



LTKM BERHAD
199701027444 (442942-H)



2026
ANNUAL REPORT

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

Caratenoids. No synthetic
colouring.

* In comparison to an ordinary egg

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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

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

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

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 75, Datuk Tan Kok was appointed to the Board on 23 December 1999. He has more than 50 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 46, 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 45, 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 74, 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 40, 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 diverge 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 62, 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 30 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 52, Mr Choo was appointed to the Board on 25 February 2021. He is a Certified Public Accountant of the Malaysian Institute of Public Accountant ("MICPA"), 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 30 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.

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 66, 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 65, 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 56, 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 53, 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 and SBS Nexus Berhad.

LOO LENG FONG

Accounting Manager

Loo Leng Fong, aged 54, 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 Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2026 (“FY2026”).

”



The financial year under review continued to present a challenging operating environment for businesses globally and domestically. Economic uncertainties arising from geopolitical developments, inflationary pressures, fluctuations in commodity prices, and foreign exchange volatility continued to affect business sentiment and operating costs across many industries. Despite these challenges, Malaysia’s economy remained supported by resilient domestic demand and continued economic activities across key sectors.

For LTKM Berhad, the poultry industry continued to experience pricing and cost pressures during the financial year. Egg prices remained volatile while production-related costs particularly fuel, labour and logistics expenses, continued to increase. As poultry remains the Group’s core business, the Group maintained its focus on operational efficiency, productivity, and prudent cost management to preserve operational stability and competitiveness.

The Group also continued to strengthen its sustainability efforts as part of its long-term business strategy. We remain committed to maintaining high standards of product quality and biosecurity, ensuring workplace safety and employee well-being, managing environmental impacts responsibly, and upholding sound governance and ethical business conduct throughout our operations. The Board believes that responsible and sustainable business practices are essential in supporting long-term resilience, stakeholder confidence, and sustainable value creation.

For a detailed analysis of the Group’s financial performance for FY2026, we invite you to read the Management Discussion and Analysis section of this Annual Report.

On behalf of the Board, I would like to extend our sincere appreciation to our management and staff for their dedication and commitment throughout the year. We also wish to thank our customers, suppliers, bankers, advisors, regulators, business partners, and shareholders for their continued trust, confidence, and unwavering support.

Thank you.

Datuk Tan Kok
Executive 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 2026 which provides details necessary for a comprehensive understanding of LTKM's financial performance and position.

OVERVIEW

In the financial year ended 31 March 2026 ("FY2026"), LTKM recorded a revenue of RM211.9 million, representing a 5% decline compared to RM222.1 million in FY2025. Profit before tax decreased by 16% to RM43.6 million as compared to RM51.6 million in the previous financial year. Earnings per share ("EPS") stood at 26.74 sen, down from 33.88 sen in FY2025.

PERFORMANCE REVIEW

Revenue

Segment	FY2026 RM'000	FY2025 RM'000	Change %
Revenue	211,947	222,066	-5%
<i>Poultry</i>	202,113	212,490	-5%
<i>Sand mining</i>	8,834	9,056	-2%
<i>Investment holdings</i>	1,000	520	92%
<i>Property development</i>	-	-	-

The poultry segment remained the Group's primary revenue contributor, generating RM202.1 million in FY2026, compared to RM212.5 million in FY2025. The decline was largely due to lower average egg prices, which resulted in a 5% reduction in revenue for the segment.

Revenue from sand mining amounted to RM8.8 million (FY2025: RM9.1 million), reflecting a slight year-on-year decrease. The investment holdings segment recorded improved revenue of RM1.0 million (FY2025: RM0.52 million), representing a 92% increase, primarily driven by higher rental income rates.

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

Profit before tax

Segment	FY2026 RM'000	FY2025 RM'000	Change %
Profit before tax	43,587	51,642	-16%
<i>Poultry</i>	35,385	47,962	-26%
<i>Sand mining</i>	1,853	2,115	-12%
<i>Investment holdings</i>	6,510	1,850	252%
<i>Property development</i>	(161)	(285)	-44%

The poultry segment recorded earnings of RM35.4 million in FY2026, representing a 26% decline compared to FY2025. This was primarily attributable to lower average egg prices and lower subsidies income from government, partially offset by reduced costs of key raw materials, particularly soybean.

The sand mining segment also recorded lower earnings as compared to the previous financial year from RM2.1 million to RM1.9 million due mainly to higher cost of production.

Investment holdings generated higher earnings at RM6.5 mil (FY2025 : RM1.9 mil) contributed mainly by higher dividend income from investment in securities.

As a result the Group's overall profit before tax declined by 16%, from RM51.6 million in FY2025 to RM43.6 million in FY2026.

Significant movements of items in Consolidated Statement of Financial Position

Balance sheet items	FY2026 RM'000	FY2025 RM'000	Change RM'000
Investment properties	95,600	94,000	1,600
Investment securities	132,357	93,610	38,747
Biological assets	9,355	9,771	(416)
Inventories	18,044	18,251	(207)
Trade receivables	7,441	8,145	(704)
Cash & bank balances	59,197	61,729	(2,532)
Trade & other payables	20,238	17,674	2,564
Borrowings	46,558	60,313	(13,755)
Net cash	12,639	1,416	11,223

MANAGEMENT DISCUSSION AND ANALYSIS

cont'd

Financial Position as at 31 March 2026

1. Investments

Investment in quoted securities increased significantly from RM93.6 million to RM132.4 million, reflecting additional investments made during the financial year.

2. Inventories

Inventories reduced marginally to RM18.0 million (FY2025: RM18.3 million), mainly due to lower cost of key raw materials.

3. Trade Receivables

Trade receivables declined to RM7.4 million compared to RM8.1 million in the previous financial year, in line with the lower revenue. The average collection period reduced slightly at 13 days (FY2025: 14 days), reflecting continued efficiency in receivables management.

4. Trade and Other Payables

Trade and other payables increased to RM20.2 million (FY2025: RM17.7million), primarily due to timing of purchases and payments to vendors.

5. Cash, Bank Balances and Borrowings

Cash and bank balances stood at RM59.2 million, reduced marginally from RM61.7 million in FY2025. Bank borrowings were slightly lower at RM46.6 million (FY2025: RM60.3 million). Of the total borrowings, RM15.6 million (FY2025: RM24.7 million) comprised long-term loans for investment properties, 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 RM12.6 million (FY2025: RM1.4 million).

DIVIDENDS

During the financial year, the Board declared and paid two dividends of 2 sen per ordinary share each. Dividends amounting to RM2.9 million were paid to shareholders on 10 October 2025 and 30 March 2026, respectively. This resulted in a total dividend payment of RM5.7 million or 15% of the net profit for the financial year. The Board of Directors has proposed a final dividend of 2 sen per ordinary share in respect of FY2026 which is subject to approval of shareholders at the 29th AGM.

PROSPECTS

Poultry Operations

The Board anticipates the challenging operating environment to continue in the coming year. This is particularly due to continuous excess production capacity in the industry and rising operating costs arising from geopolitical uncertainties in the Middle East. Despite these external challenges, the Group remains committed to its sustainability priorities by continuing to strengthen operational efficiency, responsible resource management, and prudent cost control measures across its operations.

The Group will also continue to focus on maintaining product quality, workforce well-being, environmental management, and good governance practices to support long-term business resilience, operational sustainability, and value creation for stakeholders.

Net Tangible Assets ("NTA")

The Company's NTA per share increased to RM2.61 as at the end of FY2026, compared to RM2.31 at the end of the previous financial year.



FIVE YEARS FINANCIAL STATISTICS

Year ended 31 March		2026	2025	2024	2023	2022
		RM'000	RM'000	RM'000	RM'000	RM'000
Revenue		211,947	222,066	257,687	257,272	201,669
Operating profits/(loss)		46,715	55,191	68,613	34,292	(15,623)
Finance costs		(3,128)	(3,549)	(3,974)	(3,768)	(3,522)
Profit/(Loss) before tax		43,587	51,642	64,639	30,524	(19,145)
Profit/(Loss) attributable to equity holders		38,274	48,493	58,565	20,627	(16,097)
Share capital		76,696	76,696	76,696	76,696	76,696
No of shares		143,114	143,114	143,114	143,114	143,114
Total equity		372,857	331,181	285,948	235,734	216,448
Net earnings/(loss) per share - basic	sen	26.74	33.88	40.92	14.41	(11.60)
Net dividend per share	sen	4.00	4.00	10.00	-	-
Dividend yield	%	3.20	3.15	6.99	-	-
Net tangible asset	RM per share	2.61	2.31	2.00	1.65	1.51
Price-earnings ratio	times	4.67	3.75	3.49	10.41	(11.90)
Net debt/total equity ¹	%	-	-	-	0.10	-
Closing share price	RM per share	1.25	1.27	1.43	1.50	1.38

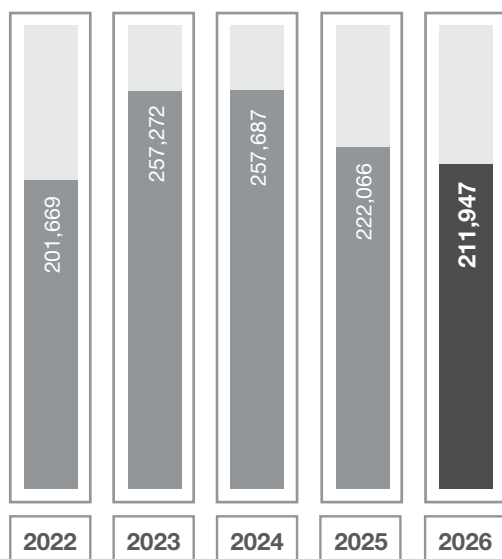
¹ Net debt represents total borrowings from financial institutions less cash and bank balances and short term deposits.



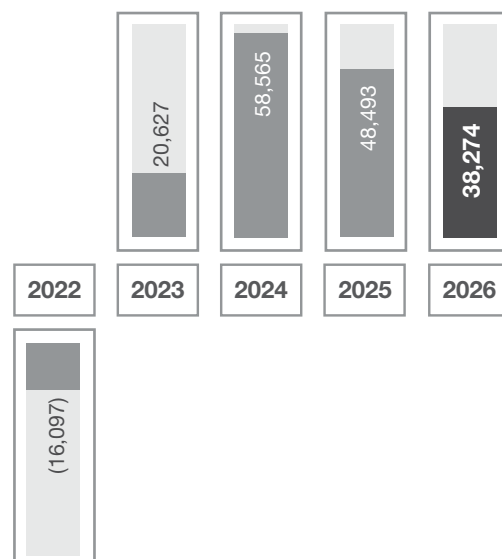
FIVE YEARS FINANCIAL STATISTICS

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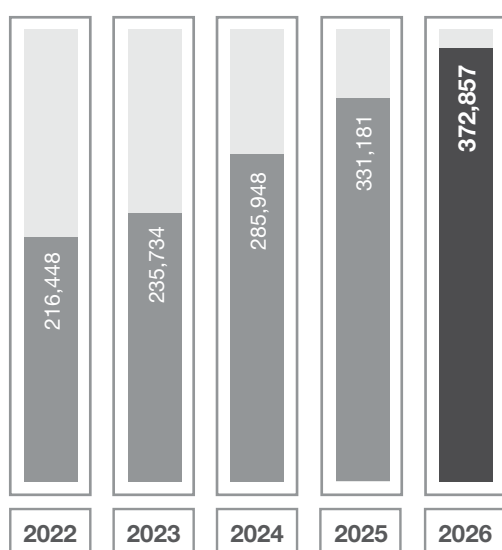
REVENUE
RM'000



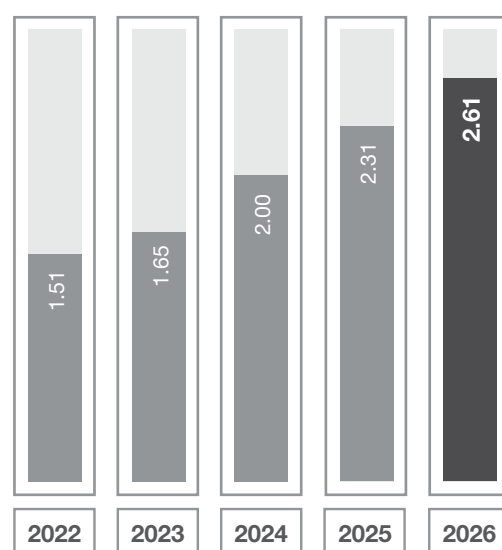
**PROFIT/(LOSS) ATTRIBUTABLE
TO EQUITY HOLDERS**
RM'000



TOTAL EQUITY
RM'000



NET TANGIBLE ASSET
RM PER SHARE



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:

- assist the Board of Directors in fulfilling its fiduciary responsibilities relating to accounting and reporting practices of the Company and the Group;
- oversee and appraise the quality of the audits conducted both by the Company's internal and external auditors;
- 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;
- determine the adequacy of the Group's administrative, operating, accounting controls and risk management measures; and
- evaluate risk exposures of the Group and assess the risk management measures to mitigate the risks effectively.

Members

- 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.
- At least one member of the Audit & Risk Management Committee:
 - must be a member of the Malaysian Institute of Accountants ("MIA"); or
 - if he is not a member of the MIA, he must have at least three years' working experience and: -
 - he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - 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
 - fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("BMSB").
- No Alternate Director shall be appointed as a member of the Audit & Risk Management Committee.
- The members of the Audit & Risk Management Committee shall elect a Chairman from among their number who shall be an Independent Director. The Chairman of the Audit & Risk Management Committee shall not also be the Chairman of the Board.
- The Chairman of the Board of Directors shall not be a member of the Audit & Risk Management Committee.
- 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;
 - viii) whether there is reason (supported by grounds) to believe that the Group's external auditors are not suitable for re-appointment; and
 - 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 processes in the Group:

- Group's Risk Assessment
- Procurement of Goods and Services
- Sustainability Reporting Framework Review

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 2026 was RM52,500.

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 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 any COI situations 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 periodic Risk Management report and Environmental, Sustainability and Governance report ("ESG") and the annual Sustainability Report;
- 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; and
- 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.

General Information

Summary of attendance of Audit & Risk Management Committee meetings for the financial year ended 31 March 2026.

Audit & Risk Management Committee Members	No. of Meetings Attended
Choo Seng Choon	5/5
Kenny Tan Kah Poh	5/5
Mok Kam Loong	5/5

The Terms of Reference of the Audit & Risk Management Committee can be found at the Company's website at 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.

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 and is periodically reviewed by the Board. The Board has complied with Practice 2.1 of the Code.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

A. BOARD OF DIRECTORS *cont'd*

(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.

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 annual general meeting via a two-tier voting process to retain the director as an independent director but not exceeding a cumulative service period of twelve (12) years. Alternatively, the independent director may continue to serve on the Board subject to the director's re-designation as a non-independent director upon reaching nine (9) years cumulative service period. An independent director must be re-designated as a non-independent director or resign after reaching a cumulative service period of twelve (12) years.

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

cont'd

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

A. BOARD OF DIRECTORS *cont'd*

(v) Appointments of the Board Members and Re-election *cont'd*

At the date of this report, none of the Independent Directors except Kenny Tan has served as an Independent Director for a cumulative term of more than nine (9) years. The Board, having conducted an annual assessment of the independence of the independent directors, is satisfied that Kenny Tan has continued to exercise independent judgement and act in the best interests of the Company notwithstanding his tenure exceeding nine (9) years. The Board is of the view that his extensive experience, professionalism, objectivity and in-depth knowledge of the Group's operations enable him to provide effective oversight and constructive challenge to Management. Accordingly, the Board recommends to the shareholders for the retention of Kenny Tan as an Independent Non-Executive Director of the Company which will be tabled at the forthcoming Annual General Meeting through a two-tier voting process in accordance with the Malaysian Code on Corporate Governance.

(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 requirements of the roles and responsibilities.

(vii) Board Meeting and Supply of Information

The Board held five meetings during the financial year ended 31 March 2026. 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	5/5
Mok Kam Loong	5/5
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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

A. BOARD OF DIRECTORS *cont'd*

(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. The ARMC meets at least four times a year.

(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 2026, the NC met two (2) times and performed the following activities in discharging its duties:

- Reviewed and recommended to the Board the re-election of the directors who were to retire by rotation at the 28th AGM of the Company
- Reviewed and assessed the performance of Directors of the Company including self-assessment
- Reviewed and assessed the independence of the Independent Directors of the Company
- Reviewed and assessed the performance of the ARMC, 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.

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

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.
- 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;
 - 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.

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*

- 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.
- 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.

(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*)

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

cont'd

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

B. BOARD COMMITTEES *cont'd*

(iii) Remuneration Committee ("RC") *cont'd*

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.

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 2026 are set out as follows in compliance with Practice 8.1 of the Code:

	Fees RM	Salary RM	Bonus RM	Other emoluments RM	Benefits- in-kind RM	Total RM
Directors:						
Datuk Tan Kok	30,000	3,600,000	3,000,000	1,254,000	34,656	7,918,656
Tan Chee Huey	30,000	169,500	105,000	43,257	24,300	372,057
Loh Wei Ling	30,000	169,500	105,000	41,668	27,947	374,115
Datin Lim Hooi Tin	30,000	180,000	180,000	68,400	9,900	468,300
Tan Kah Poh	60,000	-	-	11,000	-	71,000
Mok Kam Loong	60,000	-	-	13,500	-	73,500
Choo Seng Choon	60,000	-	-	12,500	-	72,500
	300,000	4,119,000	3,390,000	1,444,325	96,803	9,350,128

(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.

The trainings attended during the financial year:

Date	Name of Training and Director who attended
22 Apr 2025	• E-Invoice Implementation for SMEs and SMP – Choo Seng Choon
27 May 2025	• Transfer Pricing & Tax Corporate Governance Seminar – Choo Seng Choon
19 June 2025	• Code Of Ethics – Choo Seng Choon
22 Oct 2025	• Anti-Bribery & Corruption – Choo Seng Choon
17-18 Nov 2025	• Anti-Bribery & Corruption S.17A Corporate Liability Perspective – Kenny Tan
20 Jan 2026	• Mastering the Tax Rules for Expatriates & Foreign Workers – Choo Seng Choon
28-29 Jan 2026	• Fast Closing - Improving Processes, Technology & Management – Choo Seng Choon

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 pages 34 to 36 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 over 500 workers ranging from operators up to management level. The Company values the contribution of its employees and provides opportunities for development and enhancement of employees' 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, transportation 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.

OTHER COMPLIANCE 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 RM8,000 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 96 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 2026 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.

OTHER COMPLIANCE INFORMATION

cont'd

(xi) Disclosure of Financial Data for Shariah Screening

(A) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2026 (RM)	2025 (RM)
Revenue		211,946,908	222,066,339
Other Income		21,599,847	36,636,719
Interest Income		1,877,399	1,516,278
Dividend Income		6,778,759	3,883,921
Total		242,202,913	264,103,257
Total Assets		452,270,229	415,133,832

(B) Business Activities

Shariah Non-compliant Activities	Remarks	Group	
		2026 (RM)	2025 (RM)
Dividend income received from conventional shares and instruments		3,683,539	1,751,874
Gain from investment in conventional instruments		5,199,726	2,566,026
Income from disposal of Shariah non-compliant investments/instruments		-	22,100
Total		8,883,265	4,340,000

(C) Component of Financial Position

		Group	
(i)	Cash Component	2026 (RM)	2025 (RM)
Islamic Account/Instruments			
	Cash at bank (exclude cash in hand)	18,751,312	16,998,363
	Deposits with licensed bank	17,085,971	7,534,313
	Money market instruments	9,031,500	4,835,000
	Total	44,868,783	29,367,676
Conventional Account/Instruments			
	Cash at bank (exclude cash in hand)	7,762,678	11,669,914
	Deposits with licensed bank	15,508,947	25,446,715
	Money market instruments	1,809,027	985,270
	Total	25,080,652	38,101,899

OTHER COMPLIANCE INFORMATION

cont'd

(xi) Disclosure of Financial Data for Shariah Screening *cont'd*

(C) Component of Financial Position *cont'd*

		Group	
(ii)	Debt Component	2026 (RM)	2025 (RM)
Islamic Financing			
Current			
	Bank borrowings	559,698	2,152,796
	Bankers' acceptances	4,420,659	11,649,256
	Revolving credit and financing	20,000,000	20,000,000
Non-current			
	Bank borrowings	-	560,489
	Total	24,980,357	33,802,052
Conventional Borrowing			
Current			
	Bank borrowings	3,117,326	3,155,960
	Bankers' acceptances	2,900,000	3,999,000
Non-current			
	Bank borrowings	15,560,312	18,795,815
	Total	21,577,638	25,950,775

SUSTAINABILITY STATEMENT

BASIS OF THIS STATEMENT

This Statement outlines LTKM Berhad's sustainability journey and approach in managing sustainability-related risks and opportunities within its business operations. It is a summary of the Group's key sustainability matters for FY2026, with detailed disclosures available in the Group's Sustainability Report 2026. This Statement is prepared in line with Bursa Malaysia's Sustainability Reporting requirements whilst the Sustainability Report 2026 has been prepared with reference to IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1") and IFRS S2 Climate-related Disclosures ("IFRS S2").

This Statement is intended for stakeholders including shareholders, employees, customers, suppliers, regulators, bankers and local communities. It focuses on how LTKM integrates sustainability into its governance, strategy, risk management, and performance monitoring.

SCOPE OF THIS STATEMENT

The Statement covers material sustainability matters across the Group's major business operations and value chain for FY2026 and where not mentioned otherwise it focuses on LTKM's poultry operation in Durian Tunggal, Melaka; which is the Group's core business making up 96% of the Group's revenue and activities.

GOVERNANCE

LTKM's governance structure is designed to ensure accountability and effective oversight of sustainability matters across the organisation.

The Board of Directors oversees the Group's sustainability direction, while the Audit & Risk Management Committee evaluates sustainability-related risks and directs the Group's focus on important areas of the risks management. Senior management is responsible for implementing the sustainability initiatives and integrating sustainability practices into daily operations.

For biosecurity and animal health matters, the Group's Veterinary Department at the farm plays a key role in the development, implementation and monitoring of biosecurity programmes, disease prevention measures and flock health management practices. The Department works closely with the relevant authorities, including the Department of Veterinary Services Malaysia, to ensure compliance with applicable regulatory requirements, industry standards and animal health protocols.

Employees across all levels from general workers, supervisors, executives to management contribute to achieving the Group's sustainability objectives through their operational responsibilities.

LTKM also emphasises continuous ESG competency development through relevant training and development programmes for executives, management and Board members.

ENGAGEMENT WITH STAKEHOLDERS

In setting its strategies on sustainability management, LTKM places importance on understanding stakeholder expectations and maintaining continuous engagement with key stakeholder groups.

The Group's stakeholders include shareholders and investors, employees, customers, suppliers, regulators, industry players, local communities, and the media.

Stakeholder engagement is conducted through various communication and engagement channels to support transparency, collaboration, and informed decision-making.

SUSTAINABILITY STATEMENT

cont'd

OUR STRATEGY

LTKM recognises that poultry farming carries significant environmental and social responsibilities. Sustainability is therefore embedded into the Group's business strategy and operational practices.

The Group's sustainability approach is guided by three ESG pillars:

- Environmental Stewardship
- Social Commitment
- Governance

These pillars support the Group's efforts in managing sustainability-related risks, strengthening operational resilience, and creating long-term value for stakeholders.

Sustainability-related Risks and Opportunities

LTKM recognises that sustainability-related risks may affect its operational continuity, financial performance and long-term business resilience. Key risks such as disease outbreak, product quality and safety, workforce-related matters and supply chain disruptions may affect production and business operations.

At the same time, the Group continues to identify opportunities to strengthen operational resilience, improve resource efficiency, enhance product quality and food safety standards, and create long-term value through responsible business practices and continuous improvement initiatives. The Group integrates these sustainability considerations into its business planning and decision-making processes to effectively manage risks, capture opportunities and support sustainable growth over the short, medium and long term.

Risk Management

The Group's Risk Management function sets out its underlying approach in managing sustainability-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 residing with respective business units and departments.
- The risk management function is headed by the Managing Director with respective head of business units and departments entrusted to drive the processes.
- The risk management function includes review of business risks, monitor results of key performance indicators and monitor market movements against the risk of high costs or loss arising from adverse movements such as prices of commodities.

MATERIAL ISSUES

Determination of Material Issues

LTKM identifies material sustainability matters through its strategy which assesses business relevance, operational risks, stakeholder expectations, regulatory requirements, and long-term value creation. A sustainability matter is material to the Group if it could reasonably be expected to affect the Group's operational performance, business continuity, financial position and long-term value creation or preservation of its assets.

Stakeholder engagement forms an important part of the materiality assessment process and supports the Group in prioritising sustainability matters that are most significant to the business and stakeholders.

SUSTAINABILITY STATEMENT

cont'd

MATERIAL ISSUES *cont'd*

Determination of Material Issues *cont'd*

LTKM categorises its material sustainability matters into three main areas:

Area 1: Core Operation Areas

- Bio-security
- Product safety & quality
- Supply chain

Area 2: Environmental Management

- Waste and odour management
- Water management
- Energy management

Area 3: People & Governance

- Employees' welfare and labour practices
- Community and society
- Business ethics and anti corruption

These material issues determine the Group's sustainability priorities and management focus.

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 recent years, there have been reported outbreaks 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 stringently put in place rigorous bio-security protocols to safeguard our farm from disease outbreak and ensure business continuity.

Product safety & quality

LTKM prioritises product safety & 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.

Supply Chain

Supply chain management is a material sustainability matter for LTKM as reliable sourcing of key inputs directly supports production continuity, product safety, quality, and cost control. The main risks relate to input quality, supplier dependency, commodity price volatility, and logistics disruptions. LTKM manages these risks through supplier vetting, quality checks, procurement planning, supplier diversification, inventory management, and preference for local suppliers where practical. Overall, the focus is on building a resilient, cost-efficient and responsible supply chain that supports long-term operational stability.

Environmental Management

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 and avoid community complaints through effective waste management which also impacts air pollution management; water and energy and pest control. Chicken dung is the bulk of the waste produced from our operations are treated and processed to become LTK Bio-fer fertilizer. We also do planting in unutilized lands in effort to leave a more positive environmental impact.

SUSTAINABILITY STATEMENT

cont'd

MATERIAL ISSUES *cont'd*

Determination of Material Issues *cont'd*

People and Governance

LTKM puts strong emphasis on employee safety, welfare and well-being by maintaining a safe working environment and providing staff support initiatives such as staff hostel and transportation. The Company also supports local communities through responsible operations and community engagement, while upholding ethical business conduct through anti-corruption practices, governance oversight, and integrity-driven operations.

In addition to the material sustainability matters identified above, the Group continues to monitor climate-related risks that may affect its operations and long-term resilience.

CLIMATE CHANGE RISK

The Group recognises climate change as a potential risk to its operations and long-term business resilience. Rising temperatures and extreme weather conditions may increase the risk of heat stress affecting poultry health and productivity, while prolonged dry periods may impact the availability of water resources required for farm operations.

Climate-related Risk	Potential Impact on LTKM
Rising temperatures	Increased heat stress in poultry, reduced feed intake, lower egg production rates, higher mortality risk, and increased cooling and ventilation costs.
Heatwaves	Severe poultry stress, higher mortality rates, reduced egg quality and productivity, increased water consumption, and disruption to farm operations.
Changes in rainfall patterns	Potential shortages of water resources during drought periods, increased water management costs, and impacts on crop yields used in feed ingredients such as corn and soybeans.
Extreme weather events (storms, floods, strong winds)	Damage to farm buildings, poultry houses and equipment; disruption to logistics and supply chains; interruption of operations; and increased repair and maintenance costs.

The effects of climate-related risk may result in reduced productivity, higher mortality rates or drought conditions which affect access to adequate water resources required for farm operations. The Group continues to monitor these risks and implement appropriate measures to strengthen operational resilience and support sustainable business performance.

SUSTAINABILITY STATEMENT

cont'd

METRICS

Our sustainability metrics reflect the Group's commitment in minimising operational risks and environmental footprints, strengthening employee welfare, enhancing community and stakeholder trust and promoting ethical business conduct, amongst others. The achievements highlighted below underscore our focus on building a resilient and sustainable organisation through measurable outcomes and continuous improvement across our economic, environmental and social priorities.

Performance Metric	FY2026	Target
Flock Mortality Rate	0.018%	Within 0.02%
Employee Training (hours)	471	n/a
Local Supplier Spending (%)	50	n/a
Employees Trained on ABAC	60	100% of relevant employees
Workers Provided with Accommodation	390 (out of 571)	100% availability to qualified personnel
Biosecurity Violation Incidents	Zero	Nil incident
Environmental Fines or Penalties	Zero	Zero
Work-related Fatalities	Zero	Nil incident
Bribery or Corruption Incidents	Zero	Nil incident
Water consumed	91.71 megagallon	n/a
Electricity consumed	12.8 GWh	n/a
GHG Intensity (tCO ₂ e/million eggs sold)	72.97	n/a

Targets are disclosed only for metrics where formal performance objectives have been established by the Group.

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 LTKM's Sustainability Report 2026 for a more comprehensive information on LTKM's sustainability practices which is available at the company's website at www.ltkm.com.my.

ASSURANCE STATEMENT

During the current reporting year the Internal Audit function reviewed the Group's past Sustainability Report to assess LTKM's readiness towards compliance with the IFRS S1 and IFRS S2. However, the review did not constitute an assurance engagement. LTKM did not subject this Sustainability Statement to internal audit or external assurance for the current reporting year. The Company will continue to engage internal audit review and assessment in the new reporting year to arrive at compliance with IFRS S1 and S2 requirements.

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 recognises the importance of sound risk management and internal control practices 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 recognises that the systems of risk management and internal control are designed to manage rather than to eliminate 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.

During the financial year, the adequacy and effectiveness of internal controls were reviewed by the Audit & Risk Management Committee (ARMC) in relation to the audits conducted by Group’s Internal Auditor. The ARMC reviewed the effectiveness of the Group’s internal controls through internal audit findings and monitored Management’s corrective actions. Key issues and resolutions were discussed at ARMC meetings and reported to the Board. The ARMC also oversaw the Group’s risk management framework, including compliance, business continuity, and governance matters. It reviewed key risks, assessed risk management measures, and evaluated proposals for risk mitigation initiatives. Significant risk management and internal control matters were escalated to the Board for deliberation and approval, ensuring appropriate oversight of the Group’s risk exposure and governance processes.

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 residing 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 procedures.
- The risk management function includes:
 - o Review of business risk during operational meetings with the senior management team to identify, assess and manage risk in an efficient and effective manner
 - o Monitor results of key performance indicators
 - o Monitor exposure to credit risk to keep at acceptable level and financial capacity to withstand potential losses
 - o 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

The Board provides oversight on climate and sustainability risk matters. These risks encompass climate-related and broader ESG risks that may affect the Group’s operations, financial performance, compliance obligations and strategic objectives. These risks include bio-security, product safety and quality, supply chain resilience, employees’ health and safety, anti-corruption, waste management and climate transition risks. The Board and ARMC are supported by Management to ensure effective risk management that align with the Group’s sustainability objectives and long-term strategy.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

RISK MANAGEMENT *cont'd*

The Group conducts forward-looking risk assessments to identify and anticipate emerging risks arising from macroeconomic, regulatory, changes in animal health threats and other external developments. These assessments, including climate scenario analyses, support proactive risk management by evaluating potential impacts on operations, financial performance and strategic objectives, and are regularly reviewed by Management and the Board to strengthen organisational resilience and informed decision-making.

KEY INTERNAL CONTROL PROCESSES

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

- Clear organisation structure which clear line of responsibility aligned to business and operations requirements.
- Regular management meetings to assess the Group's performance and controls.
- Internal control requirements are embedded in computerised accounting system.
- Policies and procedures for all key processes are clearly documented and are reviewed at regular intervals.
- Monthly consolidated 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 ARMC and approved by the Board.
- Internal audit findings are communicated to the management and ARMC 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 ARMC in undertaking independent reviews on the effectiveness and adequacy of the internal controls system of the Group and to address any identified weaknesses uncovered during the course of internal audits. The Internal Auditor operate independently providing objective assurance and report directly to the ARMC during the ARMC meeting to support the Board's oversight responsibilities.

The scope of works of the Internal Auditor includes but not limited to the following:

- Present the risk-based annual Internal Audit Plan for the ARMC'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 to the business operations of the Group.
- Report significant issues in relation to the business operations and activities of the Group and make recommendations for improvements in the reports to ARMC.
- Highlight any irregularities to the ARMC.

Where material internal control deficiencies are identified, Management implements corrective actions to address the root causes, with remediation progress reported to and monitored by the ARMC and Board to ensure the effectiveness of the Group's internal control environment.

During the financial year under review, there were no major/material internal control deficiency that would require further attention.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

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 issued by the Malaysian Institute of Accountants for inclusion in the Annual Report 2026 of the Group for the financial year ended 31 March 2026, 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 Section 7 of SORMIC Guide 2025, 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. 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 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.



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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 2026.

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 RM	Company RM
Profit net of tax, representing profit attributable to owners of the parent	38,274,334	9,205,277

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 amount of dividends paid by the Company since 31 March 2025 were as follows:

	RM
<u>In respect of the financial year ended 31 March 2025</u>	
Final single-tier dividend of 2 sen per ordinary share on 143,114,006 ordinary shares, approved on 17 September 2025 and paid on 10 October 2025	2,862,280
<u>In respect of the financial year ended 31 March 2026</u>	
Interim single-tier dividend of 2 sen per ordinary share on 143,114,006 ordinary shares, declared on 26 February 2026 and paid on 30 March 2026	2,862,280
	<u>5,724,560</u>

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 2026, 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 2027.

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 RM	Company RM
Fees	300,000	240,000
Salaries and other emoluments	7,509,000	238,500
Defined contribution plans	1,403,850	35,775
Social security costs	3,119	1,250
Other expenses	37,000	37,000
Employee insurance scheme	356	143
Benefits-in-kind	96,803	24,300
	<u>9,350,128</u>	<u>576,968</u>

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:

	1.4.2025	Number of ordinary shares		31.3.2026
		Bought	Sold	
The Company				
Direct interests:				
Datuk Tan Kok	3,458,116	-	-	3,458,116
Datin Lim Hooi Tin	600,000	-	-	600,000
Tan Chee Huey	202,000		-	202,000
Loh Wei Ling	12,000	-	-	12,000
Indirect interests:				
Datuk Tan Kok ⁽¹⁾	101,442,606	50,000	-	101,492,606
Datin Lim Hooi Tin ⁽²⁾	101,442,606	50,000	-	101,492,606
Tan Chee Huey ⁽³⁾	4,323,100	13,000	-	4,336,100
Loh Wei Ling ⁽⁴⁾	492,000	37,000	-	529,000
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(1)(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(1)(c) of the Companies Act 2016.

(3) Deemed interest pursuant to Section 8(4) and Section 59(1)(c) of the Companies Act 2016.

(4) Deemed interest pursuant to Section 59(1)(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 AND AUDITORS' REMUNERATION

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

Auditors' remuneration are as follows:

	Group RM	Company RM
Statutory audit	232,600	76,500
Other services	8,000	8,000
	<u>240,600</u>	<u>84,500</u>

INDEMNIFICATION OF AUDITORS

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 16 July 2026.

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 48 to 109 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 2026 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 16 July 2026.

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 48 to 109 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 16 July 2026

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 2026 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 48 to 109.

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 2026 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 2026, the Group's biological assets were approximately RM9.4 million, of which RM7.8 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 2026, the carrying amount of investment properties of the Group was RM95.6 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
16 July 2026

Tseu Tet Khong @ Tsau Tet Khong
03374/06/2028 J
Chartered Accountant

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Revenue	4(a)	211,946,908	222,066,339	10,859,200	3,559,200
Cost of sales	4(b)	(181,157,534)	(193,746,054)	-	-
Gross profit		30,789,374	28,320,285	10,859,200	3,559,200
Other income	5	30,256,005	42,036,918	48,469	94,546
Other items of expense					
Distribution expenses		(5,082,118)	(5,165,107)	-	-
Administrative expenses		(8,558,042)	(8,195,593)	(1,602,223)	(1,247,392)
Other expenses	6	(690,311)	(1,805,356)	-	-
Finance costs	7	(3,128,217)	(3,549,240)	(12,176)	(14,390)
Profit before tax	8	43,586,691	51,641,907	9,293,270	2,391,964
Taxation	10	(5,312,357)	(3,148,744)	(87,993)	521,152
Profit net of tax		38,274,334	48,493,163	9,205,277	2,913,116
Other comprehensive income					
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		9,125,983	2,463,834	-	-
Other comprehensive income for the financial year, net of tax		9,125,983	2,463,834	-	-
Total comprehensive income for the financial year		47,400,317	50,956,997	9,205,277	2,913,116
Profit net of tax, attributable to:					
Owners of the parent		38,274,334	48,493,163	9,205,277	2,913,116
Total comprehensive income attributable to:					
Owners of the parent		47,400,317	50,956,997	9,205,277	2,913,116
Earnings per share attributable to owners the parent (sen per share):					
Basic	11(a)	26.74	33.88		

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

		Group	
	Note	2026	2025
		RM	RM
Assets			
Non-current assets			
Property, plant and equipment	13	75,031,447	78,354,975
Investment properties	14	95,600,000	94,000,000
Land held for property development	15	33,746,445	33,746,445
Right-of-use assets	16(a)	8,006,660	3,737,867
Deferred tax assets	25	24,695	31,521
Investment securities	18(a)	132,356,896	93,609,873
Other investments	18(b)	10,030,189	5,820,270
		<u>354,796,332</u>	<u>309,300,951</u>
Current assets			
Biological assets	19	9,355,410	9,771,034
Inventories	20	18,043,829	18,250,662
Tax recoverable		-	2,261,737
Trade and other receivables	21	9,320,402	12,698,754
Prepayments		747,371	1,121,226
Other investments	18(b)	810,338	-
Cash and bank balances	22	59,196,547	61,729,468
		<u>97,473,897</u>	<u>105,832,881</u>
Total assets		<u>452,270,229</u>	<u>415,133,832</u>

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

cont'd

	Note	Group 2026 RM	2025 RM
Equity and liabilities			
Current liabilities			
Trade and other payables	23	20,238,397	17,673,894
Loans and borrowings	24	31,019,208	40,957,012
Lease liabilities	16(b)	1,404,483	1,167,776
Income tax payable		2,341,010	100,592
		55,003,098	59,899,274
Net current assets		42,470,799	45,933,607
Non-current liabilities			
Loans and borrowings	24	15,538,787	19,356,304
Lease liabilities	16(b)	6,799,127	2,873,045
Deferred tax liabilities	25	2,071,979	1,823,728
		24,409,893	24,053,077
Total liabilities		79,412,991	83,952,351
Net assets		372,857,238	331,181,481
Equity attributable to owners of the parent			
Share capital	26	76,695,953	76,695,953
Fair value through other comprehensive income reserve	27	8,924,238	1,359,924
Retained earnings		287,237,047	253,125,604
Total equity		372,857,238	331,181,481
Total equity and liabilities		452,270,229	415,133,832

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

cont'd

	Note	Company 2026 RM	2025 RM
Assets			
Non-current assets			
Property, plant and equipment	13	4,916	9,356
Right-of-use assets	16(a)	173,837	217,297
Investment in subsidiaries	17	109,927,440	109,927,440
Other investments	18(b)	4,300,000	-
Deferred tax asset	25	24,695	23,727
		<u>114,430,888</u>	<u>110,177,820</u>
Current assets			
Trade and other receivables	21	9,600	9,880
Tax recoverable		-	130,632
Cash and bank balances	22	1,686,707	1,932,819
		<u>1,696,307</u>	<u>2,073,331</u>
Total assets		<u>116,127,195</u>	<u>112,251,151</u>
Equity and liabilities			
Current liabilities			
Trade and other payables	23	252,858	246,254
Lease liabilities	16(b)	39,521	39,521
Income tax payable		428,147	-
		<u>720,526</u>	<u>285,775</u>
Net current assets		<u>975,781</u>	<u>1,787,556</u>
Non-current liability			
Lease liabilities	16(b)	144,602	184,026
Total liabilities		<u>865,128</u>	<u>469,801</u>
Net assets		<u>115,262,067</u>	<u>111,781,350</u>
Equity attributable to owners of the Company			
Share capital	26	76,695,953	76,695,953
Retained earnings	28	38,566,114	35,085,397
Total equity		<u>115,262,067</u>	<u>111,781,350</u>
Total equity and liabilities		<u>116,127,195</u>	<u>112,251,151</u>

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

Group	Note	Attributable to owners of the parent			Total equity RM
		Share capital RM	Non-distributable Fair value through other comprehensive income reserve RM	Distributable retained earnings RM	
2026					
At 1 April 2025		76,695,953	1,359,924	253,125,604	331,181,481
Total comprehensive income		-	9,125,983	38,274,334	47,400,317
Profit net of tax		-	-	38,274,334	38,274,334
Other comprehensive income, net of tax		-	9,125,983	-	9,125,983
Transfer of fair value reserve of equity instruments designated at FVOCI upon disposal	18(a)	-	(1,561,669)	1,561,669	-
Transaction with owners:					
Dividends	12	-	-	(5,724,560)	(5,724,560)
At 31 March 2026		<u>76,695,953</u>	<u>8,924,238</u>	<u>287,237,047</u>	<u>372,857,238</u>
2025					
At 1 April 2024		76,695,953	(147,378)	209,400,469	285,949,044
Total comprehensive income		-	2,463,834	48,493,163	50,956,997
Profit net of tax		-	-	48,493,163	48,493,163
Other comprehensive income, net of tax		-	2,463,834	-	2,463,834
Transfer of fair value reserve of equity instruments designated at FVOCI upon disposal	18(a)	-	(956,532)	956,532	-
Transaction with owners:					
Dividends	12	-	-	(5,724,560)	(5,724,560)
At 31 March 2025		<u>76,695,953</u>	<u>1,359,924</u>	<u>253,125,604</u>	<u>331,181,481</u>

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

	Note	Share capital RM	Distributable retained earnings RM	Total equity RM
Company				
2026				
At 1 April 2025		76,695,953	35,085,397	111,781,350
Profit net of tax, representing total comprehensive income		-	9,205,277	9,205,277
Transaction with owners:				
Dividends	12	-	(5,724,560)	(5,724,560)
At 31 March 2026		<u>76,695,953</u>	<u>38,566,114</u>	<u>115,262,067</u>
2025				
At 1 April 2024		76,695,953	37,896,841	114,592,794
Profit net of tax, representing total comprehensive income		-	2,913,116	2,913,116
Transaction with owners:				
Dividends	12	-	(5,724,560)	(5,724,560)
At 31 March 2025		<u>76,695,953</u>	<u>35,085,397</u>	<u>111,781,350</u>

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Group 2026 RM	2025 RM	Company 2026 RM	2025 RM
Cash flows from operating activities					
Profit before tax		43,586,691	51,641,907	9,293,270	2,391,964
Adjustments for:					
Depreciation of property plant and equipment	8	4,042,249	4,556,052	4,440	4,926
Depreciation of right-of-use assets	8	1,264,707	1,155,216	43,460	43,460
Gain on disposal of:					
Property, plant and equipment	5	(126,739)	(22,000)	-	-
Other investments	5	(1,624)	-	-	-
Property, plant and equipment written off	6	90,288	-	-	-
Impairment loss on other investments	6	90,081	137,390	-	-
Fair value gain on:					
Investment properties	5	(1,600,000)	(200,000)	-	-
Other investments	5	(8,714)	-	-	-
Changes in fair value of:					
Livestock	5	(2,343,163)	(75,626)	-	-
Produce inventories	5,6	(62,421)	130,796	-	-
Net reversal of allowance for expected credit losses	8	(18,507)	(111,757)	-	-
Short term accumulating compensated absences	9(a)	64,068	41,788	(3,357)	1,052
Unrealised loss on foreign exchange	6	354,826	61,942	-	-
Dividend income from:					
Investment securities	5	(6,778,759)	(3,883,921)	-	-
Subsidiaries	4(a)	-	-	(10,300,000)	(3,000,000)
Government subsidy income	5	(17,208,677)	(36,173,034)	-	-
Interest expense	7	2,727,328	3,277,560	-	-
Lease interest expense	7	400,889	271,680	12,176	14,390
Interest income from:					
Fixed deposits	5	(1,578,632)	(1,253,311)	(36,469)	(82,546)
Other investments	5	(298,767)	(262,967)	-	-
Operating profit/(loss) before working capital changes		22,595,124	19,291,715	(986,480)	(626,754)
Working capital changes in:					
Biological assets		2,758,787	(419,878)	-	-
Inventories		269,254	(2,295,030)	-	-
Trade and other receivables		3,268,080	(2,483,605)	280	1,011,137
Prepayments		373,855	799,701	-	-
Trade and other payables		2,500,435	(2,349,271)	9,961	(11,030)
Cash flows from/(used in) operations		31,765,535	12,543,632	(976,239)	373,353
Proceeds from government subsidy income	5	17,208,677	36,173,034	-	-
Net taxes (paid)/refunded		(555,125)	(4,544,401)	469,818	491,972
Interest paid		(3,128,217)	(3,549,240)	(12,176)	(14,390)
Net cash flows from/(used in) operating activities		45,290,870	40,623,025	(518,597)	850,935

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

		Group		Company	
	Note	2026	2025	2026	2025
		RM	RM	RM	RM
Cash flows from investing activities					
Purchase of:					
Property, plant and equipment	13(b)	(868,270)	(6,928,922)	-	-
Other investments		(5,300,000)	(5,000,000)	(4,300,000)	-
Investment securities		(32,279,678)	(34,762,278)	-	-
Proceeds from disposal of:					
Plant and equipment		186,000	22,000	-	-
Investment securities		2,658,638	5,152,317	-	-
Other investments		200,000	-	-	-
Uplift/(placement) of deposit with maturity of more than 3 months		2,773,068	(2,966,487)	-	-
Interest received from:					
Fixed deposits		1,578,632	1,253,311	36,469	82,546
Other investments		298,767	262,967	-	-
Dividend received from:					
Subsidiaries		-	-	10,300,000	3,000,000
Investment securities		6,778,759	3,883,921	-	-
Net cash flows (used in)/from investing activities		(23,974,084)	(39,083,171)	6,036,469	3,082,546
Cash flows from financing activities					
Dividends paid		(5,724,560)	(20,035,961)	(5,724,560)	(20,035,961)
Net repayment of term loans	37	(5,427,724)	(2,976,108)	-	-
Payment of principal portion of lease liabilities	37	(1,370,711)	(1,099,920)	(39,424)	(37,210)
(Repayment)/drawdown of other bank borrowings	37	(8,327,597)	2,249,010	-	-
Net cash flows used in financing activities		(20,850,592)	(21,862,979)	(5,763,984)	(20,073,171)
Net increase/(decrease) in cash and cash equivalents		466,194	(20,323,125)	(246,112)	(16,139,690)
Cash and cash equivalents at beginning of financial year		50,449,722	70,851,007	1,932,819	18,072,509
Effect of exchange rate changes on cash and cash equivalents, relating to unrealised loss on foreign exchange		(226,047)	(78,160)	-	-
Cash and cash equivalents at end of financial year (Note 22)		50,689,869	50,449,722	1,686,707	1,932,819

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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 16 July 2026.

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 2025, the Group and the Company adopted the following amended MFRS Accounting Standards mandatory for annual financial periods beginning on or after 1 January 2025.

Descriptions	Effective for annual periods beginning on or after
Amendments to MFRS 121: Lack of exchangeability	1 January 2025

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 2026
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 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
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	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 Standard 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 Statements

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

MFRS 18 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 comprehensive income, while the net profit or loss remains unchanged.

Statement of comprehensive income 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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 Statements *cont'd*

(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.

(iv) Management-defined Performance Measures ("MPM")

The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statement of comprehensive income, referred to 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 are 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.7 Income taxes *cont'd*

(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% - 20%
Plant and machinery	10% - 33.33%
Furniture, fittings and equipment	10% - 20%
Motor vehicles	20%
Ponds	20%

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

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%
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.12 Financial assets

The Group has financial assets measured at fair value through other comprehensive income ("FVOCI"), fair value through profit or loss ("FVTPL"), and amortised cost. Financial assets measured at FVOCI comprise investment securities, while financial assets measured at amortised cost include other investments, trade and other receivables, and cash and bank balances. Financial assets measured at FVTPL include investments placed with financial institutions.

Financial assets designated at FVOCI (equity instruments)

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

Financial assets at FVTPL

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of comprehensive income.

This category includes all other instruments which the Group had not irrevocably elected to classify at FVOCI and amortised cost.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

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.

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. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

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 2026
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

There are no judgements made by management in the process of applying the Group's and the Company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

(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 2026 is RM9,355,410 (2025: RM9,771,034), of which RM7,815,624 (2025: RM6,984,091) 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 2026
cont'd

4. REVENUE AND COST OF SALES

(a) Revenue

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Revenue from contracts with customers (Note (i))	210,946,908	221,546,339	559,200	559,200
Dividend income from subsidiaries	-	-	10,300,000	3,000,000
Rental income from investment properties	1,000,000	520,000	-	-
	<u>211,946,908</u>	<u>222,066,339</u>	<u>10,859,200</u>	<u>3,559,200</u>

(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	
	2026	2025	2026	2025
	RM	RM	RM	RM
Revenue from:				
- Sales of produce inventories, feeds and livestock, less return and discounts allowed	202,113,276	212,490,277	-	-
- Sales of sand	8,833,632	9,056,062	-	-
- Management fee from subsidiaries	-	-	559,200	559,200
Total revenue from contracts with customers	<u>210,946,908</u>	<u>221,546,339</u>	<u>559,200</u>	<u>559,200</u>

Timing of revenue recognition

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
At a point in time	210,946,908	221,546,339	-	-
Over time	-	-	559,200	559,200
Total revenue from contracts with customers	<u>210,946,908</u>	<u>221,546,339</u>	<u>559,200</u>	<u>559,200</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

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

(b) Cost of sales

	Group	
	2026	2025
	RM	RM
Produce inventories and livestock	175,253,738	187,951,727
Sand	5,903,796	5,794,327
	<u>181,157,534</u>	<u>193,746,054</u>

5. OTHER INCOME

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Interest income on:				
- Fixed deposits	1,578,632	1,253,311	36,469	82,546
- Other investments	298,767	262,967	-	-
Dividend income from investment securities	6,778,759	3,883,921	-	-
Gain on disposal of:				
- Property, plant & properties	126,739	22,000	-	-
- Other investments	1,624	-	-	-
Rental income from premises	204,000	148,000	12,000	12,000
Fair value gain on:				
- Investment properties (Note 14)	1,600,000	200,000	-	-
- Other investments	8,714	-	-	-
Fair value gain on:				
- Livestock (Note 19)	2,343,163	75,626	-	-
- Produce inventories	62,421	-	-	-
Government subsidy income	17,208,677	36,173,034	-	-
Miscellaneous	44,509	18,059	-	-
	<u>30,256,005</u>	<u>42,036,918</u>	<u>48,469</u>	<u>94,546</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

6. OTHER EXPENSES

	Group	
	2026	2025
	RM	RM
Impairment loss on:		
- Other investments (Note 18(b))	90,081	137,390
Fair value loss on:		
- Produce inventories	-	130,796
Loss on foreign exchange:		
- Realised	245,317	1,475,228
- Unrealised	354,826	61,942
Miscellaneous	87	-
	<u>690,311</u>	<u>1,805,356</u>

7. FINANCE COSTS

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Interest expense on:				
- Bankers' acceptances	431,878	628,525	-	-
- Revolving credits	1,045,655	1,085,453	-	-
- Term loans	1,249,795	1,563,582	-	-
- Lease liabilities (Note 16(b))	400,889	271,680	12,176	14,390
	<u>3,128,217</u>	<u>3,549,240</u>	<u>12,176</u>	<u>14,390</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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8. PROFIT BEFORE TAX

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

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Staff costs (excluding directors) (Note 9(a))	23,801,736	22,341,291	562,695	534,909
Directors' remuneration (Note 9(b))	14,230,441	13,445,394	552,668	528,651
Auditors' remuneration:				
- statutory	232,600	227,300	76,500	75,000
- others	8,000	6,500	8,000	6,500
Depreciation of property, plant and equipment (Note 13)	4,042,249	4,556,052	4,440	4,926
Property, plant and equipment written off	90,288	-	-	-
Depreciation of right-of-use assets (Note 16(a))	1,264,707	1,155,216	43,460	43,460
Net reversal of allowance for expected credit losses (Note 21(a))	(18,507)	(111,757)	-	-
Expense relating to short-term leases and low-value assets (Note 16(b))	5,338	4,800	-	-
Direct expenses arising from investment properties that:				
- generate rental income	86,986	113,629	-	-
- do not generate rental income	38,973	40,030	-	-

9. EMPLOYEE BENEFIT EXPENSE AND DIRECTORS' REMUNERATION

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
(a) Staff costs				
Wages and salaries	21,464,764	20,239,203	485,550	458,650
Defined contribution plans	1,128,942	953,152	72,915	68,454
Social security costs	298,056	269,005	2,499	2,289
Short term accumulating compensated absences	64,068	41,788	(3,357)	1,052
Employee insurance scheme	12,975	12,422	285	262
Other staff related expenses	832,931	825,721	4,803	4,202
	23,801,736	22,341,291	562,695	534,909

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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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	
	2026	2025	2026	2025
	RM	RM	RM	RM
Executive directors of the Company				
- Fees	90,000	90,000	60,000	60,000
- Salaries and other emoluments	7,149,000	7,137,000	238,500	232,500
- Defined contribution plans	1,335,450	1,334,550	35,775	34,875
- Social security costs	3,119	2,910	1,250	1,145
- Employee insurance scheme	356	333	143	131
- Benefits-in-kind	86,903	77,408	24,300	24,420
	8,664,828	8,642,201	359,968	353,071
Non-executive directors of the Company				
- Fees	210,000	193,500	180,000	163,500
- Salaries and other emoluments	360,000	360,000	-	-
- Defined contribution plans	68,400	68,400	-	-
- Other expenses	37,000	36,500	37,000	36,500
- Benefits-in-kind	9,900	10,198	-	-
	685,300	668,598	217,000	200,000
Other directors of the Group				
- Fees	600,000	600,000	-	-
- Salaries and other emoluments	3,698,794	3,063,000	-	-
- Defined contribution plans	671,123	552,461	-	-
- Social security costs	6,643	6,216	-	-
- Employee insurance scheme	556	524	-	-
- Benefits-in-kind	154,279	167,745	-	-
	5,131,395	4,389,946	-	-
Total exclude benefits-in-kind	14,230,441	13,445,394	552,668	528,651
Total	14,481,523	13,700,745	576,968	553,071

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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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:

	Number of directors
	2026
Company	
Executive directors:	
RM350,001 - RM400,000	2
RM7,900,001 - RM7,950,000	1
Non-executive directors:	
RM70,001 - RM75,000	3
RM450,001 - RM500,000	1
	2025
Executive directors:	
RM350,001 - RM400,000	2
RM7,900,001 - RM7,950,000	1
Non-executive directors:	
RM65,001 - RM70,000	3
RM450,001 - RM500,000	1

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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10. TAXATION

Major components of income tax expense/(credit)

The major components of income tax expense/(credit) for the financial years ended 31 March 2026 and 31 March 2025 are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current income tax:				
Malaysian income tax	5,359,086	4,425,604	16,807	9,225
(Over)/underprovision in prior financial years	(301,806)	(192,428)	72,154	(18,022)
	5,057,280	4,233,176	88,961	(8,797)
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	241,364	(233,659)	(968)	(4,716)
Under/(over)provision in prior financial years	13,713	(343,134)	-	-
	255,077	(576,793)	(968)	(4,716)
	5,312,357	3,148,744	87,993	(521,152)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2025: 24%) of the estimated assessable profit for the financial year.

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	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit before tax:	43,586,691	51,641,907	9,293,270	2,391,964
Taxation at Malaysian statutory tax rate of 24% (2025: 24%)	10,460,806	12,394,058	2,230,385	574,071
Income not subject to tax	(6,207,825)	(9,671,585)	(2,472,000)	(720,000)
Expenses not deductible for tax purposes	1,344,064	1,470,160	257,454	150,438
Utilisation of previously unrecognised tax losses	-	(726)	-	-
Deferred tax not recognised on:				
- Unabsorbed capital allowances	38	38	-	-
- Unused tax losses	3,367	-	-	-
(Over)/under provision of:				
- Income tax in prior financial years	(301,806)	(192,428)	72,154	(18,022)
- Real property gains tax in prior financial years	-	(507,639)	-	(507,639)
- Deferred tax in prior financial years	13,713	(343,134)	-	-
Income tax expense/(credit)	5,312,357	3,148,744	87,993	(521,152)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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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	
	2026	2025
Profit attributable to owners of the parent (RM)	38,274,334	48,493,163
Weighted average number of ordinary shares in issue (units)	143,114,006	143,114,006
Basic earnings per share (sen per share)	26.74	33.88

(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.

12. DIVIDENDS

	Dividends recognised in the financial year	
	2026	2025
	RM	RM
<u>In respect of the financial year ended 31 March 2026</u>		
Interim single-tier dividend of 2 sen per ordinary share on 143,114,006 ordinary shares, declared on 26 February 2026 and paid on 30 March 2026	2,862,280	-
<u>In respect of the financial year ended 31 March 2025</u>		
Final single-tier dividend of 2 sen per ordinary share on 143,114,006 ordinary shares, approved on 17 September 2025 and paid on 10 October 2025	2,862,280	-
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
	5,724,560	5,724,560

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 2026, on 143,114,006 ordinary shares, amounting to a dividend payable of RM5,724,560 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 2027.

NOTES TO THE FINANCIAL STATEMENTS

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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
At cost											
At 1 April 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
Additions		411,914	-	4,688	14,700	6,546	243,355	129,961	56,253	853	868,270
Written off		-	-	-	-	-	-	-	-	(90,288)	(90,288)
Disposals		-	-	-	(212,290)	-	(169,317)	-	-	-	(381,607)
At 31 March 2026		6,763,598	59,556,383	31,560,439	63,062,748	7,590,892	9,907,616	1,379,456	549,605	-	180,370,737
Accumulated depreciation and impairment losses:											
At 1 April 2025		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
Depreciation charge for the financial year	8	149,565	-	1,049,349	1,888,635	203,076	705,061	21,506	25,057	-	4,042,249
Disposals		-	-	-	(212,290)	-	(110,056)	-	-	-	(322,346)
At 31 March 2026		2,385,530	4,400,000	26,838,202	55,773,372	6,359,504	8,157,192	1,174,621	250,869	-	105,339,290
Analysed as:											
Accumulated depreciation		898,403	-	26,769,401	55,497,642	5,919,300	8,157,192	1,170,596	250,869	-	98,663,403
Accumulated impairment losses		1,487,127	4,400,000	68,801	275,730	440,204	-	4,025	-	-	6,675,887
		2,385,530	4,400,000	26,838,202	55,773,372	6,359,504	8,157,192	1,174,621	250,869	-	105,339,290
Net carrying amount											
At 31 March 2026		4,378,068	55,156,383	4,722,237	7,289,376	1,231,388	1,750,424	204,835	298,736	-	75,031,447

NOTES TO THE FINANCIAL STATEMENTS

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

	Furniture, fittings and equipment RM
Company	
At 31 March 2026	
At cost	
At 1 April 2025/ 31 March 2026	550,913
Accumulated depreciation	
At 1 April 2025	541,557
Depreciation charge for the financial year (Note 8)	4,440
At 31 March 2026	545,997
Net carrying amount	
At 31 March 2026	4,916
At 31 March 2025	
At cost	
At 1 April 2024/ 31 March 2025	550,913
Accumulated depreciation	
At 1 April 2024	536,631
Depreciation charge for the financial year (Note 8)	4,926
At 31 March 2025	541,557
Net carrying amount	
At 31 March 2025	9,356

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

	Group	
	2026	2025
	RM	RM
Freehold land	36,600,000	36,600,000

- (b) During the financial year, the Group acquired property, plant and equipment by way of:

	Group	
	2026	2025
	RM	RM
Cash	868,270	1,372,539
Term Loan	-	5,556,383
	868,270	6,928,922

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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13. PROPERTY, PLANT AND EQUIPMENT *cont'd*

- (c) In determining the recoverable amount 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 recoverable amount of the land of RM13,000,000 (2025: 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 2026 (2025: nil).

14. INVESTMENT PROPERTIES

	Group	
	2026	2025
	RM	RM
At beginning of financial year	94,000,000	93,800,000
Net gain from fair value adjustment recognised in profit or loss (Note 5)	1,600,000	200,000
At end of financial year	95,600,000	94,000,000

Investment properties consist of the following:

	Group	
	2026	2025
	RM	RM
Freehold land	38,000,000	36,400,000
Leasehold land	57,600,000	57,600,000
	95,600,000	94,000,000

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)(iii) 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
At 31 March 2026		
Market comparable approach	Differences on:	-13% to 10% for each input
	- Location	- Land Usage
	- Time	- Tenure
	- Size	- Zoning
	- Accessibility	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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14. INVESTMENT PROPERTIES *cont'd*

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

Valuation technique	Significant unobservable inputs	Range
At 31 March 2025		
Market comparable approach	Differences on: - Location - Time - Size - Accessibility - Land Usage - Tenure - Zoning	-15% to 15% for each input

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

	Freehold land RM	Development cost RM	Total RM
Group			
At 31 March 2026			
Cost			
At 1 April 2025/ 31 March 2026	33,746,445	-	33,746,445
At 31 March 2025			
Cost			
At 1 April 2024/ 31 March 2025	33,746,445	-	33,746,445

A freehold land held for development with a carrying value of RM4,300,000 (2025: RM4,300,000) has been pledged as security for a bank loan (Note 24(c)(iv)).

NOTES TO THE FINANCIAL STATEMENTS

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16. LEASES

As a lessee

(a) Right-of-use assets

	Farm land RM	Office premises RM	Total RM
Group			
Cost			
At 1 April 2025	10,421,883	457,607	10,879,490
Modification	(1,367,813)	-	(1,367,813)
At 31 March 2026	9,054,070	457,607	9,511,677
Accumulated depreciation			
At 1 April 2025	(6,901,313)	(240,310)	(7,141,623)
Modification	6,901,313	-	6,901,313
Depreciation charge for the financial year (Note 8)	(1,221,247)	(43,460)	(1,264,707)
At 31 March 2026	(1,221,247)	(283,770)	(1,505,017)
Net carrying amount at 31 March 2026	7,832,823	173,837	8,006,660
Cost			
At 1 April 2024/ 31 March 2025	10,421,883	457,607	10,879,490
Accumulated depreciation			
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

NOTES TO THE FINANCIAL STATEMENTS

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16. LEASES *cont'd*

As a lessee *cont'd*

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

	Office premises RM
Company	
Cost	
At 1 April 2025/ 31 March 2026	457,607
Accumulated depreciation	
At 1 April 2025	(240,310)
Depreciation charge for the financial year (Note 8)	(43,460)
At 31 March 2026	(283,770)
Net carrying amount at 31 March 2026	173,837
Cost	
At 1 April 2024/ 31 March 2025	457,607
Accumulated depreciation	
At 1 April 2024	(196,850)
Depreciation charge for the financial year (Note 8)	(43,460)
At 31 March 2025	(240,310)
Net carrying amount at 31 March 2025	217,297

(b) Lease liabilities

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-current				
Lease liabilities	6,799,127	2,873,045	144,602	184,026
Current				
Lease liabilities	1,404,483	1,167,776	39,521	39,521
Total lease liabilities	8,203,610	4,040,821	184,123	223,547

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cont'd

16. LEASES *cont'd*

As a lessee *cont'd*

(b) Lease liabilities *cont'd*

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

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
At beginning of financial year	4,040,821	5,140,741	223,547	260,757
Interest charged (Note 7)	400,889	271,680	12,176	14,390
Modification	5,533,500	-	-	-
Payments of:				
- Principal	(1,370,711)	(1,099,920)	(39,424)	(37,210)
- Interest	(400,889)	(271,680)	(12,176)	(14,390)
At end of financial year	8,203,610	4,040,821	184,123	223,547

The following are the amounts recognised in profit or loss:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Depreciation of right-of- use assets	1,264,707	1,155,216	43,460	43,460
Interest expense on lease liabilities	400,889	271,680	12,176	14,390
Expense relating to short-term leases and low-value assets	5,338	4,800	-	-
	1,670,934	1,431,696	55,636	57,850

The Group had total cash outflows for leases of RM1,776,938 (2025: RM1,376,400) and the Company had a total cash outflows for leases of RM51,600 (2025: RM51,600) during the financial year.

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 2 years (2025: 1 and 3 years). Rental income recognised by the Group and the Company during the financial year is RM1,000,000 (2025: RM520,000) and RM12,000 (2025: RM12,000) respectively.

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

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Within one year	1,512,000	1,132,000	12,000	12,000
After one year but not more than five years	972,000	2,400,000	12,000	12,000
	2,484,000	3,532,000	24,000	24,000

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17. INVESTMENT IN SUBSIDIARIES

	Company	
	2026	2025
	RM	RM
Unquoted shares, at cost	102,747,198	102,747,198
Executives' Share Option Scheme exercised by executives of subsidiaries	180,242	180,242
Investment in redeemable non-cumulative convertible preference shares ("RNCCPS") of subsidiaries	26,000,000	26,000,000
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

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
	2026	2025	
	%	%	
(a) Subsidiaries of LTKM Berhad			
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) Subsidiary of LTK Melaka Sdn. Bhd.			
LTK Bio-Fer Sdn. Bhd.	100	100	Manufacturing and sale of organic fertilisers
(c) Subsidiary of LTK Development Sdn. Bhd.			
Jarom Firstville Sdn. Bhd.	100	100	Property development

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18. INVESTMENTS

(a) Investment securities

	Group	
	2026	2025
	RM	RM
Fair value through other comprehensive income		
Quoted shares:		
- In Malaysia	132,086,536	93,346,887
- Outside of Malaysia	270,360	262,986
Total investment securities	132,356,896	93,609,873

The Group recognised a fair value gain of RM9,125,983 (2025: RM2,463,834) 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 RM1,561,669 (2025: RM956,532) 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.

Equity instruments designated at fair value through other comprehensive income

The Group have elected to measure these equity instruments at fair value through other comprehensive income due to the Group's intention to hold these equity instruments for long-term appreciation.

(b) Other investments

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
At amortised cost				
Non-current asset				
Cost	10,312,000	6,012,000	4,300,000	-
Less: Accumulated impairment loss	(281,811)	(191,730)	-	-
	10,030,189	5,820,270	4,300,000	-
Fair value through profit or loss				
Current asset	810,338	-	-	-

During the financial year, the Group recognised impairment loss on other investments measured at amortised cost of RM90,081 (2025: RM137,390) and fair value gain on other investments measured at fair value through profit or loss of RM8,714 (2025: nil) due to changes in market value as compared to the carrying value at the financial year end.

Financial assets designated at fair value through profit or loss

The Group has elected to measure these financial instruments at fair value through profit or loss due to the Group's intention to hold these financial instruments for capital appreciation purposes.

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19. BIOLOGICAL ASSETS

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

	Group	
	2026	2025
	RM	RM
Starters	636,219	666,366
Growers	903,567	2,120,577
Layers and old hens	7,815,624	6,984,091
Total	9,355,410	9,771,034

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

	Group	
	2026	2025
	RM	RM
At beginning of financial year	9,771,034	9,275,530
Purchases	4,879,591	6,317,712
Net used in production/sales	(7,638,378)	(5,897,834)
Fair value gain (Notes 5)	2,343,163	75,626
At end of financial year	9,355,410	9,771,034

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
At 31 March 2026/ 31 March 2025		
Layers		
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.
	(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.

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19. BIOLOGICAL ASSETS *cont'd*

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 RM6,373,967 (2025: RM5,279,202) higher/lower, arising as a result of higher/lower fair value of the livestock.

Sensitivity analysis for commodity price

Prices of commodities, in particular soybean and corn, are subject to global price fluctuations. These two commodities are major components in the Group's cost of production. At the reporting date, if the commodity price had been 5% higher/lower, with all other variables held constant, the Group's fair value of the livestock would have been RM2,947,716 (2025: RM3,470,101) lower/higher.

20. INVENTORIES

	Group	
	2026	2025
	RM	RM
At cost		
Produce inventories	1,226,183	1,355,573
Raw materials and consumable goods	16,817,646	16,895,089
	<u>18,043,829</u>	<u>18,250,662</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 RM121,172,916 (2025: RM137,140,651).

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21. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Current				
Trade receivables				
Third parties	7,651,141	8,373,979	-	-
Less: Allowance for expected credit losses	(210,016)	(228,523)	-	-
Trade receivables, net (Note 21 (a))	7,441,125	8,145,456	-	-
Other receivables				
Amount due from subsidiary	-	-	-	195
Deposits	723,442	656,592	9,600	9,600
Sundry receivables (Note 21 (b))	1,155,835	3,896,706	-	85
Other receivables, net	1,879,277	4,553,298	9,600	9,880
Total trade and other receivables	9,320,402	12,698,754	9,600	9,880
Add: Cash and bank balances (Note 22)	59,196,547	61,729,468	1,686,707	1,932,819
Other investment (Note 18(b))	10,030,189	5,820,270	4,300,000	-
Total financial assets carried at amortised cost	78,547,138	80,248,492	5,996,307	1,942,699

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2025: 30 to 90 days) terms. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

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

	Group	
	2026	2025
	RM	RM
Neither past due nor impaired	6,485,989	7,507,746
1 to 30 days past due but not impaired	493,542	435,133
31 to 60 days past due but not impaired	413,131	122,972
61 to 90 days past due but not impaired	48,463	79,605
	955,136	637,710
Impaired	210,016	228,523
	7,651,141	8,373,979

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cont'd

21. TRADE AND OTHER RECEIVABLES *cont'd*

(a) Trade receivables *cont'd*

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 RM955,136 (2025: RM637,710) 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	
	2026	2025
	RM	RM
At beginning of financial year	228,523	340,280
Net reversal of allowance for expected credit losses (Note 8)	(18,507)	(111,757)
At end of financial year	210,016	228,523

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.

(b) Sundry receivables

Included in sundry receivables is an amount of RM1,084,201 (2025: 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% (2025: 0% to 2.1%) per annum.

22. CASH AND BANK BALANCES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Cash on hand and at bank	26,601,629	28,748,440	622,325	904,905
Deposits with licensed banks:				
- Short-term fixed deposits	32,594,918	32,981,028	1,064,382	1,027,914
Cash and bank balances	59,196,547	61,729,468	1,686,707	1,932,819

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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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22. CASH AND BANK BALANCES *cont'd*

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

	Group		Company	
	2026	2025	2026	2025
	%	%	%	%
Deposits with licensed banks	3.38	3.77	3.30	3.80

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

	Group		Company	
	2026	2025	2026	2025
	Days	Days	Days	Days
Deposits with licensed banks	13-128	2-128	80	92

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	
	2026	2025	2026	2025
	RM	RM	RM	RM
Cash on hand and at bank	26,601,629	28,748,440	622,325	904,905
Deposits with licensed banks	32,594,918	32,981,028	1,064,382	1,027,914
Cash and bank balances	59,196,547	61,729,468	1,686,707	1,932,819
Less: Deposit with maturity of more than 3 months	(8,506,678)	(11,279,746)	-	-
Cash and cash equivalents at end of financial year	50,689,869	50,449,722	1,686,707	1,932,819

NOTES TO THE FINANCIAL STATEMENTS

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23. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Current					
Trade payables					
Third parties	(a)	6,683,647	4,891,163	-	-
Other payables					
Accruals		9,656,083	10,030,543	230,977	229,377
Other payables	(b)	3,898,667	2,752,188	21,881	16,877
		13,554,750	12,782,731	252,858	246,254
Total trade and other payables		20,238,397	17,673,894	252,858	246,254
Add: Loans and borrowings (Note 24)		46,557,995	60,313,316	-	-
Lease liabilities (Note 16(b))		8,203,610	4,040,821	184,123	223,547
Total financial liabilities carried at amortised cost		75,000,002	82,028,031	436,981	469,801

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 60 (2025: 30 to 60) days.

(b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term of 60 (2025: 60) days.

24. LOANS AND BORROWINGS

	Group	
	2026 RM	2025 RM
Current		
Secured:		
Revolving credits	14,000,000	14,000,000
Bankers' acceptances	3,878,159	3,750,444
Bank term loans	3,698,549	5,308,756
	21,576,708	23,059,200
Unsecured:		
Revolving credits	6,000,000	6,000,000
Bankers' acceptances	3,442,500	11,897,812
	9,442,500	17,897,812
	31,019,208	40,957,012

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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24. LOANS AND BORROWINGS *cont'd*

	Group	
	2026	2025
	RM	RM
Non-current		
Secured:		
Bank term loans	15,538,787	19,356,304
Total borrowings		
Revolving credits	20,000,000	20,000,000
Bankers' acceptances	7,320,659	15,648,256
Bank term loans	19,237,336	24,665,060
Loans and borrowings	46,557,995	60,313,316

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

(a) Maturity periods

	Group	
	2026	2025
	RM	RM
Within 1 year	31,019,208	40,957,012
More than 1 year and less than 2 years	3,040,340	5,236,839
More than 2 years and less than 5 years	11,448,283	7,409,001
More than 5 years	1,050,164	6,710,464
	46,557,995	60,313,316

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

	Group	
	2026	2025
	%	%
Revolving credits	4.95 - 5.52	5.27 - 5.53
Bankers' acceptances	2.65 - 3.71	4.14 - 4.45
Bank term loans	5.15 - 7.35	5.32 - 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 property development as disclosed in Note 15.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

24. LOANS AND BORROWINGS *cont'd*

The remaining maturities of the loans and borrowings as at the reporting date are as follows: *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	
	2026	2025	2026	2025
	RM	RM	RM	RM
At beginning of financial year	1,792,207	2,369,000	(23,727)	(19,011)
Recognised in profit or loss (Note 10)	255,077	(576,793)	(968)	(4,716)
At end of financial year	2,047,284	1,792,207	(24,695)	(23,727)
Presented after appropriate offsetting as follows:				
Deferred tax assets	(24,695)	(31,521)	(24,695)	(23,727)
Deferred tax liabilities	2,071,979	1,823,728	-	-
	2,047,284	1,792,207	(24,695)	(23,727)

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

	At 1 April 2025 RM	Recognised in profit or loss RM	At 31 March 2026 RM
Deferred tax assets of the Group:			
Biological assets	(981,817)	577,340	(404,477)
Lease liabilities	(969,797)	(999,069)	(1,968,866)
Investment properties	(1,135,774)	-	(1,135,774)
Provisions	(1,447,203)	(136,238)	(1,583,441)
Others	(388,636)	-	(388,636)
	(4,923,227)	(557,967)	(5,481,194)
Deferred tax liabilities of the Group:			
Revaluation surplus	5,649,295	-	5,649,295
Property, plant and equipment	169,050	(211,467)	(42,417)
Right-of-use assets	897,089	1,024,511	1,921,600
	6,715,434	813,044	7,528,478
	1,792,207	255,077	2,047,284

NOTES TO THE FINANCIAL STATEMENTS

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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 1 April 2024 RM	Recognised in profit or loss RM	At 31 March 2025 RM
Deferred tax assets of the Group:			
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)
Deferred tax liabilities of the Group:			
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
	At 1 April 2025 RM	Recognised in profit or loss RM	At 31 March 2026 RM
Deferred tax assets of the Company:			
Provisions	(19,011)	-	(19,011)
Lease liabilities	(56,867)	9,462	(47,405)
	(75,878)	9,462	(66,416)
Deferred tax liability of the Company:			
Right-of-use assets	52,151	(10,430)	41,721
	(23,727)	(968)	(24,695)

NOTES TO THE FINANCIAL STATEMENTS

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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 1 April 2024 RM	Recognised in profit or loss RM	At 31 March 2025 RM
Deferred tax assets of the Company:			
Provisions	(19,011)	-	(19,011)
Lease liabilities	(62,582)	5,715	(56,867)
	(81,593)	5,715	(75,878)
Deferred tax liability of the Company:			
Right-of-use assets	62,582	(10,431)	52,151
	62,582	(10,431)	52,151
	(19,011)	(4,716)	(23,727)

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

	Group 2026 RM	2025 RM
Unused tax losses	4,887,612	4,873,581
Unabsorbed capital allowances	3,380	3,220
Other deductible temporary difference	1,941,292	1,941,292
	6,832,284	6,818,093

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 2026 RM	2025 RM
Year of expiry of unutilised tax losses:		
Expiring in 2028	3,740,925	3,740,925
Expiring in 2029	425,049	425,049
Expiring in 2030	340,934	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
Expiring in 2035	14,031	-
	4,887,612	4,873,581

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26. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2026	2025	2026 RM	2025 RM
Issued and fully paid, at no par value				
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	
	2026 RM	2025 RM
Non-distributable FVOCI reserve	8,924,238	1,359,924

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	
	2026 RM	2025 RM	2026 RM	2025 RM
Rental of farm paid to a related company	1,720,000	1,320,000	-	-
Rental of office paid to a director	51,600	45,600	51,600	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 director and/or firm connected to director	5,508	116,313	5,508	11,830
Dividend received from a subsidiary	-	-	(10,300,000)	(3,000,000)

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.

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29. RELATED PARTY DISCLOSURES *cont'd*

(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	
	2026	2025
	RM	RM
Approved but not contracted for:		
Property, plant and equipment	-	400,000

31. FINANCIAL GUARANTEES

	Company	
	2026	2025
	RM	RM
Guarantees to licensed financial institutions in respect of credit facilities granted to subsidiaries:		
LTK (Melaka) Sdn. Bhd.	19,880,357	30,361,541
LTK Omega Plus Sdn. Bhd.	5,966,992	6,946,639
LTK Properties Sdn. Bhd.	12,511,495	14,403,780
LTK Development Sdn. Bhd.	8,000,000	8,000,000
Jarom Firstville Sdn. Bhd.	199,151	601,356
	46,557,995	60,313,316

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:

	Note
Other investments (non-current)	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.

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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) RM	(Level 2) RM	(Level 3) RM	Total RM
Group					
At 31 March 2026					
Assets measured at fair value:					
Investment properties (Note 14)	26 March 2026	-	-	95,600,000	95,600,000
Biological assets (Note 19)	31 March 2026	-	-	9,355,410	9,355,410
Other investments (Note 18)	31 March 2026	810,338	-	-	810,338
Fair value through other comprehensive income (Note 18)					
Quoted shares:					
- In Malaysia	31 March 2026	132,086,536	-	-	132,086,536
- Outside of Malaysia	31 March 2026	270,360	-	-	270,360
Group					
At 31 March 2025					
Assets measured at fair value:					
Investment properties (Note 14)	28 March 2025	-	-	94,000,000	94,000,000
Biological assets (Note 19)	31 March 2025	-	-	9,771,034	9,771,034
Other investments (Note 18)	31 March 2025	-	-	-	-
Fair value through other comprehensive income (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

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 RM46,557,995 (2025: RM60,313,316) 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			
	2026		2025	
	RM	% of total	RM	% of total
By industry sectors:				
Poultry and related products	6,862,144	90%	7,819,755	93%
Sand extraction and sale	788,997	10%	554,224	7%
	7,651,141	100%	8,373,979	100%

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 RM2,653,659 (2025: RM3,909,243) due from 5 (2025: 5) customers, representing 35% (2025: 48%) 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 2026

31 March 2026	Trade receivables				Total
	Days past due				
	Current	< 30 days	31 - 60 days	> 61 days	
	RM	RM	RM	RM	
Estimated total gross receivables	6,485,989	493,542	413,131	258,479	7,651,141
Expected credit loss	-	-	-	(210,016)	(210,016)
Net receivables	6,485,989	493,542	413,131	48,463	7,441,125

31 March 2025

31 March 2025	Trade receivables				Total
	Days past due				
	Current	< 30 days	31 - 60 days	> 61 days	
	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	7,507,746	435,133	122,972	79,605	8,145,456

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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 67% (2025: 68%) of the Group's loans and borrowings (Note 24) 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.

	2026			
	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
Group				
Financial liabilities:				
Trade and other payables	20,238,397	-	-	20,238,397
Loans and borrowings	32,802,238	17,189,381	1,115,327	51,106,946
Lease liabilities	1,851,600	7,654,800	-	9,506,400
Total undiscounted financial liabilities	54,892,235	24,844,181	1,115,327	80,851,743
	2025			
	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
Group				
Financial liabilities:				
Trade and other payables	17,673,894	-	-	17,673,894
Loans and borrowings	43,755,427	15,378,663	7,126,513	66,260,603
Lease liabilities	1,371,600	3,066,400	-	4,438,000
Total undiscounted financial liabilities	62,800,921	18,445,063	7,126,513	88,372,497

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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*

	← 2026 →			
	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
Company				
Financial liabilities:				
Trade and other payables	252,858	-	-	252,858
Lease liabilities	51,600	154,800	-	206,400
Total undiscounted financial liabilities	304,458	154,800	-	459,258

	← 2025 →			
	On demand or within one year RM	One to five years RM	Over five years RM	Total 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

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.

	On demand or within one year RM
Company	
31 March 2026	
Financial guarantee	46,557,995
31 March 2025	
Financial guarantee	60,313,316

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

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

(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.

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 RM104,331 (2025: RM115,301) 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:

Functional currency in Ringgit Malaysia	SGD RM	HKD RM	Total RM
At 31 March 2026			
Cash and bank balances	3,855,516	-	3,855,516
Trade and other receivables	1,732,629	126,208	1,858,837
Investment securities	-	270,360	270,360
	<u>5,588,145</u>	<u>396,568</u>	<u>5,984,713</u>
At 31 March 2025			
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
	<u>10,585,961</u>	<u>389,194</u>	<u>10,975,155</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

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

(d) Foreign currency risk *cont'd*

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.

		Group Increase/(decrease) in profit net of tax	
		2026	2025
		RM	RM
SGD/RM	- strengthened 3%	127,410	241,360
	- weakened 3%	(127,410)	(241,360)
HKD/RM	- strengthened 3%	11,897	8,874
	- weakened 3%	(11,897)	(8,874)

(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 RM6,604,327 (2025: RM4,668,228) 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 RM13,518 (2025: RM12,265) 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 FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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 RM3,496,229 (2025: RM4,018,953) 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 securities, money market funds 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 2026
cont'd

35. SEGMENT INFORMATION cont'd

	Production and Sale of Poultry and Related Products				Extraction and Sale of Sand				Investment Holding				Property Development				Elimination				Group			
	2026		2025		2026		2025		2026		2025		2026		2025		2026		2025		2026		2025	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	
Revenue																								
External sales	202,113,276	212,490,277	8,833,632	9,056,062	1,000,000	520,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	211,946,908	222,066,339	-	
Inter-segment sales	593,580	489,180	-	-	10,859,200	3,559,200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,452,780)	(4,048,380)	-	
Total revenue	202,706,856	212,979,457	8,833,632	9,056,062	11,859,200	4,079,200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	211,946,908	222,066,339	-	
Result																								
Segment results	38,585,553	51,046,450	2,226,386	2,459,392	8,004,529	3,164,603	(2,101,560)	(1,479,298)	-	-	-	-	-	-	-	-	-	-	-	-	46,714,908	55,191,147	-	
Inter-segment net (expense)/ income	(1,746,369)	(1,539,684)	-	-	(216,977)	299,739	1,963,346	1,239,945	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Finance costs	36,839,184	49,506,766	2,226,386	2,459,392	7,787,552	3,464,342	(138,214)	(239,353)	-	-	-	-	-	-	-	-	-	-	-	-	46,714,908	55,191,147	-	
Segment profit/(loss) before tax	(1,454,641)	(1,544,551)	(373,332)	(344,017)	(1,277,436)	(1,614,414)	(22,808)	(46,258)	-	-	-	-	-	-	-	-	-	-	-	-	(3,128,217)	(3,549,240)	-	
Income tax expense	35,384,543	47,962,215	1,853,054	2,115,375	6,510,116	1,849,928	(161,022)	(285,611)	-	-	-	-	-	-	-	-	-	-	-	-	43,586,691	51,641,907	-	
Profit for the financial year																					(5,312,357)	(3,148,744)	-	
Assets																								
Segment assets	195,269,685	191,002,594	27,658,813	27,200,992	350,975,956	291,368,543	60,519,890	47,719,379	(182,178,810)	(144,450,934)	452,245,534	412,840,574	-	-	-	-	-	-	-	-	24,695	2,293,258	-	
Unallocated corporate assets																							-	
Consolidated total assets																					452,270,229	415,133,832	-	
Liabilities																								
Segment liabilities	46,167,850	52,317,734	6,558,293	7,589,881	33,353,938	30,717,842	59,453,459	57,068,368	(70,533,538)	(65,665,794)	75,000,002	82,028,031	-	-	-	-	-	-	-	-	4,412,989	1,924,320	-	
Unallocated corporate liabilities																							-	
Consolidated total liabilities																					79,412,991	83,952,351	-	
Other Information																								
Capital expenditure	250,755	593,860	617,515	6,335,062	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	868,270	6,928,922	-	
Depreciation and amortisation	4,812,039	5,294,805	412,702	367,890	47,900	48,386	-	187	34,315	-	5,306,956	5,711,268	-	-	-	-	-	-	-	-	90,081	137,390	-	
Impairment losses	-	-	-	-	90,081	137,390	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net reversal of expected credit losses	(4,838)	(6,449)	(13,669)	(105,308)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(18,507)	(111,757)	-	
Non-cash expenses other than depreciation, amortisation and impairment loss	156,937	257,290	776	-	(3,357)	14,390	-	-	-	-	-	-	-	-	-	-	-	-	-	-	154,356	271,680	-	

The above eliminations were made for related company transactions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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 2026 and 31 March 2025.

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	
	2026	2025	2026	2025
	RM	RM	RM	RM
Loans and borrowings	46,557,995	60,313,316	-	-
Trade and other payables	20,238,397	17,673,894	252,858	246,254
Less:				
Other investments- Current	(810,338)	-	-	-
Cash and bank balances	(59,196,547)	(61,729,468)	(1,686,707)	(1,932,819)
Net debt/(cash)	6,789,507	16,257,742	(1,433,849)	(1,686,565)
Equity attributable to the owners of the parent	372,857,238	331,181,481	115,262,067	111,781,350
Less: FVOCI reserve	(8,924,238)	(1,359,924)	-	-
Total capital	363,933,000	329,821,557	115,262,067	111,781,350
Capital and net debt	370,722,507	346,079,299	113,828,218	110,094,785
Net gearing ratio	2%	5%	<1%	<1%

37. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	1 April 2025 RM	Cash flows RM	Other RM	31 March 2026 RM
Current interest-bearing:				
- term loans	5,308,756	(5,427,724)	3,817,517	3,698,549
- other borrowings	35,648,256	(8,327,597)	-	27,320,659
Current lease liabilities	1,167,776	(1,370,711)	1,607,418	1,404,483
Non-current interest-bearing:				
- term loans	19,356,304	-	(3,817,517)	15,538,787
Non-current lease liabilities	2,873,045	-	3,926,082	6,799,127
Total liabilities from financing activities	64,354,137	(15,126,032)	5,533,500	54,761,605

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

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

	1 April 2024 RM	Cash flows RM	Other RM	31 March 2025 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

Company

	1 April 2025 RM	Cash flows RM	Other RM	31 March 2026 RM
Current lease liabilities	39,521	(39,424)	39,424	39,521
Non-current lease liabilities	184,026	-	(39,424)	144,602
Total liabilities from financing activities	223,547	(39,424)	-	184,123

	1 April 2024 RM	Cash flows RM	Other RM	31 March 2025 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

38. SIGNIFICANT EVENT

Impact of the Middle East Conflict

On 28 February 2026, the Middle East conflict started and caused the closure of the Strait of Hormuz, has significantly disrupted many business operations around the world. For the Group and the Company, the impact on business operations has not been a direct consequence of the conflict, but a result of the indirect effects globally, notably surging energy prices and inward shipping costs. The conflict is not an adjusting post balance sheet event. As the conflict continues to evolve, it is challenging to predict the full extent and duration of its impact on business and the economy. The Group and the Company will continue to monitor the development of these events and assess the impact of conflict to the Group's and the Company's business.

LIST OF PROPERTIES

AS AT 31 MARCH 2026

Location	Existing use & description	Approximate Area	Tenure	Remaining Lease Period (Expiry Date)	Age of buildings	Net Book Value as at 31.3.26 (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	-	7 - 38 years	41.54*	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 2026 (Revaluation)
Lot Nos. 12128 - 12137, Mukim Jus, District of Jasin, Melaka	Sand mining & oil palm plantation	49.90 acres	Leasehold	50 years (11.12.2076)	-	3.47	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) Freehold (8.51 acres)	31 years (21.03.2057)	-	0.50	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 No. 132, Mukim Jus, District of Jasin, Melaka	Oil palm plantation	6.49 acres	Leasehold	32 years (12.01.2058)	-	0.40	July 2025 (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 ½, Jalan Meru, 41050 Klang, Selangor	3 storey shop houses for own use	1,430 sq. ft	Freehold	-	45 years	0.59	March 2016 (Revaluation)
Lot Nos. PT 4030 to 4086 (previously Lot 421) all in Seksyen 2, Mukim Tanjung Dua Belas, Kuala Langat, Selangor	Land held for development	5.25 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	65 years 11.10.2091	-	57.60	March 2026 (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	-	-	38.00	March 2026 (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 2026

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 2026

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	76	6.30	1,250	0.00
100 to 1,000	190	15.75	85,484	0.06
1,001 to 10,000	640	53.07	2,802,450	1.96
10,001 to 100,000	250	20.74	6,942,700	4.85
100,001 to 7,155,699 *	49	4.06	36,654,616	25.61
7,155,700 and above **	1	0.08	96,627,506	67.52
Total	1,206	100.00	143,114,006	100.00

* 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 2026

Name	Direct	Shareholdings		
		%	Indirect	%
Ladang Ternakan Kelang Sdn. Berhad	96,627,506	67.52	-	-
Datuk Tan Kok	3,458,116	2.42	101,492,606 ⁽¹⁾	70.92
Datin Lim Hooi Tin	600,000	0.42	101,492,606 ⁽²⁾	70.92

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 2026

Name	Direct	Shareholdings		
		%	Indirect	%
Datuk Tan Kok	3,458,116	2.42	101,492,606 ⁽¹⁾	70.92
Datin Lim Hooi Tin	600,000	0.42	101,492,606 ⁽²⁾	70.92
Tan Chee Huey	202,000	0.14	4,336,100 ⁽³⁾	3.03
Loh Wei Ling	12,000	0.01	529,000 ⁽³⁾	0.37
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.

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2026

cont'd

THIRTY (30) LARGEST SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS AS AT 30 JUNE 2026

No.	Name	No. of Shares	%
1.	Ladang Ternakan Kelang Sdn Bhd	96,627,506	67.52
2.	Phuah Chai Tin	6,723,300	4.70
3.	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chiau Beng Teik</i>	4,019,200	2.81
4.	Tan Kok	3,458,116	2.42
5.	HLB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chiau Beng Teik</i>	2,670,000	1.89
6.	YBJ Capital Sdn Bhd	2,625,000	1.83
7.	Tan Yee Boon	1,195,000	0.83
8.	Kok Chiew Heng	1,148,500	0.80
9.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ng Beng Hoo (MM1068)</i>	952,200	0.67
10.	HLIB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ooi Chen Seng</i>	800,000	0.56
11.	Lee Hai Leong	762,900	0.53
12.	CGS International Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Teo Swee Phin (MY4649)</i>	700,000	0.49
13.	Tye Lim Huat	658,100	0.46
14.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd <i>Pledged Securities Account for Lau Kim San (MF00557)</i>	647,300	0.45
15.	Lim Hooi Tin	600,000	0.42
16.	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ooi Chen Seng</i>	590,300	0.41
17.	Tan Yee Boon	516,100	0.36
18.	Tan Yee Siong	492,000	0.34
19.	HLB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ooi Chen Seng</i>	490,000	0.34
20.	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Hwa Sing</i>	480,000	0.33
21.	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Khow Seow Hwee</i>	436,800	0.31
22.	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chiau Haw Loon</i>	433,600	0.30
23.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chiau Beng Teik (MY2975)</i>	433,200	0.30
24.	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chiau Beng Soo</i>	419,800	0.29
25.	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Teh Xio Ven</i>	380,000	0.26
26.	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Low Kum Moon</i>	370,000	0.26
27.	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Oon Boon Khong</i>	367,300	0.26
28.	Ng Chew Kee	353,000	0.25
29.	Lee Chee Beng	336,300	0.23
30.	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Foo Khai Shin</i>	330,000	0.23
Total		130,015,552	90.85

NOTICE OF TWENTY-NINTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Ninth 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 Thursday, 10th September 2026 at 11.00 a.m. for the purpose of transacting the following business: -

AGENDA

ORDINARY BUSINESS

- | | | |
|----|---|--|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 March 2026 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 2026 | <i>Resolution 1</i> |
| 3. | To approve the Directors' Fees of RM300,000 and benefits payable for the period from 11 September 2026 up to the next Annual General Meeting of the Company to be held in 2027. | <i>Resolution 2</i> |
| 4. | To re-elect Ms. Tan Chee Huey who is retiring in accordance with Clause 88 of the Company's Constitution. | <i>Resolution 3</i> |
| 5. | To re-elect Mr. Tan Kah Poh who is retiring in accordance with Clause 88 of the Company's Constitution. | <i>Resolution 4</i> |
| 6. | To re-appoint Messrs. Ernst & Young as the External Auditors and to authorize the Board of Directors to fix their remuneration. | <i>Resolution 5</i> |

SPECIAL BUSINESS

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

- | | | |
|----|--|----------------------------|
| 7. | Ordinary Resolution | <i>Resolution 6</i> |
| | <ul style="list-style-type: none"> Authority for Mr. Tan Kah Poh to continue in Office as Independent Director <p>"THAT subject to his re-election in Resolution 3, authority be and is hereby given to Mr. Tan Kah Poh who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years (i.e. since 25 May 2017), to continue to act as an Independent Director of the Company in accordance with the Malaysian Code on Corporate Governance 2021."</p> | |
| 8. | Ordinary Resolution | <i>Resolution 7</i> |
| | <ul style="list-style-type: none"> Authority For Directors To Allot And Issue Shares <p>"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."</p> | |

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-NINTH 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 2026, if approved by the Members, will be payable on 5 October 2026 to Depositors registered in the Record of Depositors as at the close of business on 21 September 2026.

By Order Of the Board
LTKM BERHAD

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

Dated: 31 July 2026
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 drop box 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 Vistra Share Registry and IPO(my) portal ("the portal") at <https://srmy.vistra.com>.

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-NINTH 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 2026**

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 11 September 2026 until the next Annual General Meeting of the Company in 2027 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 attendances at the Board and Board Committee's meetings.

c) **Item 4 & 5 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-Ninth Annual General Meeting, the Board through its Nomination Committee had assessed the performance of Ms. Tan Chee Huey and Mr. Tan Kah Poh. The Directors' Profile section in the Annual Report 2026 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. Both Directors have met the Fit and Proper Criteria of the Company. 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 7 of the agenda – Ordinary Business** **Continuance as Independent Director**

Authority for Mr. Tan Kah Poh to continue to act as an Independent Director of the Company pursuant to the Malaysian Code on Corporate Governance 2021 (Resolution 5). Mr. Tan Kah Poh has served as an Independent Director of the Company for a cumulative term of more than nine (9) years (i.e. since 25 May 2017) and has continued to satisfy the definition of "independent director" as set out in Chapter 1 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. The Board based on the review and recommendation made by the Nomination Committee, considers Mr. Tan Kah Poh to be independent, and recommends that he should continue to act as an Independent Director of the Company subject to shareholders' approval through a two-tier voting process.

e) **Item 8 of the agenda – Special Business** **Authority for Directors to Allot and Issue Shares**

The proposed Resolution 6, 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-Eighth Annual General Meeting held on 17 September 2025. 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-Eighth 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-NINTH ANNUAL GENERAL MEETING

cont'd

C. Administrative Guide

1. ELECTRONIC LODGEMENT OF FORM OF PROXY

PROCEDURES	ACTIONS
i. Steps for Individual Shareholders	
(a) Register as a user with the Portal	- Visit the website at https://srmy.vistra.com. - Click "Register" and select "Individual Holder", then complete the New User Registration Form. - For guidance, you may refer to the tutorial guide available on the homepage. - Once registration is completed, you will receive an email notification to verify your registered email address. - After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved. - Upon receiving the confirmation email, activate your account by creating a password. (If you are an existing user with the Portal or had registered with TIIH Online portal previously, you are not required to register again. You will automatically receive a notification once the remote participation is available for registration at the Portal.)
(b) Proceed with submission of Form of Proxy	- After the release of the Notice of the 29th AGM by the Company, login with your username (i.e. email address) and password. - Select the corporate event: "LTKM BERHAD 29TH AGM". - Navigate to the 3 dots at the end of the corporate event and choose "SUBMISSION OF PROXY FORM". - Read and agree to the Terms & Conditions and confirm the Declaration. - Indicate the total number of shares assigned to your proxy(ies) to vote on your behalf. - Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint Chairperson of the meeting as your proxy. - Indicate your voting instructions - FOR or AGAINST, otherwise your proxy will decide your vote. - Review and confirm your proxy(s) appointment. - Print e-proxy form for your record.
ii. Steps for Corporate or Institutional Shareholders	
(a) Register as a user with the Portal	- Visit the website at https://srmy.vistra.com. - Click "Register" and select "Representative of Corporate Holder", then complete the New User Registration Form. - Complete the registration form with your personal details and upload the required documents. - Once registration is completed, you will receive an email notification to verify your registered email address. - After verification, your registration will be reviewed and approved within two (2) working days. A confirmation email will be sent once approved. - Upon receiving the confirmation email, activate your account by creating a password. Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.
(b) Proceed with submission of Form of Proxy	- Login to the Portal at https://srmy.vistra.com with your email address and password. - Select the corporate event: "LTKM BERHAD 29TH AGM". - Navigate to the icon ">" at the end of the corporate event. - Read and agree to the Terms & Conditions and confirm the Declaration. - Select the corporate holder's name. - Proceed to download the submission file. - Prepare the file for the appointment of proxy(ies) by inserting the required data. - Proceed to upload the duly completed proxy appointment file. - Select "Confirm" to complete your submission. - Print the confirmation report of your submission for your record.

NOTICE OF TWENTY-NINTH ANNUAL GENERAL MEETING

cont'd

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining a member who shall be entitled to attend the Twenty-Ninth 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 2 September 2026. Only depositors whose name appears on the Record of Depositors as at 2 September 2026 shall be entitled to attend the Twenty-Ninth 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.



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-Ninth Annual General Meeting to be held at Botanic Room, Botanic Resort Club, No. 1, Jalan Ambang Botanic, Bandar Botanic, 41200 Klang, Selangor on Thursday, 10th September 2026 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
1.	Ordinary Business Resolution 1 – To approve a single-tier final dividend of 2 sen per ordinary share in respect of the financial year ended 31 March 2026		
2.	Resolution 2 – To approve the Directors' Fees of RM300,000 and benefits payable for the period from 11 September 2026 up to the next Annual General Meeting of the Company to be held in 2027.		
3.	Resolution 3 – To re-elect Ms. Tan Chee Huey who is retiring in accordance with Clause 88 of the Company's Constitution.		
4.	Resolution 4 – To re-elect Mr. Tan Kah Poh who is retiring in accordance with Clause 88 of the Company's Constitution.		
5.	Resolution 5 – To re-appoint Messrs. Ernst & Young as External Auditors and to authorize the Board of Directors to fix their remuneration.		
6.	Special Business Resolution 6 – Authority for Mr. Tan Kah Poh to continue in Office as Independent Director.		
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 _____, 2026

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 drop box 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 Vistra Share Registry and IPO(my) portal ("the portal") at <https://srm.vistra.com>. Kindly refer to Note C(1) Administrative Guide – Electronic Lodgement of Form of Proxy as contained in the Notice of the 29th AGM.

Fold This Flap For Sealing

Then Fold Here

AFFIX
STAMP

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

1st Fold Here

www.LTKM.com.my

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