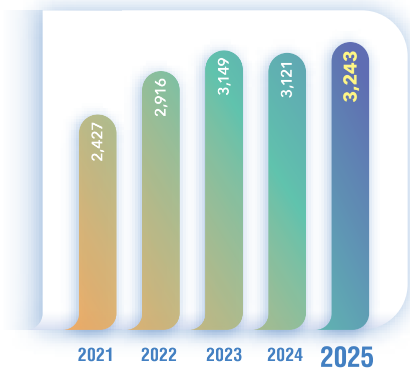
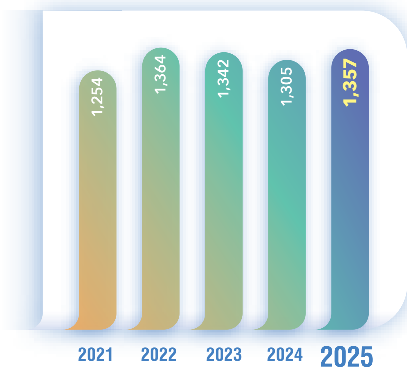
GROUP FINANCIAL HIGHLIGHTS

	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	**2025 RM'000**
Revenue	2,426,936	2,915,570	3,148,901	3,121,334	**3,242,859**
Profit before tax from continuing operations	96,904	179,444	31,962	115,536	**201,043**
Tax expense	(35,881)	(25,444)	(26,677)	(38,313)	**(34,362)**
Profit from continuing operations	61,023	154,000	5,285	77,223	**166,681**
Profit from discontinued operations, net of tax	137,519	-	-	-	**-**
Profit for the year	198,542	154,000	5,285	77,223	**166,681**
Minority interests	(24,633)	(8,955)	(11,966)	(19,108)	**(26,739)**
Profit/(Loss) attributable to equity holders of the Company	173,909	145,045	(6,681)	58,115	**139,942**
Issued share capital (RM'000)	535,623	535,902	537,262	645,415	**645,415**
Shareholders' fund (RM'000)	1,254,314	1,364,416	1,341,954	1,305,265	**1,357,344**
Net assets per share (sen) *	123	134	131	105	**110**
Basic earnings/(loss) per share (sen) **	17.08	14.22	(0.65)	4.74	**11.29**
Gross dividends (%)	3.81	5.71	6.31	5.76	**6.72**
* Based on number of shares ('000)	1,019,653	1,020,210	1,022,893	1,239,154	**1,239,154**
** Based on weighted average number of shares ('000)	1,018,156	1,019,923	1,021,580	1,225,567	**1,239,154**

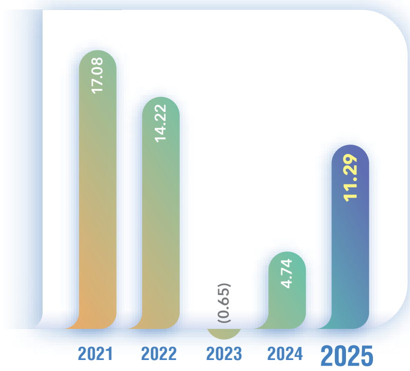
Revenue (RM'Million)



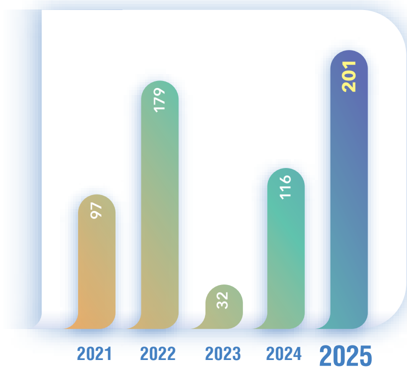
Shareholders' Fund (RM'Million)



Basic Earnings Per Share (Sen)



Profit Before Tax (RM'Million)



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of Malayan Flour Mills Berhad ("the Company") strives to ensure that good corporate governance is embraced in the conduct of the businesses and affairs of the Company, its subsidiaries and joint ventures ("the Group") as it is the Board's fundamental responsibility to protect and enhance long-term shareholder value and the financial performance of the Group, whilst taking into account the interest of all stakeholders.

The Board recognises that the practice of good corporate governance, by being ethical, accountable and transparent, is vital for the sustainability of the Group. The Board makes adjustments as may be appropriate with the ultimate objective of continuously enhancing the business processes, stakeholder value and increasing the confidence of the investors and customers.

The Board has been guided by the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") in its corporate governance practices. Whilst ensuring compliance with Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Listing Requirements") and the Companies Act 2016, the Board always keep abreast with the developments in industry practices and the requirements by other relevant regulations to uphold the highest level of corporate governance throughout the Group.

This statement provides an overview of the corporate governance practices of the Company in respect of financial year ended 31 December 2025 and to be read together with the Corporate Governance Report of the Company ("CG Report") which is available on the Company's website at www.mfm.com.my. The CG Report discloses the Company's application of each practice set out in the MCCG 2021.

This overview statement describes the approaches that the Company has taken with respect to the 3 key principles of the MCCG 2021 as follows:

A. Board Leadership and Effectiveness

B. Effective Audit and Risk Management

C. Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Roles and Responsibilities of the Board

The Board plays a role in providing stewardship and control of the Group's business and affairs on behalf of shareholders with due consideration on the impact of the Group's activities on its stakeholders. The Board is responsible for the oversight and overall management of the Group by providing guidance and direction to the management with regards to the sustainability, strategic planning, risk management, succession planning, financial and operations to meet the expectations and obligations to the shareholders and various stakeholders.

Amongst the key responsibilities of the Board are as follows:

- Review and approve short and medium terms strategic plans
- Monitor the progress of the Group's businesses to evaluate whether the businesses are properly managed to achieve its targeted returns and sustainability
- Establish goals for management and monitor the achievement of these goals
- Identify principal business risks faced by the Group and ensure the implementation of appropriate internal controls and mitigating measures to address the risks
- Review the adequacy of the internal control systems

- Review succession and human resource plans
- Consider management's recommendations on key issues including investments, acquisitions, funding and significant capital expenditure

The Board delegates the day-to-day management of the Group to the Executive Deputy Chairman cum Managing Director who further cascades the delegation to the management team. Both the Executive Deputy Chairman cum Managing Director and management team remain accountable to the Board for the authority delegated to them and brief the Board on the general business environment, financial performance, operational progress, business outlook and action plans of the Company, the operating subsidiaries and joint ventures of the Company on a quarterly basis.

Significant matters reserved for the consideration of the Board include the following:

- Approval of financial statements including accounting policies of the Group
- Declaration of dividend
- Approval of annual budget
- Approval for the appointment and remuneration of Directors and Senior Management staff
- Proposed corporate exercise
- Borrowings from financial institutions
- Acquisition and disposal of assets
- New investments such as joint venture

As for the succession planning, the Board is responsible in reviewing candidates for the appointment of Director and key management positions. The Executive Deputy Chairman cum Managing Director updates the Board from time to time on the details of the programmes for management development such as coaching, leadership and technical training. The Board also reviews the remuneration of the Directors and key Senior Management to ensure that their remuneration packages are sufficiently attractive to attract and retain the talents.

<u>Separation of positions of the Chairman and Executive Deputy Chairman cum Managing Director</u>

The Board Charter provides clear division of responsibility between the Chairman and the Executive Deputy Chairman cum Managing Director to ensure that there is a balance of power and authority, such that no one individual has unfettered powers of decision-making.

Datuk Oh Chong Peng, who is a Non-Independent Non-Executive Director, is the Chairman of the Board. He is responsible for leading and ensuring the Board effectiveness and compliance with corporate governance. He acts as a facilitator at Board meetings and general meetings to ensure that the meetings are carried out smoothly according to their agenda.

Mr Teh Wee Chye is the Executive Deputy Chairman cum Managing Director of the Company and leads the day-to-day management of the Group. He, together with the support of the management team, formulate business strategies and plans to achieve the Group's vision and missions, targeted growth, turnover and profitability to meet the stakeholders' expectation. He is responsible for implementing the policies and decisions of the Board and coordinating the implementation of business and corporate strategies.

The Chairman and Executive Deputy Chairman cum Managing Director have regular dialogues over all operational matters. Between Board meetings, the Chairman maintains an informal link between the Board and the Executive Deputy Chairman cum Managing Director, expects to be kept informed by the Executive Deputy Chairman cum Managing Director on all important matters and is available to the Executive Deputy Chairman cum Managing Director to provide counsel and advice where appropriate.

Board Meetings and Time Commitment

The Board meets at least 6 times annually with quarterly meetings being held to review amongst other matters, the business progress report and financial results. Board meetings for the ensuing financial year are scheduled prior to the commencement of that year to enable the Board and management to plan their schedule ahead. Additional meetings are convened in between scheduled meetings when Board's decision is required for urgent and important proposals or matters. Where appropriate, the Board's decision may be made via Circular Resolution in between scheduled meetings. Decisions of the Board are made unanimously or by consensus.

For the Board to deliberate effectively on agenda of the meetings, relevant meeting papers are furnished to the Directors in advance of each meeting. This allows the Directors sufficient time to peruse the papers and have productive discussions and make informed decision at the meeting.

All deliberations and decisions made by the Board are properly recorded by the Company Secretary by way of minutes of the meetings. Minutes of proceedings and resolutions passed at each Board and Board Committees meetings are kept in the minutes book at the registered office of the Company.

In the event of a potential conflict of interest, the Director in such position will make a declaration to that effect as soon as practicable at the Board meeting. The Director concerned will then abstain from any decision-making process in which he has an interest in.

The Board is satisfied with the level of time commitment given by all the Directors towards fulfilling their duties and responsibilities as Directors of the Company. This is reflected by their full attendances at the Board and various Board Committees meetings held during the year as set out in the table below:

Name of Directors	Board	Audit & Risk Management Committee	Nomination Committee	Remuneration Committee
Non-Independent				
Datuk Oh Chong Peng	6/6	5/5	-	3/3
Teh Wee Chye	6/6	-	-	-
Dato' Seri Zainal Abidin bin Mahamad Zain	6/6	-	1/1	-
Prakash A/L K.V.P Menon	6/6	-	-	3/3
Azhari Arshad	6/6	-	-	-
Lim Pang Boon	6/6	-	-	-
Independent				
Quah Poh Keat	6/6	5/5	1/1	-
Emeritus Professor Datin Paduka Setia Dato' Dr Aini binti Ideris	6/6	-	1/1	3/3
Dato' Maznah binti Abdul Jalil	6/6	5/5	-	3/3

All the Directors have complied with the requirement to attend at least 50% of the Board meetings held in the financial year pursuant to the Listing Requirements.

Besides attending Board and Board Committees meetings, as their commitment in discharging their duties and responsibilities, some Directors had also attended offsite meetings with relevant authorities and discussion meetings with management.

In addition, all the Directors of the Company do not hold directorships at more than five public listed companies as prescribed in paragraph 15.06 of the Listing Requirements and thus, able to commit sufficient time to the Company. For notification to the Companies Commission of Malaysia as well as monitoring purpose, the Directors are required to notify the Company on any changes in their other directorship of public companies or subsidiaries of public companies.

Access to Advice and Information

In order for the Board to effectively discharge its duties and responsibilities, the Directors are provided with full, complete and unrestricted access to timely and accurate information. All Board and Board Committee members are provided with the agenda and reports relevant to the business of the meeting in advance so that the Directors have sufficient time to prepare and deliberate on the issues prior to the meeting.

Senior Management members are also invited to attend Board meetings to provide the Board with their views and explanations on certain agenda items tabled to the Board and to furnish their clarification on issues that may be raised by Directors.

In addition, the Directors may request for independent advice from the relevant professionals for the discharge of their duties, at the Company's expense.

Qualified and Competent Company Secretary

In furtherance of their duties, the Directors have access to the advice and services of the Company Secretary who satisfied the qualifications as prescribed under Sections 235(2) and 241 of the Companies Act 2016. The Company Secretary is responsible for ensuring that Board meeting procedures are adhered to and that applicable laws, rules and regulations are complied with. The Board is updated and advised by the Company Secretary from time to time on new statutes and directives issued by the regulatory authorities.

The Company Secretary organises and attends all the Board and Board Committees meetings as well as the General Meetings and ensures accurate records of the proceedings and decisions of the meetings are made and properly kept.

The Company Secretary also notifies the Directors on each closed period for dealing in the Company's listed securities, based on the targeted dates of announcements of the Group's quarterly results and in accordance with the period defined in Chapter 14 of the Listing Requirements, before the commencement of each closed period as prior notice of the closed period. The Directors are also being advised on the procedure for dealing in the Company's listed securities during the closed period to aid them in complying with the Listing Requirements.

The Company Secretary always keeps abreast of the evolving regulatory changes and developments in corporate governance through continuous training as she plays an important role in advising the Board on updates relating to new statutory and relevant regulatory requirements.

Directors' Continuing Development

The Directors of the Company have continued to attend and participate in various programmes which they have individually or collectively considered as relevant for them to keep abreast with the changes in regulations and trends in the business practices, environment and markets.

From time to time, the Board will be updated on the companies and securities legislations and other relevant rules and regulations at the Board and Board Committees meetings, in order to acquaint them with the latest developments in these areas. Beside this, the Directors also receive regular briefings and updates from the management on the Group's businesses, operations, risk management, internal controls, sustainability initiatives, corporate governance and finance as well as global and local business environment.

In addition, the Company Secretary also receives regular updates on training programmes from Bursa Securities and various organisations which will be circulated to the Directors for their consideration.

The Company Secretary facilitates the participation of the Directors in the external training programmes and keeps record of the trainings attended by all the Directors.

For the year under review, the Directors had attended various appropriate seminars, conferences, workshop and courses covering leadership, corporate governance, environmental sustainability, poultry, agriculture, finance and technology of the following topics:

- Mastering the Essentials - Coaching & Mentoring for Effective Guidance Workshop
- Workplace Dishonesty - Problems, Detection & Prevention
- 25th MAVMA Annual Conference on Building a Sustainable Future for Veterinary Medicine
- World Antimicrobial Awareness Week 2025 - Prudent Use of Antibiotics in the Poultry Industry
- Investment Psychology: Transforming Your Mindset for Financial Victory
- Navigating Conflicts of Interest & Related Party Transactions: Strengthening Governance & Accountability
- KPMG ESG Symposium: Adopting IFRS S1 & S2
- Board's Dynamics: Building an Effective, Ethical & High Performing Board
- IMD-SIDC Executive Learning Expedition 2025
- The Alumni PTD Roundtable "Transforming the Public Service"
- ECKL-TNB Dialogue "Better World, Brighter Lives: Pioneering Malaysia's Sustainable Energy Future"
- Innovation Iraq Summit 2025 (AI) & the 3rd International Conference on Emerging Technology Trends in Internet of Things and Computing
- XXIIIrd World Veterinary Poultry Association Congress - Sustainable Healthy Poultry for a Healthier World
- World's Poultry Science Association (Malaysia Branch) AGM & Scientific Seminar

Board Charter

The roles and functions of the Board are clearly defined in the Board Charter which regulates how business is to be conducted by the Board in accordance with the principles of good Corporate Governance. The Board Charter was last revised in 2023 to reflect the changes in the composition of the Independent and Non-Independent Directors in the Board, changes in Board Committees and set a limit on the tenure of an Independent Director to not more than a cumulative period of 12 years. The Board Charter is available on the Company's website.

Code of Conduct

The Company's Code of Conduct ("CoC") is in force across the Group and all Directors and employees must comply with it. Disciplinary action may be taken against employees who are found guilty of non-compliance with the CoC. The CoC sets out the ethical standards of conduct that all Directors and employees are expected to comply with in their dealings with fellow colleagues, customers, shareholders, suppliers, competitors, the wider community and the environment.

Every Director and employee must display and behave in a manner which is consistent with the Group's philosophy and core values. The following CoC must be adhered to at all times by all Directors and employees within the Group:

a. Demonstrating commitment
b. Living the core values of the Group
c. Avoiding conflict of interest
d. Preventing bribery and corruption
e. Practising confidentiality and data protection
f. Communicating externally and internally with ethics and within authority
g. Protecting company assets and resources

h. Giving equal opportunity, non-discrimination and fair employment
i. Ensuring safety and protecting the environment
j. Prohibiting insider trading
k. Complying with Antitrust and Competition Laws

The CoC is subject to change and review as and when it is deemed necessary by the Company. The CoC was last revised in 2024 to enhance the policy with amended clause.

As personal commitment to the CoC, each employee of the Group is required to make a declaration that he/she has been furnished a copy of the CoC, has read and understood the CoC, accepted to comply with the CoC and understood that any breach of the CoC may result in disciplinary action being taken against him/her. The CoC is available on the Company's website.

Policy and Guidelines on Gifts and Entertainment

In line with good practice of corporate governance in the conduct of business and affairs of the Group and as part of the measures to avoid conflict of interest and prevention of bribery and corruption in compliance with Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act"), the Group has adopted the Policy and Guidelines on Gifts and Entertainment ("Gifts Policy") on 6 July 2020.

The Gifts Policy apply to the Board of Directors, officers and employees, including contractual employees, consultants, agents and person associated with the Group ("Associated Persons").

The Group requires its Associated Persons to abide by the Gifts Policy to avoid conflict of interest or the appearance of conflict of interest for either party in on-going or potential business dealing between the Group and external parties as a gift can be seen as a bribe that may tarnish the Group's reputation or be in violation of anti-bribery and corruption laws.

The Gifts Policy was published in the Internal Newsletter for the attention of all the existing employees as well as notified to the suppliers and customers via letter or email.

In 2025, the online annual refresher course on awareness of the CoC and Gifts Policy was conducted and participated by all the Directors and employees which ensured their knowledge on the CoC and Gifts Policy are up to date.

All new recruits will also be briefed on the Gifts Policy during the onboarding programme.

For enhancement, the Gifts Policy was revised in 2022 with new clauses, definitions and declaration form.

The Gifts Policy is also published on the Company's website.

Whistle Blowing Policy

The Company has a Whistle Blowing Policy in place. The objectives of the Standard Operating Procedures & Policy ("SOPP") on Whistle Blowing Policy are as follows:

a. To instill the highest level of corporate governance in the Group;

b. To encourage and enable all employees to raise genuine concerns within the Group rather than overlooking a problem. Employees are reminded to conduct the business at the highest ethical and legal standards; and

c. To set a procedure for all employees to give information on non-compliances to the Code of Conduct, regardless of his or her position, to an independent party to investigate the allegations and take the appropriate actions.

A Whistle Blowing Policy for external parties is published on the Company's website.

All employees or any person who has dealings with the Group may report any suspected fraud, misconduct or any integrity concerns to Mr Quah Poh Keat, Senior Independent Non-Executive Director of the Company, via the email address at whistleblowing@mflour.com.my.

Sustainability Management

The Board together with the Management are committed and responsible towards the governance of sustainability in the Group including setting the sustainability strategies, priorities and targets. Detailed information on the Group's approaches towards addressing sustainability risks and opportunities are provided in the Sustainability Report on pages 29 to 81 of this Annual Report.

II. Board Composition

Composition and Balance of the Board

There are currently 9 Directors on the Board comprising 2 Executive Directors and 7 Non-Executive Directors of whom 3 are Independent Directors. The size and composition of the Board provides for a diversity of views, the desired level of objectivity and independence in Board deliberations and decision-making.

The Directors of the Company are persons of high integrity and calibre who come from diverse backgrounds with expertise and skills in banking, finance, accounting, manufacturing, retailing, property development, public services, education and legal.

The present Board composition complies with paragraph 15.02 of the Listing Requirements which require a minimum of 2 directors or 1/3 of the Board to be independent directors, whichever is the higher.

The Board diversity shall be considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience in varying stages of business development and internationally, personal characteristics, skills and knowledge.

Currently, the Board comprises amongst others, diverse professional experience, ethnicity, age and gender diversity with 2 women Directors on the Board which represent 20% of the Board.

The size and composition of the Board are reviewed annually by the Nomination Committee via the Performance Evaluation. The Board is satisfied with the current composition in terms of size, skills and experience, diversity of age, gender and background which has ensured well-balanced views to facilitate effective decision making.

As the Company practices equal opportunity and non-discrimination in any form, the selection criteria for appointment of Director continued to be based on merit, calibre, skill and knowledge which are relevant to the Group. A brief profile of each Director of the Company can be found on pages 5 to 13 of this Annual Report.

Appointment and Re-election of Directors

The procedures for appointments to the Board are formal and transparent. The Company has a Directors' Fit and Proper Policy ("Policy") which serves as a guide to the Nomination Committee and the Board in their review and assessment of candidates for appointment onto the Board as well as Directors who are seeking for re-election. The Policy also sets out the fit and proper criteria for the appointment and re-election of Directors. The Policy is to ensure that each of the Directors possesses the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to discharge his/her role and responsibilities as a Director.

The Nomination Committee shall assess each candidate for new appointment as Director based on the fit and proper criteria as spelt out in the Policy before recommending to the Board for approval.

For the position of independent non-executive director, the Nomination Committee also evaluates the candidate's calibre, credibility and necessary skill and experience to bring an independent judgement and view to matters under consideration. Upon performing the requisite assessment by the Nomination Committee, the new nomination of Director will be recommended to the Board for approval.

As for the appointment of Key Senior Management of the Group, it is based on merit and with due regards for diversity in skills, experience, age and gender.

The Constitution of the Company provides that all Directors shall hold office only until the next Annual General Meeting ("AGM") subsequent to their appointment and shall then be eligible for re-election.

In respect of the retirement by rotation of Directors, the Constitution provides that at least 1/3 or the nearest to 1/3 of the Directors for the time being are subject to retirement by rotation at each AGM and that all Directors are subject to retirement by rotation at least once in every 3 years. The Director who is subject to retirement at the AGM, shall be eligible for re-election.

A Director who is due for re-election at the AGM will first be assessed by the Nomination Committee on his performance and contribution, who will then submit its recommendation to the Board for deliberation and endorsement. Thereafter, shareholders' approval will be sought for the re-election.

Information of the Director standing for re-election such as his personal profile, attendance of meetings and shareholdings are available in this Annual Report for the shareholders to make an informed decision.

Independence of Directors

The Independent Non-Executive Directors are not involved in the day-to-day management of the Company and not full-time salaried employees. They contribute independent views to matters under consideration and provide wide and unfettered perspective on issues. They also bring to the Board integrity and a strong sense of ethics as well as ensuring effective check and balance in the functioning of the Board.

In line with the amended Listing Requirements, the Board Charter provides that the tenure of an Independent Director shall not be more than a cumulative period of 12 years.

Each Independent Director shall be subject to the Independent Director's Self-Assessment for Annual Declaration of Independence and the annual Individual Director Self/Peer Evaluation to ensure that each of them continues to fulfill the definition of independence as set out in the Listing Requirements.

Based on both the results of the Independent Director's Self-Assessment for Annual Declaration of Independence and annual Individual Director Self/Peer Evaluation, the Nomination Committee and the Board were satisfied that all the Independent Non-Executive Directors of the Company had continued to be independent-minded and demonstrate conduct and behaviour that are essential indicators of independence.

Board Committees

The Board has delegated certain responsibilities to the Board Committees which are necessary to facilitate efficient decision-making to assist the Board in the execution of its duties, power and authorities. The Committees assist the Board in its duties by preparing and reviewing in more detail matters falling within the competence of the Board. The functions and terms of reference of all the Board Committees are clearly defined in the Board Charter and are available on the Company's website. The Chairman of the various committees will report to the Board on the outcome of the respective Committee meetings and such reports are incorporated in the minutes of the Board meeting.

The Board has 3 permanent committees namely, Audit & Risk Management Committee, Nomination Committee and Remuneration Committee. The Board retains full responsibility for the direction and control of the Company and the Group.

Nomination Committee

The Nomination Committee shall comprise exclusively of non-executive directors, a majority of whom must be independent. The Committee currently consists of 2 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director as follows:

Emeritus Professor Datin Paduka Setia Dato' Dr Aini binti Ideris (Chairman)	Independent Non-Executive Director
Dato' Seri Zainal Abidin bin Mahamad Zain	Non-Independent Non-Executive Director
Quah Poh Keat	Independent Non-Executive Director

The terms of reference of the Nomination Committee are as follows:

a. To review regularly the Board structure, size and composition and make recommendations to the Board with regard to any adjustments that are deemed necessary and to recommend Directors to Committees of the Board;

b. To be responsible for identifying and nominating candidates for the approval of the Board to fill Board vacancies as and when they arise as well as put in place plans for succession, in particular, of the Chairman and the Executive Deputy Chairman cum Managing Director;

c. To review the required mix of skills and experience and other qualities and competencies which Non-Executive Directors should bring to the Board and to assess the effectiveness of the Board, Committees of the Board and contributions of Directors of the Board;

d. To review the balance between Executive and Non-Executive Directors and to ensure at least 1/3 of the Board is comprised of Independent Directors in compliance with the Listing Requirements;

e. To recommend to the Board for the continuation (or not) in service of an Executive Director as an Executive or Non-Executive Director;

f. To recommend Directors who are retiring by rotation to be put forward for re-election; and

g. To recommend to the Board the employment of the services of such advisers as it deems necessary to fulfill its responsibilities.

The Nomination Committee had conducted the Performance Evaluation of the Board, Board Committees and Individual Director for year 2025 via questionnaires which were completed by each Director on a confidential basis. The questionnaires comprised a Board and Board Committees Performance Evaluation, an Individual Director Self/Peer Evaluation and an Independent Director's Self-Assessment for Annual Declaration of Independence. The effectiveness of the Board was assessed in the areas of composition, operations, roles and responsibilities, addressing the Company's material sustainability risks and opportunities and performance of the Chairman.

In the evaluation of each Board Committee, its effectiveness was assessed in terms of its composition, level of assistance to the Board, fulfilment of the roles by each member of the Committee and effectiveness of its Chairman.

Meanwhile, the individual Director was assessed based on his/her contribution to interaction, quality of input, understanding of his/her role and fit and proper criteria to ensure that each of the Directors possesses the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to discharge his/her role and responsibilities as a Director.

Results of the assessments and areas which required improvement were compiled and reviewed by the Nomination Committee. For the overall results of the assessments, the Board and Board Committees had achieved the strong ratings.

Having been satisfied with the results of the assessments, the Nomination Committee had recommended to the Board that:

- The Board and Board Committees had been able to discharge their duties and responsibilities professionally and effectively.
- Each of the Directors continued to perform, contribute and devote sufficient time in fulfilling his/her role and responsibility towards an effective Board.
- All the Independent Directors complied with the definition of Independent Director as defined in the Listing Requirements.
- All the Independent Directors had remained objective and independent in expressing their views and in exercising their decision-making.
- Shareholders' approval be sought at the forthcoming AGM for the re-election of Datuk Oh Chong Peng, Mr Prakash A/L K.V.P. Menon and Dato' Maznah binti Abdul Jalil who are retiring by rotation and being eligible, have offered themselves for re-election.

III. Remuneration

Remuneration Policies for Directors and Senior Management

The remuneration framework for executive directors and senior management has an underlying objective of attracting and retaining directors and senior management needed to run the Company successfully. The Company has in place a remuneration policy which linked the remuneration package of the Executive Directors and Senior Management to the corporate and individual performance. The remuneration package of the Executive Directors and Senior Management comprises the basic salary, performance incentive and other benefits as are laid down by the Company's rules and regulations from time to time. Their remuneration packages are periodically reviewed to keep abreast with the changes in the market and industry as well as to motivate and retain the talents to pursue the long-term goals of the Group.

The policy to determine the remuneration of Directors is provided in the Board Charter. The Non-Executive Directors are paid Directors' fees, Board Committees' fixed allowance and meeting allowance for each Board and Board Committee meeting they attend. In addition, the Company reimburses reasonable expenses incurred by the Directors in the course of discharging their duties.

Remuneration Committee

The Remuneration Committee shall comprise mainly of non-executive directors. The Committee currently consists of 2 Independent Non-Executive Directors and 2 Non-Independent Non-Executive Directors as follows:

Prakash A/L K.V.P Menon (Chairman)	Non-Independent Non-Executive Director
Datuk Oh Chong Peng	Non-Independent Non-Executive Chairman
Emeritus Professor Datin Paduka Setia Dato' Dr Aini binti Ideris	Independent Non-Executive Director
Dato' Maznah bin Abdul Jalil	Independent Non-Executive Director

The terms of reference of the Committee are as follows:

a. To determine and agree with the Board the framework or broad policy for the remuneration of the Company's or Group's Chief Executive and other Senior Management staff of the Company or Group;
b. To determine and recommend to the Board any performance related pay schemes for the Company or Group;
c. To determine the policy for and scope of service agreements for the executive directors, termination payments and compensation commitments;
d. To oversee any major changes in employee remuneration and benefit structures throughout the Company or Group;
e. To produce an annual report of the Committee's remuneration policy for Board members which will form part of the Company/Group's annual report and accounts; and
f. To recommend to the Board the appointment of the services of such advisers or consultants as it deems necessary to fulfill its responsibilities.

The Committee reviews and recommends for the Board's consideration the Directors' fees, Board Committees' fixed allowance and meeting allowance. In reviewing and recommending the Directors' fees, the Committee ensures that the level of remuneration for the Non-Executive Directors commensurate with their scope of responsibilities and contributions to the effective functioning of the Group. The Committee also reviews and recommends the yearly salary increment and performance incentives of the Senior Management for the Board's approval.

Executive Directors will abstain from deliberations and voting decisions in respect of his remuneration. Non-Executive Directors' remuneration will be a matter to be decided by the Board as a whole with the Director concerned abstaining from deliberations and voting decisions in respect of his individual remuneration. The Directors' fees and benefits payable to the Directors are subject to yearly approval by the shareholders at the AGM.

Details of the Directors' remuneration paid or payable or otherwise made to all Directors of the Company in respect of financial year 2025 are disclosed in the CG Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit & Risk Management Committee

The composition, duties and responsibilities of the Audit & Risk Management Committee together with its report are presented on pages 99 to 101 of this Annual Report.

II. Risk Management and Internal Control Framework

The Group has a sound system of internal control which covers not only financial controls but also operational, compliance and risk management. The system of internal control provides reasonable but not absolute assurance against material misstatements, losses and fraud.

The Statement on Risk Management and Internal Control as set out on pages 102 to 106 of this Annual Report provides an overview of the state of internal controls within the Group.

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

I. Engagement with Stakeholders

Financial Reporting

The Directors take responsibility for presenting a balanced and objective assessment of the Group's financial performance and prospects primarily through the quarterly and annual financial announcements of results. In addition, the Chairman's Statement and Management Discussion and Analysis are also contained in this Annual Report as important source of information for shareholders, analysts and investors to review the Group's financial and business performance.

The Group's financial statements are prepared in accordance with the requirements of the applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016. Efforts are made to ensure that in presenting the financial statements, the appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates are being used.

Corporate Disclosure

The Company is mindful of the importance to disseminate information to shareholders and investors in a prompt and timely manner in order for informed decision to be made. As such, the Board has always stressed for all material information to be announced immediately upon available. This is not only for compliance with the Listing Requirements but also to avoid insider trading.

Communication with Stakeholders

The timely release of quarterly financial results, the issuance of the Company's Annual Reports and Circular/Statement to Shareholders as well as the announcements to Bursa Malaysia Securities Berhad and Press Releases on quarterly financial announcements, material information and corporate proposals are the principal channels for dissemination of information to its investors, stakeholders and the public generally.

The Company's website at www.mfm.com.my provides quick access to information on the Group. The information available on the website of the Company includes, amongst others, the Corporate Profile, Directors' Profile, Financial Results, Annual Reports, Announcements released to Bursa Malaysia Securities Berhad, Research Reports, Constitution of the Company, Board Charter, Terms of Reference of Board Committees, Corporate Governance Overview Statement, Corporate Governance Report, Sustainability, Minutes of General Meetings, Code of Conduct, Policy and Guidelines on Gifts and Entertainment, Whistle Blowing Policy, Policy and Guidelines on Antitrust, Directors' Fit and Proper Policy, Human Rights and Labour Standard Policy, dividend information, corporate news, operations and products of the Group.

From time to time, the designated Senior Management also has dialogues with fund managers, research analysts and media on the strategies, performance and prospects of the Group.

In addition, information was also provided to shareholders and/or investors in the replies to their enquiries via the email address at ir@mflour.com.my.

As there may be instances where investors and shareholders may prefer to express their concerns to an independent director, the Board had appointed Mr Quah Poh Keat as the Senior Independent Non-Executive Director to whom concerns may be directed. At all times, investors and shareholders may contact the Company Secretary for information on the Group.

The Group continues to engage with each of its stakeholders such as shareholders, investors, regulators, customers, suppliers, employees and other communities through a variety of approaches to address their concerns and maintain an open communication. The summary of the engagement platforms with the various stakeholders is provided in the Sustainability Report on page 34 of this Annual Report.

II. Conduct of General Meetings

The Board recognises the importance of maintaining an effective communication with the shareholders and the general public. All shareholders are encouraged to attend the Company's General Meetings and to participate in the proceedings.

In line with best corporate governance practice, the Notice of AGM is issued to the shareholders 28 days prior to the meeting to provide them sufficient time to prepare, participate and make informed voting decision at the AGM.

All the Directors, Senior Management and External Auditors were present at the AGM held on 19 May 2025 to engage with the shareholders and answer to their queries. The Executive Deputy Chairman cum Managing Director also presented the overview of the financial performance of the Group and business outlook during the AGM. Every opportunity is given to the shareholders to ask questions and seek clarification on the business and performance of the Group.

In accordance with the Listing Requirements, all the resolutions set out in the notice of the AGM were voted by poll. For the smooth conduct of the General Meeting, the voting is conducted through electronic voting system. An independent scrutineer for the electronic poll voting process was appointed to verify all the votes. Upon verifying the votes, the Chairman announced the voting results. The poll results were subsequently announced to Bursa Securities on the same day.

A press conference is held immediately after the General Meeting to brief and update the media representatives on the outcome of the General Meeting and the operations of the Group.

The full minutes of the AGM detailing the meeting proceedings, including issues and concerns raised by the shareholders together with the responses of the Company, were published on the Company's website for the information and benefit of all the shareholders of the Company no later than 30 business days after the conclusion of the General Meeting.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with Bursa Malaysia Securities Berhad Main Market Listing Requirements.

1. Utilisation of Proceeds from Corporate Proposal

The Company did not undertake any corporate proposal during the financial year ended 31 Decembe 2025.

2. Audit and Non-Audit Fees

The amount of audit fees and non-audit fees paid or payable to the Company's external auditors, KPMG PLT, member firms of KPMG International Limited and local affiliates of KPMG PLT by the Group and the Company for financial year 2025 are as follows:

	Group (RM'000)	Company (RM'000)
Audit Fees	353	137
Non-Audit Fees	299	172
Total	**652**	**309**

The provision of the non-audit services by the external auditors did not compromise their independence and objectivity.

3. Material Contracts involving Directors' and Major Shareholders' Interests

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests either subsisting as at 31 December 2025 or entered into since the end of the previous financial year except for the related party transactions disclosed in Note 27 to the financial statements on pages 182 and 183 of this Annual Report.

4. Recurrent Related Party Transactions of a Revenue or Trading Nature

The Recurrent Related Party Transactions of a Revenue or Trading Nature are disclosed in Note 27 to the financial statements on page 182 of this Annual Report.

5. Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

	Group	
Total Income	**2025 (RM'000)**	**2024 (RM'000)**
Revenue	3,242,859	3,121,334
Other income	22,529	18,430
Interest income	19,105	21,225
Share of profit/(loss) of ventures	16,408	(7,418)
Total	**3,300,901**	**3,153,571**
Total Assets	**2,440,146**	**2,556,457**

(b) Business Activities

		Group	
Shariah Non-Compliant Activities	**Remarks**	**2025 (RM'000)**	**2024 (RM'000)**
Dividend income received from conventional instruments		3	3
Interest income		19,100	21,211
Rental income received from tenant involved in Shariah non-compliant activities		132	126
Other activities deemed non-compliant according to Shariah principles as determined by the SAC (please specify in the remarks column)	Food flour products from Vietnam subsidiaries	935	1,881
Total		**20,170**	**23,221**

(c) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group 2025 (RM'000)	Group 2024 (RM'000)
Cash at bank		8,740	9,211
Other cash equivalents (please specify in the remarks column)	Petty cash	28	37
Total Cash		**8,768**	**9,248**

Conventional Account/Instruments		Group 2025 (RM'000)	Group 2024 (RM'000)
Cash at bank		35,129	33,522
Deposits with licensed bank		4,169	28,837
Money market instruments		6,000	-
Short-term deposits		299,644	334,364
Total Cash		**344,942**	**396,723**

(ii) Debt Component

Islamic Financing	Group 2025 (RM'000)	Group 2024 (RM'000)
Current		
Banker's acceptances	115,703	91,411
Revolving credit and loans	48,870	1,000
Term loans	17,000	34,000
Non-Current		
Term loans	-	17,000
Total Financing	**181,573**	**143,411**

Conventional Borrowing	Group 2025 (RM'000)	Group 2024 (RM'000)
Current		
Banker's acceptances	169,704	217,030
Revolving credit and loans	379,364	613,801
Term loans	7,925	12,426
Non-Current		
Term loans	11,712	5,780
Total Debt	**568,705**	**849,037**

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors ("the Board") of Malayan Flour Mills Berhad ("the Company") is pleased to present the Audit & Risk Management Committee Report for the year ended 31 December 2025.

Composition

Chairman:	Quah Poh Keat *(Independent Non-Executive Director)*
Members:	Datuk Oh Chong Peng *(Non-Independent Non-Executive Chairman)*
	Dato' Maznah binti Abdul Jalil *(Independent Non-Executive Director)*

The Audit & Risk Management Committee ("the Committee") comprises 3 members, a majority of whom are Independent Non-Executive Directors. This meets the requirements of paragraph 15.09(1)(a) and (b) of Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Listing Requirements").

The Chairman of the Committee, Mr Quah Poh Keat is a Fellow of the Malaysian Institute of Taxation ("MIT") and the Association of Chartered Certified Accountants ("FCCA") and a member of the MIA, the MICPA and the Chartered Institute of Management Accountants ("CIMA") whilst Datuk Oh Chong Peng, is a Fellow of the Institute of Chartered Accountants in England and Wales ("ICAEW") as well as a member of the Malaysian Institute of Certified Public Accountants ("MICPA") and the Malaysian Institute of Accountants ("MIA"). Hence, the Company complies with paragraph 15.09(1)(c)(i) of the Listing Requirements.

The Nomination Committee assesses the performance of the Committee and its members through an annual Board Committee evaluation as well as reviews the terms of office of the members of the Committee. The Nomination Committee is satisfied that the Committee and its members have discharged their duties and responsibilities in accordance with its Terms of Reference and has supported the Board well in reviewing the financial statements, internal control and risk management.

Meetings

During the year, the Committee held 5 meetings and the details of the attendance of each member of the Committee are as follows:

Members	Attendance
Quah Poh Keat	5/5
Datuk Oh Chong Peng	5/5
Dato' Maznah binti Abdul Jalil	5/5

At the request of the Committee, the Executive Deputy Chairman cum Managing Director and Chief Financial Officer had attended the meetings to advise, clarify and address matters discussed at the meetings.

The Internal Audit and Risk Management Function had attended every quarterly meetings of the Committee to report on the internal audit plan and internal audit and risk management reports.

During the year, the representatives of the external auditors had also attended the meetings of the Committee to present their Audit Plan, Audit Status and the annual audit report of the financial statements.

The Company Secretary of the Company is the Secretary of the Committee. The Secretary maintains minutes of the proceedings of the meetings of the Committee.

Terms of Reference

The Committee is governed by its terms of reference which describe its composition, authority, duties and responsibilities. The Terms of Reference is available on the Company's website at www.mfm.com.my.

Summary of the Work of the Committee

The work carried out by the Committee in the discharge of its duties and responsibilities in line with its Terms of Reference during the financial year ended 31 December 2025 were as follows:

a. Financial Reporting

i. Reviewed the quarterly unaudited financial results and announcements before recommending them to the Board for approval.

ii. Reviewed the annual audited financial statements of the Company and its subsidiaries ("the Group") and of the Company prior to submission to the Board for approval.

b. Internal Audit

i. The Internal Audit and Risk Management Function presented the comprehensive internal audit plan which had been undertaken to evaluate and identify the companies and operational auditable areas to be audited within the Group. The Committee reviewed the annual internal audit plan to ensure adequate scope and coverage of the activities of the Group.

Subsequently, the Committee reviewed the progress status of the internal audit plan presented by the Internal Audit and Risk Management Function at its quarterly meetings.

ii. Reviewed the internal audit and risk management reports submitted and presented by the Internal Audit and Risk Management Function at the quarterly meetings of the Committee. The Committee appraised the adequacy of actions and remedial measures taken by the management in resolving audit issues reported and recommended further improvement measures.

c. External Audit

i. Reviewed with the external auditors, KPMG PLT, on their Audit Plan prior to commencement of the audit. The Engagement Partner of KPMG PLT presented the Audit Plan and Strategy for the Group for financial year 2025 which entailed the engagement team, audit scope, audit timeline and audit focus areas.

ii. Reviewed the proposed fees for the statutory audit, review of the Statement on Risk Management and Internal Control and review of Group Reporting Package and Audit Working Papers of component auditors. The proposed fees were then recommended by the Committee to the Board for approval.

iii. Discussed and reviewed the Group's financial statements with the external auditors including issues and findings noted during the audit.

iv. The external auditors had provided their written assurance that they were independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") and they had fulfilled the other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

The external auditors had also implemented various firm-wide ethics and independence systems to monitor compliance with their policies in relation to independence and ethics.

Besides the written assurance from the external auditors on their independence, input from the Company personnel, who had substantial contact with the external auditors throughout the year, on the quality of service provided, independence, objectivity and professional skepticism of the external auditors via questionnaires was obtained for the Committee's annual evaluation of the external auditors. Subsequently, the Committee conducted an assessment on the performance, technical competency, suitability and independence of the external auditors throughout the conduct of their audit engagement and being satisfied with the suitability and independence of the external auditors, the Committee recommended to the Board for approval on the re-appointment of the external auditors at the Annual General Meeting of the Company.

d. Risk Management

i. Reviewed the Audit & Risk Management Committee Report before recommending it for approval by the Board for inclusion in the Annual Report.

ii. Reviewed the Statement on Risk Management and Internal Control ("SORMIC") which was prepared by the Committee, being the delegated committee of the Board responsible for the preparation of the SORMIC.

Upon the review by the external auditors, who were engaged to provide an independent limited assurance on the SORMIC, the Committee recommended the SORMIC to the Board for adoption and disclosure in the Annual Report.

The Committee authorised the Executive Deputy Chairman cum Managing Director of the Company and the Chief Financial Officer to sign the Letter of Representation in respect of the Board's SORMIC, for and on behalf of the Committee.

iii. Reviewed the updated Risk Scorecards for the Enterprise Risk Management so that they remain relevant in the current environment and provide a mechanism for adequate reporting to the Committee.

Internal Audit Function

The Group outsourced its internal audit and risk management function to an independent professional company, Baker Tilly Monteiro Heng Governance Sdn Bhd, which operates independently from the operating units. The Internal Audit and Risk Management Function ("IARMF") undertook the internal audit function based on the risk-based audit plans that were reviewed and approved by the Committee.

The purpose, authority and responsibility of the IARMF as well as the nature of the assurance and consultancy activities provided by the function are articulated in the Internal Audit Charter.

The IARMF are free from any relationships or conflicts of interest which could impaired their objectivity and independence, the IARMF reported directly to the Committee who reviewed and approved the IARMF's annual audit plan, financial budget and human resource requirements to ensure that the function was adequately resourced with competent and proficient internal auditors.

During the year, the IARMF conducted various internal audit engagements in accordance with the risk-based internal audit plan to assess the adequacy and effectiveness of the internal control systems.

On a quarterly basis, the results of the internal audit reviews and recommendations for improvement were presented at the Audit & Risk Management Committee Meetings and subsequently reported to the Board. In addition, the status of the implementation of corrective actions to address control weaknesses is also followed up by the IARMF to ensure that these actions have been satisfactorily implemented.

The total cost incurred for maintaining the IARMF for year 2025 was RM244,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("the Board") of Malayan Flour Mills Berhad ("MFM") is pleased to present this Statement on Risk Management and Internal Control in accordance with paragraph 15.26(b) of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Board Responsibility

The Board acknowledges its responsibility for establishing a sound risk management framework and internal control system. The Board's responsibilities include:-

- Determine the Group's level of risk tolerance and actively identify, assess and monitor key business risks to safeguard shareholders' investments and the Group's assets;
- Committed to articulating, implementing and reviewing the Group's internal control system; and
- Periodic testing of the effectiveness and efficiency of the internal control procedures and processes to ensure that the system is viable and robust.

The internal control systems are designed to manage rather than to eliminate the risk of failure and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

Internal Control

Risk Management

The Board confirms that there is an ongoing process and risk management plan in place to identify, evaluate and manage significant risks faced by the Group.

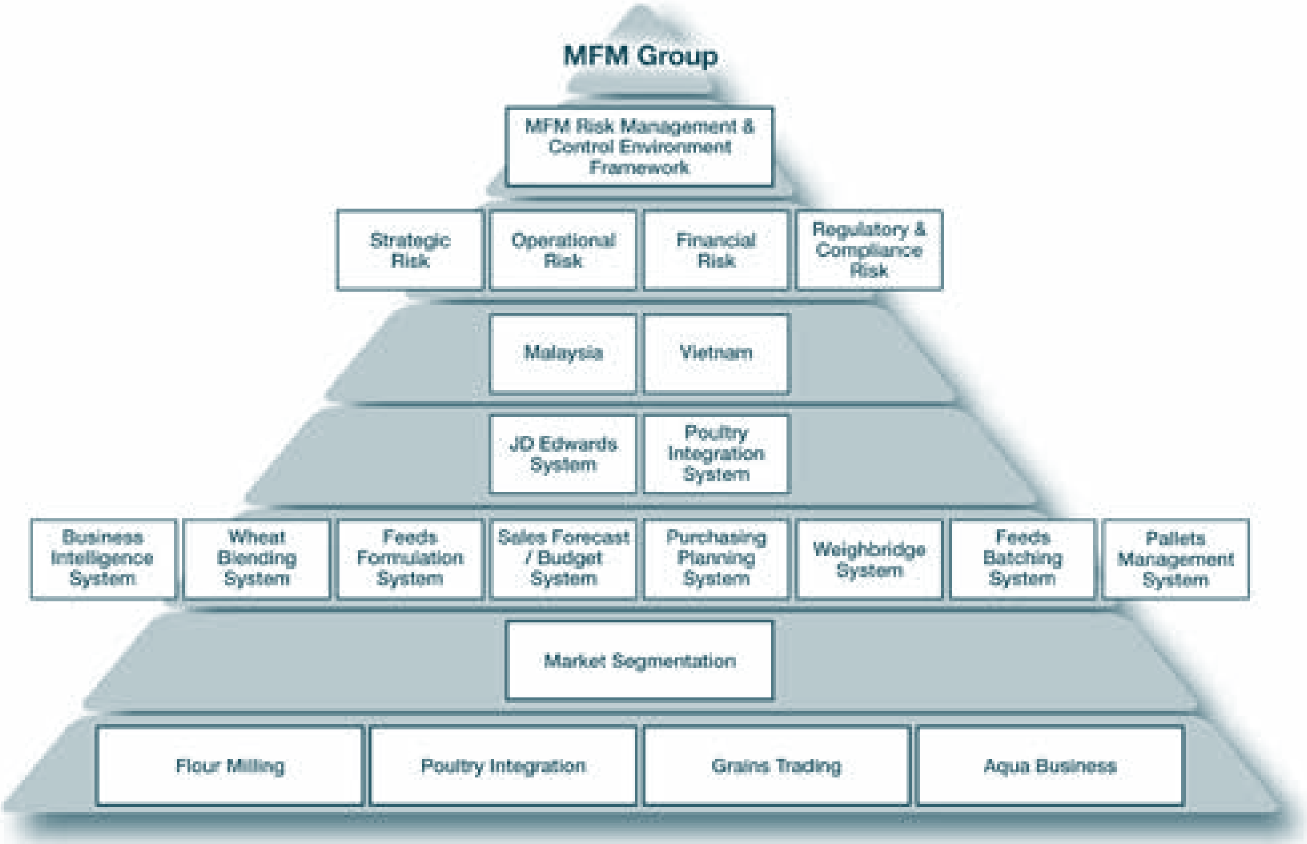
During the year and up to the date of approval of this statement, discussions were conducted at different levels of management to identify and address risks identified in the Group. The assessment of significant risks and the execution of relevant mitigating action plans are part of the operational activities of the Group.

Risk Management is an integral part of our business operations and this process goes through a review by the Board. As part of the process, the key business risks are identified by the respective operations of the Group. The impact and likelihood of occurrence of these risks are then evaluated and documented. Based on the results of the above evaluation, these risks are categorised into 4 ratings: Low, Medium, High and Extreme.

Appropriate action plans and control measures are put in place to mitigate these risks.

Risk Management Framework

The Group has in place a formal risk management process to identify, evaluate, mitigate, monitor and review risks impacting the Group. Objectives would be broadly organisation-wide taking into consideration a variety of risks (i.e. strategic, operational, compliance & reporting risks) as well as more narrowly defined business units, function or departmental risks (i.e. sales, credit control, accounts receivable, purchasing, accounts payable, production planning, quality control, human resource, etc.). Once those scopes had been defined, the possible risks deemed likely to occur would be rated in terms of their impact or severity and likelihood or probability. The result can be compiled into a "risk profile" detailing the risk score which each business unit, function or department is contributing to the overall risk score.



Internal Audit and Risk Management Function will carry out a yearly review of the risk scorecards and update them accordingly together with the management of respective business units.

Any significant risk that requires the Board's attention will be highlighted via a Flash Report. Key risks highlighted in the Flash Report will be used by internal audit in developing internal audit plan.

Control Structure

- The Board meets regularly to monitor and review the overall performance of the Group, to consider the findings and recommendations of committees and senior management and to consider and approve measures to be taken and changes in policies and procedures necessary to address risks and to enhance the system of internal control.
- An independent Internal Audit and Risk Management Function reports directly to the Audit & Risk Management Committee. Internal audit plans are reviewed and approved by the Audit & Risk Management Committee and the plans are to monitor compliance with and adequacy of the Group's system of internal control and to provide assurance on the effectiveness of the Group's system of internal control including policies and procedures. Follow-up reviews on the previous audit reports were carried out to ensure that appropriate actions have been implemented to address control weaknesses highlighted.
- The Group has in place an organisation structure with proper segregation of duties and reporting procedures and authorisation limits and all heads of business units and departments are accountable for ensuring the effective implementation of established policies and procedures.

- The Group has in place a management reporting mechanism whereby financial information is generated and reviewed by management and the Board on a regular basis. Performance and results are monitored on a monthly basis against the results of corresponding period of prior year, with major variances explained and appropriate action taken or plans put in place.
- The Executive Deputy Chairman cum Managing Director meets with the senior management regularly to review and resolve key operational, financial, personnel and other key management issues, including issues of risks and internal controls. Significant issues are highlighted and discussed at Board meetings.
- The Credit Committee meets regularly to conduct credit reviews, monitor receivables, progress of legal cases and formulates credit procedures and policies.
- The training and development programs are established to enhance and improve employee competencies and proficiencies. This is implemented through a combination of on-the-job training and classroom training courses.
- The Group Code of Conduct ("the CoC") is established to set out the ethical standards to all directors and employees in their dealings with fellow colleagues, customers, shareholders, suppliers, competitors, the wider community and the environment.
- The Group has adopted the Policy and Guidelines on Gifts and Entertainment ("Gifts Policy") as part of its measures to avoid conflict of interest and prevention of bribery and corruption in compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009. Annual refresher course on awareness of the CoC and Gifts Policy is conducted for the Directors and employees to ensure their knowledge on the CoC and Gifts Policy are up to date. The corruption risk assessment is integrated into the Enterprise Risk Management of the Group and the review of the Risk Scorecard is carried out on an annual basis.
- The Whistle Blowing policy is in place with the objective of providing all stakeholders a mechanism to raise genuine concerns on unethical behaviour or any misconduct.
- The Group has the Policy and Guidelines on Antitrust ("the Policy") in place to comply with all applicable antitrust and competition laws wherever it does business with. As involvement in antitrust or competition laws infringements will be considered misconduct and have serious consequences to the Group, it is the responsibility of every employee of the Group to fully comply with the Policy.

Significant Risk Factors relating to MFM Group

a. Business risks

The Group is principally involved in activities within the food manufacturing and livestock industries. As such, the Group is susceptible to business risks in these industries which include but not limited to demand and competition in the food manufacturing and livestock market, supply of labour and increase in the cost of labour and raw material prices. The management continuously seek to limit these risks through amongst others, careful planning of supplies and prudent management of the Group's business.

b. Availability and cost of raw materials

Raw materials i.e. wheat, corn and soybean meal contribute to a significant proportion of the Group's total cost of production. These materials are commodities and their availability and prices are dependent on market conditions. Any increase in raw material prices will inevitably affect the Group's profitability and results of operations. Further, if there is a shortage of these materials, the Group may find it difficult to obtain the amount of materials required at prices that are commercially acceptable. The Group has taken relevant steps to hedge its exposure to these price fluctuations by entering into futures contracts. In addition, the Group has good business relationships with its long term major suppliers and where possible, source its supplies from a variety of suppliers.

c. Biosecurity

In combating biosecurity risks, the Group will continue to keep abreast with the latest development and work closely with authorities and subject matter experts. People and livestock will continue to be exposed to diseases and viruses, and possibly mutated strains in the future. Nevertheless, management will continue to embrace robust risk management practices to cushion the negative financial impact.

Disease and Virus

Livestock is vulnerable to diseases and viruses, changes in weather conditions and the environment. Adverse situations such as these will also affect the demand for feeds.

The Group has strict biosecurity measures in place at its hatchery facilities and poultry farms, closed house system at the poultry farms and structured vaccination programs with pharmaceutical companies for disease prevention and control. These lower the risk of bird mortality, ensure undisrupted operations for food security as well as protect the environment and the health of the workers.

d. Food Safety & Quality

Ensuring safe and nutritious food products are crucial for the Group to meet the relevant food standards, consumer expectations, its branding and reputation. As its commitment to food safety and quality, the Group has obtained the Hazard Analysis and Critical Control Points ("HACCP") certification, Food Safety System Certification ("FSSC") 22000, HALAL certification, MS 1514: 2009 (Good Manufacturing Practice for Food), ISO 9001 (Quality Management System), ISO 22000 (Food Safety Management System), Malaysian Good Agricultural Practices Certification Scheme ("myGAP") and MeSTI (Food Safety is Responsibility of the Industry) certification. With all these certifications and food management systems, food safety and quality are addressed through the analysis and control of biological, chemical, and physical hazards from raw material production, procurement and handling, to manufacturing, distribution and consumption of the finished products.

e. Foreign exchange fluctuations

The Group is exposed to foreign exchange risk on sales, purchases of raw materials and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Vietnamese Dong ("VND").

As such, the Group has taken sufficient steps to monitor closely its exposure to the foreign currency movements and where appropriate, hedge its financial exposure to the foreign currency fluctuations by entering into forward contracts. However, there can be no assurance that any significant changes in exchange rate fluctuations or foreign exchange control regulations will not have any adverse impact upon the Group's business.

Review of this Statement by External Auditors

The external auditors have reviewed this Statement on Risk Management and Internal Control in accordance with Audit and Assurance Practice Guide ("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 ("MIA") for inclusion in the annual report of the Group for the financial year ended 31 December 2025 and reported to the Board that nothing has come to their attention that cause them to believe that this Statement on Risk Management and Internal Control, in all material respects, has not been prepared in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, or is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether this 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 Board of Directors and Management thereon. The External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

Additionally, they are not required to perform any procedures by way of audit, review or verification of the underlying records or other sources from which this Statement on Risk Management and Internal Control was extracted.

Conclusion

Based on the processes set out above, the Board is of the view that the Group's system of risk management and internal control are adequate and effective to safeguard the shareholders' investment and the Group's assets and has received assurance from both the Executive Deputy Chairman cum Managing Director and Chief Financial Officer in this respect. Nevertheless, the Board and Management are committed towards operating a sound system of internal control and the internal control systems will continue to be reviewed, added or updated in line with the changes in the operating environment.

The Group's system of internal control applies to Malayan Flour Mills Berhad, its subsidiaries and joint venture company, Dindings Tyson Sdn Bhd and its subsidiaries only. Joint venture company, PT Bungasari Flour Mills Indonesia, is excluded as it has its own internal audit function. However, the Group's interest in its material joint venture is served through representation on the Board of Commissioners of the joint venture company.

Statement made in accordance with the resolution of the Directors dated 31 March 2026.

REPORTS & FINANCIAL STATEMENTS

Directors' Responsibility Statement

for the Audited Financial Statements

In respect of the preparation of the audited financial statements, the Directors are required by the Companies Act 2016 to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Group and the Company and their results, and cash flows for that year.

In preparing the financial statements for the financial year ended 31 December 2025, the Directors have:

- Used appropriate accounting policies and applied them consistently;
- Made judgements and estimates that are reasonable and prudent; and
- Stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for ensuring that proper accounting records are kept and which disclose with reasonable accuracy the financial position of the Group and the Company and to enable them to ensure that the financial statements comply with the Companies Act 2016. They also have a general responsibility for taking reasonable steps to safeguard the assets of the Group and the Company to prevent and detect fraud and other irregularities.

Directors' Report

for the financial year ended 31 December 2025

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

Principal activities

The Company is principally engaged in the business of milling and selling wheat flour and trading in grain and other allied products, whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

Results

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Owners of the Company	139,942	78,502
Non-controlling interests	26,739	-
	166,681	78,502

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

Dividends

Since the end of the previous financial year, the Company paid a first interim single tier dividend of 1.50 sen per ordinary share totalling approximately RM18,587,000 in respect of the financial year ended 31 December 2025 on 25 September 2025.

On 26 February 2026, the Directors declared a second interim single tier dividend of 2.00 sen per ordinary share totalling approximately RM24,783,000 in respect of the financial year ended 31 December 2025, which was paid on 26 March 2026.

The Directors do not recommend any payment of final dividend for the financial year under review.

Directors of the Company

Directors who served during the financial year until the date of this report are:

Datuk Oh Chong Peng
Teh Wee Chye
Dato' Seri Zainal Abidin bin Mahamad Zain
Prakash A/L K.V.P Menon
Azhari Arshad
Quah Poh Keat
Emeritus Professor Datin Paduka Setia Dato' Dr Aini binti Ideris
Lim Pang Boon
Dato' Maznah binti Abdul Jalil

List of Directors of subsidiaries

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries during the financial year until the date of this report is as follows:

Datuk Oh Chong Peng
Teh Wee Chye
Prakash A/L K.V.P Menon
Azhari Arshad
Lim Pang Boon
Le Cong Anh
Tran Ba Hieu
Tran Quoc Hoang
Huynh Duc Chinh
Hideki Oya
Khng Poh Leng, Douglas
Tan Keng Seng
Shota Takahashi
Takuya Mori
Yau Tee Peng (Resigned on 23 September 2025)

Directors' interests

The interests and deemed interests in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2025	**Acquired**	**Disposed**	**At 31.12.2025**
Company - Malayan Flour Mills Berhad				
Direct interest				
Teh Wee Chye	199,083,701	-	-	199,083,701
Datuk Oh Chong Peng	27,087	-	-	27,087
Dato' Seri Zainal Abidin bin Mahamad Zain	11,250	-	-	11,250
Prakash A/L K.V.P Menon	9,652,500	-	-	9,652,500
Lim Pang Boon	620,825	100,000	-	720,825
Azhari Arshad	9,164,539	-	-	9,164,539
Deemed interest				
Teh Wee Chye				
- own	87,210,490	-	-	87,210,490
- others*	63,000	-	-	63,000
Azhari Arshad	31,339,800	-	-	31,339,800
Emeritus Professor Datin Paduka Setia Dato' Dr Aini binti Ideris*	52,600	41,800	-	94,400
Deemed interest of Teh Wee Chye in subsidiary companies				
Muda Fibre Manufacturing Sdn. Bhd.	7,000,001	-	-	7,000,001
Premier Grain Sdn. Bhd.	10,200,000	-	-	10,200,000

	Interest in capital contribution denominated in Vietnamese Dong (VND)			
	At 1.1.2025 VND'000	**Acquired VND'000**	**Disposed VND'000**	**At 31.12.2025 VND'000**
Vimaflour Ltd.	345,961,284	-	-	345,961,284

* Deemed to have interests through spouse and children pursuant to the Section 59(11)(c) of the Companies Act 2016 in Malaysia.

Directors' interests (cont'd)

By virtue of his interest in the shares of the Company, Mr. Teh Wee Chye is also deemed interested in the shares of the subsidiaries during the financial year to the extent that Malayan Flour Mills Berhad has an interest.

None of the other Directors holding office at 31 December 2025 had any interests in the ordinary shares of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefits (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 December 2025 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Fees	980	-
Remuneration	7,824	149
Estimated monetary value of any other benefits	156	-
	8,960	149

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares

There were no changes in the issued and paid-up capital of the Company during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance costs

During the financial year, the amount of insurance premium effected for all Directors and officers of the Company was RM16,304. There was no indemnity given to, or insurance effected for auditors of the Company during the financial year.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

(i) all known bad debts have been written off and adequate provision made for doubtful debts, and

(ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

(i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

(ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

(iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

(i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

(ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

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

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2025 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Group and of the Company during the year are RM284,000 and RM181,000, respectively.

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

Datuk Oh Chong Peng
Director

Teh Wee Chye
Director

31 March 2026

Statements of Financial Position

as at 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Assets					
Property, plant and equipment	2	460,422	472,187	242,908	247,591
Right-of-use assets	3	14,041	15,333	11,432	12,657
Intangible assets	4	2,432	1,482	1,314	665
Investment properties	5	4,712	4,769	4,441	4,498
Investments in subsidiaries	6	-	-	140,161	141,348
Investments in joint ventures	7	648,867	648,879	546,175	546,175
Investment in an associate	8	-	-	-	-
Deferred tax assets	9	7,334	5,062	-	-
Total non-current assets		1,137,808	1,147,712	946,431	952,934
Trade and other receivables, including derivatives	10	411,583	443,387	155,748	191,018
Prepayments		5,603	3,740	4,169	3,028
Inventories	11	498,356	519,752	148,354	127,325
Current tax assets		300	3,109	-	-
Fixed deposits	12	299,644	334,364	-	-
Cash and cash equivalents	13	54,066	71,607	39,689	34,216
		1,269,552	1,375,959	347,960	355,587
Asset classified as held for sale	14	32,786	32,786	32,786	32,786
Total current assets		1,302,338	1,408,745	380,746	388,373
Total assets		2,440,146	2,556,457	1,327,177	1,341,307
Equity					
Share capital	15	645,415	645,415	645,415	645,415
Reserves		711,929	659,850	291,083	231,168
Total equity attributable to owners of the Company		1,357,344	1,305,265	936,498	876,583
Non-controlling interests	6.1	116,037	110,573	-	-
Total equity		1,473,381	1,415,838	936,498	876,583

Statements of Financial Position

as at 31 December 2025 (cont'd)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Liabilities					
Deferred tax liabilities	9	17,246	16,735	15,892	15,684
Loans and borrowings	16	11,712	22,780	11,712	17,000
Lease liabilities		7,907	9,004	6,803	8,134
Total non-current liabilities		36,865	48,519	34,407	40,818
Trade and other payables, including derivatives	17	175,795	111,738	49,276	55,970
Loans and borrowings	16	738,566	969,668	301,388	364,037
Lease liabilities		2,161	1,847	1,858	1,584
Current tax liabilities		13,378	8,847	3,750	2,315
Total current liabilities		929,900	1,092,100	356,272	423,906
Total liabilities		966,765	1,140,619	390,679	464,724
Total equity and liabilities		2,440,146	2,556,457	1,327,177	1,341,307

The notes set out on pages 125 to 183 are an integral part of these financial statements.

Statements of Profit or Loss and Other Comprehensive Income

for the financial year ended 31 December 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	18	3,242,859	3,121,334	678,479	735,594
Cost of goods sold		(2,922,529)	(2,824,179)	(547,992)	(606,679)
Gross profit		320,330	297,155	130,487	128,915
Other income		22,529	18,430	46,942	46,509
Distribution expenses		(98,071)	(97,005)	(51,243)	(48,895)
Administrative expenses		(33,124)	(28,539)	(20,898)	(17,647)
Net (loss)/gain on impairment of financial instruments		(4,694)	(1,392)	882	(490)
Other expenses		(1,519)	(3,104)	(2,610)	(842)
Results from operating activities		205,451	185,545	103,560	107,550
Interest expense		(39,921)	(41,748)	(16,127)	(17,956)
Interest income		19,105	21,225	4,953	3,961
Net finance costs		(20,816)	(20,523)	(11,174)	(13,995)
Results from operating activities after net finance costs		184,635	165,022	92,386	93,555
Impairment of investment in a joint venture	7.1	-	(42,068)	-	(65,442)
Share of profit/(loss) of equity-accounted joint ventures, net of tax	7	16,408	(7,418)	-	-
Profit before tax	19	201,043	115,536	92,386	28,113
Tax expense	20.1	(34,362)	(38,313)	(13,884)	(19,228)
Profit for the year		166,681	77,223	78,502	8,885
Other comprehensive income for the year, net of tax					
Item that is or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		(81,264)	(44,998)	-	-
Total comprehensive income for the year		85,417	32,225	78,502	8,885

Statements of Profit or Loss and Other Comprehensive Income

for the financial year ended 31 December 2025 (cont'd)

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit attributable to:					
Owners of the Company		139,942	58,115	78,502	8,885
Non-controlling interests		26,739	19,108	-	-
Profit for the year		166,681	77,223	78,502	8,885
Total comprehensive income attributable to:					
Owners of the Company		70,666	19,023	78,502	8,885
Non-controlling interests	6.1	14,751	13,202	-	-
Total comprehensive income for the year		85,417	32,225	78,502	8,885
Basic earnings per ordinary share (sen)	21.1	11.29	4.74		
Basic earnings per ordinary share (sen) (adjusted)*	21.2	11.29	8.17		

* *In the previous financial year, the adjusted basic earnings per share excluded the impairment loss of investment in a joint venture of RM42,068,000.*

The notes set out on pages 125 to 183 are an integral part of these financial statements.

Consolidated Statement of Changes in Equity

for the financial year ended 31 December 2025

Group	Note	Share capital RM'000	RCULS - Equity RM'000	Warrant reserve RM'000	Other capital reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
		◄------- *Attributable to owners of the Company* -------►								
		◄----------- *Non-distributable* ------------►					*Distributable*			
At 1 January 2024		537,262	77,410	17,763	93,065	(19,641)	636,095	1,341,954	104,027	1,445,981
Foreign currency translation differences for foreign operations		-	-	-	-	(39,092)	-	(39,092)	(5,906)	(44,998)
Profit for the year		-	-	-	-	-	58,115	58,115	19,108	77,223
Total comprehensive (expense)/income for the year		-	-	-	-	(39,092)	58,115	19,023	13,202	32,225
Conversion of RCULS	15	108,095	(77,410)	(10,732)	-	-	(19,953)	-	-	-
Exercise of warrants	15	58	-	(9)	-	-	-	49	-	49
Transfer of warrant reserve upon expiry of warrants	15	-	-	(7,022)	-	-	7,022	-	-	-
Dividends to owners of the Company/non-controlling interests	22	-	-	-	-	-	(55,761)	(55,761)	(6,656)	(62,417)
At 31 December 2024		645,415	-	-	93,065	(58,733)	625,518	1,305,265	110,573	1,415,838
		Note 15	Note 15	Note 15	Note 15	Note 15				

Group	Note	Share capital RM'000	RCULS - Equity RM'000	Warrant reserve RM'000	Other capital reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
		◄------- *Attributable to owners of the Company* -------►								
		◄----------- *Non-distributable* ------------►					*Distributable*			
At 1 January 2025		645,415	-	-	93,065	(58,733)	625,518	1,305,265	110,573	1,415,838
Foreign currency translation differences for foreign operations		-	-	-	-	(69,276)	-	(69,276)	(11,988)	(81,264)
Profit for the year		-	-	-	-	-	139,942	139,942	26,739	166,681
Total comprehensive (expense)/income for the year		-	-	-	-	(69,276)	139,942	70,666	14,751	85,417
Dividends to owners of the Company/non-controlling interests	22	-	-	-	-	-	(18,587)	(18,587)	(9,287)	(27,874)
At 31 December 2025		645,415	-	-	93,065	(128,009)	746,873	1,357,344	116,037	1,473,381
		Note 15	Note 15	Note 15	Note 15	Note 15				

The notes set out on pages 125 to 183 are an integral part of these financial statements.

Statement of Changes in Equity

for the financial year ended 31 December 2025

Company	Note	Share capital RM'000	RCULS - Equity RM'000	Warrant reserve RM'000	Retained earnings RM'000	Total equity RM'000
		Attributable to owners of the Company				
		Non-distributable			*Distributable*	
At 1 January 2024		537,262	77,410	17,763	290,975	923,410
Profit and total comprehensive income for the year		-	-	-	8,885	8,885
Conversion of RCULS	15	108,095	(77,410)	(10,732)	(19,953)	-
Exercise of warrants	15	58	-	(9)	-	49
Transfer of warrant reserve upon expiry of warrants	15	-	-	(7,022)	7,022	-
Dividends to owners of the Company	22	-	-	-	(55,761)	(55,761)
At 31 December 2024/ 1 January 2025		645,415	-	-	231,168	876,583
Profit and total comprehensive income for the year		-	-	-	78,502	78,502
Dividends to owners of the Company	22	-	-	-	(18,587)	(18,587)
At 31 December 2025		645,415	-	-	291,083	936,498
		Note 15	Note 15	Note 15		

The notes set out on pages 125 to 183 are an integral part of these financial statements.

Statements of Cash Flows

for the financial year ended 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Cash flows from operating activities					
Profit before tax		201,043	115,536	92,386	28,113
Adjustments for:					
Amortisation of intangible assets	4	513	433	358	297
Bad debt recovered		-	(1)	-	(1)
Depreciation of investment properties	5	57	57	57	57
Depreciation of property, plant and equipment	2	33,383	33,754	17,020	16,329
Depreciation of right-of-use assets	3	2,237	2,345	1,768	1,691
Impairment of investment in a joint venture	7.1	-	42,068	-	65,442
Dividend income		(3)	(3)	(29,555)	(29,406)
Gain on lease modification		(2)	(80)	(2)	-
Interest expense		39,921	41,748	16,127	17,956
Interest income		(19,105)	(21,225)	(4,953)	(3,961)
Impairment of investments in subsidiaries		-	-	1,933	-
Net gain on disposal of property, plant and equipment		(80)	(381)	(49)	(463)
Net loss/(gain) on impairment of financial assets		4,694	1,392	(882)	490
Net unrealised loss/(gain) on foreign exchange		2,484	(741)	2,683	(1,779)
Property, plant and equipment written off		109	206	108	96
Share of (profit)/loss of equity-accounted joint ventures, net of tax	7	(16,408)	7,418	-	-
Operating profit before changes in working capital		248,843	222,526	96,999	94,861
Changes in working capital:					
Trade and other receivables, prepayments and other financial assets		5,458	(44,325)	33,635	1,182
Inventories		(18,727)	(18,745)	(21,030)	31,111
Trade and other payables and other financial liabilities		68,150	11,455	(10,763)	9,601
Cash generated from operations		303,724	170,911	98,841	136,755

Statements of Cash Flows

for the financial year ended 31 December 2025 (cont'd)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Cash generated from operations (cont'd)		303,724	170,911	98,841	136,755
Interest paid		(39,921)	(41,748)	(16,127)	(17,956)
Interest received		19,105	21,225	4,953	3,961
Net income tax paid		(27,828)	(34,806)	(12,241)	(16,993)
Net cash from operating activities		255,080	115,582	75,426	105,767
Cash flows from investing activities					
Acquisition of intangible assets	4	(1,524)	(306)	(1,007)	(157)
Acquisition of property, plant and equipment	2	(41,381)	(70,741)	(12,465)	(30,654)
Dividend received		3	3	29,555	29,406
Increase in fixed deposits		(6,084)	(25,062)	-	-
Proceeds from disposal of property, plant and equipment		126	840	69	779
Proceeds from disposal of asset classified as held for sale		-	811	-	811
Net cash (used in)/from investing activities		(48,860)	(94,455)	16,152	185
Cash flows from financing activities					
Dividends paid to non-controlling interests	6.1	(9,287)	(6,656)	-	-
Dividends paid to owners of the Company	22	(18,587)	(55,761)	(18,587)	(55,761)
(Repayment of)/Proceeds from loans and borrowings, net		(191,095)	31,749	(65,916)	(64,862)
RCULS coupon payment	15	-	(2,702)	-	(2,702)
Payment of lease liabilities		(1,903)	(1,762)	(1,602)	(1,412)
Exercise of warrants	15	-	49	-	49
Net cash used in financing activities		(220,872)	(35,083)	(86,105)	(124,688)
Net (decrease)/increase in cash and cash equivalents		(14,652)	(13,956)	5,473	(18,736)
Effect of exchange rate fluctuations on cash held		(2,889)	(1,787)	-	-
Cash and cash equivalents at 1 January	13	71,607	87,350	34,216	52,952
Cash and cash equivalents at 31 December	13	54,066	71,607	39,689	34,216

(a) Cash outflows for leases as a lessee

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Included in net cash from operating activities:					
Payment relating to short-term leases	19	130	107	18	11
Payment relating to leases of low-value assets	19	76	67	72	63
Payment relating to variable lease payments not included in the measurement of lease liabilities	19	3,259	1,865	1,140	920
Interest paid in relation to lease liabilities		419	421	324	351
Included in net cash used in financing activities:					
Payment of lease liabilities		1,903	1,762	1,602	1,412
Total cash outflows for leases		5,787	4,222	3,156	2,757

(b) Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1 January 2024 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease RM'000	Lease modification RM'000	Foreign exchange movement RM'000	At 31 December 2024/ 1 January 2025 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease RM'000	Lease modification RM'000	Foreign exchange movement RM'000	At 31 December 2025 RM'000
Group											
Unsecured bankers' acceptances/Unsecured revolving credits	842,618	103,912	-	-	(23,288)	923,242	(159,396)	-	-	(50,205)	713,641
Unsecured term loans	143,064	(72,163)	-	-	(1,695)	69,206	(31,699)	-	-	(870)	36,637
Lease liabilities	11,496	(1,762)	1,503	(449)	63	10,851	(1,903)	1,290	(27)	(143)	10,068
Total liabilities from financing activities	997,178	29,987	1,503	(449)	(24,920)	1,003,299	(192,998)	1,290	(27)	(51,218)	760,346
Company											
Unsecured bankers' acceptances/Unsecured revolving credits	358,483	(30,862)	-	-	2,416	330,037	(45,773)	-	-	(2,021)	282,243
Unsecured term loans	85,000	(34,000)	-	-	-	51,000	(20,143)	-	-	-	30,857
Lease liabilities	10,694	(1,412)	462	(26)	-	9,718	(1,602)	572	(27)	-	8,661
Total liabilities from financing activities	454,177	(66,274)	462	(26)	2,416	390,755	(67,518)	572	(27)	(2,021)	321,761

The notes set out on pages 125 to 183 are an integral part of these financial statements.

Notes to the Financial Statements

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

Registered office	**Principal place of business**
Suite 25.01, Level 25 Menara Citibank 165 Jalan Ampang 50450 Kuala Lumpur	Suite 28.01, Level 28 Menara Citibank 165 Jalan Ampang 50450 Kuala Lumpur

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in an associate and joint ventures.

The Company is principally engaged in the business of milling and selling wheat flour and trading in grain and other allied products, whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 31 March 2026.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

1. Basis of preparation (cont'd)

(a) Statement of compliance (cont'd)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026 (cont'd)

- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

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

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.

- from the annual period beginning on 1 January 2027 for the accounting standards and amendments that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Company.

1. Basis of preparation (cont'd)

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Derivative financial instruments	Fair value
Liquid investment	Fair value

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 3 – extension options and incremental borrowing rate in relation to leases entered into during the year
- Note 7 – investments in joint ventures
- Note 24 – measurement of expected credit loss ("ECL")

2. Property, plant and equipment

Group	Note	Freehold land, buildings and jetty RM'000	Plant, machinery, fixtures and equipment RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Cost						
At 1 January 2024		394,667	444,955	24,061	23,488	887,171
Additions		118	6,467	1,027	63,129	70,741
Disposals		(592)	(357)	(828)	-	(1,777)
Write-off		(385)	(1,959)	-	(59)	(2,403)
Transfers		12	3,320	345	(3,677)	-
Transfer to intangible assets	4	-	-	-	(209)	(209)
Effect of movements in exchange rates		(7,693)	(11,131)	(955)	(2,516)	(22,295)
At 31 December 2024/ 1 January 2025		386,127	441,295	23,650	80,156	931,228
Additions		113	5,904	1,173	34,191	41,381
Disposals		-	(965)	(235)	-	(1,200)
Write-off		-	(916)	(116)	-	(1,032)
Transfers		28,657	52,870	353	(81,880)	-
Transfer to intangible assets	4	-	-	-	(61)	(61)
Effect of movements in exchange rates		(14,297)	(19,845)	(1,595)	(5,167)	(40,904)
At 31 December 2025		400,600	478,343	23,230	27,239	929,412

2. Property, plant and equipment (cont'd)

Group	Freehold land, buildings and jetty RM'000	Plant, machinery, fixtures and equipment RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Accumulated depreciation					
At 1 January 2024	130,753	288,995	21,015	-	440,763
Depreciation for the year	9,283	23,357	1,114	-	33,754
Disposals	(300)	(194)	(824)	-	(1,318)
Write-off	(275)	(1,922)	-	-	(2,197)
Effect of movements in exchange rates	(3,206)	(7,950)	(805)	-	(11,961)
At 31 December 2024/1 January 2025	136,255	302,286	20,500	-	459,041
Depreciation for the year	8,928	23,345	1,110	-	33,383
Disposals	-	(919)	(235)	-	(1,154)
Write-off	-	(807)	(116)	-	(923)
Effect of movements in exchange rates	(5,719)	(14,263)	(1,375)	-	(21,357)
At 31 December 2025	139,464	309,642	19,884	-	468,990
Carrying amounts					
At 1 January 2024	263,914	155,960	3,046	23,488	446,408
At 31 December 2024/1 January 2025	249,872	139,009	3,150	80,156	472,187
At 31 December 2025	261,136	168,701	3,346	27,239	460,422

2. Property, plant and equipment (cont'd)

Company	Buildings and jetty RM'000	Plant, machinery, fixtures and equipment RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Cost					
At 1 January 2024	246,090	227,439	8,916	220	482,665
Additions	106	3,042	727	26,779	30,654
Disposals	(592)	(84)	(391)	-	(1,067)
Write-off	-	(1,101)	-	(59)	(1,160)
Transfers	12	457	-	(469)	-
At 31 December 2024/1 January 2025	245,616	229,753	9,252	26,471	511,092
Additions	61	5,447	1,173	5,784	12,465
Disposals	-	(777)	(143)	-	(920)
Write-off	-	(908)	(116)	-	(1,024)
Transfers	-	31,169	-	(31,169)	-
At 31 December 2025	245,677	264,684	10,166	1,086	521,613
Accumulated depreciation					
At 1 January 2024	79,932	160,857	8,198	-	248,987
Depreciation for the year	4,901	11,047	381	-	16,329
Disposals	(300)	(61)	(390)	-	(751)
Write-off	-	(1,064)	-	-	(1,064)
At 31 December 2024/1 January 2025	84,533	170,779	8,189	-	263,501
Depreciation for the year	4,902	11,624	494	-	17,020
Disposals	-	(757)	(143)	-	(900)
Write-off	-	(800)	(116)	-	(916)
At 31 December 2025	89,435	180,846	8,424	-	278,705
Carrying amounts					
At 1 January 2024	166,158	66,582	718	220	233,678
At 31 December 2024/1 January 2025	161,083	58,974	1,063	26,471	247,591
At 31 December 2025	156,242	83,838	1,742	1,086	242,908

2. Property, plant and equipment (cont'd)

2.1 Borrowing costs

In the previous financial year, included in additions of the Group were borrowing costs capitalised at 5.44% - 7.98% per annum amounting to RM1,037,000.

2.2 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Capital work-in-progress are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

• buildings and jetty	10, 20 and 50 years
• plant, machinery, fixtures and equipment	4 - 20 years
• motor vehicles	5 - 10 years

3. Right-of-use assets

	Leasehold land RM'000	Buildings RM'000	Total RM'000
Group			
At 1 January 2024	6,154	10,451	16,605
Additions	-	1,503	1,503
Depreciation	(403)	(1,942)	(2,345)
Lease modification	-	(369)	(369)
Effect of movements in exchange rates	(112)	51	(61)
At 31 December 2024/1 January 2025	5,639	9,694	15,333
Additions	-	1,290	1,290
Depreciation	(197)	(2,040)	(2,237)
Lease modification	-	(29)	(29)
Effect of movements in exchange rates	(161)	(155)	(316)
At 31 December 2025	5,281	8,760	14,041
Company			
At 1 January 2024	4,167	9,745	13,912
Additions	-	462	462
Depreciation	(106)	(1,585)	(1,691)
Lease modification	-	(26)	(26)
At 31 December 2024/1 January 2025	4,061	8,596	12,657
Additions	-	572	572
Depreciation	(76)	(1,692)	(1,768)
Lease modification	-	(29)	(29)
At 31 December 2025	3,985	7,447	11,432

The Group leases buildings for its office space, warehouse and staff quarters that typically run for a period of one to five years, with an option to renew the lease after that date.

3.1 Extension options

Some leases of office space, warehouse and staff quarters contain extension options exercisable by the Group. Where applicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

As at 31 December 2025, the Group has included all potential future cash flows of exercising the extension options in the lease liabilities.

3. Right-of-use assets (cont'd)

3.2 Significant judgements and assumptions in relation to lease

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

3.3 Material accounting policy information

Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

4. Intangible assets

	Note	Computer software Group RM'000	Computer software Company RM'000
Cost			
At 1 January 2024		10,406	6,894
Additions		306	157
Transfer from property, plant and equipment	2	209	-
Write-off		(3)	(3)
Effect of movements in exchange rates		(249)	-
At 31 December 2024/1 January 2025		10,669	7,048
Additions		1,524	1,007
Transfer from property, plant and equipment	2	61	-
Write-off		(1,075)	(1,041)
Effect of movements in exchange rates		(468)	-
At 31 December 2025		10,711	7,014

4. Intangible assets (cont'd)

	Computer software Group RM'000	Computer software Company RM'000
Accumulated amortisation		
At 1 January 2024	8,956	6,089
Amortisation for the year	433	297
Write-off	(3)	(3)
Effect of movements in exchange rates	(199)	-
At 31 December 2024/1 January 2025	9,187	6,383
Amortisation for the year	513	358
Write-off	(1,075)	(1,041)
Effect of movements in exchange rates	(346)	-
At 31 December 2025	8,279	5,700
Carrying amounts		
At 1 January 2024	1,450	805
At 31 December 2024/1 January 2025	1,482	665
At 31 December 2025	2,432	1,314

4.1 Intangible assets

Intangible assets principally comprise expenditure that is directly attributable to the acquisition of software licences and any other development costs directly attributable to the preparation of the computer software for its intended use.

4.2 Material accounting policy information

Recognition and measurement

Computer software acquired by the Group is stated at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation of computer software is recognised in profit or loss on a straight-line basis over its estimated useful lives from the date that it is available for use.

The estimated useful life of computer software is 4 years.

Amortisation methods, useful lives and residual values are reviewed as at the end of the reporting period and adjusted, if appropriate.

5. Investment properties

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group			
Cost			
At 1 January 2024/31 December 2024/ 1 January 2025/31 December 2025	3,943	2,836	6,779
Accumulated depreciation			
At 1 January 2024	-	1,953	1,953
Depreciation for the year	-	57	57
At 31 December 2024/1 January 2025	-	2,010	2,010
Depreciation for the year	-	57	57
At 31 December 2025	-	2,067	2,067
Carrying amounts			
At 1 January 2024	3,943	883	4,826
At 31 December 2024/1 January 2025	3,943	826	4,769
At 31 December 2025	3,943	769	4,712
Company			
Cost			
At 1 January 2024/31 December 2024/ 1 January 2025/31 December 2025	3,672	2,836	6,508
Accumulated depreciation			
At 1 January 2024	-	1,953	1,953
Depreciation for the year	-	57	57
At 31 December 2024/1 January 2025	-	2,010	2,010
Depreciation for the year	-	57	57
At 31 December 2025	-	2,067	2,067
Carrying amounts			
At 1 January 2024	3,672	883	4,555
At 31 December 2024/1 January 2025	3,672	826	4,498
At 31 December 2025	3,672	769	4,441

5. Investment properties (cont'd)

5.1 Other income/expenses recognised in profit or loss in relation to investment properties

	Group and Company	
	2025 RM'000	2024 RM'000
Lease income	565	517
Direct operating expenses:		
- income generating investment properties	55	54

5.2 Fair value information

Fair value of investment properties are categorised as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Level 3				
Freehold land and buildings	150,900	134,156	145,900	129,156

Level 3 fair value

The following table shows the valuation technique used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Comparison method of valuation which entails comparing the property with similar properties that were sold recently and those that are currently offered for sale in the vicinity.	Recent transactions of similar properties at or near reporting period with similar land usage, land size and location.	The estimated fair value would increase/(decrease) if recent transactions of similar properties at or near reporting period with similar land usage and land size were higher/(lower).

Valuation processes applied by the Group for Level 3 fair value

The fair value of investment properties is estimated by the Directors using the comparison method. The comparison method entails critical analysis of recent evidences of values of comparable properties in the neighbourhood and making adjustment for differences in location, size and shape of land, age and condition of building, tenure, title restrictions if any and other relevant characteristics.

5.3 Material accounting policy information

Investment properties carried at cost are properties which are owned to earn rental income or for 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. Investment properties initially and subsequently measured at cost are accounted for similarly to property, plant and equipment. Freehold land is not depreciated.

6. Investments in subsidiaries

	Company 2025 RM'000	2024 RM'000
At cost		
Unquoted shares	142,546	141,800
Less: Accumulated impairment losses	(2,385)	(452)
	140,161	141,348

During the financial year, the Company recognised RM1,933,000 impairment losses in investments in subsidiaries due to the recoverable amounts are lower than their initial cost of investments. These subsidiaries are currently dormant.

Details of the subsidiaries are as follows:

Name of subsidiary	Principal place of business/Country of incorporation	Principal activities	Effective ownership interest 2025 %	2024 %
Dindings Soya & Multifeeds Sdn. Berhad	Malaysia	Manufacture and sale of animal feeds and sale of related raw materials	100	100
Premier Grain Sdn. Bhd.	Malaysia	Trading in corn, soybean meal and other feed ingredients	51	51
Vimaflour Ltd.*	Vietnam	Milling and selling wheat flour together with its allied products	70	70
MFM International Ltd.#	British Virgin Islands	Investment holding	100	100
MFM Property Sdn. Bhd.^	Malaysia	Investment holding	100	100
MFM Feedmill Sdn. Bhd.	Malaysia	Dormant	100	100
Semakin Dinamik Sdn. Bhd.	Malaysia	Dormant	100	100
MFM LTD.^	Malaysia	Dormant	100	100
Muda Fibre Manufacturing Sdn. Bhd.^	Malaysia	Dormant	60	60

6. Investments in subsidiaries (cont'd)

Details of the subsidiaries are as follows: (cont'd)

Name of subsidiary	Principal place of business/Country of incorporation	Principal activities	Effective ownership interest 2025 %	2024 %
Subsidiary of MFM International Ltd.				
Mekong Flour Mills Ltd.*	Vietnam	Milling and selling wheat flour together with its allied products	100	100

* Audited by other member firms of KPMG International.

\# Not audited by member firms of KPMG PLT.

^ These subsidiaries are in member's voluntary liquidation.

6.1 Non-controlling interests in subsidiaries

The subsidiaries' information are aggregated based on their operating segment. The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	Subsidiaries with material NCI* RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
2025			
Carrying amount of NCI	111,874	4,163	116,037
Comprehensive income/(expense) allocated to NCI	14,787	(36)	14,751
2024			
Carrying amount of NCI	105,634	4,939	110,573
Comprehensive income/(expense) allocated to NCI	13,209	(7)	13,202

* Subsidiaries with material NCI consist of Premier Grain Sdn. Bhd. and Vimaflour Ltd..

6. Investments in subsidiaries (cont'd)

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

	Subsidiaries with material NCI* 2025 RM'000	Subsidiaries with material NCI* 2024 RM'000
Summarised financial information before intra-group elimination		
As at 31 December		
Non-current assets	70,490	86,170
Current assets	696,531	709,108
Current liabilities	(417,605)	(460,396)
Net assets	349,416	334,882
Year ended 31 December		
Revenue	2,012,989	1,873,521
Profit for the year	82,984	59,397
Total comprehensive income	43,024	39,711
Cash flows from/(used in) operating activities	105,000	(36,675)
Cash flows used in investing activities	(15,541)	(23,976)
Cash flows (used in)/from financing activities	(92,574)	61,502
Net (decrease)/increase in cash and cash equivalents	(3,115)	851
Dividends paid to NCI	8,547	6,656

* Subsidiaries with material NCI consist of Premier Grain Sdn. Bhd. and Vimaflour Ltd..

6.2 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

7. Investments in joint ventures

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
At cost					
Unquoted shares		656,057	656,057	647,382	647,382
Less: Accumulated impairment loss	7.1	(42,068)	(42,068)	(101,207)	(101,207)
Share of post-acquisition reserves		34,878	34,890	-	-
		648,867	648,879	546,175	546,175

7. Investments in joint ventures (cont'd)

7.1 Impairment assessment of investment in a joint venture

The Group's and the Company's joint venture, PT Bungasari Flour Mills Indonesia ("BFMI") recorded a profit after tax of RM7.9 million during the current financial year, compared to a loss after tax of RM30.0 million in the previous financial year. While this reflects a turnaround to profitability, the Group remains cautious in assessing the recoverable amount of its investment in BFMI as the operating environment in Indonesia continues to be challenging.

BFMI continues to face competitive domestic market conditions as well as weakening exchange rates. In addition, recent geopolitical events have exacerbated logistics challenges, particularly in respect to the supply of raw materials.

In the previous financial year, management estimated the recoverable amount of the Group's and the Company's investment in BFMI of RM99,035,000 and an impairment loss of RM42,068,000 and RM65,442,000 was recognised in profit or loss of the Group and the Company, respectively.

During the current financial year, no further impairment was identified from the Group's and the Company's impairment testing.

7.2 Significant judgements and assumptions in relation to impairment assessment of investment in a joint venture

The Group and the Company applied significant judgements and assumptions in performing impairment testing which requires management to estimate the recoverable amount of the investment in a joint venture and to provide impairment loss when required. The Group and the Company considered the joint venture's cash flow projections in determining the recoverable amount of the investment in a joint venture.

The following table shows the valuation technique used in the determination of the fair value and the significant unobservable inputs used in the valuation calculation.

Description of valuation technique and inputs used	Level 3 fair value significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
The valuation method considers the discounting of future cash flows expected to be generated.	• Pre-tax discount rate of 13% (2024: 14%). • Annual revenue growth of 4% for the years 2026 to 2030 (2024: 6% for the years 2025 to 2029). • Terminal growth rate of 2% (2024: 2%).	• The estimated fair value would increase/decrease if the discount rate were lower/higher. • The estimated fair value would increase/decrease if the annual revenue growth rate were higher/lower. • The estimated fair value would increase/decrease if the terminal growth rate were higher/lower.

7. Investments in joint ventures (cont'd)

The joint ventures, all of which are incorporated in Malaysia except as disclosed otherwise, comprise:

Name of joint venture	Principal place of business/ Country of incorporation	Principal activities	Percentage of ownership 2025 %	Percentage of ownership 2024 %
Dindings Tyson Sdn. Bhd. ("DTSB")#	Malaysia	Investment holding	51	51
Subsidiaries of DTSB				
Dindings Poultry Development Centre Sdn. Bhd.#	Malaysia	Breeding and sale of day-old chicks, poultry grow-out farm, purchase and contract farming activities, manufacture and sale of animal feeds and sale of related raw materials	51	51
Dindings Poultry Processing Sdn. Bhd.#	Malaysia	Processing and sale of poultry products	51	51
Dindings Foods Sdn. Bhd.#	Malaysia	Dormant	51	51
PT Bungasari Flour Mills Indonesia ("BFMI")*	Indonesia	Milling and selling of wheat flour together with its allied products	30	30

Although the Group has majority voting rights in DTSB, there are substantive rights shared with the other shareholder pursuant to the shareholders' agreement. Accordingly, DTSB and its subsidiaries are classified as joint ventures of the Group.

* Not audited by member firms of KPMG PLT.

7. Investments in joint ventures (cont'd)

The following table summarises the financial information of the joint ventures, as adjusted for any differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in the joint ventures, which is accounted for using the equity method.

	DTSB		BFMI		Total	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Summarised financial information as at 31 December						
Non-current assets	857,267	891,241	658,793	781,417	1,516,060	1,672,658
Current assets	452,495	469,712	668,408	656,829	1,120,903	1,126,541
Non-current liabilities	(437)	(5,143)	(76,675)	(93,495)	(77,112)	(98,638)
Current liabilities	(178,272)	(252,296)	(851,628)	(898,998)	(1,029,900)	(1,151,294)
Net assets	1,131,053	1,103,514	398,898	445,753	1,529,951	1,549,267
Year ended 31 December						
Revenue	1,121,162	1,079,823	1,655,017	2,263,865	2,776,179	3,343,688
Profit/(Loss) for the year	27,539	3,105	7,876	(30,005)	35,415	(26,900)
Reconciliation of net assets to carrying amount as at 31 December						
Group's share of net assets	506,197	492,152	119,669	133,726	625,866	625,878
Goodwill	65,069	65,069	-	-	65,069	65,069
Less: Impairment loss	-	-	(42,068)	(42,068)	(42,068)	(42,068)
Carrying amount in the statement of financial position	571,266	557,221	77,601	91,658	648,867	648,879
Group's share of results for the year ended 31 December						
Group's share of profit/(loss) for the year	14,045	1,583	2,363	(9,001)	16,408	(7,418)

7. Investments in joint ventures (cont'd)

7.3 Contingent liabilities

PT Bungasari Flour Mills Indonesia

Corporate guarantee

In the previous financial year, the Company provided proportionate corporate guarantees of up to USD6.6 million for financing facilities granted by financial institutions to the joint venture, BFMI. The outstanding loans as at 31 December 2024 proportionately amounted to USD0.34 million.

During the current financial year, no corporate guarantees were provided by the Company.

Dindings Poultry Development Centre Sdn. Bhd. ("DPDC")

Litigation

On 5 August 2022, DPDC received a Notice of Proposed Decision issued by the Malaysia Competition Commission ("MyCC") pursuant to Section 36 of the Competition Act 2010 ("the Act") ("Proposed Decision"). The Proposed Decision is premised primarily on the allegation that DPDC had engaged in agreements and/or concerted practices to fix the quantum of poultry feed price which is in breach of Section 4(1) read together with Sections 4(2)(a) and 4(3) of the Act.

DPDC strongly denies the allegation of the aforesaid infringement which is without merit and intends to defend such unfounded allegation vigorously. DPDC has appointed external legal counsel to represent it and submit written representations and make an oral representation before MyCC. However, in the event of any findings to the contrary, MyCC has proposed a financial penalty equivalent to 10% based on the relevant turnover and based on MyCC's calculations for the alleged period which amounts to RM70 million. DPDC denies that it is liable for the said penalty and refutes the basis of the calculation applied by MyCC. DPDC submitted its written submission to MyCC on 31 January 2023 rebutting the allegation of the aforesaid infringement and made its oral representation on 29 and 31 May 2023.

On 22 December 2023, DPDC received MyCC's Notice of Finding of An Infringement under Section 40 of the Competition Act 2010 together with the Decision of Infringement under Section 4(1) read with Sections 4(2)(a) and 4(3) of the Competition Act 2010 dated 11 December 2023 ("the Decision"). MyCC maintains its finding of price-fixing infringement with imposition of financial penalty of RM70 million on DPDC. The legal counsel is of the view that there were sufficient grounds to challenge the Decision. On 9 January 2024, DPDC filed a Notice of Appeal with the Competition Appeal Tribunal ("Tribunal") to appeal against the Decision and applied for a stay of the Decision pending appeal. The Tribunal heard DPDC's submission on the stay application on 12 June 2024. The stay application was dismissed by the Tribunal on 6 December 2024. DPDC filed a judicial review application at the High Court to judicially review the Tribunal's decision on 6 December 2024 in refusing the stay.

On 2 January 2025, the High Court granted leave for DPDC to judicially review the Tribunal's decision in refusing the stay. The High Court also granted an ad interim stay pending the determination of the stay application filed by DPDC. On 2 October 2025, the High Court allowed DPDC's judicial review application. The Tribunal's decision (in refusing stay) was quashed and a consequential order to stay all enforcement proceedings against DPDC pending disposal of the appeal was granted.

7. Investments in joint ventures (cont'd)

7.3 Contingent liabilities (cont'd)

DPDC (cont'd)

Litigation (cont'd)

The hearing of DPDC's appeal against the Decision took place on 29 April 2025 and 16 June 2025 before the Tribunal. On 11 February 2026, the Tribunal dismissed the appeal by DPDC, with no order as to costs ("Tribunal's Decision"). In the oral grounds delivered, the Tribunal stated that it affirmed the findings and decisions in the MyCC's decision. DPDC filed a judicial review application at the High Court against the Tribunal's Decision and seek an interim stay order pending the disposal of the judicial review on 23 February 2026. On 9 March 2026, the High Court granted leave for DPDC to commence the judicial review of the Tribunal's Decision. The High Court also granted an ad interim stay order in relation to the Tribunal's Decision and MyCC's decision, until the determination of DPDC's application for interim stay.

Based on the advice of the legal counsel, the Directors concur with DPDC's view that no provision is required in the financial statements at this juncture.

7.4 Material accounting policy information

Investments in joint ventures are measured in the Company's statement of financial position at cost less any impairment losses.

8. Investment in an associate

Details of the associate are as follows:

Name of entity	Principal place of business/Country of incorporation	Nature of the relationship	Effective ownership interest 2025 %	Effective ownership interest 2024 %
Freeman Properties Holding Ltd.* (Held through MFM Property Sdn. Bhd.)	Cambodia	Investment	-	49

*Members' voluntary liquidation was completed during the year.

8.1 Material accounting policy information

Investment in an associate is measured in the Company's statement of financial position at cost less any impairment losses.

9. Deferred tax assets/(liabilities)

9.1 Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Group						
Property, plant and equipment	-	-	(27,937)	(27,398)	(27,937)	(27,398)
Right-of-use assets	-	-	(1,897)	(2,175)	(1,897)	(2,175)
Lease liabilities	2,079	2,332	-	-	2,079	2,332
Provisions	5,444	4,252	-	-	5,444	4,252
Unabsorbed capital allowances	11,966	11,753	-	-	11,966	11,753
Tax losses carry-forward	1,703	928	-	-	1,703	928
Others	159	17	(1,429)	(1,382)	(1,270)	(1,365)
Tax assets/(liabilities)	21,351	19,282	(31,263)	(30,955)	(9,912)	(11,673)
Set-off of tax	(14,017)	(14,220)	14,017	14,220	-	-
Net tax assets/ (liabilities)	7,334	5,062	(17,246)	(16,735)	(9,912)	(11,673)
Company						
Property, plant and equipment	-	-	(19,842)	(19,093)	(19,842)	(19,093)
Right-of-use assets	-	-	(1,897)	(2,175)	(1,897)	(2,175)
Lease liabilities	2,079	2,332	-	-	2,079	2,332
Provisions	3,609	3,583	-	-	3,609	3,583
Others	159	-	-	(331)	159	(331)
Tax assets/(liabilities)	5,847	5,915	(21,739)	(21,599)	(15,892)	(15,684)
Set-off of tax	(5,847)	(5,915)	5,847	5,915	-	-
Net tax liabilities	-	-	(15,892)	(15,684)	(15,892)	(15,684)

9. Deferred tax assets/(liabilities) (cont'd)

9.2 Movement in temporary differences during the year

	At 1.1.2024 RM'000	Recognised in profit or loss (Note 20) RM'000	At 31.12.2024/ 1.1.2025 RM'000	Recognised in profit or loss (Note 20) RM'000	At 31.12.2025 RM'000
Group					
Property, plant and equipment	(28,314)	916	(27,398)	(539)	(27,937)
Right-of-use assets	(3,225)	1,050	(2,175)	278	(1,897)
Lease liabilities	2,566	(234)	2,332	(253)	2,079
RCULS	648	(648)	-	-	-
Provisions	4,031	221	4,252	1,192	5,444
Unabsorbed capital allowances	10,862	891	11,753	213	11,966
Tax losses carry-forward	2,439	(1,511)	928	774	1,702
Others	(979)	(386)	(1,365)	96	(1,269)
	(11,972)	299	(11,673)	1,761	(9,912)
Company					
Property, plant and equipment	(20,805)	1,712	(19,093)	(749)	(19,842)
Right-of-use assets	(3,225)	1,050	(2,175)	278	(1,897)
Lease liabilities	2,566	(234)	2,332	(253)	2,079
RCULS	648	(648)	-	-	-
Provisions	3,614	(31)	3,583	26	3,609
Others	83	(414)	(331)	490	159
	(17,119)	1,435	(15,684)	(208)	(15,892)

9.3 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2025 RM'000	2024 RM'000
Unabsorbed capital allowances	311	311
Tax losses carry-forward	5,609	17,967
Deductible temporary differences	1,120	1,120
	7,040	19,398

9. Deferred tax assets/(liabilities) (cont'd)

9.3 Unrecognised deferred tax assets (cont'd)

The abovementioned deferred tax assets do not expire under the current tax legislation except for the tax losses carry-forward. Pursuant to the Finance Act 2021, the tax losses carry-forward can only be carried forward up to 10 consecutive Years of Assessment, and expire as follows:

Year of Assessment	Group 2025 RM'000	Group 2024 RM'000
2028	4,116	4,116
2030	214	214
2031	1,229	3,158
2032	50	10,479
	5,609	17,967

Deferred tax assets have not been recognised in respect of these items because it is not probable that sufficient future taxable profit will be available against which the Group can utilise the benefits there from.

10. Trade and other receivables, including derivatives

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Trade receivables from contracts with customers		386,627	391,504	88,742	102,139
Amounts due from subsidiaries	10.1	-	-	58,340	50,205
Other receivables	10.2	10,379	17,175	2,226	5,306
Amounts due from joint ventures	10.3	11,781	29,538	4,008	29,434
Deposits		2,713	1,248	2,432	959
Derivatives at fair value through profit or loss:					
- foreign currency forward contracts		-	3,922	-	2,975
- future and option contracts		83	-	-	-
		411,583	443,387	155,748	191,018

10. Trade and other receivables, including derivatives (cont'd)

10.1 Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, repayable on demand and subject to interest ranging from 4.80% - 4.90% (2024: 5.20% - 5.50%) per annum.

10.2 Other receivables

Included in other receivables of the Group are advances paid to suppliers of RM1,742,000 (2024: RM6,634,000) and interest receivable from deposits placed with licensed banks of RM6,497,000 (2024: RM6,670,000).

Included in other receivables of the Company are advances paid to suppliers of RM268,000 (2024: RM2,538,000).

10.3 Amounts due from joint ventures

The amounts due from joint ventures are unsecured, repayable on demand and interest free. In the previous financial year, there was an amount due from a joint venture amounting to RM21,580,000 which was subject to the Company's cost of funds plus 1% per annum.

11. Inventories

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Raw materials	450,078	465,610	132,420	109,684
Finished goods	29,453	35,462	9,679	11,528
Consumables	18,825	18,680	6,255	6,113
	498,356	519,752	148,354	127,325
Recognised in profit or loss:				
Inventories recognised as cost of goods sold	2,766,821	2,672,498	468,547	529,419

11.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

12. Fixed deposits

	Group	
	2025 RM'000	2024 RM'000
Fixed deposits placed with licensed banks with maturity of more than 3 months	299,644	334,364

Fixed deposits represent time deposits at banks with maturity of more than 3 months to less than 12 months.

Included in fixed deposits are deposits received from customers amounting to RM12,989,000 (2024: RM14,945,000) which are subject to restriction in use in accordance with agreements with customers.

13. Cash and cash equivalents

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deposits placed with licensed banks		4,169	28,837	4,169	10,555
Cash and bank balances		43,897	42,770	29,520	23,661
Liquid investment	13.1	6,000	-	6,000	-
		54,066	71,607	39,689	34,216

13.1 Liquid investment

The liquid investment represents an investment in a money market fund which has insignificant risk of change in fair value.

14. Asset classified as held for sale

Certain plant and equipment previously classified as property, plant and equipment was presented as an asset held for sale following the commitment of the Company's plan to sell the asset during the year. Efforts to sell the plant and equipment have commenced, and a sale is expected in financial year 2026.

	Group and Company	
	2025 RM'000	2024 RM'000
Asset classified as held for sale		
Plant and equipment	32,786	32,786

The carrying value of the asset held for sale is the same as its carrying value before it was reclassified from property, plant and equipment.

15. Capital and reserves

Share capital

	Group and Company			
	Amount 2025 RM'000	Number of shares 2025 '000	Amount 2024 RM'000	Number of shares 2024 '000
Issued and fully paid shares with no par value:				
Ordinary shares				
At 1 January	645,415	1,239,154	537,262	1,022,893
Conversion of RCULS	-	-	108,095	216,189
Exercise of warrants	-	-	58	72
At 31 December	645,415	1,239,154	645,415	1,239,154

15.1 Ordinary shares

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.

15.2 Redeemable convertible unsecured loan stocks ("RCULS")

On 28 January 2019, the Renounceable Rights Issue of RM165,084,641 in nominal value of 5-year 5% RCULS at 100% of its nominal value of RM1.00 on the basis of three (3) RCULS for every ten (10) existing ordinary shares, together with 82,542,291 Bonus Shares A on the basis of one (1) Bonus Share A for every two (2) RCULS subscribed and 82,542,291 Free Warrants A on the basis of one (1) Free Warrant A for every two (2) RCULS subscribed has been completed following the listings and quotation on the Main Market of Bursa Securities.

The salient features of the RCULS are as follows:

(i) The coupon rate for the RCULS is 5% per annum, payable semi-annually in arrears prior to conversion of the RCULS;

(ii) The conversion price for the RCULS has been fixed at RM0.50 each ("Conversion Price") with the conversion ratio of 2 ordinary shares for every RCULS with a nominal value of RM1.00 surrendered;

(iii) The new ordinary shares to be issued upon conversion of the RCULS will, upon allotment and issue, rank equally in all respects with the then existing ordinary shares, except that they shall not be entitled to any dividends, rights, allotments and any other distributions of which the entitlement date is before the date of allotment of the new ordinary shares;

(iv) The RCULS holder is entitled to exercise the right of conversion from date of issuance up to 24 January 2024 ("Maturity Date");

15. Capital and reserves (cont'd)

15.2 Redeemable convertible unsecured loan stocks ("RCULS") (cont'd)

The salient features of the RCULS are as follows: (cont'd)

(v) The Company may redeem the outstanding RCULS (if not earlier converted) in full on the Maturity Date in cash at 100% of its nominal value plus all accrued coupon of such RCULS up to the Maturity Date subject to an irrevocable prior written notice is being served no less than 30 days or such other period as mutually agreed before the Maturity Date; and

(vi) All outstanding RCULS which have not been earlier converted or redeemed on the Maturity Date, shall be mandatorily converted into fully paid new ordinary shares at the Conversion Price on the Maturity Date.

	Group and Company		
	Equity component RM'000	Liability component RM'000	Total RM'000
As at 1 January 2024	77,410	2,702	80,112
Conversion of RCULS to share capital	(77,410)	-	(77,410)
RCULS coupon payment	-	(2,702)	(2,702)
As at 31 December 2024/1 January 2025/ 31 December 2025	-	-	-

In the previous financial year, 216,189,518 new ordinary shares amounting to RM108,095,000 were issued resulting from the conversion of 108,094,759 units of RCULS at the conversion price of RM0.50 each.

As at 31 December 2024, RCULS were fully converted.

15.3 Warrant reserve

	Group and Company			
	Amount 2025 RM'000	Number of warrants 2025 '000	Amount 2024 RM'000	Number of warrants 2024 '000
At 1 January	-	-	17,763	136,628
Exercised during the year	-	-	(9)	(72)
Expired during the year	-	-	(17,754)	(136,556)
At 31 December	-	-	-	-

15. Capital and reserves (cont'd)

15.3 Warrant reserve (cont'd)

On 28 January 2019, 137,570,667 warrants were issued pursuant to the Rights Issue of Rights Shares and RCULS ("Rights Issue").

The warrant reserve comprises the fair value of the free detachable warrants arising from the Rights Issue. The warrants are constituted by the deed poll dated 3 December 2018 ("Deed Poll"). The salient features of the warrants are as follows:

(i) Each warrant entitles the warrant holder to subscribe for one (1) new ordinary share in the Company at the exercise price of RM0.68 during the 5-year period expiring on 23 January 2024 ("Exercise Period"), subject to further adjustments in accordance with provisions of the Deed Poll;

(ii) At the expiry of the Exercise Period, any warrants which have not been exercised shall automatically lapse and cease to be valid for any purpose; and

(iii) The new ordinary shares to be issued upon exercise of the warrants will, upon allotment and issue, rank equally in all respects with the then existing ordinary shares, except that they shall not be entitled to any dividends, rights, allotments and any other distributions of which the entitlement date is before the date of allotment of the new ordinary shares.

In the previous financial year, 72,125 warrants were exercised at RM0.68 each amounting to RM49,000. This resulted in the issuance of 72,125 new ordinary shares and a transfer of warrant reserve of RM9,000 to share capital. The total increase arising from the warrants exercised amounted to RM58,000.

At the expiry of the Exercise Period, 136,555,585 warrants remained unexercised and had automatically expired.

15.4 Other capital reserve

Other capital reserve comprises the amount transferred from retained earnings being the profit reinvested as capital contribution by subsidiaries.

15.5 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

16. Loans and borrowings

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current				
Unsecured term loans	11,712	22,780	11,712	17,000
Current				
Unsecured bankers' acceptances/ Unsecured revolving credits	713,641	923,242	282,243	330,037
Unsecured term loans	24,925	46,426	19,145	34,000
	738,566	969,668	301,388	364,037
Total loans and borrowings	750,278	992,448	313,100	381,037

17. Trade and other payables, including derivatives

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade payables		107,580	39,834	12,341	14,792
Amounts due to subsidiaries	17.1	-	-	8,787	11,117
Amounts due to joint ventures	17.2	206	1,917	-	-
Other payables and accruals	17.3	66,242	69,928	27,054	30,061
Derivatives at fair value through profit or loss:					
- foreign currency forward contracts		1,767	-	1,094	-
- future and option contracts		-	59	-	-
		175,795	111,738	49,276	55,970

17.1 Amounts due to subsidiaries

The amounts due to subsidiaries are unsecured, repayable on demand and interest free. In the previous financial year, there was an amount due to a subsidiary amounting to RM320,000 which was subject to interest at 5.20% per annum.

17. Trade and other payables, including derivatives (cont'd)

17.2 Amounts due to joint ventures

The amounts due to joint ventures are unsecured, repayable on demand and interest free.

17.3 Other payables and accruals

Included in other payables and accruals of the Group and of the Company are deposits from customers of RM19,935,000 (2024: RM21,044,000) and RM212,000 (2024: RM207,000), respectively.

18. Revenue

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers	3,242,859	3,121,334	678,479	735,594

Revenue is recognised when the Group or the Company transfers control of a good to the customers, net of rebates and/or incentives. The Group or the Company allows returns for quality issues and compensation for weight loss exceeding the normal threshold, if any. The performance obligation is satisfied at a point in time and the customers are required to pay within the agreed credit terms, ranging between 0 to 90 days.

19. Profit before tax

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before tax is arrived at after charging/(crediting):				
Auditors' remunerations				
Audit fees:				
- KPMG PLT	240	246	137	137
- Member firms of KPMG International Limited	113	124	-	-
- Other auditors	94	105	81	53
Non-audit fees:				
- KPMG PLT	44	89	44	89
- Local affiliates of KPMG PLT	255	321	128	218

19. Profit before tax (cont'd)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Profit before tax is arrived at after charging/(crediting): (cont'd)					
Material expenses/(income)					
Amortisation of intangible assets	4	513	433	358	297
Depreciation of investment properties	5	57	57	57	57
Depreciation of property, plant and equipment	2	33,383	33,754	17,020	16,329
Depreciation of right-of-use assets	3	2,237	2,345	1,768	1,691
Dividend income from subsidiaries (unquoted)		-	-	(29,552)	(29,403)
Insurance recoveries		(2,286)	(188)	(167)	(141)
Interest expense of financial liabilities that are not at fair value through profit or loss ("FVTPL"):					
- unsecured bankers' acceptances/unsecured revolving credits		37,258	36,693	14,088	12,919
- unsecured term loans		2,244	4,634	1,642	3,424
- subsidiaries		-	-	73	1,262
- lease liabilities		419	421	324	351
Interest income of financial assets calculated using the effective interest method that are:					
- at amortised cost:					
- deposits placed with licensed banks		(17,710)	(20,537)	(535)	(994)
- debtors		(73)	(197)	(20)	(73)
- subsidiaries		-	-	(3,076)	(2,403)
- joint ventures		(1,070)	(396)	(1,070)	(396)
- at FVTPL:					
- liquid investment		(252)	(95)	(252)	(95)
Net loss/(gain) on future and option contracts:					
- realised		1,767	(998)	-	(95)
- unrealised		(142)	350	-	98
Net (gain)/loss on foreign exchange:					
- realised		(2,423)	(612)	(325)	546
- unrealised		2,484	(741)	2,683	(1,779)

19. Profit before tax (cont'd)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Profit before tax is arrived at after charging/(crediting): (cont'd)					
Material expenses/(income) (cont'd)					
Impairment of investment in a joint venture	7.1	-	42,068	-	65,442
Impairment of investment in subsidiaries		-	-	1,933	-
Personnel expenses (including key management personnel):					
- Contributions to Employees Provident Fund		8,492	8,263	5,785	5,498
- Wages, salaries and others		85,689	81,359	54,718	50,830
Other expenses/(income) arising from leases					
Expenses relating to short-term leases		130	107	18	11
Expenses relating to leases of low-value assets		76	67	72	63
Expenses relating to variable lease payments not included in the measurement of lease liabilities		3,259	1,865	1,140	920
Income from subleasing right-of-use assets (excluding subleasing of investment properties)		-	-	(2,115)	(1,875)
Net loss/(gain) on impairment of financial instruments					
Financial assets at amortised cost:					
- Trade receivables		4,694	1,392	(172)	490
- Other receivables		-	-	(710)	-

20. Tax expense

20.1 Recognised in profit or loss

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Income tax expense	34,362	38,313	13,884	19,228
Share of tax of equity-accounted joint ventures	4,105	9,172	-	-
Total tax expense	38,467	47,485	13,884	19,228
Current tax expense				
- current year	37,113	36,925	14,705	19,101
- (over)/under provision in prior year	(990)	1,687	(1,029)	1,562
Total current tax expense	36,123	38,612	13,676	20,663
Deferred tax (income)/expense				
- reversal of temporary differences	(2,418)	(346)	(427)	(1,404)
- under/(over) provision in prior year	657	47	635	(31)
Total deferred tax (income)/ expense	(1,761)	(299)	208	(1,435)
Share of tax of equity-accounted joint ventures	4,105	9,172	-	-
Total tax expense	38,467	47,485	13,884	19,228

20. Tax expense (cont'd)

20.2 Reconciliation of tax expense

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit for the year	166,681	77,223	78,502	8,885
Total tax expense	38,467	47,485	13,884	19,228
Profit before tax	205,148	124,708	92,386	28,113
Tax at Malaysian tax rate of 24%	49,236	29,930	22,173	6,747
Effect of tax rates in foreign jurisdictions	(6,087)	(5,169)	-	-
Difference in effective tax rate in equity-accounted joint ventures	(80)	149	-	-
Tax incentive	(2,400)	-	(2,400)	-
Non-deductible expenses	1,741	11,951	1,939	18,033
Non-taxable income	(287)	(237)	(7,093)	(7,057)
Difference in effective tax rate for foreign source income	(477)	(5)	(477)	(5)
Deferred tax assets (recognised)/ not recognised	(1,754)	3,831	-	-
Others	(1,092)	5,301	136	(21)
	38,800	45,751	14,278	17,697
(Over)/Under provision in prior year	(333)	1,734	(394)	1,531
	38,467	47,485	13,884	19,228

21. Earnings per ordinary share

21.1 Basic earnings per ordinary share

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders of the Company and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2025 **RM'000**	**2024** **RM'000**
Profit attributable to ordinary shareholders of the Company	139,942	58,115
	'000	**'000**
Weighted average number of ordinary shares at 31 December	1,239,154	1,225,567
	Sen	**Sen**
Basic earnings per ordinary share	11.29	4.74

21.2 Basic earnings per ordinary share (adjusted)

	Group	
	2025 **RM'000**	**2024** **RM'000**
Profit attributable to ordinary shareholders of the Company	139,942	58,115
Impairment loss on investment in a joint venture	-	42,068
Profit attributable to ordinary shareholders of the Company (adjusted)	139,942	100,183
	'000	**'000**
Weighted average number of ordinary shares at 31 December	1,239,154	1,225,567
	Sen	**Sen**
Basic earnings per ordinary share (adjusted)	11.29	8.17

21.3 Diluted earnings per ordinary share

Diluted earnings per ordinary share is not presented as the Group has no shares or other instruments with potential dilutive effects.

22. Dividends

Dividends recognised by the Company are:

	Sen per share	Total amount RM'000	Date of payment
2025			
Interim 2025 ordinary	1.50	18,587	25 September 2025
2024			
Interim 2023 ordinary	1.50	18,587	29 March 2024
Interim 2024 ordinary	1.50	18,587	27 September 2024
Interim 2024 ordinary	1.50	18,587	30 December 2024
		55,761	

On 26 February 2026, the Directors declared a second interim single tier dividend of 2.00 sen per ordinary share totalling approximately RM24,783,000 in respect of the financial year ended 31 December 2025, which was paid on 26 March 2026.

The Directors do not recommend any payment of final dividend for the financial year under review.

23. Operating segments

Segment information is presented in respect of the Group's business and geographical segments. For each business and geographical segments, the Group's chief operating decision maker reviews internal management reports on a regular basis.

The Group's operations comprise the following main business segments:

- Flour and grain trading — Milling and selling wheat flour and trading in grain and other allied products
- Poultry integration — Manufacture and sale of animal feeds, processing and sale of poultry products, poultry grow-out farm, breeding and sale of day-old-chicks and contract farming activities
- Others — Manufacture and sale of aqua feeds and all other units within the Group that do not constitute a separately reportable segment

Performance is measured based on segment profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the Group's chief operating decision maker. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

The total of segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's chief operating decision maker. Segment total assets is used to measure the return of assets of each segment.

23. Operating segments (cont'd)

	Flour and grain trading		Poultry integration		Others		Consolidated	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Business segments								
Revenue from external customers	3,185,740	3,053,449	-	-	57,119	67,885	3,242,859	3,121,334
Inter-segment revenue	12,977	16,806	-	-	-	-	12,977	16,806
Total segment revenue	3,198,717	3,070,255	-	-	57,119	67,885	3,255,836	3,138,140
Results from operating activities	209,726	183,775	-	-	(4,275)	1,770	205,451	185,545
Interest expense	(39,318)	(40,538)	-	-	(603)	(1,210)	(39,921)	(41,748)
Interest income	19,095	21,208	-	-	10	17	19,105	21,225
Impairment loss of investment in a joint venture	-	(42,068)	-	-	-	-	-	(42,068)
Share of profit/(loss) of equity-accounted joint ventures, net of tax	2,363	(9,001)	14,045	1,583	-	-	16,408	(7,418)
Profit before tax	191,866	113,376	14,045	1,583	(4,868)	577	201,043	115,536
Depreciation and amortisation	(32,392)	(32,781)	-	-	(3,798)	(3,808)	(36,190)	(36,589)
Tax (expense)/credit	(35,885)	(38,309)	-	-	1,523	(4)	(34,362)	(38,313)
Insurance recoveries	2,286	188	-	-	-	-	2,286	188
Non-cash expense other than depreciation and amortisation	(2,289)	301	-	-	(4,785)	(659)	(7,074)	(358)
Capital expenditure	(42,704)	(67,758)	-	-	(201)	(3,289)	(42,905)	(71,047)

23. Operating segments (cont'd)

	Flour and grain trading		Poultry integration		Others		Consolidated	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Segment assets	1,697,463	1,802,527	-	-	93,816	105,051	1,791,279	1,907,578
Investments in joint ventures	77,601	91,658	571,266	557,221	-	-	648,867	648,879
Total segments assets	1,775,064	1,894,185	571,266	557,221	93,816	105,051	2,440,146	2,556,457

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets.

	Malaysia		Vietnam		Consolidated	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from external customers	1,754,227	1,751,818	1,488,632	1,369,516	3,242,859	3,121,334
Non-current assets	983,525	990,252	154,283	157,460	1,137,808	1,147,712

Major customers

There were no customers with revenue equal to or more than 10% of the Group's total revenue for the financial year ended 31 December 2025 (2024: Nil).

24. Financial instruments

24.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

a. Fair value through profit or loss ("FVTPL")
   - Mandatorily required by MFRS 9
b. Amortised cost ("AC")

	Note	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000
Group				
2025				
Financial assets				
Trade and other receivables, including derivatives	10	411,583	411,500	83
Fixed deposits	12	299,644	299,644	-
Cash and cash equivalents	13	54,066	48,066	6,000
		765,293	759,210	6,083
Financial liabilities				
Trade and other payables, including derivatives	17	(175,795)	(174,028)	(1,767)
Loans and borrowings	16	(750,278)	(750,278)	-
		(926,073)	(924,306)	(1,767)
Company				
2025				
Financial assets				
Trade and other receivables, including derivatives	10	155,748	155,748	-
Cash and cash equivalents	13	39,689	33,689	6,000
		195,437	189,437	6,000
Financial liabilities				
Trade and other payables, including derivatives	17	(49,276)	(48,182)	(1,094)
Loans and borrowings	16	(313,100)	(313,100)	-
		(362,376)	(361,282)	(1,094)

24. Financial instruments (cont'd)

24.1 Categories of financial instruments (cont'd)

	Note	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000
Group				
2024				
Financial assets				
Trade and other receivables, including derivatives	10	443,387	439,465	3,922
Fixed deposits	12	334,364	334,364	-
Cash and cash equivalents	13	71,607	71,607	-
		849,358	845,436	3,922
Financial liabilities				
Trade and other payables, including derivatives	17	(111,738)	(111,679)	(59)
Loans and borrowings	16	(992,448)	(992,448)	-
		(1,104,186)	(1,104,127)	(59)
Company				
2024				
Financial assets				
Trade and other receivables, including derivatives	10	191,018	188,043	2,975
Cash and cash equivalents	13	34,216	34,216	-
		225,234	222,259	2,975
Financial liabilities				
Trade and other payables, including derivatives	17	(55,970)	(55,970)	-
Loans and borrowings	16	(381,037)	(381,037)	-
		(437,007)	(437,007)	-

24. Financial instruments (cont'd)

24.2 Net gains and losses arising from financial instruments

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Net (losses)/gains on:				
Financial assets/(liabilities) at FVTPL:				
Mandatorily required by MFRS 9				
- foreign currency forward contracts	(5,690)	5,282	(4,068)	4,240
- future and option contracts	(1,625)	648	-	(3)
- liquid investment	252	95	252	95
Financial assets at amortised cost	13,622	19,592	4,946	3,331
Financial liabilities at amortised cost	(33,336)	(45,110)	(13,456)	(20,567)
	(26,777)	(19,493)	(12,326)	(12,904)

24.3 Financial risk management

The Group has exposure to the following risks from its financial instruments:

- Credit risk
- Interest rate risk
- Foreign currency risk
- Liquidity risk

24.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arise principally from their receivables from customers. There are no significant changes as compared to prior periods.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is addressed by the Credit Committee that sets policies, approves credit evaluations and institutes mitigating actions. New customers are subject to credit evaluation process and existing customers' risk profiles are reviewed regularly with a view to setting appropriate terms of trade and credit limits. Where appropriate, further sales are suspended and legal actions are taken to attempt recoveries and mitigate losses.

24. Financial instruments (cont'd)

24.4 Credit risk (cont'd)

Trade receivables (cont'd)

Risk management objectives, policies and processes for managing the risk (cont'd)

At each reporting date, the Group or the Company assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk and credit quality

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by their carrying amounts in the statement of financial position.

The Group and the Company receive financial guarantees given by banks, shareholders or directors of customers in managing exposure to credit risks.

Concentration of credit risk

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Malaysia	234,006	254,816	88,742	102,139
Vietnam	152,621	136,688	-	-
	386,627	391,504	88,742	102,139

24. Financial instruments (cont'd)

24.4 Credit risk (cont'd)

Trade receivables (cont'd)

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group and the Company manage their debtors and take appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will be settled within 90 days. The Group's and the Company's debt recovery process are as follows:

a. Above 30 days past due after credit term, the Group or the Company will start to initiate a structured debt recovery process which is monitored by the credit control team; and

b. Above 180 days past due after credit term, the Group or the Company will commence a legal proceeding against the customer.

The Group and the Company use an allowance matrix to measure ECLs of trade receivables for all segments. Invoices which are past due 90 days will be considered as credit impaired.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to 90 days past due.

Loss rates are based on actual credit loss experience over the past three years. The Group and the Company also consider differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group and the Company believe that these factors are immaterial for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables which are grouped together as they are expected to have similar risk nature.

	Group			Company		
	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2025						
Not past due	385,126	(430)	384,696	88,615	(402)	88,213
Credit impaired						
More than 90 days past due	2,080	(149)	1,931	671	(142)	529
Individually impaired	6,595	(6,595)	-	208	(208)	-
	393,801	(7,174)	386,627	89,494	(752)	88,742

24. Financial instruments (cont'd)

24.4 Credit risk (cont'd)

Trade receivables (cont'd)

Recognition and measurement of impairment loss (cont'd)

	Group			Company		
	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2024						
Not past due	388,642	(687)	387,955	102,336	(630)	101,706
Credit impaired						
More than 90 days past due	3,777	(228)	3,549	592	(159)	433
Individually impaired	2,819	(2,819)	-	1,282	(1,282)	-
	395,238	(3,734)	391,504	104,210	(2,071)	102,139

The movements in the allowance for impairment in respect of trade receivables during the year are shown below.

	Group Trade receivables			Company Trade receivables		
	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
At 1 January 2024	353	2,326	2,679	297	1,290	1,587
Amounts written off	-	(307)	(307)	-	(6)	(6)
Net remeasurement of loss allowance	334	1,058	1,392	333	157	490
Foreign exchange rate	-	(30)	(30)	-	-	-
At 31 December 2024/ 1 January 2025	687	3,047	3,734	630	1,441	2,071
Amounts written off	-	(1,166)	(1,166)	-	(1,147)	(1,147)
Net remeasurement of loss allowance	(257)	4,951	4,694	(228)	56	(172)
Foreign exchange rate	-	(88)	(88)	-	-	-
At 31 December 2025	430	6,744	7,174	402	350	752

As at 31 December 2025, RM1,166,000 (2024: RM307,000) and RM1,147,000 (2024: RM6,000) of trade receivables for the Group and for the Company, respectively, were written off but they are still subject to enforcement activities.

24. Financial instruments (cont'd)

24.4 Credit risk (cont'd)

Other receivables

Credit risk on other receivables are mainly arising from advances paid to suppliers and interest receivable from deposits placed with licensed banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Fixed deposits, cash and cash equivalents

The fixed deposits, cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Financial guarantees to banks

Risk management objectives, policies and processes for managing the risk

In the previous financial year, the Company provided unsecured financial guarantees to financial institutions in respect of financing facilities granted to its joint venture, BFMI. The Company monitors on an ongoing basis the results of the joint venture and repayments made by the joint venture.

Exposure to credit risk, credit quality and collateral

In the previous financial year, the Company provided proportionate financial guarantees up to USD6.6 million for financing facilities granted to its joint venture. The maximum exposure to credit risk as at 31 December 2024 amounted to USD0.34 million, representing the share of the outstanding banking facilities of the joint venture as at the end of the reporting period.

During the current financial year, there is no exposure to credit risk as no financial guarantees were provided by the Company.

Intercompany advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to its subsidiaries. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

24. Financial instruments (cont'd)

24.4 Credit risk (cont'd)

Intercompany advances (cont'd)

Recognition and measurement of impairment loss

Generally, the Company considers advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' advances when they are payable, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's advance to be credit impaired when:

- The subsidiary is unlikely to repay its advance to the Company in full;
- The subsidiary's advance is overdue for more than 365 days; and
- The subsidiary is continuously loss-making and is having a deficit shareholders' fund.

The Company determines the probability of default for these advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' advances as at the end of the reporting period.

Company	Gross carrying amount RM'000	Impairment loss allowance RM'000	Net balance RM'000
2025			
Low credit risk	58,340	-	58,340
2024			
Low credit risk	50,205	-	50,205
Credit impaired	710	(710)	-
	50,915	(710)	50,205

The movements in the impairment loss allowance in respect of intercompany advances during the year is shown below.

	Company Lifetime ECL 2025 RM'000	2024 RM'000
At 1 January	710	710
Net remeasurement of loss allowance	(710)	-
At 31 December	-	710

24. Financial instruments (cont'd)

24.5 Interest rate risk

The Group's and the Company's exposure to interest rate risk relate primarily to their borrowings and deposits with licensed banks.

Risk management objectives, policies and processes for managing the risk

The Group's and the Company's bank borrowings and interest-bearing deposits are both subject to interest based on fixed and floating rates. Market interest rates movements are monitored with the view of ensuring the most competitive rates are secured and where appropriate, borrowing arrangements are restructured or reduced.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on the carrying amounts as at the end of the reporting period are as follows:

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Fixed rate instruments					
Amounts due from subsidiaries	10.1	-	-	58,340	50,205
Fixed deposits	12	299,644	334,364	-	-
Deposits placed with licensed banks	13	4,169	28,837	4,169	10,555
Liquid investment	13	6,000	-	6,000	-
Unsecured bankers' acceptances/Unsecured revolving credits	16	(713,641)	(923,242)	(282,243)	(330,037)
Lease liabilities		(10,068)	(10,851)	(8,661)	(9,718)
Amount due to a subsidiary	17.1	-	-	-	(320)
		(413,896)	(570,892)	(222,395)	(279,315)
Floating rate instruments					
Unsecured term loans	16	(36,637)	(69,206)	(30,857)	(51,000)
Amount due from a joint venture	10.3	-	21,580	-	21,580
		(36,637)	(47,626)	(30,857)	(29,420)

24. Financial instruments (cont'd)

24.5 Interest rate risk (cont'd)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 50 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss			
	50 bp increase 2025 RM'000	**50 bp decrease 2025 RM'000**	**50 bp increase 2024 RM'000**	**50 bp decrease 2024 RM'000**
Group				
Floating rate instruments	(139)	139	(181)	181
Company				
Floating rate instruments	(117)	117	(112)	112

24.6 Foreign currency risk

The Group and the Company are exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Euro Dollar ("EUR").

Risk management objectives, policies and processes for managing the risk

The Group and the Company monitor their exposure to foreign currency movements closely and where appropriate, the Group and the Company have used foreign currency forward contracts to hedge some of their foreign currency risk.

24. Financial instruments (cont'd)

24.6 Foreign currency risk (cont'd)

Exposure to foreign currency risk

The Group's and the Company's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

Group	Note	Denominated in USD RM'000	EUR RM'000
2025			
Balances recognised in the statement of financial position			
Unsecured bankers' acceptances/Unsecured revolving credits		(85,737)	-
Forecast transactions			
Forecast purchases		(129,632)	-
Forward exchange contract on forecast purchases		127,865	-
	17	(1,767)	-
Net exposure		(87,504)	-
2024			
Balances recognised in the statement of financial position			
Unsecured term loans		-	(1,266)
Unsecured bankers' acceptances/Unsecured revolving credits		(194,984)	-
		(194,984)	(1,266)
Forecast transactions			
Forecast purchases		(159,775)	-
Forward exchange contract on forecast purchases		163,697	-
	10	3,922	-
Net exposure		(191,062)	(1,266)

24. Financial instruments (cont'd)

24.6 Foreign currency risk (cont'd)

Exposure to foreign currency risk (cont'd)

Company	Denominated in USD 2025 RM'000	2024 RM'000
Balance recognised in the statement of financial position		
Unsecured bankers' acceptances/Unsecured revolving credits	(19,194)	(109,432)
Forecast transactions		
Forecast purchases	(87,370)	(131,184)
Forward exchange contract on forecast purchases	86,276	134,159
	(1,094)	2,975
Net exposure	(20,288)	(106,457)

Currency risk sensitivity analysis

A 5% (2024: 5%) (weakening)/strengthening of RM against the following currencies as at the end of the reporting period would have (decreased)/increased post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant.

	Profit or loss 2025 RM'000	2024 RM'000
Group		
USD	(1,601)	1,189
EUR	-	48
Company		
USD	2,549	940

24.7 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from their various payables, loans and borrowings and lease liabilities.

The Group and the Company monitor and maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

24. Financial instruments (cont'd)

24.7 Liquidity risk (cont'd)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments.

Group	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2025							
Non-derivative financial liabilities							
Trade and other payables	174,028	-	174,028	174,028	-	-	-
Unsecured bankers' acceptances/ Unsecured revolving credits	713,641	3.42 - 5.90	723,622	723,622	-	-	-
Unsecured term loans	36,637	4.76 - 5.31	38,827	25,622	2,813	7,992	2,400
Lease liabilities	10,068	3.50 - 8.50	11,157	2,556	2,189	6,412	-
Derivative financial liabilities							
Foreign currency forward contracts (gross settled):							
Outflow	1,767	-	129,687	129,687	-	-	-
Inflow	-	-	(127,920)	(127,920)	-	-	-
	936,141		949,401	927,595	5,002	14,404	2,400

24. Financial instruments (cont'd)

24.7 Liquidity risk (cont'd)

Maturity analysis (cont'd)

Group	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2024							
Non-derivative financial liabilities							
Trade and other payables	111,679	-	111,679	111,679	-	-	-
Unsecured bankers' acceptances/ Unsecured revolving credits	923,242	3.37 - 6.12	936,004	936,004	-	-	-
Unsecured term loans	69,206	5.23 - 5.56	72,263	49,054	23,209	-	-
Lease liabilities	10,851	3.50 - 8.50	12,182	2,239	2,253	7,416	274
Financial guarantees	-	-	1,522	1,522	-	-	-
Derivative financial liabilities							
Future and option contracts (gross settled):							
Outflow	59	-	513	513	-	-	-
Inflow	-	-	(454)	(454)	-	-	-
	1,115,037		1,133,709	1,100,557	25,462	7,416	274

24. Financial instruments (cont'd)

24.7 Liquidity risk (cont'd)

Maturity analysis (cont'd)

Company	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2025							
Non-derivative financial liabilities							
Trade and other payables	48,182	-	48,182	48,182	-	-	-
Unsecured bankers' acceptances/ Unsecured revolving credits	282,243	3.40 - 5.03	284,982	284,982	-	-	-
Unsecured term loans	30,857	5.05 - 5.31	32,965	19,760	2,813	7,992	2,400
Lease liabilities	8,661	3.50	9,436	2,140	1,762	5,534	-
Derivative financial liabilities							
Foreign currency forward contracts (gross settled):							
Outflow	1,094	-	87,370	87,370	-	-	-
Inflow	-	-	(86,276)	(86,276)	-	-	-
	371,037		376,659	356,158	4,575	13,526	2,400

24. Financial instruments (cont'd)

24.7 Liquidity risk (cont'd)

Maturity analysis (cont'd)

Company	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000
2024						
Non-derivative financial liabilities						
Trade and other payables	55,650	-	55,650	55,650	-	-
Amounts due to a subsidiary	320	5.20	338	338	-	-
Unsecured bankers' acceptances/ Unsecured revolving credits	330,037	3.37 - 6.12	333,039	333,039	-	-
Unsecured term loans	51,000	5.28	53,356	36,019	17,337	-
Lease liabilities	9,718	3.50 - 5.00	10,790	1,884	1,976	6,930
Financial guarantees	-	-	1,522	1,522	-	-
	446,725		454,695	428,452	19,313	6,930

24. Financial instruments (cont'd)

24.8 Fair value information

The carrying amounts of fixed deposits, cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The tables below analyses other financial instruments at fair value.

Group	Carried at fair value Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Not carried at fair value Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
2025							
Financial assets							
Future and option contracts	83	-	-	83	-	83	83
Liquid investment	6,000	-	-	6,000	-	6,000	6,000
	6,083	-	-	6,083	-	6,083	6,083
Financial liabilities							
Foreign currency forward contracts	-	(1,767)	-	(1,767)	-	(1,767)	(1,767)
Unsecured term loans	-	-	-	-	(36,637)	(36,637)	(36,637)
	-	(1,767)	-	(1,767)	(36,637)	(38,404)	(38,404)
2024							
Financial assets							
Foreign currency forward contracts	-	3,922	-	3,922	-	3,922	3,922
Financial liabilities							
Future and option contracts	(59)	-	-	(59)	-	(59)	(59)
Unsecured term loans	-	-	-	-	(69,206)	(69,206)	(69,206)
	(59)	-	-	(59)	(69,206)	(69,265)	(69,265)

24. Financial instruments (cont'd)

24.8 Fair value information (cont'd)

Company	Carried at fair value Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Not carried at fair value Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
2025							
Financial assets							
Liquid investment	6,000	-	-	6,000	-	6,000	6,000
Financial liabilities							
Foreign currency forward contracts	-	(1,094)	-	(1,094)	-	(1,094)	(1,094)
Unsecured term loans	-	-	-	-	(30,857)	(30,857)	(30,857)
	-	(1,094)	-	(1,094)	(30,857)	(31,951)	(31,951)
2024							
Financial assets							
Foreign currency forward contracts	-	2,975	-	2,975	-	2,975	2,975
Financial liabilities							
Unsecured term loans	-	-	-	-	(51,000)	(51,000)	(51,000)

Level 2 fair value

Derivatives

The fair value of forward exchange contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2024: no transfer in either direction).

Fair value of financial instruments not carried at fair value

Level 3 fair value

Level 3 fair value not carried at fair value comprises long-term term loans where their fair values approximate their carrying amounts. The fair values are estimated using discounted cash flows using a rate based on the current market rate of borrowing of the respective Group entities as at the end of the reporting period.

25. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

The debt-to-equity ratios as at the end of the reporting period were as follows:

	Note	Group 2025 RM'000	Group 2024 RM'000
Total borrowings	16	750,278	992,448
Lease liabilities		10,068	10,851
Less:			
Fixed deposits	12	(299,644)	(334,364)
Cash and cash equivalents	13	(54,066)	(71,607)
Net debt		406,636	597,328
Total equity		1,473,381	1,415,838
Debt-to-equity ratio		0.28	0.42

There was no change in the Group's approach to capital management during the financial year.

26. Capital commitments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Property, plant and equipment				
Contracted but not provided for	7,513	36,195	5,506	19,366
Joint ventures				
Share of capital commitment of the joint ventures	3,231	2,824	-	-

27. Related parties

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and of the Company are shown below. The balances related to the below transactions are shown in Notes 10 and 17.

		Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
A.	**Subsidiaries**				
	Sales of goods	-	-	5,800	7,818
	Dividend income	-	-	29,552	29,403
	Consultancy fees income	-	-	1,676	1,372
	Management fees income	-	-	454	549
	Management Information System fees income	-	-	285	246
	Rental of premises	-	-	63	49
	Rental of furniture and fittings	-	-	61	42
	Rental of equipment	-	-	1,440	1,633
	Interest income	-	-	3,076	2,403
	Interest expense	-	-	(73)	(1,262)
B.	**Joint ventures**				
	Sales of goods	73,199	57,808	32,981	32,789
	Purchases of goods	(80,371)	(82,454)	-	-
	Management fees income	11,272	12,078	11,272	12,078
	Management Information System fees income	5,220	4,751	5,220	4,751
	Rental of premises	315	491	315	491
	Rental of furniture and fittings	240	111	240	111
	Rental of equipment	3,401	4,072	3,401	4,072
	Rental of motor vehicle	21	-	21	-
	Interest income	1,070	396	1,070	396

27. Related parties (cont'd)

Significant related party transactions (cont'd)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
C. Key management personnel				
Directors of the Company:				
- Fees	980	980	980	980
- Remuneration	7,973	7,302	7,824	6,942
- Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	156	95	156	95
	9,109	8,377	8,960	8,017
Directors of the Group entities:				
- Remuneration	928	741	-	-
- Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	145	247	-	-
	1,073	988	-	-
Total short-term employee benefits	10,182	9,365	8,960	8,017

Statement by Directors

pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 115 to 183 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

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

Datuk Oh Chong Peng
Director

Teh Wee Chye
Director

31 March 2026

Statutory Declaration

pursuant to Section 251(1)(b) of the Companies Act 2016

I, **Yeap Khoo Soon Edwin**, the officer primarily responsible for the financial management of Malayan Flour Mills Berhad, do solemnly and sincerely declare that the financial statements set out on pages 115 to 183 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Yeap Khoo Soon Edwin, MIA CA16284, at Kuala Lumpur in the Federal Territory on 31 March 2026.

Yeap Khoo Soon Edwin

Before me:

Harcharan Singh (W883)
Commissioner for Oaths
Kuala Lumpur

Independent Auditors' Report

to the members of Malayan Flour Mills Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Malayan Flour Mills Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 115 to 183.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the financial statements of the Group and of the Company for the current year. This matter was addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Valuation of investment in a joint venture

Refer to Note 1(d) – Use of estimates and judgements and Note 7 – Investments in joint ventures.

The key audit matter

As disclosed in Note 7, in view of the continued challenging operating environment in Indonesia, the Group and the Company performed an impairment test during the financial year on the investment in a joint venture, PT Bungasari Flour Mills Indonesia.

Key audit matter (cont'd)

The key audit matter (cont'd)

We identified the valuation of investment in a joint venture as a key audit matter because of its significance to the financial statements of the Group and of the Company and because assessing the key impairment assumptions involves significant judgement which requires significant involvement of our more experienced audit engagement team members.

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- We assessed the Group's and the Company's assessment on indicators of impairment in investment in a joint venture;
- We compared the joint venture's cash flow projections to its approved business plan and previous cash flow projections to actual results to assess the reliability of the Group and the Company's forecasting process;
- We assessed and challenged the reasonableness of the key assumptions used in the cash flow projections by comparing them to externally derived data as well as our own assessments which takes into account historical trends and other corroborative evidence available;
- We assessed whether the Group and the Company had adequately provided impairment on the investment in a joint venture; and
- We assessed the adequacy of the disclosure in 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 the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of 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.

Responsibilities of the Directors for the Financial Statements (cont'd)

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company 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 internal control of the Group and of the Company.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company 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 gives a true and fair view.

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

- 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 performance 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 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 auditors’ report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 6 to the financial statements.

Other Matter

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

KPMG PLT
LLP0010081-LCA & AF 0758
Chartered Accountants

Chua See Guan
Approval Number: 03169/02/2027 J
Chartered Accountant

Petaling Jaya
31 March 2026

ANALYSIS OF SHAREHOLDINGS

as at 31 March 2026

Share Capital	-	RM645,414,830.42
Class and Number of Issued Shares	-	1,239,154,165 ordinary shares

13,373 shareholders
Voting rights: One vote for one share

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Issued Shares	% of Issued Shares
Less than 100	1,653	12.36	19,854	0.00
100 to 1,000	1,589	11.88	876,708	0.07
1,001 to 10,000	5,316	39.75	29,042,608	2.35
10,001 to 100,000	4,054	30.32	135,468,512	10.93
100,001 to less than 5% of issued shares	759	5.68	901,635,783	72.76
5% and above of issued shares	2	0.01	172,110,700	13.89
	13,373	100.00	1,239,154,165	100.00

Thirty (30) Largest Shareholders		No. of Shares	Percentage Holding (%)
1.	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Teh Wee Chye)	91,058,005	7.35
2.	HLIB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Teh Wee Chye)	81,052,695	6.54
3.	Teoh Guan Kok & Co Sdn Berhad	61,774,100	4.96
4.	Thye Nam Loong Holdings Sdn Bhd	60,561,922	4.89
5.	Astar Commercial Limited	53,583,750	4.32
6.	UOB Kay Hian Nominees (Asing) Sdn Bhd (Solid Esteem Sdn Bhd for Wise Bright Investment Limited)	39,381,435	3.18
7.	Zalaraz Sdn Bhd	31,339,800	2.53
8.	Yong Kok Yian	31,034,372	2.50
9.	Alliancegroup Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Essence Lane Sdn Bhd)	25,129,449	2.03
10.	Citigroup Nominees (Asing) Sdn Bhd (UBS AG)	24,194,572	1.95
11.	Duangmanee Liewphairatana	22,253,917	1.80
12.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad (Deutsche Trustees Malaysia Berhad for Eastspring Investments Small-Cap Fund)	21,843,600	1.76
13.	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Gan Kong Hiok)	20,755,301	1.68

Thirty (30) Largest Shareholders	No. of Shares	Percentage Holding (%)
14. Teh Wee Chye	19,158,376	1.55
15. UOB Kay Hian Nominees (Asing) Sdn Bhd (Amble Volume Sdn Bhd for Rise Glory Investment Limited)	15,425,197	1.25
16. Teoh Liang Huat @ Teoh Lean Huat	14,543,700	1.17
17. Citigroup Nominees (Tempatan) Sdn Bhd [Employees Provident Fund Board (Pheim)]	14,446,300	1.17
18. Citigroup Nominees (Tempatan) Sdn Bhd [Employees Provident Fund Board (EASTSPRINGESG)]	11,914,600	0.96
19. Teh Kok Bin	11,126,958	0.90
20. Lee See Jin	9,755,100	0.79
21. HLIB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Prakash A/L K.V.P Menon)	9,540,000	0.77
22. Azhari Arshad	9,164,539	0.74
23. Azman Arshad	8,564,539	0.69
24. Azmi bin Arshad	8,564,539	0.69
25. Azmir Razaleigh bin Arshad	8,564,539	0.69
26. Azrina binti Arshad	8,564,539	0.69
27. Zaleha binti Mohd Arshad	8,068,539	0.65
28. RHB Nominees (Tempatan) Sdn Bhd (Teh Wee Chye)	7,741,500	0.63
29. Chew Hem Poo @ Choy Nean Chin	7,000,000	0.57
30. Citigroup Nominees (Tempatan) Sdn Bhd [Kumpulan Wang Persaraan (Diperbadankan) (Espring ABSR EQ)]	6,109,900	0.49

Substantial Shareholders

	Direct Interest		Indirect Interest	
Name	No. of Shares	%	No. of Shares	%
Teh Wee Chye	199,083,701	16.07	87,273,490(1)	7.04
Thye Nam Loong Holdings Sdn Bhd	60,561,922	4.89	1,519,119(2)	0.12
Duangmanee Liewphairatana	22,253,917	1.80	62,081,041(3)	5.01

ANALYSIS OF SHAREHOLDINGS

as at 31 March 2026 (cont'd)

Directors' Interests in the Company and its Related Corporations

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Datuk Oh Chong Peng	27,087	0.00	-	-
Teh Wee Chye	199,083,701	16.07	87,273,490[1]	7.04
Dato' Seri Zainal Abidin bin Mahamad Zain	11,250	0.00	-	-
Prakash A/L K.V.P Menon	9,652,500	0.78	-	-
Azhari Arshad	9,164,539	0.74	31,339,800[4]	2.53
Lim Pang Boon	720,825	0.06	-	-
Emeritus Professor Datin Paduka Setia Dato' Dr Aini binti Ideris	-	-	94,400[5]	0.01

Director, Teh Wee Chye is deemed to have interests in all the shares held by the Company in its related corporations by virtue of his substantial shareholdings in the Company.

Notes:

(1) *Deemed interested through Thye Nam Loong Holdings Sdn Bhd, Thye Nam Loong Sdn Bhd, Suai Timber Products Sdn Bhd, Essence Lane Sdn Bhd and shareholding of his spouse.*

(2) *Deemed interested through Thye Nam Loong Sdn Bhd and Suai Timber Products Sdn Bhd.*

(3) *Deemed interested through Thye Nam Loong Holdings Sdn Bhd, Thye Nam Loong Sdn Bhd and Suai Timber Products Sdn Bhd.*

(4) *Deemed interested through Zalaraz Sdn Bhd.*

(5) *Deemed interested through shareholding of her child.*

LIST OF PROPERTIES

Description, Location & Size	Existing Use	Approximate Age of Building (Year)	Date/Year of last Revaluation/ Acquisition	Net Book Value At 31-12-25 RM
Freehold land with shop houses GRN 116112 Lot 3618 Section 4 GRN 116113 Lot 3619 Section 4 Town of Butterworth District of Seberang Perai Utara Penang Total: 1.44 acres	Shoplot	65	9 Sept 1996	2,693,000
Freehold land with residential building GRN 29231 Lot 449 Section 67 District of Kuala Lumpur Federal Territory Total: 1.00 acre	Commercial land and building	86	4 Dec 1996	1,549,000
Freehold land Lots 5326, 5327 and part of Lots 5331 & 5332 District of Dindings Perak Darul Ridzuan Total: 9.00 acres	Vacant land	-	1981	72,000
Leasehold land with buildings Lots 4902 (expiring on 11-12-2061) 5337 (expiring on 25-4-2075) 5466 & 5336 (expiring on 22-11-2090) PT 4333 HSD 28222/PT 4334 HSD 28223 (expiring on 25-4-2075) Mukim of Lumut, District of Dindings Perak Darul Ridzuan Total: 61.43 acres	Office and factory	43-59	6 Oct 1998	14,643,000
Freehold land with shop house Grant No. 36370, Lot No. 12256 Mukim of Pulai District of Johor Bahru Johor Darul Takzim Total: 0.04 acre	Shoplot	46	1991	127,000
Leasehold land with buildings HSD 238626, Lot PTD 119736 (expiring on 28-2-2051) Mukim of Plentong District of Johor Bahru Johor Darul Takzim Total: 10.1 acres	Office and factory	33	3 Feb 1995	43,549,000

LIST OF PROPERTIES (cont'd)

Description, Location & Size	Existing Use	Approximate Age of Building (Year)	Date/Year of last Revaluation/ Acquisition	Net Book Value At 31-12-25 RM
Freehold land with building HS(D) 212786 PTB 18284 Bandar Johor Bahru District of Johor Bahru Johor Darul Takzim Total: 0.13 acre	Factory	26	1999	349,000
Leasehold land HS(D) 503714 PTD 209638 (expiring on 2-4-2072) Mukim of Plentong District of Johor Bahru Johor Darul Takzim Total: 4.57 acres	Vacant land	-	2011	2,500,000
Leasehold land with buildings HSD 30844 PT 13524 (expiring on 20-10-2075) Mukim of Lumut District of Manjung Perak Darul Ridzuan Total: 23 acres	Factory	13	2020	88,256,000
Freehold land with house GRN 160946 Lot 45520 Mukim of Plentong District of Johor Bahru Johor Darul Takzim Total: 0.04 acre	Residential house	34	2017	129,000
Freehold land Grant 1784, Lot 12653 Mukim of Sitiawan District of Dindings Perak Darul Ridzuan Total: 17 acres	Vacant land	-	1997	271,000
Freehold land GM 10137, Lot 23464 Mukim of Bagan Serai District of Kerian Perak Darul Ridzuan Total: 2.12 acres	Vacant land	-	1990	1

Description, Location & Size	Existing Use	Approximate Age of Building (Year)	Date/Year of last Revaluation/ Acquisition	Net Book Value At 31-12-25 RM
Land Use Rights with buildings (expiring on 1-9-2044) Cai Lan, Quang Ninh Province The Socialist Republic of Vietnam Total: 17.30 acres	Office and factory	28	1994	39,487,000
Land Use Rights with buildings (expiring on 30-6-2048) Phu My Industrial Zone I Tan Thanh District Baria - Vungtau Province The Socialist Republic of Vietnam Total: 17.29 acres	Office and factory	23	2000	37,726,000

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixty-Sixth Annual General Meeting ("66th AGM") of Malayan Flour Mills Berhad will be held at the Plenary Theatre, Level 3, Kuala Lumpur Convention Centre, Jalan Pinang, Kuala Lumpur City Centre, 50088 Kuala Lumpur on Tuesday, 19 May 2026 at 10.00 a.m. for the following purposes:-

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. [Please refer to Explanatory Notes].

2. To re-elect the following Directors who retire by rotation in accordance with Clause 132 of the Constitution of the Company and being eligible, offer themselves for re-election:

   (i) Datuk Oh Chong Peng **(Ordinary Resolution 1)**
   (ii) Mr Prakash A/L K.V.P Menon **(Ordinary Resolution 2)**
   (iii) Dato' Maznah binti Abdul Jalil **(Ordinary Resolution 3)**

3. To approve the payment of Directors' fees amounting to RM280,000 per annum for the Non-Executive Chairman and RM140,000 per annum for each of the Non-Executive Directors in respect of the financial year ended 31 December 2025. **(Ordinary Resolution 4)**

4. To approve an amount of up to RM350,000 as benefits payable to the Non-Executive Directors for the period from the conclusion of the 66th AGM until the conclusion of the next AGM of the Company. **(Ordinary Resolution 5)**

5. To re-appoint Messrs KPMG PLT as Auditors of the Company for the financial year ending 31 December 2026 and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 6)**

Special Business

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

6. **Authority to Directors to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**

   "**THAT** subject to the Companies Act 2016 and approval from the relevant authorities, where such approval is necessary, full authority be and is hereby given to the Directors pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot shares in the Company at any time and 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being ("General Mandate") and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.

THAT pursuant to Section 85 of the Companies Act 2016 read together with the Company's Constitution, approval be given to waive the statutory pre-emptive rights conferred upon the shareholders of the Company **AND THAT** the Board is exempted from the obligation to offer such new shares first to the existing shareholders of the Company in respect of the allotment and issuance of new shares pursuant to the General Mandate.

AND FURTHER THAT the new shares to be issued pursuant to the General Mandate, shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares." **(Ordinary Resolution 7)**

7. **Proposed Renewal of Authority for Share Buy-back**

"**THAT** subject to the Companies Act 2016, the provisions of the Constitution of the Company, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company ("Proposed Share Buy-back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company as at the point of purchase and that an amount not exceeding the Company's retained profits at the time of the purchase(s) will be allocated by the Company for the Proposed Share Buy-back;

THAT the authority conferred by this resolution will be effective immediately and shall continue in force until:-

(a) the conclusion of the annual general meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either conditionally or subject to conditions; or

(b) the expiration of the period within which the next annual general meeting after that date is required by law to be held; or

(c) revoked or varied by ordinary resolution passed by shareholders in a general meeting,

whichever occurs first;

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the repurchased shares) in accordance with the Companies Act 2016, the provisions of the Constitution of the Company and the requirements and/or guidelines of the Bursa Securities and all other relevant governmental and/or regulatory authorities and to do all such things as the said Directors may deem fit and expedient in the best interest of the Company." **(Ordinary Resolution 8)**

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By Order of the Board

Mah Wai Mun
MAICSA 7009729
SSM PC No. 202008000785
Company Secretary

Kuala Lumpur
20 April 2026

Notes:-

1. *A member entitled to attend, speak and vote at the 66th AGM is entitled to appoint not more than 2 proxies to attend, speak and to vote in his/her stead. A proxy may but need not be a member of the Company.*
2. *Where a member appoints 2 proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holding to be represented by each proxy.*
3. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds which is credited with ordinary shares of the Company.*
4. *Notwithstanding the above, an exempt authorised nominee may appoint multiple proxies in respect of each Omnibus Account held.*
5. *The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or the hand of the attorney duly authorised.*
6. *The Proxy Form shall not be treated as valid unless the Proxy Form in a hardcopy form or by electronic means as specified below is received by the Company not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof:*
   - ***In hardcopy form***
     - *The original proxy form shall be posted or deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd ("Boardroom") at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.*
   - ***Electronically***
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7. *For the purpose of determining a member who shall be entitled to participate in this 66th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 82 of the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a Record of Depositors as at **8 May 2026**. Only a depositor whose name appears on such Record of Depositors shall be entitled to participate and vote at the said AGM or appoint proxies to participate and vote on his/her behalf.*
8. *Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Bursa Securities Listing Requirements"), all resolutions set out in the Notice of the 66th AGM will be put to vote on a poll.*

Explanatory Notes on Ordinary Business

Item 1 of the Agenda: To receive the Audited Financial Statements

This Agenda item is meant for discussion only as the provision of Section 340(1) of the Companies Act 2016 does not require a formal approval of the shareholders and hence, is not put forward for voting.

Ordinary Resolutions 1, 2, and 3: Re-election of Directors

Datuk Oh Chong Peng, Mr Prakash A/L K.V.P Menon and Dato' Maznah binti Abdul Jalil are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 66th AGM.

The Board had through the Nomination Committee carried out assessment on the Directors who are standing for re-election and satisfied that they met the criteria as prescribed by Paragraph 2.20A of the Bursa Securities Listing Requirements on character, experience, integrity, competence and time to effectively discharge their role as Directors.

Ordinary Resolutions 4 and 5: Directors' Fees and Other Benefits

Section 230(1) of the Companies Act 2016 provides amongst others, that the fees and any benefits payable to the Directors of a listed company shall be approved at a general meeting.

In this respect, the Board wishes to seek the shareholders' approval for the following payments to Non-Executive Directors at the 66th AGM:-

***Resolution 4:** Payment of Directors' fees amounting to RM280,000 per annum for the Non-Executive Chairman and RM140,000 per annum for each of the Non-Executive Directors in respect of the financial year ended 31 December 2025; and*

Resolution 5: *Payment of benefits payable to the Non-Executive Directors which have been reviewed by the Remuneration Committee and Board of Directors of the Company for the period from the conclusion of the 66th AGM until the conclusion of the next AGM of the Company.*

The benefits payable to the Non-Executive Directors comprise Board Committees' fixed allowance, meeting allowances and benefits-in-kind. In determining the estimated total amount of the benefits payable, the Board has considered various factors including the number of scheduled and special meetings for the Board and Board Committees as well as the number of Non-Executive Directors involved in these meetings.

Resolutions 4 and 5, if passed, will facilitate the payment of Directors' fees and benefits as and when required. The Board is of the view that the Non-Executive Directors should be paid such fees and benefits upon them discharging their responsibilities and rendering their services to the Company.

Ordinary Resolution 6: Re-appointment of Auditors

The Audit & Risk Management Committee and the Board had, on 31 March 2026, considered the re-appointment of Messrs KPMG PLT as Auditors of the Company. The Audit & Risk Management Committee and the Board collectively agreed and are satisfied that Messrs KPMG PLT meets the relevant criteria prescribed by Paragraph 15.21 of the Bursa Securities Listing Requirements.

Explanatory Notes on Special Business

Ordinary Resolution 7: Authority to Directors to Allot and Issue Shares

The proposed Resolution 7 is for the purpose of seeking a renewal of the general mandate ("General Mandate") and if passed, will empower the Directors of the Company pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s) and any share issuance for acquisition involving equity deal which requires the Company to allot and issue new shares, which is only to be undertaken if the Directors consider it to be in the best interest of the Company.

As at the date of this Notice, no new share in the Company was issued pursuant to the General Mandate granted to the Directors at the 65th AGM of the Company held on 19 May 2025.

Ordinary Resolution 8: Proposed Renewal of Authority for Share Buy-back

The proposed Resolution 8, if passed, will empower the Directors to purchase the Company's shares of up to a maximum of 10% of the total number of issued shares of the Company by utilising the funds allocated out of the retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, 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.

Note: The term "processing" and "personal data" shall have the meaning as defined in the Personal Data Protection Act, 2010.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of Bursa Malaysia Securities Berhad Main Market Listing Requirements

Authority to Directors to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

The renewal of this general mandate ("General Mandate") will empower the Directors of the Company pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting ("AGM") of the Company.

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MALAYAN FLOUR MILLS BERHAD
Registration No. 196101000210 (4260-M)
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.	No. of Shares Held

I/We ____________________________________ NRIC No./Passport No./Company No.______________
(full name in block letters)

of____
(full address)

being a member/members of **MALAYAN FLOUR MILLS BERHAD** hereby appoint:-

Full Name (In Block)	NRIC No./Passport No.	Proportion of Shareholding	
		No. of Shares	%
Address			

* and/or

Full Name (In Block)	NRIC No./Passport No.	Proportion of Shareholding	
		No. of Shares	%
Address			

or failing him/her, the *CHAIRMAN OF THE MEETING as my/our proxy to attend and vote for me/us on my/our behalf at the Sixty-Sixth Annual General Meeting ("66th AGM") of the Company to be held at the Plenary Theatre, Level 3, Kuala Lumpur Convention Centre, Jalan Pinang, Kuala Lumpur City Centre, 50088 Kuala Lumpur on Tuesday, 19 May 2026 at 10.00 a.m. and at any adjournment thereof.

My/our proxy is to vote on a poll as indicated below:
(Please indicate with a "x" or "√" in the boxes provided how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion).

No.	Resolutions	For	Against
	Re-election of the following Directors who retire by rotation in accordance with Clause 132 of the Constitution of the Company:-		
1.	a. Datuk Oh Chong Peng		
2.	b. Mr Prakash A/L K.V.P Menon		
3.	c. Dato' Maznah binti Abdul Jalil		
4.	Payment of Directors' fees		
5.	Payment of benefits payable to the Directors		
6.	Re-appointment of Messrs KPMG PLT as Auditors of the Company		
7.	Authority to Directors to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016		
8.	Proposed Renewal of Authority for Share Buy-back		

* Strike out whichever not applicable

Dated this _____________ day of ____________________, 2026

____
Signature/Common Seal of Shareholder

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Share Registrar
BOARDROOM SHARE REGISTRARS SDN BHD

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

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Malayan Flour Mills Berhad
Registration No. 196101000210 (4260-M)

HEAD OFFICE: Suite 28.01, Level 28, Menara Citibank, 165 Jalan Ampang, 50450 Kuala Lumpur, Malaysia.
Tel: (603) 2170 0999 (GL), Fax: (603) 2170 0888

www.mfm.com.my