code of Conduct

The Board of Directors adheres to the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia and together with Management implements its policies and procedures which includes managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering. The regulatory Code of Ethics provides the ground rules and guidance for proper conduct and ethical behavior for the Directors on principles of sincerity, integrity, responsibility and corporate social responsibility.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

### **PRINCIPAL A: BOARD LEADERSHIP & EFFECTIVENESS cont'd**

#### **A. BOARD OF DIRECTORS cont'd**

##### **(iv) Code of Conduct cont'd**

Amongst others, the regulatory Code of Ethics provides that in the performance of his/her duties, every Directors should at all times act with utmost good faith towards the company in any transaction and to act honestly and responsibly in the exercise of his/her powers in discharging his/her duties.

In recognizing the importance of ethical conduct by all levels of employees in the business operations of the Group, the Company has also established the Code of Conduct and Ethics applicable to all employees and directors. The Code of Conduct and Ethics sets out the expected standards of conduct and behavior and employees are required to acknowledge having read and understood the Code of Conduct and Ethics.

##### **(v) Appointments of the Board Members and Re-election**

The Board has delegated the responsibility of identifying, reviewing and recommending candidates for Board appointments as well as for re-election as Directors of the Company to the Nomination Committee ("NC").

A Director shall inform the Board's Chairman before he/she accepts any new directorship in other listed companies. The directorship held by any Board member at any one time shall not exceed five (5) listed companies. For the financial year under review, all the Board members of the Company hold not more than 5 directorships in listed companies.

In accordance with the Company's Constitution, one-third of the Board members is required to retire at every Annual General Meeting ("AGM") and be subject to re-election by shareholders. Directors who are appointed in a financial year shall hold office until the following AGM and shall then be eligible for re-election by shareholders. All Directors, including the Managing Director shall retire from office at least once in every three years but shall be eligible for re-election.

The assessment of the independence of a new candidate for directorship and the existing Independent Directors based on the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and the Fit and Proper Policy is carried out before the appointment or re-election/re-appointment of an Independent Director. The NC will undertake to carry out annual assessment of its Independent Directors annually and consider whether the Independent Directors can continue to bring independent and objective judgment to the Board deliberations.

The Board Charter provides that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years unless the Board makes recommendation and provides justifications to seek shareholders' approval at the AGM to retain the Director as an Independent Director. Alternatively, the Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director.

At the date of this report, the Company does not have any independent director that has exceeded a cumulative period of nine (9) years.

##### **(vi) Diversity**

The Board encourages gender diversity and strives to have balanced representation of men and women in the Board and senior management. However, the Board also acknowledges the importance of putting the right person in the job based on skills and experience, regardless of gender. Currently, the Board consists of three (3) women out of seven (7) Board members whilst the Key Senior Management are made up of three (3) women out of five (5) personnel. This shows the Board's commitment to give equal opportunities regardless of genders in selecting the right personnel who meets the requirement of the roles and responsibilities.

# CORPORATE GOVERNANCE

## OVERVIEW STATEMENT

cont'd

### PRINCIPAL A: BOARD LEADERSHIP & EFFECTIVENESS *cont'd*

#### A. BOARD OF DIRECTORS *cont'd*

##### (vii) Board Meeting and Supply of Information

The Board held five meetings during the financial year ended 31 March 2025. The details of Directors' attendance are set out as follows:-

| Name of Directors  | No. of Meetings Attended |
|--------------------|--------------------------|
| Datuk Tan Kok      | 5/5                      |
| Tan Chee Huey      | 5/5                      |
| Loh Wei Ling       | 5/5                      |
| Datin Lim Hooi Tin | 5/5                      |
| Kenny Tan Kah Poh  | 4/5                      |
| Mok Kam Loong      | 4/5                      |
| Choo Seng Choon    | 5/5                      |

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities which is evidenced by the satisfactory attendance record of the Directors at Board Meetings.

The agenda and meeting materials for each Board meeting are circulated to all the Directors for their perusal well in advance of the Board meeting date. The Directors are given sufficient time to enable them to obtain further explanations and information, where necessary, in order to be briefed properly before the meeting.

Further, all Directors have access to all information within the Company and the advice and services of the Company Secretary. This is augmented by regular informal dialogue between Independent Directors and management on matters pertaining to the state of the Group's affairs. Where necessary, the Directors may engage independent professionals to discharge their duties at the Company's expense, provided that the Director concerned seek the Board's prior consent before incurring such expenses.

##### (viii) Qualified and Competent Company Secretary

The Company Secretary has an important role in advising and assisting the Board and its Committees in achieving good corporate governance and ensuring compliance of statutory laws, rules and regulations of the Companies Act 2016, Bursa Securities Main Market Listing Requirements, the Securities Commission guidelines and other relevant legislation and regulatory authorities. In addition, the Company Secretary attends all Board meetings and properly maintain the Company's statutory records, register books and documents besides ensuring proper conduct at the Annual General Meetings, Extraordinary General Meetings, Board and Committees' Meetings and any other meetings and the preparation of minutes thereof.

#### B. BOARD COMMITTEES

The Board has set up several Board Committees with clear terms of reference and specific authorities delegated by the Board. The Board Committees are:

##### (i) Audit & Risk Management Committee ("ARMC")

The terms of reference of the ARMC are set out under the Audit & Risk Management Committee Report on page 11 of the Annual Report and also on the Company's website at [www.ltkm.com.my](http://www.ltkm.com.my). The ARMC meets at least four times a year.

# CORPORATE GOVERNANCE

## OVERVIEW STATEMENT

cont'd

### PRINCIPAL A: BOARD LEADERSHIP & EFFECTIVENESS *cont'd*

#### B. BOARD COMMITTEES *cont'd*

##### (ii) Nomination Committee ("NC")

The members of the NC are:-

- Kenny Tan Kah Poh (*Chairman, Independent Non-Executive Director*)
- Mok Kam Loong (*Independent Non-Executive Director*)
- Choo Seng Choon (*Independent Non-Executive Director*)

Activities of the NC:-

During the FYE 2025, the NC met three (3) times and performed the following activities in discharging its duties:

- Reviewed and recommended to the Board the re-election of the directors who are to retire by rotation at the 27th AGM of the Company
- Reviewed and assessed the performance of Directors of the Company
- Reviewed and assessed the independence of the Independent Directors of the Company
- Reviewed and assessed the performance of the AC, the Board and Board committees

From time to time or when the need arises, NC recommends suitable candidates for directorship and Board committees to the Board. In so doing the NC takes into consideration the candidate's experience, competency, character, time commitment and potential contribution to the Group and guided by the Company's Fit and Proper Policy.

#### Terms of Reference for NC

##### 1. Members

The Committee shall be appointed by the Board of Directors and shall consist of not less than three (3) members, all of whom shall be non-executive directors, a majority of whom shall be independent directors.

A quorum shall consist of at least two (2) members.

##### 2. Chairman

The Chairman of the Committee shall be determined by the Committee members.

##### 3. Secretary

The Secretary of the Board of Directors shall be the Secretary of the Committee.

##### 4. Meetings

The Meetings shall be held at least twice annually.

##### 5. Duties and Responsibilities

The Committee shall:-

- i. recommend to the Board the new nominees for all directorships to be filled by the board or the shareholders.
  - in identifying candidates for appointment of directors, the Board does not rely solely on recommendations from existing board members, management or major shareholders for director's candidacy. The Board utilises independent sources to identify suitably qualified candidates, if necessary.

# CORPORATE GOVERNANCE

## OVERVIEW STATEMENT

cont'd

### PRINCIPAL A: BOARD LEADERSHIP & EFFECTIVENESS *cont'd*

#### B. BOARD COMMITTEES *cont'd*

##### (ii) Nomination Committee ("NC") *cont'd*

###### Terms of Reference for NC *cont'd*

###### 5. Duties and Responsibilities *cont'd*

The Committee shall:- *cont'd*

- ii. consider, in making its recommendations, candidates for directorships or re-election/re-appointment of existing directors by assessing the following factors and attributes of the candidate or director:-
  - a) skills, knowledge, expertise and experience;
  - b) professionalism;
  - c) commitment (including time commitment) to effectively discharge his/her role as a Director;
  - d) contribution and performance;
  - e) background, character, integrity and competence;
  - f) in the case of candidates for the position of Independent Non-Executive Directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors; and
  - g) Boardroom diversity including gender diversity; and
  - h) Fit and Proper criteria for the Company's Fit and Proper Policy
- iii. develop, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors.
- iv. recommend to the Board, directors to fill the seats on board committees.
- v. annually review the mix of skills, knowledge, experience and other qualities the Board requires for it to function completely and efficiently.
- vi. annually carry out a process for assessing the effectiveness of the Board as a whole, the Committees of the Board and for assessing the contribution of each individual director including his time commitment, character, experience and integrity. All assessments and evaluations carried out by the Committee in the discharge of all its functions shall be properly documented.
- vii. consider, in assessing the contribution of individual directors, each director's ability to contribute to the effective decision making of the Board.
- viii. assess annually the independence of its independent directors and disclose details in the Annual Report as appropriate.
- ix. facilitate Board induction programme for newly appointed Directors.
- x. assess the training needs of each Director, review the fulfilment of such training, and disclose details in the Annual Report as appropriate.
- xi. review the Board's succession plans.
- xii. consider the size and balance of the Board with a view to determine the impact of the number upon the Board's effectiveness and recommend it to the Board.
- xiii. recommend to the Board the Company's gender diversity policies, targets and discuss measures to be taken to meet those targets.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

## PRINCIPAL A: BOARD LEADERSHIP & EFFECTIVENESS *cont'd*

### B. BOARD COMMITTEES *cont'd*

#### (ii) Nomination Committee ("NC") *cont'd*

##### Terms of Reference for NC *cont'd*

###### 5. Duties and Responsibilities *cont'd*

The Committee shall:- *cont'd*

xiv. recommend to the Board protocol for accepting new directorships.

The Terms of Reference for the NC can also be found at the Company's website at [www.ltkm.com.my](http://www.ltkm.com.my).

#### (iii) Remuneration Committee ("RC")

The Board has appointed the RC comprising the Chairman and two Independent Non-Executive Directors. The members of the RC are:-

- Datuk Tan Kok (*Chairman*)
- Kenny Tan Kah Poh (*Independent Non-Executive Director*)
- Mok Kam Loong (*Independent Non-Executive Director*)

##### Terms of Reference for RC

###### 1. Members

RC members shall be appointed by the Board of Directors and shall consist of not less than three members majority of whom shall be non-executive directors.

A quorum shall consist of two members.

###### 2. Chairman

The Chairman of the Committee shall be determined by the Committee members.

###### 3. Secretary

The Secretary of the Board of Directors shall be the Secretary of the Committee.

###### 4. Meetings

The meetings shall be held whenever necessary; at least once a year.

###### 5. Duties and Responsibilities

- i. recommend to the Board the remuneration of all directors and senior management in all its forms, drawing from external advice when it considers necessary.
- ii. consider the corporate and individual performance, level of responsibility and experience in determining the remuneration package for each director and senior management and corporate needs in relation to objectives and core business of the Company.
- iii. abstain from participating in decisions regarding his/her own remuneration package.

The Terms of Reference for the RC can also be found at the Company's website at [www.ltkm.com.my](http://www.ltkm.com.my).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

### PRINCIPAL A: BOARD LEADERSHIP & EFFECTIVENESS *cont'd*

#### B. BOARD COMMITTEES *cont'd*

##### (iv) Remuneration

The remuneration of Directors of the Company in respect of the financial year ended 31 March 2025 are set out as follows in compliance with Practice 8.1 of the Code:

|                    | Fees<br>RM | Salary<br>RM | Bonus<br>RM | Other<br>emoluments<br>RM | Benefits-<br>in-kind<br>RM | Total<br>RM |
|--------------------|------------|--------------|-------------|---------------------------|----------------------------|-------------|
| Directors:         |            |              |             |                           |                            |             |
| Datuk Tan Kok      | 30,000     | 3,600,000    | 3,000,000   | 1,254,000                 | 34,101                     | 7,918,101   |
| Tan Chee Huey      | 30,000     | 163,500      | 105,000     | 42,242                    | 24,420                     | 365,162     |
| Loh Wei Ling       | 30,000     | 163,500      | 105,000     | 41,551                    | 18,887                     | 358,938     |
| Datin Lim Hooi Tin | 30,000     | 180,000      | 180,000     | 68,400                    | 10,198                     | 468,598     |
| Kenny Tan Kah Poh  | 54,500     | -            | -           | 13,500                    | -                          | 68,000      |
| Mok Kam Loong      | 54,500     | -            | -           | 10,500                    | -                          | 65,000      |
| Choo Seng Choon    | 54,500     | -            | -           | 12,500                    | -                          | 67,000      |
|                    | 283,500    | 4,107,000    | 3,390,000   | 1,442,693                 | 87,606                     | 9,310,799   |

##### (v) Directors' Training

All Directors have completed the Mandatory Accreditation Programme (“MAP”) and MAP II – Leading for Impact Programme pursuant to the MMLR as at the date of this Annual Report. The Directors are encouraged to attend training programmes and seminars to keep abreast with current issues and new statutory and regulatory requirements.

Mr. Choo Seng Choon also attended the following trainings during the financial year:-

1. Accounting for Cryptocurrency Assets by the Malaysian Institute of Accountants (“MIA”) on 3 April 2024
2. Digital Signature – Understanding its principles and applications by MIA on 7 May 2024
3. Ethics for Internal Auditors Workshop by the Institute of Internal Auditors Malaysia on 24 December 2024
4. Managing Budgetary Control by MIA on 22 January 2025 to 23 January 2025

### PRINCIPAL B: EFFECTIVE AUDIT & RISK MANAGEMENT

#### (i) Audit & Risk Management Committee (“ARMC”)

The ARMC assists the Board of Directors in fulfilling its responsibilities relating to effective audit and risk management of the Company and the Group. It oversees and appraises the quality of the audits conducted both by the Company's internal and external auditors and evaluates the effectiveness of the risk management measures of the Group. It meets with the internal auditors on a quarterly basis and the external auditors at least twice a year in the absence of the management and Executive Directors.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

### PRINCIPAL B: EFFECTIVE AUDIT & RISK MANAGEMENT *cont'd*

#### (i) Audit & Risk Management Committee ("ARMC") *cont'd*

##### *Suitability and Independence of External Auditors*

The Board has via the ARMC reviewed the annual external audit plan of the external auditors, the competency of the service team and areas of audit emphasis to assess the suitability, objectivity and independence of the external auditors. The ARMC has found the external auditors to be suitable, objective and independent in discharging their professional duties and recommends that the external auditors be re-appointed at the forthcoming Annual General Meeting.

The External Auditors have confirmed that they are, and have been, independent in accordance with the By-laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants throughout their audit engagement.

#### (ii) Financial Reporting

##### *Directors' Responsibility Statement in respect of Audited Financial Statements pursuant to Paragraph 15.26 (a) of the MMLR*

The Board of Directors is responsible for preparing the financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and the results and cash flows of the Group and of the Company for the year then ended. The Board of Directors is also responsible in ensuring that the financial statements of the Group and the Company are drawn up in accordance with applicable approved accounting standards in Malaysia, consistently applied and supported by reasonable and prudent judgments and estimates.

In presenting the annual financial statements and quarterly announcements of its results, the Board has ensured that the financial statements present a fair assessment of the Group's position and prospects.

#### (iii) Risk Management and Internal Control

The Board regards risk management and internal control as integral to the overall management process. The Board therefore has an overall responsibility to ensure a system of internal controls, which provides reasonable assurance of effective and efficient operations and compliance with laws and regulations as well as with internal policies and procedures, is in place and practised in the Group.

The Board recognises that risks cannot be fully eliminated. As such, the systems, processes and procedures being put in place are aimed at minimising and managing them and to provide reasonable assurance against material misstatement or fraud.

The Group's Internal Audit Function has been outsourced to an independent internal audit service provider which reports directly to the ARMC.

Further information on the Group's risk management and internal control is presented in the Statement on Risk Management and Internal Control in Page 28 of the Annual Report in compliance with Practices 10.1 and 10.2 of the Code.

#### (iv) Relationship with the External Auditors

The Company has always maintained a cordial and transparent relationship with the external auditors in seeking their technical and professional advice and opinion and ensuring compliance with the accounting standards in Malaysia.

# CORPORATE GOVERNANCE

## OVERVIEW STATEMENT

cont'd

### PRINCIPAL C: INTEGRITY IN CORPORATE REPORTING & MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### (i) Communication with Stakeholders

The Annual Report and the quarterly announcements are the primary modes of communication to report on the Group's business activities and financial performance. The AGM is the main forum where dialogue with shareholders is annually conducted. In addition, the Group maintains a website at <http://www.ltkm.com.my> which shareholders or other stakeholders can access for information. All information released to Bursa Malaysia Securities Berhad is posted on the website. Alternatively, the Group's latest announcements can be obtained via the Bursa Malaysia website maintained at <http://www.bursamalaysia.com>.

#### (ii) Conduct of General Meetings

Shareholders are notified of the AGM well in advance with a copy of the Company's Annual Report sent to the shareholders at least 28 days before the meeting. At each AGM, shareholders are given ample time and opportunity to ask for more information, without limiting the type of queries asked. During the meeting, the Board is present to provide responses to queries and to receive feedback from the shareholders. The external auditors are also present to provide their professional and independent clarification on any relevant issues of concern that may be raised by the shareholders. Practices 13.1 and 13.2 of the Code are applied.

The Board encourages participation at general meetings and all resolutions set out in the Company's Notice of AGM and/or Notices of Resolutions received, and its related amendments are subject to poll voting. To promote fairness, transparency and in accordance with Bursa Malaysia Securities Berhad's Main Market Listing Requirements, a scrutineer is appointed to observe the poll voting process.

A summary of the key matters discussed at the Company's AGM and its minutes are posted onto the Company's website after the general meeting.

#### (iii) Corporate Social Responsibility

The Board is committed in its social obligation towards its stakeholders in particular towards the environment, community and its employees.

##### Environment

The Group continues its commitment towards sustaining the environment by using clean poultry farming technology and effective and efficient bio-security and waste management system to eliminate environmental footprints in the areas where it operates.

Chicken houses are designed and maintained hygienically to leave minimal impact to surrounding environment. Use of large ventilator system in chicken houses and multiple decker cage systems in well laid out farm ensure clean environment and healthy growth of layers. Stringent flock health policy practiced at the farm has resulted in lower risk of disease outbreak.

##### Social

The Company creates employment opportunities particularly for the community in its neighbourhood. The layer farm currently employs approximately 500 workers ranging from operators to management. The Company values the contribution of its employees and provides opportunities for development and enhancement of employees's skills. In-house training programmes, external training and seminars focusing on skills, knowledge, productivity and job related requirements are provided for employees. LTKM encourages communication and constructive feedback and suggestions across all levels of functionalities and positions. In addition, LTKM also provides housing and medical aids as part of its commitment to the welfare of its employees.

The Group also donates to schools, homes for the underprivileged and charitable organizations on regular basis.

# CORPORATE GOVERNANCE

## OVERVIEW STATEMENT

cont'd

### OTHER INFORMATION

**(i) Material Contracts**

There were no other material contracts entered into by the Company and its subsidiaries involving Directors' and substantial shareholders' interest which were still subsisting at the end of the financial year or entered into since the end of the previous financial year.

**(ii) Sanctions And/Or Penalties**

There were no sanctions and/or penalties imposed on the Group, Directors or management by the relevant regulatory bodies.

**(iii) Depository Receipt Programme**

During the financial year under review, the Company did not sponsor any Depository Receipt Programme.

**(iv) Profit Guarantee**

There was no profit guarantee given by the Company during the financial year under review.

**(v) Options Or Convertible Securities**

There are no Options or Convertible Securities issued during the financial year under review.

**(vi) Non-Audit Fees Paid To External Auditors**

There was RM6,500 non-audit fees paid or payable to the external auditors and/or their affiliated companies during the financial year under review.

**(vii) Recurrent Related Party Transactions**

The details of the transactions with related parties undertaken by the Group during the financial year under review are disclosed in Note 29 to the Audited Financial Statements on page 87 of this Annual Report.

**(viii) Share Buy-Back**

There was no share buy-back carried out by the Company during the financial year under review.

**(ix) Variation Of Results**

There was no material variance between the results for the financial year ended 31 March 2025 with the unaudited results previously announced by the Company.

**(x) Utilisation of Proceeds Raised from Corporate Proposals**

There were no corporate proposals from which proceeds were raised during the financial year under review.

# SUSTAINABILITY STATEMENT

## INTRODUCTION

This Sustainability Statement is prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Statement sets out the sustainability issues that are material to the operations of the Group and how they are managed in terms of the economic, environmental, social and governance aspects of our operations.

## GOVERNANCE

Sustainability management is an essential part of LTKM business practices. In line with good corporate governance, the Board ensures that the practice of sustainability is embedded in our business practices and are executed accountably and responsibly. The Board accepts its responsibility to present a balanced assessment of the LTKM's position with regards to non-financial matters of the Group in addition to the regular financial reporting.

### Engagement with stakeholders

LTKM seeks to continuously engage with its key stakeholders to better understand and able to provide appropriate response in achieving the goals of sustainability. Engagement with key stakeholders is performed through a number of formal and informal channels.

The Group is committed to engage with stakeholders regularly to mitigate threats and risks that hinder sustainability, growth or efficient running of our operations. Engagement with stakeholders is also to ensure necessary requirements and expectations are adequately, timely and exceedingly met.

## MATERIAL ISSUES

### A. ECONOMIC

#### Bio-security

Operating in the livestock industry, LTKM places paramount importance on disease prevention, particularly in light of the persistent global threat from evolving avian influenza (H5N1) strains. In the past two years alone, there have been several outbreaks reported in countries including the United States, Australia, Brazil, South Africa and the United Kingdom. In response to the threat of livestock disease outbreak, LTKM has long put in place rigorous biosecurity protocols to safeguard our farm from disease outbreak and ensure business continuity.

#### Product and Consumers

LTKM prioritizes product quality at every stage of the value chain—from feed preparation and bird husbandry to processing and packaging. Sourcing of main feed ingredients are strictly controlled to ensure quality. LTKM only uses 100% natural feeds such as corn, soybean and flaxseed. These feeds are mixed internally at our own feedmill plant to ensure purity and freshness. Omega eggs are produced by adding high quality omega-3 rich ingredients such as fish oil and linseed oil to the diet of the layers. Ultimately, LTKM continuously assures customers of high quality and farm fresh eggs at affordable prices.

#### Labour

LTKM has automated certain processes and tasks to reduce dependency on labour and also to drive efficiency. This step is important to ensure operations are uninterrupted whilst the government's policy on foreign labour has become increasingly stringent. Without automation, LTKM's operations will be too labour dependent which can be a risk to operational sustainability.

# SUSTAINABILITY STATEMENT

cont'd

## MATERIAL ISSUES *cont'd*

### B. ENVIRONMENT

For LTKM, environment encompasses not only the impact of the Group's operation to nature but also to the surrounding community. Our aim is to reduce carbon footprints through areas of waste management which also impacts air pollution management; water and energy and pest control. We also do planting in utilize unutilized lands in effort to leave a more positive environmental impact.

### C. SOCIAL AND WORKPLACE

At LTKM we understand that interests and welfare of stakeholders such as employees and community particularly those living around the farm, are important to ensure that the Group's vision and mission of are carried out sustainably. Our social and workplace responsibility encompasses:

- i) Occupational Safety & Health
- ii) Employee Welfare
- iii) Corporate Social Responsibility
- iv) Regulations & Compliance

## CONCLUSION

The Group looks forward to further enhance its sustainability practices to deliver higher and sustainable value to our stakeholders in all its business operations. It is our long term commitment in recognizing the importance of having right practices and corporate culture in sustainability.

Readers may refer to the Sustainability Report 2025 for more detailed information on LTKM's sustainability practices. The Sustainability Report 2025 is prepared based on the updated Sustainability Report guide issued by Bursa Malaysia Securities Berhad together with the Enhanced Sustainability Reporting Framework.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

This Statement on Risk Management and Internal Control is made in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of “Public Listed Issuers” issued by Bursa Malaysia Securities Berhad (“Bursa Securities”) and pursuant to paragraph 15.26(b) of the Bursa Securities Main Market Listing Requirements, which requires Malaysian public listed companies to make a statement about their state of risk management and internal control, as a Group, in their annual report.

## BOARD RESPONSIBILITY

The Board recognizes the importance of sound risk management and internal control systems to safeguard shareholders’ investment and the Group’s assets and acknowledges its responsibilities for establishing such systems. The Board further affirms its responsibility to embed risk management in all aspects of the Group’s activities and for reviewing the adequacy and integrity of these systems in mitigating risks within the Group’s acceptable risk appetite. Nonetheless, the Board recognizes that the systems of risk management and internal control are designed to manage rather than to eliminate the risks of failure to achieve its business objectives. Therefore these systems of risk management and internal control in the Group can only provide reasonable but not absolute assurance against misstatements, frauds or other consequences.

The Board had received assurance from the Executive Chairman and the Group Financial Controller that, to the best of their knowledge and in all material aspects, the Group’s risk management and internal control systems are operating adequately and effectively.

## RISK MANAGEMENT

The Group’s Risk Management function sets out its underlying approach in managing risks while pursuing its business objectives. Risk management is firmly embedded in the Group’s management system through its business units and departmental functions. There is an ongoing process to identify, analyse, evaluate, prioritise and mitigate risks, and has the following attributes:

- Day-to-day risk management resides with respective business units and departments.
- Risk management function is headed by the Managing Director with respective head of business units and departments entrusted to drive the activities.
- The risk management function includes:
  - Review of business risks during operational meetings with the senior management team to identify, assess and manage risks in an efficient and effective manner
  - Monitor results of key performance indicators
  - Monitor exposure to credit risk to keep at acceptable level and financial capacity to withstand potential losses
  - Monitor market movements against the risk of high costs or loss arising from adverse movements such as prices of commodities, investments and foreign currency exchange rates

## KEY INTERNAL CONTROL PROCESSES

Internal controls are embedded in the Group’s operations as follows:

- Clear organisation structure with clear lines of responsibility aligned with business and operations requirements.
- Regular management meetings to assess the Group’s performance and controls.
- Internal control requirements are embedded in management systems.
- Policies and procedures for all key processes are clearly documented and are reviewed at regular intervals.
- Consolidated monthly management accounts allow the management to focus on areas of concern.
- Monthly financial and operational reports from the major operating units are presented to the management. The management team communicates regularly to monitor performance.
- Quarterly reports are released after being reviewed by the Audit & Risk Management Committee and approved by the Board.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

## KEY INTERNAL CONTROL PROCESSES *cont'd*

Internal controls are embedded in the Group's operations as follows: *cont'd*

- Internal audit findings are communicated to the management and Audit & Risk Management Committee with recommendations for improvements and regular follow ups are performed to confirm all agreed recommendations are implemented.
- Review of major proposals for material contracts and investment opportunities by the management team and approval of the same by the Board prior to expenditure being committed.

## INTERNAL AUDIT FUNCTION

The Board, in its efforts to ensure an adequate and effective system of internal control, outsourced its internal audit function to Augment GC Sdn Bhd ("Augment" or "the Internal Auditor"), an independent professional services firm to assist the Board and the Audit & Risk Management Committee in undertaking independent reviews on the effectiveness and adequacy of the internal control system of the Group; and to address any identified weaknesses uncovered during the course of internal audits. The Internal Auditor operates independently providing objective assurance and report directly to the Audit & Risk Management Committee during the Audit & Risk Management Committee meeting to support the Board's oversight responsibilities.

The scope of works of the internal audit function includes but not limited to the following: -

- Present the risk-based Internal Audit Plan for the Audit Committee's review and approval
- Review and assess the adequacy and effectiveness of the Group's internal control system
- Review the extent of compliance of the Group with the policies, standard operating procedures and other laws and regulations which may have significant impact on the business operations of the Group
- Report significant internal control issues in relation to the business operations and activities of the Group and make recommendations for improvements in the reporting to Audit & Risk Management Committee
- Highlight any internal control irregularities to the Audit & Risk Management Committee; if any.

During the financial year under review, there were no major/material internal control deficiency that would require further attention or separate disclosure in this Annual Report.

## REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3 (AAPG 3): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report 2025 issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Annual Report 2025 of the Group for the year ended 31 March 2025, and reported to the Board that nothing has come to their attention that causes them to believe the statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Guidelines, nor is the Statement factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The report from the External Auditors was made solely for and directed solely to the Board of Directors in connection with their compliance with the listing requirements of Bursa Malaysia Securities Berhad and for no other purposes or parties. The External Auditors do not assume responsibility to any person other than the Board of Directors in respect of any aspect of this report.

## CONCLUSION

For the financial year under review, the Board is satisfied that the existing systems of risk management and internal control are adequate and effective to enable the Group to achieve its business objectives and nothing has to come to the attention of the Board which would result in any material losses, contingencies or uncertainties that would require separate disclosure in this annual report.



# Financial Statements

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## DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2025.

### PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiaries are disclosed in Note 17 to the financial statements.

### RESULTS

|   | Group<br>RM | Company<br>RM |
|---|-------------|---------------|
| Profit net of tax, representing profit attributable to owners of the parent | 48,493,163  | 2,913,116     |

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

In the opinion of the directors, 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 except for the effect arising from government subsidy income as disclosed in Note 5 to the financial statements.

### DIVIDENDS

The dividend paid by the Company since 31 March 2024 were as follows:

|   | RM                       |
|---|--------------------------|
| <b><u>In respect of the financial year ended 31 March 2024</u></b>  |                          |
| Interim single-tier dividend of 10 sen per ordinary share on 143,114,006 ordinary shares,<br>declared on 22 February 2024 and paid on 2 April 2024    | 14,311,401               |
| <b><u>In respect of the financial year ended 31 March 2025</u></b>  |                          |
| Interim single-tier dividend of 2 sen per ordinary share on 143,114,006 ordinary shares,<br>declared on 13 September 2024 and paid on 18 October 2024 | 2,862,280                |
| Interim single-tier dividend of 2 sen per ordinary share on 143,114,006 ordinary shares,<br>declared on 26 February 2025 and paid on 28 March 2025    | 2,862,280                |
|   | <b><u>20,035,961</u></b> |

At the forthcoming Annual General Meeting, a single-tier final dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 March 2025, on 143,114,006 ordinary shares, amounting to a dividend payable of RM2,862,280 will be proposed for shareholders' approval. The financial statements for the current financial year 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 March 2026.

## DIRECTORS' REPORT

cont'd

### DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Datuk Tan Kok\*  
 Tan Chee Huey\*  
 Datin Lim Hooi Tin\*  
 Loh Wei Ling\*  
 Tan Kah Poh  
 Mok Kam Loong  
 Choo Seng Choon

\* These directors are also directors of the Company's subsidiaries.

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

Kok Chiew Heng  
 Loo Eng Seng  
 Dr. Mazila bt Mokhtar  
 Tan Yee Boon  
 Tan Yee Siong  
 Tan Yee Hou

### DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 29 to the financial statements.

The remuneration of the directors of the Company are as follows:

|                               | Group<br>RM | Company<br>RM |
|-------------------------------|-------------|---------------|
| Fees                          | 283,500     | 223,500       |
| Salaries and other emoluments | 7,497,000   | 232,500       |
| Defined contribution plans    | 1,402,950   | 34,875        |
| Social security costs         | 2,910       | 1,145         |
| Other expenses                | 36,500      | 36,500        |
| Employee insurance scheme     | 333         | 131           |
| Benefits-in-kind              | 87,606      | 24,420        |
|                               | 9,310,799   | 553,071       |

During the current financial year, the total amount of indemnity coverage and insurance premium paid for directors and officers of the Company are RM10,000,000 and RM17,555 respectively.

## DIRECTORS' REPORT

cont'd

### DIRECTORS' INTERESTS

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

|                                   | Number of ordinary shares |         |           |  |  |  |
|-----------------------------------|---------------------------|---------|-----------|--|--|--|
|                                   | 1.4.2024                  | Bought  | Sold      |  |  |  |
|                                   | 31.3.2025                 |         |           |  |  |  |
| <b>The Company</b>                |                           |         |           |  |  |  |
| Direct interests:                 |                           |         |           |  |  |  |
| Datuk Tan Kok                     | 3,458,116                 | -       | 3,458,116 |  |  |  |
| Datin Lim Hooi Tin                | 600,000                   | -       | 600,000   |  |  |  |
| Tan Chee Huey                     | 192,000                   | 10,000  | -         |  |  |  |
| Loh Wei Ling                      | 12,000                    | -       | 12,000    |  |  |  |
| Indirect interests:               |                           |         |           |  |  |  |
| Datuk Tan Kok <sup>(1)</sup>      | 101,313,106               | 129,500 | -         |  |  |  |
| Datin Lim Hooi Tin <sup>(2)</sup> | 101,313,106               | 129,500 | -         |  |  |  |
| Tan Chee Huey <sup>(3)</sup>      | 4,193,600                 | 129,500 | -         |  |  |  |
| Loh Wei Ling <sup>(4)</sup>       | 492,000                   | -       | 492,000   |  |  |  |

### Holding company - Ladang Ternakan Kelang Sdn. Bhd.

Direct interests:

|                    |            |   |            |
|--------------------|------------|---|------------|
| Datuk Tan Kok      | 12,117,600 | - | 12,117,600 |
| Datin Lim Hooi Tin | 4,039,200  | - | 4,039,200  |

(1) *Deemed interest by virtue of his controlling interest in Ladang Ternakan Kelang Sdn. Bhd. pursuant to Section 8(4) and Section 59(11)(c) of the Companies Act 2016.*

(2) *Deemed interest by virtue of her controlling interest in Ladang Ternakan Kelang Sdn. Bhd. pursuant to Section 8(4) and Section 59(11)(c) of the Companies Act 2016.*

(3) *Deemed interest pursuant to Section 8(4) and Section 59(11)(c) of the Companies Act 2016.*

(4) *Deemed interest pursuant to Section 59(11)(c) of the Companies Act 2016.*

Datuk Tan Kok and Datin Lim Hooi Tin, by virtue of their interests in shares in Ladang Ternakan Kelang Sdn. Bhd., are also deemed interested in shares of all the subsidiaries of the Company to the extent the Company has an interest.

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

### HOLDING COMPANY

The immediate and ultimate holding company is Ladang Ternakan Kelang Sdn. Bhd., which is incorporated in Malaysia.

## DIRECTORS' REPORT

cont'd

### OTHER STATUTORY INFORMATION

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

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

(b) At the date of this report, the directors are not aware of any circumstances which would render:

- (i) it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
- (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances 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.

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

(e) As at the date of this report, there does not exist:

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

(f) In the opinion of the directors:

- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

**DIRECTORS'  
REPORT**  
cont'd**AUDITORS**

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as disclosed in Note 8 to the financial statements.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young PLT during or since the financial year.

Signed on behalf of the Board in accordance with a resolution of the directors dated 15 July 2025.

**Datuk Tan Kok**

**Tan Chee Huey**

## STATEMENT BY

### DIRECTORS

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

We, Datuk Tan Kok and Tan Chee Huey being two of the directors of LTKM Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 41 to 100 are drawn up in accordance with MFRS Accounting 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 March 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 15 July 2025.

**Datuk Tan Kok**

**Tan Chee Huey**

## STATUTORY

### DECLARATION

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

I, Jancy Oh Suan Tin, being the officer primarily responsible for the financial management of LTKM Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 41 to 100 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the  
abovenamed Jancy Oh Suan Tin  
at Klang in the State of Selangor Darul Ehsan  
on 15 July 2025

**Jancy Oh Suan Tin**

Before me,

**Lee Pei Nam**  
B186

Commissioner for Oaths  
Klang, Selangor Darul Ehsan

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LTKM BERHAD (INCORPORATED IN MALAYSIA)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### ***Opinion***

We have audited the financial statements of LTKM Berhad, which comprise the statements of financial position as at 31 March 2025 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 41 to 100.

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 March 2025 and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

### ***Basis of opinion***

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

#### **(a) Valuation of biological assets**

We draw your attention to Notes 2.14, 3(b)(i), 19 and 33 to the financial statements.

The Group's biological assets are measured at fair value. At 31 March 2025, the Group's biological assets were approximately RM9.8 million, of which RM7.0 million were chickens at egg laying stage. In deriving at the fair value of the layers, the Group uses the income approach. This method involves the projection of a series of cashflows to be generated by the layers.

The process of determining the fair value of these layers is complex and requires significant degree of judgement in determining the assumptions used, in particular, the estimated productivity of the layers, the estimated selling price of the eggs, the estimated cost of feeds for the remaining life of the layers and the residual value of the layers as old hens.

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LTKM BERHAD (INCORPORATED IN MALAYSIA)  
cont'd

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

#### ***Key audit matters*** *cont'd*

##### (a) Valuation of biological assets *cont'd*

Due to the complexity in the valuation process and the significant degree of judgement involved in deriving at the fair value of these layers, we consider this to be an area of our audit focus.

Our audit procedures include amongst others:

- (i) we obtained an understanding of the methodology adopted by management in estimating the fair value of the layers;
- (ii) we evaluated the estimated selling prices of the eggs against historical prices;
- (iii) we evaluated the estimated productivity of the layers against historical data and assessed the reasonableness of the estimate through comparison with productivity after the reporting date;
- (iv) we assessed the expected feed cost for the remaining life of the layers against historical data;
- (v) we agreed the residual price of the layers against the current market price; and
- (vi) we evaluated the disclosure in Notes 19 and 33 to the financial statements.

##### (b) Valuation of investment properties

We draw your attention to Notes 2.9, 3(b)(ii), 14 and 33 to the financial statements.

At 31 March 2025, the carrying amount of investment properties of the Group was RM94.0 million. The Group adopts fair value model for its investment properties. In the current financial year, the Group has engaged a firm of independent valuer to determine the fair value for investment properties held at the reporting date.

When estimating the fair value of a property, the objective is to estimate the price that would be received from the sale of the property in an orderly transaction between market participants at the reporting date under current market conditions which are highly judgemental. Accordingly, we consider this to be an area of audit focus.

Our audit procedures include amongst others:

- (i) we considered the competence, capabilities and objectivity of the independent valuer engaged by management;
- (ii) we obtained an understanding of the methodology adopted by the independent valuer in estimating the fair value of the properties;
- (iii) we discussed with the independent valuer and management to obtain an understanding of the property related data used as input to the valuation model; and
- (iv) we evaluated the disclosures in the Notes 14 and 33 to the financial statements.

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

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.

**INDEPENDENT  
AUDITORS' REPORT**  
TO THE MEMBERS OF LTKM BERHAD (INCORPORATED IN MALAYSIA)  
cont'd

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd**

***Information other than the financial statements and auditors' report thereon cont'd***

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

***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 MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

***Auditors' responsibilities for the audit of the financial statements***

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

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

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

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LTKM BERHAD (INCORPORATED IN MALAYSIA)  
cont'd

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

#### ***Auditors' responsibilities for the audit of the financial statements*** *cont'd*

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

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

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

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

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

### OTHER MATTERS

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

**Ernst & Young PLT**  
202006000003 (LLP0022760-LCA) & AF 0039  
Chartered Accountants

Kuala Lumpur, Malaysia  
15 July 2025

**Tseu Tet Khong @ Tsau Tet Khong**  
03374/06/2026 J  
Chartered Accountant

# STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

|  | Note  | Group         |               | Company     |             |
|--|-------|---------------|---------------|-------------|-------------|
|  |       | 2025<br>RM    | 2024<br>RM    | 2025<br>RM  | 2024<br>RM  |
| Revenue  | 4(a)  | 222,066,339   | 257,686,593   | 3,559,200   | 18,559,200  |
| Cost of sales  | 4(b)  | (193,746,054) | (213,301,984) | -           | -           |
| <b>Gross profit</b>  |       | 28,320,285    | 44,384,609    | 3,559,200   | 18,559,200  |
| <b>Other income</b>  | 5     | 42,036,918    | 37,842,326    | 94,546      | 25,032      |
| <b>Other items of expense</b>  |       |               |               |             |             |
| Distribution expenses  |       | (5,165,107)   | (4,373,267)   | -           | -           |
| Administrative expenses  |       | (8,195,593)   | (8,229,890)   | (1,247,392) | (2,256,496) |
| Other expenses   | 6     | (1,805,356)   | (1,000,100)   | -           | -           |
| Finance costs  | 7     | (3,549,240)   | (3,984,331)   | (14,390)    | (8,491)     |
| <b>Profit before tax</b>   | 8     | 51,641,907    | 64,639,347    | 2,391,964   | 16,319,245  |
| Taxation   | 10    | (3,148,744)   | (6,073,916)   | 521,152     | 7,462       |
| <b>Profit net of tax</b>   |       | 48,493,163    | 58,565,431    | 2,913,116   | 16,326,707  |
| <b>Other comprehensive income</b>  |       |               |               |             |             |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods: |       |               |               |             |             |
| Net change in fair value through other comprehensive income ("FVOCI") reserves             |       | 2,463,834     | 5,961,473     | -           | -           |
| <b>Other comprehensive income for the financial year, net of tax</b>                       |       | 2,463,834     | 5,961,473     | -           | -           |
| <b>Total comprehensive income for the financial year</b>                                   |       | 50,956,997    | 64,526,904    | 2,913,116   | 16,326,707  |
| <b>Profit net of tax, attributable to:</b>   |       |               |               |             |             |
| Owners of the parent   |       | 48,493,163    | 58,565,431    | 2,913,116   | 16,326,707  |
| <b>Total comprehensive income attributable to:</b>   |       |               |               |             |             |
| Owners of the parent   |       | 50,956,997    | 64,526,904    | 2,913,116   | 16,326,707  |
| <b>Earnings per share attributable to owners the parent (sen per share):</b>               |       |               |               |             |             |
| Basic  | 11(a) | 33.88         | 40.92         |             |             |

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2025

|   | Note  | 2025<br>RM  | 2024<br>RM  | Group |
|---|-------|-------------|-------------|-------|
| <b>Assets</b>   |       |             |             |       |
| <b>Non-current assets</b>                             |       |             |             |       |
| Property, plant and equipment                         | 13    | 78,354,975  | 75,982,105  |       |
| Investment properties                                 | 14    | 94,000,000  | 93,800,000  |       |
| Land held for property development                    | 15    | 33,746,445  | 33,746,445  |       |
| Right-of-use assets                                   | 16(a) | 3,737,867   | 4,893,083   |       |
| Deferred tax assets                                   | 25    | 31,521      | 19,010      |       |
| Investment securities                                 | 18(a) | 93,609,873  | 61,536,078  |       |
| Other investment                                      | 18(b) | 5,820,270   | 957,660     |       |
|   |       | 309,300,951 | 270,934,381 |       |
| <b>Current assets</b>                                 |       |             |             |       |
| Biological assets                                     | 19    | 9,771,034   | 9,275,530   |       |
| Inventories   | 20    | 18,250,662  | 16,086,428  |       |
| Tax recoverable                                       |       | 2,261,737   | 1,536,581   |       |
| Trade and other receivables                           | 21    | 12,698,754  | 10,087,174  |       |
| Prepayments   |       | 1,121,226   | 1,920,927   |       |
| Cash and bank balances                                | 22    | 61,729,468  | 79,164,266  |       |
|   |       | 105,832,881 | 118,070,906 |       |
| <b>Total assets</b>                                   |       | 415,133,832 | 389,005,287 |       |
| <b>Equity and liabilities</b>                         |       |             |             |       |
| <b>Current liabilities</b>                            |       |             |             |       |
| Trade and other payables                              | 23    | 17,673,894  | 19,981,377  |       |
| Loans and borrowings                                  | 24    | 40,957,012  | 41,356,003  |       |
| Lease liabilities                                     | 16(b) | 1,167,776   | 1,099,935   |       |
| Dividend payable                                      | 12    | -           | 14,311,401  |       |
| Income tax payable                                    |       | 100,592     | 194,300     |       |
|   |       | 59,899,274  | 76,943,016  |       |
| <b>Net current assets</b>                             |       | 45,933,607  | 41,127,890  |       |
| <b>Non-current liabilities</b>                        |       |             |             |       |
| Loans and borrowings                                  | 24    | 19,356,304  | 19,684,411  |       |
| Lease liabilities                                     | 16(b) | 2,873,045   | 4,040,806   |       |
| Deferred tax liabilities                              | 25    | 1,823,728   | 2,388,010   |       |
|   |       | 24,053,077  | 26,113,227  |       |
| <b>Total liabilities</b>                              |       | 83,952,351  | 103,056,243 |       |
| <b>Net assets</b>                                     |       | 331,181,481 | 285,949,044 |       |
| <b>Equity attributable to owners of the parent</b>    |       |             |             |       |
| Share capital   | 26    | 76,695,953  | 76,695,953  |       |
| Fair value through other comprehensive income reserve | 27    | 1,359,924   | (147,378)   |       |
| Retained earnings                                     |       | 253,125,604 | 209,400,469 |       |
| <b>Total equity</b>                                   |       | 331,181,481 | 285,949,044 |       |
| <b>Total equity and liabilities</b>                   |       | 415,133,832 | 389,005,287 |       |

**STATEMENTS OF  
FINANCIAL POSITION**  
AS AT 31 MARCH 2025  
cont'd

|   |       | Company            |                    |
|---|-------|--------------------|--------------------|
|   | Note  | 2025<br>RM         | 2024<br>RM         |
| <b>Assets</b>                                       |       |                    |                    |
| <b>Non-current assets</b>                           |       |                    |                    |
| Property, plant and equipment                       | 13    | 9,356              | 14,282             |
| Right-of-use assets                                 | 16(a) | 217,297            | 260,757            |
| Investment in subsidiaries                          | 17    | 109,927,440        | 109,927,440        |
| Deferred tax asset                                  | 25    | 23,727             | 19,011             |
|   |       | <u>110,177,820</u> | <u>110,221,490</u> |
| <b>Current assets</b>                               |       |                    |                    |
| Trade and other receivables                         | 21    | 9,880              | 8,380              |
| Prepayments   |       | -                  | 1,012,637          |
| Tax recoverable                                     |       | 130,632            | 106,168            |
| Cash and bank balances                              | 22    | 1,932,819          | 18,072,509         |
|   |       | <u>2,073,331</u>   | <u>19,199,694</u>  |
| <b>Total assets</b>                                 |       | <u>112,251,151</u> | <u>129,421,184</u> |
| <b>Equity and liabilities</b>                       |       |                    |                    |
| <b>Current liabilities</b>                          |       |                    |                    |
| Trade and other payables                            | 23    | 246,254            | 256,232            |
| Lease liabilities                                   | 16(b) | 39,521             | 37,225             |
| Dividend payable                                    |       | -                  | 14,311,401         |
|   |       | <u>285,775</u>     | <u>14,604,858</u>  |
| <b>Net current assets</b>                           |       | <u>1,787,556</u>   | <u>4,594,836</u>   |
| <b>Non-current liability</b>                        |       |                    |                    |
| Lease liabilities                                   | 16(b) | 184,026            | 223,532            |
| <b>Total liabilities</b>                            |       | <u>469,801</u>     | <u>14,828,390</u>  |
| <b>Net assets</b>                                   |       | <u>111,781,350</u> | <u>114,592,794</u> |
| <b>Equity attributable to owners of the Company</b> |       |                    |                    |
| Share capital                                       | 26    | 76,695,953         | 76,695,953         |
| Retained earnings                                   | 28    | 35,085,397         | 37,896,841         |
| <b>Total equity</b>                                 |       | <u>111,781,350</u> | <u>114,592,794</u> |
| <b>Total equity and liabilities</b>                 |       | <u>112,251,151</u> | <u>129,421,184</u> |

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

| Group  | Note | Attributable to owners<br>of the parent |  |  |              | Total<br>equity<br>RM |
|--|------|---|--|--|--------------|-----------------------|
|  |      | Share<br>capital<br>RM                  | Fair value<br>through other<br>comprehensive<br>income reserve<br>RM | Non-distributable<br>Distributable<br>retained<br>earnings<br>RM |              |                       |
| <b>2025</b>  |      |   |  |  |              |                       |
| <b>At 1 April 2024</b>   |      | 76,695,953                              | (147,378)  | 209,400,469  | 285,949,044  |                       |
| <b>Total comprehensive income</b>  |      | -                                       | 2,463,834  | 48,493,163   | 50,956,997   |                       |
| Profit net of tax  |      | -                                       | -  | 48,493,163   | 48,493,163   |                       |
| Other comprehensive income,<br>net of tax  |      | -                                       | 2,463,834  | -  | 2,463,834    |                       |
| Transfer of fair value reserve of equity<br>instruments designated at FVOCI<br>upon disposal | 18   | -                                       | (956,532)  | 956,532  |              | -                     |
| <b>Transaction with owners:</b>  |      |   |  |  |              |                       |
| Dividend   | 12   | -                                       | -  | (5,724,560)  | (5,724,560)  |                       |
| <b>At 31 March 2025</b>  |      | 76,695,953                              | 1,359,924  | 253,125,604  | 331,181,481  |                       |
| <b>2024</b>  |      |   |  |  |              |                       |
| <b>At 1 April 2023</b>   |      | 76,695,953                              | (6,090,718)  | 165,128,306  | 235,733,541  |                       |
| <b>Total comprehensive income</b>  |      | -                                       | 5,961,473  | 58,565,431   | 64,526,904   |                       |
| Profit net of tax  |      | -                                       | -  | 58,565,431   | 58,565,431   |                       |
| Other comprehensive income,<br>net of tax  |      | -                                       | 5,961,473  | -  | 5,961,473    |                       |
| Transfer of fair value reserve of equity<br>instruments designated at FVOCI<br>upon disposal | 18   | -                                       | (18,133)   | 18,133   |              | -                     |
| <b>Transaction with owners:</b>  |      |   |  |  |              |                       |
| Dividend   | 12   | -                                       | -  | (14,311,401)   | (14,311,401) |                       |
| <b>At 31 March 2024</b>  |      | 76,695,953                              | (147,378)  | 209,400,469  | 285,949,044  |                       |

**STATEMENTS OF  
CHANGES IN EQUITY**  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

|  | Note | Share<br>capital<br>RM | Distributable<br>retained<br>earnings<br>RM | Total<br>equity<br>RM |
|--|------|------------------------|---|-----------------------|
| <b>Company</b>   |      |                        |   |                       |
| <b>2025</b>  |      |                        |   |                       |
| <b>At 1 April 2024</b>                                     |      |                        |   |                       |
| Profit net of tax, representing total comprehensive income |      | -                      | 2,913,116                                   | 2,913,116             |
| <b>Transaction with owners:</b>                            |      |                        |   |                       |
| Dividend   | 12   | -                      | (5,724,560)                                 | (5,724,560)           |
| <b>At 31 March 2025</b>                                    |      | <u>76,695,953</u>      | <u>35,085,397</u>                           | <u>111,781,350</u>    |
| <b>2024</b>  |      |                        |   |                       |
| <b>At 1 April 2023</b>                                     |      |                        |   |                       |
| Profit net of tax, representing total comprehensive income |      | -                      | 16,326,707                                  | 16,326,707            |
| <b>Transaction with owners:</b>                            |      |                        |   |                       |
| Dividend   | 12   | -                      | (14,311,401)                                | (14,311,401)          |
| <b>At 31 March 2024</b>                                    |      | <u>76,695,953</u>      | <u>37,896,841</u>                           | <u>114,592,794</u>    |

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

|  | Note | Group        |              | Company     |              |
|--|------|--------------|--------------|-------------|--------------|
|  |      | 2025<br>RM   | 2024<br>RM   | 2025<br>RM  | 2024<br>RM   |
| <b>Cash flows from operating activities</b>                        |      |              |              |             |              |
| Profit before tax  |      | 51,641,907   | 64,639,347   | 2,391,964   | 16,319,245   |
| Adjustments for:   |      |              |              |             |              |
| Depreciation of property plant and equipment                       | 8    | 4,556,052    | 4,870,308    | 4,926       | 5,451        |
| Property, plant and equipment written off                          | 8    | -            | 158          | -           | -            |
| Depreciation of right-of-use assets                                | 8    | 1,155,216    | 1,150,162    | 43,460      | 38,406       |
| Gain on disposal of property, plant and equipment                  | 5    | (22,000)     | (622,269)    | -           | -            |
| Impairment loss on property, plant and equipment                   | 6    | -            | 1,000,000    | -           | -            |
| Impairment loss/(reversal of impairment loss) on other investments | 6, 5 | 137,390      | (46,560)     | -           | -            |
| Fair value gain on investment properties                           | 5    | (200,000)    | (5,000,000)  | -           | -            |
| Changes in fair value of:  |      |              |              |             |              |
| Livestock  | 5    | (75,626)     | (1,732,746)  | -           | -            |
| Produce inventories  | 6, 5 | 130,796      | (26,627)     | -           | -            |
| Net reversal of allowance for expected credit losses               | 8    | (111,757)    | (128,188)    | -           | -            |
| Short term accumulating compensated absences                       | 9(a) | 613,210      | 571,422      | 1,052       | 16,706       |
| Unrealised loss/(gain) on foreign exchange                         | 6, 5 | 61,942       | (1,025,987)  | -           | -            |
| Dividend income from:  |      |              |              |             |              |
| Investment securities  | 5    | (3,883,921)  | (912,452)    | -           | -            |
| A subsidiary company   | 4(a) | -            | -            | (3,000,000) | (18,000,000) |
| Government subsidy income  | 5    | (36,173,034) | (25,332,845) | -           | -            |
| Interest expense   | 7    | 3,277,560    | 3,656,812    | -           | -            |
| Lease interest expense   | 7    | 271,680      | 327,519      | 14,390      | 8,491        |
| Interest income from:  |      |              |              |             |              |
| Fixed deposits   | 5    | (1,253,311)  | (1,256,549)  | (82,546)    | (2,717)      |
| Other investments  | 5    | (262,967)    | (12,549)     | -           | -            |
| Operating profit/(loss) before working capital changes             |      | 19,863,137   | 40,118,956   | (626,754)   | (1,614,418)  |
| Working capital changes in:  |      |              |              |             |              |
| Biological assets  |      | (419,878)    | 358,069      | -           | -            |
| Inventories  |      | (2,295,030)  | (2,484,071)  | -           | -            |
| Trade and other receivables  |      | (2,483,605)  | 1,936,775    | 1,011,137   | (180)        |
| Prepayments  |      | 799,701      | 138,628      | -           | 621,279      |
| Trade and other payables   |      | (2,920,693)  | (4,264,752)  | (11,030)    | (888,009)    |
| Cash flows from/(used in) operations                               |      | 12,543,632   | 35,803,605   | 373,353     | (1,881,328)  |
| Proceeds from government subsidy income                            | 5    | 36,173,034   | 25,332,845   | -           | -            |
| Net taxes (paid)/refunded  |      | (4,544,401)  | (7,823,464)  | 491,972     | (12,729)     |
| Interest paid  |      | (3,549,240)  | (4,019,049)  | (14,390)    | (8,491)      |
| Net cash flows from/(used in) operating activities                 |      | 40,623,025   | 49,293,937   | 850,935     | (1,902,548)  |

**STATEMENTS OF  
CASH FLOWS**  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

|  | Note | Group        |              | Company      |            |
|--|------|--------------|--------------|--------------|------------|
|  |      | 2025<br>RM   | 2024<br>RM   | 2025<br>RM   | 2024<br>RM |
| <b>Cash flows from investing activities</b>  |      |              |              |              |            |
| Purchase of:   |      |              |              |              |            |
| Property, plant and equipment  |      | (6,928,922)  | (7,300,913)  | -            | -          |
| Other investments  |      | (5,000,000)  | -            | -            | -          |
| Investment securities  |      | (34,762,278) | (35,531,421) | -            | -          |
| Proceeds from disposal of:   |      |              |              |              |            |
| Plant and equipment  |      | 22,000       | 622,305      | -            | -          |
| Investment securities  |      | 5,152,317    | 187,017      | -            | -          |
| Proceeds from redemption of redeemable non-cumulative convertible preference shares                                  |      | -            | -            | -            | 1,000,000  |
| Placement of deposit with maturity of more than 3 months   |      | (2,966,487)  | (3,113,259)  | -            | -          |
| Interest received from:  |      |              |              |              |            |
| Fixed deposits   |      | 1,253,311    | 1,256,549    | 82,546       | 2,717      |
| Other investments  |      | 262,967      | 12,549       | -            | -          |
| Dividend received:   |      |              |              |              |            |
| A subsidiary   |      | -            | -            | 3,000,000    | 18,000,000 |
| Investment securities  |      | 3,883,921    | 912,452      | -            | -          |
| Net cash flows (used in)/from investing activities   |      | (39,083,171) | (42,954,721) | 3,082,546    | 19,002,717 |
| <b>Cash flows from financing activities</b>  |      |              |              |              |            |
| Dividends paid   |      | (20,035,961) | -            | (20,035,961) | -          |
| Net repayment of term loans  | 37   | (2,976,108)  | (9,309,823)  | -            | -          |
| Payment of lease liabilities   | 37   | (1,099,920)  | (1,048,396)  | (37,210)     | (47,424)   |
| Drawdown/(repayment) of other bank borrowings  | 37   | 2,249,010    | (573,749)    | -            | -          |
| Net cash flows used in financing activities  |      | (21,862,979) | (10,931,968) | (20,073,171) | (47,424)   |
| <b>Net (decrease)/increase in cash and cash equivalents</b>  |      | (20,323,125) | (4,592,752)  | (16,139,690) | 17,052,745 |
| <b>Cash and cash equivalents at beginning of financial year</b>  |      | 70,851,007   | 74,401,762   | 18,072,509   | 1,019,764  |
| Effect of exchange rate changes on cash and cash equivalents, relating to unrealised (loss)/gain on foreign exchange |      | (78,160)     | 1,041,997    | -            | -          |
| <b>Cash and cash equivalents at end of financial year (Note 22)</b>  |      | 50,449,722   | 70,851,007   | 1,932,819    | 18,072,509 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

## 1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of the Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The registered office of the Company is located at Unit 7-02, Level 7, Menara Persoft, 6B Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan. The principal place of business is located at 102, Batu 1 1/2, Jalan Meru, 41050 Klang, Selangor Darul Ehsan.

The holding and ultimate holding company of the Company is Ladang Ternakan Kelang Sdn. Bhd., a company incorporated in Malaysia. Related companies refer to companies within the Ladang Ternakan Kelang Sdn. Bhd. group.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries are described in Note 17.

There have been no significant changes in the nature of these principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 July 2025.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared on the historical cost basis except otherwise disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM").

### 2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 April 2024, the Group and the Company adopted the following amended MFRS Accounting Standards mandatory for annual financial periods beginning on or after 1 January 2024.

| Descriptions  | Effective for annual periods beginning on or after |
|---|--|
| Amendments to MFRS 16: Lease Liability in a Sale and Leaseback                  | 1 January 2024                                     |
| Amendments to MFRS 101: Classification of Liabilities as Current or Non Current | 1 January 2024                                     |
| Amendments to MFRS 101: Non-current Liabilities with Covenants                  | 1 January 2024                                     |
| Amendments to MFRS 107 and MFRS 7 Disclosures: Supplier Finance Arrangements    | 1 January 2024                                     |

The adoption of the amendments to the above standards did not have any significant impact on the financial statements of the Group and of the Company.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

cont'd

## 2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

### 2.3 Standards issued but not yet effective

The standards that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these new and amended MFRS Accounting Standards, if applicable, when they become effective.

| Descriptions  | Effective for annual periods beginning on or after |
|---|--|
| Amendments to MFRS 121: Lack of exchangeability   | 1 January 2025                                     |
| Amendments to MFRS 9 and MFRS 7: Classification and Measurement of Financial Instruments                                  | 1 January 2026                                     |
| Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity                                       | 1 January 2026                                     |
| Annual Improvements to MFRS 1, 7, 9, 10, 107 and 141 Accounting Standards - Volume 11                                     | 1 January 2026                                     |
| MFRS 18: Presentation and Disclosure in Financial Statements  | 1 January 2027                                     |
| MFRS 19: Subsidiaries without Public Accountability: Disclosures  | 1 January 2027                                     |
| Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred   |

The new MFRS Accounting Standards and Amendments to MFRS Accounting Standards above are not expected to have a material impact on the financial statements of the Group and of the Company upon their initial application except for the changes in presentation and disclosures of financial information arising from the adoption of the new MFRS as discussed below:

#### **MFRS 18: Presentation and Disclosure in Financial Statement**

MFRS 18 will replace MFRS 101: Presentation of Financial Statements. It preserves the majority requirements of MFRS 101 while introducing additional requirements. In addition, narrow-scope amendments have been made to MFRS 107: Statement of Cash Flows and some requirements of MFRS 101 have been moved to MFRS 108: Basis of Preparation of Financial Statements.

##### *(i) Statement of profit or loss and other comprehensive income*

MFRS18 introduces newly defined “operating profit or loss” and “profit or loss before financing and income tax” subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged.

Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

##### *(ii) Statement of cash flows*

The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from “profit or loss” to “operating profit or loss”. It also provides guidance on classification of interest and dividend in statement of cash flows.

##### *(iii) New disclosures of expenses by nature*

Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

## 2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

### 2.3 Standards issued but not yet effective *cont'd*

#### MFRS 18: Presentation and Disclosure in Financial Statement *cont'd*

##### (iv) *Management-defined Performance Measures*

The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred as MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

##### (v) *Enhanced guidance on aggregation and disaggregation*

MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is material.

The Group and the Company are currently assessing the impact of MFRS 18, particularly with respect to the structure of the statement of comprehensive income, the statement of cash flows and the additional disclosures required for MPMs. The Group and the Company is also assessing the impact on aggregation and disaggregation on how information is grouped in the financial statements.

### 2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

### 2.5 Investment in subsidiaries

In the Company's separate financial statements, investment in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

### 2.6 Revenue recognition

#### (a) **Revenue from contracts with customers**

The following describes the performance obligation in contracts with customers:

##### (i) **Revenue from sales of produce inventories, livestock and feeds**

Revenue is recognised at the point in time when the control of produce inventories and livestock are transferred to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

##### (ii) **Revenue from sales of sand**

Revenue is recognised at the point in time when the control of sand is transferred to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

##### (iii) **Management fee income**

Management service fees are recognised over time as and when services are rendered.

**NOTES TO THE  
FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**2. MATERIAL ACCOUNTING POLICY INFORMATION cont'd**

**2.6 Revenue recognition cont'd**

**(b) Other revenue**

**(i) Dividend income**

Dividend income is recognised at point of time when the Group's and the Company's right to receive payment is established which is the date that the dividend is declared.

**(ii) Interest income**

Interest income is recognised on the accrual basis, using the effective interest method, unless recoverability is in doubt, in which case, it is recognised on receipt basis.

**(iii) Rental income**

Rental income from investment properties is recognised on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis. The income recognition is not within the scope of MFRS 15.

**2.7 Income taxes**

**(i) Current tax**

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

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

**(ii) Deferred tax**

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

**2.8 Property, plant and equipment, and depreciation**

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

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Leasehold land are depreciated over the period of their respective lease term. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

|                                   |             |
|-----------------------------------|-------------|
| Buildings                         | 2% - 33.33% |
| Plant and machinery               | 10% - 20%   |
| Furniture, fittings and equipment | 10% - 20%   |
| Motor vehicles                    | 20%         |
| Ponds                             | 20% - 50%   |

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

cont'd

## 2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

### 2.8 Property, plant and equipment, and depreciation *cont'd*

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the financial year the asset is derecognised.

Bearer plant comprise pre-cropping expenditure incurred from land clearing to the point of maturity. Such expenditure is capitalised and is amortised at maturity of the crop at the following rates which are deemed as the useful economic lives of the crop:

|                                     |                     |
|-------------------------------------|---------------------|
| Pre-cropping expenditure - oil palm | over 20 years or 5% |
|-------------------------------------|---------------------|

### 2.9 Investment properties

Investment properties are properties which are owned or held to earn rental income or capital appreciation or for both; but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. These include freehold land and leasehold land which in substance is a finance lease held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the financial year in which they arise.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the financial year of retirement or disposal.

### 2.10 Land held for property development and property development costs

#### (i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at lower of cost and net realisable value.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

**NOTES TO THE  
FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**2. MATERIAL ACCOUNTING POLICY INFORMATION cont'd**

**2.10 Land held for property development and property development costs cont'd**

**(ii) Completed inventory property and inventory property under development**

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value.

Principally, this is property that the Group develops and intends to sell before, or on completion of, development.

Cost incurred in bringing each property to its present location and condition includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for development; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs.

**2.11 Leases**

The Group and the Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**(a) As a lessee**

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

**(i) Right-of-use assets**

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets over the following periods:

|                |         |
|----------------|---------|
| Farm land      | 6 years |
| Office premise | 6 years |

**(ii) Lease liabilities**

At the commencement date of the lease, the Group and the Company recognise lease liabilities 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 lease 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 the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

cont'd

## 2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

### 2.11 Leases *cont'd*

#### (a) As a lessee *cont'd*

##### (ii) Lease liabilities *cont'd*

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 period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use their 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.

##### (iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to their short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### 2.12 Financial assets

The Group and the Company have financial assets measured at fair value through other comprehensive income ("FVOCI"), which are investment securities, and amortised cost, which are other investment, trade and other receivables and cash and bank balances.

#### Financial assets designated at FVOCI (equity instruments)

The Group elected to classify irrevocably its equity investments under this category.

#### Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss ("FVTPL"). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix for trade receivables that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**NOTES TO THE  
FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**2. MATERIAL ACCOUNTING POLICY INFORMATION cont'd**

**2.12 Financial assets cont'd**

**Impairment of financial assets cont'd**

The Group and the Company consider a financial asset in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**2.13 Financial liabilities**

**Initial recognition and measurement**

The Group and the Company only have financial liabilities measured at amortised cost, which are trade and other payables, lease liabilities, and loans and borrowings.

**2.14 Biological assets**

**Livestock**

The Group's livestock consists of chickens reared for laying eggs at each stage of growth from starter, grower, layer to old hens. Livestock is measured at fair value less estimated cost to sell with change in fair value less costs to sell recognised in profit or loss for the period in which it arises. The fair value of the starters and growers are stated at its cost, the fair value of the layers are stated using the income approach method, and old hens at market value.

The fair value using the income approach is based on the expected number of eggs produced by each batch, estimated selling prices of eggs, estimated cost of feeds, residual value of old hens and other related costs, taking into account the time value of money over the life of the layers.

**2.15 Inventories**

The Group's inventories consist of raw materials, consumable goods and produce inventories.

**(i) Raw materials and consumable goods - livestock feed, fuel and other materials**

Raw materials and consumable goods are stated at the lower of costs and net realisable value. The cost of raw materials and consumable goods are costs incurred in bringing them to their present location and condition stated on the weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

**(ii) Produce inventories**

**(a) Eggs**

Eggs are agricultural produce and are stated at their fair value less costs to sell. The fair value is measured at the price the eggs can be sold for or its market value.

**(b) Organic fertilisers**

Organic fertilisers are stated at the lower of costs and net realisable value. The cost of organic fertilisers comprise costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on the first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

cont'd

## 2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

### 2.16 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and short term deposits with a maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.17 Employee benefits

#### Defined contribution plans

The Group and the Company participate in the national pension scheme as defined by the laws of the country in which they operates. The Group and the Company make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to the defined contribution pension scheme are recognised as an expense in the period in which the related service is performed.

### 2.18 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

### 2.19 Foreign currencies

#### (i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in RM, which is also the Company's functional currency.

#### (ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date.

Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

## 2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

### 2.20 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

### 2.21 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 35, including the factors used to identify the reportable segments and the measurement basis of segment information.

### 2.22 Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group and the Company, as the issuers, are required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

### 2.23 Fair value measurement

The Group's management determines the policies and procedures for both recurring fair value measurement, such as investment properties and investment securities.

External valuers are involved for valuation of significant assets, such as properties and significant liabilities, such as contingent consideration. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers, also compares each of the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

cont'd

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's and of the Company's financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

### (a) Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

#### (i) Classification of financial assets

The Group classified its investment in investment securities as fair value through other comprehensive income. The investment securities were classified as non-current assets as the management is of the opinion that such investments are not primarily held for trading in the short term.

### (b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### (i) Biological assets

The fair value of layers classified as biological assets is determined using the income approach model which considers the expected quantity and price of the eggs to be produced over the life of the layers, taking into account the layers' mortality rate.

In measuring the fair value of layers, management estimates and judgements are required which include the estimated productivity of the layers, estimated selling price of the eggs, estimated feed costs over the remaining life of the layers, as well as residual value of layers upon maturity age. Changes to any of these assumptions would affect the fair value of the layers.

The fair value of biological assets as at 31 March 2025 is RM9,771,034 (2024: RM9,275,530), of which RM6,984,091 (2024: RM7,243,919) were chickens at egg laying stage.

#### (ii) Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group engaged independent valuation specialists to assess fair value at each reporting date. Fair value is determined based on comparison method. Comparison method makes reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property. The key assumptions used to determine the fair value of these assets are provided in Notes 14 and 33.

#### (iii) Impairment of property, plant and equipment

At each reporting date, the Group and the Company assess if any indication of impairment exists for property, plant and equipment. The recoverable amounts are determined based on the higher of value in use and fair value less costs of disposal. In determining the fair value of land where there was an indication of impairment during the financial year, the Group engaged an independent valuer to assess the fair value based on the comparison approach. The comparison approach was adopted by comparing and analysing recent sales transactions of comparable properties in the localities with key adjustments included, amongst others, to reflect the differences in factors such as time, size and location that affect the market value of the land. The carrying amount of the land of the Group at the reporting date is disclosed in Note 13.

**NOTES TO THE  
FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**4. REVENUE AND COST OF SALES**

**(a) Revenue**

|   | Group              |                    | Company          |                   |
|---|--------------------|--------------------|------------------|-------------------|
|   | 2025               | 2024               | 2025             | 2024              |
|   | RM                 | RM                 | RM               | RM                |
| Revenue from contracts with customers<br>(Note (i)) | 221,546,339        | 257,326,593        | 559,200          | 559,200           |
| Dividend income from a subsidiary                   | -                  | -                  | 3,000,000        | 18,000,000        |
| Rental income from investment properties            | 520,000            | 360,000            | -                | -                 |
|   | <b>222,066,339</b> | <b>257,686,593</b> | <b>3,559,200</b> | <b>18,559,200</b> |

**(i) Revenue from contracts with customers**

**Disaggregated revenue information**

Set out below is the disaggregation of the Group's and the Company's revenue from contracts with customers:

|  | Group              |                    | Company        |                |
|--|--------------------|--------------------|----------------|----------------|
|  | 2025               | 2024               | 2025           | 2024           |
|  | RM                 | RM                 | RM             | RM             |
| Revenue from:  |                    |                    |                |                |
| - Sales of produce inventories, feeds and livestock, less return and discounts allowed | 212,490,277        | 248,340,495        | -              | -              |
| - Sales of sand  | 9,056,062          | 8,986,098          | -              | -              |
| - Management fee from subsidiaries   | -                  | -                  | 559,200        | 559,200        |
| Total revenue from contracts with customers  | <b>221,546,339</b> | <b>257,326,593</b> | <b>559,200</b> | <b>559,200</b> |

**Timing of revenue recognition**

|   | Group              |                    | Company        |                |
|---|--------------------|--------------------|----------------|----------------|
|   | 2025               | 2024               | 2025           | 2024           |
|   | RM                 | RM                 | RM             | RM             |
| At a point in time                          | 221,546,339        | 257,326,593        | -              | -              |
| Over time                                   | -                  | -                  | 559,200        | 559,200        |
| Total revenue from contracts with customers | <b>221,546,339</b> | <b>257,326,593</b> | <b>559,200</b> | <b>559,200</b> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

### 4. REVENUE AND COST OF SALES *cont'd*

#### (b) Cost of sales

|                                   | Group              |                    |
|-----------------------------------|--------------------|--------------------|
|                                   | 2025               | 2024               |
|                                   | RM                 | RM                 |
| Produce inventories and livestock | 187,951,727        | 207,276,175        |
| Sand                              | 5,794,327          | 6,025,809          |
|                                   | <u>193,746,054</u> | <u>213,301,984</u> |

### 5. OTHER INCOME

|   | Group             |                   | Company       |               |
|---|-------------------|-------------------|---------------|---------------|
|   | 2025              | 2024              | 2025          | 2024          |
|   | RM                | RM                | RM            | RM            |
| Interest income on:                               |                   |                   |               |               |
| - Fixed deposits                                  | 1,253,311         | 1,256,549         | 82,546        | 2,717         |
| - Other investments                               | 262,967           | 12,549            | -             | -             |
| Dividend income from investment securities        | 3,883,921         | 912,452           | -             | -             |
| Gain on disposal of property, plant and equipment | 22,000            | 622,269           | -             | -             |
| Rental income from premises                       | 148,000           | 120,000           | 12,000        | 12,000        |
| Fair value gain on:                               |                   |                   |               |               |
| - Investment in properties (Note 14)              | 200,000           | 5,000,000         | -             | -             |
| Reversal of impairment loss on:                   |                   |                   |               |               |
| - Other investments (Note 18(b))                  | -                 | 46,560            | -             | -             |
| Gain on foreign exchange:                         |                   |                   |               |               |
| - Realised  | -                 | 1,539,392         | -             | -             |
| - Unrealised                                      | -                 | 1,025,987         | -             | -             |
| Fair value gain on:                               |                   |                   |               |               |
| - Livestock (Note 19)                             | 75,626            | 1,732,746         | -             | -             |
| - Produce inventories                             | -                 | 26,627            | -             | -             |
| Government subsidy income                         | 36,173,034        | 25,332,845        | -             | -             |
| Miscellaneous                                     | 18,059            | 214,350           | -             | 10,315        |
|   | <u>42,036,918</u> | <u>37,842,326</u> | <u>94,546</u> | <u>25,032</u> |

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cont'd

**6. OTHER EXPENSES**

|   | Group            |                  |
|---|------------------|------------------|
|   | 2025             | 2024             |
|   | RM               | RM               |
| Impairment loss on:                       |                  |                  |
| - Property, plant and equipment (Note 13) | -                | 1,000,000        |
| - Other investments (Note 18(b))          | 137,390          | -                |
| Fair value loss on:                       |                  |                  |
| - Produce inventories                     | 130,796          | -                |
| Loss on foreign exchange                  |                  |                  |
| - Realised                                | 1,475,228        | -                |
| - Unrealised                              | 61,942           | -                |
| Miscellaneous                             | -                | 100              |
|   | <b>1,805,356</b> | <b>1,000,100</b> |

**7. FINANCE COSTS**

|                                  | Group            |                  | Company       |              |
|----------------------------------|------------------|------------------|---------------|--------------|
|                                  | 2025             | 2024             | 2025          | 2024         |
|                                  | RM               | RM               | RM            | RM           |
| Interest expense on:             |                  |                  |               |              |
| - Bankers' acceptances           | 628,525          | 580,599          | -             | -            |
| - Revolving credits              | 1,085,453        | 1,134,330        | -             | -            |
| - Term loans                     | 1,563,582        | 1,940,167        | -             | -            |
| - Lease liabilities (Note 16(b)) | 271,680          | 327,519          | 14,390        | 8,491        |
| - Hire purchase                  | -                | 1,716            | -             | -            |
|                                  | <b>3,549,240</b> | <b>3,984,331</b> | <b>14,390</b> | <b>8,491</b> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

### 8. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax is stated after charging/(crediting):

|   | Group      |            | Company    |            |
|---|------------|------------|------------|------------|
|   | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Staff costs (excluding directors) (Note 9(a))                           | 22,341,291 | 21,301,691 | 534,909    | 680,134    |
| Directors' remuneration (Note 9(b))                                     | 13,445,394 | 14,068,388 | 528,651    | 529,279    |
| Auditors' remuneration:   |            |            |            |            |
| - statutory   | 227,300    | 227,300    | 75,000     | 75,000     |
| - others  | 6,500      | 6,500      | 6,500      | 6,500      |
| Depreciation of property, plant and equipment (Note 13)                 | 4,556,052  | 4,870,308  | 4,926      | 5,451      |
| Property, plant and equipment written off (Note 13)                     | -          | 158        | -          | -          |
| Depreciation of right-of-use assets (Note 16(a))                        | 1,155,216  | 1,150,162  | 43,460     | 38,406     |
| Net reversal of allowance for expected credit losses (Note 21(a))       | (111,757)  | (128,188)  | -          | -          |
| Expense relating to short-term leases and low-value assets (Note 16(b)) | 4,800      | 4,800      | -          | -          |
| Direct expenses arising from investment properties that:                |            |            |            |            |
| - generate rental income  | 113,629    | 108,819    | -          | -          |
| - do not generate rental income   | 40,030     | 39,459     | -          | -          |

### 9. EMPLOYEE BENEFIT EXPENSE AND DIRECTORS' REMUNERATION

|  | Group      |            | Company    |            |
|--|------------|------------|------------|------------|
|  | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| (a) Staff costs                              |            |            |            |            |
| Wages and salaries                           | 20,239,203 | 19,437,876 | 458,650    | 567,850    |
| Defined contribution plans                   | 953,152    | 899,967    | 68,454     | 80,812     |
| Social security costs                        | 269,005    | 214,123    | 2,289      | 2,079      |
| Short term accumulating compensated absences | 613,210    | 571,422    | 1,052      | 16,706     |
| Employee insurance scheme                    | 12,422     | 11,260     | 262        | 237        |
| Other staff related expenses                 | 254,299    | 167,043    | 4,202      | 12,450     |
|  | 22,341,291 | 21,301,691 | 534,909    | 680,134    |

**NOTES TO THE  
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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**9. EMPLOYEE BENEFIT EXPENSE AND DIRECTORS' REMUNERATION cont'd**

(b) Directors' remuneration

The details of remuneration receivable by directors of the Group and of the Company during the financial year (not included as part of staff costs) are as follows:

|  | Group      |            | Company    |            |
|--|------------|------------|------------|------------|
|  | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Executive directors of the Company     |            |            |            |            |
| - Fees                                 | 90,000     | 89,600     | 60,000     | 60,000     |
| - Salaries and other emoluments        | 7,137,000  | 7,775,000  | 232,500    | 247,500    |
| - Defined contribution plans           | 1,334,550  | 1,446,140  | 34,875     | 32,220     |
| - Social security costs                | 2,910      | 2,338      | 1,145      | 1,040      |
| - Employee insurance scheme            | 333        | 268        | 131        | 119        |
| - Benefits-in-kind                     | 77,408     | 62,052     | 24,420     | 12,382     |
|  | 8,642,201  | 9,375,398  | 353,071    | 353,261    |
| Non-executive directors of the Company |            |            |            |            |
| - Fees                                 | 193,500    | 170,400    | 163,500    | 140,400    |
| - Salaries and other emoluments        | 360,000    | 360,000    | -          | -          |
| - Defined contribution plans           | 68,400     | 68,400     | -          | -          |
| - Other expenses                       | 36,500     | 48,000     | 36,500     | 48,000     |
| - Benefits-in-kind                     | 10,198     | 10,198     | -          | -          |
|  | 668,598    | 656,998    | 200,000    | 188,400    |
| Other directors of the Group           |            |            |            |            |
| - Fees                                 | 600,000    | 600,000    | -          | -          |
| - Salaries and other emoluments        | 3,063,000  | 2,976,000  | -          | -          |
| - Defined contribution plans           | 552,461    | 526,120    | -          | -          |
| - Social security costs                | 6,216      | 5,646      | -          | -          |
| - Employee insurance scheme            | 524        | 476        | -          | -          |
| - Benefits-in-kind                     | 167,745    | 90,699     | -          | -          |
|  | 4,389,946  | 4,198,941  | -          | -          |
| Total exclude benefits-in-kind         | 13,445,394 | 14,068,388 | 528,651    | 529,279    |
| Total                                  | 13,700,745 | 14,231,337 | 553,071    | 541,661    |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

### 9. EMPLOYEE BENEFIT EXPENSE AND DIRECTORS' REMUNERATION *cont'd*

#### (b) Directors' remuneration *cont'd*

The number of directors of the Company whose total remuneration in the Group during the financial year fell within the following bands is analysed below:

|                           | Company             |      |
|---------------------------|---------------------|------|
|                           | Number of directors |      |
|                           | 2025                | 2024 |
| Executive directors:      |                     |      |
| RM300,001 - RM350,000     | -                   | 2    |
| RM350,001 - RM400,000     | 2                   | -    |
| RM7,900,001 - RM7,950,000 | 1                   | -    |
| RM8,650,001 - RM8,700,000 | -                   | 1    |
| Non-executive directors:  |                     |      |
| RM60,001 - RM65,000       | -                   | 3    |
| RM65,001 - RM70,000       | 3                   | -    |
| RM450,001 - RM500,000     | 1                   | 1    |

### 10. TAXATION

#### Major components of income tax expense/(credit)

The major components of income tax expense/(credit) for the financial years ended 31 March 2025 and 31 March 2024 are as follows:

|   | Group      |             | Company    |            |
|---|------------|-------------|------------|------------|
|   | 2025<br>RM | 2024<br>RM  | 2025<br>RM | 2024<br>RM |
| Current income tax:   |            |             |            |            |
| Malaysian income tax  | 4,425,604  | 9,364,263   | 9,225      | 7,544      |
| Overprovision in prior financial years                        | (192,428)  | (4,294,875) | (18,022)   | (9,443)    |
|   | 4,233,176  | 5,069,388   | (8,797)    | (1,899)    |
| Real property gains tax:                                      |            |             |            |            |
| Overprovision in prior financial years                        | (507,639)  | -           | (507,639)  | -          |
| Deferred tax (Note 25):                                       |            |             |            |            |
| Relating to origination and reversal of temporary differences | (233,659)  | 1,004,441   | (4,716)    | (5,563)    |
| (Over)/underprovision in prior financial years                | (343,134)  | 87          | -          | -          |
|   | (576,793)  | 1,004,528   | (4,716)    | (5,563)    |
|   | 3,148,744  | 6,073,916   | (521,152)  | (7,462)    |

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial year.

**NOTES TO THE  
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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**10. TAXATION cont'd**

**Reconciliation between tax expense/(credit) and accounting profit**

A reconciliation of income tax expense/(credit) applicable to profit before tax at the statutory income tax rate to income tax expense/(credit) at the effective income tax rate of the Group and of the Company is as follows:

|   | Group       |             | Company    |             |
|---|-------------|-------------|------------|-------------|
|   | 2025<br>RM  | 2024<br>RM  | 2025<br>RM | 2024<br>RM  |
| Profit before tax:  | 51,641,907  | 64,639,347  | 2,391,964  | 16,319,245  |
| Taxation at Malaysian statutory tax rate of 24% (2023: 24%) | 12,394,058  | 15,513,443  | 574,071    | 3,916,619   |
| Income not subject to tax                                   | (9,671,585) | (7,440,125) | (720,000)  | (4,320,000) |
| Expenses not deductible for tax purposes                    | 1,470,160   | 1,824,168   | 150,438    | 405,362     |
| Utilisation of previously unrecognised tax losses           | (726)       | -           | -          | -           |
| Deferred tax not recognised on:                             |             |             |            |             |
| - Unused tax losses   | -           | 5,270       | -          | -           |
| - Unabsorbed capital allowances                             | 38          | 38          | -          | -           |
| - Other deductible temporary difference                     | -           | 465,910     | -          | -           |
| (Over)/under provision of:                                  |             |             |            |             |
| - Income tax in prior financial years                       | (192,428)   | (4,294,875) | (18,022)   | (9,443)     |
| - Real property gains tax in prior financial years          | (507,639)   | -           | (507,639)  | -           |
| - Deferred tax in prior financial years                     | (343,134)   | 87          | -          | -           |
| Income tax expense/(credit)                                 | 3,148,744   | 6,073,916   | (521,152)  | (7,462)     |

**11. EARNINGS PER SHARE**

**(a) Basics**

Basic earnings per share is calculated by dividing profit for the financial year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year.

|   | Group       |             |
|---|-------------|-------------|
|   | 2025        | 2024        |
| Profit attributable to owners of the parent (RM)            | 48,493,163  | 58,565,431  |
| Weighted average number of ordinary shares in issue (units) | 143,114,006 | 143,114,006 |
| Basic earnings per share (sen per share)                    | 33.88       | 40.92       |

**(b) Diluted**

There are no potential ordinary shares outstanding as at the end of the current and previous financial years. As such, the fully diluted earnings per share of the Group is not presented.

**NOTES TO THE  
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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**12. DIVIDENDS**

|  | Dividends in respect<br>of financial year |            |
|--|---|------------|
|  | 2025                                      | 2024       |
|  | RM  | RM         |
| <b><u>In respect of the financial year ended 31 March 2025</u></b>   |   |            |
| Interim single-tier dividend of 2 sen per ordinary share on 143,114,006 ordinary shares, declared on 26 February 2025 and paid on 28 March 2025    | 2,862,280                                 | -          |
| Interim single-tier dividend of 2 sen per ordinary share on 143,114,006 ordinary shares, declared on 13 September 2024 and paid on 18 October 2024 | 2,862,280                                 | -          |
| <b><u>In respect of the financial year ended 31 March 2024</u></b>   |   |            |
| Interim single-tier dividend of 10 sen per ordinary share on 143,114,006 ordinary shares, declared on 22 February 2024 and paid on 2 April 2024    | -   | 14,311,401 |
|  | <hr/>                                     | <hr/>      |
|  | 5,724,560                                 | 14,311,401 |

At the forthcoming Annual General Meeting, a single-tier final dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 March 2025, on 143,114,006 ordinary shares, amounting to a dividend payable of RM2,862,280 will be proposed for shareholders' approval. The financial statements for the current financial year 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 March 2026.

### 13. PROPERTY, PLANT AND EQUIPMENT

| Group  | Note | Leasehold land | Freehold land | Buildings  | Plant and machinery | Furniture, fittings and equipment | Motor vehicles | Ponds     | Bearer plant | Capital work-in-progress | Total       |
|--|------|----------------|---------------|------------|---------------------|-----------------------------------|----------------|-----------|--------------|--------------------------|-------------|
|  |      | RM             | RM            | RM         | RM                  | RM                                | RM             | RM        | RM           | RM                       | RM          |
| <b>At 31 March 2025</b>                                |      |                |               |            |                     |                                   |                |           |              |                          |             |
| <b>At cost</b>   |      |                |               |            |                     |                                   |                |           |              |                          |             |
| At 1 April 2024  |      | 6,351,684      | 54,000,000    | 31,496,820 | 62,409,676          | 7,575,132                         | 10,113,958     | 1,249,495 | 356,527      | 69,719                   | 173,623,011 |
| Additions  | -    | 5,556,383      | -             | 850,662    | 34,752              | 296,000                           | -              | -         | 121,623      | 69,502                   | 6,928,922   |
| Reclassifications                                      | -    | -              | 58,931        | -          | (24,347)            | -                                 | -              | -         | 15,202       | (49,786)                 | -           |
| Disposals  | -    | -              | -             | -          | (1,191)             | (576,380)                         | -              | -         | -            | -                        | (577,571)   |
| At 31 March 2025                                       |      | 6,351,684      | 59,556,383    | 31,555,751 | 63,260,338          | 7,584,346                         | 9,833,578      | 1,249,495 | 493,352      | 89,435                   | 179,974,362 |
| <b>Accumulated depreciation and impairment losses:</b> |      |                |               |            |                     |                                   |                |           |              |                          |             |
| At 1 April 2024  |      | 2,093,825      | 4,400,000     | 24,640,948 | 51,887,221          | 5,952,829                         | 7,336,112      | 1,122,555 | 207,416      | -                        | 97,640,906  |
| Depreciation charge for the financial year             | 8    | 142,140        | -             | 1,132,104  | 2,209,806           | 220,591                           | 802,455        | 30,560    | 18,396       | -                        | 4,556,052   |
| Reclassification                                       | -    | -              | -             | 15,801     | -                   | (15,801)                          | -              | -         | -            | -                        | -           |
| Disposals  | -    | -              | -             | -          | -                   | (1,191)                           | (576,380)      | -         | -            | -                        | (577,571)   |
| At 31 March 2025                                       |      | 2,255,965      | 4,400,000     | 25,788,853 | 54,097,027          | 6,156,428                         | 7,562,187      | 1,153,115 | 225,812      | -                        | 101,619,387 |
| Analysed as:   |      |                |               |            |                     |                                   |                |           |              |                          |             |
| Accumulated depreciation                               |      | 748,838        | -             | 25,720,052 | 53,821,297          | 5,716,224                         | 7,562,187      | 1,149,090 | 225,812      | -                        | 94,943,500  |
| Accumulated impairment losses                          |      | 1,487,127      | 4,400,000     | 68,801     | 275,730             | 440,204                           | -              | 4,025     | -            | -                        | 6,675,887   |
| <b>Net carrying amount</b>                             |      | 2,235,965      | 4,400,000     | 25,788,853 | 54,097,027          | 6,156,428                         | 7,562,187      | 1,153,115 | 225,812      | -                        | 101,619,387 |
| At 31 March 2025                                       |      | 4,115,719      | 55,156,383    | 5,766,898  | 9,163,311           | 1,427,918                         | 2,271,391      | 96,380    | 267,540      | 89,435                   | 78,354,975  |

## NOTES TO THE FINANCIAL STATEMENTS

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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
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### 13. PROPERTY, PLANT AND EQUIPMENT *cont'd*

| Group  | At 31 March 2024 |               |            |                     |                                   |                |           |              |                          |             |
|--|------------------|---------------|------------|---------------------|-----------------------------------|----------------|-----------|--------------|--------------------------|-------------|
| Note   | Leasehold land   | Freehold land | Buildings  | Plant and machinery | Furniture, fittings and equipment | Motor vehicles | Ponds     | Bearer plant | Capital work-in-progress | Total RM    |
|  | RM               | RM            | RM         | RM                  | RM                                | RM             | RM        | RM           | RM                       | RM          |
| <b>At cost</b>   |                  |               |            |                     |                                   |                |           |              |                          |             |
| At 1 April 2023  | 6,351,684        | 54,000,000    | 31,472,472 | 59,771,384          | 7,500,851                         | 9,325,111      | 1,249,495 | 356,527      | -                        | 170,027,524 |
| Additions  | -                | -             | 24,348     | 5,249,435           | 76,419                            | 1,880,992      | -         | -            | 69,719                   | 7,300,913   |
| Written off  | -                | -             | -          | -                   | (2,138)                           | -              | -         | -            | -                        | (2,138)     |
| Disposals  | -                | -             | -          | (2,611,143)         | -                                 | (1,092,145)    | -         | -            | -                        | (3,703,288) |
| At 31 March 2024                                       | 6,351,684        | 54,000,000    | 31,496,820 | 62,409,676          | 7,575,132                         | 10,113,958     | 1,249,495 | 356,527      | 69,719                   | 173,623,011 |
| <b>Accumulated depreciation and impairment losses:</b> |                  |               |            |                     |                                   |                |           |              |                          |             |
| At 31 March 2024                                       | 1,951,685        | 3,400,000     | 23,136,970 | 52,207,111          | 5,737,501                         | 7,773,372      | 1,079,652 | 189,539      | -                        | 95,475,830  |
| Depreciation charge for the financial year             | 8                | 142,140       | -          | 1,503,978           | 2,291,218                         | 217,308        | 654,884   | 42,903       | 17,877                   | -           |
| Impairment loss  | 6                | -             | 1,000,000  | -                   | -                                 | -              | -         | -            | -                        | 4,870,308   |
| Written off  | -                | -             | -          | -                   | (1,980)                           | -              | -         | -            | -                        | 1,000,000   |
| Disposals  | -                | -             | -          | (2,611,108)         | -                                 | (1,092,144)    | -         | -            | -                        | (1,980)     |
| At 31 March 2024                                       | 2,093,825        | 4,400,000     | 24,640,948 | 51,887,221          | 5,952,829                         | 7,336,112      | 1,122,555 | 207,416      | -                        | (3,703,252) |
| Analysed as:   |                  |               |            |                     |                                   |                |           |              |                          |             |
| Accumulated depreciation                               | 606,698          | -             | 24,572,147 | 51,611,491          | 5,512,625                         | 7,336,112      | 1,118,530 | 207,416      | -                        | 90,965,019  |
| Accumulated impairment losses                          | 1,487,127        | 4,400,000     | 68,801     | 275,730             | 440,204                           | -              | 4,025     | -            | -                        | 6,675,887   |
| At 31 March 2024                                       | 2,093,825        | 4,400,000     | 24,640,948 | 51,887,221          | 5,952,829                         | 7,336,112      | 1,122,555 | 207,416      | -                        | 97,640,906  |
| <b>Net carrying amount</b>                             | 4,257,859        | 49,600,000    | 6,855,872  | 10,522,455          | 1,622,303                         | 2,777,846      | 126,940   | 149,111      | 69,719                   | 75,982,105  |

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**13. PROPERTY, PLANT AND EQUIPMENT cont'd**

|   | Furniture,<br>fittings and<br>equipment | RM |
|---|---|----|
| <b>Company</b>                                      |   |    |
| <b>At 31 March 2025</b>                             |   |    |
| <b>At cost</b>                                      |   |    |
| At 1 April 2024/ 31 March 2025                      | 550,913                                 |    |
| <b>Accumulated depreciation</b>                     |   |    |
| At 1 April 2024                                     | 536,631                                 |    |
| Depreciation charge for the financial year (Note 8) | 4,926                                   |    |
| At 31 March 2025                                    | 541,557                                 |    |
| <b>Net carrying amount</b>                          |   |    |
| At 31 March 2025                                    | 9,356                                   |    |
| <b>At 31 March 2024</b>                             |   |    |
| <b>At cost</b>                                      |   |    |
| At 1 April 2023/ 31 March 2024                      | 550,913                                 |    |
| <b>Accumulated depreciation</b>                     |   |    |
| At 1 April 2023                                     | 531,180                                 |    |
| Depreciation charge for the financial year (Note 8) | 5,451                                   |    |
| At 31 March 2024                                    | 536,631                                 |    |
| <b>Net carrying amount</b>                          |   |    |
| At 31 March 2024                                    | 14,282                                  |    |

(a) The net carrying amounts of property, plant and equipment pledged for borrowings (Notes 24(c)(i) and 24(d)(ii)) are as follows:

|               | Group | 2025       | 2024       |
|---------------|-------|------------|------------|
|               | RM    | RM         | RM         |
| Freehold land |       | 36,600,000 | 36,600,000 |

(b) In determining the recoverable amount of land where there was an indication of impairment during the financial year, the Group determined the recoverable amount of land through Level 3 fair value measurement method and engaged an independent valuer to assess the fair value based on the comparison approach. The recoverable amount of the land of RM13,000,000 (2024: RM13,000,000) has been determined based on the fair value less costs of disposal. The comparison approach was adopted by comparing and analysing recent sales transactions of comparable properties in the localities with key adjustments included, amongst others, to reflect the differences in factors such as time, size and location that affect the market value of the land. Arising from the impairment assessment, no impairment loss was recognised in 2025 (2024: RM1,000,000).

## NOTES TO THE FINANCIAL STATEMENTS

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## 14. INVESTMENT PROPERTIES

|   | Group      |            |
|---|------------|------------|
|   | 2025       | 2024       |
|   | RM         | RM         |
| At beginning of financial year  | 93,800,000 | 88,800,000 |
| Net gain from fair value adjustment recognised in profit or loss (Note 5) | 200,000    | 5,000,000  |
| At end of financial year  | 94,000,000 | 93,800,000 |

Investment properties consist of the following:

|                | Group      |            |
|----------------|------------|------------|
|                | 2025       | 2024       |
|                | RM         | RM         |
| Freehold land  | 36,400,000 | 36,200,000 |
| Leasehold land | 57,600,000 | 57,600,000 |
|                | 94,000,000 | 93,800,000 |

The fair values of the investment properties are based on valuation carried out by independent valuer. Fair values are determined primarily based on the comparison method. The current use of the Group's investment properties is the highest and best use of the properties.

Information on fair value measurement and hierarchy disclosures for investment properties are disclosed in Note 33.

All of the above investment properties are pledged for borrowings (Notes 24(c)(ii) and 24(d)(iii)).

Description of valuation techniques used and key inputs to valuation on investment properties categorised within Level 3 are as follows:

| Valuation technique        | Significant unobservable inputs                                      | Range  |
|----------------------------|--|--|
| <b>At 31 March 2025</b>    |  |  |
| Market comparable approach | Differences on:<br>- Location<br>- Time<br>- Size<br>- Accessibility | -15% to 15% for each input<br>- Land Usage<br>- Tenure<br>- Zoning |
| <b>At 31 March 2024</b>    |  |  |
| Market comparable approach | Differences on:<br>- Location<br>- Time<br>- Size<br>- Accessibility | -18% to 15% for each input<br>- Land Usage<br>- Tenure<br>- Zoning |

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**14. INVESTMENT PROPERTIES cont'd**

**Comparison method**

Under the comparison method, a property's fair value is estimated based on comparable transactions. This approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold.

All investment properties are valued using the comparison method.

**15. LAND HELD FOR PROPERTY DEVELOPMENT**

| Group                          | Freehold<br>land<br>RM | Development<br>Cost<br>RM | Total<br>RM |
|--------------------------------|------------------------|---------------------------|-------------|
| <b>At 31 March 2025</b>        |                        |                           |             |
| <b>Cost</b>                    |                        |                           |             |
| At 1 April 2024/ 31 March 2025 | 33,746,445             | -                         | 33,746,445  |
| <b>At 31 March 2024</b>        |                        |                           |             |
| <b>Cost</b>                    |                        |                           |             |
| At 1 April 2023/ 31 March 2024 | 33,746,445             | -                         | 33,746,445  |

A freehold land held for development with a carrying value of RM4,300,000 (2024: RM4,300,000) has been pledged as security for a bank loan (Note 24(c)(iii)).

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**16. LEASES**

**As a lessee**

**(a) Right-of-use assets**

|   | <b>Farm land</b><br><b>RM</b> | <b>Office<br/>premises</b><br><b>RM</b> | <b>Total</b><br><b>RM</b> |
|---|-------------------------------|---|---------------------------|
| <b>Group</b>  |                               |   |                           |
| <b>Cost</b>   |                               |   |                           |
| At 1 April 2024/ 31 March 2025                      | 10,421,883                    | 457,607                                 | 10,879,490                |
| <b>Accumulated depreciation</b>                     |                               |   |                           |
| At 1 April 2024                                     | (5,789,557)                   | (196,850)                               | (5,986,407)               |
| Depreciation charge for the financial year (Note 8) | (1,111,756)                   | (43,460)                                | (1,155,216)               |
| At 31 March 2025                                    | (6,901,313)                   | (240,310)                               | (7,141,623)               |
| Net carrying amount at 31 March 2025                | 3,520,570                     | 217,297                                 | 3,737,867                 |
| <b>Cost</b>   |                               |   |                           |
| At 1 April 2023                                     | 10,421,883                    | 312,069                                 | 10,733,952                |
| Additions   | -                             | 135,223                                 | 135,223                   |
| Modification  | -                             | 10,315                                  | 10,315                    |
| At 31 March 2024                                    | 10,421,883                    | 457,607                                 | 10,879,490                |
| <b>Accumulated depreciation</b>                     |                               |   |                           |
| At 1 April 2023                                     | (4,677,801)                   | (158,444)                               | (4,836,245)               |
| Depreciation charge for the financial year (Note 8) | (1,111,756)                   | (38,406)                                | (1,150,162)               |
| At 31 March 2024                                    | (5,789,557)                   | (196,850)                               | (5,986,407)               |
| Net carrying amount at 31 March 2024                | 4,632,326                     | 260,757                                 | 4,893,083                 |

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cont'd

**16. LEASES cont'd**

**As a lessee cont'd**

**(a) Right-of-use assets cont'd**

|   | Office<br>premises |
|---|--------------------|
|   | RM                 |
| <b>Company</b>                                      |                    |
| <b>Cost</b>   |                    |
| At 1 April 2024/ 31 March 2025                      | 457,607            |
| <b>Accumulated depreciation</b>                     |                    |
| At 1 April 2024                                     | (196,850)          |
| Depreciation charge for the financial year (Note 8) | (43,460)           |
| At 31 March 2025                                    | <u>(240,310)</u>   |
| Net carrying amount at 31 March 2025                | <u>217,297</u>     |
| <b>Cost</b>   |                    |
| At 1 April 2023                                     | 312,069            |
| Addition  | 135,223            |
| Modification  | 10,315             |
| At 31 March 2024                                    | <u>457,607</u>     |
| <b>Accumulated depreciation</b>                     |                    |
| At 1 April 2023                                     | (158,444)          |
| Depreciation charge for the financial year (Note 8) | (38,406)           |
| At 31 March 2024                                    | <u>(196,850)</u>   |
| Net carrying amount at 31 March 2024                | <u>260,757</u>     |

**(b) Lease liabilities**

|                         | Group            |                  | Company        |                |
|-------------------------|------------------|------------------|----------------|----------------|
|                         | 2025             | 2024             | 2025           | 2024           |
|                         | RM               | RM               | RM             | RM             |
| <b>Non-current</b>      |                  |                  |                |                |
| Lease liabilities       | 2,873,045        | 4,040,806        | 184,026        | 223,532        |
| <b>Current</b>          |                  |                  |                |                |
| Lease liabilities       | 1,167,776        | 1,099,935        | 39,521         | 37,225         |
| Total lease liabilities | <u>4,040,821</u> | <u>5,140,741</u> | <u>223,547</u> | <u>260,757</u> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

### 16. LEASES cont'd

#### As a lessee cont'd

##### (b) Lease liabilities

The movement of lease liabilities during the financial year is as follows:

|                                | Group       |             | Company    |            |
|--------------------------------|-------------|-------------|------------|------------|
|                                | 2025<br>RM  | 2024<br>RM  | 2025<br>RM | 2024<br>RM |
| At beginning of financial year | 5,140,741   | 6,043,599   | 260,757    | 162,643    |
| Interest charged (Note 7)      | 271,680     | 327,519     | 14,390     | 8,491      |
| Addition                       | -           | 135,223     | -          | 135,223    |
| Modification                   | -           | 10,315      | -          | 10,315     |
| Payments of:                   |             |             |            |            |
| - Principal                    | (1,099,920) | (1,048,396) | (37,210)   | (47,424)   |
| - Interest                     | (271,680)   | (327,519)   | (14,390)   | (8,491)    |
| At end of financial year       | 4,040,821   | 5,140,741   | 223,547    | 260,757    |

The following are the amounts recognised in profit or loss:

|   | Group      |            | Company    |            |
|---|------------|------------|------------|------------|
|   | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Depreciation of right-of-use assets                           | 1,155,216  | 1,150,162  | 43,460     | 38,406     |
| Interest expense on lease liabilities                         | 271,680    | 327,519    | 14,390     | 8,491      |
| Expense relating to short-term leases and<br>low-value assets | 4,800      | 4,800      | -          | -          |
|   | 1,431,696  | 1,482,481  | 57,850     | 46,897     |

The Group had total cash outflows for leases of RM1,376,400 (2024: RM1,380,715) and the Company had a total cash outflows for leases of RM51,600 (2024: RM55,915) during the financial year.

In prior financial year, the Group and the Company had non-cash additions to right-of-use assets of RM135,223 with a corresponding increase in lease liabilities of RM135,223.

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**16. LEASES cont'd**

**As a lessor**

The Group and the Company have entered into operating leases on their land and office buildings. These leases have remaining terms of between 1 and 3 years (2024: 1 and 3 years). Rental income recognised by the Group and the Company during the financial year is RM520,000 (2024: RM480,000) and RM12,000 (2024: RM12,000) respectively.

Future minimum rentals receivable under non-cancellable operating leases as at 31 March are as follows:

|   | Group      |            | Company    |            |
|---|------------|------------|------------|------------|
|   | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Within one year                             | 1,132,000  | 333,000    | 12,000     | 12,000     |
| After one year but not more than five years | 2,400,000  | 12,000     | 1,120,000  | 12,000     |
|   | 3,532,000  | 345,000    | 1,132,000  | 24,000     |

**17. INVESTMENT IN SUBSIDIARIES**

|  | Company      |              |
|--|--------------|--------------|
|  | 2025<br>RM   | 2024<br>RM   |
| Unquoted shares, at cost   | 102,747,198  | 102,747,198  |
| Executives' Share Option Scheme granted to executives of subsidiaries                            | 180,242      | 180,242      |
| Investment in redeemable non-cumulative convertible preference shares ("RNCCPS") of subsidiaries | 26,000,000   | 27,000,000   |
| Redemption during the financial year   | -            | (1,000,000)  |
| Less: Accumulated impairment losses  | (19,000,000) | (19,000,000) |
|  | 7,000,000    | 7,000,000    |
| Total investment in subsidiaries   | 109,927,440  | 109,927,440  |

# NOTES TO THE FINANCIAL STATEMENTS

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cont'd

## 17. INVESTMENT IN SUBSIDIARIES *cont'd*

Details of the subsidiaries, all of which are incorporated, domiciled, and have their principle place of business in Malaysia, and audited by Ernst & Young PLT, Malaysia, are as follows:

| Name of subsidiary                                 | Equity interest held |           | Principal activities                           |
|--|----------------------|-----------|--|
|  | 2025<br>%            | 2024<br>% |  |
| <b>(a) Subsidiaries of LTKM Berhad</b>             |                      |           |  |
| LTK (Melaka) Sdn. Bhd.                             | 100                  | 100       | Production and sale of chicken eggs            |
| LTK Omega Plus Sdn. Bhd.                           | 100                  | 100       | Extraction and sale of sand                    |
| LTK Development Sdn. Bhd.                          | 100                  | 100       | Property development                           |
| LTK Properties Sdn. Bhd.                           | 100                  | 100       | Investment property holding                    |
| Lumi Jaya Sdn. Bhd.                                | 100                  | 100       | Property development                           |
| LTK Feeds Sdn. Bhd.                                | 100                  | 100       | Trading of livestock feeds and other materials |
| <b>(b) Subsidiary of LTK Melaka Sdn. Bhd.</b>      |                      |           |  |
| LTK Bio-Fer Sdn. Bhd.                              | 100                  | 100       | Manufacturing and sale of organic fertilisers  |
| <b>(c) Subsidiary of LTK Development Sdn. Bhd.</b> |                      |           |  |
| Jarom Firstville Sdn. Bhd.                         | 100                  | 100       | Property development                           |

## 18. INVESTMENTS

### (a) Investment securities

|  | Group      |            |
|--|------------|------------|
|  | 2025<br>RM | 2024<br>RM |
| <b>Fair value through other comprehensive income</b> |            |            |
| Quoted shares:                                       |            |            |
| - In Malaysia  | 93,346,887 | 61,293,681 |
| - Outside of Malaysia                                | 262,986    | 242,397    |
| Total investment securities                          | 93,609,873 | 61,536,078 |

The Group recognised a fair value gain of RM2,463,834 (2024: RM5,961,473) on certain quoted investments designated as fair value through other comprehensive income due to change in market value as compared to the carrying value as at financial year end.

During the current financial year, the Group disposed of investment securities with a fair value gain of RM956,532 (2024: RM18,133) which was transferred to retained earnings.

The fair value of the above investment securities were determined using Level 1 fair value hierarchy, which is based on quoted prices (unadjusted) in active markets for identical assets as at the reporting date.

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**18. INVESTMENTS cont'd**

**(b) Other investments**

|                                   | Group            |                 |
|-----------------------------------|------------------|-----------------|
|                                   | 2025             | 2024            |
|                                   | RM               | RM              |
| <b>At amortised cost</b>          |                  |                 |
| Cost                              | 6,012,000        | 1,012,000       |
| Less: Accumulated impairment loss | <u>(191,730)</u> | <u>(54,340)</u> |
|                                   | <b>5,820,270</b> | <b>957,660</b>  |

During the financial year, the Group recognised an impairment loss on other investments of RM137,390 (2024: reversal of impairment loss of RM46,560) due to change in market value as compared to the carrying value as at financial year end.

**19. BIOLOGICAL ASSETS**

Breakdown of biological assets comprising chickens at each stage are as follows:

|                     | Group            |                  |
|---------------------|------------------|------------------|
|                     | 2025             | 2024             |
|                     | RM               | RM               |
| Starters            | 666,366          | 848,725          |
| Growers             | 2,120,577        | 1,182,886        |
| Layers and old hens | <u>6,984,091</u> | <u>7,243,919</u> |
| Total               | <b>9,771,034</b> | <b>9,275,530</b> |

Movement in the carrying value of biological assets can be analysed as follows:

|                                | Group              |                    |
|--------------------------------|--------------------|--------------------|
|                                | 2025               | 2024               |
|                                | RM                 | RM                 |
| At beginning of financial year | 9,275,530          | 7,900,853          |
| Purchases                      | 6,317,712          | 6,461,205          |
| Net used in production/sales   | <u>(5,897,834)</u> | <u>(6,819,274)</u> |
| Fair value gain (Notes 5)      | 75,626             | 1,732,746          |
| At end of financial year       | <b>9,771,034</b>   | <b>9,275,530</b>   |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

cont'd

## 19. BIOLOGICAL ASSETS *cont'd*

The Group has classified its biological assets measured at fair value within Level 3 of the fair value hierarchy. Below is the description of valuation techniques used and key inputs to valuation on the biological assets categorised within Level 3:

| Valuation technique     | Significant unobservable inputs   | Inter-relationships between significant unobservable inputs and fair value measurements  |
|-------------------------|---|--|
| <b>At 31 March 2025</b> |   |  |
| <b>Layers</b>           |   |  |
| Income approach         |   |  |
|                         | (i) The estimated selling prices of the eggs are based on management's estimates by reference to historical selling prices. | The fair value is sensitive to estimated selling prices where an increase in price results in a higher fair value.             |
|                         | (ii) Management's estimates of feed costs expected to incur throughout the laying period.                                   | The fair value is sensitive to cost of feeds where an increase in price results in a lower fair value.                         |
| <b>At 31 March 2024</b> |   |  |
| <b>Layers</b>           |   |  |
| Income approach         |   |  |
|                         | (iii) Management's estimates of layers' productivity for the remaining life of the livestock.                               | The fair value is sensitive to the level of productivity where an increase in productivity will result in a higher fair value. |

### Income approach

Under the income approach, a biological asset's fair value is estimated based on the expected quantity and price of the eggs to be produced and sold over the life of the layers, taking into account cost of feeds, layers' mortality rate and time value of money over the life period.

The Group is exposed to ordinary chicken egg price risk arising from its manufacturing and sale of chicken eggs. As ordinary chicken eggs are generic products that consumers do not differentiate by producers, the Group is susceptible to the fluctuation of the product price as a result of both demand and supply in the market. The market supply is influenced by the production of all chicken egg producers in Malaysia. The Group is also exposed to the fluctuation in the price of commodities, such as corn and soybean which make up the bulk of its cost of feeds.

### Sensitivity analysis for chicken egg price

At the reporting date, if the chicken egg price had been estimated to be 5% higher/lower for the purpose of computation of estimated fair valuation of livestock, with all other variables held constant, the Group's net profit would have been RM5,279,202 (2024: RM8,054,967) higher/lower, arising as a result of higher/lower fair value of the livestock.

### Sensitivity analysis for commodity price

Commodity price refers to feed price for the hens, which are soyabean and corn price. At the reporting date, if the commodity price had been 5% higher/lower, with all other variables held constant, the Group's net profit would have been RM4,086,102 (2024: RM4,680,941) lower/higher, as a result of lower/higher fair value of the livestock.

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**20. INVENTORIES**

|                                    | Group             |                   |
|------------------------------------|-------------------|-------------------|
|                                    | 2025              | 2024              |
|                                    | RM                | RM                |
| <b>At cost</b>                     |                   |                   |
| Produce inventories                | 1,355,573         | 1,366,638         |
| Raw materials and consumable goods | 16,895,089        | 14,719,790        |
|                                    | <u>18,250,662</u> | <u>16,086,428</u> |

During the financial year, the amount of raw materials, consumable goods and produce inventories recognised as an expense in cost of sales of the Group was RM138,865,656 (2024: RM162,811,083).

**21. TRADE AND OTHER RECEIVABLES**

|  | Group             |                   | Company          |                   |
|--|-------------------|-------------------|------------------|-------------------|
|  | 2025              | 2024              | 2025             | 2024              |
|  | RM                | RM                | RM               | RM                |
| <b>Current</b>                                   |                   |                   |                  |                   |
| <b>Trade receivables</b>                         |                   |                   |                  |                   |
| Third parties                                    | 8,373,979         | 9,715,277         | -                | -                 |
| Less: Allowance for expected credit losses       | (228,523)         | (340,280)         | -                | -                 |
| Trade receivables, net (Note 21(a))              | <u>8,145,456</u>  | <u>9,374,997</u>  | -                | -                 |
| <b>Other receivables</b>                         |                   |                   |                  |                   |
| Amount due from subsidiary                       | -                 | -                 | 195              | -                 |
| Deposits   | 656,592           | 578,842           | 9,600            | 8,200             |
| Sundry receivables (Note 21(b))                  | 3,896,706         | 133,335           | 85               | 180               |
| Other receivables, net                           | <u>4,553,298</u>  | <u>712,177</u>    | <u>9,880</u>     | <u>8,380</u>      |
| Total trade and other receivables                | 12,698,754        | 10,087,174        | 9,880            | 8,380             |
| Add: Cash and bank balances (Note 22)            | 61,729,468        | 79,164,266        | 1,932,819        | 18,072,509        |
| Other investment (Note 18(b))                    | 5,820,270         | 957,660           | -                | -                 |
| Total financial assets carried at amortised cost | <u>80,248,492</u> | <u>90,209,100</u> | <u>1,942,699</u> | <u>18,080,889</u> |

**(a) Trade receivables**

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2024: 30 to 90 days) terms. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

# NOTES TO THE FINANCIAL STATEMENTS

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cont'd

## 21. TRADE AND OTHER RECEIVABLES *cont'd*

### (a) Trade receivables *cont'd*

#### Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

|   | Group     |           |
|---|-----------|-----------|
|   | 2025      | 2024      |
|   | RM        | RM        |
| Neither past due nor impaired           | 7,507,746 | 7,665,463 |
| 1 to 30 days past due but not impaired  | 435,133   | 999,953   |
| 31 to 60 days past due but not impaired | 122,972   | 393,159   |
| 61 to 90 days past due but not impaired | 79,605    | 316,422   |
|   | 637,710   | 1,709,534 |
| Impaired                                | 228,523   | 340,280   |
|   | 8,373,979 | 9,715,277 |

#### Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

#### Receivables that are past due but not impaired

The Group has trade receivables amounting to RM637,710 (2024: RM1,709,534) that are past due at the reporting date but not impaired. These are mainly debtors who are still in active trade with the Group but with slower repayment records.

#### Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

|   | Group     |           |
|---|-----------|-----------|
|   | 2025      | 2024      |
|   | RM        | RM        |
| At beginning of financial year                                | 340,280   | 485,134   |
| Net reversal of allowance for expected credit losses (Note 8) | (111,757) | (128,188) |
| Written off   | -         | (16,666)  |
| At end of financial year                                      | 228,523   | 340,280   |

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

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**21. TRADE AND OTHER RECEIVABLES** *cont'd*

**(b) Sundry Receivables**

Included in sundry receivables is an amount of RM3,872,395 in the current financial year that is deposited with a third party service provider for investment securities. This amount is unsecured, repayable on demand and bears an interest ranging from 0% to 2.1% per annum.

**22. CASH AND BANK BALANCES**

|                               | Group      |            | Company   |            |
|-------------------------------|------------|------------|-----------|------------|
|                               | 2025       | 2024       | 2025      | 2024       |
|                               | RM         | RM         | RM        | RM         |
| Cash on hand and at bank      | 28,748,440 | 54,595,078 | 904,905   | 15,072,509 |
| Deposits with licensed banks: |            |            |           |            |
| - Short-term fixed deposits   | 32,981,028 | 24,569,188 | 1,027,914 | 3,000,000  |
| Cash and bank balances        | 61,729,468 | 79,164,266 | 1,932,819 | 18,072,509 |

The weighted average effective interest rates of deposits with licensed banks as at the reporting date were as follows:

|                              | Group |      | Company |      |
|------------------------------|-------|------|---------|------|
|                              | 2025  | 2024 | 2025    | 2024 |
|                              | %     | %    | %       | %    |
| Deposits with licensed banks | 3.77  | 3.70 | 3.80    | 3.58 |

The range of maturities of deposits with licensed banks at the reporting date were as follows:

|                              | Group |        | Company |       |
|------------------------------|-------|--------|---------|-------|
|                              | 2025  | 2024   | 2025    | 2024  |
|                              | Days  | Days   | Days    | Days  |
| Deposits with licensed banks | 2-128 | 31-365 | 92      | 31-94 |

For the purpose of the statements of cash flows, cash and cash equivalents comprises the following as at the end of the financial year:

|  | Group        |             | Company   |            |
|--|--------------|-------------|-----------|------------|
|  | 2025         | 2024        | 2025      | 2024       |
|  | RM           | RM          | RM        | RM         |
| Cash on hand and at bank                           | 28,748,440   | 54,595,078  | 904,905   | 15,072,509 |
| Deposits with licensed banks                       | 32,981,028   | 24,569,188  | 1,027,914 | 3,000,000  |
| Cash and bank balances                             | 61,729,468   | 79,164,266  | 1,932,819 | 18,072,509 |
| Less: Deposit with maturity of more than 3 months  | (11,279,746) | (8,313,259) | -         | -          |
| Cash and cash equivalents at end of financial year | 50,449,722   | 70,851,007  | 1,932,819 | 18,072,509 |

## NOTES TO THE FINANCIAL STATEMENTS

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### 23. TRADE AND OTHER PAYABLES

| Note  | Group |            | Company    |         |
|---|-------|------------|------------|---------|
|   | 2025  | 2024       | 2025       | 2024    |
|   | RM    | RM         | RM         | RM      |
| <b>Current</b>  |       |            |            |         |
| <b>Trade payables</b>                                 |       |            |            |         |
| Third parties   | (a)   | 4,891,163  | 7,560,425  | -       |
| <b>Other payables</b>                                 |       |            |            |         |
| Accruals  |       | 10,030,543 | 10,326,008 | 228,519 |
| Other payables  | (b)   | 2,752,188  | 2,094,944  | 16,877  |
|   |       | 12,782,731 | 12,420,952 | 256,232 |
| Total trade and other payables                        |       | 17,673,894 | 19,981,377 | 246,254 |
| Add: Loans and borrowings (Note 24)                   |       | 60,313,316 | 61,040,414 | -       |
| Lease liabilities (Note 16(b))                        |       | 4,040,821  | 5,140,741  | 223,547 |
| Total financial liabilities carried at amortised cost |       | 82,028,031 | 86,162,532 | 260,757 |
|   |       | 82,028,031 | 86,162,532 | 469,801 |
|   |       |            |            | 516,989 |

#### (a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 60 (2024: 30 to 60) days.

#### (b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term of 60 (2024: 60) days.

### 24. LOANS AND BORROWINGS

|                      | Group |            |
|----------------------|-------|------------|
|                      | 2025  | 2024       |
|                      | RM    | RM         |
| <b>Current</b>       |       |            |
| Secured:             |       |            |
| Revolving credits    |       | 14,000,000 |
| Bankers' acceptances |       | 3,750,444  |
| Bank term loans      |       | 5,308,756  |
|                      |       | 23,059,200 |
|                      |       | 26,710,016 |
| Unsecured:           |       |            |
| Revolving credits    |       | 6,000,000  |
| Bankers' acceptances |       | 11,897,812 |
|                      |       | 17,897,812 |
|                      |       | 14,645,987 |
|                      |       | 40,957,012 |
|                      |       | 41,356,003 |

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**24. LOANS AND BORROWINGS** *cont'd*

|                         | Group             |                   |
|-------------------------|-------------------|-------------------|
|                         | 2025              | 2024              |
|                         | RM                | RM                |
| <b>Non-current</b>      |                   |                   |
| Secured:                |                   |                   |
| Bank term loans         | 19,356,304        | <u>19,684,411</u> |
| <b>Total borrowings</b> |                   |                   |
| Revolving credits       | 20,000,000        | 20,000,000        |
| Bankers' acceptances    | 15,648,256        | 13,399,246        |
| Bank term loans         | 24,665,060        | 27,641,168        |
| Loans and borrowings    | <u>60,313,316</u> | <u>61,040,414</u> |

The remaining maturities of the loans and borrowings as at the reporting date are as follows:

(a) Maturity periods

|   | Group             |                   |
|---|-------------------|-------------------|
|   | 2025              | 2024              |
|   | RM                | RM                |
| Within 1 year                           | 40,957,012        | 41,356,003        |
| More than 1 year and less than 2 years  | 4,488,439         | 5,236,839         |
| More than 2 years and less than 5 years | 8,792,172         | 7,409,001         |
| More than 5 years                       | 6,075,693         | 7,038,571         |
|   | <u>60,313,316</u> | <u>61,040,414</u> |

(b) The range of interest rates per annum for loans and borrowings were as follows:

|                      | Group       |             |
|----------------------|-------------|-------------|
|                      | 2025        | 2024        |
|                      | %           | %           |
| Revolving credits    | 5.27 - 5.53 | 4.67 - 5.65 |
| Bankers' acceptances | 4.14 - 4.45 | 4.11 - 4.51 |
| Bank term loans      | 5.32 - 7.35 | 5.39 - 7.35 |

(c) The secured term loans of the Group are secured by the following:

- (i) corporate guarantee by LTKM Berhad;
- (ii) charges over the freehold land of a subsidiary as disclosed in Note 13;
- (iii) charges over investment properties as disclosed in Note 14; and
- (iv) charges over land held for development as disclosed in Note 15.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
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## 24. LOANS AND BORROWINGS *cont'd*

(d) The secured bankers' acceptances and revolving credits of the Group are secured by the following:

- (i) corporate guarantee by LTKM Berhad;
- (ii) charges over the freehold land of a subsidiary as disclosed in Note 13; and
- (iii) charges over investment properties as disclosed in Note 14.

The unsecured bankers' acceptances and revolving credits are backed by corporate guarantees of the Company.

## 25. DEFERRED TAXATION

|  | Group      |            | Company    |            |
|--|------------|------------|------------|------------|
|  | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| At beginning of financial year                     | 2,369,000  | 1,364,472  | (19,011)   | (13,448)   |
| Recognised in profit or loss (Note 10)             | (576,793)  | 1,004,528  | (4,716)    | (5,563)    |
| At end of financial year                           | 1,792,207  | 2,369,000  | (23,727)   | (19,011)   |
| Presented after appropriate offsetting as follows: |            |            |            |            |
| Deferred tax assets                                | (31,521)   | (19,010)   | (23,727)   | (19,011)   |
| Deferred tax liabilities                           | 1,823,728  | 2,388,010  | -          | -          |
|  | 1,792,207  | 2,369,000  | (23,727)   | (19,011)   |

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

|   | At<br>1 April<br>2024<br>RM | Recognised<br>in profit or<br>loss<br>RM | At<br>31 March<br>2025<br>RM |
|---|-----------------------------|--|------------------------------|
| <b>Deferred tax assets of the Group:</b>      |                             |  |                              |
| Biological assets                             | (968,576)                   | (13,241)                                 | (981,817)                    |
| Lease liabilities                             | (1,233,778)                 | 263,981                                  | (969,797)                    |
| Investment properties                         | (1,135,774)                 | -  | (1,135,774)                  |
| Provisions                                    | (1,446,143)                 | (1,060)                                  | (1,447,203)                  |
| Others  | (388,403)                   | (233)                                    | (388,636)                    |
|   | (5,172,674)                 | 249,447                                  | (4,923,227)                  |
| <b>Deferred tax liabilities of the Group:</b> |                             |  |                              |
| Revaluation surplus                           | 5,649,630                   | (335)                                    | 5,649,295                    |
| Property, plant and equipment                 | 717,703                     | (548,653)                                | 169,050                      |
| Right-of-use assets                           | 1,174,341                   | (277,252)                                | 897,089                      |
|   | 7,541,674                   | (826,240)                                | 6,715,434                    |
|   | 2,369,000                   | (576,793)                                | 1,792,207                    |

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**25. DEFERRED TAXATION cont'd**

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows: *cont'd*

|   | At<br>1 April<br>2023 | Recognised<br>in profit or<br>loss | At<br>31 March<br>2024 |
|---|-----------------------|------------------------------------|------------------------|
|   | RM                    | RM                                 | RM                     |
| <b>Deferred tax assets of the Group:</b>      |                       |                                    |                        |
| Biological assets                             | (1,390,817)           | 422,241                            | (968,576)              |
| Lease liabilities                             | (1,457,582)           | 223,804                            | (1,233,778)            |
| Investment properties                         | (1,135,774)           | -                                  | (1,135,774)            |
| Land held for development                     | (347,459)             | 347,459                            | -                      |
| Unutilised business losses                    | (118,451)             | 118,451                            | -                      |
| Provisions                                    | (1,438,551)           | (7,592)                            | (1,446,143)            |
| Others  | (449,785)             | 61,382                             | (388,403)              |
|   | <hr/>                 | <hr/>                              | <hr/>                  |
|   | (6,338,419)           | 1,165,745                          | (5,172,674)            |
| <b>Deferred tax liabilities of the Group:</b> |                       |                                    |                        |
| Revaluation surplus                           | 5,897,288             | (247,658)                          | 5,649,630              |
| Property, plant and equipment                 | 390,154               | 327,549                            | 717,703                |
| Right-of-use assets                           | 1,415,449             | (241,108)                          | 1,174,341              |
|   | <hr/>                 | <hr/>                              | <hr/>                  |
|   | 7,702,891             | (161,217)                          | 7,541,674              |
|   | <hr/>                 | <hr/>                              | <hr/>                  |
|   | 1,364,472             | 1,004,528                          | 2,369,000              |
|   | At<br>1 April<br>2024 | Recognised<br>in profit or<br>loss | At<br>31 March<br>2025 |
|   | RM                    | RM                                 | RM                     |
| <b>Deferred tax assets of the Company:</b>    |                       |                                    |                        |
| Provisions                                    | (19,011)              | -                                  | (19,011)               |
| Lease liabilities                             | (62,582)              | 5,715                              | (56,867)               |
|   | <hr/>                 | <hr/>                              | <hr/>                  |
|   | (81,593)              | 5,715                              | (75,878)               |
| <b>Deferred tax liability of the Company:</b> |                       |                                    |                        |
| Right-of-use assets                           | 62,582                | (10,431)                           | 52,151                 |
|   | <hr/>                 | <hr/>                              | <hr/>                  |
|   | (19,011)              | (4,716)                            | (23,727)               |

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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
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**25. DEFERRED TAXATION cont'd**

|   | At<br>1 April<br>2023<br>RM | Recognised<br>in profit or<br>loss<br>RM | At<br>31 March<br>2024<br>RM |
|---|-----------------------------|--|------------------------------|
| <b>Deferred tax assets of the Company:</b>    |                             |  |                              |
| Provisions                                    | (11,284)                    | (7,727)                                  | (19,011)                     |
| Lease liabilities                             | (39,034)                    | (23,548)                                 | (62,582)                     |
|   | (50,318)                    | (31,275)                                 | (81,593)                     |
| <b>Deferred tax liability of the Company:</b> |                             |  |                              |
| Right-of-use assets                           | 36,870                      | 25,712                                   | 62,582                       |
|   | 36,870                      | 25,712                                   | 62,582                       |
|   | (13,448)                    | (5,563)                                  | (19,011)                     |

Deferred tax assets have not recognised in respect of the following items:

|                                       | Group      |            |
|---------------------------------------|------------|------------|
|                                       | 2025<br>RM | 2024<br>RM |
| Unused tax losses                     | 4,870,554  | 4,873,581  |
| Unabsorbed capital allowances         | 3,220      | 3,060      |
| Other deductible temporary difference | 1,941,292  | 1,941,292  |
|                                       | 6,815,066  | 6,817,933  |

Deferred tax assets have not been recognised in respect of the above as they may not be used to offset taxable profits elsewhere in the Group. They have arisen in subsidiaries with recent history of losses, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

The unused tax losses are available for offsetting against future taxable profits for ten consecutive years. The accumulation of tax losses for which deferred tax assets have not been recognised in the financial statements are as follows:

|  | Group      |            |
|--|------------|------------|
|  | 2025<br>RM | 2024<br>RM |
| <b>Year of assessment in which unutilised tax losses expire:</b> |            |            |
| Expiring in 2028   | 3,740,925  | 3,740,925  |
| Expiring in 2029   | 425,049    | 425,049    |
| Expiring in 2030   | 337,907    | 340,934    |
| Expiring in 2031   | 232,352    | 232,352    |
| Expiring in 2032   | 100,803    | 100,803    |
| Expiring in 2033   | 14,254     | 14,254     |
| Expiring in 2034   | 19,264     | 19,264     |
|  | 4,870,554  | 4,873,581  |

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**26. SHARE CAPITAL**

|   | Number of<br>ordinary shares |             | Amount     |            |
|---|------------------------------|-------------|------------|------------|
|   | 2025                         | 2024        | 2025       | 2024       |
|   | RM                           | RM          | RM         | RM         |
| <b>Issued and fully paid, at no par value</b> |                              |             |            |            |
| At beginning and end of financial year        | 143,114,006                  | 143,114,006 | 76,695,953 | 76,695,953 |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All the ordinary shares rank equally with regards to the Company's residual assets.

**27. OTHER RESERVES**

|                          | Group     |           |
|--------------------------|-----------|-----------|
|                          | 2025      | 2024      |
|                          | RM        | RM        |
| <b>Non-distributable</b> |           |           |
| <b>FVOCI reserve</b>     | 1,359,924 | (147,378) |

FVOCI reserve represents the cumulative fair value changes, net of tax, of financial assets designated at FVOCI. Gains and losses on financial assets at FVOCI are never recycled to profit or loss. The Group transfers the cumulative amounts from this reserve to retained earnings when the financial assets is derecognised.

**28. RETAINED EARNINGS**

The Company may distribute dividends out of its entire retained earnings under the single-tier system.

**29. RELATED PARTY DISCLOSURES**

**(a) Sales and purchase of goods and services**

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

|   | Group     |           | Company     |              |
|---|-----------|-----------|-------------|--------------|
|   | 2025      | 2024      | 2025        | 2024         |
|   | RM        | RM        | RM          | RM           |
| Rental of farm paid to a related company                                  | 1,320,000 | 1,320,000 | -           | -            |
| Rental of office paid to a director                                       | 45,600    | 45,600    | 45,600      | 45,600       |
| Management fee received from subsidiary companies                         | -         | -         | (559,200)   | (559,200)    |
| Office rental income received from immediate and ultimate holding company | (12,000)  | (12,000)  | (12,000)    | (12,000)     |
| Fees payable to directors and/or firm connected to directors              | 116,313   | 46,995    | 11,830      | 43,515       |
| Dividend received from a subsidiary                                       | -         | -         | (3,000,000) | (18,000,000) |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
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## 29. RELATED PARTY DISCLOSURES *cont'd*

### (a) Sales and purchase of goods and services *cont'd*

The directors are of the opinion that the above related party transactions are undertaken in the ordinary course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

### (b) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and Company either directly or indirectly. The key management personnel of the Group and Company are the respective directors of the Group and of the Company who make certain critical decisions in relation to the strategic direction of the Group and of the Company.

Remuneration of directors is disclosed in Note 9(b).

## 30. CAPITAL COMMITMENTS

|                                  | Group   |           |
|----------------------------------|---------|-----------|
|                                  | 2025    | 2024      |
|                                  | RM      | RM        |
| Approved but not contracted for: |         |           |
| Property, plant and equipment    | 400,000 | 5,325,000 |

## 31. FINANCIAL GUARANTEES

|  | Company    |            |
|--|------------|------------|
|  | 2025       | 2024       |
|  | RM         | RM         |
| Guarantees to licensed financial institutions in respect of credit facilities granted to subsidiaries: |            |            |
| LTK (Melaka) Sdn. Bhd.   | 30,361,541 | 33,564,332 |
| LTK Omega Plus Sdn. Bhd.   | 6,946,639  | 2,457,605  |
| LTK Properties Sdn. Bhd.   | 14,403,780 | 16,018,633 |
| LTK Development Sdn. Bhd.  | 8,000,000  | 8,000,000  |
| Jarom Firstville Sdn. Bhd.   | 601,356    | 999,844    |
|  | 60,313,316 | 61,040,414 |

No value has been placed on the corporate guarantees provided by the Company as the directors regard the value of the credit enhancement provided by the said corporate guarantees as minimal. This is because the credit facilities granted under the guarantees are sufficiently collateralised by fixed charges over certain freehold and leasehold land of the Group and the probability of default based on historical track records of the parties receiving guarantees are remote.

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**32. FAIR VALUE OF FINANCIAL INSTRUMENTS**

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

|                                       | <b>Note</b> |
|---------------------------------------|-------------|
| Other investment                      | 18(b)       |
| Trade and other receivables (current) | 21          |
| Cash and bank balances                | 22          |
| Trade and other payables (current)    | 23          |
| Loans and borrowings (current)        | 24          |
| Loans and borrowings (non-current)    |             |
| - with floating rate                  | 24          |

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values either due to their short-term nature, repayable on demand terms or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date and as such the impact of discounting is insignificant.

**33. FAIR VALUE MEASUREMENT**

The Group and the Company measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1

Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2

Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3

Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

# NOTES TO THE FINANCIAL STATEMENTS

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## 33. FAIR VALUE MEASUREMENT cont'd

The following table provides the fair value measurement hierarchy of the Group's assets:

|  | Date of valuation | (Level 1)<br>RM | (Level 2)<br>RM | (Level 3)<br>RM | Total<br>RM |  |
|--|-------------------|-----------------|-----------------|-----------------|-------------|--|
|  |                   |                 |                 |                 |             |  |
| <b>Group</b>   |                   |                 |                 |                 |             |  |
| <b>At 31 March 2025</b>                                    |                   |                 |                 |                 |             |  |
| <b>Assets measured at fair value:</b>                      |                   |                 |                 |                 |             |  |
| Investment properties<br>(Note 14)                         | 28 March 2025     | -               | -               | 94,000,000      | 94,000,000  |  |
| Biological assets (Note 19)                                | 31 March 2025     | -               | -               | 9,771,034       | 9,771,034   |  |
| Fair value through other comprehensive income<br>(Note 18) |                   |                 |                 |                 |             |  |
| Quoted shares:   |                   |                 |                 |                 |             |  |
| - In Malaysia  | 31 March 2025     | 93,346,887      | -               | -               | 93,346,887  |  |
| - Outside of Malaysia                                      | 31 March 2025     | 262,986         | -               | -               | 262,986     |  |
| <b>Group</b>   |                   |                 |                 |                 |             |  |
| <b>At 31 March 2024</b>                                    |                   |                 |                 |                 |             |  |
| <b>Assets measured at fair value:</b>                      |                   |                 |                 |                 |             |  |
| Investment properties<br>(Note 14)                         | 29 March 2024     | -               | -               | 93,800,000      | 93,800,000  |  |
| Biological assets (Note 19)                                | 31 March 2024     | -               | -               | 9,275,530       | 9,275,530   |  |
| Fair value through other comprehensive income<br>(Note 18) |                   |                 |                 |                 |             |  |
| Quoted shares:   |                   |                 |                 |                 |             |  |
| - In Malaysia  | 31 March 2024     | 61,293,681      | -               | -               | 61,293,681  |  |
| - Outside of Malaysia                                      | 31 March 2024     | 242,397         | -               | -               | 242,397     |  |

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

## 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk, market price risk and commodity price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management. The audit committee provides independent oversight to the effectiveness of the risk management process.

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**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** *cont'd*

It is, and has been throughout the current and previous financial years, the Group's and the Company's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

**(a) Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arise primarily from trade and other receivables. For other financial assets (including investment securities and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of the executive directors.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position.
- A nominal amount of RM60,313,316 (2024: RM61,040,414) relating to corporate guarantees provided by the Company to licensed financial institutions on certain subsidiaries' bank loans and credit facilities (Note 32).

Information regarding credit enhancements for trade and other receivables is disclosed in Note 21(a).

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

|                              | Group            |             |                  |             |
|------------------------------|------------------|-------------|------------------|-------------|
|                              | 2025             |             | 2024             |             |
|                              | RM               | % of total  | RM               | % of total  |
| <b>By industry sectors:</b>  |                  |             |                  |             |
| Poultry and related products | 7,819,755        | 93%         | 8,417,318        | 87%         |
| Sand extraction and sale     | 554,224          | 7%          | 1,297,959        | 13%         |
|                              | <b>8,373,979</b> | <b>100%</b> | <b>9,715,277</b> | <b>100%</b> |

At the reporting date, the Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risks related to any financial assets other than an amount of RM3,909,243 (2024: RM3,653,868) due from 5 (2024: 5) customers, representing 48% (2024: 38%) of the gross trade receivables of the Group.

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## 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *cont'd*

### (a) Credit risk *cont'd*

#### Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 21(a). Deposits with banks and other financial institutions and investment securities that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

#### Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 21(a).

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on historical actual amount written off over the observation period. The calculation reflects the probability-weighted outcome, based on reasonable and supportable information that is available at the reporting date about past events.

The provision matrix is based on the Group's historical observed default rates, adjusted with forward looking information. For instance, if forecast economic conditions (i.e. gross domestic product and unemployment rate) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. The Group's ECL provision matrix is guided by the Group's historical credit loss experience which may not be representative of customer's actual default in the future.

Set out below is the information about the credit risk exposure on the Group's trade receivables:

#### Group

#### 31 March 2025

|                                   | Trade receivables |                |                |               |                  |
|-----------------------------------|-------------------|----------------|----------------|---------------|------------------|
|                                   | Current           | Days past due  |                |               | Total            |
|                                   |                   | < 30 days      | 31 - 60 days   | > 61 days     |                  |
|                                   | RM                | RM             | RM             | RM            | RM               |
| Estimated total gross receivables | 7,507,746         | 435,133        | 122,972        | 308,128       | 8,373,979        |
| Expected credit loss              | -                 | -              | -              | (228,523)     | (228,523)        |
| Net receivables                   | <u>7,507,746</u>  | <u>435,133</u> | <u>122,972</u> | <u>79,605</u> | <u>8,145,456</u> |

#### 31 March 2024

|                                   | Trade receivables |                |                |                |                  |
|-----------------------------------|-------------------|----------------|----------------|----------------|------------------|
|                                   | Current           | Days past due  |                |                | Total            |
|                                   |                   | < 30 days      | 31 - 60 days   | > 61 days      |                  |
|                                   | RM                | RM             | RM             | RM             | RM               |
| Estimated total gross receivables | 7,665,463         | 999,953        | 393,159        | 656,702        | 9,715,277        |
| Expected credit loss              | -                 | -              | -              | (340,280)      | (340,280)        |
| Net receivables                   | <u>7,665,463</u>  | <u>999,953</u> | <u>393,159</u> | <u>316,422</u> | <u>9,374,997</u> |

**NOTES TO THE  
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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** *cont'd*

**(b) Liquidity risk**

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective are to maintain a balance between continuity of internal funding and flexible use of stand-by credit facilities.

The Group's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with different banks. At the reporting date, approximately 68% (2024: 68%) of the Group's loans and borrowings (Note 25) will mature in less than one year based on the carrying amount reflected in the financial statements.

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

|   | 2025                                     |                            |                          |                   |
|---|--|----------------------------|--------------------------|-------------------|
|   | On demand<br>or within<br>one year<br>RM | One to<br>five years<br>RM | Over five<br>years<br>RM | Total<br>RM       |
| <b>Group</b>                                    |  |                            |                          |                   |
| <b>Financial liabilities:</b>                   |  |                            |                          |                   |
| Trade and other payables                        | 17,673,894                               | -                          | -                        | 17,673,894        |
| Loans and borrowings                            | 43,826,139                               | 15,772,977                 | 6,503,400                | 66,102,516        |
| Lease liabilities                               | 1,371,600                                | 3,066,400                  | -                        | 4,438,000         |
| <b>Total undiscounted financial liabilities</b> | <b>62,871,633</b>                        | <b>18,839,377</b>          | <b>6,503,400</b>         | <b>88,214,410</b> |
| <br><b>2024</b>                                 |  |                            |                          |                   |
|   |  |                            |                          |                   |
|   | On demand<br>or within<br>one year<br>RM | One to<br>five years<br>RM | Over five<br>years<br>RM | Total<br>RM       |
|   |  |                            |                          |                   |
| <b>Group</b>                                    |  |                            |                          |                   |
| <b>Financial liabilities:</b>                   |  |                            |                          |                   |
| Trade and other payables                        | 19,981,377                               | -                          | -                        | 19,981,377        |
| Loans and borrowings                            | 44,199,030                               | 15,280,204                 | 7,593,460                | 67,072,694        |
| Lease liabilities                               | 1,371,600                                | 4,386,400                  | 51,600                   | 5,809,600         |
| <b>Total undiscounted financial liabilities</b> | <b>65,552,007</b>                        | <b>19,666,604</b>          | <b>7,645,060</b>         | <b>92,863,671</b> |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

## 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *cont'd*

### (b) Liquidity risk *cont'd*

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations. *cont'd*

|  | 2025                               |                      |                    |    | Total<br>RM |
|--|------------------------------------|----------------------|--------------------|----|-------------|
|  | On demand<br>or within<br>one year | One to<br>five years | Over five<br>years |    |             |
|  | RM                                 | RM                   | RM                 | RM |             |

#### Company

##### Financial liabilities:

|  |         |         |   |         |
|--|---------|---------|---|---------|
| Trade and other payables                 | 246,254 | -       | - | 246,254 |
| Lease liabilities                        | 51,600  | 206,400 | - | 258,000 |
| Total undiscounted financial liabilities | 297,854 | 206,400 | - | 504,254 |

|  | 2024                               |                      |                    |    | Total<br>RM |
|--|------------------------------------|----------------------|--------------------|----|-------------|
|  | On demand<br>or within<br>one year | One to<br>five years | Over five<br>years |    |             |
|  | RM                                 | RM                   | RM                 | RM |             |

#### Company

##### Financial liabilities:

|  |         |         |        |         |
|--|---------|---------|--------|---------|
| Trade and other payables                 | 256,232 | -       | -      | 256,232 |
| Lease liabilities                        | 51,600  | 206,400 | 51,600 | 309,600 |
| Total undiscounted financial liabilities | 307,832 | 206,400 | 51,600 | 565,832 |

The table below shows the contractual expiry of the Company's contingent liabilities and commitments. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

|                      | 31 March 2025       | On demand<br>or within<br>one year | RM         |
|----------------------|---------------------|------------------------------------|------------|
|                      |                     | RM                                 |            |
|                      | Financial guarantee |                                    | 60,313,316 |
| <b>31 March 2024</b> |                     |                                    |            |
|                      | 31 March 2024       | On demand<br>or within<br>one year | RM         |
|                      |                     | RM                                 |            |
|                      | Financial guarantee |                                    | 61,040,414 |

### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** *cont'd*

**(c) Interest rate risk** *cont'd*

The Group is exposed to interest rate risk arising from bank borrowings and credit facilities. The Group does not use derivative financial instruments to hedge its exposure to interest rate fluctuations. However, it is the Group's policy to obtain the most favourable interest rates available whenever the Group obtains additional financing through bank borrowings. The Group has bank and fixed deposits balances which generate interest income for the Group. The Group and the Company monitor interest rates closely to ensure that interest rates are maintained at favourable rates.

The information on maturity dates and effective interest rates of financial assets are disclosed in their respective notes.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM115,301 (2024: RM126,818) lower/higher, arising mainly as a result of higher/lower interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

**(d) Foreign currency risk**

The Group has transactional currency exposures arising from sales or purchases that are denominated in currencies other than the functional currency of the Company and its subsidiaries, which is the RM. The foreign currencies in which these transactions are denominated are mainly Singapore Dollar ("SGD") and Hong Kong Dollar ("HKD").

The Group is also exposed to currency translation risk arising from its investments in foreign investment securities denominated in HKD.

The net unhedged financial assets of the Group as at 31 March that are not denominated in the functional currency of the Company and its subsidiaries are as follows:

| <b>Functional currency in Ringgit Malaysia</b> | <b>SGD</b>        | <b>HKD</b>     | <b>Total</b>      |
|--|-------------------|----------------|-------------------|
|  | <b>RM</b>         | <b>RM</b>      | <b>RM</b>         |
| <b>At 31 March 2025</b>                        |                   |                |                   |
| Cash and bank balances                         | 6,814,398         | -              | 6,814,398         |
| Trade and other receivables                    | 3,771,563         | 126,208        | 3,897,771         |
| Investment securities                          | -                 | 262,986        | 262,986           |
|  | <b>10,585,961</b> | <b>389,194</b> | <b>10,975,155</b> |
| <b>At 31 March 2024</b>                        |                   |                |                   |
| Cash and bank balances                         | 20,482,329        | -              | 20,482,329        |
| Trade and other receivables                    | 3,427,768         | 109,620        | 3,537,388         |
| Investment securities                          | -                 | 242,397        | 242,397           |
|  | <b>23,910,097</b> | <b>352,017</b> | <b>24,262,114</b> |

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax arising from its net unhedged financial assets and financial liabilities as at reporting date to a reasonably possible change in the SGD and HKD exchange rates against the Group's functional currency, with all other variables held constant.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

## 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *cont'd*

### (d) Foreign currency risk *cont'd*

#### Sensitivity analysis for foreign currency risk *cont'd*

|        |                                    | Group  |                      |
|--------|------------------------------------|--|----------------------|
|        |                                    | Increase/(decrease)<br>in profit, net of tax |                      |
|        |                                    | 2025   | 2024                 |
|        |                                    | RM   | RM                   |
| SGD/RM | - strengthened 3%<br>- weakened 3% | 241,360<br>(241,360)                         | 545,150<br>(545,150) |
| HKD/RM | - strengthened 3%<br>- weakened 3% | 8,874<br>(8,874)                             | 8,026<br>(8,026)     |

### (e) Market price risk

Market price 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 prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted investment securities. The quoted investment securities in Malaysia are listed on the Bursa Malaysia, whereas the quoted equity instruments outside Malaysia are substantially listed on the Hang Seng Index ("HSI") in Hong Kong. These instruments are classified as FVOCI. The Group is also exposed to commodity price risk and is disclosed in Note 34(f).

The Group's objective is to manage investment returns and equity price risk using a mix of investment grade shares with steady dividend yield. Any deviation from this policy is required to be approved by the Managing Director and the Board of Directors.

#### Sensitivity analysis for equity price risk

At the reporting date, if the FTSE Bursa Malaysia KLCI had been 5% higher/lower, with all other variables held constant, the Group's other comprehensive income would have been RM4,668,228 (2024: RM3,064,685) higher/lower, arising as a result of higher/lower fair value gains on investments in equity instruments classified as fair value through other comprehensive income.

At the reporting date, if the HSI had been 5% higher/lower, with all other variables held constant, the Group's other comprehensive income would have been RM12,265 (2024: RM12,120) higher/lower, arising as a result of higher/lower fair value gains on investments in equity instruments classified as fair value through other comprehensive income instruments.

### (f) Commodity price risk

The price of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living, and global production of similar and competitive crops. During its ordinary course of business, the value of the Group's open sales and purchases commitments and inventory of raw material changes continuously in line with movements in the prices of the underlying commodities. To the extent that its open sales and purchases commitments do not match at the end of each business day, the Group is subject to price fluctuations in the commodities market.

**NOTES TO THE  
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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** *cont'd*

**(f) Commodity price risk** *cont'd*

While the Group is exposed to fluctuations in agricultural commodities prices, its policy is to minimise the risks arising from such fluctuations through purchase of the commodity in advance, where appropriate.

Sensitivity analysis for commodity price risk

During the financial year, if the commodity price had been 5% higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM4,018,953 (2024: RM4,680,941) lower/higher.

**35. SEGMENT INFORMATION**

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- (i) Production and sale of poultry and related products - the production and sales of chicken eggs, chickens, organic fertilisers, chicken feeds and other materials.
- (ii) Extraction and sale of sand - the mining and sale of sand.
- (iii) Investment holding - investment in quoted and unquoted securities, and investment properties held by the Group on a long term basis.
- (iv) Property development - the business of developing residential and commercial properties.

The segment information is presented to reflect the reportable operating segments above and to allocate the finance cost to the respective operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Income taxes are managed on a group basis and are not allocated to operating segments. The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

cont'd

## 35. SEGMENT INFORMATION *cont'd*

|   | Production and Sale<br>of Poultry and<br>Related Products |                    | Extraction and<br>Sale of Sand |                  | Investment Holding |                   | Property<br>Development |             | Elimination        |                     | Group              |                    |
|---|---|--------------------|--------------------------------|------------------|--------------------|-------------------|-------------------------|-------------|--------------------|---------------------|--------------------|--------------------|
|   | 2025  | 2024               | 2025                           | 2024             | 2025               | 2024              | 2025                    | 2024        | 2025               | 2024                | 2025               | 2024               |
|   | RM  | RM                 | RM                             | RM               | RM                 | RM                | RM                      | RM          | RM                 | RM                  | RM                 | RM                 |
| <b>Revenue</b>  |   |                    |                                |                  |                    |                   |                         |             |                    |                     |                    |                    |
| External sales  | 212,490,277   | 248,340,495        | 9,056,062                      | 8,986,098        | 520,000            | 360,000           | -                       | -           | -                  | -                   | 222,066,339        | 257,686,583        |
| Inter-segment sales   | 489,180   | 580,080            | -                              | -                | 3,559,200          | 18,559,200        | -                       | -           | (4,048,380)        | (19,139,280)        | -                  | -                  |
| <b>Total revenue</b>  | <b>212,979,457</b>  | <b>248,920,575</b> | <b>9,056,062</b>               | <b>8,986,098</b> | <b>4,079,200</b>   | <b>18,919,200</b> | <b>-</b>                | <b>-</b>    | <b>(4,048,380)</b> | <b>(19,139,280)</b> | <b>222,066,339</b> | <b>257,686,583</b> |
| <b>Result</b>   |   |                    |                                |                  |                    |                   |                         |             |                    |                     |                    |                    |
| Segment results   | 46,446,450  | 64,491,132         | 2,459,392                      | 1,435,218        | 8,401,986          | 4,548,521         | (2,116,691)             | (1,852,193) | -                  | -                   | 55,191,147         | 68,623,678         |
| Inter-segment net (income)/ expense   | (2,098,884)   | (1,831,657)        | 221,546                        | 62,948           | 637,393            | 89,333            | 1,239,945               | 1,679,376   | -                  | -                   | -                  | -                  |
| Finance costs   | 44,347,566  | 62,659,475         | 2,680,938                      | 1,499,166        | 9,039,389          | 4,637,054         | (876,746)               | (172,817)   | -                  | -                   | 55,191,147         | 68,623,678         |
| Segment profit/(loss) before tax  | (1,835,502)   | (1,845,809)        | (122,471)                      | (191,779)        | (466,510)          | (1,878,705)       | (1,124,757)             | (68,038)    | -                  | -                   | (3,549,240)        | (3,984,331)        |
| Segment profit/(loss) before tax  | 42,512,064  | 60,813,666         | 2,558,467                      | 1,307,387        | 8,572,879          | 2,759,149         | (2,001,503)             | (240,855)   | -                  | -                   | 51,641,907         | 64,639,347         |
| Income tax benefit  |   |                    |                                |                  |                    |                   |                         |             |                    |                     | (3,148,744)        | (6,073,916)        |
| Profit for the financial year   |   |                    |                                |                  |                    |                   |                         |             |                    |                     | 48,493,163         | 58,565,431         |
| <b>Assets</b>   |   |                    |                                |                  |                    |                   |                         |             |                    |                     |                    |                    |
| Segment assets  | 191,002,594   | 191,325,036        | 27,200,992                     | 21,337,967       | 291,368,543        | 271,482,809       | 68,921,714              | 60,070,856  | (165,653,269)      | (156,766,972)       | 412,840,574        | 387,449,696        |
| Unallocated corporate assets  |   |                    |                                |                  |                    |                   |                         |             |                    |                     | 2,293,258          | 1,555,591          |
| Consolidated total assets   |   |                    |                                |                  |                    |                   |                         |             |                    |                     | 415,133,832        | 389,005,287        |
| <b>Liabilities</b>  |   |                    |                                |                  |                    |                   |                         |             |                    |                     |                    |                    |
| Segment liabilities   | 52,317,734  | 56,241,091         | 7,589,881                      | 3,570,523        | 30,717,842         | 46,769,088        | 57,068,368              | 54,357,729  | (65,665,794)       | (60,464,498)        | 82,028,031         | 100,473,933        |
| Unallocated corporate liabilities   |   |                    |                                |                  |                    |                   |                         |             |                    |                     | 1,924,320          | 2,582,310          |
| Consolidated total liabilities  |   |                    |                                |                  |                    |                   |                         |             |                    |                     | 83,952,351         | 103,056,243        |
| <b>Other Information</b>  |   |                    |                                |                  |                    |                   |                         |             |                    |                     |                    |                    |
| Capital expenditure   | 593,860   | 7,203,280          | 6,335,062                      | 97,633           | -                  | -                 | -                       | -           | -                  | -                   | 6,928,922          | 7,300,913          |
| Depreciation and amortisation   | 5,294,895   | 5,621,122          | 367,880                        | 355,171          | 48,386             | 43,857            | 187                     | 320         | -                  | -                   | 5,711,268          | 6,020,470          |
| Impairment losses   | 268,186   | -                  | -                              | 1,000,000        | -                  | -                 | -                       | -           | -                  | -                   | 268,186            | 1,000,000          |
| Net reversal of expected credit losses  | (6,449)   | (120,847)          | (105,308)                      | (7,341)          | -                  | -                 | -                       | -           | -                  | -                   | (111,757)          | (128,188)          |
| Non-cash expenses other than depreciation<br>amortisation and impairment loss | 257,290   | 319,061            | -                              | 162              | 14,390             | 8,491             | -                       | -           | -                  | -                   | 271,680            | 327,714            |

The above eliminations were made for related company transactions.

**NOTES TO THE  
FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

**36. CAPITAL MANAGEMENT**

The primary objective of the Group and of the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their business and maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2025 and 31 March 2024.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group and the Company include within net debt, loans and borrowings, trade and other payables, less cash and bank balances. Capital includes equity attributable to the owners of the parent less the FVOCI reserve.

|   | Group        |              | Company     |              |
|---|--------------|--------------|-------------|--------------|
|   | 2025<br>RM   | 2024<br>RM   | 2025<br>RM  | 2024<br>RM   |
| Loans and borrowings                            | 60,313,316   | 61,040,414   | -           | -            |
| Trade and other payables                        | 17,673,894   | 19,981,377   | 246,254     | 256,232      |
| Less: Cash and bank balances                    | (61,729,468) | (79,164,266) | (1,932,819) | (18,072,509) |
| Net debt/(cash)                                 | 16,257,742   | 1,857,525    | (1,686,565) | (17,816,277) |
| Equity attributable to the owners of the parent | 331,181,481  | 285,949,044  | 111,781,350 | 114,592,794  |
| Less: FVOCI reserve                             | (1,359,924)  | 147,378      | -           | -            |
| Total capital                                   | 329,821,557  | 286,096,422  | 111,781,350 | 114,592,794  |
| Capital and net debt                            | 346,079,299  | 287,953,947  | 110,094,785 | 96,776,517   |
| Gearing ratio                                   | 5%           | 1%           | <1%         | <1%          |

**37. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES**

| Group                                       | 1 April<br>2024<br>RM | Cash flows<br>RM | Other<br>RM | 31 March<br>2025<br>RM |
|---|-----------------------|------------------|-------------|------------------------|
|   |                       |                  |             |                        |
| Current interest-bearing:                   |                       |                  |             |                        |
| - term loans                                | 7,956,757             | (2,976,108)      | 328,107     | 5,308,756              |
| - other borrowings                          | 33,399,246            | 2,249,010        | -           | 35,648,256             |
| Current lease liabilities                   | 1,099,935             | (1,099,920)      | 1,167,761   | 1,167,776              |
| Non-current interest-bearing:               |                       |                  |             |                        |
| - term loans                                | 19,684,411            | -                | (328,107)   | 19,356,304             |
| Non-current lease liabilities               | 4,040,806             | -                | (1,167,761) | 2,873,045              |
| Total liabilities from financing activities | 66,181,155            | (1,827,018)      | -           | 64,354,137             |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025  
cont'd

### 37. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES *cont'd*

|   | 1 April<br>2023<br>RM | Cash flows<br>RM | Other<br>RM | 31 March<br>2024<br>RM |
|---|-----------------------|------------------|-------------|------------------------|
| Current interest-bearing:                   |                       |                  |             |                        |
| - term loans                                | 9,752,192             | (9,309,823)      | 7,514,388   | 7,956,757              |
| - other borrowings                          | 33,981,951            | (573,749)        | (8,956)     | 33,399,246             |
| Current lease liabilities                   | 1,043,955             | (1,048,396)      | 1,104,376   | 1,099,935              |
| Non-current interest-bearing:               |                       |                  |             |                        |
| - term loans                                | 27,224,561            | -                | (7,540,150) | 19,684,411             |
| - other borrowings                          | -                     | -                | -           | -                      |
| Non-current lease liabilities               | 4,999,644             | -                | (958,838)   | 4,040,806              |
| Total liabilities from financing activities | 77,002,303            | (10,931,968)     | 110,820     | 66,181,155             |

| Company                                     | 1 April<br>2024<br>RM | Cash flows<br>RM | Other<br>RM | 31 March<br>2025<br>RM |
|---|-----------------------|------------------|-------------|------------------------|
| Current lease liabilities                   | 37,225                | (37,210)         | 39,506      | 39,521                 |
| Non-current lease liabilities               | 223,532               | -                | (39,506)    | 184,026                |
| Total liabilities from financing activities | 260,757               | (37,210)         | -           | 223,547                |

|   | 1 April<br>2023<br>RM | Cash flows<br>RM | Other<br>RM | 31 March<br>2024<br>RM |
|---|-----------------------|------------------|-------------|------------------------|
| Current lease liabilities                   | 34,926                | (47,424)         | 49,723      | 37,225                 |
| Non-current lease liabilities               | 127,717               | -                | 95,815      | 223,532                |
| Total liabilities from financing activities | 162,643               | (47,424)         | 145,538     | 260,757                |

**LIST OF  
PROPERTIES**  
AS AT 31 MARCH 2025

| Location   | Existing use & description        | Approximate Area | Tenure  | Remaining Lease Period (Expiry Date) | Age of buildings | Net Book Value As At 31.3.25 (RM'mil) | Date of Revaluation / Acquisition |
|--|-----------------------------------|------------------|---|--------------------------------------|------------------|---------------------------------------|-----------------------------------|
| Lot Nos. 372, 1378 (new lot No. 3268) and 3266, Mukim of Durian Tunggal, District of Alor Gajah, Melaka                            | Poultry Farm                      | 266.8 acres      | Freehold  | -                                    | 6 - 37 years     | 42.51*                                | February 2015 (Revaluation)       |
| Lot Nos. 105, 106, 233, 758, 150, 1333, Mukim of Bukit Senggeh, District of Jasin, Melaka  | Sand mining & oil palm plantation | 199.8 acres      | Freehold  | -                                    | -                | 13.00                                 | March 2025 (Revaluation)          |
| Lot Nos. 12128 - 12137, Mukim Jus, District of Jasin, Melaka   | Sand mining & oil palm plantation | 49.90 acres      | Leasehold                                       | 51 years (11.12.2076)                | -                | 3.55                                  | March 2023 (Revaluation)          |
| Lot Nos. 270, 271, 272 and 165, Mukim Jus, District of Jasin, Melaka   | Sand mining & oil palm plantation | 40.86 acres      | Leasehold (32.3 acres)<br>Freehold (8.51 acres) | 32 years (21.03.2057)                | -                | 0.57                                  | March 2023 (Revaluation)          |
| Lot Nos. 107, 108 & 109, Mukim of Bukit Senggeh, District of Jasin, Melaka   | Sand mining & oil palm plantation | 24.99 acres      | Freehold  | -                                    | -                | 5.56                                  | August 2024 (Acquisition)         |
| Lot Nos. 51906 to 51920, Pekan Kapar, Klang, Selangor  | Land held for development         | 0.63 acres       | Freehold  | -                                    | -                | 2.50                                  | March 2023 (Revaluation)          |
| No.100, Batu 1 1/2, Jalan Meru, 41050 Klang, Selangor  | 3 storey shop house for own use   | 1,430 sq. ft     | Freehold  | -                                    | 44 years         | 0.62                                  | March 2016 (Revaluation)          |
| Lot Nos. PT 4030 to 4086, all in Seksyen 2, Mukim Tanjung Dua Belas, Kuala Langat, Selangor  | Land held for development         | 2.22 acres       | Freehold  | -                                    | -                | 5.00                                  | March 2023 (Revaluation)          |
| Lot Nos. 422, 435 and 436 all in Mukim Tanjung Dua Belas, Kuala Langat, Selangor   | Land held for development         | 15.81 acres      | Freehold  | -                                    | -                | 16.80                                 | March 2023 (Revaluation)          |
| PT4028 and PT4029, Pekan Jenjarum, District of Kuala Langat and State of Selangor  | Land held for development         | 5.07 acres       | Freehold  | -                                    | -                | 6.50                                  | March 2023 (Revaluation)          |
| PT No 17040, PT No 17041, PT No 17042 and Lot 1196, Tempat Jalan Balakong Serdang, Mukim & District of Petaling, State of Selangor | Held for investment               | 6.38 acres       | Leasehold                                       | 66 years 11.10.2091                  | -                | 57.60                                 | March 2025 (Revaluation)          |
| Lot 1401 and Lot 1402, Jalan Puchong of Mukim Petaling District of Federal Territory of Kuala Lumpur                               | Held for investment               | 2.938 acres      | Freehold  | -                                    | -                | 36.40                                 | March 2025 (Revaluation)          |
| Lot Nos 11757 – 11762, Mukim of Kapar, District Klang, Selangor  | Land held for development         | 0.957 acres      | Freehold  | -                                    | -                | 3.01                                  | March 2023 (Revaluation)          |

\* Net book value of both land and building

## ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2025

ISSUED AND PAID-UP SHARE CAPITAL : RM76,695,953 divided into 143,114,006 Ordinary Shares  
 CLASS OF SHARES : Ordinary Shares  
 VOTING RIGHTS : One (1) Vote per Ordinary Share

### ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 30 JUNE 2025

| Size of Shareholdings  | No. of Shareholders | %             | No. of Shares      | %             |
|------------------------|---------------------|---------------|--------------------|---------------|
| Less than 100          | 65                  | 4.77          | 1,151              | 0.00          |
| 100 to 1,000           | 193                 | 14.17         | 99,683             | 0.07          |
| 1,001 to 10,000        | 764                 | 56.09         | 3,371,350          | 2.35          |
| 10,001 to 100,000      | 293                 | 21.51         | 8,141,900          | 5.69          |
| 100,001 to 7,155,699 * | 46                  | 3.38          | 34,872,416         | 24.37         |
| 7,155,700 and above ** | 1                   | 0.08          | 96,627,506         | 67.52         |
| <b>Total</b>           | <b>1,362</b>        | <b>100.00</b> | <b>143,114,006</b> | <b>100.00</b> |

\* Less than 5% of issued and paid-up share capital.

\*\* 5% and above of issued and paid-up share capital.

### SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2025

| Name                               | Direct     | Shareholdings |                            |       |
|------------------------------------|------------|---------------|----------------------------|-------|
|                                    |            | %             | Indirect                   | %     |
| Ladang Ternakan Kelang Sdn. Berhad | 96,627,506 | 67.52         | -                          | -     |
| Datuk Tan Kok                      | 3,458,116  | 2.42          | 101,465,606 <sup>(1)</sup> | 70.90 |
| Datin Lim Hooi Tin                 | 600,000    | 0.42          | 101,465,606 <sup>(2)</sup> | 70.90 |
| Chiau Beng Teik                    | 7,634,000  | 5.33          | -                          | -     |

1. Deemed interested by virtue of his shareholdings in Ladang Ternakan Sdn Berhad, pursuant to Section 8(4) and Section 59(11)(c) of the Companies Act 2016.
2. Deemed interested by virtue of her being the spouse of Datuk Tan Kok, a shareholder of Ladang Ternakan Sdn Berhad, which is a substantial shareholder of LTKM Berhad and pursuant to Section 59(11)(c) of the Companies Act 2016.

### DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2025

| Name               | Direct    | Shareholdings |                            |       |
|--------------------|-----------|---------------|----------------------------|-------|
|                    |           | %             | Indirect                   | %     |
| Datuk Tan Kok      | 3,458,116 | 2.42          | 101,465,606 <sup>(1)</sup> | 70.90 |
| Datin Lim Hooi Tin | 600,000   | 0.42          | 101,465,606 <sup>(2)</sup> | 70.90 |
| Tan Chee Huey      | 202,000   | 0.14          | 4,333,100 <sup>(3)</sup>   | 3.03  |
| Loh Wei Ling       | 12,000    | 0.01          | 502,000 <sup>(4)</sup>     | 0.35  |
| Tan Kah Poh        | -         | -             | -                          | -     |
| Mok Kam Loong      | -         | -             | -                          | -     |
| Choo Seng Choon    | -         | -             | -                          | -     |

1. Deemed interested by virtue of his shareholdings in Ladang Ternakan Sdn Berhad pursuant to Section 8(4) and Section 59(11)(c) of the Companies Act 2016.
2. Deemed interested by virtue of her being the spouse of Datuk Tan Kok, a shareholder of Ladang Ternakan Sdn Berhad, which is a substantial shareholder of LTKM Berhad and pursuant to Section 59(11)(c) of the Companies Act 2016.
3. Deemed interested pursuant to Section 8(4) and Section 59(11) (c) of the Companies Act 2016.
4. Deemed interested pursuant to Section 59(11) (c) of the Companies Act 2016.

**ANALYSIS OF  
SHAREHOLDINGS**  
AS AT 30 JUNE 2025  
cont'd

**THIRTY (30) LARGEST SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS  
AS AT 30 JUNE 2025**

| No.          | Name  | No. of Shares      | %            |
|--------------|---|--------------------|--------------|
| 1.           | Ladang Ternakan Kelang Sdn Bhd  | 96,627,506         | 67.52        |
| 2.           | HLB Nominees (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Chiau Beng Teik</i>                              | 4,964,000          | 3.47         |
| 3.           | Phuah Chai Tin  | 4,725,300          | 3.30         |
| 4.           | Tan Kok   | 3,458,116          | 2.42         |
| 5.           | HLB Nominees (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Chiau Beng Teik</i>                              | 2,670,000          | 1.87         |
| 6.           | YBJ Capital Sdn Bhd   | 2,625,000          | 1.83         |
| 7.           | Public Nominees (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Nutra Lipids Holdings Sdn Bhd (E-SJA)</i>     | 2,000,000          | 1.40         |
| 8.           | RHB Nominees (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Ooi Chen Seng</i>                                | 1,390,300          | 0.97         |
| 9.           | Tan Yee Boon  | 1,192,000          | 0.83         |
| 10.          | Kok Chiew Heng  | 1,148,500          | 0.80         |
| 11.          | Maybank Nominees (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Chiau Haw Choon</i>                          | 928,300            | 0.65         |
| 12.          | Lee Hai Leong   | 762,900            | 0.53         |
| 13.          | Lim Hooi Tin  | 600,000            | 0.42         |
| 14.          | Tye Lim Huat  | 600,000            | 0.42         |
| 15.          | RHB Nominees (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Chiau Beng Soo</i>                               | 569,800            | 0.40         |
| 16.          | Tan Yee Boon  | 516,100            | 0.36         |
| 17.          | HLB Nominees (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Ooi Chen Seng</i>                                | 490,000            | 0.34         |
| 18.          | OUN Kay Hian Nominees (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Teo Kwee Hock</i>                       | 380,400            | 0.26         |
| 19.          | Ng Chew Kee   | 353,000            | 0.25         |
| 20.          | CGS International Nominees (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Chew Hew Wearn (MY4130)</i>        | 351,700            | 0.25         |
| 21.          | CGS International Nominees Malaysia (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Lau Kim San (MF00557)</i> | 349,300            | 0.24         |
| 22.          | Tan Yee Siong   | 341,700            | 0.24         |
| 23.          | Teo Kwee Hock   | 308,900            | 0.22         |
| 24.          | Chia Seong Pow  | 302,800            | 0.21         |
| 25.          | Maybank Nominees (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Gan Sheng Yih</i>                            | 270,000            | 0.19         |
| 26.          | Lee Tong Choo   | 261,000            | 0.18         |
| 27.          | Lee Chee Beng   | 237,400            | 0.17         |
| 28.          | M & A Nominee (Tempatan) Sdn Bhd<br><i>Pledged Securities Account for Ng Buan Thoe (M&amp;A)</i>                      | 230,000            | 0.16         |
| 29.          | Tan Chee Huey   | 202,000            | 0.14         |
| 30.          | Low Kum Moon  | 200,000            | 0.14         |
| <b>Total</b> |   | <b>129,056,022</b> | <b>90.18</b> |

# NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Eighth Annual General Meeting of the Company will be held at Botanic Room, Botanic Resort Club, No. 1, Jalan Ambang Botanic, Bandar Botanic, 41200 Klang, Selangor on Wednesday, 17<sup>th</sup> September 2025 at 11.00 a.m. for the purpose of transacting the following business:-

## A G E N D A

### ORDINARY BUSINESS

|  |   |
|--|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 March 2025 together with the Directors' and Auditors' Reports thereon.                              | <i>Please refer to Note B of this Notice.</i> |
| 2. To approve a single-tier final dividend of 2 sen per ordinary share in respect of the financial year ended 31 March 2025.   | <b>Resolution 1</b>                           |
| 3. To approve the Directors' Fees of RM300,000 and benefits payable for the period from 18 September 2025 up to the next Annual General Meeting of the Company to be held in 2026. | <b>Resolution 2</b>                           |
| 4. To re-elect Datuk Tan Kok who is retiring in accordance with Clause 88 of the Company's Constitution.   | <b>Resolution 3</b>                           |
| 5. To re-elect Mr. Mok Kam Loong who is retiring in accordance with Clause 88 of the Company's Constitution.   | <b>Resolution 4</b>                           |
| 6. To re-elect Ms. Loh Wei Ling who is retiring in accordance with Clause 88 of the Company's Constitution.  | <b>Resolution 5</b>                           |
| 7. To re-appoint Messrs. Ernst & Young as the External Auditors and to authorize the Board of Directors to fix their remuneration.   | <b>Resolution 6</b>                           |

### SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following Resolutions:-

|   |                     |
|---|---------------------|
| 8. Ordinary Resolution                              | <b>Resolution 7</b> |
| • Authority For Directors To Allot And Issue Shares |                     |

**“THAT** pursuant to Section 75 and 76 of the Companies Act 2016 and the Constitution of the Company subject to the approval of the relevant authorities, the Directors be and are hereby empowered to allot and issue shares in the Company from time to time upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the issued share capital of the Company for the time being and that the Directors, be and hereby empowered to obtain necessary approval for the listing and quotation of the additional shares so issued on the Bursa Malaysia Securities Berhad.

### ANY OTHER BUSINESS

|  |  |
|--|--|
| 9. To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act 2016. |  |
|--|--|

# NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING

cont'd

## NOTICE OF DIVIDEND ENTITLEMENT

**NOTICE IS HEREBY GIVEN THAT**, a single-tier final dividend of 2 sen per ordinary share in respect of the financial year ended 31 March 2025, if approved by the Members, will be payable on 10 October 2025 to Depositors registered in the Record of Depositors as at the close business on 26 September 2025.

By Order Of the Board

**LTKM BERHAD**

NG YIM KONG  
Company Secretary  
MACS00305  
SSM Practicing Certificate No. 202008000309

Dated: 31 July 2025  
Selangor Darul Ehsan

### NOTES:

#### A. Appointment of proxy

- a) A member of the Company entitled to attend, speak and vote at the meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint any person as his proxy to attend, speak, participate, and vote on his/ her behalf. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- b) A member holding one thousand (1,000) ordinary shares or less may appoint only one (1) proxy to attend and vote at a general meeting who shall represent all the shares held by such member. A member holding more than one (1,000) ordinary shares may appoint up to ten (10) proxies to vote at the same meeting and each proxy appointed shall represent a minimum of one thousand (1,000) shares.
- c) A Proxy may but need not be a member of the Company.
- d) A Form of Proxy shall be signed by the appointor or his/her attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
- e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- f) The appointment of proxy may be made in a hardcopy form or by electronic means as follows and must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor"), not less than forty-eight (48) hours before the time for holding this meeting or any adjournment thereof. Otherwise the instrument of proxy shall be valid.
  - (a) *In Hardcopy Form*  
The Form of Proxy must be deposited at Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or drop the Form of Proxy at the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - (b) *By Electronic Lodgement*  
The Form of Proxy can be electronically submitted to Tricor via TIIH Online at <https://tiih.online>.

Kindly refer to Note C(1) below on the Administrative Guide – Electronic Lodgement of Form of Proxy
- g) Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by poll.

# NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING

cont'd

## B. Explanatory Notes

### a) Item 1 of the Agenda – Ordinary Business

#### *Audited Financial Statements for the financial year ended 31 March 2025*

*This item of the agenda is meant for discussion only as the provision of Sections 248(2) and 340(1) of the Companies Act 2016 does not require a formal approval of the Shareholders for the Audited Financial Statements. Hence, this item of the agenda is not subject to voting.*

### b) Item 3 of the Agenda – Ordinary Business

#### *Approval of Directors' Fees*

*The proposed Ordinary Resolution 1, if passed, will enable the Company to pay Directors' fees to the Directors for the period from 18 September 2025 until the next Annual General Meeting of the Company in 2026 up to an amount of RM300,000 in total. The benefits payable is meeting allowance of up to RM1,000 per meeting for the Non-Executive Directors ("NED") which is determined by the number of meeting of the Board and Board Committee and NEDs' respective attendance.*

### c) Item 4, 5 & 6 of the Agenda – Ordinary Business

#### *Re-election of retiring Directors*

*For the purpose of determining the eligibility of the Directors to stand for re-election at the Twenty-Eighth Annual General Meeting, the Board through its Nomination Committee had assessed the performance of Datuk Tan Kok, Mr. Mok Kam Loong and Ms. Loh Wei Ling. The Directors' Profile section in the Annual Report 2025 provide details of the Directors concerned. Their performance were assessed based on their understanding of the Group's business, their time commitment and also their participation at the Board and Board Committees meetings. They have shown that they were effective in the discharge of their responsibilities. No circumstances have arisen in the past year to impair their judgement on matters brought for Board discussion and they have always acted in the best interest of the Company as a whole. Based on the above, the Board supports their re-election.*

### d) Item 8 of the Agenda – Special Business

#### *Authority for Directors to Allot and Issue Shares*

*The proposed Resolution 7, if passed, will empower the Directors of the Company, from the date of the above Annual General Meeting, with the authority to allot and issue shares in the Company of up to an amount not exceeding 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.*

*The general mandate sought to grant authority to Directors to allot and issue shares is a renewal of the mandate that was approved by the shareholders at the Twenty-Seventh Annual General Meeting held on 11 September 2024. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain Shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions.*

*Up to the date of this Notice, the Company has not issued any shares pursuant to the mandate granted to the Directors at the Twenty-Seventh Annual General Meeting because there was no need for any fund raising activity for the purpose of investment, acquisition or working capital since then.*

# NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING

cont'd

## C. Administrative Guide

### 1. ELECTRONIC LODGEMENT OF FORM OF PROXY

| PROCEDURES                                   | ACTIONS   |
|--|---|
| (a) Register as a user with TIIH Online      | <ul style="list-style-type: none"> <li>● Using your computer, access the website at <a href="https://tiih.online">https://tiih.online</a>. Register as a user under "e-Services". You may refer to the tutorial guide posted on the homepage for assistance.</li> <li>● If you are already a user with TIIH Online, you are not required to register again.</li> </ul>  |
| (b) Proceed with submission of Form of Proxy | <ul style="list-style-type: none"> <li>● After the release of the Notice of the 28<sup>th</sup> AGM by the Company, login with your username (i.e. email address) and password.</li> <li>● Select the corporate event: "<b>LTKM 28<sup>th</sup> AGM - Submission of Proxy Form</b>".</li> <li>● Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>● Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf.</li> <li>● Appoint your proxy(s) and insert the required details of your proxy(s) or appoint Chairperson as your proxy.</li> <li>● Indicate your voting instructions - FOR or AGAINST, otherwise your proxy will decide your vote.</li> <li>● Review and confirm your proxy(s) appointment.</li> <li>● Print e-proxy form for your record.</li> </ul> |

### 2. PRE-REGISTRATION TO ATTEND THE 28<sup>th</sup> AGM

- i) In order to assist the Company in managing the turnout at the 28<sup>th</sup> AGM, shareholders are encouraged to pre-register their attendance electronically.
- ii) The following are the procedures to pre-register your attendance via Tricor's TIIH Online website at <https://tiih.online>:
  - Log in with your username (i.e email address) and password under e-Services. If you have not registered as a user of TIIH Online, you may refer to the tutorial guide posted on the homepage for assistance.
  - Select the corporate event: "**LTKM 28<sup>th</sup> AGM - Registration**".
  - Read and agree to the Terms & Conditions and confirm the Declaration.
  - Select "Register for Physical Attendance at Meeting Venue".
  - Review your registration and proceed to register.
  - System will send an email to notify that your registration for Physical Attendance at Meeting Venue is received and will be verified.
  - After verification of your registration against the General Meeting Record of Depositors, the system will send you an email after 15 September 2025 to approve or reject your registration to attend physically at the Meeting venue.

## GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining a member who shall be entitled to attend the Twenty-Eighth Annual General Meeting, the Company will request Bursa Malaysia Depository Sdn Bhd in accordance with Clause 35 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 8 September 2025. Only depositors whose name appears on the Record of Depositors as at 8 September 2025 shall be entitled to attend the Twenty-Eighth Annual General Meeting or to appoint proxy/proxies to attend and/or to vote in his/her stead.

### Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), 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) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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**LTKM BERHAD**(Registration No. 199701027444 (442942-H))  
(Incorporated in Malaysia)

CDS Account No. of Authorised Nominee:

**FORM OF PROXY**I/We \_\_\_\_\_ (NRIC No./Passport No./Company No.) \_\_\_\_\_  
(Full Name in Capital Letters)of \_\_\_\_\_  
(Full Address)being a Member of **LTKM BERHAD** hereby appoint \_\_\_\_\_  
(Full Name in Capital Letters)(NRIC No./Passport No.) \_\_\_\_\_ of \_\_\_\_\_  
(Full Address)  
or failing him/her) \_\_\_\_\_  
(Full Name in Capital Letters)(NRIC No./Passport No.) \_\_\_\_\_ of \_\_\_\_\_  
(Full Address)or failing him/her, the CHAIRMAN OF MEETING, as \*my/our proxy to attend and vote for \*me/us and on \*my/our behalf at the Twenty-Eighth Annual General Meeting to be held at Botanic Room, Botanic Resort Club, No.1, Jalan Ambang Botanic, Bandar Botanic, 41200 Klang, Selangor on Wednesday, 17<sup>th</sup> September 2025 at 11.00 a.m. and at any adjournment thereof.

Please indicate with an "x" in the space provided below how you wish your votes to be casted. If no specific direction as to voting is given, the Proxy will vote or abstain from voting at his/her discretion.

| No. | Resolutions  | For | Against |
|-----|--|-----|---------|
|     | <b>Ordinary Business</b>   |     |         |
| 1.  | Resolution 1 – To approve a single-tier final dividend of 2 sen per ordinary share in respect of the financial year ended 31 March 2025.   |     |         |
| 2.  | Resolution 2 - To approve the Directors' Fees of RM300,000 and benefits payable for the period from 18 September 2025 up to the next Annual General Meeting of the Company to be held in 2026. |     |         |
| 3.  | Resolution 3 – To re-elect Datuk Tan Kok who is retiring in accordance with Clause 88 of the Company's Constitution.   |     |         |
| 4.  | Resolution 4 – To re-elect Mr. Mok Kam Loong who is retiring in accordance with Clause 88 of the Company's Constitution.   |     |         |
| 5.  | Resolution 5- To re-elect Ms. Loh Wei Ling who is retiring in accordance with Clause 88 of the Company's Constitution.   |     |         |
| 6.  | Resolution 6 – To re-appoint Messrs. Ernst & Young as External Auditors and to authorize the Board of Directors to fix their remuneration.   |     |         |
|     | <b>Special Business</b>  |     |         |
| 7.  | Resolution 7 – Authority for Directors to allot and issue shares under Section 75 and 76 of the Companies Act 2016   |     |         |

\* Strike out whichever is not applicable.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2025

Signature of Member/Common Seal

| Number of shares held |
|-----------------------|
|                       |

**Notes:**

- A member of the Company entitled to attend, speak and vote at the meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint any person as his proxy to attend, speak, participate, and vote on his/her behalf. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- A member holding one thousand (1,000) ordinary shares or less may appoint only one (1) proxy to attend and vote at a general meeting who shall represent all the shares held by such member. A member holding more than one (1,000) ordinary shares may appoint up to ten (10) proxies to vote at the same meeting and each proxy appointed shall represent a minimum of one thousand (1,000) shares.
- A Proxy may but need not be a member of the Company.
- A Form of Proxy shall be signed by the appointor or his/her attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The appointment of proxy may be made in a hardcopy form or by electronic means as follows and must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor"), not less than forty-eight (48) hours before the time for holding this meeting or any adjournment thereof. Otherwise the instrument of proxy shall be valid.
  - In Hardcopy Form  
The Form of Proxy must be deposited at Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or drop the Form of Proxy at the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - By Electronic Lodgement  
The Form of Proxy can be electronically submitted to Tricor via TIIH Online at <https://tiih.online>.

Kindly refer to Note C(1) Administrative Guide – Electronic Lodgement of Form of Proxy as contained in the Notice of the 28<sup>th</sup> AGM.

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AFFIX  
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Share Registrar

**Tricor Investor & Issuing House Services Sdn Bhd**

Unit 32-01, Level 32  
Tower A, Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur

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**LTKM BERHAD**

199701027444 (442942-H)

102, Batu 1 1/2, Jalan Meru, 41050 Klang,  
Selangor Darul Ehsan, Malaysia.

Tel: (603) 3342 2830      Fax: (603) 3341 1967