

TO BE THE PREFERRED COCOA & CHOCOLATE INGREDIENTS SUPPLIER



# Cocoa with Purpose, Growth that Gives Back

INTEGRATED ANNUAL REPORT 2025

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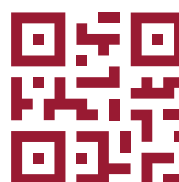
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this Integrated Annual  
Report 2025



## ABBREVIATION LIST

<IR> Framework – The International <IR> Framework January 2021	ha – Hectare
ACCA – Association of Chartered Certified Accountants	HACCP – Hazard Analysis Critical Control Points
ACI – PT Asia Cocoa Indonesia	HRA – Human Resource and Administration
AGM – Annual General Meeting	IAR – Integrated Annual Report
BOD / the Board – Board of Directors	ICI – International Cocoa Initiative
Bursa Securities – Bursa Malaysia Securities Berhad	IFRS – International Financial Reporting Standards
Bursa Securities MMLR – Bursa Malaysia Main Market Listing Requirements	IFS – International Food Standard
Bursa Securities CG Guide – Bursa Malaysia Corporate Governance Guide (4th Edition)	IPCC – Intergovernmental Panel on Climate Change
CAA – Cocoa Association of Asia	ISO – International Organisation for Standardization
Carlyle – Carlyle Cocoa Co., LLC	ISSB – International Sustainability Standards Board
CBAM – Carbon Border Adjustment Mechanism	IT – Information Technology
CBC – Caring Beyond Cocoa	m <sup>3</sup> – Cubic Meter
CCC – Coffee and Cocoa Council	MCB – Malaysia Cocoa Board
CEO – Chief Executive Officer	MCCG – Malaysian Code on Corporate Governance 2021
CFI – Cocoa & Forests Initiative	MFRS – Malaysian Financial Reporting Standards
CFO – Chief Financial Officer	MIA – Malaysian Institute of Accountants
CLMRS – Child Labour Monitoring and Remediation System	MT – Metric Tonne
COO – Chief Operating Officer	MWh – Megawatt Hour
CSR – Corporate Social Responsibility	MWp – Megawatt Peak
CWG – Committee and Working Group	NGOs – Non-Governmental Organisations
EBITDA – Earnings Before Interest, Taxes, Depreciation and Amortisation	PBT – Profit Before Tax
ECA – European Cocoa Association	QA – Quality Assurance
EPS – Earnings per share	R&D – Research & Development
ERM – Enterprise Risk Management	RCP – Representative Concentration Pathway
ESG – Environmental, Social and Governance	REC – Renewable Energy Certificates
EU – European Union	ROA – Returns on Average Assets
EUDR – European Union Deforestation Regulation	ROE – Return on Average Equity
FCCA – Fellow Chartered and Certified Accountant	RTNP – Roger Tan & Partners
FSSC – Food Safety Scheme Certification	SASB – Sustainability Accounting Standards Board
FY – Fiscal Year	SBTi – Science Based Targets initiative
GAP – Good Agricultural Practices	Sedex – Supplier Ethical Data Exchange
GC&B – Good Cocoa & Beyond	SD – Sustainability Department
GCB / the Group – Guan Chong Berhad	SCHOKINAG – Schokinag Holding GmbH
GCB Cacao – GCB Cacao GmbH	SMC – SMC Food21 (Malaysia) Sdn. Bhd.
GCBCCI – GCB Cocoa Côte d'Ivoire	SOP – Standard Operating Procedures
GCBCE – GCB Cocoa Europe B.V.	SS / the Statement – Sustainability Statement
GCB CI – PT GCB Cocoa Indonesia	SSC – Sustainability Steering Committee
GCB CM – GCB Cocoa Malaysia Sdn. Bhd.	SSIG – Schokinag Schokolade-Industrie GmbH
GCB CS – GCB Cocoa Singapore Pte. Ltd.	SVG – Schokinag Verwaltungs GmbH
GCB CSUI – GCB Cocoa Suisse AG	tCO <sub>2</sub> e – Tonnes of Carbon Dioxide Equivalent
GCB CTI – GCB Cocoa Trading Côte d'Ivoire	Transcao CI – Transcao Côte d'Ivoire
GCB CUUK – GCB Cocoa UK Limited	UN SDGs – United Nations Sustainable Development Goals
GCB F – GCB Foods Sdn. Bhd.	UK – United Kingdom
GCB OH – GCB Oversea Holdings Corporations	US – United States of America
GCB UKP – GCB UK Property Limited	VSLA – Village Savings and Loan Association
GCCM – Guan Chong Cocoa Manufacturer Sdn. Bhd.	WCF – World Cocoa Foundation
GCT – Guan Chong Trading Sdn. Bhd.	
GHG – Greenhouse Gas	
GJ – Gigajoules	

# 01 OVERVIEW

7 About this Report



# OVERVIEW

## ABOUT THIS REPORT

Our IAR 2025 represents the comprehensive account of how we generate and preserve value within GCB for stakeholders across short, medium, and long-term periods through our core business activities and the sustainable outcomes we deliver.

### This IAR includes:

#### INTEGRATED ANNUAL REPORT 2025

Provides a concise yet comprehensive overview of our value creation process, corporate governance, growth strategies, operational, financial and non-financial performance, as well as our sustainability progress, illustrating how these factors collectively contribute to our vision: "To Be The Preferred Cocoa & Chocolate Ingredients Supplier".

#### REPORTING FRAMEWORK

Disclosures are guided by the:

- <IR> Framework
- Bursa Securities CG Guide
- Bursa Securities MMLR
- Malaysian Companies Act 2016
- MCCG
- MFRS

#### SUSTAINABILITY STATEMENT 2025

Presents a thorough analysis of our performance on ESG matters that are material to the Group and reflect our commitment to creating long-term sustainable value for all stakeholders.

#### REPORTING FRAMEWORK

Disclosures are guided by the:

- Bursa Securities MMLR
- ISSB: IFRS S1 & S2
- SASB

Further details on our robust corporate governance framework, business ethics policy, codes of conduct, and other organisational policies and procedures can be found at <https://www.gcbcocoa.com/content/corporate-governance>.

## FEEDBACK

We welcome feedback from our stakeholders as part of our ongoing commitment to transparency and continuous improvement. All enquiries regarding this IAR may be directed to our Sustainability Department at:

#### Guan Chong Berhad

PLO 273, Jalan Timah 2, Kawasan Perindustrian Pasir Gudang,  
81700 Pasir Gudang, Johor Darul Takzim, Malaysia.

**Telephone:** +60 7-254 8888

**Email:** [info@gcbcocoa.com](mailto:info@gcbcocoa.com)

This IAR can be downloaded at  
<https://www.gcbcocoa.com/content/annual-reports>.

# OVERVIEW

## REPORTING SCOPE & BOUNDARY

This IAR encapsulates the Group's performance, operations, and activities for the reporting period from 1 January 2025 to 31 December 2025, and builds upon our previous publications unless otherwise specified.

## FORWARD-LOOKING STATEMENTS






This IAR may contain forward-looking statements regarding our future direction, plans, objectives, strategies, potential risks, mitigation measures, and performance. Such statements involve inherent uncertainties as they concern future events that are not guaranteed. Actual results and implementation may differ due to unforeseen risk factors and market conditions.

The inclusion of forward-looking statements in this IAR should not be interpreted as assurances of future outcomes. Readers are advised not to place undue reliance on forward-looking statements, and the Group assumes no obligation to publicly update or revise them in light of new information, future events or other developments.

## STAKEHOLDER RELATIONSHIPS & MATERIALITY

In line with the <IR> Framework, we integrate the principles of Stakeholder Relationships and the concept of Materiality to identify, assess, and report on matters that significantly influence our ability to create and sustain value over time.

## OUR KEY STAKEHOLDERS

-  Customers
-  Shareholders & Investors
-  Governments, Regulators & NGOs
-  Suppliers & Contractors
-  Local Communities
-  Media
-  Employees

Read More

- Key Stakeholder Engagement, page 52

## VALUE CREATION

Our Value Creation Business Model illustrates how we deploy and manage our capitals in alignment with our strategies, activities, and governance structures. This approach enables us to deliver on our corporate vision and generate outcomes for stakeholders.

To explain how value is created and sustained, this IAR adopts the globally recognised 'Six Capitals' model under the <IR> Framework.

## OUR SIX CAPITALS



### FINANCIAL CAPITAL

Our financial assets and funds form the foundation of our value creation efforts.



### INTELLECTUAL CAPITAL

Our brand values, reputation, collective knowledge, and systematic processes drive our success.



### SOCIAL & RELATIONSHIP CAPITAL

The relationships we nurture with our stakeholders enhance both individual and collective well-being.



### MANUFACTURED CAPITAL

Our factories, machinery, and physical assets are critical in executing our business strategies.



### HUMAN CAPITAL

Our skilled workforce, with their experience and competencies, is aligned with our growth strategies.



### NATURAL CAPITAL

The natural resources we utilise are essential in our processes to create lasting value.

Read More

- Value Creation Business Model, page 50

# OVERVIEW

## ASSURANCE

The Group adheres to strong governance and internal reporting standards in preparing this IAR. Our dedicated reporting team has thoroughly reviewed the report, which has received formal approval from the Board.

Looking ahead, we are committed to enhancing our data collection, analysis, and reporting processes to elevate the quality and comprehensiveness of our disclosures. We will actively consider implementing external assurance for future disclosures.

## OUR GROWTH STRATEGY



Growth & Expansion



Sustainability



Innovation

## RISK CATEGORIES

The risks presented in this IAR are categorised into four segments based on their potential impact areas.



**Strategic**

Risks primarily influenced by events that are external to the Group but which may significantly affect our strategic decisions or activities.



**Operational**

Unfortunate events that have the potential to disrupt our day-to-day operations and processes.



**Financial**

Risks that may directly impact the Group's financial well-being.



**Compliance**

Non-compliance with laws and regulations in the countries where the Group operates that may lead to financial penalties, reputational damage or even the revocation of business licences.

## INTEGRATED REPORTING ACKNOWLEDGEMENT STATEMENT

The Board acknowledges its responsibility for ensuring the integrity of this IAR. In its view, this report addresses all material issues related to the Group's value creation and provides a fair representation of both financial and non-financial performance.

With the support of a dedicated reporting team, the Board has prepared and presented this IAR in line with the <IR> Framework.

**THIS IAR WAS APPROVED BY THE BOARD ON 15 APRIL 2026.**

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# INTRODUCTION

## WHO WE ARE

GCB was incorporated as a public limited company in Malaysia on 22 March 2004, and has been listed on the Main Market of Bursa Malaysia since 8 April 2005.

Today, we are recognised as the leading producer of cocoa-based food ingredients in Asia and rank as the fourth largest player globally. Our scale, expertise, and commitment to quality have positioned us as a trusted partner to food manufacturers and brands around the world.



## OUR HISTORY

At GCB, our journey has been guided by visionary leadership and a carefully executed growth strategy. From our modest beginnings as a small cocoa trader in the 1980s, we have grown into a premier multinational entity in the global cocoa and chocolate industry.

Starting with a cocoa bean processing facility in Parit Jawa, Muar, Johor in 1985, we reached a pivotal milestone with the establishment of a state-of-the-art production facility in the Pasir Gudang Industrial Area, which expanded our processing capacity to 6,000 MT. Our unwavering focus on continuous capacity enhancement and innovation has since propelled us to the forefront of the sector. Today, we are Asia's leading cocoa processor, with an annual bean grinding capacity of 335,000 MT, and we enjoy a strong reputation for quality in both domestic and international markets.

Our core businesses encompass the manufacture of cocoa-derived food ingredients and a full range of chocolates and couvertures. Our cocoa products include cocoa mass, cocoa butter, cocoa cake, and cocoa powder. Our industrial chocolate offerings are available in solid or liquid form, in dark, milk, or white varieties. These are marketed under four distinct brands: FAVORICH, our flagship brand meaning High in Flavour and Rich in Colour, serving the global market; Carlyle Cocoa, a cocoa powder brand primarily for the US market; SCHOKINAG, a leading European industrial chocolate brand; and FAVORICH CHOCOLATE, which caters globally with a strong focus on the UK and European markets.

We are currently recognised as Asia's largest, and the world's fourth largest, manufacturer of cocoa-derived food ingredients. Our business model is strategically focused on strengthening our presence in cocoa-producing countries and in key chocolate-consuming regions. In Côte d'Ivoire, the world's largest cocoa bean origin, our production facility enables us to operate 'close to source'. Meanwhile, our chocolate production facilities in the UK and Germany allow us to serve customers in some of Europe's largest chocolate-consuming markets.

In 2025, we expanded our capacity with the installation of new press machines in Malaysia, Indonesia, and Côte d'Ivoire, as well as the upgrade of our powder mill in the United States. On top of these, there is also ongoing Phase 2 investment in Côte d'Ivoire, which will add on additional 60,000 MT in annual bean grinding capacity upon completion in 2026. These developments have increased our production efficiency and reinforced our supply chain and service delivery.

Also in early 2025, we entered into an agreement with Coffee and Cocoa Council ("CCC"), the government regulator of cocoa in Côte d'Ivoire, to acquire a 25% stake in Transcao Côte d'Ivoire ("Transcao CI"). This collaboration further secures our long-term access to high-quality beans. In addition, we continue to invest in debottlenecking and capacity expansion projects to meet the rising global demand for chocolate.

# INTRODUCTION

## MILESTONES ON OUR JOURNEY

**1985**

Incorporation of GCCM.



**1991**

Establishment of our factory in Pasir Gudang to enhance our processing capacity.



**1995**

Establishment and trademarking of the FAVORICH brand.

**BERHAD**  
**GUANCHONG**

**2005**

Incorporation of GCB as a publicly listed company in Bursa Malaysia.

*Carlyle*  
**Cocoa**

**2006**

Acquisition of Carlyle, a value-added cocoa cake grinding facility in Delaware, US.

**2007**

Increase of the Group's annual capacity to 60,000 MT.

**2010**

Expansion of GCB beyond Malaysia with the establishment of ACI in Indonesia and GCBCS in Singapore.



**2020**

Establishment of GCBCUK as an industrial chocolate facility in the UK.



**SCHOKINAG**

Acquisition of SCHOKINAG, a German industrial chocolate manufacturer.

**2018**

GCBCM's annual capacity has been increased to 50,000 MT, reinforcing the Group's status as the leading cocoa grinder in Asia and top four cocoa grinders globally.

The establishment of GCBCCI in Côte d'Ivoire signifies GCB's first expansion beyond Asia, allowing us to source cocoa beans directly from the world's largest cocoa-producing country.

**2017**

GCB's acquisition of Koko Budi Sdn. Bhd., a cocoa processing facility, and subsequently renamed it to GCBCM.



**2015**

Launch of a joint venture between the Group and SMC, a prominent sugar, milk and cocoa blender.



# INTRODUCTION

## MILESTONES ON OUR JOURNEY

**2021**

Establishment of GCBCE and GCBCTI aims to enhance cost efficiency in the supply of cocoa-derived food ingredients from Côte d'Ivoire directly to our operations in Germany and the UK.



**2022**

Establishment of GCBUKP as a property management company.

Commissioning of GCBCCI's factory in San Pedro, Côte d'Ivoire, contributing to 60,000 MT to the Group's total annual bean grinding capacity.

Establishment and trademarking of the FAVORICH CHOCOLATE brand.



**2024**

GCBCCI has increased additional 5,000 MT resulting in 65,000 MT annual bean grinding capacity.

**2023**

Commissioning of an industrial chocolate facility at GCBCUK's factory in Suffolk, UK adds an extra 16,000 MT of industrial chocolate capacity to the Group.

**2025**

Establishment of GCBCSUI as a trading company in Europe.

Increase of cocoa cake grinding capacity in Carlyle to 22,000 MT.



# INTRODUCTION

## WHERE WE STAND TODAY

The incorporation of GCB was pivotal in transforming us from a modest Malaysian manufacturer into Asia's leading cocoa grinder and the world's 4<sup>th</sup> largest producer of cocoa-derived food ingredients. Recognising the untapped potential, we aimed to position ourselves as a significant multinational player in the global cocoa and chocolate industry.

Starting with collaborations with small trading groups in the 1980s, we progressively engaged with multinational chocolate manufacturers and expanded our sales presence to over 80 countries. As global demand for GCB products grew, we were driven to invest in product innovation, broadening our offerings from basic commodities to a diverse range of cocoa-derived food ingredients, industrial chocolate, and gourmet products.



Looking ahead, we will continue to invest in advanced technologies, modern machinery, automation improvements, and various sustainability initiatives to enhance our global competitiveness. Additionally, we are dedicated to supporting our employees by promoting their well-being and providing robust support for their personal and professional growth.

## TRADING OFFICES

- A** GCB Cocoa Singapore Pte. Ltd.
- B** PT GCB Cocoa Indonesia
- C** GCB Cocoa Europe B.V.



## MANUFACTURING PLANTS

- 1** **Guan Chong Cocoa Manufacture Sdn. Bhd.** (*Pasir Gudang, Malaysia*)  
Annual Bean Grinding Capacity: 87,000 MT
- 2** **GCB Cocoa Malaysia Sdn. Bhd.** (*Pasir Gudang, Malaysia*)  
Annual Bean Grinding Capacity: 63,000 MT
- 3** **PT Asia Cocoa Indonesia** (*Batam, Indonesia*)  
Annual Bean Grinding Capacity: 120,000 MT

# INTRODUCTION

## WHERE WE OPERATE

**D** GCB Cocoa Trading  
Côte d'Ivoire

**E** GCB Cocoa Suisse AG

Our cocoa processing and chocolate production facilities are strategically located across four continents, boasting a combined annual capacity of 335,000 MT for bean grinding, 112,000 MT for value-added processes, and 116,000 MT for industrial chocolate production.



TOTAL  
ANNUAL  
BEAN  
GRINDING  
CAPACITY

# 335,000MT

**4** **GCB Cocoa Côte d'Ivoire**  
*(San Pedro, Côte d'Ivoire)*  
Annual Bean Grinding Capacity: 65,000 MT

**5** **Carlyle Cocoa Co., LLC** *(Delaware, US)*  
Annual Value-Added Capacity: 22,000 MT  
(Cocoa cake grinding)

**6** **Carlyle Cocoa Co., LLC** *(Swedesboro, US)*  
Annual Value-Added Capacity:  
• 30,000 MT (Cocoa mass melting)  
• 60,000 MT (Cocoa butter melting & deodorising)

**7** **SCHOKINAG Schokolade-Industrie GmbH** *(Mannheim, Germany)*  
Annual Industrial Chocolate Capacity: 100,000 MT

**8** **GCB Cocoa UK Limited** *(Suffolk, UK)*  
Annual Industrial Chocolate Capacity: 16,000 MT

# INTRODUCTION

## PRODUCTS INTRODUCTION

### OUR DIVERSE PRODUCT RANGE

We offer an extensive portfolio of cocoa-derived ingredients and chocolates, designed for various applications across the food industry and popular consumer categories. Each product is crafted with precision to meet the diverse needs of manufacturers, retailers, and consumers.



**COCOA MASS**

Cocoa mass, also known as cocoa paste or cocoa liquor, is produced by carefully roasting and grinding cocoa nibs into a smooth, fluid form. It is a fundamental ingredient in the production of chocolate, especially dark chocolate.



**COCOA BUTTER**

Cocoa butter is extracted by pressing cocoa mass. It is a versatile and valuable ingredient, widely used not only in chocolate manufacturing but also in personal care products, ointments, and pharmaceuticals.



**COCOA CAKE**

Cocoa cake is obtained from the pressing of cocoa mass. Comprising solid fragments of cocoa nibs, it is ground into smaller pieces and serves as the base for finely milled cocoa powder, playing an essential role in industrial processing.



# INTRODUCTION

## PRODUCTS INTRODUCTION



Produced by grinding cocoa cake, cocoa powder is a staple ingredient in chocolate confectionery, desserts, beverages, and baking recipes. Its versatility makes it indispensable in both industrial and consumer applications.



Our liquid chocolate is created by blending cocoa butter and cocoa mass, then refining the mixture to achieve a smooth, consistent quality. Rich in flavonoids and antioxidants, it is an ideal choice for superior taste, texture, and nutritional value.



Perfect for baking, our chocolate chips and chunks are engineered for precision. They melt evenly, temper reliably, and deliver consistent results, enhancing the quality of cakes, cookies, and other baked goods.



We produce a wide variety of chocolate beverages by blending cocoa components with sugar, milk powder, and complementary ingredients. These formulations are easy to mix with water, offering a rich, satisfying cocoa flavour.

# INTRODUCTION

## SNAPSHOT OF FY2025

### OUR FINANCIAL PERFORMANCE

REVENUE  
(RM' BILLION)

**14.92**



PROFIT BEFORE TAX  
(RM' MILLION)

**293.41**



NET PROFIT  
(RM' MILLION)

**227.86**



EARNINGS PER SHARE  
(RM' SEN)

**8.31**



SHAREHOLDERS' EQUITY  
(RM' BILLION)

**2.27**



NET GEARING RATIO  
(TIMES)

**1.36**



SHARE PRICE<sup>1</sup>  
(RM)

**0.73**



MARKET CAPITAL<sup>2</sup>  
(RM' BILLION)

**2.00**



**Notes:**

<sup>1</sup> share price on 31 December 2025

<sup>2</sup> the market capital is calculated based on the share price on 31 December 2025

# INTRODUCTION

## SNAPSHOT OF FY2025

### OUR NON-FINANCIAL PERFORMANCE

8

Production Facilities

5

Cocoa Trading Offices

Asia's largest and world's 4th largest producer of cocoa-derived food ingredients

In FY2025, we expanded our Group's global cocoa grinding capacity, bringing the total to 335,000 MT across our production facilities worldwide.

#### Sustainable Cocoa Sourcing

We have reinforced our commitment to sustainable cocoa sourcing by developing our due diligence and traceability system. A structured supply chain management approach has been implemented, covering risk assessments, supplier evaluations, ethical procurement practices, and continuous monitoring. We have adopted digital traceability tools, embed routine supplier assessment procedure, and maintain partnerships with local farming communities. These efforts not only align with evolving global sustainability standards but also ensure responsible practices throughout our entire value chain.

- Supply chain traceability: **50%** of our direct sourcing network is traceable to the farm level.
- Sustainable cocoa volume: Around **61,000 MT** of cocoa sourced through certification schemes in our direct sourcing network.

#### Caring Beyond Cocoa

Our commitment to CSR has benefitted community development and environmental sustainability. We have fostered stronger relationships with local communities and launched well-being programmes that have had a positive effect on employee satisfaction. Guided by the three pillars – Thriving Communities, Happy Employees, and Healthy Planet – our efforts focus on delivering lasting value throughout our operations. To support these initiatives, we have allocated over **RM360,000**.

- Employee training hours completed: **14,784 hours** of professional development.
- Community impact reach: Over **1,400 individuals** benefiting from our community enrichment initiatives.

#### Energy Transition

GCB continues to expand its renewable energy portfolio through strategic investments in sustainable power solutions. Our cumulative solar installation of **7.93 MWp** and the use of biomass boilers powered by cocoa shells have reduced our reliance on grid energy. Building on these, we have extended the installation of solar panels to our operations in Côte d'Ivoire following second phase expansion. Where installation of renewable energy generation is not feasible, we have started to leverage renewable electricity certificates starting from covering 89% of our trading office usage in Singapore and Indonesia.

# INTRODUCTION

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Ang Nyee Nyee**

Independent Non-Executive Chairman

**Tay Hoe Lian**

Managing Director & Chief Executive Officer

**Tay How Sik @ Tay How Sick**

Executive Director & Chief Operating Officer

**Hia Cheng**

Executive Director & Chief Financial Officer

**Nurulhuda Binti Abd Kadir**

Independent Non-Executive Director

**Ng Kim Hian**

Independent Non-Executive Director

**Tan Pui Suang**

Independent Non-Executive Director

### AUDIT COMMITTEE

**Ng Kim Hian**

Chairman & Independent Non-Executive Director

**Tan Pui Suang**

Member & Independent Non-Executive Director

**Nurulhuda Binti Abd Kadir**

Member & Independent Non-Executive Director

### RISK MANAGEMENT COMMITTEE

**Hia Cheng**

Chairman & Executive Director

**Ng Kim Hian**

Member & Independent Non-Executive Director

**Tan Pui Suang**

Member & Independent Non-Executive Director

### NOMINATION COMMITTEE

**Tan Pui Suang**

Chairman & Independent Non-Executive Director

**Nurulhuda Binti Abd Kadir**

Member & Independent Non-Executive Director

**Ng Kim Hian**

Member & Independent Non-Executive Director

### REMUNERATION COMMITTEE

**Nurulhuda Binti Abd Kadir**

Chairman & Independent Non-Executive Director

**Ng Kim Hian**

Member & Independent Non-Executive Director

**Tan Pui Suang**

Member & Independent Non-Executive Director

### SECRETARIES

**Ng Mei Wan (MIA 28862)**

(SSM Practicing Certificate No.: 201908000801)

**Tan Hui Khim (LS 0009936)**

(SSM Practicing Certificate No.: 201908000859)

# INTRODUCTION

## CORPORATE INFORMATION

### REGISTERED OFFICE

No. 7, (1st Floor) Jalan Pesta 1/1  
Taman Tun Dr. Ismail 1, Jalan Bakri  
84000 Muar  
Johor Darul Takzim, Malaysia  
Tel : 06-954 1705  
Fax : 06-954 1707  
Email : [lsca-muar@lsca.com.my](mailto:lsca-muar@lsca.com.my)

### PRINCIPAL PLACE OF BUSINESS

PLO 273, Jalan Timah 2  
Kawasan Perindustrian Pasir Gudang  
81700 Pasir Gudang  
Johor Darul Takzim, Malaysia  
Tel : 07-254 8888  
Fax : 07-251 1711  
Website : [www.gcbcocoa.com](http://www.gcbcocoa.com)

### SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.  
Registration No.: 199601006647 (378993-D)  
11th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : 03-7890 4700  
Fax : 03-7890 4670  
Email : [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com)

### AUDITORS

BDO PLT  
201906000013 (LLP0018825-LCA)  
& AF 0206  
Chartered Accountants  
Level 8  
BDO @ Menara CenTARA  
360 Jalan Tuanku Abdul Rahman  
50100 Kuala Lumpur, Malaysia

### PRINCIPAL BANKERS

Ambank Islamic Berhad  
Hongkong and Shanghai Banking Corporation  
Limited, Singapore Branch  
HSBC Amanah Malaysia Berhad  
Maybank Islamic Berhad  
Oversea-Chinese Banking Corporation Limited  
RHB Islamic Bank Berhad  
Standard Chartered Bank (Singapore) Limited  
United Overseas Bank Limited  
United Overseas Bank (Malaysia) Berhad

### STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad  
Stock Name: GCB  
Stock Code: 5102

### DATE OF LISTING

8 April 2005

# INTRODUCTION

## OUR GUIDING PRINCIPLES

### OUR VISION

## To Be The Preferred Cocoa & Chocolate Ingredients Supplier

### OUR MISSION

We at GCB Cocoa are committed to delivering quality cocoa and chocolates while offering utmost flexibility and attention. Through forming strong alliances with local partners, we are dedicated to serving our customers worldwide and growing together with them in long-term partnership.

### OUR VALUES



**Ambition**



**Grit**



**Sincerity**

### OUR PROMISES

#### COMPETITIVE PRICES

Offering fair market prices by sourcing competitively as one of the biggest players in the market.

#### FULL PRODUCT RANGE

Providing an extensive product range from cocoa mass, butter, cake, and powder to liquid and solid chocolates in various shapes, sizes and packaging options.

#### ETHICAL OPERATIONS

Upholding strict operational standards and treating people with dignity and respect. Our suppliers are expected and required to demonstrate environmental and social awareness in their practices.

#### PRODUCT QUALITY & SAFETY

Ensuring excellent quality throughout at our production facilities and compliance with all safety standards.

#### FLEXIBILITY & EXCELLENCE IN CUSTOMER SERVICE

Fulfilling customer orders as our top priority in seeking to establish long-term meaningful relationship.

#### TECHNICAL SUPPORT & INNOVATION

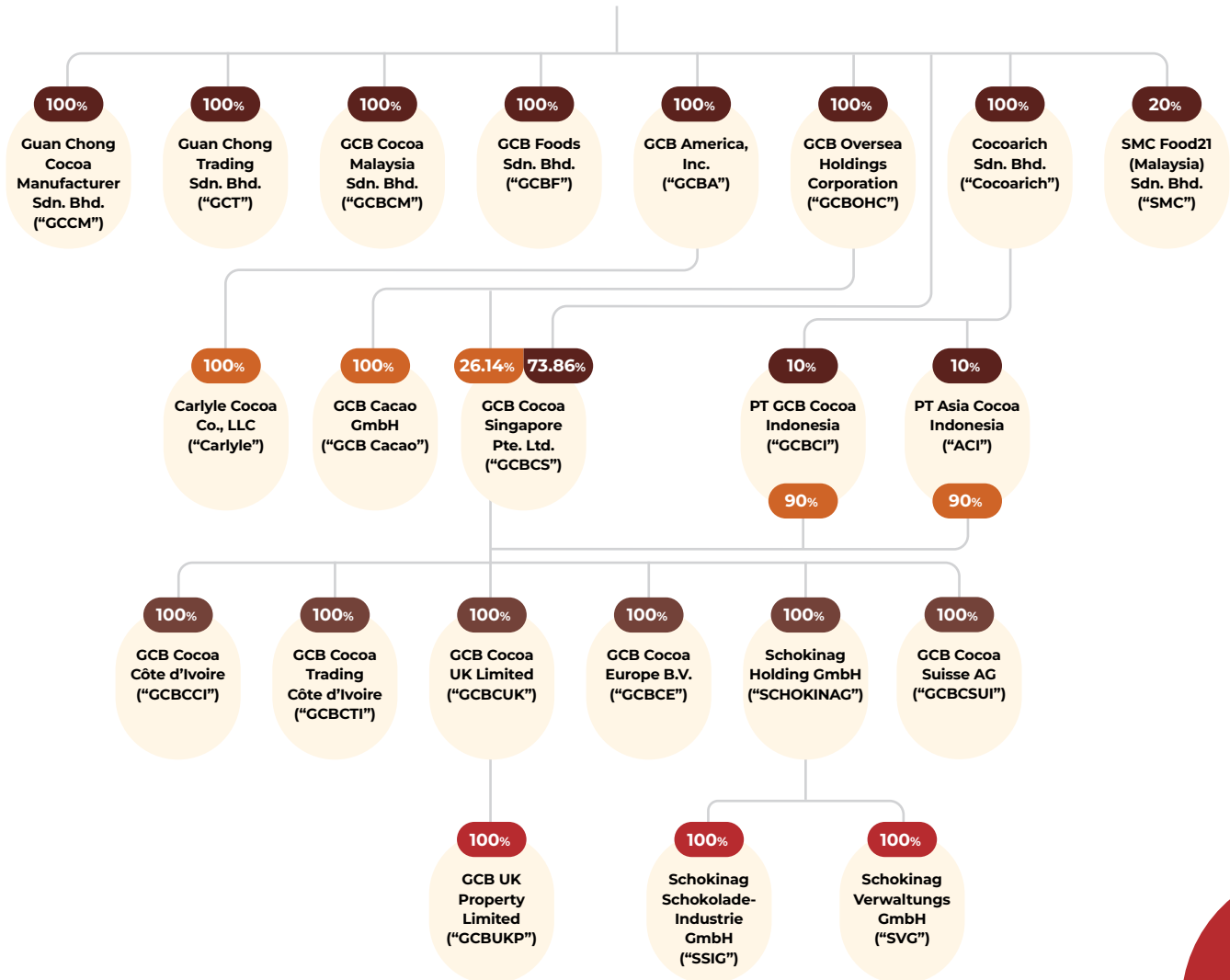
Crafting tailor-made recipes and developing new products via our experienced R&D team.

# INTRODUCTION

## CORPORATE STRUCTURE

# BERHAD GUANCHONG

listed on Main Market of Bursa Securities  
("GCB" or "the Group")



# INTRODUCTION

## CERTIFICATIONS, MEMBERSHIPS & ASSOCIATIONS

### QUALITY AND SAFETY STANDARDS AND CERTIFICATIONS

We have consistently maintained a range of quality and safety standards and certifications across our supply chain, ensuring the production of premium cocoa products.

#### CERTIFICATIONS\*

- Fairtrade International Standards
- FSSC 22000
- GMP
- HACCP
- Halal
- IFS
- ISO 14001: Environmental Management System
- ISO 22000: Food Safety and Management System
- ISO 45001: Occupational Health and Safety Management Systems
- ISO 50001: Energy Management System
- Kosher
- Rainforest Alliance
- Roundtable on Sustainable Palm Oil (RSPO)

\* The certifications listed reflect standards achieved across the Group. Applicability may vary by entity, facility, and product category.

### MEMBERSHIPS AND ASSOCIATIONS

Our commitment to advancing the cocoa industry is highlighted by our ongoing active involvement with the following key industry associations:

#### KEY INDUSTRY ASSOCIATIONS

- Cocoa Association of Asia (CAA)
- Cocoa and Forests Initiative (CFI)
- Cocoa Merchants' Association of America Inc. (CMAA)
- European Cocoa Association (ECA)
- Federation of Cocoa Commerce (FCC)
- Forum Nachhaltiger Kakao (German Initiative on Sustainable Cocoa)
- Groupement des Exportateurs de Cacao et de Café (Gepex)
- International Cocoa Initiative (ICI)
- Malaysia Cocoa Board (MCB)
- World Cocoa Foundation (WCF)



# INTRODUCTION

## BUSINESS & MARKET DYNAMICS

### CORPORATE PRINCIPAL ACTIVITIES

We are a globally recognised manufacturer specialising in high-quality cocoa-derived ingredients and premium chocolate products. Our portfolio spans cocoa mass, cocoa butter, cocoa cake, and cocoa powder, alongside a comprehensive range of solid and liquid chocolates and couvertures in dark, milk, and white varieties.

### MARKET ENVIRONMENT

#### Weak Chocolate Demand

Cocoa terminal prices surged to unprecedented levels in 2024, exceeding USD 12,000 per MT. Although prices corrected sharply in 2025 to approximately USD 5,000–6,000 per MT in December 2025, they remain well above historical averages.

Throughout 2025, chocolate manufacturers continued to work through high-cost inventories secured during the price peak. As a result, demand has softened. To manage input costs and protect margins, manufacturers have reformulated products by substituting cocoa butter with lower-cost cocoa butter equivalents (CBE), reducing bar sizes, and lowering cocoa content.

#### Supply Uncertainty

Production in key origins such as Côte d'Ivoire has improved, supported by favourable weather and stronger farmgate prices. Higher yields in Ecuador have also contributed to easing supply pressures. Some analysts now anticipate a potential global cocoa surplus in the 2025/26 crop year, in contrast to the tight markets seen previously.

Nevertheless, structural risks persist. Ageing trees, climate volatility, disease outbreaks, and concentrated production risks in West Africa could quickly reverse supply gains and tighten the market once again.

#### Global Inflationary Pressures

The cocoa industry continues to operate under sustained inflationary pressure. Ongoing Middle East tensions are expected to drive greater volatility in energy prices and upward pressure on freight costs as oil prices rise. Escalating labour costs have further increased operational expenditure across the Group, intensifying cost management challenges.

Market sentiment also points to a subdued year ahead, as price-sensitive consumers grapple with higher living costs and broader macroeconomic uncertainty. Near-term demand recovery from major confectionery players is expected to remain limited.

#### Regulatory Landscape

The cocoa industry is increasingly influenced by tightening sustainability regulations aimed at addressing deforestation, human rights, and responsible sourcing. Companies trading key commodities such as cocoa are required to implement robust environmental and social due diligence across their supply chains.

The European Union Deforestation Regulation (EUDR), expected to take effect on 30 December 2026, will mandate that all cocoa products placed on the EU market meet strict traceability and deforestation-free requirements. Businesses must demonstrate full supply chain transparency and provide verifiable evidence that cocoa has not originated from recently deforested land.

In parallel, discussions continue regarding potential EU legislation governing Mineral Oil Saturated Hydrocarbons and Mineral Oil Aromatic Hydrocarbons (MOSH/MOAH), also anticipated around 2027. If implemented, these measures would require stricter contamination controls and enhanced compliance protocols at processing facilities supplying the EU market.

# INTRODUCTION

## BUSINESS & MARKET DYNAMICS

### Geopolitical Tensions

Ongoing geopolitical instability continues to disrupt global trade flows. The Russia–Ukraine conflict, the risk of US–Iran escalation, and trade tensions between the United States and China have contributed to higher global freight costs. Prolonged transit times, elevated insurance premiums, and rising operating expenses have driven shipping rates upwards.

With cocoa prices already elevated, additional logistics costs are intensifying pricing pressures across the industry. Furthermore, tariffs imposed on imports into the United States have increased costs for importers, resulting in higher end-consumer prices and further dampening demand.

### COMPETITIVE LANDSCAPE

#### Côte d'Ivoire Expansion

Establishing operations in the world's largest cocoa-producing country strengthens our strategic positioning. Our cocoa processing facility in Côte d'Ivoire, commissioned in September 2022 and officially inaugurated in July 2023, became fully operational in November 2022. The maiden export shipment in February 2023 marked a key milestone in our growth journey.

Our current strategy focuses on optimising utilisation while expanding annual capacity to 130,000 MT. Equipped with advanced machinery and modern processing technology, the plant enables direct sourcing of premium cocoa beans at origin, significantly shortening the beans-to-ingredients cycle.

This upstream integration enhances supply chain resilience and provides greater control over production planning and shipping schedules. By supplying cocoa-derived ingredients directly to our operations in Germany and the UK, we expect improved cost efficiencies and stronger competitiveness across key European markets.

Looking ahead, we remain proactive in evaluating opportunities to further expand processing capacity in Côte d'Ivoire, enabling access to strategic consumer markets.



#### Europe Expansion

Europe remains one of the most significant and competitive markets in the global cocoa and chocolate industry, representing a substantial share of worldwide consumption and processing capacity. The region is characterised by established multinational players, strong regional manufacturers, rigorous regulatory standards, and increasingly sophisticated consumer expectations.

Our expansion into Europe reinforces our competitive position within this complex landscape. By establishing a downstream presence in key markets, we operate closer to major industrial chocolate users and food manufacturers. This proximity enhances responsiveness, reduces lead times, and enables more tailored product solutions aligned with evolving customer requirements.

Our integrated supply chain, linking origin sourcing and processing with European manufacturing capabilities, provides a distinct competitive advantage. It strengthens cost optimisation, enhances supply security, and ensures consistent product quality, while maintaining agility in navigating demand fluctuations, pricing volatility, and regulatory developments.

Amid intensifying competition and macroeconomic uncertainty, our European footprint reinforces operational resilience, supports higher-value product development, and underpins our long-term growth strategy in one of the world's most important chocolate markets.

# INTRODUCTION

## BUSINESS & MARKET DYNAMICS

### CORPORATE PRINCIPAL ACTIVITIES

In a rapidly evolving and volatile market, resilience and adaptability are fundamental to sustained success. Swift execution, operational efficiency, and disciplined cost management remain critical to protecting profitability and ensuring long-term stability.

Our strong presence in both key cocoa-producing and major cocoa-consuming markets enables us to leverage structural advantages across the value chain. This strategic footprint enhances our agility, strengthens competitiveness, and supports continued market expansion despite ongoing uncertainty.

#### Leveraging Our Strategic Market Presence

We have established operations in Côte d'Ivoire, the world's largest cocoa-producing nation, as well as in Europe, one of the most significant chocolate-consuming regions globally. This balanced geographic positioning integrates origin sourcing with close proximity to end markets.

The commissioning of our cocoa processing facility in Côte d'Ivoire in 2022 marked a significant step in strengthening our production and distribution capabilities. By operating at origin, we secure strategic sourcing advantages, reinforce supply continuity, and enhance overall Group competitiveness.

#### Unlocking Global Supply Chain Synergies

Our international footprint enables us to create meaningful synergies across the supply chain. Strategically located production facilities, combined with a diversified product portfolio aligned with evolving consumer trends, provide distinct competitive advantages.

For example, we have expanded into high-quality cocoa powder production, offering customised variations in colour and fat content to meet diverse customer specifications.

Further strengthening our value chain integration, we expanded downstream into the industrial chocolate segment through the acquisition of SCHOKINAG in 2020, followed by the establishment of a chocolate manufacturing facility in the UK in 2023. These strategic initiatives reinforce our integrated position within the global cocoa and chocolate industry.

Vertical integration allows us to internally source cocoa-derived ingredients for industrial and gourmet chocolate production, enhancing operational efficiency, quality assurance, and supply chain resilience.

#### Accessing a Diverse Global Customer Base

Our established global footprint and significant market share provide access to a broad and diversified customer base. Supported by SCHOKINAG and GCBCUK, we are well positioned to deepen our presence in key markets and expand relationships across the value chain.

We serve a wide spectrum of customers, from trading houses and ingredient users to small independent businesses and multinational manufacturers. By strengthening these relationships, we aim to elevate them into long-term strategic partnerships that underpin operational sustainability and competitive advantage.

#### Delivering Innovation and Quality

Operational excellence remains central to our strategy. GCB is committed to delivering high-quality products supported by strong technical expertise and comprehensive after-sales service.

Continuous investment in research and development, coupled with the adoption of advanced technologies, ensures we remain responsive to evolving industry standards and sustainability expectations.

By prioritising innovation, quality, and technological advancement, GCB strengthens its position as a leading provider of high-value cocoa-derived ingredients and premium chocolate products, meeting the dynamic needs of both consumers and industry partners.

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40	Profile of Key Senior Management



# LEADERSHIP STATEMENT

## CHAIRMAN'S STATEMENT




Dear Esteemed Shareholders,

In 2025, global grinding activities experienced a decline as chocolate producers reassessed strategies amid softer consumer demand, attributed to higher prices of chocolate products stemming from the 2024 cocoa bean price surge. Additionally, cocoa producers in West Africa, including Côte d'Ivoire and Ghana, continued to face poor harvests caused by torrential rains, droughts, and plant diseases.

Cocoa grinders and chocolate producers were also challenged by external factors, including frequent changes in the United States reciprocal tariff policy, which further weighed on its cocoa trade with other countries, causing a ripple of uncertainty across the global chocolate industry.

Even so, Guan Chong Berhad ("GCB" or "the Group") navigated industry challenges and remained profitable. Moreover, we advanced our strategic agenda by entering an agreement to acquire a 25% stake in Transcao Côte d'Ivoire ("Transcao CI") from Conseil du Café-Cacao ("CCC"), which will reinforce the Group's position as a global leader in the cocoa supply chain. Our vision remains steadfast: "To Be The Preferred Cocoa & Chocolate Ingredients Supplier."

On behalf of the Board of Directors, it is my great pleasure to report to you on the Group's financial performance and operations during the year under review.



### RESILIENT OPERATIONS IN A VOLATILE MARKET

Global cocoa prices in 2025 dropped sharply to around USD 5,000/MT and GBP 3,750/MT in November 2025 in New York and London futures markets, respectively. The price decline marked a steep fall from the highs of USD 12,600 and GBP 10,000 in 2024, reflecting a weaker demand for cocoa ingredients as chocolate makers faced the grim consumer sentiment for high priced chocolates.

According to the International Cocoa Organization, the cocoa price decline was also due to a 7.6% increase in world production to an estimate of 4.70 million MT during the 2024/25 cocoa year (October 2024 to September 2025), from 4.37 million MT previously. Elevated cocoa prices in recent years have encouraged farmers across key regions including West Africa, Latin America, and parts of Asia-Pacific to increase crop production, supporting expectations of recovery in world supply in the years to come.

Despite the significant decline in cocoa prices over the past year, the cocoa industry still needed to invest in sustainability, ranging from ethical sourcing to setting up procedures focused on full traceability of cocoa beans. As a result, these added initiatives drove up costs across the supply chain.

Moreover, the implementation of the European Union Deforestation Regulation ("EUDR") was another development in the industry to see cocoa price remain elevated, driven by higher compliance costs and a limited supply of compliant cocoa. In December 2025, the Council of European Union however postponed application of the regulation for large operators until 30 December 2026, with an extra six-month cushion for micro and small operators.

The EUDR aims to prevent deforestation, enhance traceability and transparency, encourage sustainable production, support global climate goals, and protect indigenous and local communities. In response, GCB has developed policies and procedures to ensure compliance with the regulation.

Given the decline in cocoa prices, the average selling prices of cocoa ingredients in the industry also went through an adjustment. Even so, GCB adapted to market dynamics and maintained profitability in 2025.

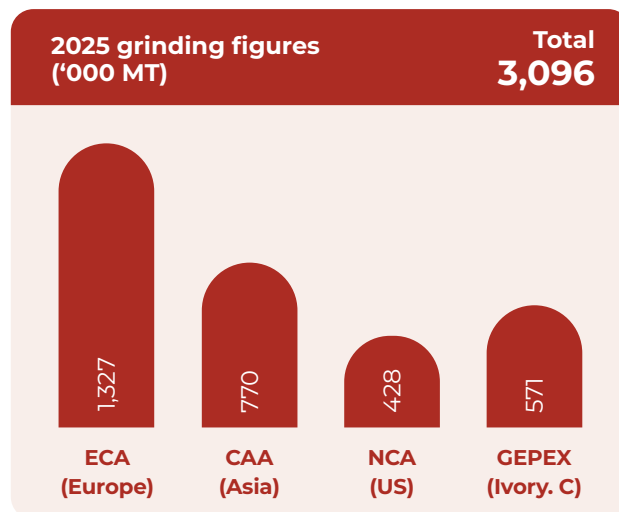
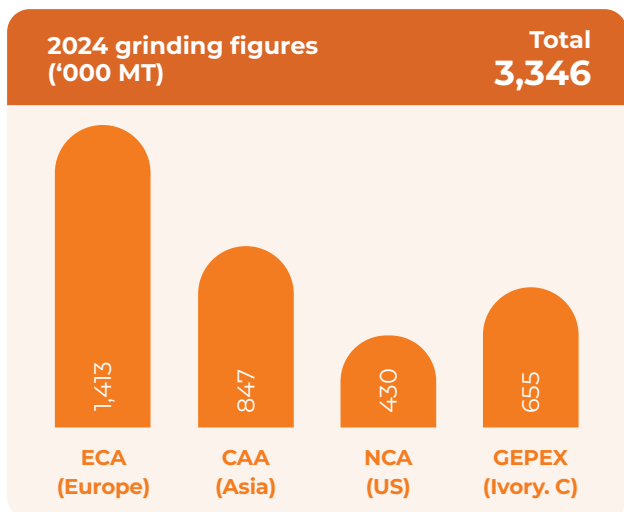
Looking ahead, we remain optimistic of the demand for cocoa ingredients to recover, as the current low bean prices are expected to encourage continued chocolate consumption. At the same time, we will continue to navigate with caution, prioritising optimal capacity utilisation and profitability.

# LEADERSHIP STATEMENT

## CHAIRMAN'S STATEMENT

### COCOA GRINDERS BRUISED BY HIGH BEAN PRICES AND REDUCED GLOBAL CONSUMPTION

Softer cocoa grinding activities in 2025 reflected a shift in industry dynamics, as chocolate producers reassessed strategies and reformulated products with alternative ingredients to mitigate volatility in prices of cocoa. At the same time, consumer demand moderated as chocolate prices remain high on the shelf.



<sup>1</sup> European Cocoa Association (ECA), Cocoa Association of Asia (CAA), National Confectioners Association (NCA) and the Ivorian Cocoa Exporters' association (GEPEX)

<sup>2</sup> ECA 2024 grinding figure has been amended based on corrected figures submitted by one or more reportees at the time of reporting on Q4 2025

<sup>3</sup> CAA 2024 grinding figures has been amended, which excluded one grinding member that did not submit data at the time of reporting on Q4 2025

The indicators presented by respective cocoa organisations further confirm the industry's situation as grinding volumes in 2025 declined 7.5% to 3.1 million metric tonnes ("MT"), from 3.3 million MT in the previous year across regions covered by cocoa associations. In addition, cocoa demand weakness is reinforcing supply surplus and accelerating price normalisation. Consistent with this trend, we anticipate a surplus of approximately 200,000 MT of cocoa beans for the 2025/26 season (October 2025 to September 2026), with lower market prices expected to stimulate demand.

Despite the industry challenges in 2025, GCB maintained a commendable grinding capacity utilisation rate of more than 80%, compared to 95% in the previous year, reflecting the market's weak demand for our cocoa ingredients.

### COMMENDABLE TOP AND BOTTOM LINES AMID CHALLENGING MARKET CONDITIONS

GCB continued to record strong revenue growth in the fiscal year ended 31 December 2025 ("FY2025"), driven by higher average selling prices of cocoa ingredients despite lower sales volume. As a result, the Group's revenue increased 42.9% to RM14.9 billion, from RM10.4 billion in FY2024 (ended 31 December 2024).

The Group, however, experienced lower grinding margins in FY2025 due to subdued demand and reduced sales tonnage. In addition, finance costs stayed high led by increased borrowing to support working capital needs, following the increasing cocoa bean prices from 2024 to 2025. Consequently, the Group's net profit in FY2025

declined 46.9% to RM227.9 million, compared with RM429.2 million in FY2024.

Meanwhile, the recent decline in bean prices is a positive development for the industry, easing pressure on working capital requirements and reducing the need for financing support. We are also making progress in lowering our borrowings, which would reduce finance costs and gradually improve profit margins over time.

**Read More**

• Financial Review, page 67

# LEADERSHIP STATEMENT

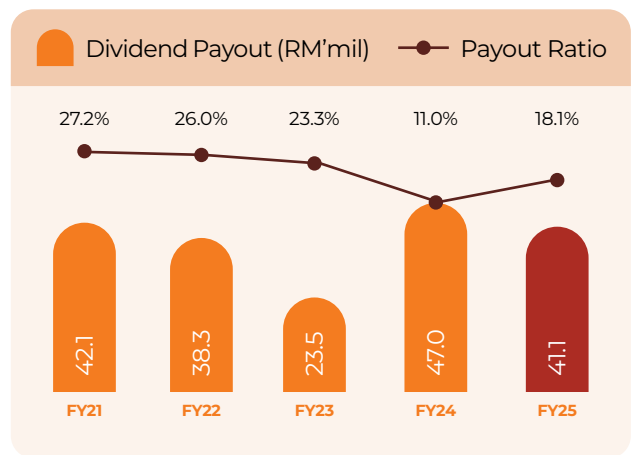
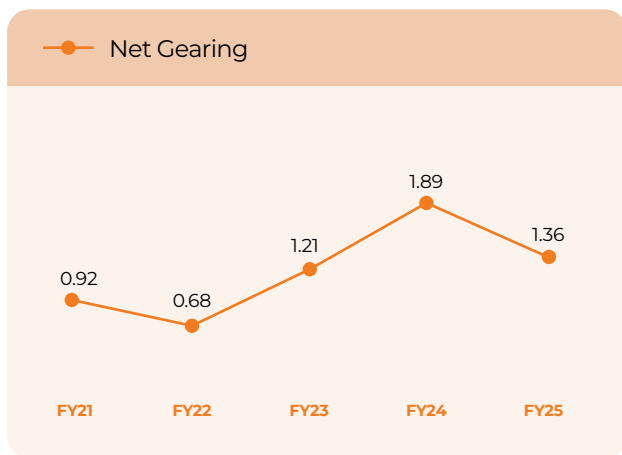
## CHAIRMAN'S STATEMENT

### MAINTAINING FLEXIBLE BALANCE SHEET FOR SUSTAINABLE GROWTH AND DIVIDEND PAYOUT

GCB remains focused on maintaining a flexible balance sheet to support operations across Malaysia, Indonesia, Côte d'Ivoire, the United States, Germany, and the United Kingdom, even amid industry challenges.

As at 31 December 2025, our total assets decreased by 24.2% to RM7.96 billion, from RM10.49 billion previously, mainly on lower derivative financial assets and inventory value in line with the decreased cocoa bean prices. Similarly, our total liabilities decreased by 32.0% to RM5.69 billion, down from RM8.37 billion, attributed to a significant reduction in short-term borrowings and derivative financial liabilities.

Meanwhile, our total equity grew 6.7% to RM2.27 billion, from RM2.12 billion previously, on increased retained profits. The Group's net gearing ratio decreased to 1.36 times, from 1.89 times previously, due to the 24.7% decrease in total borrowings of RM3.21 billion in FY2025. Out of the Group's total borrowings, 69.1% or RM2.22 billion are short-term and for working capital needs mainly to procure cocoa beans.



GCB continues to prioritise prudent financial management, balancing growth initiatives with dividend payouts. As the fourth-largest cocoa ingredient producer globally, the Group is strategically positioned to benefit from the enduring demand for chocolate.

The Group extends heartfelt gratitude to our valued shareholders for their continued support. To show our appreciation, GCB proposed a final dividend of 1.5 sen per share in respect of FY2025 — a payout of RM41.1 million, subject to shareholders' approval at the forthcoming Annual General Meeting.

#### Read More

- Financial Statements for the Financial Year Ended 31 December 2025, page 154

#### Read More

- Financial Review, page 67

# LEADERSHIP STATEMENT

## CHAIRMAN'S STATEMENT

### ONGOING EXPANSION OF CAPACITY TO MEET RISING DEMAND

Established in 1985, GCB has consistently showcased our strength in navigating challenges amidst industry headwinds. GCB now has an annual grinding capacity of 335,000 MT across our facilities in Malaysia, Indonesia, and Côte d'Ivoire. Additionally, we have an annual industrial chocolate production capacity of 116,000 MT from our facilities in Germany and the United Kingdom ("UK").

In 2025, the Group adapted to an evolving landscape shaped by shifting demand patterns, geopolitical tensions, and unpredictable trade policies. Despite these challenges, we remained steadfast in our growth strategy and invested RM287.7 million to strengthen operations across Malaysia, Indonesia, Côte d'Ivoire, the UK, and the United States ("US").

Among these investments made, we increased the Group's total annual value-added capacity by 13% to 112,000 MT, from 99,000 MT previously, through the installation of new cake grinding machines in the US operations.

In January 2025, through our subsidiary GCB Cocoa Singapore Pte Ltd, we signed a share sale agreement to acquire a 25% stake for RM130.1 million in Transcao CI from CCC.

With the minority stake in Transcao CI, the Group will also jointly manage the operations of two cocoa grinding factories located in Abidjan and San Pedro, Côte d'Ivoire. The current combined annual capacity of these factories is 80,000 MT.

The acquisition of Transcao CI is a key step in GCB's growth strategy, reinforcing our position as a global leader in the chocolate supply chain. It also underscores our commitment to supporting Ivory Coast's vision, alongside CCC, in advancing the country's strategy for industrialising the cocoa sector. Meanwhile, the acquisition process of Transcao CI is still ongoing and is expected to complete by the second quarter of 2026.

### DELIVERING LONG-TERM VALUE THROUGH SUSTAINABILITY

Beyond profitability, operational reliability, and market growth, GCB strives to uphold ESG-driven practices to align with customer demand and standards. These initiatives include:-

#### REGULATORY AND REPORTING LANDSCAPE

- New Bursa requirement adhered to the NSRF launched in 2024 for Group 1 with market capitalisation above 2 billion have to comply with International Sustainability Standards Boards ("ISSB") standards (International Financial Reporting Standards ("IFRS") S1: General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2: Climate-related Disclosures).
- Actively monitoring E&S related regulation such as EUDR, to be able to manage risks and prepare well ahead to meet consumer and regulator demands.

#### CLIMATE-RELATED RISKS AND OPPORTUNITIES ("CROs")

- We have identified 3 CROs through a limited materiality assessment that could affect our business model and value chain.
  - Rising Temperature
  - Policy and Regulation
  - Green Technology Advancement
- Actively expanding the scope of climate risk analysis including physical risk assessment through educating internal teams on the potential impacts to put in mitigation action
- Climate related risks are monitored by Enterprise Risk Management ("ERM")

# LEADERSHIP STATEMENT

## CHAIRMAN'S STATEMENT

### CARING BEYOND COCOA

- Partnered with hospital and NGOs to give back to communities
- More than 1,400 beneficiaries are under this programme and almost 700 employees participated

### KEY PROGRESS IN 2025 INCLUDES:

- Integration of new standards (Climate-First):** Aligning with IFRS S1 and S2, while focusing on climate-related risks and opportunities effects to business model and value chain.
- Purchased Renewable Energy Certificates ("RECs"):** Purchasing renewable energy certificates to cover 89% of our trading offices usage to start expanding the coverage of renewable energy in our mix, gradually increasing the amount of RECs purchased over the years as part of an effort to reduce scope 2 emissions
- Planning the Group decarbonisation:** we are committed to setting Science Based Targets initiative ("SBTi") within the next years, following the recalculation of intended baseline due to acquisition of Transcao CI. Nonetheless we are not stopping investing in initiatives to decarbonise, focusing on transitioning our supply chain towards greater portion of deforestation-free sourcing.
- Deforestation and traceable supply chain:** we have increased the sourcing of traceable and deforestation-free beans throughout the year in preparation for EUDR. This allows us to test out formalised due diligence systems despite the delayed enforcement. We have assessed more than 180,000 hectares cumulatively of farms for deforestation. Engaged and empowered 172 cooperatives to set up best practices.
- Sustainability Governance & Workstreams**  
GCB's commitment toward sustainability governance is guided by six workstreams:

WORKSTREAMS:	DESCRIPTION:
<b>Caring Beyond Cocoa</b>	Execute GCB's CSR strategies through our Healthy Planet, Happy Employees and Thriving Communities pillars
<b>Circular Economy</b>	Spearhead efforts to reduce environmental impact through water and waste initiatives and by promoting a circular economy that considers product end-of-life.
<b>Climate Action</b>	Develop a climate transition plan which highlights carbon reduction initiatives and material climate-related risk and opportunities.
<b>Responsible Sourcing</b>	Transition our sourcing practice towards sustainable sourcing, especially for high-risk supply chains.
<b>Corporate Stewardship</b>	Embedding sustainability practices throughout our operations to ensure adherence to Group-wide policies and procedures.
<b>Human Rights</b>	Addressing social inequity issues and promoting diversity and inclusivity within our workforce and supply chains.

The establishment of these workstreams contributes to the overall execution and implementation of sustainability strategies within GCB.

#### Read More

- Sustainability Governance Structure, page 92

# LEADERSHIP STATEMENT

## CHAIRMAN'S STATEMENT

### GOOD COCOA & BEYOND

Our programme Good Cocoa & Beyond "GC&B" shows our efforts to put sustainability at the core of what we do. The goal is to deliver 100% traceable and sustainable cocoa ingredients by 2030 within our direct sourcing network, fortifying a thriving sustainable cocoa sector.

Our four pillars of sustainability aim to address the social, economic, and environmental challenges in our supply chain, especially in origin countries. These pillars include: -



In 2025, our activities conducted include executing deforestation risk assessments on cocoa farms which we directly source from and establishing and expanding women's and youth empowerment through initiatives.

#### Read More

- Responsible Sourcing, page 112

### DUE DILIGENCE FRAMEWORK ADVANCEMENT

At GCB, we continuously improve our due diligence framework to proactively identify, assess, and mitigate legal, environmental, and human rights risks across the value chain. This framework encompasses supplier collaboration, risk evaluation protocols, traceability mechanisms, tailored mitigation actions, and continuous monitoring.

Our progress towards achieving 100% traceable and sustainable cocoa in our direct sourcing network by 2030 recorded in FY2025 as follows:

- Increased direct supply chain volume by 30% to around 97,000 metric tons
- Conducted deforestation risk assessments across over 180,000 hectares cumulatively of cocoa farm
- Implemented a customised digital supply chain management system with farmer databases

These progress improvements position GCB to navigate evolving regulatory requirements, including EUDR, while reinforcing our commitment to responsible cocoa sourcing and ethical supply chain management.

#### Read More

- Responsible Sourcing, page 112

# LEADERSHIP STATEMENT

## CHAIRMAN'S STATEMENT

### ADVOCATING LONG-TERM SUCCESS WITH GOOD CORPORATE GOVERNANCE AND SUSTAINABILITY POLICIES

GCB maintains a firm commitment to robust corporate governance, which serves as a foundation for the Group's operations. We emphasise responsible and ethical practices to uphold stability and efficiency, while protecting our reputation and strengthening stakeholder confidence.

Moreover, the Group continues to reinforce its alignment with the IFRS Standards by improving the precision of impact assessments and embedding these findings into both strategic decisions and operational processes. We also remain dedicated to openly reporting climate-related risks in line with evolving regulatory requirements, underscoring our contribution to advancing climate action.

Our established frameworks enable us to address potential risks across strategic, operational, financial, and compliance categories. For each area, we apply tailored measures designed to effectively manage and reduce exposure, ensuring the resilience of the business.

Additionally, the Group's ERM Committee and Sustainability Department play a crucial role in overseeing and conducting materiality assessments to evaluate key sustainability risks and opportunities. These assessments are guided by a structured governance framework, ensuring risks are promptly identified and addressed, which includes Product Footprint, Pricing & Quality; Sustainable Operational Performance & Expansion; Responsible & Ethical Suppliers; Talent Attraction, Development and Retention; and Governance and Compliance.

By embedding sustainability into our operations, we create value not only for our business but also for society and the environment, reaffirming our pledge to a more responsible future.

### Acknowledgement

I wish to convey my sincere gratitude to the Board of Directors, the management team, and all employees of GCB. Your dedication and effort have been instrumental in driving the Group's growth ambitions, reinforcing our standing as the world's fourth-largest cocoa grinder and a leading provider of chocolate ingredients.

My appreciation also extends to our customers, suppliers, business partners, and other stakeholders whose steadfast trust and support have enabled the Group to overcome the challenges of the past year.

Looking ahead, we remain committed to strengthening business resilience, sustaining profitability, and advancing operational sustainability as we strive for improved performance in the years to come.

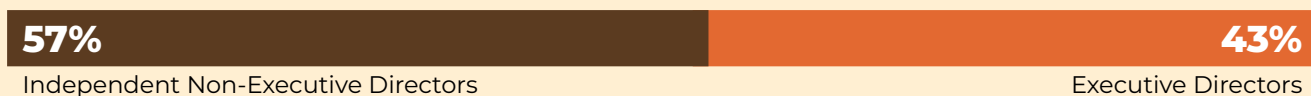
**Ms. Ang Nyee Nyee**

Independent Non-Executive Chairman

# LEADERSHIP STATEMENT

## DIRECTORS' PROFILE

### BOARD COMPOSITION



#### Gender



#### Age Group



### COMMITTEE MEMBERSHIP KEY



#### ANG NYEE NYEE

Independent Non-Executive Chairman

Malaysian

58

Female

Meeting Attendance  
FY2025



Ang Nyee Nyee was first appointed as an Independent Non-Executive Director of GCB on 11 November 2020 before being re-designated as the Independent Non-Executive Chairman on 5 April 2023.

She holds a Bachelor of Laws (Honours) degree from the University of London, UK, and obtained the Certificate in Legal Practice from the Legal Profession Qualifying Board of Malaysia. She was admitted to the Malaysian bar as an Advocate and Solicitor in 1993. The following year, she joined Nik Saghir & Ismail (now RTNP) as a legal assistant where she was made a partner in 2004 and continues to work as a senior partner.

As of 1 December 2023, she stepped down as Chairman of the Company's NC and ceased being a member of both the RC and the RMC. She does not hold directorships in any other public companies, has no family ties with any director or major shareholder of the company, and has no conflicts of interests with the Company. She has not been convicted of any offences in the past five years.

She attended all five board meetings held during FY2025.

# LEADERSHIP STATEMENT

## DIRECTORS' PROFILE

**TAY HOE LIAN**  
*Managing Director & CEO*

 Malaysian  
 61  
 Male

Meeting Attendance  
FY2025

✓ ✓ ✓ ✓ ✓

Tay Hoe Lian was appointed as the Managing Director and CEO of GCB on 8 January 2005.

He earned his Bachelor's degree in Business Administration from the College of Business Administration at the University of Toledo, US, in 1993. Upon graduation, he joined JB Cocoa Group Sdn. Bhd. as a Transport Division Manager.

In 1997, he became Marketing Manager at GCCM, where he gained extensive experience in marketing cocoa powder across the European, Middle Eastern, and South American markets. In 1999, he was appointed as a Director of GCCM, later advancing to General Manager in 2002 and Managing Director in 2003.

His strong commitment was instrumental in expanding GCCM's production capacity, positioning the company as a global leader in cocoa bean processing, both in terms of capacity and market share.

Since 1 February 2023, he has been serving as a Member of the MCB which is under the purview of the Malaysian Ministry of Plantation Industries and Commodities, from 1 February 2023 to 31 January 2025.

In October 2025, he was appointed as the Chairman of Cocoa Association of Asia, leading the team to drive growth and success in the industry.

He does not hold directorships in any other public companies. He is the cousin of Tay How Sik @ Tay How Sick, an Executive Director, COO and a shareholder of the Company. He has no conflicts of interest with the Company and has not been convicted of any offences in the past five years.

He attended all five board meetings held during FY2025.

**TAY HOW SIK @ TAY HOW SICK**  
*Executive Director & COO*

 Malaysian  
 66  
 Male

Meeting Attendance  
FY2025

✓ ✓ ✓ ✓ ✓

Tay How Sik @ Tay How Sick was appointed as the Executive Director and COO of GCB on 8 January 2005.

From 1987 to 2003, he served as a Director at JB Cocoa Group Sdn. Bhd., where he played a pivotal role in establishing the company's cocoa bean processing plant and overseeing the setup of the production line and machinery installation. In 1989, he took on the dual roles of Director and Factory Manager at GCCM, and has since maintained responsibility for the company's factory operations.

Over the course of his career, he has developed deep expertise in producing cocoa-based food ingredients, while also refining his ability to maintain and adapt machinery to improve production efficiency and product quality.

He does not hold directorships in any other public companies. He is the cousin of Tay Hoe Lian, the Managing Director, CEO, and a shareholder of the Company. He has no conflicts of interest with the Company and has not been convicted of any offences in the past five years.

He attended all five board meetings held during FY2025.

# LEADERSHIP STATEMENT

## DIRECTORS' PROFILE

**HIA CHENG**  
*Executive Director & CFO*

RMC

Malaysian  
61  
Male

Meeting Attendance  
FY2025

Hia Cheng was appointed as the Executive Director and Chief Financial Officer of GCB on 8 January 2005.

He obtained his professional accounting qualification from the ACCA in 1991 and became a FCCA in 2001. From 1986 to 1990, he worked at the local audit firm TH Liew & Gan before joining GCCM in 1991 as an Accounts Supervisor.

In 1996, he was promoted to Finance and Trading Manager at GCCM, where he led the department in sourcing cocoa beans and marketing cocoa butter, cocoa mass, and cocoa cake. Over the years, he was appointed as Director of newly set up overseas subsidiaries in Côte d'Ivoire, the UK and Switzerland, namely GCBCCI, GCBCTI, GCBCUK, GCBUKP and GCBCSUI.

Throughout his career, he has been deeply involved in corporate strategy planning, financial management, and foreign currency management. He also leads feasibility studies and investment appraisals for GCB's expansion projects. His efforts have strengthened GCB's connections with key industry players, including international trading companies, essential suppliers, customers, and cocoa-related organisations. Currently, he oversees the Group's trading, marketing, accounting, finance, and logistics functions, while also driving GCB's expansion into the European market.

He serves as the Chairman of the Company's RMC. He does not hold directorships in any other public companies and has no family relationship with any director or major shareholder of the Company. He has no conflicts of interest with the Company and has not been convicted of any offences in the past five years.

He attended all five board meetings held during FY2025.

**NURULHUDA BINTI ABD KADIR**  
*Independent Non-Executive Director*

RC NC AC

Malaysian  
59  
Female

Meeting Attendance  
FY2025

Nurulhuda Binti Abd Kadir was appointed as an Independent Non-Executive Director of GCB on 11 November 2020.

She graduated with a Bachelor of Laws (Honours) from the International Islamic University of Malaysia.

From 2004 to 2009, she was a Partner at Nik Saghir & Ismail (now known as RTNP), and later served as a Senior Partner at RTNP from 2010 to 2016. She was a Partner at Faizah Aishah Rahman & Associates from 2016 until her retirement on 31 December 2025.

She holds the position of Chairman of the Company's RC and is a Member of both the AC and the NC. She does not hold directorships in any other public companies, has no family ties with any director or major shareholder of the Company, and has no conflicts of interest with the Company. She has not been convicted of any offences in the past five years.

She attended all five board meetings held during FY2025.

# LEADERSHIP STATEMENT

## DIRECTORS' PROFILE

**NG KIM HIAN**  
*Independent Non-Executive Director*

RMC
RC
NC
AC

Malaysian

61

Male

Meeting Attendance  
FY2025

✓
✓
✓
✓
✓

Ng Kim Hian was appointed as an Independent Non-Executive Director of GCB on 27 February 2023.

He obtained his professional accounting qualification from the ACCA in 2002 and is now a FCCA, as well as a Member of both MIA and Chartered Tax Institute of Malaysia (CTIM).

With over 30 years of experience in public practice, his expertise in audit services spans various industries, including manufacturing, housing development, construction, plantations, hospitality, trading, services companies, and multinational corporations. In addition

to his audit work, he provides advisory services on inbound investments and indirect tax matters and serves as a Reporting Accountant for initial public offerings. He is currently an Audit Partner at Crowe Malaysia PLT (Muar office).

On 5 April 2023, he was appointed Chairman of the Company's AC and became a member of the RMC, RC, and NC. He does not hold directorships in any other public companies, has no family ties with any director or major shareholder of the Company, and has no conflicts of interest with the Company. He has not been convicted of any offences in the past five years.

He attended all five board meetings held during FY2025.

**TAN PUI SUANG**  
*Independent Non-Executive Director*

RMC
RC
NC
AC

Malaysian

55

Female

Meeting Attendance  
FY2025

✓
✓
✓
✓
✓

Tan Pui Suang was appointed as an Independent Non-Executive Director of GCB on 27 February 2023.

She is a FCCA and a Member of MIA. Her extensive corporate experience encompasses corporate finance, planning, financial management, and auditing. Previously, she held key positions such as Asia Pacific Regional Operations Controller at TechnipFMC Asia Pacific, a multinational oil and gas services company listed on the NYSE and Euronext Paris, and Corporate Planning Manager at Malaysia Marine and Heavy

Engineering Holdings Berhad, listed on the Main Market of Bursa Malaysia Securities Berhad. She also served as a Senior Auditor at Deloitte & Touche in Singapore.

During 2017 – October 2025, she worked as the Director of Finance and Corporate Services at the University of Reading, Malaysia, and is currently an Independent Non-Executive Director for VS Industry Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad.

On 1 December 2023, she was appointed Chairman of the Company's NC and became a Member of the RC and RMC. She was also appointed as a member of AC on 5 April 2023. She has no family ties with any director or major shareholder of the Company, nor does she have any conflicts of interest with the Company. She has not been convicted of any offences in the past five years.

She attended all five board meetings held during FY2025.

# LEADERSHIP STATEMENT

## PROFILE OF KEY SENIOR MANAGEMENT

### TAY HOW YEH

*Director*



Malaysian



60



Male

Tay How Yeh was appointed as Director of GCCM in January 2003 and currently also serves as Director at GCBCS and GCBCM.

He graduated with a Bachelor's in Business Administration from the University of Toledo in 1989. Between 1990 and 1995, he worked as Manager at GCT, handling cocoa bean sourcing in Tawau, Sabah.

In 1995, he joined GCCM as Production Manager, playing a pivotal role in expanding production capacity and overseeing planning and quality

control. He later became Production and Operation Manager of GCBF, managing raw material procurement and currently focuses on oversight at GCBCCI.

He is not a director of any other public company. He is the cousin of Tay Hoe Lian, the Managing Director, CEO and a shareholder of the Company, and brother of Tay How Sik @ Tay How Sick, an Executive Director, COO and a shareholder of the Company. He does not have any conflict of interest with the Company and has not been convicted for any offences within the past five years.

### TAY SEE MIN

*Commercial Director*



Malaysian



54



Female

Tay See Min was appointed as Commercial Director of GCBCS on 10 December 2010.

She graduated from Monash University, Australia, with a Bachelor's in Information Systems in 1993 and initially worked in IT industry, as an IT Manager at AIA. Since joining GCCM, she has played a key role in trading cocoa beans and expanding the sales and marketing of cocoa products. She successfully set up GCBCI in Jakarta, managed the Indonesian market, and was later appointed as Director of newly set up overseas subsidiaries in Côte d'Ivoire, the UK and Switzerland, namely GCBCCI, GCBCTI, GCBCEUK, GCBUKP and GCBUSI.

Her responsibilities span both commercial and IT functions within the Group, and she

actively leads committees for risk management, corporate governance, sustainability, CSR, and communications. She is also involved in corporate strategic planning and is focused on expansion opportunities in regions including Côte d'Ivoire and Europe, while overseeing IT system automation across the Group.

She is not a director of any other public company. She is the sister of Tay Hoe Lian, the Managing Director, CEO and a shareholder of the Company, and cousin of Tay How Sik @ Tay How Sick, an Executive Director, COO and a shareholder of the Company. She does not have any conflict of interest with the Company and has not been convicted for any offences within the past five years.

# LEADERSHIP STATEMENT

## PROFILE OF KEY SENIOR MANAGEMENT

### EDGAR ALEXANDER BITTONG

*President of Carlyle Cocoa, CO, LLC*



German



42



Male

Edgar Alexander Bittong was appointed as President of Carlyle in June 2020.

He earned his Bachelor's of Science in Industrial Engineering from the University of Central Florida in 2007. His career began at PLOT Enterprise Ghana Limited as a Site Engineer, where he oversaw machine installations and factory construction. He was promoted to Production Manager in 2009, followed by roles at Euromar Commodities and Cocoa Services LLC, where he progressed from Production Manager to Plant Manager.

In March 2018, Edgar joined Carlyle as Vice President, focusing on growth management and sales improvement at their factories in Delaware and Swedesboro.

He brings extensive experience in production efficiency, project management, and factory operations, which has equipped him to drive key improvements at Carlyle since his tenure.

He is not a director of any other public company, has no family ties with the company's directors, and maintains no conflicts of interest with the company. Additionally, he has not been convicted for any offences in the past five years.

### YAU TEE WAN

*Group Senior Operations Manager*



Malaysian



53



Male

Yau Tee Wan was appointed as Senior Operations Manager of GCCM on 1 January 2012.

He holds a Bachelor's in Physics from Universiti Malaya, graduating in 1997. He began his career as an R&D Engineer at Dunham Bush, focusing on air conditioning equipment. Later, he worked at Mewaholeo Industries Sdn. Bhd. as a Senior Production Executive, specialising in specialty fats production, before joining GCCM in 2002 as Maintenance Manager.

He was promoted to Operations Manager in 2005 and later to Senior Operation Manager in 2010. He currently oversees all manufacturing operations within the Group, including GCCM, GCBCM, GCBF, ACI, SCHOKINAG, GCBCCI and GCBCUK, ensuring efficient production processes. He also manages expansion projects in Côte d'Ivoire and the UK.

He has no conflicts of interest, family ties with the Company's directors, and has not been convicted for any offences in the past five years.

# LEADERSHIP STATEMENT

## PROFILE OF KEY SENIOR MANAGEMENT

### WOONG YOKE MUN

*Group QA Manager*



Malaysian



45



Female

Woong Yoke Mun was appointed as the Quality Manager of GCCM on 1 January 2018.

She earned her Bachelor's degree in Chemical Engineering from Universiti Malaysia Sabah in 2005. Starting as a Quality Executive at GCCM, she has amassed 20 years of experience in quality assurance, food safety, and regulatory compliance. She became Assistant Quality Manager in 2018, and to Group QA Manager in January 2023. She was appointed as Key Senior Management on 27 February 2023.

Her current role includes leading food safety initiatives and managing training programmes for compliance with global standards.

She does not serve as a director for any other public company and has no family ties to any company directors or conflicts of interest. Additionally, she has not been convicted for any offences in the past five years.

### TING BING KEH

*Group Operation Manager*



Malaysian



49



Male

Ting Bing Keh was appointed as Operations Manager of GCCM in January 2015, bringing extensive experience to the position.

He earned a Bachelor's degree in Engineering with Honours in Chemical Engineering from Universiti Sains Malaysia in 2001. He began his career at GCCM as a Maintenance Executive in May 2003 and quickly advanced to Assistant Manager in 2008, then to Maintenance Manager in 2010. His leadership in maintenance, improvement, and expansion projects was key to ensuring optimal plant operations, leading to his promotion to Operations Manager in January 2015. He was appointed as Key Senior Management on 27 February 2023.

As Operations Manager, Ting Bing Keh oversees production and maintenance management while ensuring compliance with health and safety regulations. He closely monitors operational costs and strategically implements expansion and enhancement projects to support the company's growth.

He does not serve as a director for any other public company and has no family ties to any company directors and maintains no conflicts of interests with the company. Additionally, he has not been convicted for any offences in the past five years.

# 04 MANAGEMENT DISCUSSION & ANALYSIS

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# MANAGEMENT DISCUSSION & ANALYSIS

## MARKET OVERVIEW

A thorough understanding of the cocoa market is central to shaping the Group's strategic direction. Key factors, including supply and demand dynamics, price movements, economic headwinds, sustainability milestones, and geopolitical developments, continue to inform how we position ourselves within a rapidly evolving industry.

### SUPPLY AND DEMAND DYNAMICS

Cocoa prices reached unprecedented highs in 2024 before correcting sharply, yet remained historically elevated throughout 2025. Chocolate manufacturers, burdened by high-cost inventories and weakening demand, have responded by reformulating products, reducing bar sizes, and lowering cocoa content to protect margins.

Production in major origins, notably Côte d'Ivoire, has improved on the back of favourable weather conditions and supportive farmgate prices, while expanded yields from Ecuador have contributed to greater supply stability. Analysts anticipate a possible global surplus during the 2025/26 crop year. However, deep-rooted structural risks, including ageing tree stocks, climate variability, disease pressure, and ongoing production vulnerabilities across West Africa, continue to cloud the long-term supply outlook.

### ECONOMIC CHALLENGES

Persistent inflationary pressures continue to weigh on the cocoa industry. Since the COVID-19 pandemic, costs for packaging materials, construction supplies, spare parts, chemicals, and labour have risen markedly, leading to higher operational expenses across the Group. Demand is expected to remain muted, as price-sensitive consumers contend with rising living costs and broader macroeconomic uncertainty. Major confectionery manufacturers are likewise anticipated to show limited near-term recovery in order volumes.

### SUSTAINABILITY REGULATIONS AHEAD

Tightening sustainability regulations are reshaping the cocoa sector, with growing emphasis on combating deforestation and upholding human rights across supply chains. The European Union Deforestation Regulation (EUDR), expected to come into force on 30 December 2026, will mandate traceability to farm plot and proper due diligence conducted and evidence that cocoa entering the EU market originates from deforestation-free areas. Concurrently, potential EU legislation targeting MOSH/MOAH contamination, also expected around 2027, may impose stricter controls and enhanced compliance obligations on processing facilities exporting to the EU.

### GEOPOLITICAL AND TRADE PRESSURES

Escalating global geopolitical tensions, including the prolonged Russia–Ukraine conflict, rising risks of a US–Iran confrontation, and trade disruptions stemming from US tariffs on China, have driven up shipping costs. Longer transit times, higher operating expenses, and increased insurance premiums have collectively pushed freight rates higher, compounding pricing pressures for an industry already burdened by elevated cocoa costs. Furthermore, US-imposed tariffs on imported goods have raised importers' costs, leading to higher end-customer prices and further dampening demand.

# MANAGEMENT DISCUSSION & ANALYSIS

## OUTLOOK

Despite external factors beyond our control, the Group remains committed to navigating these challenges by pursuing business opportunities, meeting customer demand, and delivering sustainable profits to support long-term growth.

### CÔTE D'IVOIRE PRESENCE BRINGS US 'CLOSE TO SOURCE' AND 'CLOSE TO MARKET'

Establishing operations in Côte d'Ivoire, the world's largest cocoa bean supplier, has brought us closer to the raw material source and enabled sustainability initiatives from the earliest stages of procurement. This proximity also improves our cost-effectiveness and strengthens our ability to serve Europe and the UK, where the majority of our chocolate-consuming customers are based. As our Côte d'Ivoire footprint grows, so does our long-term standing as a global leader in the chocolate supply chain.

### EUROPEAN COMPETITIVE ADVANTAGE

The European cocoa and chocolate market is among the most significant and highly competitive globally, shaped by high consumption levels, substantial processing capacity, well-established multinational players, and demanding regulatory standards. By situating ourselves within this market, we benefit from closer proximity to major industrial chocolate users, faster response times, shorter lead times, and the flexibility to tailor products to shifting customer preferences. Our integrated supply chain, which spans origin-based cocoa sourcing and processing through to downstream manufacturing in Europe, allows us to manage costs effectively, secure supply continuity, and uphold consistent product quality. In an environment of economic uncertainty and cost volatility, this European footprint bolsters our resilience, enables value-added product development, and underpins our long-term growth ambitions in a critical market.

### DRIVING QUALITY AND INNOVATION

GCB continues to prioritise product quality, backed by deep technical expertise, responsive after-sales service, and sustained investment in R&D and modern technologies. Through a firm commitment to innovation and close alignment with market trends, we are reinforcing our position as a leading supplier of high-quality, innovative cocoa-derived ingredients and chocolate products suited to the evolving demands of consumers and the broader industry.

### LEVERAGING ESTABLISHED FUNDAMENTALS TO MEET STAKEHOLDER EXPECTATIONS

With a strategic presence in both Côte d'Ivoire and Europe, we are well-positioned to connect origin-based sourcing directly with proximity to end customers. Since commissioning our Côte d'Ivoire processing plant in 2022, we have materially enhanced our production capacity, distribution reach, and competitive standing. Direct operations within a major cocoa origin granted us stronger supply access, greater cost efficiency, and a more robust position in the global cocoa value chain.

Our global footprint generates meaningful synergies through strategically located production facilities and a diversified product portfolio that responds to evolving market needs, including high-quality, customised cocoa powder. Our entry into the industrial chocolate segment through the acquisition of SCHOKINAG in 2020, followed by the establishment of a UK chocolate factory in 2023, has broadened our market reach and reinforced our vertically integrated model. This structure supports internal sourcing of cocoa-derived ingredients, tighter operational efficiency and quality control, and greater supply chain resilience.

### STRENGTHENING CUSTOMER RELATIONSHIPS

A strong global presence and significant market share give us access to a wide-ranging customer base, with SCHOKINAG and GCBCUK serving as platforms for further expansion in key markets. These relationships span trading companies through to major food manufacturers, and by cultivating them into long-term strategic partnerships, we seek to strengthen our brand reputation, support business sustainability, and preserve our competitive advantage.



# MANAGEMENT DISCUSSION & ANALYSIS

## OUR VALUE CREATION STORY

As stewards of our business's performance and sustainability, we closely monitor material factors and key risks, applying mitigation strategies to ensure operational continuity and alignment with our Growth & Expansion, Sustainability, and Innovation strategies. These initiatives are harmonised with our Six Capitals framework, strengthening our competitive edge.

Our vision, "To Be The Preferred Cocoa & Chocolate Ingredients Supplier", underpins our commitment to delivering quality products with precision and reinforces our dedication to sustainability.



# MANAGEMENT DISCUSSION & ANALYSIS

## OUR VALUE CREATION STORY

### 01 MARKET OVERVIEW AND OUTLOOK

By carefully analysing global, local and industry landscapes, we identify external factors that could influence our business processes, strategies, and overall value creation. This approach helps us navigate challenges effectively and sustain our competitive advantage.

### 02 KEY STAKEHOLDERS ENGAGEMENT

At the same time, we actively communicate and engage with key stakeholders to understand their priorities and expectations within the Group's value chain, aiming to gain a well-rounded perspective on our collective operations.

Customers

Shareholders and Investors

Suppliers and Contractors

Employees

Governments and Regulators

Local Communities

Media

### 03 MATERIAL MATTERS

These activities help us identify material matters essential for value creation and competitiveness, categorised into key issues and themes. For each critical matter, targeted strategies were formulated to capture opportunities and mitigate risks.

Product Footprint, Pricing and Quality

Sustainable Operational Performance and Expansion

Responsible and Ethical Suppliers

Talent Attraction, Development and Retention

Governance and Compliance

### 04 KEY RISKS AND MITIGATION ACTIONS

Recognising the significance of strategic, operational, financial, and compliance risks to our operations, we proactively tailor our mitigation strategies to reduce exposure to these risks, enhance operational resilience, and ensure financial stability.

### 05 GROWTH STRATEGIES

To foster coordinated efforts in driving progress across the Group, we have identified three key strategies that leverage our competitive strengths. These strategies enable us to stay aligned with the evolving industry landscape.

Growth and Expansion

Sustainability

Innovation

# MANAGEMENT DISCUSSION & ANALYSIS

## OUR VALUE CREATION STORY

### 06 CAPITAL INPUTS

The successful implementation of our strategies relies on the optimised allocation of our capital resources, including financial assets, machinery, established processes, expertise, and long-standing relationships. Together, these elements create a cohesive framework for our operations.

Financial Capital

Manufactured Capital

Intellectual Capital

Human Capital

Social & Relationship Capital

Natural Capital

### 08 SUSTAINABILITY WORKSTREAMS

Sustainability is central to our ethos, woven into every aspect of our value creation and business activities, promoting shared value for our stakeholders and communities.

Caring Beyond Cocoa

Circular Economy

Climate Action

Responsible Sourcing

Corporate Stewardship

Human Rights

### 07 VALUE CREATION

Beyond financial outcomes, we strive to distribute the economic value we generate equitably. This includes dividends paid to stakeholders, contributions to national economies, job creation, and investments in social and environmental initiatives.



# MANAGEMENT DISCUSSION & ANALYSIS

## VALUE CREATION BUSINESS MODEL

Our Value Creation Business Model illustrates how our strategies and business activities deliver significant, measurable results for our stakeholders. By leveraging our Six Capitals, as depicted below, we generate positive outcomes, strengthen our reputation, and drive continued growth in the global cocoa-derived ingredients and chocolate sector.

### VALUE CREATION BUSINESS MODEL

#### INPUTS

##### Financial Capital

- Our steady and robust financial position
- Our share capital
- Our shareholders' equity
- Our borrowings
- Our access to debt and capital markets

##### Manufactured Capital

- Our existing facilities:
- Pasir Gudang, Malaysia (2)
- Batam, Indonesia (1)
- Mannheim, Germany (1)
- Delaware, US (1)
- Swedesboro, US (1)
- San Pedro, Côte d'Ivoire (1)
- Suffolk, UK (1)

##### Intellectual Capital

- Our innovative processes and technologies
- Our brand value, reputation and market experience as the fourth-largest cocoa grinder globally
- Our energy management and data collection systems

##### Human Capital

- Our strong and diverse Board, supported by our corporate governance structure
- Our experienced and diverse pool of talent, including top management and general staff
- Total number of employees: 2006
- Total number of training hours: 14,785
- An allocation of RM225.3 million has been designated in FY2025 for directors' and employees' remuneration and benefits

##### Social & Relationship Capital

- Our strong relationships with our key stakeholders
- Our Group-wide policies governing sustainable practices across our supply chain
- Collaboration with cocoa associations and participation in industry initiatives
- Good Cocoa & Beyond and other CSR programmes aimed at uplifting and investing in local communities

##### Natural Capital

- Our cocoa beans, which are sourced from Southeast Asia, Africa and South America
- Our energy usage, encompassing
  - Electricity: 1,193,975 GJ
  - Natural gas: 444,081 GJ
  - Steam and Heat: 9,471 GJ
- Our generated and consumed solar energy from Group-wide solar panels: 26,711 GJ
- Our generation of steam from residual cocoa shells, which is used to fulfil heating requirements: 111,256 GJ
- Our water withdrawal in our production processes: 1,082,535 m<sup>3</sup>

#### BUSINESS ACTIVITIES

##### Procurement

Collaborating with suppliers to ensure cocoa beans meet our internal standards, as well as global quality, environmental, and social responsibility benchmarks

##### Production

Focusing on efficient production to deliver high-quality cocoa products that maximise customer benefits while minimising environmental impact

##### Quality Assurance (Products & Processes)

Establishing standardised production processes and systems compliant with global food and safety standards

##### Sales & Marketing

Leveraging our expertise, experience, and processes to create exceptional cocoa products, while continuously gathering feedback to drive improvement and promote sustainable value

##### Distribution

Utilising an integrated distribution system for efficient product delivery, optimising our distribution network through strategic warehouse placement and efficient route planning to ensure timely and cost-effective delivery of our products

##### Research & Development

Improving product quality through focused research and responsible resource use, ensuring the consistent delivery of innovative products to our customers

#### OUR VISION

**To Be The Preferred Cocoa & Chocolate Ingredients Supplier.**

#### OUR MISSION

We at GCB Cocoa are committed to delivering quality cocoa and chocolates while offering utmost flexibility and attention. Through forming strong alliances with local partners, we are dedicated to serving our customers worldwide and growing together with them in long-term partnerships.

#### OUR VALUES

Grit | Ambition | Sincerity

#### OUR PROMISES

-  Full Product Range
-  Product Quality and Safety
-  Competitive Prices
-  Flexibility and Excellence in Customer Service
-  Technical Support and Innovation
-  Ethical Operation

#### OUR STAKEHOLDERS

-  Customers
-  Shareholders & Investors
-  Governments, Regulators & NGOs
-  Suppliers & Contractors
-  Local Communities
-  Media
-  Employees

[READ MORE](#)

Key Stakeholder Engagement, page 52

#### MATERIAL MATTERS

- Product Footprint, Pricing & Quality
- Sustainable Operational Performance & Expansion
- Responsible & Ethical Suppliers
- Talent Attraction, Development & Retention
- Governance & Compliance

[READ MORE](#)

Material Matters, page 56



#### RISKS

- Competitive Risk
- Expansion & Liquidity Risk
- Cocoa Bean Supply Risk
- Human Workforce Risk
- Compliance Risk

[READ MORE](#)

Key Risks & Mitigation Actions, page 58

#### GROWTH STRATEGIES

-  Growth & Expansion
-  Sustainability
-  Innovation

[READ MORE](#)

Growth Strategies, page 64

# MANAGEMENT DISCUSSION & ANALYSIS

## VALUE CREATION BUSINESS MODEL

### OUTPUTS

#### Financial Capital

- Cash and bank balance: RM 123.04 million
- Revenue: RM 14.92 billion
- Net profit: RM 227.86 million
- Earnings per share: 8.31 sen
- Net dividends per share: 1.5 sen

[READ MORE](#)

Financial Statements, page 154



#### Manufactured Capital

##### Our Current Capacity

- Existing production facilities:
  - Bean Grinding: 335,000 MT
  - Value-Added: 112,000 MT
  - Industrial Chocolate: 116,000 MT

[READ MORE](#)

Where We Operate, page 15



#### Intellectual Capital

- Increased reliance on advanced machinery and technologies to reduce non-renewable energy use.
- Expanded use of solar panels for energy generation.
- Adoption of relevant international quality standard for cocoa products.
- Energy monitoring with a goal of reducing energy usage.

[READ MORE](#)

Our Non-Financial Performance, page 19 & IFRS Sustainability Disclosure - Climate, page 79



#### Human Capital

- A diverse Board with expertise in risk assessment, strategic planning, succession planning, and financial and operational management.
- A Succession Planning Policy and Procedures, along with a successor readiness programme, to cultivate a resilient talent pool.

[READ MORE](#)

Financial Statements, page 154 & Human Rights, page 122



#### Social & Relationship Capital

- Increased stakeholder awareness of the importance of sustainable business practices.
- Contribution of over RM 360,000 to local communities and RM 123.88 million in income taxes.



#### Natural Capital

- Our high-quality purchased cocoa beans.
- Reduction in carbon dioxide equivalent emissions achieved through biomass boiler and solar panel installations.

[READ MORE](#)

IFRS Sustainability Disclosure - Climate, page 79

### OUTCOMES

#### Customers

- Solid customer partnerships built on consistent volume and quality delivery.
- Ongoing expansion and increased presence in the Asian and European markets.



#### Shareholders & Investors

- Maintaining strong financial stability.
- Generating continual and growing value through capital appreciation and dividend distributions.



#### Suppliers & Contractors

- Steady supplier base growth.
- Promoting responsible practices that benefit communities and the environment.
- Improving product quality and driving the adoption of advanced technology.



#### Employees

- A skilled and diverse workforce.
- Equal opportunities and a non-discriminatory work environment.
- Enhanced employee engagement, productivity, and satisfaction.
- Clear grievance and whistleblowing procedures.
- Career developments and reward systems.
- Adherence to international quality and safety standards.

[READ MORE](#)

Our Non-Financial Performance, page 19



#### Governments, Regulators & NGOs

- Continued economic contributions through sales and taxes.
- Consistent alignment with government policies.
- Continued engagement in essential CSR activities.
- Sustained robust corporate governance.



#### Local Communities

- Community development programmes.
- Local employment prioritisation.
- Responsible environmental management practices.

# MANAGEMENT DISCUSSION & ANALYSIS

## KEY STAKEHOLDER ENGAGEMENT

We engage collaboratively with our stakeholders throughout the year to understand their needs and expectations. This proactive approach helps us refine our strategies, create sustainable and mutual value.

### KEY STAKEHOLDER ENGAGEMENT

#### CUSTOMERS

##### Why We Engage

Active customer engagement provides valuable insights into market trends and evolving preferences, guiding product innovation and helping us exceed expectations. Strong relationships build loyalty and drive growth.

##### Key Areas of Concern

- High-quality, safe products delivered on time
- Adherence to evolving ESG regulations
- Supply chain resilience and security

##### How We Engage

###### As needed:

- Digital communications, meetings, and site visits
- Customer support and feedback mechanisms
- Corporate events, trade shows, and conferences

###### Annually:

- Customer survey

##### How We Address Their Expectations

- Maintaining clear communication and meeting all contractual obligations.
- Ensuring compliance with global standards such as Sedex.
- Sharing market insights through routine pricing updates.
- Offering flexible solutions and technical support for product development.
- Providing reliable communication channels linking customers with our teams.

#### SHAREHOLDERS & INVESTORS

##### Why We Engage

Engaging with shareholders and investors helps us understand their expectations and develop strategies that deliver consistent growth and capital appreciation. Regular communication reinforces transparency, accountability, and trust in our management team.

##### Key Areas of Concern

- Dividend distributions and capital appreciation
- Business strategies, future plans, and performance highlights
- Reputation as a responsible corporate citizen

##### How We Engage

###### As needed:

- Press releases
- Meetings

###### Annually:

- IAR
- AGM

###### Quarterly:

- Financial reports
- Announcements on Bursa Malaysia
- Investor briefings and other investor relations engagements

##### How We Address Their Expectations

- Aligning management teams on investor priorities, including expansion, profit growth, stability, and dividends.
- Strengthening corporate governance to enhance transparency and minimise risk.
- Delivering consistent capital appreciation and dividend payouts.
- Using Integrated Reporting to present our vision, sustainability efforts, and long-term value creation strategy.

# MANAGEMENT DISCUSSION & ANALYSIS

## KEY STAKEHOLDER ENGAGEMENT



### SUPPLIERS & CONTRACTORS



#### Why We Engage

Strong relationships with suppliers and contractors enable us to secure competitive prices, favourable terms, and reliable service. These partnerships are essential to maintaining a steady supply of high-quality raw materials, particularly cocoa beans, which account for nearly 95% of our inputs.



#### Key Areas of Concern

- Responsible and efficient procurement processes
- Clear standards for product quality and regulatory compliance
- Worker health and safety
- Risk management of social and environmental issues



#### How We Engage

##### As needed:

- Supplier Code of Conduct
- Supplier audits and evaluations
- Meetings, conferences, and digital communications
- Supplier training programmes



#### How We Address Their Expectations

- Setting clear expectations through KPIs, targets, and best practices.
- Ensuring ethical procurement with emphasis on environmental and social responsibility.
- Maintaining open, two-way communication on market trends and updated strategic plans.
- Coordinating across internal departments and external partners for consistent, high-quality supply.
- Conducting regular performance evaluations to drive continuous improvement.



### EMPLOYEES



#### Why We Engage

Engaging with our employees helps us understand their needs, leverage their diverse skills, and allocate resources strategically. This alignment supports talent retention and builds a skilled, competitive workforce that drives our industry leadership.



#### Key Areas of Concern

- Workplace health and safety
- Open, equitable, and inclusive work culture
- Learning, growth, and professional development opportunities
- Competitive remuneration and comprehensive benefits
- Business expansion and strategic direction



#### How We Engage

##### As needed:

- Employee training programmes
- Internal communications
- Employee surveys

##### Monthly:

- Management meetings
- Workers Committee meetings

##### Quarterly:

- Workshops/Training sessions
- Team building activities

##### Annually:

- Employee appraisal session



#### How We Address Their Expectations

- Recognising dedication through fair and competitive compensation.
- Providing professional growth through training and development programmes.
- Embedding our corporate vision across all levels
- Ensuring effective communication via bulletin boards, email updates, and our corporate website.
- Aligning recognition with organisational goals through performance-based incentives.
- Upholding a safe and healthy work environment.

# MANAGEMENT DISCUSSION & ANALYSIS

## KEY STAKEHOLDER ENGAGEMENT

### KEY STAKEHOLDER ENGAGEMENT



#### GOVERNMENTS, REGULATORS & NGOS



#### Why We Engage

Regular communication with government agencies and regulators keeps us informed of changing laws and regulations, enabling proactive risk management across our multinational operations.



#### Key Areas of Concern

- Adherence to regulatory requirements
- Implementation of MCCG practices
- Continuous review and monitoring of risk registers
- Support for government initiatives



#### How We Engage

##### As needed:

- Regulatory certifications and evaluations
- Announcement on Bursa Malaysia & statutory reporting
- Audits and assessments
- Training sessions, dialogues, seminars/webinars
- Regulatory reports analysis
- Government officials/regulatory agents visitations/meetings
- Print & digital media



#### How We Address Their Expectations

- Providing timely reports and information to regulatory bodies.
- Facilitating seamless audits and site inspections.
- Participating in government-driven initiatives, particularly around sustainable cocoa.
- Contributing to Malaysia's economy through tax payments.
- Supporting government sustainability initiatives through operational innovation.



#### LOCAL COMMUNITIES



#### Why We Engage

We engage with local communities to build trust, foster long-term relationships, and operate responsibly. Strong community relationships enhance our reputation and create opportunities for shared value that deliver social and economic benefits while supporting business resilience.



#### Key Areas of Concern

- Creation of employment opportunities
- Ethical operational practices
- Regular community engagement



#### How We Engage

##### As needed:

- CBC programmes
- GC&B programme
- Print and digital media communication



#### How We Address Their Expectations

- Implementing "Caring Beyond Cocoa" initiatives and supporting local education.
- Prioritising local employment and partnering with local farmers and suppliers.
- Practising responsible waste and water management and adopting green technology.
- Maintaining transparent communication and accessible grievance mechanisms.



# MANAGEMENT DISCUSSION & ANALYSIS

## KEY STAKEHOLDER ENGAGEMENT



### MEDIA

#### Why We Engage

We collaborate with the media to share insights into our strategies and growth objectives, demonstrating transparency and keeping stakeholders informed.

#### Key Areas of Concern

- Business strategies and growth goals
- Updates on sustainability initiatives and community engagement

#### How We Engage

**As needed:**

- Press releases
- Media interviews

#### How We Address Their Expectations

- Providing media updates on business development.
- Timely disclosure of material information.

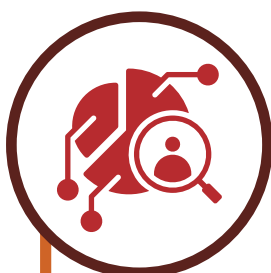


# MANAGEMENT DISCUSSION & ANALYSIS

## MATERIAL MATTERS

Our focus areas are determined through a thorough materiality assessment. We regularly reassess their significance to our stakeholders, industry, and operating regions, adapting our strategies to align with evolving business conditions.

### OUR MATERIALITY DETERMINATION PROCESS



#### IDENTIFICATION

In line with the Six Capitals of the <IR> framework, we begin by conducting an internal analysis of our business operations, industry landscape, and stakeholder feedback to identify critical factors that could influence the Group's financial and non-financial performance.



#### EVALUATION & PRIORITISATION

Next, we assess the importance of these issues by evaluating their actual or potential impact on our value creation model and our ability to meet stakeholder expectations. In FY2025, we concentrated our effort on

**five key material matters.**



#### DETERMINATION

Lastly, we conduct a comprehensive process to identify the relevant information for disclosure within each topic's scope, while also defining boundaries for each material matter to guide our reporting process.

### Product Footprint, Pricing, and Quality

We are committed to delivering high-quality, traceable products with sustainable practices embedded throughout production. Product safety is our top priority, with strict adherence to food safety guidelines and relevant regulations.

Competitive pricing remains central to customer perceptions of our brand and product value. To support the Group's continued growth, we focus on expanding capacity and strengthening our market presence.

Our operational leaders bring extensive expertise in the latest machinery and technology, while our technical teams continuously upgrade and refine equipment based on performance data. Together, these efforts enable us to meet global customer demands while maintaining competitive pricing, stringent quality standards, and broad product reach.

### Sustainable Operational Performance and Expansion

We practise responsible and efficient resource management to optimise shareholder returns, build investor confidence, and attract new investment to support growth.

We also focus on minimising risk exposure and strengthening resilience against commodity price fluctuations. Our management team stays informed on relevant environmental regulations and industry standards, ensuring full compliance while navigating market uncertainties with sound decision-making.

### Responsible and Ethical Suppliers

We require our cocoa bean suppliers comply with increasingly stringent regulatory standards, including the EUDR, addressing critical issues such as human rights and deforestation. Suppliers are expected to communicate these requirements and conduct due diligence within their own supply chains.

As part of our commitment to corporate stewardship, we have established a guidance framework to help suppliers, particularly SMEs, adopt sustainable practices. We have also implemented processes to support suppliers in meeting quality and food safety standards outlined in their contracts.

### Talent Attraction, Development and Retention

We are committed to providing safe, healthy workplaces and a fair, equitable reward system that recognises the diverse skills and contributions of our employees.

Continuous development is essential to achieve our organisational goals. Targeted training initiatives enhance workforce skills and knowledge, while exposure and learning opportunities support career growth. We prioritise internal promotions for high performers and offer cross-departmental secondments and international assignments.

We value workforce diversity, recognising that a range of backgrounds and perspectives strengthens problem-solving and supports agile business management. Our hiring processes are structured to identify motivated candidates with the potential and aspiration to grow their careers alongside the Group.

Complementing this, we have established a succession planning policy supported by a successor readiness programme. This framework focuses on developing internal talent and building leadership capabilities, ensuring a sustainable talent pipeline and continuity in key roles across the organisation.

### Governance and Compliance

Robust corporate governance is essential to align our value creation strategies and maintain consistent corporate values across all business divisions and subsidiaries.

We have established measures to ensure strict compliance with all relevant legal, industry, and regional regulations, including ESG requirements, product quality, food safety, Halal and Kosher certifications, data protection, taxation, EUDR, and Living Income Differential (LID) levies. We closely monitor regulatory changes to maintain preparedness, particularly for our GCBCCI factory serving European markets.

# MANAGEMENT DISCUSSION & ANALYSIS

## KEY RISKS & MITIGATION ACTIONS

Comprehensive risk management protocols play a pivotal role in ensuring the protection and resilience of our vast global operations. To ensure this, we have implemented a streamlined process for identifying risks linked to our business activities and devised strategies to mitigate potential exposures.

The following outlines our four key risk categories, the approach used for risk assessment, and a risk matrix highlighting how we prioritise risks based on their likelihood and potential impact.

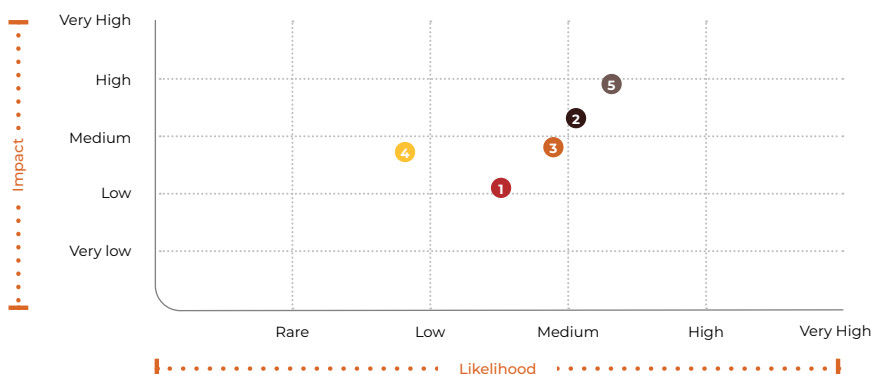
### Our Risk Categories

<p><b>Strategic</b> Risks primarily influenced by events external to us, but which may significantly affect our strategic decisions or activities</p>	<p><b>Operational</b> Unfortunate events that have the potential to disrupt our day-to-day operations and processes.</p>	<p><b>Financial</b> Risks that may directly impact our financial well-being.</p>	<p><b>Compliance</b> Non-compliance with laws and regulations in the countries where we operate that may lead to financial penalties, reputational damage or even the revocation of business licenses.</p>
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### Our Risk Determination Process



### Our Risk Matrix



#### Risk Categories:

- 1 Competitive Risk
- 2 Expansion & Liquidity Risk
- 3 Cocoa Bean Supply Risk
- 4 Human Workforce Risk
- 5 Compliance Risk

# MANAGEMENT DISCUSSION & ANALYSIS

## KEY RISKS & MITIGATION ACTIONS

RISK	CATEGORIES	DESCRIPTION	MITIGATION ACTIONS
<p><b>Competitive Risk</b></p> <p><b>Material matters impacted:</b> Product Footprint, Pricing, and Quality</p> <p><b>Stakeholders involved:</b></p>  <p><b>Capital impacted:</b></p>  <p><b>Growth strategies:</b></p> 	<p><b>Operational</b></p>	<ul style="list-style-type: none"> <li>• As a leading cocoa grinder, we face intense global competition. Failing to adopt the latest production technologies could harm our competitiveness and cause customer loss.</li> <li>• A careful approach to technology adoption is vital, as poor investments can lead to high costs, lower profitability, and a weakened competitive edge.</li> <li>• To remain competitive, we must continue offering sustainable options to our customers.</li> <li>• We must stay alert to health risks and supply chain issues, as these could lead to customer complaints, food safety concerns, and reputation damage.</li> </ul>	<ul style="list-style-type: none"> <li>• Establishing cocoa processing facilities in Côte d'Ivoire provides access to higher-quality raw materials from the world's largest cocoa bean producer. This expansion kickstarts sustainability initiatives right from bean procurement, enhancing operational efficiency and competitiveness.</li> <li>• With our GC&amp;B Programme, we are better positioned to deliver sustainable products that are monitored for deforestation, child labour, and other environmental concerns.</li> <li>• Expanding into the European and UK markets strengthens our competitive edge and boosts product margins through customer diversification, targeted preferences, competitive pricing, and reduced freight costs from strategically located production facilities.</li> <li>• We offer a diverse range of cocoa products, from natural to alkalised, in various colours, including brown, red and black, at competitive prices.</li> <li>• To maintain high-quality standards and address potential safety issues in our supply chain, we have implemented the ISO 22000: Food Safety Management System and comply with FSSC 22000 requirements.</li> <li>• Before acquiring new machinery and technology, we conduct due diligence and engage experienced professionals to design efficient systems. We also participate in international exhibitions and collaborate with suppliers to stay current on technological advancements, ensuring our production line meets customer quality demands.</li> <li>• Our dedicated marketers work closely with our R&amp;D and QA teams to ensure timely delivery of products that meet customer specifications, while managing relationships with multinational companies to uphold our quality and reputation.</li> <li>• Additionally, we prioritise innovative product development to access diverse market segments.</li> </ul>

# MANAGEMENT DISCUSSION & ANALYSIS

## KEY RISKS & MITIGATION ACTIONS

RISK	CATEGORIES	DESCRIPTION	MITIGATION ACTIONS
<p><b>Expansion and Liquidity Risk</b></p> <p><b>Material matters impacted:</b> Sustainable Operational Performance and Expansion</p> <p><b>Stakeholders involved:</b></p>    <p><b>Capital impacted:</b></p>    <p><b>Growth strategies:</b></p> 	<p><b>Financial</b></p>	<ul style="list-style-type: none"> <li>Expanding into Germany, the UK, and Côte d'Ivoire requires assessing risks such as market conditions, cultural differences, and local business practices to avoid costly mistakes.</li> <li>Price fluctuations in the bean terminal market can impact our margins and profits.</li> <li>To avoid cash flow deficits, we must align product sales and bean purchases with production capacity, while closely monitoring cash flow.</li> </ul>	<ul style="list-style-type: none"> <li>Our strategy for addressing workforce challenges involves creating a balanced mix of local hires and experienced personnel from headquarters to lead the setup, leveraging insights from our previous expansions into Indonesia and the US for smooth operational integration. We carefully assess the Group's financial resources before pursuing any new investments.</li> <li>To minimise risks associated with poorly planned expansions, we focus on growing within our core areas of expertise, such as bean grinding and industrial chocolate.</li> <li>Before expanding into a new country, we evaluate predefined criteria, including political stability, strategic location value, government incentives, long-term supply and demand, quality issues, environmental concerns, and other relevant factors. Feasibility studies on machinery, local energy supply, workforce, and environmental impact are also conducted.</li> <li>During project execution, our team ensures that costs remain within budget.</li> <li>To proactively manage cash flow risks, we regularly monitor our marketing and trading positions, providing management with the information needed for informed decision-making.</li> <li>We conduct working capital and bean inventory forecasts to ensure adequate cash flow and financing while maintaining a mix of long-term and short-term loans for project and working capital needs.</li> <li>Diligently monitoring our gearing ratio helps protect our reserves for expansion projects, supported by detailed project forecasts.</li> <li>We use hedging contracts to mitigate risks associated with fluctuations in cocoa bean market prices.</li> </ul>

# MANAGEMENT DISCUSSION & ANALYSIS

## KEY RISKS & MITIGATION ACTIONS

RISK	CATEGORIES	DESCRIPTION	MITIGATION ACTIONS
<p><b>Cocoa Bean Supply Risk</b></p> <p><b>Material matters impacted:</b> Responsible and Ethical Suppliers</p> <p><b>Stakeholders involved:</b></p>  <p><b>Capital impacted:</b></p>  <p><b>Growth strategies:</b></p> 	<p><b>Strategic</b></p>	<ul style="list-style-type: none"> <li>• The supply of cocoa beans is vulnerable to various factors, including climate change, natural disasters, diseases, and political instability.</li> <li>• Additionally, if our suppliers do not adhere to our Supplier Code of Conduct, which prohibits illegal activities such as deforestation and child labour, we may face scrutiny from global unions, potential product boycotts, and potential reputational harm.</li> </ul>	<ul style="list-style-type: none"> <li>• We conduct thorough background checks on all new suppliers before entering into agreements, avoiding partnerships with those lacking an established company background or portfolio.</li> <li>• All suppliers are required to sign and adhere to our Supplier Code of Conduct, which outlines our expectations for ethical and sustainable practices.</li> <li>• To ensure compliance with our standards, we perform regular supplier audits. If an audit reveals unsatisfactory results, we request detailed evidence to address the issues. We also implement sustainability evaluations to assess whether suppliers have policies and procedures to mitigate illegal practices in their supply chains while promoting sustainability.</li> <li>• With processing facilities in Côte d'Ivoire, we are closer to the world's largest cocoa bean source, reducing the risk of supply shortages.</li> <li>• We continuously expand our supplier base to mitigate concentration risk and avoid overreliance on a few major suppliers. We maintain sufficient stock to meet our production and sales commitments and have implemented sustainability programmes to provide cocoa trees to farmers, encouraging more planting.</li> <li>• We strengthen control over the supplier approval process to ensure the Group collaborates only with reliable suppliers.</li> <li>• We maintain close communication with bean suppliers and continuously monitor their performance to ensure timely delivery of cocoa bean shipments.</li> </ul>

# MANAGEMENT DISCUSSION & ANALYSIS

## KEY RISKS & MITIGATION ACTIONS

RISK	CATEGORIES	DESCRIPTION	MITIGATION ACTIONS
<p><b>Human Workforce Risk</b></p> <p><b>Material matters impacted:</b> Talent Attraction, Development, and Retention</p> <p><b>Stakeholders involved:</b></p>    <p><b>Capital impacted:</b></p>   <p><b>Growth strategies:</b></p>  	<p><b>Operational</b></p>	<ul style="list-style-type: none"> <li>• Inadequate evaluation of candidates can result in the recruitment of unsuitable personnel, leading to financial losses and damage to our reputation.</li> <li>• Conversely, the departure of highly talented employees could weaken our workforce and diminish the overall capabilities of our organisation.</li> <li>• We must remain vigilant regarding potential safety risks, including manufacturing accidents and equipment malfunctions, to avoid negative impacts such as legal liabilities and operational disruptions.</li> <li>• Additionally, cultural and linguistic disparities present challenges to the effective functioning of our businesses, particularly concerning our international subsidiaries.</li> </ul>	<ul style="list-style-type: none"> <li>• We engage professional recruitment agencies to shortlist qualified candidates, reducing the risk of hiring underqualified talent.</li> <li>• Employee well-being is prioritised through regular Group-wide health and safety training and a comprehensive benefits package that includes healthcare and professional development.</li> <li>• Regular meetings between our headquarters and global subsidiaries promote alignment with our corporate vision and goals, fostering effective communication and unity.</li> <li>• We strategically deploy experienced management and operational teams across our subsidiaries to ensure cultural integration and alignment of industry knowledge with the Group.</li> </ul>

# MANAGEMENT DISCUSSION & ANALYSIS

## KEY RISKS & MITIGATION ACTIONS

RISK	CATEGORIES	DESCRIPTION	MITIGATION ACTIONS
<p><b>Compliance Risk</b></p> <p><b>Material matters impacted:</b> Governance and Compliance</p> <p><b>Stakeholders involved:</b></p>  <p><b>Capital impacted:</b></p>  <p><b>Growth strategies:</b></p> 	<p><b>Compliance</b></p>	<ul style="list-style-type: none"> <li>• Non-compliance with tax, financial, and sustainability regulations, such as EUDR and food safety laws, can result in significant financial losses, product restrictions, and reputational damage.</li> <li>• Violating cybersecurity rules may compromise information, exacerbating these negative impacts.</li> <li>• Conducting transactions with customers and suppliers in sanctioned or high-risk countries violates international trade laws, risking fines or penalties.</li> <li>• Sourcing cocoa beans from deforested areas (deforestation cut off date 31 December 2020) will be banned by the EU under the new EUDR regulation, and non-compliant products will be excluded from access to the EU market.</li> </ul>	<ul style="list-style-type: none"> <li>• As a publicly listed company, we must comply with Bursa requirements, a responsibility overseen by our Corporate Governance Committee, which establishes policies and procedures for adherence.</li> <li>• We actively participate in professional training events organised by relevant bodies to stay informed about regulatory changes impacting our operations, covering areas such as accounting, finance, human resources, tax, and trading.</li> <li>• During expansions into unfamiliar countries, we maintain regular communication with local authorities to understand specific requirements and incentives for upcoming projects.</li> <li>• We have implemented internal controls and SOPs to ensure timely submission of all regulatory documents.</li> <li>• To prevent issues with relevant authorities, our finance team regularly updates the marketing team on countries under sanctions or considered high-risk.</li> <li>• Committed to sound corporate governance, we have established policies and procedures to prevent fraud and bribery throughout the organisation.</li> <li>• IT personnel ensure compliance with both local and international data protection regulations.</li> <li>• To adhere to stricter regulations, we have developed a comprehensive due diligence system and formed a dedicated working group to ensure that proper sourcing controls are in place.</li> </ul>

# MANAGEMENT DISCUSSION & ANALYSIS

## GROWTH STRATEGIES


GCB's transformation from a local producer to the world's fourth-largest cocoa grinding company reflects our commitment to growth strategies that drive expansion across the Group.

Having established ourselves as a key player in the global cocoa industry, we continue to focus on three core strategies that leverage our competitive advantages and reinforce our position as an innovative and responsible industry leader.

STRATEGIC PRIORITIES	COMPETITIVE ADVANTAGES	BUSINESS STRATEGIES	TIMEFRAME MEDIUM-TERM (5-25 YEARS) LONG-TERM (25-55 YEARS)
 <p><b>Growth &amp; Expansion</b></p>	<ul style="list-style-type: none"> <li>Expanding into key markets, including the US, UK, Europe, and Côte d'Ivoire, to unlock economies of scale</li> <li>Positioning production facilities in the world's largest chocolate-consuming and producing regions to optimise growth opportunities</li> <li>Increasing annual cocoa grinding capacity to 335,000 MT through facilities in Pasir Gudang (Malaysia), Batam (Indonesia), and San Pedro (Côte d'Ivoire)</li> <li>Expanding industrial chocolate capacity to 116,000 MT through facilities in Mannheim (Germany) and Suffolk (UK)</li> <li>Enhancing cocoa cake grinding, liquor and butter melting, and butter deodorising capabilities through US facilities in Delaware and Swedesboro</li> <li>Leveraging SCHOKINAG (Germany) and GCBCUK (UK) to grow within the European industrial chocolate market</li> <li>Applying "close to source" and "close to market" strategies through our Côte d'Ivoire facility</li> <li>Sourcing premium cocoa beans directly, shortening the bean-to-ingredient cycle, reducing supply chain risks, and strengthening control over production and logistics</li> <li>Building a diverse global customer base while maintaining strong supplier relationships to ensure stable supply and timely delivery</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring expansion opportunities to strengthen presence in strategic international cocoa-derived ingredients and industrial chocolate markets</li> <li>Ensuring full compliance with laws and regulations across all operating jurisdictions</li> <li>Exploring new market opportunities and cultivating mutually beneficial customer relationships globally</li> <li>Fostering stability and unity among employees to promote a collective mindset towards achieving Group objectives</li> <li>Deploying dedicated marketing personnel to understand customer needs and drive tailored innovation aligned with market trends</li> <li>Exploring production line expansion at our Côte d'Ivoire facility to meet growing demand</li> <li>Establishing cost efficiency initiatives, including:               <ol style="list-style-type: none"> <li>Direct control over cocoa bean quality and cost</li> <li>Expanded direct sustainability programmes</li> <li>Shortened bean-to-product cycle</li> <li>Reduced logistics costs for cost-effective access to Europe and the US</li> </ol> </li> </ul>	<p>Medium term</p>


# MANAGEMENT DISCUSSION & ANALYSIS

## GROWTH STRATEGIES

STRATEGIC PRIORITIES	COMPETITIVE ADVANTAGES	BUSINESS STRATEGIES	TIMEFRAME MEDIUM-TERM (5-25 YEARS) LONG-TERM (25-55 YEARS)
 <p><b>Innovation</b></p>	<ul style="list-style-type: none"> <li>• Implementing innovative processes to continuously enhance product quality</li> <li>• Leveraging process team expertise to adopt advanced technologies, streamline production, and improve efficiency</li> <li>• Optimising facility layouts, machine run-time planning, and production scheduling to boost efficiency</li> <li>• Offering a one-stop product matching service, with our R&amp;D team developing cocoa liquor, cocoa powder, and chocolate across a wide range of flavours and characteristics</li> <li>• Building extensive technical and chocolate expertise to enhance market competitiveness and agility, including:               <ol style="list-style-type: none"> <li>1) Rapid development of tailor-made recipes for customers</li> <li>2) Adaptation to market trends such as vegan or nut-free products</li> <li>3) State-of-the-art pilot plant capabilities</li> <li>4) Modern analytical devices and sensory panels</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Prioritising continuous innovation and ongoing R&amp;D to maintain market leadership and deliver consistently high-quality products</li> <li>• Exploring cutting-edge technologies to enhance grinding capacity and production efficiency</li> <li>• Collaborating with customers through our in-house R&amp;D team to co-develop new recipes and innovative products</li> <li>• Integrating best manufacturing standards and systems to maintain product consistency and quality</li> </ul>	<p>Medium to long-term</p>

# MANAGEMENT DISCUSSION & ANALYSIS

## GROWTH STRATEGIES

STRATEGIC PRIORITIES	COMPETITIVE ADVANTAGES	BUSINESS STRATEGIES	TIMEFRAME MEDIUM-TERM (5-25 YEARS) LONG-TERM (25-55 YEARS)
 <p>Sustainability</p>	<ul style="list-style-type: none"> <li>• Harnessing renewable energy through steam from cocoa shells in biomass boilers and electricity from solar panels</li> <li>• Prioritising a safe and healthy working environment for all employees</li> <li>• Implementing internal controls to conduct due diligence on environmental and social issues, including deforestation</li> <li>• Collaborating with underperforming suppliers to develop action plans for improving sustainable practices</li> <li>• Leveraging career development programmes to understand employee needs and foster continuous professional growth</li> <li>• Engaging meaningfully with local communities through CSR initiatives to create lasting positive impact</li> <li>• Developing climate transition plan to set practical decarbonisation target</li> <li>• Integrating climate risk assessments into Group's ERM framework to ensure climate transition and physical risks are considered in strategic planning</li> </ul>	<ul style="list-style-type: none"> <li>• Fostering corporate stewardship with continued commitment to energy conservation and adoption of new technologies to reduce power consumption and enhance efficiency</li> <li>• Expanding use of experienced in-house personnel dedicated to optimising processes for improved energy efficiency</li> <li>• Investing in our GC&amp;B Programme to expand Human Rights Due Diligence systems, covering more farmer households, addressing child and forced labour issues, and implementing ongoing deforestation risk assessments</li> <li>• Ensuring traceable and sustainable cocoa-derived ingredients throughout our direct sourcing network</li> <li>• Prioritising professional development, training opportunities, and a safe, healthy work environment for all employees</li> <li>• Expanding CBC initiatives across subsidiaries to drive greater impact</li> <li>• Climate-related risks are identified through scenario analysis which better informs management on setting mitigation controls</li> </ul>	<p>Medium to long-term</p>

# MANAGEMENT DISCUSSION & ANALYSIS

## FINANCIAL REVIEW

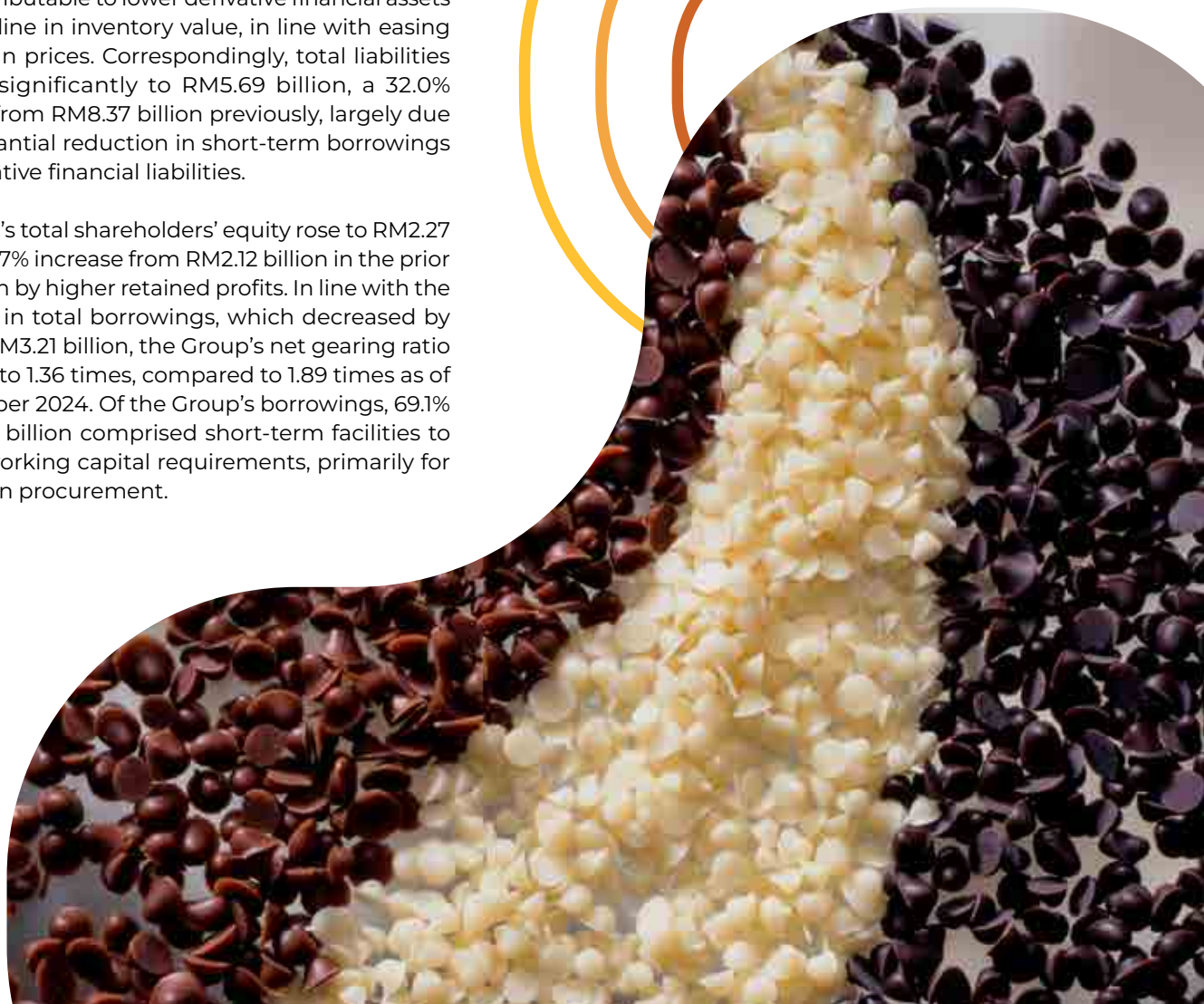
In FY2025, the Group continued to deliver strong topline performance, recording revenue of RM14.9 billion, a 42.9% increase from RM10.4 billion in the previous year. This growth was primarily driven by higher average selling prices of cocoa ingredients, which offset the effects of lower sales volume.

Despite the robust revenue growth, the Group faced challenges in profitability. The Group experienced lower grinding margins due to subdued market demand and reduced sales tonnage. Additionally, finance costs remained elevated as increased borrowing was required to support working capital needs amid the rising cocoa bean prices from 2024 to 2025. Consequently, the Group's net profit declined by 46.9%, falling to RM227.9 million from RM429.2 million in FY2024.

As at 31 December 2025, the Group's total assets stood at RM7.96 billion, representing a 24.2% decrease from RM10.49 billion in the previous year. This reduction was mainly attributable to lower derivative financial assets and a decline in inventory value, in line with easing cocoa bean prices. Correspondingly, total liabilities dropped significantly to RM5.69 billion, a 32.0% decrease from RM8.37 billion previously, largely due to a substantial reduction in short-term borrowings and derivative financial liabilities.

The Group's total shareholders' equity rose to RM2.27 billion, a 6.7% increase from RM2.12 billion in the prior year, driven by higher retained profits. In line with the reduction in total borrowings, which decreased by 24.7% to RM3.21 billion, the Group's net gearing ratio improved to 1.36 times, compared to 1.89 times as of 31 December 2024. Of the Group's borrowings, 69.1% or RM2.22 billion comprised short-term facilities to support working capital requirements, primarily for cocoa bean procurement.

Looking ahead, the recent decline in cocoa bean prices has reduced some pressure on working capital requirements, but overall market conditions remain fluid. The Group's reduction in borrowings is expected to moderate finance costs over time, although the extent of this impact will depend on future price movements and industry demand. We remain committed to closely monitoring market developments, optimising our cost structure, and ensuring sufficient liquidity to navigate evolving industry dynamics.



# MANAGEMENT DISCUSSION & ANALYSIS

## FINANCIAL REVIEW

Summarised Group Statements of Profit or Loss and Other Comprehensive Income For the Financial Year Ended 31 December (RM'000)					
	2021	2022	2023	2024	2025
Revenue	3,923,297	4,419,839	5,320,841	10,442,520	14,924,050
EBITDA	292,595	308,973	359,952	878,858	720,277
Profit Before Tax	196,760	188,081	139,058	513,812	293,412
Profit Attributable to Owners of the Parent	154,838	147,410	100,926	429,158	227,861

Summarised Group Statements of Financial Position As At 31 December (RM'000)					
	2021	2022	2023	2024	2025
Total Non-Current Assets	1,072,428	1,308,165	1,552,005	1,551,554	1,696,333
Total Current Assets	2,423,044	2,352,209	3,949,913	8,941,968	6,262,718
Total Assets	3,495,472	3,660,374	5,501,918	10,493,522	7,959,051
Share Capital	297,059	495,237	495,237	495,237	495,239
Reserves	1,046,008	1,144,038	1,258,257	1,630,283	1,771,746
Treasury Shares	(720)	(720)	(720)	(720)	(720)
Total Equity	1,342,347	1,638,555	1,752,774	2,124,800	2,266,265
Total Non-Current Liabilities	516,242	502,550	794,462	923,278	1,085,023
Total Current Liabilities	1,636,883	1,519,269	2,954,682	7,445,444	4,607,763
Total Liabilities	2,153,125	2,021,819	3,749,144	8,368,722	5,692,786
Total Equity and Liabilities	3,495,472	3,660,374	5,501,918	10,493,522	7,959,051

# MANAGEMENT DISCUSSION & ANALYSIS

## FINANCIAL REVIEW

Summarised Group Statements of Cash Flows For the Financial Year Ended 31 December (RM'000)	2021	2022	2023	2024	2025
Operating Profit Before Changes in Working Capital	277,912	345,949	64,148	101,991	1,568,867
Net Cash (Used in)/From Operating Activities	(79,134)	277,708	(736,583)	(1,676,354)	1,117,604
Net Cash Used in Investing Activities	(164,591)	(274,048)	(239,238)	(154,438)	(252,526)
Net Cash From/(Used in) Financing Activities	241,231	(14,386)	984,092	2,023,378	(967,295)
Net (Decrease)/Increase in Cash and Cash Equivalents	(5,446)	(5,629)	6,934	153,201	(135,268)
Cash and Cash Equivalents at Beginning of Financial Year	58,338	52,892	47,263	54,197	207,398
Cash and Cash Equivalents at End of Financial Year #	52,892	47,263	54,197	207,398	72,130

**Note:**

# including the effect on exchange rate differences

Financial Analysis	2021	2022	2023	2024	2025
EBITDA Margin	7.46%	6.99%	6.76%	8.42%	4.83%
PBT Margin	5.02%	4.26%	2.61%	4.92%	1.97%
Net Profit Margin	3.95%	3.34%	1.90%	4.11%	1.53%
Free Cash Flow (RM'000)	(243,321)	3,829	(967,481)	(1,830,425)	871,264
ROE	11.53%	9.00%	5.76%	20.20%	10.05%
ROA	4.43%	4.03%	1.83%	4.09%	2.86%
EPS (sen)	14.86	13.52	8.59	15.66#	8.31
Net Dividends Per Share (sen)	4.04	3.52	2.00	1.71#	1.50
Payout Ratio	27.19%	26.04%	23.28%	10.92%#	18.05%
Cash and Bank Balances (RM'000)	73,809	69,111	85,094	241,690	123,040
Total Borrowings (RM'000)*	1,302,285	1,186,752	2,210,413	4,258,105	3,206,765
Gearing (net of cash)	0.92	0.68	1.21	1.89	1.36

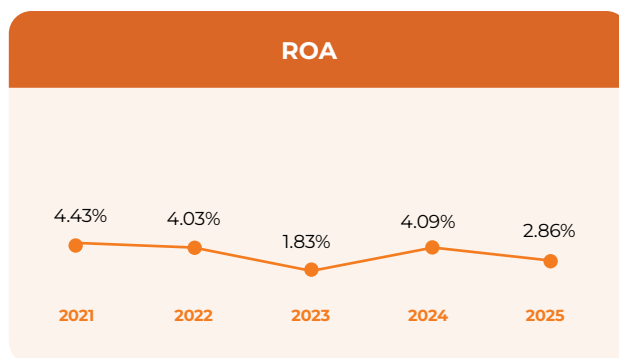
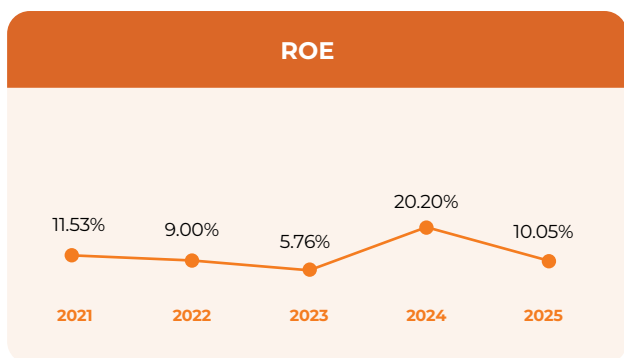
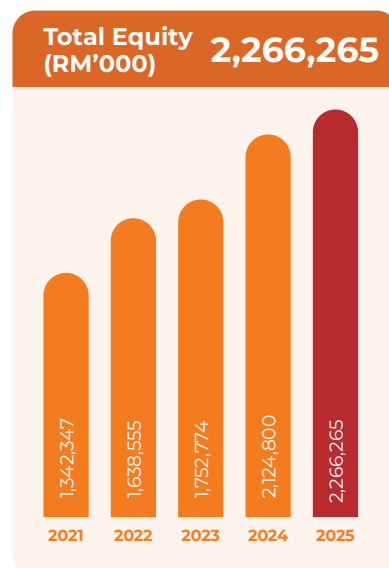
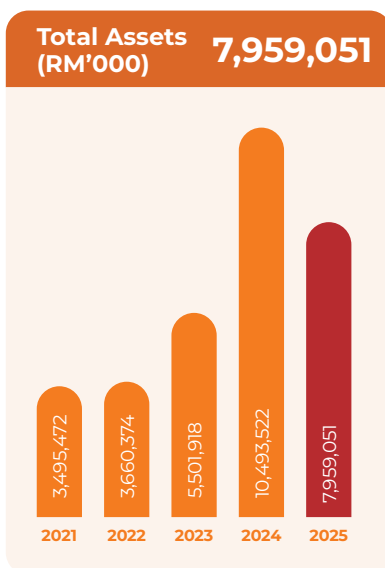
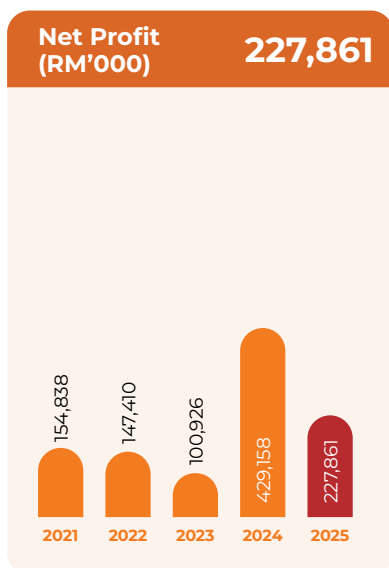
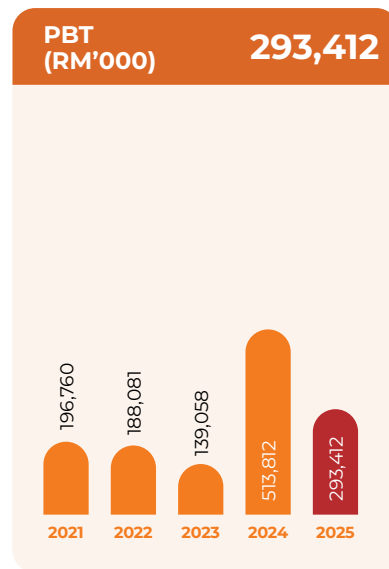
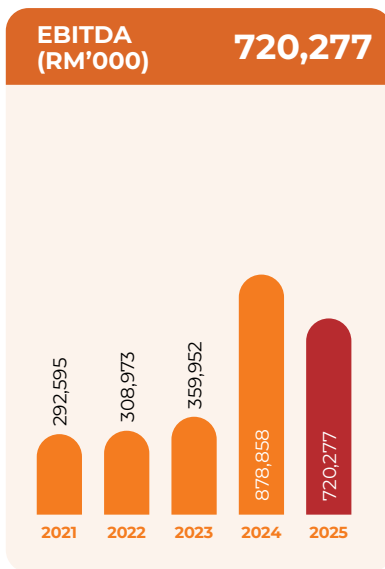
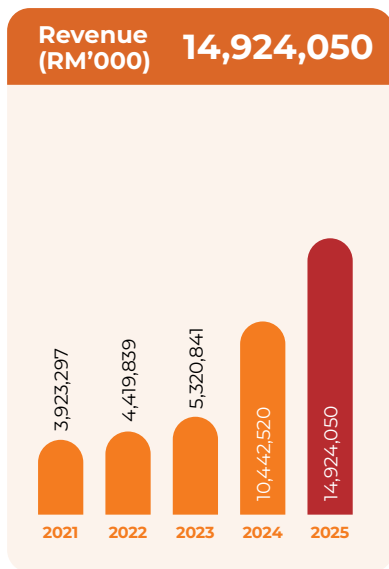
**Note:**

\* including lease liabilities owing to financial institutions

# restated due to adjustment on number of ordinary shares as a result of bonus issue during 2025

# MANAGEMENT DISCUSSION & ANALYSIS

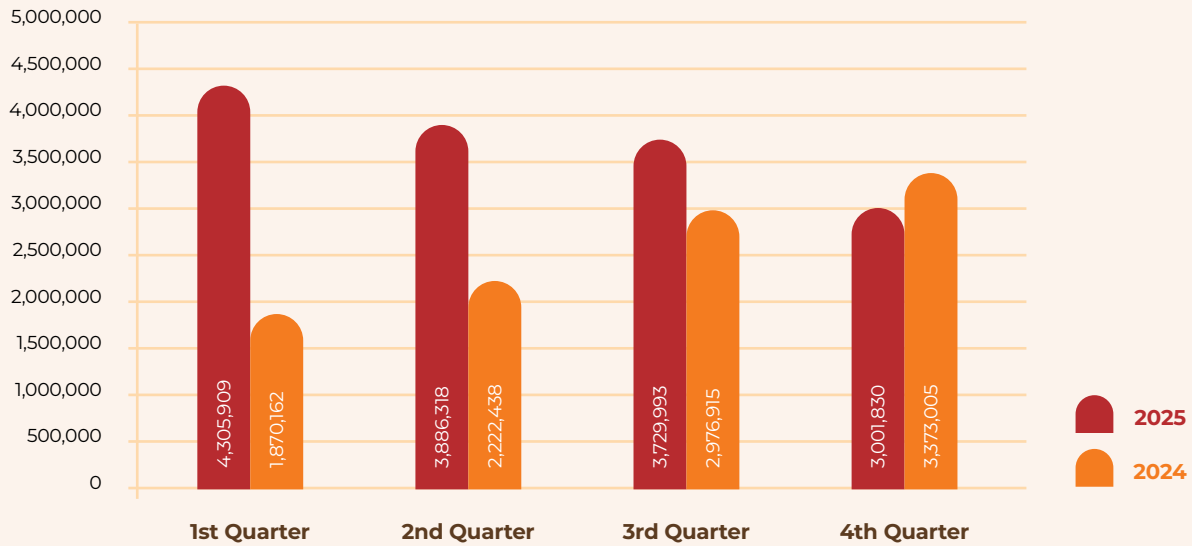
## FINANCIAL REVIEW



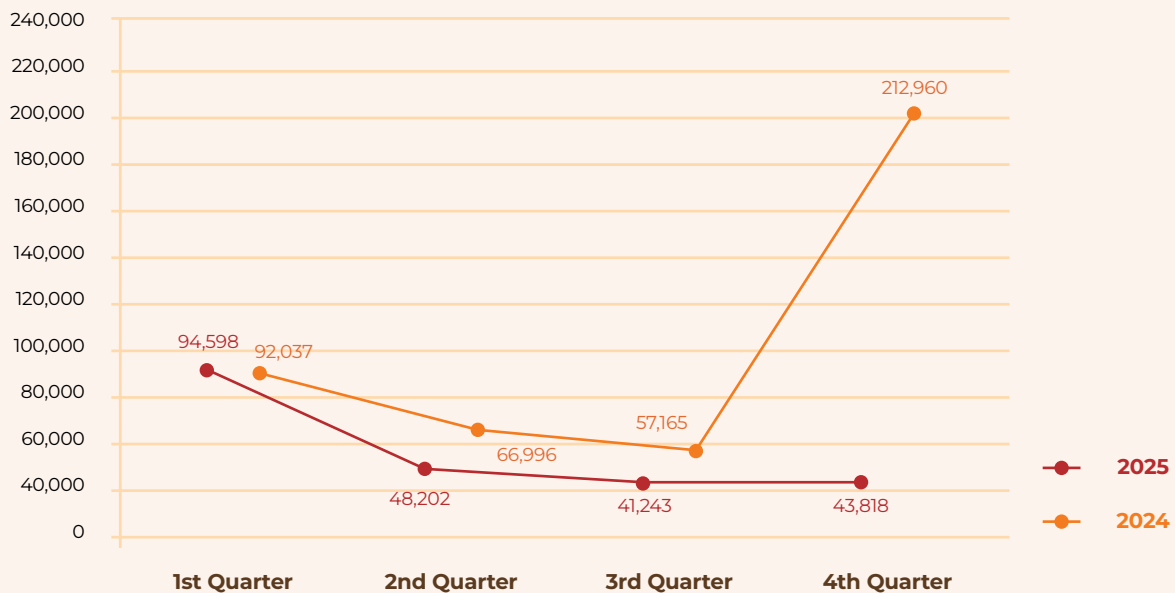
# MANAGEMENT DISCUSSION & ANALYSIS

## FINANCIAL REVIEW

### Quarterly Revenue (RM'000)



### Quarterly Net Profit (RM'000)



# MANAGEMENT DISCUSSION & ANALYSIS

## OPERATIONAL PERFORMANCE REVIEW

FY2025 presented significant challenges, including record-high cocoa prices driven by adverse weather in West Africa, persistent inflation, geopolitical disruptions, and evolving sustainability regulations. The Group maintained its resilience through an integrated supply chain, strategic expansion in Côte d'Ivoire and Europe, and a sustained focus on operational excellence and customer partnerships.

### CAPACITY ENHANCEMENT AND OPERATIONAL EXCELLENCE

The Group has pursued targeted capacity expansion across its global operations to strengthen efficiency and deepen its market presence.



#### CÔTE D'IVOIRE OPERATIONS:

- ▶ Installed an additional press unit to increase pressing capacity.
- ▶ Tested and commissioned the bush bean cleaning plant.
- ▶ Installed a one-tonne block cocoa liquor packing line.
- ▶ Commenced machine installation for a second cocoa bean grinding line, liquor grinding line, presses, cake grinding line, deodoriser plant, butter pretreatment plant, and liquor and butter packing line.
- ▶ Initiated construction of additional warehousing to accommodate approximately 7,000 MT of product storage.
- ▶ Launched the 4-Way Shuttle (4WS) automated storage and retrieval system project to maximise warehouse capacity storage.
- ▶ Carried out strategic debottlenecking of production lines to optimise throughput.

#### EUROPEAN OPERATIONS ENHANCEMENT:

##### United Kingdom

- ▶ Enhanced overall industrial chocolate production flow and efficiency.

#### UNITED STATES VALUE-ADDED PROCESSING:

##### Carlyle Facility

- ▶ Installed a complete cocoa cake grinding line from the dumping station through to powder packing and palletising.
- ▶ Installed a liquor block depalletising system.
- ▶ Advanced operational efficiency through process automation.

#### ASIAN MANUFACTURING HUB:

- ▶ Installed oil-free compressors, eco filter lines, magnets and metal detectors to enhance product quality and reduce contamination risk.
- ▶ Installed additional press to increase pressing capacity and improve control of cocoa cake and powder fat content.
- ▶ Implemented robotic palletising systems to automate palletising processes and reduce manual labour.
- ▶ Installed additional powder mill lines to increase cocoa cake grinding capacity and support higher production throughput.

Machinery utilisation rates remained strong throughout the year, sustaining productivity despite a challenging operating environment.

The past year has underscored the agility and resilience of our business. Looking ahead, we remain focused on refining practices across five core operational areas to drive growth and advance our sustainability goals.

# MANAGEMENT DISCUSSION & ANALYSIS

## OPERATIONAL PERFORMANCE REVIEW

### OUR 5 CORE OPERATIONAL AREAS:

The Group has pursued targeted capacity expansion across its global operations to strengthen efficiency and deepen its market presence.



#### SAFEGUARDING PRODUCT QUALITY AND RELIABILITY

- ▶ Source quality cocoa beans for production.
- ▶ Uphold customer trust by ensuring all products comply with global food safety standards, applicable laws and regulations, and our stringent internal quality control requirements.
- ▶ Maintain an uncompromising commitment to product quality and reliability.
- ▶ Foster a quality-driven culture that delivers products trusted and preferred by customers.
- ▶ Pursue continuous improvement through regular product reviews.
- ▶ Embed effective supervision and communication throughout production.
- ▶ Strengthen monitoring with a comprehensive camera inspection system.
- ▶ Track, investigate, and resolve customer complaints and product returns related to food safety.
- ▶ Provide routine employee training on food handling, quality, and food safety best practices.



#### EMBEDDING SUSTAINABILITY IN OUR SUPPLY CHAIN

- ▶ Adhering to evolving global sustainability trends and requirements.
- ▶ Lower dependence on non-renewable energy by leveraging renewable sources, including biomass boilers and solar panels.
- ▶ Integrating climate-related risks in ERM framework.
- ▶ Deploy systematic machine monitoring and control systems to maintain energy and water efficiency across operations.
- ▶ Enhance ESG practices across our six sustainability workstreams: Caring Beyond Cocoa, Circular Economy, Climate Action, Responsible Sourcing, Corporate Stewardship, and Human Rights.

# MANAGEMENT DISCUSSION & ANALYSIS

## OPERATIONAL PERFORMANCE REVIEW



### MAINTAINING HIGH LEVELS OF HEALTH AND SAFETY

- ▶ Acknowledge the essential role of our people in executing processes and producing quality products.
- ▶ Comply with global health and safety standards to maintain a safe working environment.
- ▶ Adopt new technologies, such as lifting manipulators and automated palletisers, to reduce the risk of injuries and accidents.
- ▶ Continuously improve and implement machine safety standards, including handling protocols and safety intervention features.
- ▶ Increase employee access to reporting platforms for raising safety concerns and offering feedback.
- ▶ Conduct routine training and briefings, including annual occupational safety refresher sessions.
- ▶ Implement appropriate safety measures across offices, manufacturing sites, and warehouses, including clear safety signage.
- ▶ Enforce strict hygiene policies, including frequent handwashing and mandatory sanitisation routines.
- ▶ Utilise specialised teams to optimise productivity and ensure a safe working environment.
- ▶ Maintain our zero-fatality track record, reflecting our commitment to workplace safety.



### DEVELOPING SKILLS AND KNOWLEDGE

- ▶ Provide on-the-job training and foster continuous professional development for all employees.
- ▶ Upskill operational workers, particularly in specialised tasks, to boost productivity.
- ▶ Foster a culture of mentorship among senior management to develop future leaders, driving GCB's strategic vision and operational excellence.



### INTEGRATING TECHNOLOGY TO ENHANCE EFFICIENCY AND MEET CUSTOMER DEMAND

- ▶ Deploy robotic arms to maximise efficiency in packaging lines.
- ▶ Modernise production planning and daily operations with digital workflows.
- ▶ Implement strict preventive maintenance backed by a fully stocked spare parts inventory.
- ▶ Optimise output through strategic planning and a highly trained workforce.

# SUSTAINABILITY STATEMENT 2025



# 05 OVERVIEW

77 Sustainability Highlights in 2025



# OVERVIEW

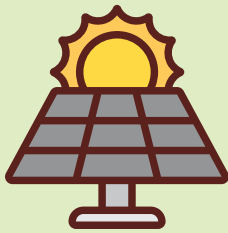
## SUSTAINABILITY HIGHLIGHTS IN 2025



Covered  
**89%**  
of trading offices' electricity usage with RECs

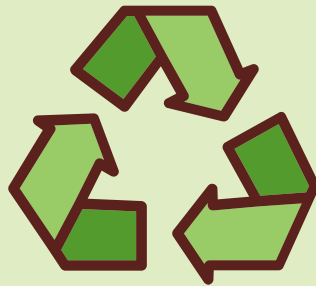


Around  
**2,000**  
employees as of 31 December 2025



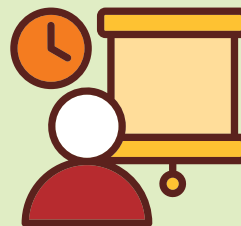
Solar panels generation capacity,  
**7.93 MWp**

More than  
**14,000 MT**  
waste diverted from landfill



**ZERO**  
corruption incidents reported

**ZERO**  
fatality and reduction in Lost Time Injury Rate (LTIR) by  
**60%**  
compared to 2024



Average training hours per employee is at  
**7.37 hours**



Over  
**RM360,000**  
contributed by CBC to benefit more than  
**1,400 people**

# 06 SUSTAINABILITY SECTIONS

79	IFRS Sustainability Disclosure - Climate
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120	Circular Economy
122	Human Rights
126	Corporate Stewardship
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# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

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# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## BASIS OF PREPARATION

### COMPLIANCE WITH IFRS SUSTAINABILITY DISCLOSURE STANDARDS

The Group has prepared this IFRS Sustainability Disclosure section in accordance with the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB), in line with Bursa Malaysia's Main Market Listing Requirements. When preparing this report, the disclosure topics contained in the Sustainability Accounting Standards Board (SASB) standards have been consulted and taken into consideration.

### CONNECTIVITY WITH FINANCIAL STATEMENTS (REPORTING PERIOD, REPORTING ENTITY, AND PRESENTATION CURRENCY)

This IFRS Sustainability Disclosure section has been prepared for the Group and should be read alongside the Group's consolidated financial statements, which are prepared in accordance with the Malaysian Financial Reporting Standards (MFRS), IFRS Accounting Standards, and the requirements of the Companies Act 2016 in Malaysia. The reporting period covered is the financial year ended 31 December 2025, which corresponds to the reporting period of the related consolidated financial statements.

The Group has established time horizons that reflect its strategic planning cycles and the periods within which sustainability-related risks and opportunities may reasonably be expected to emerge. The following time horizons, determined as at the end of the reporting period, are consistent with the timelines applied in strategic decision-making:

 **Short term** (0 to 5 years)

 **Medium term** (5 to 25 years)

 **Long term** (25 to 55 years)

The reporting entity covered by these sustainability-related financial disclosures is identical to that of the consolidated financial statements, comprising the parent company, GCB, together with its subsidiaries. In preparing these disclosures, the Group has undertaken an assessment of both its own operations and its broader value chain.

Ringgit Malaysia (RM) has been adopted as the presentation currency for these sustainability-related financial disclosures, in alignment with the currency used in the consolidated financial statements. All amounts are rounded to the nearest million unless otherwise indicated.

### FIRST-TIME ADOPTION OF IFRS SUSTAINABILITY DISCLOSURE STANDARDS AND TRANSITION RELIEFS

This marks the Group's inaugural reporting period under the IFRS Sustainability Disclosure Standards, covering the annual reporting period ended 31 December 2025. The following standards have been applied for the annual reporting period commencing 1 January 2025:

- IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'
- IFRS S2 'Climate-related Disclosures'

Transition relief is available under the standards and MMLR for issuers listed on the Main Market of Bursa Malaysia applying for the first time.

The Group has elected to apply the transition relief that permits disclosure of information solely about climate-related risks and opportunities (in accordance with IFRS S2 'climate-related disclosure standard'). As a result, the requirements of IFRS S1 'sustainability-related disclosure standard' have been applied only to the extent that they relate to climate-related risks and opportunities during this first annual reporting period.

As at 31 December 2025, no additional IFRS Sustainability Disclosure Standards have been issued by the ISSB.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## OVERVIEW OF THE GROUP

### OUR KEY BUSINESS ACTIVITIES

The Group's core operations centre on the manufacture of cocoa-derived food ingredients, alongside a comprehensive range of chocolates and couvertures. Our cocoa product portfolio includes cocoa mass, cocoa butter, cocoa cake, and cocoa powder. Strategically positioned across the globe, the Group's cocoa processing and chocolate production facilities have a combined annual capacity of 335,000 MT for bean grinding, 112,000 MT for value-added processes, and 116,000 MT for industrial chocolate production.

Beyond direct customer sales, a portion of the Group's intermediate consumer products is sold to traders who subsequently export them to markets worldwide, including European market. The Group's products are marketed under four distinct trademarked brands: FAVORICH, the inaugural brand representing 'High in Flavour' and 'Rich in Colour,' which serves the global market; Carlyle Cocoa, a cocoa powder brand targeted primarily at the US market; SCHOKINAG, an established European industrial chocolate brand; and FAVORICH CHOCOLATE, which serves global markets with particular emphasis on the UK and European regions.

A summary of the Group's key business activities, their geographical locations, and revenue contribution by geographical location is presented below:

Business activities	Additional Information	Geographical Location	% of total revenue <sup>1</sup>
<b>Downstream</b>			
Cocoa Product	Sales of Cocoa Mass, Cocoa Butter, Cocoa Cake and Cocoa Powder	Malaysia, Singapore, Indonesia, Côte d'Ivoire, Netherlands	81.7%
Value-Added Service	Cocoa Cake grinding, Cocoa Mass melting, and Cocoa Butter melting and deodorising services	US	0.7%
Industrial Chocolate Product	Sales of Industrial Chocolate	UK, Germany	17.6%

<sup>1</sup> The revenue disclosed is the percentage of revenue from external customers per business activity. Refer to Note 23 of the Group's FY2025 financial statements for further details.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## OVERVIEW OF THE GROUP

### OUR STRATEGY AND CLIMATE-RELATED GOALS

The Group maintains its commitment to strengthening its position within the cocoa industry through ongoing investment in and enhancement of its cocoa processing operations. Operational efficiency remains a central focus, with efforts directed towards optimising resource utilisation, minimising waste, and improving productivity across all processing facilities.

Through the implementation of sustainable manufacturing practices, the Group seeks to advance responsible resource management. Close collaboration is maintained with local farmers, communities, and third-party suppliers to promote inclusive and responsible supply chain practices.

These strategic efforts support the Group's long-term ambition of establishing itself as a reliable and responsible player in the cocoa sector, while contributing to broader sustainability goals. In support of its long-term business strategy and values, the Group has established the following sustainability-related targets:

#### **Increase volume of deforestation-free<sup>2</sup> cocoa (cut-off date 31 December 2020)**

The Group has committed to avoid sourcing from deforested areas, in support of EUDR compliance. GCB aims to eliminate cocoa-driven deforestation and the conversion of other natural ecosystems within its direct sourcing network by 2030.

#### **Increase volume of traceable and sustainable cocoa**

The GC&B Programme reflects the Group's commitment to embedding sustainability at the heart of its operations. The overarching objective is to achieve 100% traceable and sustainable cocoa<sup>3</sup> within the direct sourcing network by 2030.

#### **Increase generation of renewable energy**

The Group seeks to reduce its dependence on non-renewable energy sources by harnessing renewable alternatives, including biomass boilers that utilise cocoa shells for steam generation and solar panels to decrease reliance on carbon-intensive energy. To further advance the transition to cleaner energy, the Group has initiated the procurement of Renewable Energy Certificates (RECs).



<sup>2</sup> Deforestation-free cocoa: conversion forest land to agricultural use, regardless of whether it's human-induced or natural.

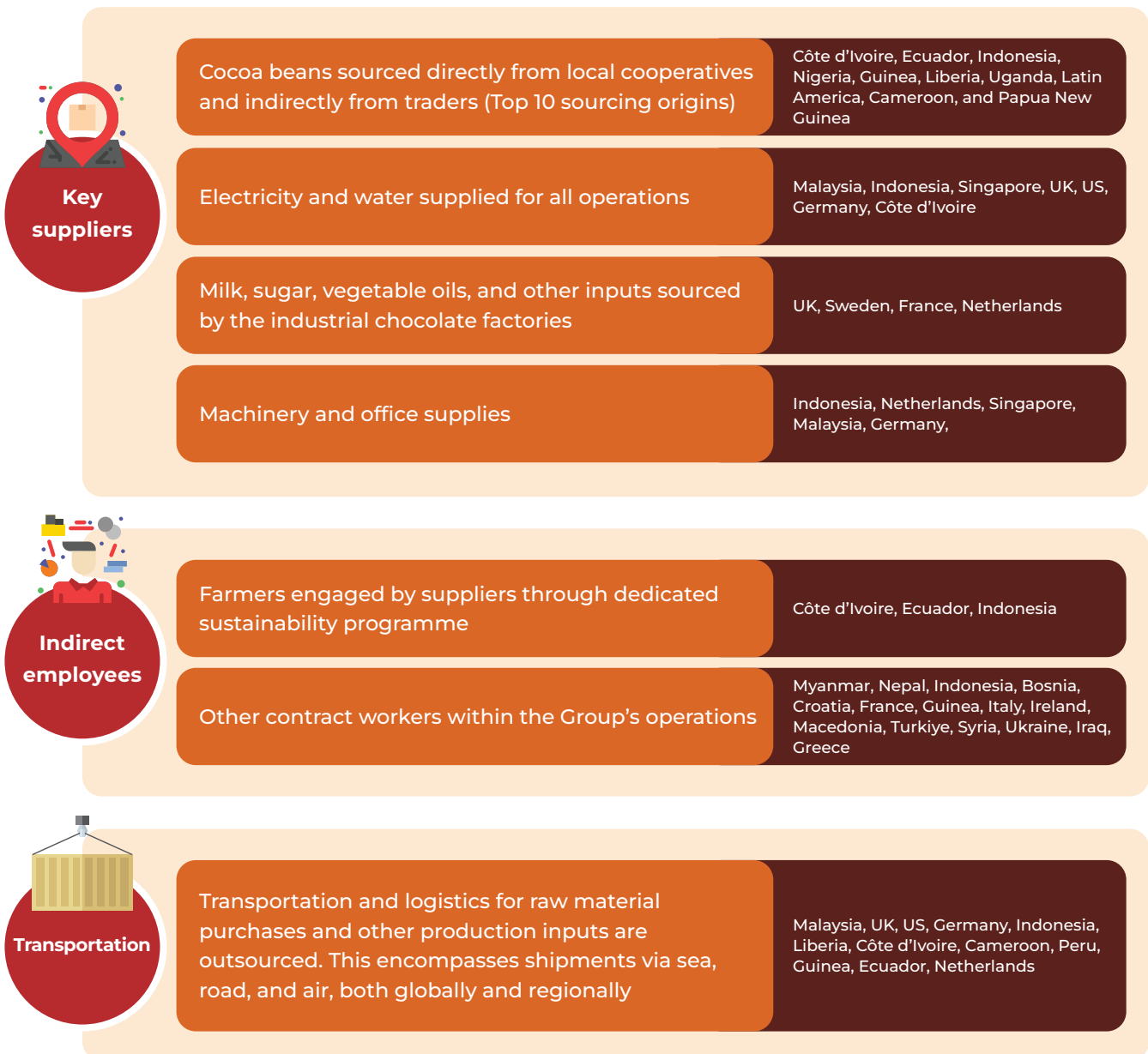
<sup>3</sup> Traceable and sustainable cocoa is cocoa produced according to internationally recognised sustainability standards, which includes traceability, with location mapping, and requires addressing child labour and deforestation concerns.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## OUR VALUE CHAIN

The Group's operations are supported by a diverse network of stakeholders across its supply chain, all contributing to the production of high-quality cocoa products. This network encompasses key raw material suppliers, predominantly independent cooperatives based in Indonesia, South America and West Africa, as well as a dedicated workforce engaged in the Group's processing activities. It further includes logistics providers responsible for transporting materials and finished goods, and end customers located across global markets.

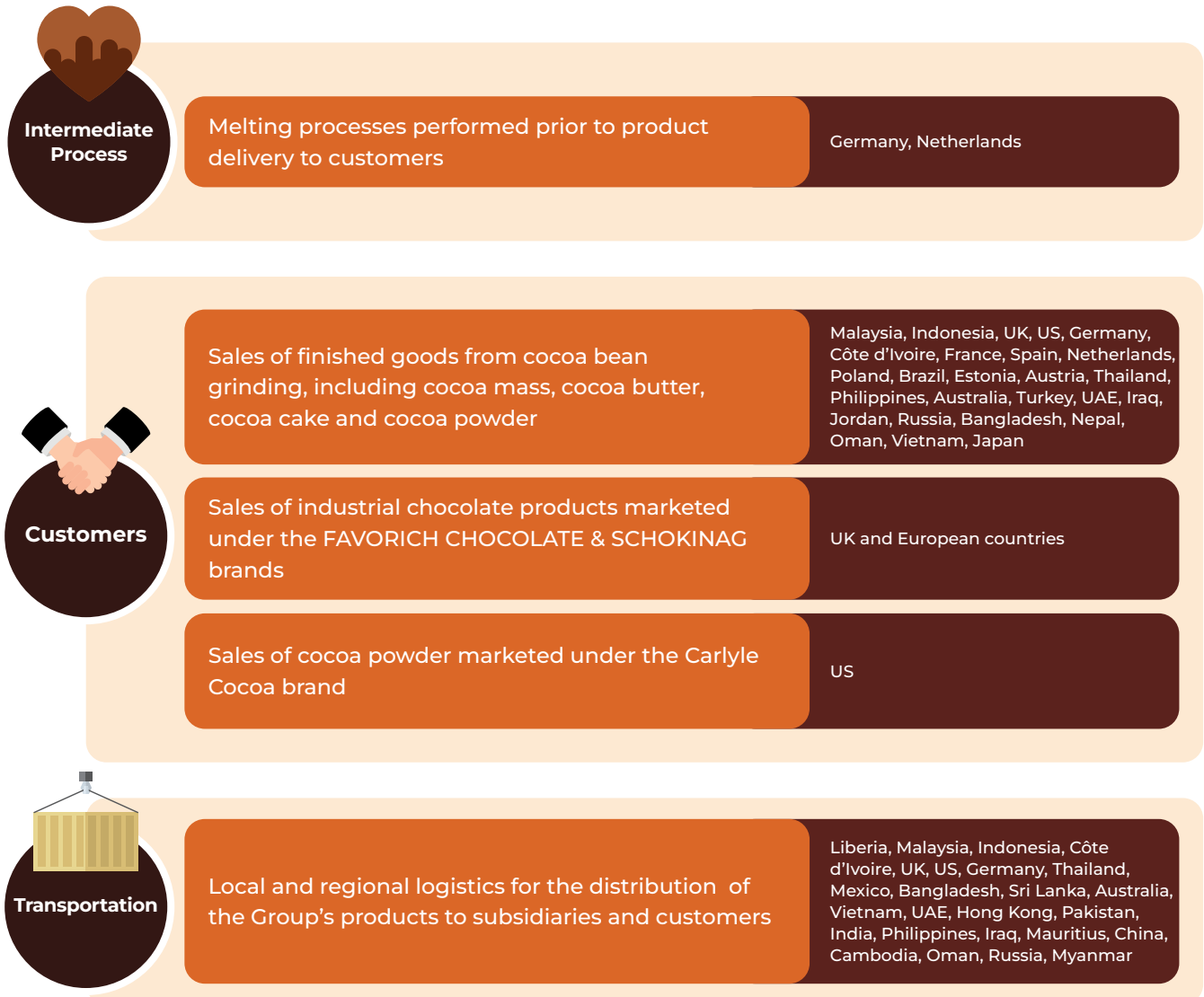
### UPSTREAM VALUE CHAIN



# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## OUR VALUE CHAIN

### DOWNSTREAM VALUE CHAIN



# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## REPORTING BOUNDARY

### REPORTING ENTITY

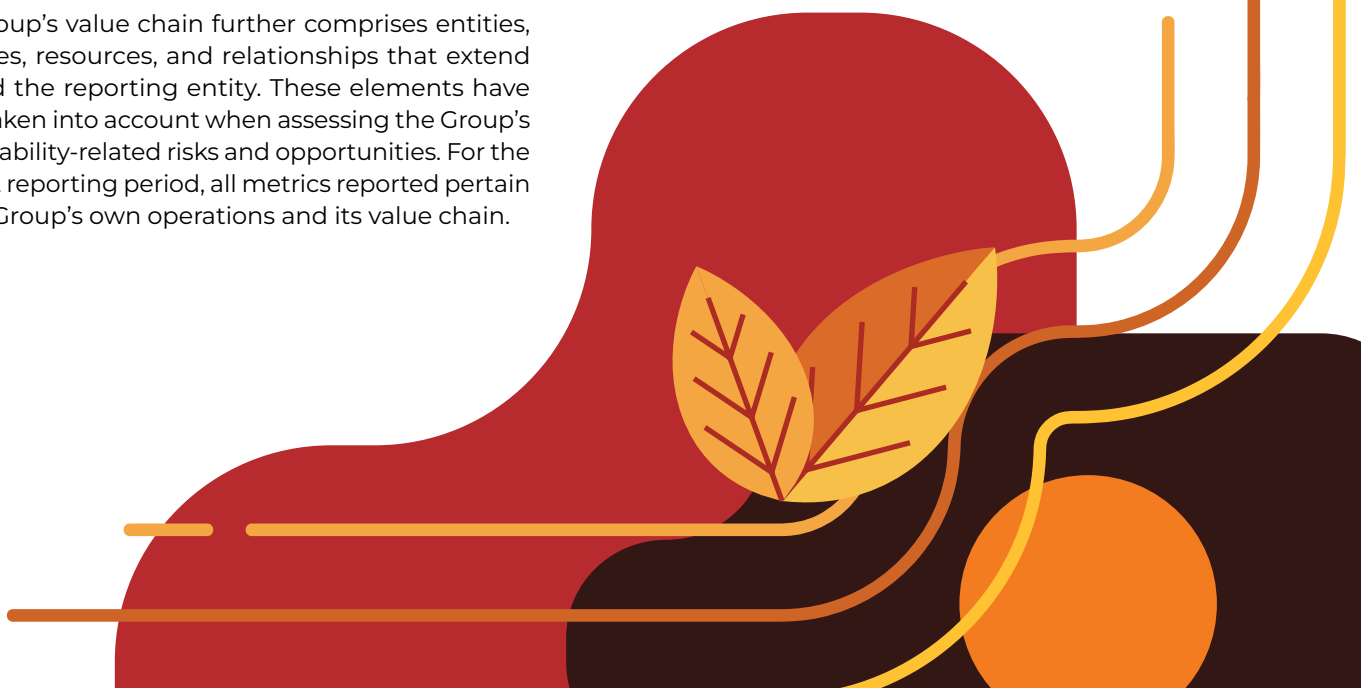
The entities, assets, and operations constituting the 'reporting entity' for the purposes of the Group's sustainability report are identical to those included in the Group's FY2025 financial statements. The following change to the Group structure occurred during the reporting period:

- New incorporation:** During the year, the Group incorporated GCB Cocoa Suisse AG on 5 August 2025. This entity has been incorporated into the sustainability reporting boundary from its date of incorporation (further details are provided in Note 9 of the Group's FY2025 financial statements). As the entity was not operational during the reporting period, its sustainability-related impacts are considered immaterial.

Entities and assets in the reporting entity	Additional information	Note in financial statements	Information considered and included
<b>Parent and subsidiaries</b>	-	Note 9	fully covered
<b>Leased assets (the Group is a lessee)</b>	The Group holds leases over various offices, warehouses, land, houses, equipment, and vehicles. Under these arrangements, the Group possesses the right to control the use of the assets and to obtain substantially all related economic benefits throughout the lease term.	Note 6	fully covered
<b>Leased assets (the Group is a lessor)</b>	The Group owns investment properties leased to tenants under operating leases. These investment properties continue to be recognised on the Group's statement of financial position.	Note 7	fully covered

### VALUE CHAIN

The Group's value chain further comprises entities, activities, resources, and relationships that extend beyond the reporting entity. These elements have been taken into account when assessing the Group's sustainability-related risks and opportunities. For the current reporting period, all metrics reported pertain to the Group's own operations and its value chain.



# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## REPORTING BOUNDARY

### REPORTING BOUNDARY FOR GHG EMISSIONS

The Group applies the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) (2015) (the 'GHG Protocol') for the measurement of its GHG emissions, except where otherwise specified by IFRS S2. The GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) has been used to define the Scope 3 categories applicable to the Group, in fulfilment of the Scope 3 GHG emissions disclosure requirement. The Group's GHG emissions reporting boundary encompasses both its organisational boundary and operational boundary.

### ORGANISATIONAL BOUNDARY

The Group has adopted an operational control approach to determine its organisational boundary for GHG emissions reporting.

The Group considers the operational control approach to be the most appropriate methodology for measuring its GHG emissions, given the existence of entities and assets outside the Group's financial reporting boundary over which it does not exercise operational control.

The Group has operational control over the following entities, assets and operations:

Additional Information	Note in financial statements
<b>Parent and consolidated subsidiaries</b>	The Group has operational control across its subsidiaries by virtue of its full authority to introduce and implement operational policies throughout the entities. <span style="float: right;">Note 9</span>
<b>Leased assets</b>	For leased assets where the Group acts as lessee, operational control is exercised over such assets for the duration of the lease term. These assets comprise buildings, equipment, and vehicles. <span style="float: right;">Note 6</span>  The Group also holds investment properties that are leased out to third parties. Operational control over these assets is not exercised by the Group during the lease term.

### OPERATIONAL BOUNDARY

Direct GHG emissions arising from sources owned or controlled by businesses and operations within the Group's organisational boundary are classified as the Group's Scope 1 GHG emissions. GHG emissions associated with the generation of purchased electricity consumed by these businesses and operations are classified as the Group's Scope 2 GHG emissions. All remaining indirect GHG emissions, arising from sources neither owned nor controlled by the Group, are classified as the Group's Scope 3 GHG emissions.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## JUDGEMENTS AND MEASUREMENT UNCERTAINTIES

The preparation of this IFRS Sustainability Disclosure section has required management to exercise judgement across several areas, including the identification of climate-related risks and opportunities and the determination of material information for disclosure. Furthermore, the preparation of this section necessitates the use of estimates for certain amounts that cannot be directly measured. Estimates have been applied where sustainability information relates to value chain entities and requires estimation, pertains to forward-looking information, or is subject to data limitations.

This topic sets out the most significant judgements exercised in preparing this section, together with amounts subject to a high degree of measurement uncertainty. The specific details of each judgement or source of estimation uncertainty are provided in the referenced disclosure pages.

### SIGNIFICANT JUDGEMENTS

Description		Page reference
<b>Materiality Process</b>	<p>Management exercised judgement in identifying sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects. For the purposes of this first-year report prepared in accordance with the IFRS Sustainability Disclosure Standard, the focus has been placed on climate-related risks and opportunities (IFRS S2) and the material information associated with these. The methodology followed by the Group in determining what information could reasonably influence the Group's financial prospects and the decisions of primary users is detailed in the Materiality Assessment topic.</p> <p>Judgement was also applied in determining which metrics from the disclosure topics in the industry-based SASB Standards were relevant to the Group.</p>	89
<b>Organisational boundary for GHG emissions</b>	<p>The Group has applied the operational control approach to establish its organisational boundary for GHG emissions reporting. This approach requires the identification of operations over which the Group possesses full authority to introduce and implement operational policies.</p> <p>Both the selection of the organisational boundary consolidation approach and the identification of operations under the Group's operational control represent areas of significant judgement.</p>	86
<b>Calculation methods for GHG emissions</b>	<p>A combination of calculation methods has been applied by the Group to determine its Scope 3 GHG emissions. Exercised judgement in selecting the most appropriate calculation methods for each category, taking into account the availability and quality of data. Priority is given to supplier-specific data where such data is available and of sufficient quality.</p>	

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## JUDGEMENTS AND MEASUREMENT UNCERTAINTIES

### MEASUREMENT UNCERTAINTY

The following amounts are subject to a high degree of measurement uncertainty:

Description	Page reference
<b>GHG-related metrics</b>	The Group measures its GHG emissions in accordance with the GHG Protocol, except where otherwise required by IFRS S2.
<b>Climate physical risk – Rising Temperature and Climate Variability</b>	<p>There is significant uncertainty regarding how climate change, including the effects of increases or decreases in GHG emissions, will affect the frequency and intensity of future extreme weather events in the region where the Group operates.</p> <p>Our GHG emissions are calculated using emission factors from reputable, globally recognised sources verified by external parties. While using science-based methods, the emissions factor inevitably carries some uncertainty.</p> <p>There is a high degree of uncertainty stemming from variability in climate projections, the possibility of unexpected changes in weather patterns due to shifting climatic conditions, and the consequent impacts on the Group's operations.</p>
<b>Anticipated financial effect</b>	The Group has determined that anticipated financial effects will not be disclosed for this first reporting period due to the high level of uncertainty surrounding the effects on the business model, value chain, and strategy.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## MATERIALITY ASSESSMENT

This year represents the first occasion on which GCB has prepared a IFRS Sustainability Disclosure section in accordance with IFRS Sustainability Disclosure Standards, applying the transition relief to disclose IFRS S2. A materiality assessment was accordingly undertaken to identify climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects.

The materiality process was carried out by the executive-level Sustainability Steering Committee (SSC), incorporating input from other management personnel within the Group and an external consultant. The outcomes of the process were validated and approved by the Board of Directors (BOD).

### Step 1

Identify climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects over the short, medium, and long term.

### Step 2

Identify material information, specifically the disclosures required in relation to the identified climate-related risks and opportunities.

Management directed particular attention to existing and potential investors (shareholders or holders of preferred shares), lenders (refer to Note 18 in the Group's FY2025 financial statements), and other stakeholder groups. The materiality assessment, encompassing the identification of climate-related risks and opportunities, was finalised at the end of the 2025 reporting period. Events or changes occurring during the period (such as subsidiary acquisitions) were incorporated into the materiality determination process.

## Step 1: Identification of climate-related risks and opportunities

The Group adopted a systematic approach, drawing on multiple sources to identify climate-related risks and opportunities. The assessment encompassed the Group's own activities, as well as its upstream and downstream value chain (refer to Our Value Chain, page 83). The process is summarised below:

### 1.1 Understand the Group's operations, resources, and relationships

The initial step involved developing an understanding of the context within which the Group operates, including its business activities and the geographical and regulatory landscape of its operations.

Consideration was also given to the resources upon which the Group depends and the relationships maintained throughout its value chain. The key contextual factors assessed are summarised as follows:

- a. Key locations: The Group operates in Malaysia, Indonesia, Singapore, Germany, UK, US, Côte d'Ivoire, and the Netherlands. Cocoa beans, the primary raw material, are sourced from cooperatives and trade houses located across the globe. Chocolate ingredients, such as milk and sugar, are sourced from suppliers in various countries.
- b. Regulations: The Group is required to comply with stringent regulatory requirements imposed by local authorities and international legislation. Compliance with standards necessary for certifications, such as RA and FT, is also required, along with the establishment of due diligence systems and documentation in accordance with EUDR requirements.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## MATERIALITY ASSESSMENT

- c. Key resources: The Group is dependent on several resources, which include the following:
- land providing the space and soil necessary for cocoa tree cultivation
  - raw materials in the industrial chocolate process, such as sugar, milk, and specific ingredients, which can include chemical agents
  - energy in the form of electricity, steam, and heat purchased through the national grid and pipeline
  - credit facilities from its lenders, as disclosed in Note 18 of the Group's financial statements
  - key talent and employees
  - suppliers, including indirect farmers
  - water, for the cooling machine and other purposes.
- d. Transportation and logistics: The Group sells its own products directly to customers. In addition, a portion of the Group's products is sold through traders and distributors, who then sell them to other global customers. The Group engages with third-party logistics providers and uses a variety of transportation methods, including sea, road, and air, to transport raw materials and products.

### 1.2 Identify risks and opportunities

The primary basis for identifying risks and opportunities was the understanding of the Group's operations and value chain. Consideration was given to whether critical resource inputs, relationships, and interdependencies with the value chain are exposed to climate-related risks or present opportunities that could affect the Group's capacity to generate cash flows.

The sources consulted included the following, but were not limited to:

- existing risk management and due diligence processes, including the Group's ERM
- disclosure topics in the SASB Standards for the 'Agricultural Products' industry
- climate-related risks and opportunities identified by entities operating in the same industries as the Group
- engagement with stakeholders, including employees and lenders

Where appropriate, the Group also consulted with subject matter experts.

### 1.3 Assess whether the risks and opportunities could reasonably be expected to affect the Group's prospects

Only those climate-related risks and opportunities that could reasonably be expected to affect the Group's cash flows, access to finance or cost of capital (and thereby affect the Group's prospects) have been disclosed. In conducting this assessment, for the climate-related risks, the Group considered a combination of:

- the likelihood of the event occurring, and
- the magnitude of the impact on the Group's financial prospects if the event did occur.

Assessment results were plotted on a matrix to identify risks that could reasonably be expected to affect the Group's prospects. For climate-related opportunities, current emerging opportunities and investments made were considered.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## MATERIALITY ASSESSMENT

### 1.4 Mitigation actions and plans to remediate

Mitigation strategies and plans were developed following the identification and assessment of the Group's climate-related risks and opportunities.

### 1.5 Final consolidation and approval of risks and opportunities for the Group

The determination of climate-related risks and opportunities requires the exercise of judgement. Climate-related risks identified by SD were presented to the ERM for assessment by the risk owner, with subsequent presentation to BOD for approval. Climate-related opportunities identified by SD were presented to SSC.

## Step 2: Identification of material information

The Group assessed whether information is material within the context of its overall climate risk assessment, taking into account both qualitative and certain quantitative (non-financial) factors. The judgements applied in identifying material information relating to climate-related risks and opportunities will be reviewed at each reporting date.

An assessment of the current and anticipated financial effects of the Group's climate-related risks and opportunities has been undertaken. Anticipated quantitative financial effects have not been disclosed, as the financial effects cannot be separately identified, and the level of measurement uncertainty is currently too high for the resulting information to be useful.

## OUTCOME OF THE PROCESS

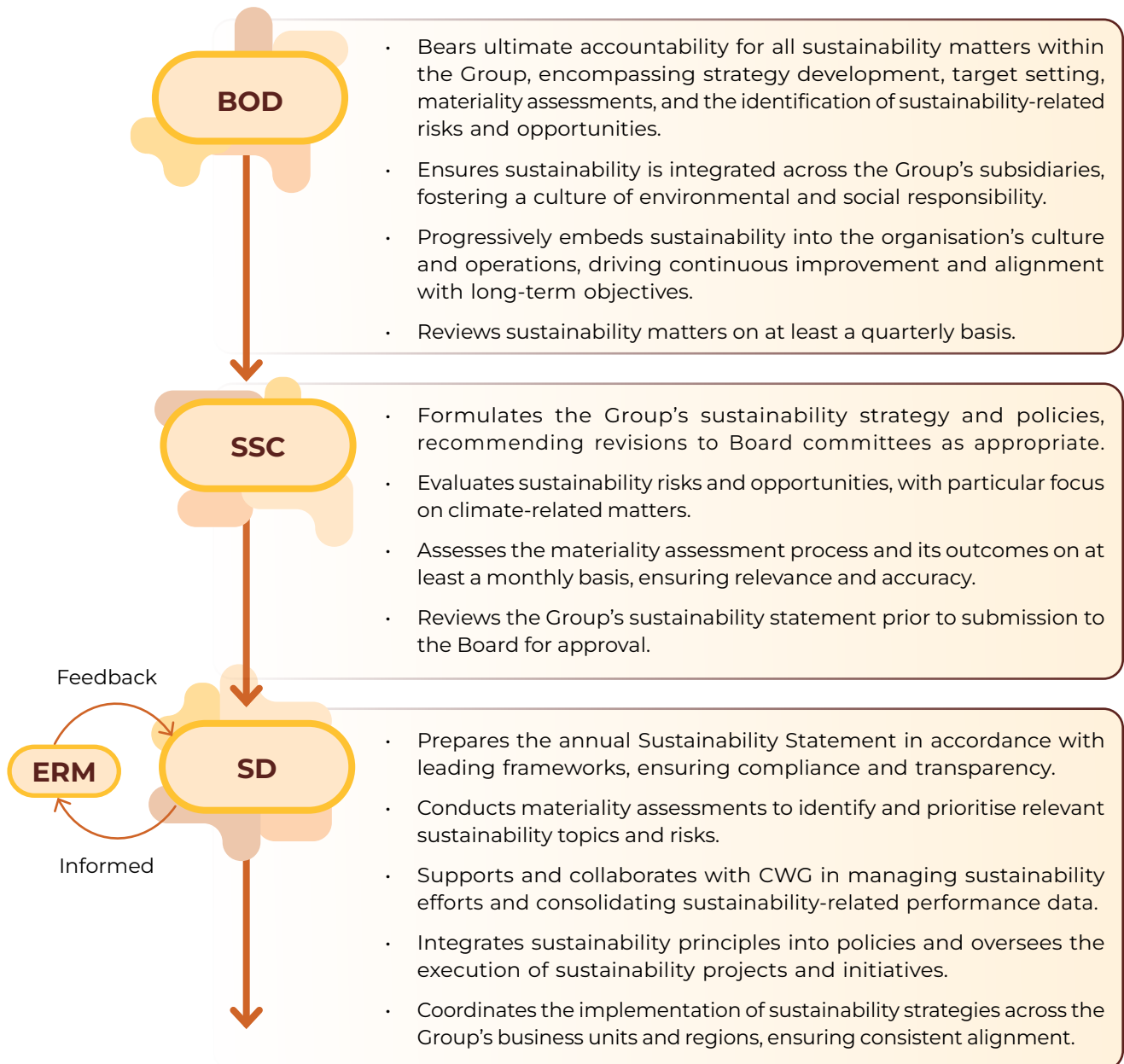
The table below presents the climate-related risks and opportunities identified through the materiality process described. Additional information is available on the pages referenced.

Risk/opportunity identified	Summary of management approach	Affected component of the reporting boundary	Page reference
<b>Climate-related</b>			
<b>Physical Risk:</b> Rising Temperatures and Climate Variability	Expansion of the GC&B programme and deforestation-free volumes, including: <ul style="list-style-type: none"> <li>Support for farmers through agroforestry and GAPs</li> <li>Deforestation assessment</li> </ul>	Risk identified for own operations as well as the suppliers	94
<b>Transition Risk:</b> Policy and regulation	<ul style="list-style-type: none"> <li>Ongoing monitoring of relevant legislations</li> <li>Establishment of Compliance function in key origin</li> <li>Strengthening due diligence policy, procedures, and systems that assess risks and implement controls</li> </ul>	Risk identified for own operations as well as the suppliers	102
<b>Opportunity:</b> Green technology advancement	<ul style="list-style-type: none"> <li>Continued utilisation of installed solar panels and biomass boilers on our manufacturing plant in Malaysia, UK, and Côte d'Ivoire</li> <li>Increasing adoption of green or energy efficient technologies</li> </ul>	Opportunities identified for own operations	106

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

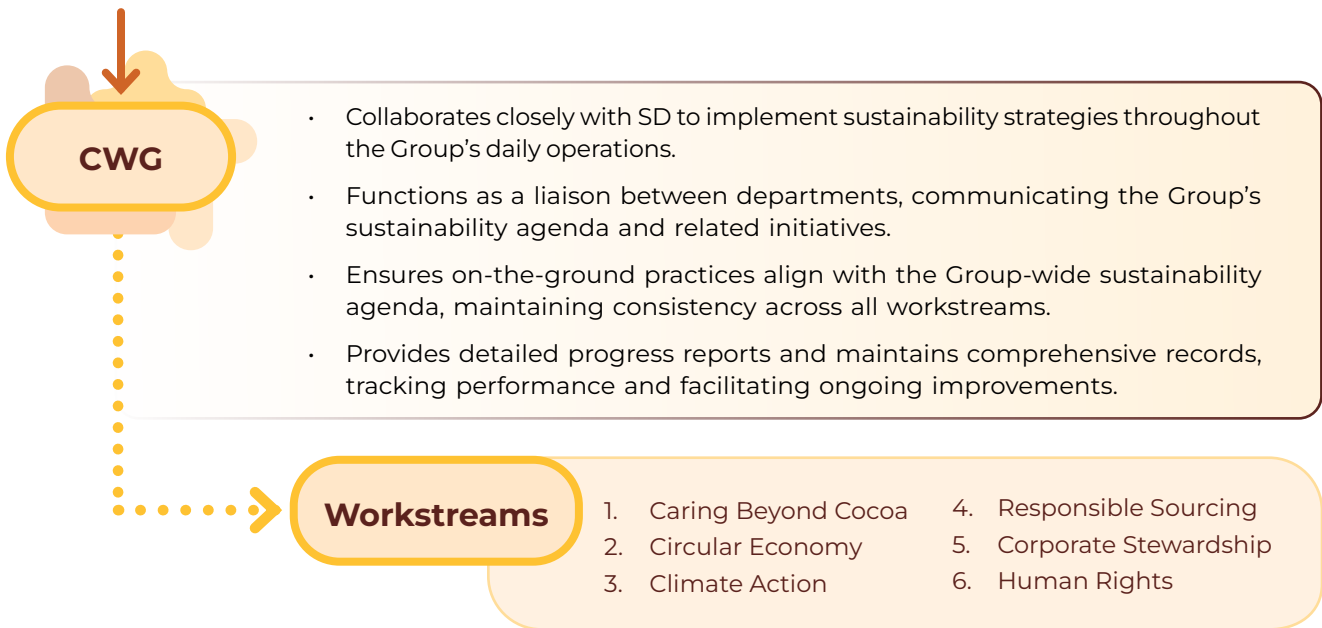
## SUSTAINABILITY GOVERNANCE STRUCTURE

The Group's commitment to integrating business and sustainability is driven by the highest levels of governance, with Board members undergoing ongoing sustainability-related training as part of their continuous skill development. An overview of the Group's sustainability governance structure is set out below:



# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## SUSTAINABILITY GOVERNANCE STRUCTURE



### IMPACT OF SUSTAINABILITY ON REMUNERATION POLICIES

A dedicated committee within the Board, the Remuneration Committee, holds responsibility for the development and implementation of remuneration policy for the Board, its committees, and management.

Achievement of the Group's sustainability-related targets will require collective effort across all entities, operations, and individuals. Senior management of each entity bears responsibility for meeting sustainability-related targets at the entity or operation level. Individual targets are defined accordingly to ensure accountability for progress.

### RISK MANAGEMENT

The risk assessment process incorporates both qualitative and quantitative factors, with consideration given to the likelihood and impact (magnitude) of potential risks.

Sustainability-related risks, including climate-related risks, are identified through the materiality assessment and other risk identification processes. Following the identification of climate-related risks and opportunities, the Group undertakes a process to prioritise and monitor them. The ERM Committee bears responsibility for identifying and managing overall risks for the Group.

Prioritisation of overall risks is performed by the ERM Committee, with risks prioritised based on impact and likelihood, taking into account potential financial impacts, operational disruptions, and regulatory changes. The Board approves the prioritised risks. With respect to opportunities, SD consolidates inputs from various workstreams and reports to SSC, which collaborates with the Board to ensure appropriate prioritisation of identified climate-related opportunities alongside other opportunities identified by the Group.

Monitoring of climate-related risks and opportunities is tracked individually against the metrics and targets for which each workstream committee chair is responsible. These metrics and targets are reported to SSC monthly.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

### 1. RISING TEMPERATURES AND CLIMATE VARIABILITY

#### a. Description

Cocoa beans constitute the Group's principal raw ingredient. No farms are owned by the Group; instead, cocoa is procured directly from suppliers, including cooperatives and traders. Exposure to chronic physical climate risk exists within the Group's supply chain, stemming from rising temperatures and heightened climate variability across cocoa-producing regions. Optimal cocoa cultivation conditions include consistent temperatures between 20°C and 30°C, elevated humidity, and regular rainfall. A report from scientists at World Weather Attribution, the Red Cross Red Crescent Climate Centre, and Climate Central found that over the 12-month period (24/25), 4 billion people — about 49% of the global population — experienced at least 30 additional days of extreme heat. In Africa, the event with the strongest influence of climate change stretched across central and western Africa — from Senegal to South Sudan and the Central African Republic — from 14-30 December 2024.<sup>4</sup> It was made at least 15 times more likely because of climate change. This has contributed to diminished flowering, reduced yields, and greater vulnerability to pests and diseases.

The upward trend in GHG emissions is unequivocal, bringing with it effects on weather patterns, most notably increases in surface temperature. Farm productivity and crop health stand to be negatively affected by rising temperatures, with cacao trees producing fewer flowers and undergoing physiological stress, ultimately leading to diminished yields in certain region. Harvest disruptions of this nature may also drive up material sourcing costs from particular origins.<sup>5</sup>

Cocoa availability in certain countries may be affected by this risk, given that climate-exacerbated effects, including disease outbreaks and shifting weather patterns, have already taken a toll on production yields.

#### b. Effects on Business Model and Value Chain

The identified climate physical risk are increasingly affecting cocoa productivity, water availability, supply chain continuity, and operational resilience, with potential implications for cost stability and sustainability performance.

- **Resource availability & Climate Disaster:** Climate conditions may affect operational continuity through changes in water availability. Based on the water stress assessment, certain regions may experience either excess water, resulting in higher flood frequency, or insufficient water supply. Both extreme scenarios may disrupt normal manufacturing operations and supply chain activities, including cocoa transportation and product delivery.
- **Supply Volume Risk Leading to Cost Pressure:** Declining seasonal rainfall in certain regions, coupled with soil moisture deficits and drought patterns, is reducing yields, thereby constraining raw material availability and driving volatility in cocoa bean supply. The tightening of raw material availability and increased cocoa bean supply volatility arising from these conditions in key sourcing regions limit suppliers' ability to consistently secure contracted cocoa volume.
- **GHG Emissions (Purchased Cocoa Beans):** Cocoa beans represent the largest raw material volume purchased, reflecting emissions attributed to land-use change, farm management practices and transportation activities. Given that these emissions largely fall beyond the Group's direct operational control, meaningful reductions can only be achieved through active supply chain engagement. Land use change has been identified as the principal contributing factor.

<sup>4</sup> Giguere, Otto, Tannenbaum, Vahlberg, et al. (2025). Climate Change and the Escalation of Global Extreme Heat: Assessing and Addressing the Risks. Climate Central, Red Cross Red Crescent Climate Centre, World Weather Attribution. <https://www.climatecentral.org/report/climate-change-and-the-escalation-of-global-extreme-heat-2025>

<sup>5</sup> <https://www.climatecentral.org/climate-matters/climate-and-cocoa-2025>

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

### c. Effect on Strategy and Decision-Making

In response to the potential risks posed by rising temperature events linked to elevated GHG emissions, the Group has put in place a number of mitigation and adaptation initiatives, including the GC&B programme, detailed as follows:

- **Climate physical risk assessment & preparedness:** Important to understand the probability and extent of disruptions caused by rising temperature. Group will expand beyond water stress assessment and assess broader range of climate events to integrate into disaster management protocol. Where chronic climate change effects are expected, adaptation measures will be implemented such as flood control procedures in Malaysia.
- **Supply Volume Risk Leading to Cost Pressure:** Operating within an increasingly climate-constrained supply landscape, the Group recognises the necessity of diversifying its sourcing regions, bolstering supplier resilience programmes, and employing more sophisticated climate-monitoring tools to anticipate seasonal disruptions. Procurement strategies will also be reassessed, with a view to increasing physical buffer stocks where practicable and forging deeper partnerships with suppliers equipped to adopt climate-smart practices. We encourage the supplier and farmers to join sustainability programme including GC&B, through this it will help mitigating the climate impact and recover the yield volume for the future.
- **GHG Emissions (Land Use Change Management):** Within agricultural commodity production, deforestation remains a common occurrence, often driven by the imperative to secure land for cultivation purposes. The resulting impact on GHG emissions has been substantial and poses a challenge both for GCB and the wider cocoa industry. In response, the Group has established a traceability system and instituted a deforestation risk assessment covering its direct supply chain, with the objective of increasing the proportion of deforestation-free cocoa procured.

### d. Financial effects

#### Current Financial Effects

The prevailing financial effects of rising temperatures on the Group's financial position, financial performance, and cash flows are principally driven by declining yields of high-quality cocoa beans.

In mitigation of this risk, the Group has invested in and capitalised on the GC&B Programme to execute targeted initiatives with selected farmers, placing particular emphasis on agroforestry, RM0.68 million, and farmer training in GAPs, RM1.66 million.

Farmers whose livelihoods are affected by yield fluctuations and who participate in GC&B and other sustainable programmes are remunerated at premium prices for the beans they supply. A commitment has been made by the Group to procure premium sustainable beans in 2025.

#### Anticipated Financial Effect

Anticipated financial effects for the Group may stem from yield declines across suppliers and the broader value chain, with the potential consequence of reduced revenues and compressed margins over the medium and long term.

When the adaptation measures undertaken through the GC&B Programme and sustainable sourcing initiatives targeting climate impacts via agroforestry and GAPs are taken into consideration, management expects that the adverse impact will be partially mitigated over the medium and long term (in accordance with Scenario 2 in the scenario analysis below).

- Elevated operational costs and diminished revenue arising from operational inefficiencies
- Increased expenditure associated with climate mitigation and adaptation efforts

It is the Group's intention to broaden GC&B programme engagement with cooperatives, accompanied by increased investment to further develop and expand agroforestry and GAPs throughout the direct sourcing network, with a particular focus on Côte d'Ivoire.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

The uncertainty surrounding the effect of rising temperatures on the Group's assets has been factored into the impairment assessment conducted by the Group. Although temperature-driven yield declines may influence cocoa prices, the associated financial effects cannot be distinguished from other significant price determinants, including currency movements, geopolitical factors, and shifts in demand. Based on these projections, management does not foresee any material adjustments to the carrying amounts of reported assets and liabilities over the next 12 months.

### e. Resilience of the Group's strategy and business model in relation to climate physical risk

#### Climate-related Scenario Analysis

To comprehend and assess the potential effects of rising temperatures on the Group's operations, a climate-related scenario analysis was conducted, drawing upon a spectrum of possible scenarios. These scenarios have been constructed using publicly available data from authoritative sources, encompassing both regional and international climate projections.

This scenario analysis was performed for the financial year ended 31 December 2025. An annual review of the analysis with comprehensive reassessment and detailed analysis carried out at minimum intervals of three years, or sooner should significant new climate data with expected implications for the Group's climate-related scenario analysis emerge.

To assess the potential effects of physical climate risks on supply chain resilience across key regions, the Group has applied three IPCC-aligned climate scenarios (SSP1-1.9, SSP2-4.5, SSP5-8.5). Each scenario represents a distinct global pathway in terms of greenhouse gas emissions, temperature trajectories, and adaptive capacity.

#### **Scenario 1: SSP1-1.9 (High Transition Risk, Lower Physical Risk)**

A rapid global decarbonisation pathway consistent with limiting warming to approximately 1.5°C. Strong and early climate policies accelerate compliance obligations and increase short-term operational costs. Physical climate impacts persist but are comparatively moderated.

#### **Scenario 2: SSP2-4.5 (Intermediate Scenario)**














A stabilising pathway characterised by moderate regulatory progression, uneven policy adoption, and temperature increases exceeding 2°C. Transition requirements evolve gradually, whilst physical impacts intensify across key cocoa regions.

#### **Scenario 3: SSP5-8.5 (High Physical Risk, Low Transition Risk)**

A high-emissions trajectory in which limited climate policy action results in substantial temperature increases and severe physical climate impacts. Transition risks are comparatively lower due to weak regulatory intervention.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

Scenarios	Factor	Short-term (0-5 years)
<b>Scenario 2: SSP2-4.5 (Intermediate Scenario)</b>	 <b>Temperature</b>	<ul style="list-style-type: none"> <li>▶ Temperature rising gradually.</li> <li>▶ Physical climate impacts affect cocoa production.</li> </ul>
	 <b>Rainfall</b>	<ul style="list-style-type: none"> <li>▶ Increasing variability; seasonal shifts affecting cocoa growing cycles.</li> </ul>
	 <b>Regulatory environment</b>	<ul style="list-style-type: none"> <li>▶ Moderate regulatory pressure. CBAM continues current sectors with uncertain agriculture product inclusion timeline.</li> <li>▶ Carbon disclosure for land-use sector fragmented.</li> </ul>
	 <b>Market conditions</b>	<ul style="list-style-type: none"> <li>▶ International regulations create material price fluctuations.</li> <li>▶ Fossil fuel dependency creates high operational expenses in some regions.</li> <li>▶ Consumer demand is gradually shifting towards more sustainable and traceable cocoa products.</li> </ul>
	 <b>GCB's Response</b>	<ul style="list-style-type: none"> <li>▶ Leverage trends by expanding traceable and sustainable supply chain, which has started direct investment since 2023 through GC&amp;B.</li> <li>▶ Invested in renewable energy generation capacity in our operations and started to measure carbon metrics.</li> <li>▶ Plan to commit SBTi net zero target.</li> </ul>
<b>Scenario 1: SSP1-1.9 (High Transition Risk, Lower Physical Risk)</b>	 <b>Temperature</b>	<ul style="list-style-type: none"> <li>▶ Continues rising consistent with previous trend.</li> <li>▶ Physical risks (heavy rainfall, droughts) affect cocoa production.</li> </ul>
	 <b>Regulatory environment</b>	<ul style="list-style-type: none"> <li>▶ Regulatory pressure accelerates climate regulations such as CSDDD and CBAM enforced.</li> <li>▶ Countries start adoption of carbon pricing mechanisms.</li> </ul>
	 <b>Incentives &amp; finance</b>	<ul style="list-style-type: none"> <li>▶ Cocoa-sourcing countries expand tax incentive for nature-based solutions, renewable energy, and industrial decarbonisation.</li> </ul>
	 <b>Market conditions</b>	<ul style="list-style-type: none"> <li>▶ Multinational customers shift toward sustainable and traceable cocoa.</li> <li>▶ Company margins tighten due to investments to meet new regulations.</li> </ul>
<b>Scenario 3: SSP5-8.5 (High Physical Risk, Low Transition Risk)</b>	 <b>Temperature</b>	<ul style="list-style-type: none"> <li>▶ Continued significant rise in global temperatures. Increasing frequency of extreme weather events which adversely affect cocoa farms, reducing yields and bean quality.</li> </ul>
	 <b>Regulatory environment</b>	<ul style="list-style-type: none"> <li>▶ Climate policy remains fragmented and delayed.</li> <li>▶ Industries operate under business-as-usual with greater reliance on fossil fuel-based energy sources.</li> </ul>
	 <b>Incentives &amp; finance</b>	<ul style="list-style-type: none"> <li>▶ lack of priority on sustainable incentives to aid companies to transition to a lower carbon economy.</li> </ul>
	 <b>Market conditions</b>	<ul style="list-style-type: none"> <li>▶ Some countries begin withdrawing from international climate agreements.</li> <li>▶ Countries and companies delaying or abandoning net-zero plans.</li> <li>▶ Supply chain due diligence requirements loosens.</li> </ul>

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

Medium-term (5-25 years)	Long-term (25-55 years)
<ul style="list-style-type: none"> <li>▶ Climate impacts worsen cocoa growing conditions in some key origins</li> </ul>	<ul style="list-style-type: none"> <li>▶ The impact is less noticeable than in previous years</li> </ul>
<ul style="list-style-type: none"> <li>▶ Drought/flood cycles more frequent.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Disruption to growing seasons; suitable cocoa area shifts.</li> </ul>
<ul style="list-style-type: none"> <li>▶ CBAM could include agricultural products for selected EU markets.</li> <li>▶ Cocoa traceability frameworks mature.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Regulatory framework widely adopted but fragmented.</li> <li>▶ CBAM with an advanced pricing mechanism strictly applies widely.</li> </ul>
<ul style="list-style-type: none"> <li>▶ International climate incentives scale up.</li> <li>▶ Climate-smart agriculture adoption at a moderate pace.</li> <li>▶ Traceable and deforestation-free cocoa products are required to sell in major markets.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Verified cocoa gains stronger global demand; supply remains inconsistent in certain regions.</li> </ul>
<ul style="list-style-type: none"> <li>▶ Cocoa yield shows moderate improvement despite extreme weather impact due to agroforestry and GAP initiatives implemented through the sustainability programme.</li> <li>▶ Efficient routing on shipping is underway, but regulatory clarity and carbon cost mechanisms remain in progress.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Adaptations influenced by external uncertainties, including regulatory developments, climate variability, and farmer adoption rates.</li> <li>▶ Early years investments from the GC&amp;B Programme and other sustainability programmes could partially offset the impact in the long term.</li> </ul>
<ul style="list-style-type: none"> <li>▶ Global temperature range of fluctuation becomes narrower.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Global warming pattern begins more stable as emissions move towards net-zero.</li> </ul>
<ul style="list-style-type: none"> <li>▶ CBAM potentially expands to agriculture and land-use sectors</li> <li>▶ Cocoa importers in EU, UK, and Asia adopt traceable and deforestation-free criteria for imports.</li> <li>▶ Shipping companies scale lower-emission technologies.</li> </ul>	<ul style="list-style-type: none"> <li>▶ CBAM widely adopted with broader industries covered.</li> <li>▶ Low-carbon transportation is widely adopted globally.</li> </ul>
<ul style="list-style-type: none"> <li>▶ International climate finance increasingly supports forest protection and sustainable land-use.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Strong sustainability compliance becomes a competitive advantage.</li> </ul>
<ul style="list-style-type: none"> <li>▶ Climate-smart agriculture widely implemented.</li> <li>▶ Cocoa producing regions shift due to climate conditions and productivity increases due to uptake of GAPs during early years.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Verified traceable and deforestation-free cocoa becomes dominant.</li> <li>▶ Consumer expect traceability information readily available as the supply chain becomes transparent.</li> </ul>
<ul style="list-style-type: none"> <li>▶ Direct impact of increasing temperature heavily affects indirect suppliers and puts pressure on availability of cocoa.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Severe impact on cocoa yields in certain regions.</li> <li>▶ Governments start making short-term adaptation measures.</li> </ul>
<ul style="list-style-type: none"> <li>▶ Lack of robust climate-related policies from governments reduces the climate resiliency of farms.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Infrastructure insufficient to withstand climate conditions</li> <li>▶ Companies increase spending on disaster recovery and adaptation measures to sustain operations.</li> </ul>
<ul style="list-style-type: none"> <li>▶ Public and private funding for sustainability transition limited.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Sustainable incentives are limited as the government shifts focus on securing resource acquisition and disaster recovery strategy in the middle of global conflicts</li> </ul>
<ul style="list-style-type: none"> <li>▶ Renewable energy options are limited and costly for wide adoption</li> <li>▶ Supply chain disruption due to acute climate events increases</li> </ul>	<ul style="list-style-type: none"> <li>▶ Emergency adaptation measures implemented reactively.</li> <li>▶ Insurance costs increase due to the frequency of damage caused by weather conditions.</li> </ul>

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

### SIGNIFICANT AREAS OF UNCERTAINTY

The modelling of different scenarios and their climate-related impacts necessitates consideration of a range of uncertainties and the exercise of judgement. The following represent the significant areas of uncertainty taken into account by the Group in its assessment of climate resilience:

**Expected frequency and intensity of future rising temperatures:** Considerable uncertainty surrounds how climate change will unfold, including the effects of increases or decreases in GHG emissions.

### CAPACITY TO ADJUST OR ADAPT STRATEGY AND BUSINESS MODEL

The Group's strategy and business model, including its mitigation plans and actions, are currently based on the baseline scenario deemed most probable (Scenario 2). The mitigation action plans in this scenario include accelerating agroforestry and GAPs across the direct sourcing network, as well as advancing traceability systems to strengthen supplier engagement.

As set out in the Sustainability Governance Structure topic, the Board undertakes periodic evaluations of the Group's strategy and progress against targets. This process affords the Group the opportunity to assess its capacity for adjusting and adapting its strategy and business model in response to climate change.

Financial flexibility is maintained by the Group to address climate-related risks through:

- Debt-to-equity ratio of 1.36, providing capacity for additional borrowing if required.

These resources furnish the capacity to accelerate adaptation investments or respond to supply disruptions under adverse scenarios.

The Group's processing facilities are distributed geographically across Malaysia, Indonesia, Côte d'Ivoire, UK, US, and Germany. This geographical spread affords the following flexibilities:

- Reallocation of processing volumes between facilities in the event of regional supply disruption.
- Procurement of cocoa beans from alternative origins, leveraging existing supplier relationships across a diverse range of origin countries.
- Utilisation of trading operations to access spot market supply as required.
- Processing directly at cocoa bean producing country optimises the sea freight needed to transport beans to Asia region for processing, avoiding transportation emissions.



# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

### f. Processes, Controls and Policies to Manage Climate-Related Physical Risks

A structured approach is employed by the Group to identify and assess climate-related risks, utilising various inputs and parameters, including historical climate data and predictive models. On balance, the Group is positioned for a rapid transition scenario. The early investments in sustainability, traceability, and deforestation-free sourcing align with anticipated regulatory requirements. The Group's premium market positioning may derive benefit from growing demand for certified sustainable cocoa. Although company margins may contract initially due to investments in compliance and decarbonisation measures, improvements are anticipated over time as sustainability increasingly becomes a source of competitive advantage.

Under a high-emissions scenario, current strategies would necessitate substantial enhancement. The Group acknowledges that severe physical climate impacts would test the boundaries of existing adaptation capacity and may call for strategic repositioning, encompassing geographic diversification, investment in strengthened supply chain contingency planning.

Beyond risk management, the Group undertakes the identification and assessment of climate-related opportunities based on current operational efficiency and potential benefits. Although these processes are conducted independently of overall risk management, they are aligned with broader strategic decision-making. The climate resilience assessment is reviewed annually by the Board, with consideration given to its implications for strategic planning, capital allocation, and risk management. SSC monitors progress on climate-related targets quarterly and reports its findings to the Board.

### g. Metrics<sup>6</sup>

Climate-related risks and opportunities	Description of metric	Methodology to calculate metric	Measuring Unit	Current Metric (2025)
<b>Entity developed metrics</b>				
	Farmers engaged with GC&B	Total farmers engaged with GC&B as at the end of reporting period	Number of farmers	31,475
<b>Rising Temperature and Climate Variability</b>	Area under agroforestry	Total area under agroforestry practices in the reporting period	Hectare (ha)	3,696
	Progress of traceable and sustainable cocoa beans in our direct sourcing network	Current progress of traceable and sustainable cocoa beans in our direct sourcing network at the end of reporting period	Percentage (%)	36

<sup>6</sup> The Group is currently developing climate targets which is not ready to be disclosed for the current year of reporting period. GCB progressively looks at the progress of our own mitigation and resilience short, medium and long term. The assumptions used in the current and future targets are also consistent with the Group's cash flow projections for going concern and impairment assessments. The metrics and methodologies have not been validated by a third-party.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

Climate-related risks and opportunities	Description of metric	Methodology to calculate metric	Measuring Unit	Current Metric (2025)
<b>Metrics from SASB Industry Standard - Agricultural Products</b>				
<b>Energy Management</b>	Operational energy consumed (FB-AG-130a.1)	Total energy consumed	Gigajoules (GJ)	1,193,975
	Percentage grid electricity (FB-AG-130a.1)	Grid electricity usage per total energy consumption	Percentage (%)	41
<b>Greenhouse Gas Emissions</b>	Fleet fuel consumed (FB-AG-110a.3)	Total fleet fuel consumed	Gigajoules (GJ)	10,514
	Percentage renewable fleet fuel consumed (FB-AG-110a.3)	Total renewable fleet fuel per total amount of fleet fuel consumed	Percentage (%)	0
<b>Ingredient Sourcing</b>	Agricultural products sourced from regions with High or Extremely High Baseline Water Stress (FB-AG-440a.2)	Cost of agricultural products sourced from regions with High or Extremely High Baseline Water Stress per total cost of agricultural products sourced.	Percentage (%) by cost	8

Metric tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)	Current year 2025
	Total
<b>Gross Scope 1 GHG emissions</b>	32,829
<b>Gross Scope 2 (Market-based) GHG emissions</b>	52,321
<b>Scope 3 : Business Travel Emissions</b>	578
<b>Scope 3 : Employee Commuting Emissions</b>	2,228
<b>Total Scope 3 emissions</b>	2,807
<b>Emission Intensity (tCO<sub>2</sub>e/MT of finished goods)</b>	0.33

Category 1 (Purchased Goods and Services) and Category 4 (Upstream Transportation and Distribution) are excluded from FY2025 Scope 3 metrics due to data limitations, we are committed to include them from the next reporting period.

Scope 2 GHG emissions are calculated using both location-based and market-based methodologies, with grid emission factors obtained from national grid operators. Contractual instruments held by the Group, such as Renewable Energy Certificates, have been reflected in the market-based calculation.

All emissions disclosed relate to the consolidated accounting group. The Group does not hold material investments in associates, joint ventures, or unconsolidated subsidiaries that would require separate disaggregation under IFRS S2 paragraph 29(a)(iv).

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

### 2. CLIMATE-RELATED TRANSITION RISK: POLICY AND REGULATION

#### a. Description

Given its involvement in the trading and sale of cocoa and chocolate products, the Group is subject to a range of local and international regulations, encompassing climate-related requirements. Full compliance with all applicable regulatory obligations is imperative for sustaining the business.

As a public listed company on Bursa Malaysia's Main Market, the Group is required to comply with the MMLR, particularly Chapter 9 on Continuing Disclosure, including the prescribed disclosure of sustainability-related risks and opportunities. In addition, the Group must comply with applicable operational regulations, such as circular economy act presented in the EU. Failure to comply with these regulatory obligations may adversely affect the Group's reputation, shareholder confidence, operational continuity, and market standing.

The Group's monitoring extends beyond regulatory impacts within the jurisdiction of its headquarters to encompass potential reporting requirement impacts in countries where its entities are situated, including Singapore's Accounting and Corporate Regulatory Authority (ACRA), and the EU's Corporate Sustainability Reporting Directive (CSRD).

Various environment-related regulations exert both direct and indirect effects on the Group, particularly those originating from the EU (Carbon Border Adjustment Mechanism (CBAM), Green Claim Directive, Corporate Sustainability Due Diligence Directive (CSDDD), and European Union Deforestation Regulation (EUDR). With the introduction of the EUDR in 2023, cocoa was designated as one of the commodities falling within the regulation's scope, thereby directly impacting the Group's operations. Compliance with the EUDR obliges the Group to establish due diligence policies and procedures, implement a robust traceability system, secure appropriate assurance, and report on the measures taken to ensure that cocoa beans are legally sourced and free of deforestation.



# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

### b. Effects on Business Model and Value Chain

The Group's operations across the globe are governed by various laws, including climate-related requirements pertaining to reporting disclosure and due diligence. Furthermore, to maintain its various sustainability certification, both the Group and its suppliers must meet requirements for proper traceability and assessment.

Should the Group fail to comply with these requirements, its business model will be affected and its financial performance will be adversely impacted, as outlined below:

- **Enforcement Action:** The Group is required to comply with the new sustainability reporting requirements established by Bursa Malaysia. Non-compliance with the requirements will be investigated and corrective action will be taken. Failure to address the deficiencies identified in the corrective action may result in the relevant authorities taking appropriate enforcement action.<sup>7</sup>
- **Market Access Restriction – EUDR:** Failure to comply with the EUDR, including requirements on traceability, geolocation data, and deforestation-free sourcing, may restrict the Group's ability to access and trade in the European Union market. Non-compliant cocoa beans or cocoa products may be subject to rejection, shipment delays, penalties, or import bans, which could disrupt the Group's value chain, increase operational costs, and adversely affect revenue from key export markets.<sup>8</sup>

Beyond non-compliance risks, the EUDR has compelled the Group to strengthen its existing supply chain governance to satisfy heightened customer requirements. Customers with exposure to the EU market impose more stringent due diligence, traceability, and assurance expectations, generating cascading impacts throughout the supply chain.

- **Increase Supply Chain Due Diligence Requirement:** The Group is obligated to assess a broader spectrum of risks within supply chain assessment, encompassing origin verification, geolocation data, and deforestation risk, and to work in close collaboration with suppliers to enhance traceability and data integrity. The potential consequences include elevated compliance costs, increased operational complexity, extended procurement timelines, and a more restricted supplier base, all of which could affect the Group's business model and place pressure on financial performance.

### c. Effect on Strategy and Decision Making

A number of initiatives have been undertaken by the Group to meet requirements established by local and international authorities regarding climate change.

- **Climate disclosure:** In accordance with the applicable transition relief established by the NSRF and adopted by Bursa, substantial preparations have been made to adhere to climate-first disclosure under IFRS S2: Climate-related Disclosure. A gap analysis assessment aligned with IFRS S1 and S2 has been conducted with external consultant. Climate risk assessment has been integrated into ERM framework, with key risks and mitigation plans communicated to dedicated team to ensure information are reported accurately.
- **Due diligence and traceability systems:** Establishing governance over traceability requirements and due diligence has become critically important. A dedicated task force has been formed to identify, assess, and monitor progress and requirements established by EUDR, ensuring full compliance and meeting regulatory demands. A customised digital system for farm to product traceability and supplier risk assessment has been implemented, which is coupled with deforestation assessment capabilities to ensure checks are operationalised, integrated into operations.

<sup>7</sup> <https://www.sc.com.my/resources/media/media-release/acsr-sets-out-approach-for-non-compliance-to-sustainability-reporting-requirements>

<sup>8</sup> [https://green-forum.ec.europa.eu/nature-and-biodiversity/deforestation-regulation-implementation/traceability-and-geolocation-commodities-subject-eudr\\_en?prefLang=mt](https://green-forum.ec.europa.eu/nature-and-biodiversity/deforestation-regulation-implementation/traceability-and-geolocation-commodities-subject-eudr_en?prefLang=mt)

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

- **Increase Supplier Collaboration:** Strengthening supplier readiness for evolving regulations and industry developments is essential to maintaining supply chain resilience. Through the due diligence framework, supplier assessments have advanced, with only approved suppliers permitted to contract traceable, deforestation-free volumes. Corrective actions and targeted feedback have been communicated to suppliers to reinforce their compliance controls. In Côte d'Ivoire, dedicated engagement sessions were held with local cooperatives within our direct sourcing network to facilitate this transition.

### d. Financial Effects

#### Current Financial Effects

No instances of non-compliance with regulatory reporting and compliance standards affected the Group during the financial year.

The current financial effects of mitigating actions undertaken in respect of policy and regulation risks, and their impact on the Group's financial performance and cash flows during the current reporting period, may be summarised as follows:

- Expenses were incurred by the Group in connection with climate risk assessment and new disclosure requirements, as well as staff training.
- Investments were made to upgrade traceability systems and human resources to conduct broader supply chain checks.

Certain recurring costs are anticipated to be incurred over the short, medium, and long term.

#### Anticipated Financial Effects

The Group anticipates that non-compliance with regulatory requirements, together with heightened supply chain due diligence obligations, will have material financial effects over the short, medium, and long term. Such effects stem from direct financial impacts, including penalties and fines, as well as the potential loss of access to EU marketplaces. Non-compliances would directly impair the Group's capacity to export to certain markets and would affect its business model. Nevertheless, the Group is of the view that its current strategy and internal processes are adequate to address this risk, and the adverse impact is expected to be immaterial.

With respect to the impact of the Group's mitigation actions, financial performance and cash flows are expected to remain consistent with the effects observed in the current reporting period.

Furthermore, the Group is actively partnering with its suppliers to strengthen their compliance with traceability requirements under the relevant regulations, while investing in enhanced internal due diligence capabilities through the deployment of additional systems and the recruitment of dedicated expertise.

### e. Resilience of the Group's Strategy and Business Model in Relation to Climate Transition Risk

The Group's strategy and activities for managing policy and regulation are managed through the continuous improvement. The Corporate Governance committee conducts periodic reviews of these processes as part of the Group's monitoring activities.

A comprehensive process has been instituted by the Group to address any potential instances of non-compliance with local and global regulations. This process includes the Grievance Mechanism, which ensures that incidents are reported and addressed promptly upon occurrence. The mechanism allows identifying and remediating the root causes underlying such incidents.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

### f. Processes, Controls and Policies to Manage Climate Transition Risks

The overall process for identifying, assessing, prioritising, and monitoring climate transition risk forms part of the general process described in risk management.

All departments must monitor disclosure regulations affecting the Group and proactively detect risks that should be proactively mitigated to minimise material impacts. The routine risk assessment reviews provide data gathered serves a dual purpose: as a compliance measure for regulatory requirements and as a resource for management analysis.

Policies and regulations in operating regions are monitored closely by Corporate Governance committee. When material policy change might affect the Group, department heads are informed and required to perform impact assessment with results reported to the ERM committee for BOD review. These assessments are intended to identify potential gaps within existing processes, highlight areas for improvement, and ensure that the Group's policies, procedures, and internal controls are capable of meeting established regulations and are aligned with industry best practices.

Scenario analysis is not conducted by the Group to inform its identification of policy and regulation risk, given that expected disclosure and due diligence requirement levels are determined by established regulations. Accordingly, there is minimal variability in the management of this risk.

### g. Metrics

Climate-related risks and opportunities	Description of metric	Methodology to calculate metric	Measuring Unit	Current Metric (2025)
<b>Entity developed metrics</b>				
<b>Policy and Regulation</b>	Cocoa bean supplier assessed for environmental and social risk	Total cocoa bean supplier assessed for environmental and social risk during the reporting period	Number	164

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

### 3. CLIMATE-RELATED OPPORTUNITIES: GREEN TECHNOLOGY ADVANCEMENT

#### a. Description

As a manufacturing business, our operations rely heavily on energy for processing cocoa beans into cocoa ingredients and industrial chocolate. Alternative energy sources are continuously evaluated to ensure energy security whilst simultaneously managing operating costs in an efficient manner.

Opportunities relating to green technology are concentrated within the processing facilities, particularly in energy-intensive operations such as roasting, grinding, and pressing. Growing customer expectations for lower emissions are driving demand for lower-carbon cocoa products, with consequent implications for production methods, energy sourcing, and supplier practices.

#### b. Effects on Business Model and Value Chain

While renewable energy solutions offer long-term benefits, they also present operational and maintenance challenges. In support of energy resilience and emissions reduction, the Group has installed solar panels at its manufacturing plants in Malaysia, the UK, and Côte d'Ivoire, providing a maximum generation capacity of 7.93 MWp. Biomass boilers have also been commissioned in Côte d'Ivoire, converting 62,558 MT of cocoa shells into steam energy via waste-to-energy processes. Together, these systems produce an average of approximately 71,779 GJ renewable energy annually.

- **Maintaining Solar Panels and Biomass Boiler:** These systems require proper maintenance and efficiency monitoring. Given their exposure to the external environment, solar panels are susceptible to numerous factors that may impair performance, including heavy rainfall, dust accumulation, humidity, and wind.<sup>9</sup> Biomass boilers entail higher maintenance demands owing to the conversion of cocoa shells into steam energy; careful management of fuel quality and combustion conditions is required, alongside regular servicing of boiler and ash-handling systems to ensure safe and reliable operation.

- **Reduce operational costs and avoid emissions:** The Group reduces electricity costs through the installation of solar panels and biomass boilers. These systems further contribute to the avoidance of carbon emissions by displacing conventional energy sources with renewable and waste-to-energy alternatives.
- **Customer demands:** Growing demand for deforestation-free, traceable, and verified cocoa requires investment in traceability platforms, geospatial monitoring, and supplier training. Rising expectations for product-level carbon footprint transparency require the development of capabilities to provide emission-factored product declarations, compelling the company to reinforce its data systems, audit readiness, and verification processes.

#### c. Effect on Strategy and Decision-Making

The Group will continue investing in processes and systems.

- **Expansion of green technology:** The Group continually explores opportunities to expand green technology for greater renewable energy generation within its operations. Where practicable and cost-effective, initiatives will be implemented to reduce reliance on conventional electricity generation.
- **Purchased Renewable Energy Certificates:** The Group has purchased renewable energy certificates for selected entities to reduce its carbon emissions and ensure that renewable energy sources are reflected in its energy consumption. Initial coverage is expected to address electricity consumption at trading offices, with incremental progression towards operational usage over time.
- **Digitalising supply chain:** Digitised traceability platforms and geospatial monitoring tools (e.g., polygon-level farm mapping, satellite deforestation screening) facilitate verification of compliance with deforestation-free regulations. These systems bolster compliance with emerging EU market rules (EUDR). The resulting capability supports emissions reporting (Scope 1, 2, and upstream Scope 3), and customer needs for GHG tracking.

<sup>9</sup> Dawood, T. A., Barwari, R. R. I., & Akroot, A. (2023). Solar Energy and Factors Affecting the Efficiency and Performance of Panels in Erbil/Kurdistan. *International Journal of Heat & Technology*, 41(2).

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

### d. Financial Effects

#### Current Financial Effects

The Group has realised financial benefits from climate-related initiatives, primarily through renewable energy investments and digital solutions that improve operational efficiency and supply chain management. The current financial effects in 2025 are reflected in the following:

- Biomass and solar panel maintenances: RM 3.82 million in 2025 from solar panels and biomass boilers
- Capital expenditure: RM32.92 million invested in renewable energy assets (cumulative)
- Investment into digital solutions for supply chain traceability, assessment: around RM1 million

#### Anticipated Financial Effects

The anticipated financial effects of the company's sustainability investments are expected to materialise progressively over the long-term strategic horizon. Over the short term, an increase in capital expenditure is anticipated, driven by accelerated investment in supply chain digitalisation, encompassing polygon-level farm mapping, satellite-based deforestation screening, and enhanced carbon measurement systems. These initiatives are supported by operational efficiency gains derived from improved data accuracy and reduced compliance risks.

Over the medium term, reduced exposure to energy price volatility and stronger alignment with emerging carbon-pricing mechanisms are anticipated, while digital traceability capabilities serve to enhance supply-chain transparency and strengthen the company's competitive standing in customer procurement processes that increasingly prioritise verifiable sustainability attributes.

Over the long term, the transition to renewable energy is expected to yield a structural cost advantage as fossil fuel prices rise. Advanced digital systems, once fully embedded, are anticipated to reduce audit costs, support premium product certification, and potentially unlock new revenue streams.

### e. Resilience of the Group's Strategy and Business Model in Relation to Climate-Related Opportunities

The incorporation of solar panels and biomass boilers serves to strengthen the resilience of the Group's strategy and business model by diminishing reliance on external energy sources and reducing exposure to energy price volatility. Through the diversification of its energy mix and the utilisation of renewable and waste-to-energy solutions, the Group bolsters energy security and stabilises operations across its manufacturing facilities.

The deployment of biomass boilers, which convert cocoa shells into steam energy, enables the Group to optimise resource efficiency by repurposing production waste as a valuable energy input. This circular approach yields reductions in disposal costs, supports cost stability, and mitigates operational risks arising from energy supply disruptions.

Furthermore, investments in renewable energy infrastructure advance the Group's transition towards lower-carbon operations, thereby assisting in the management of climate-related transition risks, ensuring compliance with evolving regulatory requirements, and fulfilling customer and stakeholder expectations. Collectively, these initiatives enhance the long-term resilience and sustainability of the Group's business model.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## CLIMATE-RELATED RISKS AND OPPORTUNITIES

### f. Processes, Controls and Policies to Manage Climate-Related Opportunities

The Group proactively identifies and capitalises on climate-related opportunities to enhance operational efficiency, reduce costs, and advance sustainability objectives. At present, emerging technologies are discussed among operations teams for consideration during new machinery procurement. In recognition of the growing imperative to integrate green technology, annual reviews of emerging green technologies will be conducted by the SSC in collaboration with the Climate Action workstream. Inputs for these reviews include industry benchmarks, technology assessments, supplier innovation, and regulatory developments. Opportunities are appraised against the following criteria: (1) emissions reduction potential, (2) financial return/payback period, (3) operational feasibility, (4) alignment with customer requirements, and (5) availability of regulatory incentives.

The adoption of renewable and waste-to-energy solutions is guided by policies that ensure compliance with environmental regulations and alignment with the Group's sustainability commitments. These initiatives position the Group to realise energy cost savings, achieve lower carbon emissions, and enhance operational resilience, whilst simultaneously contributing to long-term business value and stakeholder confidence.

As part of its decarbonisation strategy, the Group has initiated the procurement of RECs to progressively cover electricity consumption and is exploring long-term purchase agreements with providers as a means of managing cost volatility.

Governance oversight of climate-related opportunities is further strengthened through the Carbon Committee, which participates in deliberations concerning high-impact investments involving material capital allocation. These deliberations ensure alignment with climate-related risks and opportunities and support the Group's future Science-Based Targets initiative (SBTi) commitments. In addition, the Group monitors policy and regulatory developments, including carbon pricing mechanisms and renewable energy incentives, to optimise the timing, scale, and financial viability of its climate-related investments.

### g. Metrics

Climate-related risks and opportunities	Description of metric	Methodology to calculate metric	Measuring Unit	Current Metric (2025)
<b>Entity developed metrics</b>				
<b>Green Technology Advancement</b>	Renewable energy certificates	Total purchased renewable energy certificates	Number	26
<b>Metrics from SASB Industry Standard - Agricultural Products</b>				
<b>Energy Management</b>	Percentage of renewable energy generated (FB-AG-130a.1)	Total renewable energy per total energy consumption	Percentage (%)	12
	Renewable energy generated (FB-AG-130a.1)	Total renewable energy generated internally	Gigajoules (GJ)	137,967

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## EVENTS AFTER THE REPORTING PERIOD

No transactions, other events or conditions occurring after the end of the reporting period and prior to the date of authorisation for issue of this report have occurred that necessitate disclosure in this sustainability report.

### STATEMENT OF ASSURANCE

The Group has employed good governance and internal reporting practices in the production of this IFRS Sustainability Disclosure. Additionally, the Group's dedicated reporting team has reviewed this report, with the Board subsequently providing approval. Moving forward, we will strive to enhance our data collection, analysis and reporting processes in order to improve the quality and scope of our disclosures. As the Group makes further progress in our sustainability journey, we will firmly consider the adoption of external assurance for our future disclosures.

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## PRESCRIBED TABLE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate-related physical risk: rising temperature and climate variability	Farmers engaged with CC&B	Number	31,475	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Area under agroforestry	Hectare (ha)	3,696	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Progress of traceable and sustainable cocoa beans in our direct sourcing network	Percentage (%)	36	100% traceable and sustainable cocoa within the direct sourcing network by 2030	No assurance
Climate-related physical risk: rising temperature and climate variability	Operational energy consumed	Gigajoules (GJ)	1,193,975	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Percentage grid electricity	Percentage (%)	41	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Fleet fuel consumed	Gigajoules (GJ)	10,514	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Percentage renewable fleet fuel consumed	Percentage (%)	0	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Agricultural products sourced from regions with High or Extremely High Baseline Water Stress	Percentage (%) by cost	8	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Scope 1 emissions	Metric tonnes of carbon dioxide equivalents (tCO2e)	32,829	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Scope 2 emissions (market-based)	Metric tonnes of carbon dioxide equivalents (tCO2e)	52,321	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Scope 3 emissions - Category 6: Business Travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	578	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Scope 3 emissions - Category 7: Employee Commuting	Metric tonnes of carbon dioxide equivalents (tCO2e)	2,228	—	No assurance
Climate-related physical risk: rising temperature and climate variability	Emission intensity	tCO2e/Metric tonnes of finished goods	0.33	—	No assurance

# IFRS SUSTAINABILITY DISCLOSURE - CLIMATE

## PRESCRIBED TABLE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate-related transition risk: policy and regulation	Cocoa bean supplier assessed for environmental and social risk	Number	164	—	No assurance
Climate-related opportunity: green technology advancement	Renewable energy certificates purchased	Number	26	—	No assurance
Climate-related opportunity: green technology advancement	Renewable energy generated	Gigajoules (GJ)	137967	—	No assurance
Climate-related opportunity: green technology advancement	Percentage of renewable energy generated	Percentage (%)	12	—	No assurance

# RESPONSIBLE SOURCING

Responsible sourcing and robust traceability are central to how we operate. By embedding ethical practices across our supply chain, we mitigate risks such as labour exploitation and deforestation, while meeting growing consumer demand for transparency. This approach strengthens our operations, supports sustainable growth, and delivers lasting value for all.

## ETHICAL SUPPLY CHAIN

Our suppliers are essential partners in building a responsible, sustainable value chain. Through close collaboration, we address global challenges such as human rights, environmental protection, and fair trade, while fostering long-term relationships.

In 2025, approximately 75% of our primary cocoa bean suppliers completed our Sustainable Procurement Questionnaire, helping us monitor compliance, identify improvement opportunities, and strengthen sustainability across our supply base.

## TRANSITIONING TO DEFORESTATION-FREE SUPPLY CHAIN

On 31 May 2023, the European Commission adopted the EUDR under Regulation (EU) 2023/1115. The regulation requires companies placing products on the EU market to demonstrate that covered commodities are deforestation-free, legally produced, and fully traceable to their origin. These commodities include palm oil, soy, beef, coffee, cocoa, timber, and rubber.

GCB is fully committed to meeting the EUDR, which aligns closely with our existing sustainability efforts. Since 2021, our Forest and Traceability Policy has guided our approach to conserving forests and ensuring our sourcing activities do not contribute to deforestation as well as other ecosystem impacts. To strengthen the commitment, we have established due diligence policies and procedures at the Group-level encompassing supplier assessment, a traceability framework, and corrective actions.

Our preparedness for the EUDR is underpinned by early and systematic action. We established robust traceability foundations through clear policies and procedures, the implementation of the GC&B Programme, the formation of a dedicated compliance team, and the sourcing of verified produced cocoa beans. These measures have strengthened our due diligence framework and positioned us well to respond to evolving regulatory expectations.

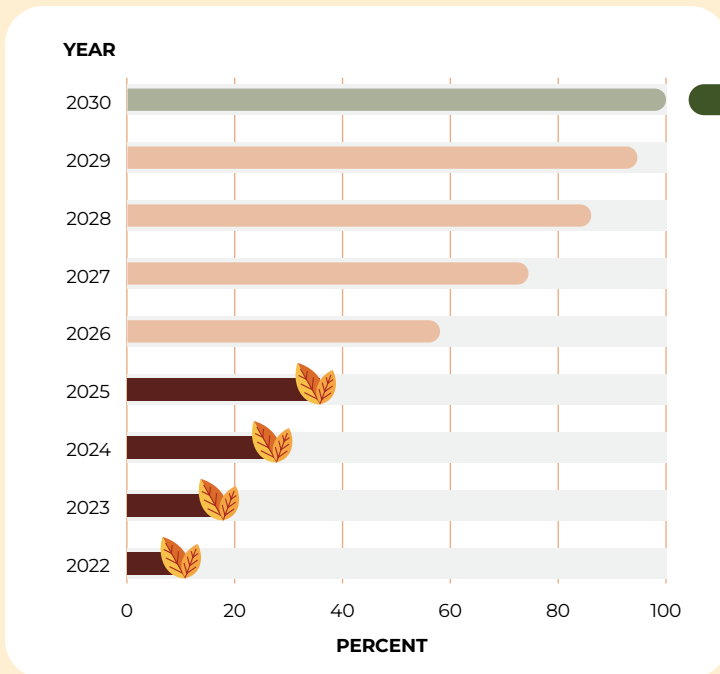
# RESPONSIBLE SOURCING





To comply with EUDR requirements, we have integrated farm-level geolocation data into our digital traceability system. This information, submitted by suppliers, is verified through deforestation-free assessments using high-resolution satellite imagery and independent third-party expertise. We have established forest baselines, conducted farm-level risk analyses, and cross-checked supplier disclosures through our Sustainable Procurement Questionnaire (SPQ) process to ensure alignment with EUDR definitions and national legal requirements.

Significant investments have been made in verification, supplier engagement, and smallholder data collection to prepare our segregated supply chains for EUDR compliance. Our goal is to achieve 100% traceable and sustainable cocoa beans in our direct sourcing network by 2030. GCB remains committed to supporting a more transparent and sustainable global cocoa industry.

We are pleased to highlight the following milestones in our responsible sourcing journey:

## TRACEABLE AND SUSTAINABLE COCOA

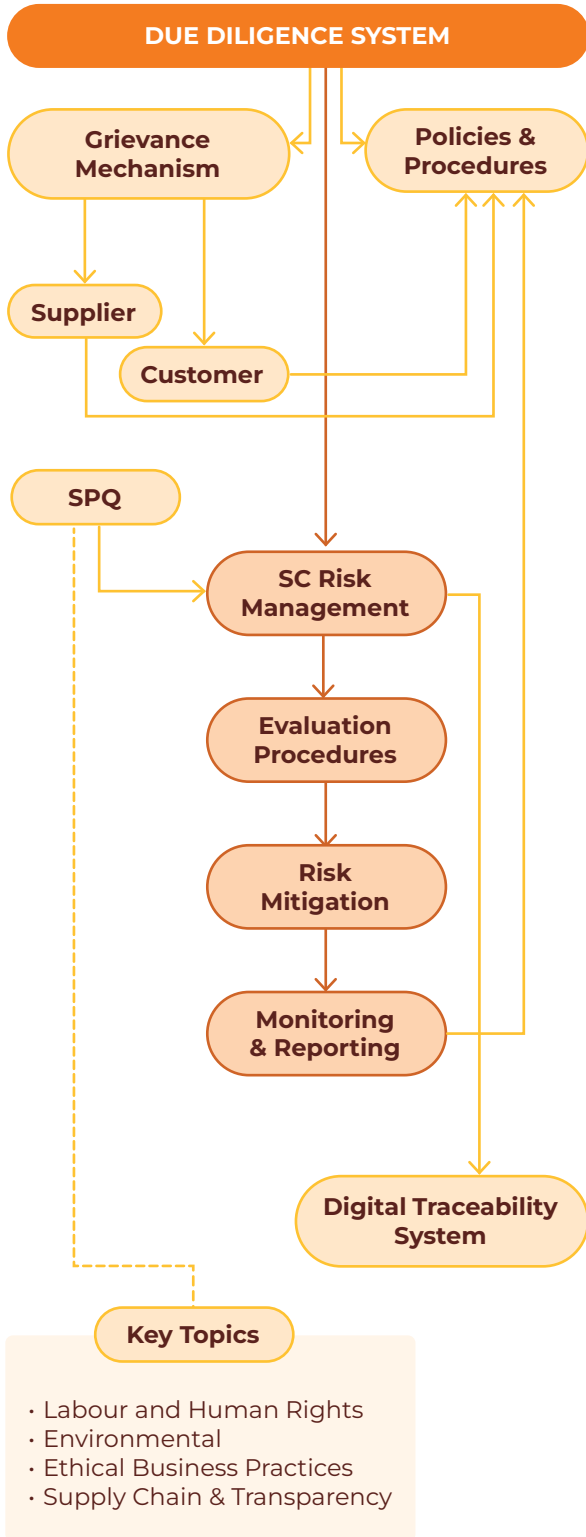


- 
**2024**  
 Developed Due Diligence Policies, Procedures and Digital Traceability System
- 
**2023**  
 EUDR entered into force
- 
**2020**  
 GC&B programme launched
- 
**2020**  
 Deforestation cut-off date, 31 December 2020



# RESPONSIBLE SOURCING

In 2025, we have traced around 48,000 MT of sustainable cocoa beans, which accounted for 36% of our direct sourcing network to the farm level. In parallel, we conducted capacity-building initiatives to support 172 cooperatives within our direct sourcing network in Côte d'Ivoire.



## 1. STRATEGIC APPROACH TO DUE DILIGENCE

Through our Sustainable Procurement and Due Diligence frameworks, we prioritise working with suppliers who are committed to sustainability and ethical business practices. By collaborating with like-minded suppliers, we align our efforts in responsible sourcing, fair labour practices, and environmental stewardship.

## 2. RISK ASSESSMENT

We take a systematic approach to supplier risk assessment, considering factors like country specific risks supplier profiles, and deforestation indicators. This includes evaluating indigenous rights and analysing supply chain complexity to identify potential environmental and social risks. The framework allows us to categorise and prioritise risks, ensuring resources are allocated where they are most needed.

## 3. SUPPLY CHAIN TRACEABILITY

Our enhanced traceability system provides end-to-end visibility within our direct supply chain, supported by digital documentation and segregation protocols. As part of supplier engagement, we gather detailed supply chain information, including geolocation data, enabling us to trace cocoa from farm to factory. We verify this information using customised traceability system and controls at the point of delivery, along with supplier risk assessments and to ensure due diligence is upheld throughout the supply chain.

## 4. RISK MITIGATION AND GRIEVANCE MECHANISMS

We implement targeted mitigation strategies based on supplier risks, including engagement and capacity building. Suppliers are monitored to implement corrective actions when required. A publicly available grievance mechanism provides a public channel for stakeholders to raise grievances.

## 5. MONITORING AND REPORTING

Regular compliance assessments and performance monitoring ensure our due diligence system's effectiveness. We maintain detailed documentation for reports to stakeholders and regulators. Our monitoring system detects potential issues early, supporting proactive risk management. In addition to these efforts, we continue to source cocoa beans that meet internationally recognised quality and traceability standards, reinforcing our commitment to responsible raw material sourcing.

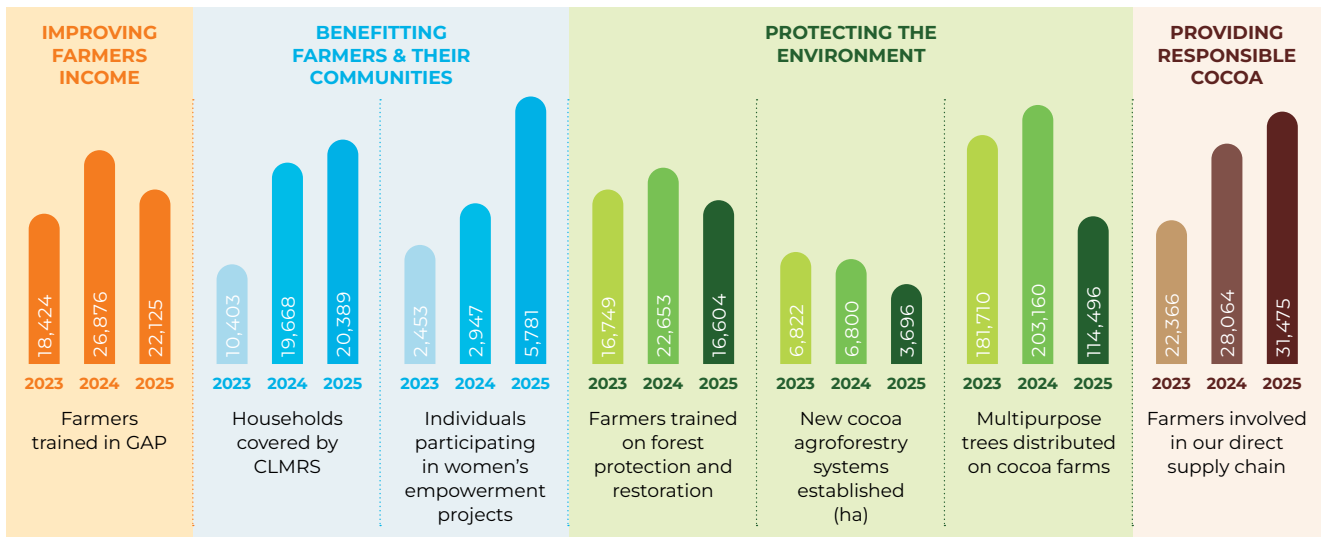
# RESPONSIBLE SOURCING

## GOOD COCOA & BEYOND PROGRAMME

Meaningful change requires longer-term investment. Five years after the launch of our Good Cocoa & Beyond Sustainability Strategy, our systematic approach to cocoa sustainability is driving continuous improvement, addressing four key interconnected priorities by working directly with farmers and cocoa-growing communities, primarily in Côte d'Ivoire, but also Ecuador, Indonesia and Nigeria.<sup>10</sup>



## GC&B PROGRAMME IMPACT



<sup>10</sup> The majority of programmes in West Africa run according to the crop season, from October 2024 to September 2025, while other programme cycles run from January 2025 to December 2025. The data for this report consolidates full programme years (either the West African crop year or the calendar year).

<sup>11</sup> Traceable and sustainable cocoa is cocoa produced according to internationally recognised sustainability standards, which includes traceability, with location mapping, and requires addressing child labour and deforestation concerns.

# RESPONSIBLE SOURCING

## IMPROVING FARMER INCOME

To promote resilient livelihoods, we focus on enabling farmers to produce more cocoa on less land.

Our approach involves training lead farmers who then provide training and tailored coaching to other farmers, helping them boost yields, improve productivity and strengthen farm management. In 2024/25, lead farmers trained 22,125 farmers and provided ongoing coaching to 14,794 farmers, building their capacities to adopt Good Agricultural Practices. Additionally, demonstration plots were established to showcase these practices in action. This training qualifies farmers for premium payments on sustainably sourced cocoa beans, boosting both their immediate income and long-term financial stability.

### CASE STUDY: GOOD AGRICULTURAL PRACTICES IN ACTION

*M. Koffi, who lives in Bobekro in San Pedro, Côte d'Ivoire, has experienced dramatic harvest fluctuations due to climate change: 3 tonnes in 2021/22, dropping to 2 tonnes in 2022/23, then recovering to 3 tonnes in 2023/24. "I've lost control of my production," he says. He also faces challenges with diseases and parasites. Despite using various pesticides last year, his yields remained unstable. Through training in Good Agricultural Practices, he has adopted a different approach: protecting his cocoa trees with shade trees and improving soil health. With guidance on pruning and farm management, conditions have improved. "After pruning, air circulates better in my farm, and this helps my cocoa grow properly."*

### Natural Composting Initiative

At the beginning of the 2024/25 season, lead farmers supported by GCB trained farmers to produce natural compost using cocoa pods and leaves from their own farms in Côte d'Ivoire. After three months of guided composting, farmers had nutrient-rich compost ready to apply. Early adopters reported healthier trees and improved yields. With chemical fertilisers becoming increasingly expensive, this sustainable alternative is attracting growing interest from cooperative members.



Figure 1: M. Koffi on his farm



Figure 2: Composting training and monitoring with farmers

# RESPONSIBLE SOURCING

## BENEFITTING FARMERS AND THEIR COMMUNITIES

*Our programmes address key social challenges, including human rights, gender equality, youth empowerment, and access to essential services and infrastructure.*

### **Protecting Children and Promoting Education**

In 2024/25, CLMRS activities focused on raising awareness of child labour risks and managing these, including providing bikes and school kits to enable children to attend school, and ensuring children have birth certificates. In total, 20,389 households were covered by CLMRS.

### **Tackling Forced Labour**

We strengthened forced labour monitoring in 2024/25, raising awareness of labour rights among cocoa-growing communities, reaching 20,091 households, and creating formal employment contracts for labourers to protect their rights.

### **Empowering Women Through Financial Inclusion**

Our commitment to gender equality translated into continued support for VSLAs, enabling members to save money and access small loans. This year, 4,964 individuals participated in VSLAs across GCB's projects. One VSLA was supported to open a bank account, unlocking access to larger financing opportunities, while others used their savings and loans to launch income-generating activities such as shops, kitchen gardens and poultry farming.

## CASE STUDY: BUILDING HOUSEHOLD PROSPERITY THROUGH VSLAS

*While VSLAs primarily benefit women, they also create broader household economic opportunities. Ouattara N'nan joined a VSLA three years ago and initially used loans to buy petrol cans, reselling them in smaller amounts for profit. Starting with weekly repayments of 500 francs, his profits enabled him to increase contributions to 2,500 francs per week. At the end of the group's first savings cycle, he received 51,000 francs, which he reinvested in jewellery to diversify his business, now run together with his wife. VSLA membership has not only financed their business but also provided training in business management, helping them plan for the future.*



*Figure 3: Mr. Ouattara's wife posing with the lead farmer while selling jewellery*

### **Creating Opportunities for Youth**

We recognise the importance of engaging the next generation of cocoa farmers. Youth Service Groups provide valuable pruning and crop spraying services to farmers, increasing yields and offering extra labour capacity. These groups empower their 328 members by generating income and building skills in business management.

### **Building Essential Infrastructure**

Community development initiatives are designed in consultation with farmers and their communities to meet genuine local needs. Over the past year, initiatives included building a community centre, connecting a health centre to the electricity grid, and supplying desks and chairs for five schools.

# RESPONSIBLE SOURCING

## PROTECTING THE ENVIRONMENT

As a Cocoa & Forests Initiative signatory, we are committed to eliminating cocoa-driven deforestation and the conversion of natural ecosystems in our direct supply chain by 2030.

We map farms and conduct deforestation risk assessments to track progress. In 2024/25 crop year, we conducted deforestation risk assessments across almost 75,000 hectares of cocoa farms in our programme supply chain, making considerable progress towards our 2030 commitment.

Lead farmers raise awareness of forest protection through GAP training. By adopting practices such as composting and integrated pest management, farmers increase yields on existing farms, reducing pressure to expand into forested areas.

Our programmes also promote agroforestry systems. In 2024/25, over 114,000 shade trees were distributed to participating farmer groups, developing an additional 3,696 hectares of cocoa agroforestry.

## CASE STUDY: AGROFORESTRY ADOPTION

M. Ble Konan Pacome was initially sceptical about agroforestry. However, after noticing his cocoa trees were dying due to lack of rainfall, he signed up to receive shade trees during the 2023/24 programme following guidance from a GC&B lead farmer responsible for training. In 2024/25, he requested for additional trees and completed agroforestry and Farmer Field School training. He says:

“The first trees are growing well and they’re not taking anything away from my cocoa trees. I’ve planted others around the edge of my field. Now I want to sign up again because I’ve learned that trees will protect my cocoa from the sun, help bring rain, and provide extra income when I sell the fruits and timber once the trees are mature.”



Figure 4: Planting shade trees



Figure 5: Agroforestry in action

# RESPONSIBLE SOURCING

## PROVIDING RESPONSIBLE COCOA

Supply chain transparency is our priority, enabling us to verify the conditions under which our cocoa is grown. Our goal is for all cocoa in our direct sourcing network to be traceable and sustainable by 2030, produced according to internationally recognised standards such as Rainforest Alliance or Fairtrade, with initiatives to address child labour and deforestation.

We use a digital management and traceability systems to track activities, training, and premium payments through leveraging comprehensive farmer databases. Polygon mapping combined with satellite monitoring enables us to locate farms precisely and support accurate traceability.

Third-party audits through certifications provide independent assurance that sustainability standards are being met. By increasing the proportion of cocoa procured through our direct supply chain, we have strengthened traceability and moved closer to our 2030 goal.

# CIRCULAR ECONOMY

## WATER MANAGEMENT

Water is a critical input for cocoa processing, from production to cooling systems. Water scarcity poses a material risk to our operations, while evolving environmental standards across our operating regions carry significant regulatory implications.

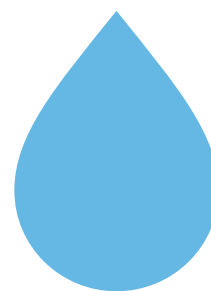
Our Group-wide Sustainable Development policies outline robust practices for water conservation, and we continuously monitor water usage across manufacturing processes to drive operational excellence. We are equally committed to responsible wastewater treatment. Water treatment plants in Malaysia, Indonesia, and Côte d'Ivoire remove pollutants before discharge, with officers monitoring and reporting sludge and water discharge volumes.

To understand our exposure, we conducted a water risk assessment using the World Resources Institute (WRI) Aqueduct Water Risk Atlas. According to Baseline assessment, its identified one manufacturing plant and one business office in Germany and Indonesia are being located in water-stressed regions. Based on these findings, we are working with management to implement targeted initiatives that ensure the long-term sustainability of our operations.

In 2025, we recorded zero incidents of non-compliance with local regulations and international standards for water discharge.

Water Usage (m <sup>3</sup> )	2023*	2024	2025
Water Withdrawal	1,191,400	1,084,300	1,082,535
Water Discharge	958,100	804,250	794,690
Water Consumption	233,400	279,860	287,843
Water Intensity (m <sup>3</sup> /MT)	4.43	2.51	3.15

Regions with High or Extremely High Baseline Water Stress	2025	
	m <sup>3</sup>	%
Water Withdrawal	707,891	65
Water Consumption	1,220	0.42



\*exclude GCBCUK and GCBCCI

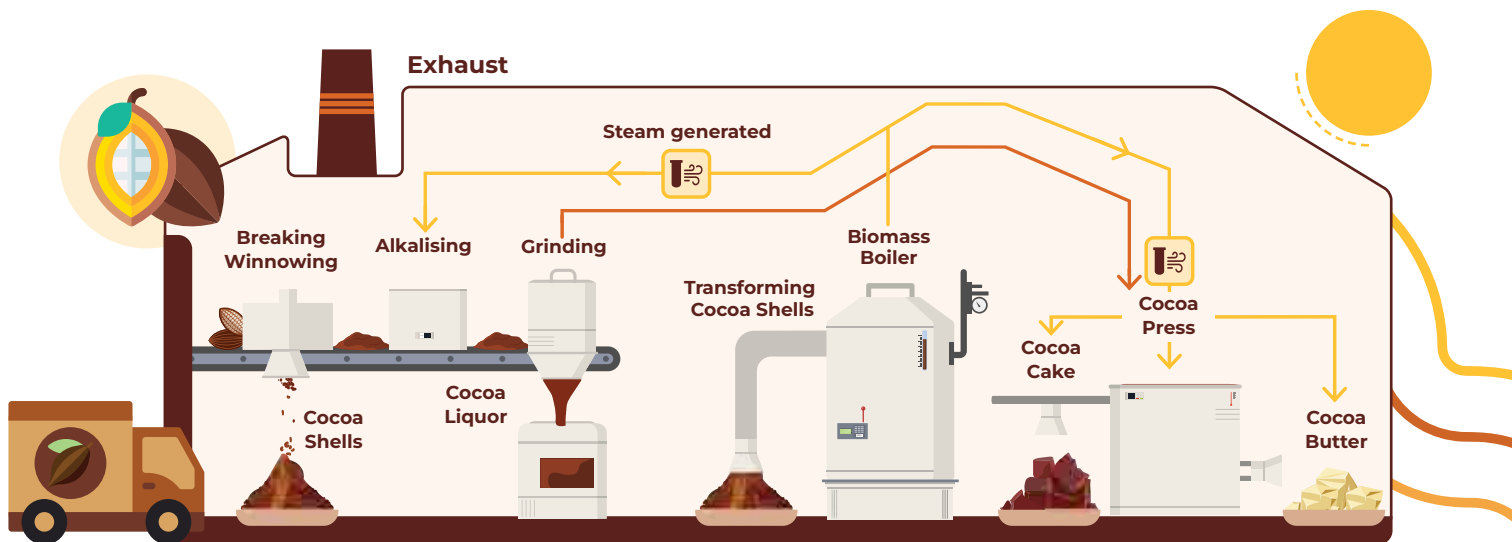
# CIRCULAR ECONOMY

## WASTE MANAGEMENT

Beyond regulatory compliance and cost optimisation, our waste minimisation efforts reflect a deliberate commitment to reducing environmental impact and maximising resource value.

Our environmental policies regularly assessed by the Corporate Governance, ensures strict adherence to all relevant waste disposal laws and regulations. We implement a structured scheduled waste management system for hazardous waste across our operating plants. Routine inspections by our Environmental and Safety Officers verify compliance with environmental quality regulations in each country where we operate. All hazardous waste is properly stored and disposed of at regular intervals through licensed agents.

As part of our circular approach, we repurpose cocoa shells, a key by-product of our processing facilities, to support renewable energy efforts. At our Malaysian and Côte d'Ivoire facilities, these shells fuel biomass boilers to generate green energy, reducing dependency on purchased fuel and lowering carbon emissions. Where applicable, other waste streams are assessed and sold to external parties for recycling or repurposing. These initiatives align with our broader climate action objectives.



2025		Hazardous Waste (MT)	Non-hazardous Waste (MT)	Total Waste Generated (MT)
2025		247	21,764	22,011
Waste Diverted from Disposal (MT)		2025	Waste Directed to Disposal (MT)	
Recycling		778	Cocoa Shells Converted to Fuel Onsite	
Reuse and Other Reprocessing		13,477	Landfilling	
Total		14,255	Other Disposal Operations	
			Total	
			4,880	

# HUMAN RIGHTS

## EMPLOYEE DIVERSITY AND RIGHTS

Employee diversity and the protection of employee rights are fundamental to building an inclusive, high-performing workplace. A diverse workforce drives innovation, strengthens decision-making, and helps attract top talent. At GCB, we are committed to upholding employee rights and providing multiple channels for raising concerns.

Our Human Resources and Administration (HRA) Department oversees all employee-employer interactions, ensuring practices align with our Employee Handbook and Business Ethics & Code of Conduct, while uphold impartial, non-discriminatory standards for job applicants and employees across all offices. We provide equal opportunities regardless of gender, race, or sexual orientation. Our Finance and HRA Departments collaborate to ensure entry-level wages meet local standards and that compensation is fair, transparent, and equitable.

GCB enforces a zero-tolerance policy against harassment, bullying, and discrimination. Our Internal Grievance Procedure enables employees to raise concerns effectively.

We monitor labour market trends and gather feedback through performance reviews to continuously improve our practices. We have also developed remediation policies for discrimination, workplace violence, forced labour, and child labour. These policies apply to all employees, contractors, and third parties, establishing clear criteria for remedial action.

Respecting human rights is both a moral imperative and essential to long-term business success. Our Human Rights & Labour Policy and Procedure strictly prohibits forced and child labour, and our Supplier Code of Conduct extends this expectation across our supply chain.

### Employee Headcount



# HUMAN RIGHTS

## Workforce by Employee Category and Age Group in 2025

	Under 30	30-50	Over 50
Senior Management	7	45	48
Middle Management	3	62	35
Assistant Managers	7	82	11
Executives	39	54	7
Non-Executive	45	47	8

## Workforce by Employee Category and Gender in 2025

Employee Category	Male	Female
Senior Management	63	37
Middle Management	69	31
Assistant Managers	48	52
Executives	52	48
Non-Executive	89	11

## Employee Hires and Turnover in 2025

Rates	New Employee Hires			Employee Turnover		
	2023	2024	2025	2023	2024	2025
<b>Age</b>						
Under 30	74%	55%	63%	65%	60%	60%
30-50	23%	41%	32%	28%	33%	35%
Over 50	3%	4%	5%	7%	7%	5%
<b>Gender</b>						
Male	81%	80%	81%	82%	83%	85%
Female	19%	20%	19%	18%	17%	15%

In 2025, our employees invested a total of 14,785 hours in training and development programmes. This ongoing investment in our workforce enhances efficiency and performance, reinforcing our position as Asia's largest and the world's fourth largest cocoa products manufacturer.

# HUMAN RIGHTS

## OCCUPATIONAL HEALTH AND SAFETY

Workplace safety and employee well-being are integral to our operational excellence. As a global cocoa industry leader, we are committed to providing safe, healthy, and supportive work environments. Our approach goes beyond regulatory compliance, recognising that a safe workplace underpins business continuity, productivity, and long-term talent retention.




Health and Safety Committees at each factory bring together employee and management representatives to address concerns, analyse incidents, and drive improvements. Employees can report issues directly to the committee or via our whistleblower channel. Dedicated Safety Officers serve as key points of contact, conducting routine hazard assessments to identify and mitigate risks. When incidents occur, they lead investigations, implement corrective actions, and report to the committee.

Safety training is compulsory during induction, with ongoing training for Safety Officers and emergency

response teams. Employees in high-risk roles receive specialised training and the appropriate protective equipment. In Malaysia, we also apply the 5S methodology to maintain clean, efficient, and safe workplaces, reducing waste, improving productivity, and building employee discipline.

To minimise the impact of potential disruptions, we have implemented a Crisis and Incident Management Procedure. Identified high-impact scenarios include power outages, water supply interruptions, floods, fires, and disease outbreaks, with response measures in place to ensure operational resilience.

In 2025, we maintained zero work-related fatalities. Although some injuries were reported, our safety team conducted thorough assessments and introduced targeted preventive measures to reduce future risks. We remain committed to minimising occupational hazards while fostering skill development, creating a workplace where every employee feels secure and valued.

	 Lost Time Incident	 Fatalities	 Lost Time Incident Rate (per 200,000 hours)
2023	30	0	2
2024	94	0	5
2025	55	0	2

Note: The information presented above refers to GCB's operations only and does not include trading offices.



## CUSTOMER HEALTH AND FOOD SAFETY

Food safety is central to how GCB serves its global clientele. We foster a strong food safety culture, maintain rigorous quality controls, and adhere to all guidelines and regulations to ensure every product meets the highest standards of safety, integrity, and quality.

To embed food safety as a core element of GCB's identity, we have established a Group-wide Food Safety and Quality Policy. Recognised standards are integrated directly into our standard operating procedures, enabling systematic monitoring and quality assurance at multiple control points throughout production. Our Quality Assurance (QA) and Quality Control teams oversee manufacturing activities, conduct risk assessments, and ensure traceability from raw materials to finished products. Regular internal assessments are complemented by third-party audits, with all relevant documentation securely maintained to support regulatory compliance.

Food safety training is mandatory for all employees and workers with access to our manufacturing facilities. We also maintain a comprehensive product recall and withdrawal programme, supported by documented procedures. These measures enable effective risk management, hazard mitigation, and reinforce customer confidence.

We recognise our suppliers as critical partners in maintaining these standards. Our Supplier Quality Expectation Manual defines clear requirements for manufacturing practices, quality, packaging, and crisis management. New suppliers undergo rigorous assessments, including self-assessments and site audits, to ensure consistency and continuous improvement across our supply chain.

Our robust Quality Management System is continuously monitored by our QA Department to ensure alignment with the latest food safety certifications and industry standards. This framework is further strengthened through our memberships with relevant industry bodies.

### Health and Safety Impact

All of our products and services are thoroughly assessed for health and safety impact improvements.

### Non-Compliance

Zero incidents of non-compliance with regulations or voluntary codes concerning the health and safety impacts of our products and services.

### Product Recalls

Zero product recalls were issued for health and safety reasons.

# CORPORATE STEWARDSHIP

Strong corporate governance underpins our commitment to ethical and responsible business conduct. Through sound stewardship, we safeguard operational integrity, strengthen business resilience, and reinforce trust with stakeholders across our value chain.

Our approach goes beyond regulatory compliance. We are committed to creating shared long-term value by generating positive social, economic, and environmental outcomes, ensuring that sustainability is embedded into how we operate and make decisions.

Group-wide policies guide our operations, helping us manage risks such as corruption and discrimination while upholding ethical conduct at every level.

## CORPORATE GOVERNANCE

The Corporate Governance Committee oversees the implementation of key governance principles, including:

**Forward-Thinking Policies:** We adopt a long-term view on resource management and stakeholder impact, prioritising sustainable practices that protect our business, communities, and the environment.

**Transparency and Accountability:** We uphold high standards of transparency and accountability, communicating openly on social and environmental matters to build stakeholder trust.

**Inclusive Stakeholder Engagement:** Engaging diverse stakeholder groups in our decision-making fosters shared purpose and creates mutual value.

Our Code of Conduct and group policies set clear expectations for responsible behaviour. All employees, suppliers, vendors, and contractors are expected to uphold these standards. New employees are briefed during onboarding, with annual updates on policy changes and whistleblower procedures. Our governance policies are publicly available on our website.

We have established grievance mechanisms that allow employees and supply chain partners to raise concerns confidentially and without fear of retaliation. In 2025, a total of 2 cases were reported and resolved through appropriate processes.

## ANTI-CORRUPTION AND ANTI-FRAUD

GCB enforces a zero-tolerance approach to corruption and unethical conduct. All associated persons are prohibited from offering or receiving any form of improper benefit. We comply fully with applicable anti-corruption legislation, including the Malaysian Anti-Corruption Commission Act 2009, the US Foreign Corrupt Practices Act, and the UK Bribery Act. We also implement an Anti-Fraud Policy that strengthens internal controls, protects company assets, and fosters a culture of ethics, accountability, and responsible conduct.

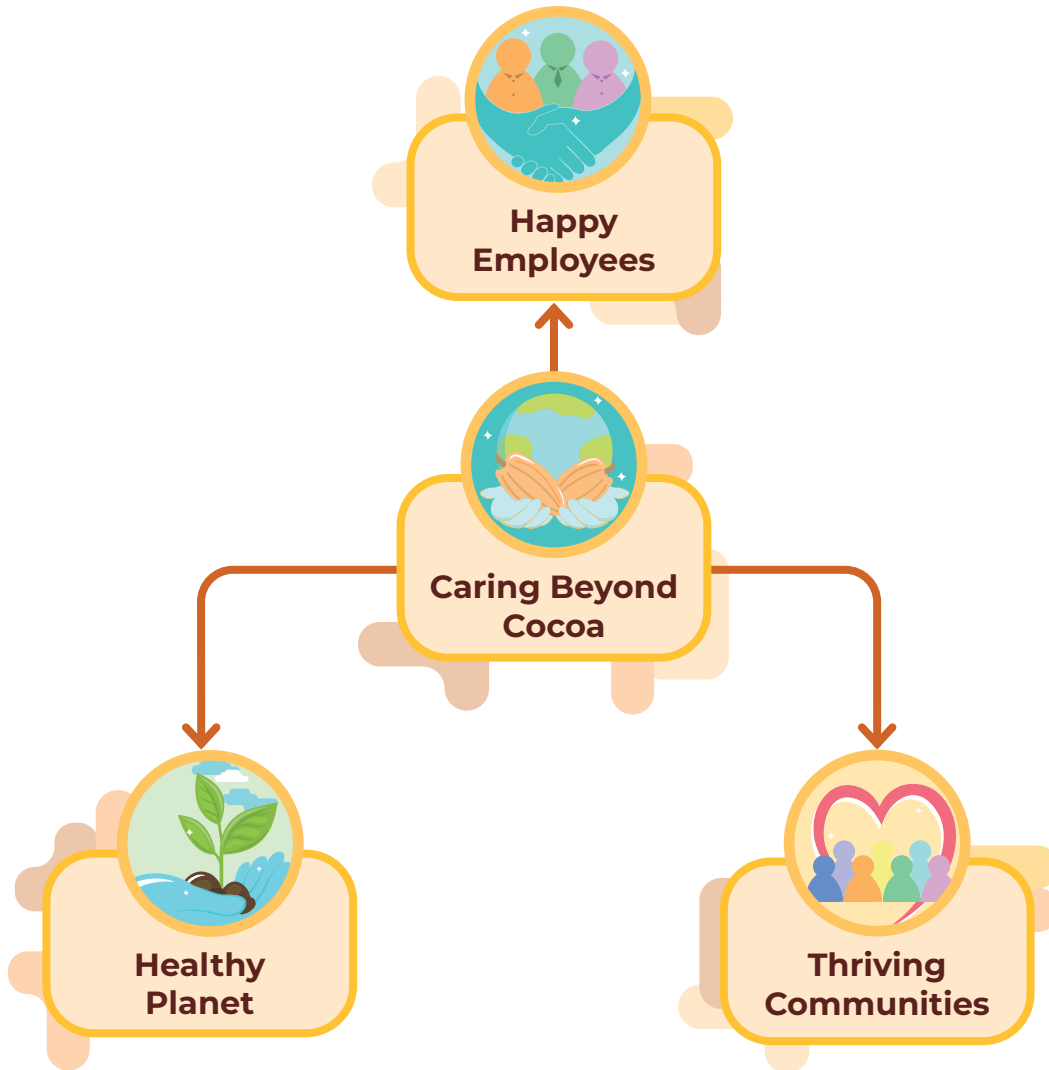
## DATA SECURITY & PROTECTION

Protecting stakeholder data is a priority. Our policies ensure personal information is handled fairly, lawfully, and transparently. Through regular IT risk assessments and a Cyber Risk Index, we monitor exposure, attack likelihood, and security risks to maintain a resilient technology environment.

In 2025, we maintained a record of zero leaks, thefts or losses of customer data, reinforcing our commitment to responsible governance.

# CARING BEYOND COCOA

Our Caring Beyond Cocoa (CBC) workstream drives the Group's community and social impact efforts through three pillars: **Thriving Communities, Healthy Planet, and Happy Employees**. Led by cross-departmental volunteers, CBC ensures our initiatives deliver meaningful, accountable outcomes.



A formal CSR policy and procedure are in place to maintain transparency and accountability across all CBC activities.

# CARING BEYOND COCOA

Throughout 2025, we delivered a range of initiatives across all three pillars, strengthening community ties, enriching employee experiences, and advancing environmental awareness.

## CLOSE TO COMMUNITY

During the year, we directed donations to students from low-income families, orphans, indigenous communities, and nursing homes.



We also continued championing the empowerment of women and girls through football programmes, fostering inclusivity through sport.

# CARING BEYOND COCOA

## EDUCATING CYCLE OF LIFE

Employees took part in hands-on workshops — repurposing coffee waste into DIY candles and converting food waste into compost — building practical sustainability habits beyond the workplace.



## LIFE BEYOND WORK

Under our Happy Employees pillar, we promote active lifestyles through weekly pickleball, hiking, and running sessions, while also providing basic necessities to employees in need — reinforcing a culture of care and mutual support.



In 2025, we contributed over RM360,000 towards these initiatives, benefiting over 1400 individuals.

# CARING BEYOND COCOA

## DONATION FOR FLOOD VICTIMS IN KABUPATEN ACEH TAMIANG AND ACEH TIMUR

Following Cyclone Senyar in late November 2025, Aceh experienced its worst flooding on record, affecting 18 districts, 3,678 villages and nearly 2 million residents. Over 480,000 people were displaced, with widespread damage to homes and infrastructure leaving many communities isolated.

In response, GCB partnered with PT Saman Seudati Lestari (SSL) to deliver urgent humanitarian aid to affected communities in Aceh Tamiang and Aceh Timur from 7 December 2025 to 20 February 2026.

### Assistance funded by GCB included:



**564,000**

litres of clean water



**1**

drinking water installation unit



**4**

electricity generators



**21**

water storage tanks



**19**

solar-powered emergency lamps

Resources were strategically deployed across evacuation centres and affected areas, including a solar-powered drinking water installation at Al-Ikhlas Mosque, Terban Village, serving approximately 1,200 displaced persons. Generators and solar-powered lighting were further utilised to restore electricity, water distribution and communication access across affected communities.

Through this initiative, GCB and SSL delivered critical relief that improved the safety, health and living conditions of those impacted by the floods.



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# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of the Company (“the Board”) recognises the importance of good corporate governance in ensuring that the interests of the Company, shareholders and other stakeholders are protected. The Board is committed to the establishment and implementation of a proper framework for governance and controls that are consistent with the principles recommended in the Malaysian Code on Corporate Governance (“MCCG”) and other applicable laws, regulations, directives and guidelines.

This corporate governance overview statement (“Statement”) sets out the adoption and practices of the principles as set out in the MCCG and the relevant chapters of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) on corporate governance.

The manner in and the extent in which the corporate governance framework is applied throughout the financial year ended 31 December 2025 is summarised as follows:

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### I. BOARD RESPONSIBILITIES

##### Principal Responsibilities of the Board of Directors

The Board directs the risk assessment, strategic planning, resource allocation, succession planning and financial and operational management of the Company and each of its subsidiaries (collectively referred to as “the Group” or “GCB Group”) to ensure that obligations to shareholders and other stakeholders are understood and met. The Board provides the leadership necessary to enable the Group’s business objectives to be met within the framework of internal controls described in this Statement.

The Board, together with the management, takes responsibility for the governance of sustainability in the Group in accordance to Practices 4.1, 4.2, 4.3 and 4.4 in the MCCG. The Board oversees the Sustainability Steering Committee (“SSC”), which in turn governs the Sustainability Department (“SD”). The SD collaborates with the Committee and Working Group (“CWG”) in implementing sustainability strategies across the Group’s day-to-day operations. The Board takes into account sustainability considerations when developing and implementing company strategies, business plans, major plans of action and risk management. The Board ensures that it constantly stays abreast with sustainability issues relevant to the company and its business and that sustainability initiatives undertaken by the Group are effectively communicated to stakeholders. In preparing for the Sustainability Reporting, the SD performs materiality assessment every three (3) years, which is reviewed by the SSC and endorsed by the Board. Sustainability Reporting is reviewed by the SSC and reported to the Board.

As set out in the MCCG’s Practice 1.2, the Board is led by a Chairman, who is responsible for:

Representing the Board to shareholders and ensuring effective communication with shareholders

Ensuring effective operation of the Board and its committees in conformity with the highest standards of corporate governance

Setting the agenda, style and tone of Board discussions to promote constructive debate and effective decision-making

Ensuring that all Board committees are properly established, composed and operated

Ensuring comprehensive induction programmes for new directors and updates for all directors as and when necessary

Supporting the Chief Executive Officer (“CEO”) in the development of strategy and, more broadly, to support and advise the CEO

Establishing a harmonious and open relationship with the CEO

In compliance with Practice 1.4 in the MCCG, the chairman of the Board is not a member of any board committees nor attended their meetings, ensuring his objectivity in oversight.

# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### Principal Responsibilities of the Board of Directors (Cont'd)

The Board is supported by two (2) suitably qualified and competent Company Secretaries, who provide sound governance advice, ensure adherence to rules and procedures and advocate for the adoption of corporate governance best practices, in compliance to the MCCG's Practice 1.5.

To assist in the discharge of its stewardship role, the Board has established four (4) Board Committees, namely the Audit Committee, the Nomination Committee, the Remuneration Committee and the Risk Management Committee, to which it has delegated certain responsibilities. The Board Committees have their roles and functions, written terms of reference, operating procedures and authority to examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations. All deliberations and decisions taken by the Board Committees are documented and approved by the respective Chairman of the Board Committees prior to submission as agenda items for deliberation at the meeting of the Board. The ultimate responsibility for decision making, however, still lies with the Board. The Board reviews the Board Committees' authority and terms of reference from time to time to ensure their relevance.

The Board is guided by the Board Charter, which clearly identifies the respective roles and responsibilities of the board, board committees, individual directors and management, and issues and decisions reserved for the Board in compliance to the MCCG's Practice 2.1. The Board has established the Business Ethics Policy & Code of Conduct and Whistleblower Procedure that aim to promote good business conduct and maintain a healthy corporate culture which engenders integrity, transparency and fairness in compliance to Practices 3.1 and 3.2 in the MCCG. Details of the Board Charter, Code of Ethics & Conduct and Whistleblower Procedure can be found on the Company's website at [www.gcbcocoa.com](http://www.gcbcocoa.com).

##### Clear Roles and Responsibilities

The Board has a collective responsibility for the management of the Group. The Non-Executive Directors are responsible for bringing independent judgment and scrutiny to decisions taken by the Board and providing objective challenges to Management.

The Non-Executive Directors do not participate in the day-to-day management of the Group and do not engage in any business dealing or other relationship with the Group to ensure that they are capable of exercising judgment objectively and act in the best interest of the Group, its stakeholders and shareholders, including minority shareholders. The day-to-day business operations of the Group are led by the CEO. The positions of the Chairman and the CEO are held by different individuals in accordance with the MCCG's Practice 1.3. To enhance accountability, the Board has specific functions reserved for the Board and those delegated to the Management. There is a schedule of key matters reserved to the Board for its deliberation and decision to ensure the direction and control of the Group are in its hands.

Key matters reserved to the Board for decision comprise the following:

Acquisition and disposal or closure of a business

Declaration of dividends and approval of financial statements, including accounting policies of the Group

Establishment of new businesses

Annual strategic plan

Capital investment and disposal of tangible assets from existing business to third party

Increase or reduction by a subsidiary of its issued capital

Financing on the Group's activities

Any corporate restructuring not covered by the above-mentioned paragraphs

The change of name of any company in the Group and establishment of any new company

# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### Clear Roles and Responsibilities (Cont'd)

Separate and consolidated financial statements of the Company and its subsidiaries and public statements which reflect significant issues of the Group's policy or strategy	Raise or increase borrowing facilities involving material amounts of the Company and its subsidiaries
Strategy, business plans and annual budgets of the Company and its subsidiaries and of any subsequent material changes in strategic direction or material deviations in business plans by the Company and its subsidiaries	Changes to the structure, size and composition of the Board of the Company and its subsidiaries, following recommendations from the Nomination Committee
Significant changes in accounting policies and practices of the Company and its subsidiaries	Any delegation of authorities to CEO and the Executive Directors of the Company and its subsidiaries
Material acquisitions and disposal of assets not in the ordinary course of business of the Company and its subsidiaries	Risk management policies of the Company and its subsidiaries
Change relating to the capital structure, including but not limited to, reduction of capital, share and other securities issues (except under employee share option schemes) and share buy-backs (including the use of treasury shares) (including the terms and conditions of such changes in capital structure) of the Company and its subsidiaries	Appointment and removal of the Company Secretary of the Company and its subsidiaries
	Establishment of Board Committees of the Company and its subsidiaries (to the extent applicable), their membership, delegated duties and authorities and the terms of reference
	Remunerations payable in relation to the contract of employment of the Director of the Company and its subsidiaries and member of Key Senior Management of the Group

##### Board Meetings and Supply of Information

A total of five (5) Board Meetings were held for the financial year ended 31 December 2025. Board meetings are held separately from Board Committee Meetings. The details of attendance of each Board Member are as follows:

Name of Directors	Attendance
Ang Nyee Nyee	5/5
Tay Hoe Lian	5/5
Tay How Sik @ Tay How Sick	5/5
Hia Cheng	5/5
Nurulhuda Binti Abd Kadir	5/5
Ng Kim Hian	5/5
Tan Pui Suang	5/5

# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### Board Meetings and Supply of Information (Cont'd)

The Company Secretaries, under the direction of the Chairman, ensures a balanced flow of information is disseminated so that the Board and the Board Committees receive timely and up-to-date information for an effective discharge of the Board's responsibilities and for decisions to be made on an informed basis. The Board firmly believes that effective deliberation and its decision making process are highly dependent on the quality of information furnished by the management.

Where any direction or decisions are required expeditiously or urgently for the Board between the regular meetings, special meetings of the Board are convened by the Company Secretaries, after consultation with the Chairman. The agenda for the meeting of the Board is set by the Chairman in consultation with the Company Secretaries and the CEO.

Decisions of the Board are made unanimously or by consensus. Where appropriate, decisions may be taken by way of Directors' Circular Resolutions between scheduled and special meetings.

The Board Meeting's proceedings follow Practice 1.6 as set out in the MCCG. A formal and structured agenda, together with a set of Board and Board Committees papers, are forwarded to all Directors at least seven (7) days prior to the Board and Board Committees meetings, to enable the Board to make decisions and for Directors to be prepared to deal with matters arising from such meetings. The Board has a regular schedule of matters which are typically on the agenda and reviewed during the course of the year, namely the presentation of quarterly reports; the quarterly unaudited consolidated results; recommendations of the various Board Committees; announcements to Bursa Securities; the Company's audited financial statements; the Company's annual report which includes the Sustainability Statement, this Statement, Statement of Risk Management and Internal Control, Audit Committee Report, Risk Management Report and Statement of Directors' responsibilities. Presentations to the Board and the Board Committees are prepared and delivered in a manner that ensures a clear and adequate understanding of the subject matter. In addition, reading materials on the subject matter are prepared and circulated prior to each meeting to assist Directors in having an understanding of the subject

matter. Members of the management team and external advisors are invited, as and when required, to attend Board and Board Committees meetings to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda. All pertinent issues discussed at Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries by way of minutes of meetings and circulated to Board of Directors accordingly.

It is the policy of the Company for Directors to devote sufficient time and efforts to carry out their responsibilities. The Board obtains this commitment from Directors at the time of their appointment. Furthermore, in ensuring time commitment of Directors, meeting dates are made known to the Directors prior to the beginning of a new financial year. Directors are also required to notify the Board before accepting any new directorship.

#### II. BOARD COMPOSITION

##### The Composition of the Board

The Board, through the Nomination Committee, ensures that the composition of the Board is refreshed periodically. The tenure of each Director is reviewed by the Nomination Committee and annual re-election of a Director is contingent on satisfactory evaluation of the Director's performance and contribution to the Board, in accordance to Practice 5.1 as set out in the MCCG.

The Board consists of seven (7) members, comprising three (3) Executive Directors including the Managing Director/ CEO and four (4) Independent Non-Executive Directors. Presently, three (3) out of seven (7) members of the Board are women Directors, indicating 43% female representation on the Board. The Board members possess an effective mix of industry-specific knowledge and broad business, financial, regulatory and technical experience. Furthermore, there is effective check and balance on the Board, with 57% of the Board members being Independent Non-Executive Directors. Based on the independence assessment conducted by the Board, the Board believes that the existing Independent Directors are able to continue bringing in their independent perspectives and judgement during the Board and Board Committee's proceedings. As a large company, the Group currently complies with Practice 5.2 in the MCCG since at least half of the Board comprises Independent Directors.

A brief description of the background of each Director is presented in the Directors' Profile on pages 36 to 39 of this Annual Report.

# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### II. BOARD COMPOSITION (CONT'D)

##### Independence of the Board

The Independent Directors provide the necessary independent perspective and rigour in the formulation of strategies, deliberation of issues and implementation of major undertakings to ensure that the interest of not only the Group, but also stakeholders and the public in general are represented. The Board, through the Nomination Committee, reviewed and was satisfied that all such Directors had satisfied the criteria for an Independent Director as prescribed in the Listing Requirements and Practice Note 13 of Bursa Securities. This mixture of experience and expertise is deemed necessary in light of the increasingly challenging economic and operating environment in which the Group operates.

The MCCG's Practice 5.3 provides a limit of a cumulative term of nine (9) years on the tenure of an Independent Director. However, an Independent Director may continue to serve the Board upon reaching the nine (9) years limit subject to the Independent Director's re-designation as a Non-Independent Non-Executive Director. In the event the Board intends to retain the Director as Independent Director after the latter has served a cumulative term of nine (9) years, the Board must justify the decision and seek shareholders' approval through a two-tier voting process. In justifying the decision, the Nomination Committee is entrusted to assess the candidate's suitability to continue as an Independent Non-Executive Director based on the criteria and definition of an Independent Director as set out under Paragraph 1.01 of Listing Requirements on independence and recommend to the Board for its consideration. The Board does not have any Independent Directors serving for more than nine (9) years.

##### Nomination Committee

The Nomination Committee was established on 26 April 2005 and is primarily responsible for the identification of the desired mix of expertise, competencies and experiences for an effective Board and the assessment of the performance of the members of the Board. As and when the need arises, the Nomination Committee shall also identify and recommend candidates with the necessary qualities to strengthen the Board.

The Nomination Committee is currently chaired by Independent Non-Executive Director, Tan Pui Suang, and comprises wholly of Independent and Non-Executive

Directors. The Nomination Committee operates under its terms of reference, which has been approved by the Board.

Practices 5.6 and 5.7 of the MCCG require the Committee to consider independent sources and recommendations from existing board members, management and major shareholders when identifying candidates for appointment of directors. The Nomination Committee also has the responsibility to ensure that shareholders have the information they require to make an informed decision on the appointment and reappointment of the Directors.

On appointment of new Directors, the Management would facilitate the Directors' induction by providing the Directors with relevant information about the Group and encouraging them to visit the sites of the Group's operating units and meet with key senior executives. The Nomination Committee will also ensure that orientation programmes are provided for new members of the Board and is also tasked to review the Directors' continuing education programmes.

In accordance with the Company's Constitution, all Directors who are appointed by the Board are subject to election by shareholders at the first Annual General Meeting ("AGM") after their appointment. The Constitution also provides that at least one third (1/3) of the remaining Directors be subject to re-election by rotation at each AGM provided always that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

The Nomination Committee has access to any form of independent professional advice, information and the advice and services of the Company Secretaries, if and when required, in carrying out its functions. Directors seeking re-election and re-appointment abstain from all deliberations regarding his/her re-election and re-appointment to the Board and/or Board Committees. The Nomination Committee meets at least once in a financial year or more frequently if needed.

The Nomination Committee had one (1) meeting during the financial year ended 31 December 2025. The attendance details of each Board Member are as follows:

Name of Directors	Attendance
Tan Pui Suang	1/1
Nurulhuda Binti Abd Kadir	1/1
Ng Kim Hian	1/1

# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### II. BOARD COMPOSITION (CONT'D)

##### Nomination Committee (Cont'd)

The activities carried out by the Nomination Committee during the financial year under review were as follows:

Assessed and reviewed the boardroom diversity in respect of the desired mix of skills, competencies and experience of the Board, including the core competencies which non-executive directors should bring to the Board as well as the gender diversity policy as encouraged by Bursa Securities and Practice 5.9 of the MCCG

Ensured that the appointment of the Board and senior management is based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender in accordance to Practice 5.5 of the MCCG

Assessed the effectiveness and performance of the Board, the Board Committees and individual directors, and made recommendations to the Board with regard to any adjustments to the structure, size and composition that are deemed necessary in accordance to Practice 6.1 of the MCCG

Developed the Board action plan for improvement on areas identified in the Boards effectiveness evaluation, where applicable

Reviewed the Fit and Proper Policy

Reviewed the Succession Planning Policy and Procedure

Reviewed the Directors' continuing education programmes

##### Directors' Training

Under the Listing Requirements, the Nomination Committee has assumed the onus of determining or overseeing the training needs of the Directors. All the Directors have attended the Mandatory Accreditation Programme.

During the financial year ended 31 December 2025, all Directors have attended relevant courses and training programmes to enhance their knowledge to effectively discharge their duties and obligations.

The courses and training programmes attended by the Directors are as follows:

**Ang Nyee Nyee**

Negotiation Skill & Client Management

The Chairpersons' Circle

Taklimat Berkaitan Pelaksanaan Sistem Taksir Sendiri Duti Setem

National Conveyancing Conference

Navigating Sustainability Reporting Using IFRS Sustainability Disclosure Standard

**Tay Hoe Lian**

Future-Proofing Your Business with AI: Strategies for Sustainable Success

Grit = Passion + Perseverance

Understanding the 7 Malay Consumer Segment

Global, Regional and Malaysian Economic Updates

The Art of Negotiation: Psychological Negotiation Principles for the Management of your Business

# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### II. BOARD COMPOSITION (CONT'D)

##### Directors' Training (Cont'd)

<b>Hia Cheng</b>	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
	Malaysian International Cocoa Conference 2025: <ul style="list-style-type: none"> <li>· Unlocking High-Yield Opportunities Beyond Challenges in Cocoa Industrial Plantation</li> <li>· Unveiling the Potential of Malaysia as Cocoa Trading Hub in Asia</li> <li>· Flavour Odyssey: The Journey of Single Origin Chocolate in Asia</li> </ul>
	Malaysian International Cocoa Conference 2025: Safer Cocoa, Healthier Products
	Malaysian International Cocoa Conference 2025: Beyond Compliance in Cocoa Supply Chains
	Malaysian International Cocoa Conference 2025: Cooperative as Cocoa Enabler
	Navigating Sustainability Reporting Using IFRS Sustainability Disclosure Standard
<b>Nurulhuda Binti Abd Kadir</b>	Updates on E-Invoicing and Recent Developments in Tax Confirmation
	I-RiskTalk: Mental Health   Managing Mental Health in the Legal Profession: Navigating Stress, Burnout, and Emotional Well-being
	Webinar on Intellectual Property (Malacca Bar)
	Navigating Sustainability Reporting Using IFRS Sustainability Disclosure Standard
<b>Ng Kim Hian</b>	National Tax Conference 2025
	Accounting for Financial Instruments (Advance Level)
	International Standards on Quality Management 1 & 2
	Anti-Money Laundering Act Awareness & Compliance
	Reporting Accountants
	Navigating Sustainability Reporting Using IFRS Sustainability Disclosure Standard
<b>Tan Pui Suang</b>	The Future of Corporate Reporting: Embracing IFRS S1 & S2 and the Continued Relevance of Integrated Thinking and Reporting
	Talk on the Stamp Duty Self Assessment System
	Sales Tax and Service Tax : Expansion of scope revealed key highlights
	2026 Budget Seminar for Corporate Accountants
	Navigating Succession and Workplace Dynamics in Family-Run Businesses
	Global Economic and Geopolitical outlook webcast
	Navigating Sustainability Reporting Using IFRS Sustainability Disclosure Standard
<b>Tay How Sik @ Tay How Sick</b>	Navigating Sustainability Reporting Using IFRS Sustainability Disclosure Standard

The Directors are mindful that they shall continue to undergo the relevant training programmes in order to stay abreast with the latest developments in the industry and to better enable them to fulfil their responsibilities.

The Company Secretaries and external auditors have also regularly updated the Directors on the latest relevant regulatory requirements and accounting standards to enable them to keep abreast with such developments and amendments.

# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### III. REMUNERATION

##### Remuneration Committee

The Remuneration Committee was established on 26 April 2005 and is primarily responsible for the development and review of the remuneration policy and packages for the Board members.

The Remuneration Committee is currently chaired by Independent Non-Executive Director, Nurulhuda Binti Abd Kadir, and comprises wholly of Independent and Non-Executive Directors. The Remuneration Committee operates under its terms of reference, which has been approved by the Board.

In compliance with Practices 7.1 and 7.2 in the MCCG, the Remuneration Committee has in place policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policy is reviewed from time to time to ensure the remuneration of Directors and senior management are on par with other publicly listed companies.

The Remuneration Committee had one (1) meeting during the financial year ended 31 December 2025. The attendance details of each Board Member are as follows:

Name of Directors	Attendance
Nurulhuda Binti Abd Kadir	1/1
Ng Kim Hian	1/1
Tan Pui Suang	1/1

The activities carried out by the Remuneration Committee during the financial year under review were as follows:

Reviewed and recommended to the Board the remuneration packages for Executive Directors based on the outcome of performance review

Reviewed and recommended to the Board remuneration packages for key senior management based on the outcome of performance review

Determined the remuneration packages needed to attract, retain and motivate Executive Directors of the quality required to manage the business of the Group successfully

Ensured the remuneration and incentives for independent directors does not conflict with their obligation in bringing objectivity and independent judgment on matters discussed

Reviewed the Group's compensation policy for the Executive Directors and ensured alignment of compensation to corporate performance, and market practices

Proposed the annual salary increment of the Executive Directors in respect of each financial year

Reviewed and recommended the Directors' fees and benefits payable to Non-Executive Directors for shareholders' approval at the AGM

# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### III. REMUNERATION (CONT'D)

##### Directors' Remuneration (Cont'd)

The details of Directors' remuneration payable to the Directors of the Company for the financial year ended 31 December 2025 are as follows:

	Group (RM'000)					Company (RM'000)				
	Fees	Salaries & Allowances	Bonuses	EPF & SOCSO	Benefits-in-kind	Fees	Salaries & Allowances	Bonuses	EPF & SOCSO	Benefits-in-kind
<b>Executive Directors</b>										
Tay Hoe Lian	180	1,912	5,516	97	28	-	-	-	-	-
Tay How Sik @ Tay How Sick	180	1,045	3,720	21	28	-	-	-	-	-
Hia Cheng	180	2,011	5,880	48	83	-	-	-	-	-
<b>Independent Non-Executive Directors</b>										
Ang Nyee Nyee	-	-	-	-	-	62	3	-	-	-
Nurulhuda Binti Abd Kadir	-	-	-	-	-	48	3	-	-	-
Tan Pui Suang	-	-	-	-	-	60	3	-	-	-
Ng Kim Hian	-	-	-	-	-	50	3	-	-	-

##### Key Senior Management's Remuneration

The details of Key Senior Management's remuneration in successive band of RM50,000 for the financial year ended 31 December 2025 are as follows:

Band	Number of Key Senior Management
RM450,001 – RM500,000	1
RM600,001 – RM650,000	1
RM700,001 – RM750,000	1
RM2,000,001 – RM2,050,000	1
RM2,550,001 – RM2,600,000	1
RM5,050,001 – RM5,100,000	1

# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. Audit Committee

##### Uphold Integrity in Financial Reporting by Company

The Audit Committee is responsible for the appointment and re-appointment of external auditors. Together with the external auditor, the Audit Committee reviews the audit plan, evaluation of the system of internal controls and audit report and subsequently reports to the Board.

The Audit Committee has reviewed the nature and extent of non-audit services provided by the external auditor during 2025 and the fees paid for such services. The Audit Committee also undertook a review of the independence of the external auditor, taking into consideration the processes and safeguards adopted by the external auditor relating to audit independence. Based on the review and assessment performed in 2025, the Audit Committee is satisfied that the external auditor is adequately resourced, effective and independent, further supported by the provisions of the external auditor's written confirmation of their independence to the Audit Committee.

In addition, the Audit Committee ensures that the Group's internal audit function is effective and independent and carries out its work in accordance with a recognised framework. The internal auditors report directly to the Audit Committee on the adequacy and effectiveness of the system of internal controls and significant risks. The Audit Committee reviews and evaluates the key concerns and issues, ensuring that appropriate and prompt remedial action is taken by the management.

Audit Committee activities are detailed in the Audit Committee Report and Statement of Risk Management and Internal Control.

The Board aims to provide and present a clear, balanced and comprehensive assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements and quarterly announcement of results to shareholders, as well as the interview with the Managing Director/Chief Executive Officer and review of the Group's operations in this Annual Report.

The Board, with the assistance of Audit Committee, is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the

Group and the Company as at the end of the reporting period and of their results and cash flows for the period then ended. In preparing the financial statements, the Directors ensure that accounting standards approved by the Malaysian Accounting Standards Board in Malaysia and the provisions of the Companies Act 2016 are complied with and that reasonable and prudent judgments and estimates have been made. The Directors' overall responsibilities also include taking such steps as are reasonably open to them to safeguard the assets of the Group and for the implementation and continued operation of adequate accounting and internal control systems for the prevention of fraud and other irregularities.

The Board is satisfied that it has met its obligation to present a balanced and understandable assessment of the Group's position and prospects in the Directors' Report and the Financial Statements set out in this Annual Report.

#### II. Risk Management and Internal Control Framework

##### Recognise and Manage Risk of the Group

The Board recognises its responsibility over the principal risks of various aspects in the Group's business.

The Board and Management are mindful of measures required to identify risks residing in any major proposed transactions, changes in nature of activities and/or operating environment, or venturing into new operating environment.

The responsibilities of identifying and managing risks are delegated to the respective Head of each business unit. A Risk Management Committee is responsible in assisting the Board by assuming the responsibility of monitoring the effectiveness of the Group's approach on risk management, which was previously delegated to the Audit Committee. The composition and details of activities carried out by the Risk Management Committee are set out in the Risk Management Committee Report of this Annual Report.

The key features of the risk management and internal controls are set out in the Statement on Risk Management and Internal Control as stated on pages 143 to 148 of this Annual Report.

# CORPORATE GOVERNANCE & COMPLIANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### I. Communication with Stakeholders

##### Ensure Timely and High Quality Disclosure

An essential aspect of an active and constructive communication policy is the promptness in disseminating information to shareholders and investors. The corporate disclosure process and mechanism is guided by a formal Corporate Disclosure Policy in order to enable comprehensive, accurate and timely disclosures pertaining to the Group to the regulators, shareholders and stakeholders of the Company.

The Company acknowledges the need for investors to be informed of all material business and corporate developments affecting the Group.

The timely release of quarterly results of the Group and the issue of the Company's Annual Reports provide regular information on the state of affairs of the Group. These, together with the announcements to Bursa Securities, circulars to shareholders and, where appropriate, ad-hoc press statements and interviews, are the principal channels for dissemination of information by the Company to its investors, stakeholders and the public generally. This information is also accessible by the public through the Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com).

In addition, the Company's website at [www.gcbcocoa.com](http://www.gcbcocoa.com) provides information on the Group's business, corporate development and announcements to Bursa Securities. Other information relevant to shareholders and investors such as Annual Reports, circulars to shareholders and quarterly reports are available for download at the Company's website.

##### Promoting Sustainability

The Company manages its business responsibly by managing the economic, social and environmental aspects of its operations. The Company produces the annual report, which highlights the financial aspects of the business and provides a clear, comprehensive and transparent representation of the Company's performance annually.

#### II. Conduct of General Meetings

##### Annual Report and General Meetings

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all the Company's shareholders are treated equitably and the rights of all investors, including minority shareholders, are protected. The Board provides its shareholders and investors with information on its business, financials and other key activities in this Annual Report, in which the contents are continuously enhanced to take into account the developments, amongst others, in corporate governance.

The conduct of the meeting follows Paragraph 8.27A of the Listing Requirement and Practices 13.1, 13.2, 13.4, 13.5 and 13.6 of the MCCG. Notice for general meetings is given to shareholders at least 28 days prior to the meeting. The Board is cognisant of the advantages of poll voting at general meetings to ensure accurate, transparency and efficiency of the voting process and outcomes at general meetings. All the resolutions tabled at the general meetings are voted by poll. All Directors attended the Twenty-First AGM held on 28 May 2025. Minutes of the general meetings and key matters discussed during the Twenty-First AGM are also circulated to shareholders within 30 business days of the meeting.

### COMPLIANCE STATEMENT

The Board is pleased to report that this Statement, together with the Corporate Governance Report ("CG Report") which is available on the Company's website at [www.gcbcocoa.com](http://www.gcbcocoa.com), provides the corporate governance practices of the Company with reference to the MCCG. The Board considers and is satisfied that the Company has fulfilled its obligations under the broad Principles as set out in the MCCG. However, the Board has reserved several of the Practices and has rationalised and provided justifications for the deviations in the CG Report. Nevertheless, the Company will continue to strengthen its governance practices to safeguard the best interests of its shareholders and other stakeholders.

This Statement was presented and approved at the meeting of the Board on 15 April 2026.

# CORPORATE GOVERNANCE & COMPLIANCE

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTRODUCTION

Paragraph 15.26(b) of the Main Market Listing Requirements requires the Board of Directors (the “Board”) of any given Listed Issuer to include in its annual report a Statement on Risk Management and Internal Control. The Board is pleased to provide the following statement that is prepared in accordance with the *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies* (the “Guidelines”) endorsed by Bursa Malaysia Securities Berhad (“Bursa Securities”) which outlines the nature and scope of the risk management and internal controls of the Group during the financial year under review until the date of approval.

### BOARD’S RESPONSIBILITY

The Board is committed to the continuous improvement of internal controls and risk management practices within the Group to meet its business objectives. The Board affirms its overall responsibility to maintain a sound system of internal controls and effective risk management, and for reviewing the adequacy, integrity and effectiveness of these systems to safeguard shareholders’ investment and the Group’s assets. It covers not only financial controls but operational and compliance controls, and risk management.

However, such systems, by their nature, can only provide reasonable, but not absolute, assurance against material misstatement, losses or fraud. These systems were designed to manage, rather than eliminate, the risk of failure to achieve business objectives of the Group.

### RISK MANAGEMENT FRAMEWORK

In dealing with its stewardship responsibilities, the Board recognises that an effective risk management is part of good business management practice. The Board acknowledges that all areas of the Group’s activities involve some degree of risk and is committed to ensuring that the Group has an effective risk management framework which will allow the Group to be able to identify, evaluate, monitor and manage risks continuously that affect the achievement of the Group’s business objectives.

This process is annually reviewed by the Board. It is intended that any key risk or significant control failings or weaknesses shall be identified and discussed in these reports including the impact they have had or may have on the Group and the actions to rectify them.

The key elements of the Group’s Risk Management Framework are described below:

#### ● Structure

The Group adopts a decentralised approach to risk management which comprises strategic and operational risks (including financial and compliance risks).

Type of Risks	Accountability
Strategic risk	The Board, Group Chief Executive Officer (“CEO”), Group Chief Financial Officer (“CFO”) and Group Chief Operating Officer (“COO”)
Operational risk (including financial and compliance risks)	Senior Management and Head of Department

# CORPORATE GOVERNANCE & COMPLIANCE

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### RISK MANAGEMENT FRAMEWORK (CONT'D)

#### ● Structure (Cont'd)

- » **Strategic risks** are risks primarily caused by events that are external to the Group, but have a significant impact on its strategic decisions or activities. Accountability for managing strategic risks therefore rests with the Board, Group CEO and Group CFO. The benefit of effectively managing strategic risks is that the Group can better forecast and quickly adapt to the changing demands that are placed upon the Group. It also means that the Group is less likely to be affected by some external event that calls for significant change.
- » **Operational risks, including financial and compliance risks** are inherent in the ongoing activities within the different subsidiaries of the Group. Typically, some of the risks cover foreign exchange, credit, competency, technology, etc. Senior management needs ongoing assurance that these operational risks are identified and managed. Accountability for managing operational risks rests specifically with the respective Heads of Department.

#### ● Risk Awareness Culture

Risk awareness culture is reflected by the emphasis on strong corporate governance, organisational structure with clearly defined roles and responsibilities, effective communication and training, commitment to compliance with laws, regulations and internal controls, integrity in fiduciary responsibilities and clear policies, procedures and guidelines.

#### ● Risk Assessment

Senior Management identifies and assesses risks from time-to-time based on business nature and objective. Senior Management reports quarterly to the Board for any significant risk identified or control failure.

#### ● Risk Appetite

The Group's risk appetite defines the amount and types of risk that the Group is able and willing to accept in pursuit of its business objectives. It also reflects the level of risk tolerance and limits set to govern, manage and control the Group's risk taking activities.

A clear Limit of Authority has been formalised to approve transactions to ensure that they are within the risk appetite of the Group.

### INTERNAL CONTROL SYSTEM

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

#### ● Control Environment

The importance of a proper control environment is emphasised throughout the organisation. Focus is directed towards the quality and abilities of the Group's employees with continuing education and training to enhance the skills of employees and reinforce qualities of professionalism and integrity. Such training also includes internal briefings and external seminars for selected employees to enhance the level of awareness and knowledge on matters relating to risk management and internal controls.

# CORPORATE GOVERNANCE & COMPLIANCE

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTERNAL CONTROL SYSTEM (CONT'D)

#### ● Code of Conduct

Code of Conduct is the cornerstone of setting the proper tone at the top for the business's culture. The Board and management have formalised it as the standard of expected ethical behaviour for all employees. It spells out about workplace safety and health, bribery, equal opportunities, workplace environment, etc.

#### ● Organisational Structure

The Group operates on a hierarchical organisation structure that defines the authority limits, lines of responsibility and reporting mechanism. All Subsidiaries have clear accountabilities to ensure appropriate control procedures are in place.

The key elements of the Group's organisational structure are as follows:

##### » Management

- **Policy and Procedures:** Management has implemented series of documented Policy and Procedures to govern the Group's key business processes. These policies and procedures deal with, amongst others, control issues for procurement, credit control, warehousing, information technology, health and safety, etc. These procedures are reviewed annually by senior management to ensure its relevancy.
- **Human Capital:** There are guidelines within the Group for hiring and termination of staff, formal training programmes for staff and annual performance appraisals to enhance the level of staff competency in carrying out their duties and responsibilities.
- **Safeguarding of Assets:** Adequate insurance and physical safeguarding of major assets are in place to ensure that they are sufficiently covered against any mishap that may result in material losses to the Group.
- **Related Party Transactions:** Internal control procedures are established to ensure that related party transactions are undertaken in compliance with the Group's practices, the Listing Requirements, and to ensure that these transactions are carried out on an arm's length basis and on normal commercial terms, which are in the best interest of the Group's stakeholders.
- **Communication:** Information is communicated through circulars, emails, meetings and internal memos.
- **Site Visit:** Annual visits by the head office personnel to business units in remote location to ascertain compliance with the established Policy and Procedures of the Group by local management.
- **Management Meetings:** Quarterly meetings with the Heads of Departments provide a sound platform for communicating information and providing feedback to and from Management.

##### » Internal Audit

The Group has outsourced its internal audit function to an independent professional service provider (the "Internal Auditors") which carries out its functions independently with risk-based approach and provides the Audit Committee and the Board with the assurance on the adequacy and effectiveness of the system of internal controls. The cost of internal audit function for the financial year ended 31 December 2025 was approximately RM62,000.

# CORPORATE GOVERNANCE & COMPLIANCE

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTERNAL CONTROL SYSTEM (CONT'D)

#### » Internal Audit (Cont'd)

Any significant control lapses and/or deficiencies noted from the reviews will be documented and communicated to management for review and corrective actions. The Internal Auditors report to the Audit Committee all significant non-compliance matters, internal control weaknesses and actions taken by management to resolve the audit issues identified.

The Internal Auditors are solely responsible for planning, implementing and reporting the audits for the Group. The Internal Auditors:

- Prepare a detailed Internal Audit Plan in consultation with the senior management for submission to the Audit Committee for approval;
- Carry out all activities to conduct the audits in an effective, professional and timely manner;
- Discuss with the audit committee upon completion of each audit for any significant control lapses and/or deficiencies noted from the reviews for their review and corrective actions; and
- Submit quarterly reports to the Audit Committee for all significant non-compliance matters, internal control weaknesses and actions taken by management to resolve the audit issues identified.

#### » Audit Committee

The Audit Committee reviews, monitors and evaluates the effectiveness and adequacy of the Group's internal controls and financial issues raised by the External and Internal Auditors, regulatory authorities and management. The review includes reviewing written reports from the Internal and External Auditors, to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by management.

The Audit Committee also convenes meeting with External Auditors without the presence of management. In addition, the Audit Committee reviews the adequacy of the scope, functions and competency of the Internal and External Auditors. The Audit Committee also reviews and evaluates the procedures established to ensure compliance with applicable legislation, the Listing Requirements and the Group practices.

The Audit Committee Report set out on pages 149 to 150 of this Annual Report contains further details on the activities undertaken by the Audit Committee in 2025.

#### » Risk Management Committee

The Risk Management Committee reviews and recommends the Group's risk management framework and evaluates the effectiveness and adequacy of the Group's overall risk assessment procedures and risk action plans. The review includes reviewing quarterly reports from Enterprise Risk Management Committee, to ensure that where risks have been identified, appropriate and prompt remedial action is taken by management.

The Risk Management Committee Report set out on pages 151 to 152 of this Annual Report contains further details on the activities undertaken by the Risk Management Committee in 2025.

# CORPORATE GOVERNANCE & COMPLIANCE

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTERNAL CONTROL SYSTEM (CONT'D)

#### » Board

The Board, via Board meeting discusses with the Audit Committee, Risk Management Committee and management and considers their reports on matters relating to internal controls and deliberates on their recommendations for implementation.

- **Business Direction:** The Group's vision, mission, corporate philosophy and strategic direction have been formalised and communicated to employees at all levels. The Board retains control over the Group with appropriate management reporting mechanisms which enable the Board to review the Group's progress.
- **Reporting and Information:** Senior management reports to the Board for the strategic plans and business units' performances on a quarterly basis. The monitoring of individual business units' performances is conducted monthly, with major variances followed up and management action taken, where necessary.

Comprehensive information is provided to management every quarter, covering financial performance, key business indicators, key business risks and legal, environmental and regulatory matters. Quarterly meetings attended by management, led by the Group CEO, are held to discuss the various aspects of the business, including financial and operational performance of the Group. Key matters affecting the Group are brought to the attention of the Audit Committee and are reported to the Board on a quarterly basis. Management also ensures that it has the knowledge of key market information in respect of the Group's products/performance and takes pro-active measures, as appropriate, in the best interests of the Group.

- **Monitoring and Review:** There are processes for monitoring the system of internal controls and reporting any significant weaknesses together with details of corrective action. The system is reviewed on an ongoing basis by the Board (through the Audit Committee), management and Internal Auditors. Heads of Department are also actively involved in continually improving the control processes within their respective departments.

### WEAKNESSES IN INTERNAL CONTROLS WHICH RESULTED IN MATERIAL LOSSES

There were no major weaknesses in internal controls which resulted in material losses during the financial year under review until the date of approval of this Statement.

### ASSURANCE PROVIDED BY THE GROUP CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

In line with the Guidelines, the Group CEO and Group CFO have provided assurance to the Board that the Group's risk management and internal control systems have been operated adequately and effectively, in all material aspects, to meet the Group's business objectives during the financial year under review.

# **CORPORATE GOVERNANCE & COMPLIANCE**

## **STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL**

### **REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS**

As required by paragraph 15.23 of the Main Market Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the annual report of the Group for the year ended 31 December 2025. Their review was performed in accordance with the Audit and Assurance Practice Guide 3 (“AAPG 3”) issued by the Malaysian Institute of Accountants. The External Auditors’ procedures have been conducted to assess whether the Statement on Risk Management and Internal Control is supported by the documentation prepared by or for the Directors and that it is an appropriate reflection of the process adopted by the Directors in reviewing the adequacy and integrity of the system of internal control for the Group.

AAPG3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control system of the Group. Based on the procedures performed, nothing had come to their attention that caused them to believe that the Statement on Risk Management and Internal Control set out above was not prepared, in all material respects, in accordance with the disclosure required by Section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, nor was factually inaccurate.

### **CONCLUSION**

The Board has taken the necessary steps to ensure that appropriate systems are in place for the assets of the Group to be adequately safeguarded through the prevention and detection of fraud and other irregularities and material misstatements.

The Board is of the view that the risk management and internal control systems are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group’s annual report save for those mentioned above. The Board continues to take pertinent measures to sustain and, where required, to improve the Group’s risk management and internal control systems in meeting the Group’s strategic objectives.

This Statement was approved by the Board on 15 April 2026.

# CORPORATE GOVERNANCE & COMPLIANCE

## AUDIT COMMITTEE REPORT

### MEMBERSHIP

Chairman: Ng Kim Hian  
(Independent Non-Executive Director)

Members: Nurulhuda Binti Abd Kadir  
(Independent Non-Executive Director)

Tan Pui Suang  
(Independent Non-Executive Director)

### TERMS OF REFERENCE

The terms of reference of the Audit Committee is available for download on the Company's website at [www.gcbcocoa.com](http://www.gcbcocoa.com).

### SUMMARY OF WORK

A total of five (5) Audit Committee meetings were held for the financial year ended 31 December 2025. The details of attendance of each Audit Committee member are as follows:

Name of members	Attendance
Ng Kim Hian	5/5
Nurulhuda Binti Abd Kadir	5/5
Tan Pui Suang	5/5

During the financial year under review, the Audit Committee discharged its functions and duties in accordance with its existing Terms of Reference.

The main work undertaken by the Audit Committee during the financial year included the following:

- considered the nomination of external auditors for recommendation to the Board for re-appointment;
- considered the audit fees payable to the external auditors for recommendation to the Board for approval;
- reviewed the performance of the external auditors in relation to the audit and performed follow-up measures on areas of performance of external auditors that require improvement, where required;
- reviewed and evaluated factors relating to the independence of the external auditors. The Audit Committee worked closely with the external auditors in establishing procedures in assessing the suitability and independence of the external auditors, in confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Group in accordance with the independence criteria set out by the International Ethics Standards Board for Accountants and Malaysian Institute of Accountants;
- reviewed the external auditors' scope of work and audit plans and strategy for the year prior to the audit;
- reviewed the results of the audit, the audit report and the management letter, including management's response, and the assistance given by the employees to the external auditors;
- reviewed the audited financial statements for the financial year ended 31 December 2025 and matters relating to management judgments and estimates;
- reviewed quarterly unaudited financial statements of the Company prior to submission to the Board for their consideration and approval;

# CORPORATE GOVERNANCE & COMPLIANCE

## AUDIT COMMITTEE REPORT

### SUMMARY OF WORK (CONT'D)

- reviewed whether the financial statements provide a true and fair view of the Company's financial position and performance;
- met with external auditors without the presence of management on 26 February 2025 and 28 November 2025 and discussed on matters arising from the interim and final results;
- reviewed the provision of non-audit services by the external auditors and/or its network firms to eliminate or reduce the threat to objectivity and independence;
- reviewed the internal auditors' programmes and plans for the financial year under review and the assessment of the effectiveness of internal audit activities;
- reviewed the re-appointment of the internal auditors and audit fee;
- reviewed the internal audit plans, reports, recommendations and management's response;
- reviewed related party transactions including reviewing recurrent related party transactions of a revenue or trading nature and control procedures for those transactions in the shareholders' mandate;
- reviewed the anti-bribery and corruption policy and recommended the amendment and/or modification, if any to the Board;
- reviewed processes and controls that were in place for effective and efficient financial reporting and disclosures under the financial reporting standards;
- ensured that the Group is in compliance with the regulations of Companies Act 2016, the applicable approved accounting standards as per Malaysian Accounting Standards Board, Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Malaysia Code on Corporate Governance and other legislative and reporting requirements; and
- reviewed the Corporate Governance Overview Statement, Corporate Governance Report, Audit Committee Report and the Statement on Risk Management and Internal Control and recommended their adoption to the Board, deliberated the disclosure requirements for sustainability statement and noted the management action plan; and
- reviewed, monitor and report any conflict of interest ("COI") situations that involve directors and key senior management within the Group included those COI situations that arose, persist or may arise and the measures taken to resolve, eliminate or mitigate such COI situation. During the financial year, there were no COI situations that involved directors and key senior management within the Group.

### INTERNAL AUDIT FUNCTION

The Board acknowledges that it is responsible for maintaining a sound system of internal controls which provide reasonable assessment of effective operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines.

The Company has engaged an external independent consultant to carry out the internal audit function to assist the Audit Committee in maintaining a sound system of internal control. The internal audits were undertaken to provide independent assessments on the accuracy, efficiency and effectiveness of the Group's internal control systems.

An overview of the Group's approach in maintaining a sound system of internal control is set out in the Statement on Risk Management and Internal Control on pages 143 to 148 of this Annual Report.

# CORPORATE GOVERNANCE & COMPLIANCE

## RISK MANAGEMENT COMMITTEE REPORT

For an effective risk management framework, the Risk Management Committee was set up to oversee the risk management of the Group pursuant to step up practice 10.3 of the Malaysian Code on Corporate Governance.

### MEMBERSHIP

Chairman:	Hia Cheng (Executive Director)
Members:	Ng Kim Hian (Independent Non-Executive Director)
	Tan Pui Suang (Independent Non-Executive Director)

### TERMS OF REFERENCE

The terms of reference of the Risk Management Committee is available for download on the Company's website at [www.gbcocoa.com](http://www.gbcocoa.com).

### SUMMARY OF WORK

A total of five (5) Risk Management Committee meetings were held for the financial year ended 31 December 2025. The details of attendance of each Risk Management Committee member are as follows:

Name of members	Attendance
Hia Cheng	5/5
Ng Kim Hian	5/5
Tan Pui Suang	5/5

The Risk Management Committee is responsible in assisting the Board to monitor the effectiveness of the Group's approach on risk management. The Group has a formal risk management policy and framework approved by the Board. The Risk Management Committee is supported by the Enterprise Risk Management Committee, which comprises Heads of Department and is headed by the Chief Financial Officer, in overseeing the risk management efforts within the Group.

For risk management, the Group has in place an on-going process for identifying principal business risks within the organisation, assessing the likelihood of occurrence and impact of exposures and determining the corresponding risk mitigation and treatment measures.

Risk management activities are practised throughout the organisation to support the Risk Management Committee in its corporate governance responsibilities. Enterprise Risk Management Committee and the respective departmental heads would proactively and effectively manage significant risks that might affect the Group's objectives. A set of risk indicators has been developed and is used to enhance the monitoring and mitigation of risks events.

During the financial year under review, the Risk Management Committee discharged its functions and duties in accordance with its existing Terms of Reference.

# CORPORATE GOVERNANCE & COMPLIANCE

## RISK MANAGEMENT COMMITTEE REPORT

### SUMMARY OF WORK (CONT'D)

The main work undertaken by the Risk Management Committee during the financial year included the following:

- Provided guidance for the direction of the Group Enterprise Risk Management (ERM) Committee;
- Reviewed and recommended the Group's risk management framework for the Board's approval;
- Monitored the implementation of the risk management framework and activities conducted by the Group ERM committee;
- Reviewed and advised on the Group's risk appetite and risk tolerance;
- Reviewed the adequacy of the Group's overall risk assessment procedures to ensure all material risks are identified;
- Reviewed material risks and evaluated the adequacy and effectiveness of risk action plans, vis-à-vis the risk appetite and risk profile of the Group;
- Reviewed the Group's risk profile on an annual basis and ensured that all material risks outside of the Group's tolerable ranges are being addressed in risk action plans in a timely manner;
- Reported to the Board regarding the Group's risk exposures;
- Reviewed the adequacy of infrastructure and resources for the Group's risk management; and
- Reviewed the Enterprise Risk Management Committee Report to ensure that all relevant information as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is disclosed.

# CORPORATE GOVERNANCE & COMPLIANCE

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation of financial statements for each financial year. They are responsible for ensuring that these financial statements are properly drawn up in accordance with Malaysia Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company and the results and cash flows of the Group and of the Company for the financial year then ended.

In preparing the financial statements, the Directors have adopted suitable accounting policies and applied them consistently, and made estimates and judgements which are reasonable and prudent. The financial statements have been prepared on a going-concern basis. It is the duty of the Directors to review the appropriateness of the basis before adopting the financial statements and present them before the Annual General Meeting together with their Report and the Auditors' Report thereon.

The Directors are responsible for ensuring that proper accounting and other records are kept to sufficiently explain the transactions recorded. In preparing the financial statements, the Directors are required to exercise judgement to make certain estimates that are reasonable, prudent and relevant to be incorporated in the financial statements. The Directors are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

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# FINANCIAL STATEMENTS

## DIRECTORS' REPORT

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 business of investment holding and provision of management services to subsidiaries. The principal activities of the subsidiaries are mainly involved in the manufacturing, marketing and promotion of cocoa related products.

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

### RESULTS

	Group RM	Company RM
Profit for the financial year	227,861,470	27,472,234
Profit attributable to owners of the parent	227,861,470	27,472,234

### DIVIDENDS

Dividends paid, declared or proposed since the end of the previous financial year were as follows:

	RM
<b>In respect of financial year ended 31 December 2024:</b>	
Special single tier dividend of 1.5 sen per ordinary share, paid on 9 April 2025	17,617,724
Final single tier dividend of 1.5 sen per ordinary share, paid on 9 June 2025	17,617,725
	35,235,449

On 26 February 2026, the Directors declared final single tier dividend of 1.5 sen per ordinary share amounting to RM41,108,012 in respect of the financial year ended 31 December 2025, which is subject to the approval of the members at the forthcoming Annual General Meeting. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

On 3 March 2026, the Directors declared first interim single tier dividend of 1.5 sen per ordinary share amounting to RM41,108,012 in respect of the financial year ending 31 December 2026. The dividend was paid on 10 April 2026 to shareholders at the close of business on 18 March 2026. The dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

### RESERVES AND PROVISIONS

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

# FINANCIAL STATEMENTS

## DIRECTORS' REPORT

### ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully paid-up ordinary share capital of the Company increased from 1,174,914,924 ordinary shares to 2,741,467,439 ordinary shares by way of issuance of 1,566,552,515 new ordinary shares pursuant to the following:

- (i) 1,566,551,615 ordinary shares by way of bonus issue on the basis of four (4) new ordinary shares for every three (3) existing ordinary shares held; and
- (ii) 900 warrants exercised at an exercise price of RM1.60 each for cash.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

The Company did not issue any debentures during the financial year.

### TREASURY SHARES

As at 31 December 2025, the Company held 933,333 (2024: 400,000) of its ordinary shares as treasury shares out of its total 2,741,467,439 (2024: 1,174,914,924) issued and fully paid-up ordinary shares. Such treasury shares are held at a carrying amount of RM720,042 (2024: RM720,042).

### OPTIONS GRANTED OVER UNISSUED SHARES

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

### WARRANTS 2025/2028

On 24 June 2025, the Company issued 293,628,507 free warrants on the basis of one (1) warrant for every four (4) existing ordinary shares.

The warrants were constituted under the Deed Poll dated 28 May 2025. 900 warrants are exercised during the financial year and the total number of warrants that remain unexercised is 293,627,607. The warrants 2025/2028 will expire on 19 June 2028.

The salient features of the warrants are as follows:

- (i) Each warrants entitles the registered holder at any time during the exercise period to subscribe for one new ordinary shares in the Company at an exercise price of RM1.60.
- (ii) The warrants shall be exercisable at any time within the period commencing from and inclusive the date of issue of the warrants and ending on the date immediately preceding the third (3rd) anniversary of the date of issue, or if such day is not a Market day, then it shall be the Market Day immediately preceding the said non-Market Day.
- (iii) All new ordinary shares to be issued pursuant to the exercise of the warrants shall, upon issue and allotment, be of the same class and rank pari passu in all respects with the existing ordinary shares, save and except that such new ordinary shares shall not be entitled to any dividends, rights, allotments and/or other distributions, at the entitlement date of which is prior to the date of the allotment of these new ordinary shares.
- (iv) Any warrants not exercised during the exercise period will lapse and cease to be valid.

# FINANCIAL STATEMENTS

## DIRECTORS' REPORT

### DIRECTORS

The Directors who have held for office during the financial year and up to the date of this report are as follows:

#### Guan Chong Berhad

Tay Hoe Lian\*  
Tay How Sik @ Tay How Sick\*  
Hia Cheng\*  
Nurulhuda Binti Abd Kadir  
Ang Nyee Nyee  
Ng Kim Hian  
Tan Pui Suang

\*These Directors of the Company are also the Directors of certain subsidiaries of the Company.

#### Subsidiaries of Guan Chong Berhad

Tay How Yeh  
Tay See Min (f)  
Yau Tee Wan  
Judith Laudenklos (f)

### DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares of the Company and of its related corporations during the financial year ended 31 December 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	← Number of ordinary shares →				At 31.12.2025
	At 1.1.2025	Addition	Bonus issue	Sold	
<b>Shares in the Company</b>					
<u>Direct interests:</u>					
Tay Hoe Lian	56,513,857	1,138,100	75,402,609	-	133,054,566
Tay How Sik @ Tay How Sick	21,198,945	1,000,000	28,265,260	-	50,464,205
Hia Cheng	29,682,417	1,000,000	39,576,556	-	70,258,973
<u>Indirect interests:</u>					
Tay Hoe Lian <sup>a</sup>	720,000	-	959,999	-	1,679,999
Tay How Sik @ Tay How Sick <sup>b</sup>	6,721,700	-	8,520,398	(652,700)	14,589,398
Hia Cheng <sup>c</sup>	50,380,042	27,400	67,209,920	-	117,617,362
Ang Nyee Nyee <sup>d</sup>	8,000	-	10,666	-	18,666

	← Number of ordinary shares →				At 31.12.2025
	At 1.1.2025	Addition	Sold		
<b>Shares in the ultimate holding company</b>					
Guan Chong Resources Sdn. Bhd. ("GCR")					
<u>Direct interests:</u>					
Tay Hoe Lian	5,130,000	-	-	-	5,130,000
Tay How Sik @ Tay How Sick	3,762,180	-	-	-	3,762,180
Hia Cheng	1,350,000	-	-	-	1,350,000

# FINANCIAL STATEMENTS

## DIRECTORS' REPORT

### DIRECTORS' INTERESTS (CONT'D)

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares of the Company and of its related corporations during the financial year ended 31 December 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows: (Cont'd)

	Number of warrants			
	At 1.1.2025	Allotted	Exercised	At 31.12.2025
<b>Warrants in the Company</b>				
<u>Direct interests:</u>				
Tay Hoe Lian	-	14,137,989	-	14,137,989
Tay How Sik @ Tay How Sick	-	5,299,736	-	5,299,736
Hia Cheng	-	7,420,603	-	7,420,603
<u>Indirect interests:</u>				
Tay Hoe Lian <sup>a</sup>	-	180,000	-	180,000
Tay How Sik @ Tay How Sick <sup>b</sup>	-	1,597,575	-	1,597,575
Hia Cheng <sup>c</sup>	-	12,601,860	-	12,601,860
Ang Nyee Nyee <sup>d</sup>	-	2,000	-	2,000

a. Deemed interest by virtue of his wife, Yap Kim Hong's and his daughter, Tay Jing Ying's shareholding in the Company.

b. Deemed interest by virtue of his daughters, Tay Jing Ye's, and Tay Sing Ye's, and his son, Tay Lian Shi's shareholding in the Company.

c. Deemed interest by virtue of his wife, Wong Saow Lai's and his daughters, Hia Sin Yee's and Hia Sin Che's and his son, Hia Kai Xuan's shareholding in the Company.

d. Deemed interest by virtue of her husband, Leong Chee Foong's shareholding in the Company.

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares and options over ordinary shares in the Company or ordinary shares, options over ordinary shares and debentures of its related corporations during the financial year.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received and receivable by the Directors) 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 other than the following:

- Certain Directors who received remuneration from the subsidiaries as Directors of the subsidiaries; and
- Certain Directors who may be deemed to derive benefits by virtue of trade transactions entered into with companies in which certain Directors have substantial financial interests.

There were no arrangements made during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than as may arise from the warrants issued as disclosed above.

# FINANCIAL STATEMENTS

## DIRECTORS' REPORT

### DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 31 December 2025 were as follows:

	Group RM	Company RM
Salaries and allowances	8,252,810	-
Fees	760,800	220,800
Other emoluments	21,347,244	10,000
	30,360,854	230,800

### INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Group and the Company effected Directors' and officers' liability insurance amounted to RM20,650 during the financial year to protect the Directors of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors and officers.

No indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

### OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

#### (I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

#### (II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
  - (i) which would render the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
  - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of Company misleading or inappropriate.

# FINANCIAL STATEMENTS

## DIRECTORS' REPORT

### OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (CONT'D)

#### (II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT (CONT'D)

- (d) In the opinion of the Directors:
- (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
  - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

#### (III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

During the financial year, a deposit of FCFA5,000,000,000 (equivalent to RM32,155,818) has been paid towards the acquisition of 500,000 ordinary shares representing 25% of the total share capital of Transcao Cote D'Ivoire. This is further to the share sale agreement entered into on 10 January 2025 for a total purchase consideration of FCFA18,418,243,221 (equivalent to RM130,104,217). The acquisition has yet to be completed as at the date of this report.

Subsequent to the end of the reporting period, escalating tensions in the Middle East resulted in significant energy price increase. These developments contributed to heightened volatility in energy prices, foreign exchange markets and supply chains. The potential financial impact remains uncertain, the Group is actively assessing the situation to determine any potential implications for its financial position and operations.

### ULTIMATE HOLDING COMPANY

The Directors regard Guan Chong Resources Sdn. Bhd., a company incorporated in Malaysia, as the ultimate holding company.

# FINANCIAL STATEMENTS

## DIRECTORS' REPORT

### AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2025 were as follows:

	Group RM	Company RM
Statutory audit	1,411,736	175,000
Other services	18,255	5,000
	1,429,991	180,000

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

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**Tay Hoe Lian**

Director

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**Hia Cheng**

Director

Johor Bahru  
15 April 2026

# FINANCIAL STATEMENTS

## STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 168 to 245 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

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**Tay Hoe Lian**

Director

Johor Bahru  
15 April 2026

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**Hia Cheng**

Director

## STATUTORY DECLARATION

I, Hia Cheng, being the Director primarily responsible for the financial management of Guan Chong Berhad, do solemnly and sincerely declare that the financial statements set out on pages 168 to 245 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly )  
declared by the abovenamed at )  
Johor Bahru, Johor this )  
15 April 2026 )

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**Hia Cheng**

Before me:

# FINANCIAL STATEMENTS

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GUAN CHONG BERHAD (INCORPORATED IN MALAYSIA)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Guan Chong Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended and notes to the financial statements, including material accounting policy information, as set out on pages 168 to 245.

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 financial year then ended in accordance with Malaysian Financial Reporting Standards ('MFRSs'), 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 ('ISAs'). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

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

#### Key Audit Matters

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

# FINANCIAL STATEMENTS

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GUAN CHONG BERHAD (INCORPORATED IN MALAYSIA)

### Key Audit Matters (Cont'd)

#### *Key Audit Matters of the Group*

##### **Carrying amount of inventories at lower of cost and net realisable value**

As at 31 December 2025, the inventories of the Group of RM4,534,141,433 comprised mainly cocoa beans and related cocoa products. Details of the inventories have been disclosed in Note 11 to the financial statements.

We determined this to be a key audit matter because of the valuation of inventories, in particular write down of finished goods to net realisable values is mainly based on management estimates and subject to price volatility, which may result in the carrying amount of inventories not stated at lower of cost and net realisable values.

##### **Audit response**

Our audit procedures included the following:

- (i) Obtained an understanding of the process implemented by management over the determination of lower of cost and net realisable value used in the valuation of inventories;
- (ii) Analysed the inventories turnover period by comparing that to the assessment of management on the identification of slow moving and obsolete inventories; and
- (iii) Assessed the appropriateness of inventories written down by verifying selling prices subsequent to the end of the reporting period.

#### *Key Audit Matters of the Company*

We have determined that there are no key audit matters to communicate in our report in respect of audit of the financial statements of the Company.

# FINANCIAL STATEMENTS

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF GUAN CHONG BERHAD (INCORPORATED IN MALAYSIA)

#### **Information Other than the Financial Statements and Auditors' Report Thereon**

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

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

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

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

#### **Responsibilities of the Directors for the Financial Statements**

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

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

#### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

# FINANCIAL STATEMENTS

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF GUAN CHONG BERHAD (INCORPORATED IN MALAYSIA)

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

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

- (a) 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.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the 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.

# FINANCIAL STATEMENTS

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF GUAN CHONG BERHAD (INCORPORATED IN MALAYSIA)

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

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

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

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

#### **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 9 to the financial statements.

#### **Other Matters**

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

**BDO PLT**  
201906000013 (LLP0018825-LCA) & AF 0206  
Chartered Accountants

**Lee Wee Hoong**  
03316/07/2027 J  
Chartered Accountant

Kuala Lumpur  
15 April 2026

# FINANCIAL STATEMENTS

## STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	1,544,887,100	1,404,339,992	-	-
Investment properties	7	65,741,854	61,077,534	-	-
Intangible assets	8	79,442,950	79,555,885	-	-
Investments in subsidiaries	9	-	-	717,026,458	716,452,328
Investments in an associate	10	4,978,696	5,119,751	5,000,000	5,000,000
Deferred tax assets	19	1,282,435	1,460,785	-	-
Other receivables	12	-	-	567,086,521	391,187,000
		1,696,333,035	1,551,553,947	1,289,112,979	1,112,639,328
<b>Current assets</b>					
Inventories	11	4,534,141,433	5,483,449,696	-	-
Trade and other receivables	12	1,296,299,376	1,302,682,671	2,265,894	148,614,671
Derivative financial assets	13	262,479,543	1,891,000,439	7,046,602	-
Current tax assets		46,757,441	23,146,109	-	-
Cash and bank balances	14	123,040,215	241,689,680	20,524,024	17,101,746
		6,262,718,008	8,941,968,595	29,836,520	165,716,417
<b>TOTAL ASSETS</b>		<b>7,959,051,043</b>	<b>10,493,522,542</b>	<b>1,318,949,499</b>	<b>1,278,355,745</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the parent</b>					
Share capital	15	495,238,693	495,237,253	495,238,693	495,237,253
Treasury shares	16	(720,042)	(720,042)	(720,042)	(720,042)
Reserves	17	1,771,746,431	1,630,283,056	2,929,598	10,692,813
<b>TOTAL EQUITY</b>		<b>2,266,265,082</b>	<b>2,124,800,267</b>	<b>497,448,249</b>	<b>505,210,024</b>

# FINANCIAL STATEMENTS

## STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025 (CONT'D)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	18	971,927,778	798,655,245	800,000,000	600,000,000
Lease liabilities	6	46,397,687	54,789,608	-	-
Deferred tax liabilities	19	63,989,676	67,499,961	-	-
Retirement benefits obligations	20	2,707,696	2,333,208	-	-
		1,085,022,837	923,278,022	800,000,000	600,000,000
<b>Current liabilities</b>					
Trade and other payables	21	2,272,511,654	3,116,266,998	16,066,463	11,388,865
Derivative financial liabilities	13	75,119,092	816,752,713	-	11,443,011
Borrowings	18	2,215,782,384	3,437,028,172	-	150,000,000
Lease liabilities	6	10,319,014	11,986,303	-	-
Current tax liabilities		34,030,980	63,410,067	5,434,787	313,845
		4,607,763,124	7,445,444,253	21,501,250	173,145,721
<b>TOTAL LIABILITIES</b>		5,692,785,961	8,368,722,275	821,501,250	773,145,721
<b>TOTAL EQUITY AND LIABILITIES</b>		7,959,051,043	10,493,522,542	1,318,949,499	1,278,355,745

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

# FINANCIAL STATEMENTS

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	23	14,924,049,600	10,442,519,682	73,049,231	53,488,003
Cost of sales		(13,073,905,484)	(11,026,336,225)	-	-
Gross profit/(loss)		1,850,144,116	(583,816,543)	73,049,231	53,488,003
Other income		247,383,225	1,732,499,740	20,393,860	10,793,536
Net impairment (losses)/reversal on trade and other receivables		(15,265)	2,917,995	-	-
Selling and distribution costs		(82,361,280)	(71,311,670)	-	-
Administrative expenses		(151,634,416)	(141,601,879)	(5,154,241)	(6,572,846)
Other expenses		(1,233,494,576)	(142,718,679)	(15,705,641)	(4,289,562)
Finance costs	24	(336,365,480)	(282,488,400)	(37,902,871)	(31,537,447)
Share of (loss)/profit of associate, net of tax		(244,555)	331,827	-	-
Profit before tax	24	293,411,769	513,812,391	34,680,338	21,881,684
Tax expense	25	(65,550,299)	(84,653,966)	(7,208,104)	(1,809,765)
Profit for the financial year		227,861,470	429,158,425	27,472,234	20,071,919
<b>Other comprehensive income</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
- hedge of net investments in foreign operations	25(e)	11,890,341	8,103,481	-	-
- foreign currency translation	25(e)	(62,975,520)	(53,548,682)	-	-
- share of other comprehensive profit of associate	25(e)	103,500	45,373	-	-
<b>Items that will not be reclassified subsequently to profit or loss</b>					
- remeasurement of employee benefits liability, net of tax	25(e)	(180,967)	12,356	-	-
Total other comprehensive loss, net of tax		(51,162,646)	(45,387,472)	-	-
Total comprehensive income		176,698,824	383,770,953	27,472,234	20,071,919

# FINANCIAL STATEMENTS

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Profit attributable to owners of the parent		227,861,470	429,158,425	27,472,234	20,071,919
Total comprehensive income attributable to owners of the parent		176,698,824	383,770,953	27,472,234	20,071,919
Earnings per ordinary share attributable to owners of the parent (sen):					
– Basic and diluted	26	8.31	15.66		

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

# FINANCIAL STATEMENTS

## STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Group	Note	Share Capital RM	Treasury shares RM	Foreign exchange translation reserve RM	Hedging reserve RM	Retained earnings RM	Total equity RM
At 1 January 2025		495,237,253	(720,042)	58,552,545	(11,566,454)	1,583,296,965	2,124,800,267
Profit for the financial year		-	-	-	-	227,861,470	227,861,470
Other comprehensive (loss)/income for the year:							
- hedge of net investments in foreign operations	25(e)	-	-	-	11,890,341	-	11,890,341
- foreign currency translation differences	25(e)	-	-	(62,975,520)	-	-	(62,975,520)
- remeasurement of post-employment benefit obligation, net of tax	25(e)	-	-	-	-	(180,967)	(180,967)
- share of other comprehensive profit of associate	25(e)	-	-	103,500	-	-	103,500
Total comprehensive (loss)/income, net of tax		-	-	(62,872,020)	11,890,341	227,680,503	176,698,824
<b>Transactions with owners</b>							
Issuance of ordinary shares	15	1,440	-	-	-	-	1,440
Dividends	27	-	-	-	-	(35,235,449)	(35,235,449)
Total transactions with owners		1,440	-	-	-	(35,235,449)	(35,234,009)
At 31 December 2025		495,238,693	(720,042)	(4,319,475)	323,887	1,775,742,019	2,266,265,082

# FINANCIAL STATEMENTS

## STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Group	Note	Share Capital RM	Treasury shares RM	Foreign exchange translation reserve RM	Hedging reserve RM	Retained earnings RM	Total equity RM
At 1 January 2024		495,237,253	(720,042)	112,055,854	(19,669,935)	1,165,871,333	1,752,774,463
Profit for the year		-	-	-	-	429,158,425	429,158,425
Other comprehensive (loss)/income for the year:							
- hedge of net investments in foreign operations	25(e)	-	-	-	8,103,481	-	8,103,481
- foreign currency translation differences	25(e)	-	-	(53,548,682)	-	-	(53,548,682)
- remeasurement of post-employment benefit obligation, net of tax	25(e)	-	-	-	-	12,356	12,356
- share of other comprehensive profit of associate	25(e)	-	-	45,373	-	-	45,373
Total comprehensive (loss)/income, net of tax		-	-	(53,503,309)	8,103,481	429,170,781	383,770,953
<b>Transaction with owners</b>							
Dividend	27	-	-	-	-	(11,745,149)	(11,745,149)
At 31 December 2024		495,237,253	(720,042)	58,552,545	(11,566,454)	1,583,296,965	2,124,800,267

# FINANCIAL STATEMENTS

## STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Company	Note	Share Capital RM	Treasury shares RM	Retained earnings RM	Total RM
At 1 January 2024		495,237,253	(720,042)	2,366,043	496,883,254
Profit for the financial year		-	-	20,071,919	20,071,919
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income, net of tax		-	-	20,071,919	20,071,919
<b>Transaction with owners</b>					
Dividend	27	-	-	(11,745,149)	(11,745,149)
At 31 December 2024/ 1 January 2025		495,237,253	(720,042)	10,692,813	505,210,024
Profit for the financial year		-	-	27,472,234	27,472,234
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income, net of tax		-	-	27,472,234	27,472,234
<b>Transactions with owners</b>					
Issuance of ordinary shares	15	1,440	-	-	1,440
Dividends	27	-	-	(35,235,449)	(35,235,449)
Total transactions with owners		1,440	-	(35,235,449)	(35,234,009)
At 31 December 2025		495,238,693	(720,042)	2,929,598	497,448,249

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

# FINANCIAL STATEMENTS

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before tax		293,411,769	513,812,391	34,680,338	21,881,684
Adjustments for:					
Amortisation of intangible assets	8	780,147	797,704	-	-
Bad debts written off/(recovered)	24	1,867,074	529,840	-	(1,000,000)
Depreciation of:					
– property, plant and equipment	5	89,289,242	82,808,421	-	-
– investment properties	7	2,617,040	1,062,888	-	-
Gain on lease termination	6	-	(59,206)	-	-
Gain on disposals of property, plant and equipment		(7,965,117)	(346,192)	-	-
Impairment loss on:					
– trade receivables	12(h)	224,234	118,140	-	-
Increase/(Decrease) in defined benefit obligation	20(d)	774,742	(285,744)	-	-
Interest expense		320,354,333	267,000,846	37,902,871	31,537,447
Interest income		(2,185,333)	(2,111,521)	(27,002,231)	(21,517,174)
Net fair value loss/(gain) on derivatives	13(e)	830,104,411	(819,042,817)	(18,489,613)	(8,125,192)
Property, plant and equipment written off	5	143,509	11,609,817	-	-
Reversal of impairment loss on trade receivables	12(h)	(208,969)	(3,036,135)	-	-
Share of loss/(profit) of associate		244,555	(331,827)	-	-
Provision for onerous contract		14,208,706	31,009,232	-	-
Net unrealised loss on foreign exchange translations		25,206,917	18,455,602	15,705,641	4,289,562
Operating profit before changes in working capital (carried forward)		1,568,867,260	101,991,439	42,797,006	27,066,327

# FINANCIAL STATEMENTS

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES (CONT'D)</b>					
Operating profit before changes in working capital (brought forward)		1,568,867,260	101,991,439	42,797,006	27,066,327
Inventories		761,193,578	(3,076,515,552)	-	-
Trade and other receivables		(414,332,610)	(635,781,707)	(45,827,684)	(129,800,424)
Trade and other payables		(362,719,455)	2,240,477,318	4,677,598	1,045,596
Net cash from/(used in) operations		1,553,008,773	(1,369,828,502)	1,646,920	(101,688,501)
Interest paid		(318,330,147)	(264,524,026)	(37,902,871)	(31,537,447)
Interest received		2,185,333	2,111,521	27,002,231	21,517,174
Retirement benefits paid	20(d)	(384,219)	(376,558)	-	-
Tax paid		(123,876,075)	(45,886,145)	(2,090,529)	(2,447,518)
Tax refunded		5,000,698	2,150,111	3,367	-
Net cash from/(used in) operating activities		1,117,604,363	(1,676,353,599)	(11,340,882)	(114,156,292)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Placements of deposits with licensed banks with original maturity of more than three months		(6,185,692)	(366,589)	(5,740,000)	(420,000)
Proceeds from disposals of property, plant and equipment		27,230,287	6,154,965	-	-
Purchase of:					
– property, plant and equipment	5(b)	(273,570,183)	(149,364,684)	-	-
– investment property	7(d)	-	(10,861,747)	-	-
Net cash used in investing activities		(252,525,588)	(154,438,055)	(5,740,000)	(420,000)

# FINANCIAL STATEMENTS

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Dividends paid		(35,235,449)	(35,235,447)	(35,235,449)	(35,235,447)
Net (repayment)/drawdown of short-term borrowings		(1,022,464,912)	1,917,691,608	(150,000,000)	152,216,214
Drawdown of Sukuk		200,000,000	-	200,000,000	-
Drawdown of term loans		27,664,593	231,336,252	-	-
Repayment of term loans		(122,887,405)	(71,857,176)	-	-
Net withdrawal/(placement) of fixed deposits pledged		564,524	(282,294)	-	-
Proceeds from issuance of ordinary shares	15	1,440	-	1,440	-
Repayments of lease liabilities	6	(14,937,867)	(18,274,718)	-	-
Net cash (used in)/from financing activities		(967,295,076)	2,023,378,225	14,765,991	116,980,767
Net (decrease)/increase in cash and cash equivalents		(102,216,301)	192,586,571	(2,314,891)	2,404,475
Effects of exchange rate changes on cash and cash equivalents		(33,052,014)	(39,385,771)	(2,831)	-
Cash and cash equivalents at beginning of financial year		207,398,339	54,197,539	2,692,946	288,471
Cash and cash equivalents at end of financial year	14(e)	72,130,024	207,398,339	375,224	2,692,946

# FINANCIAL STATEMENTS

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

### RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Lease liabilities (Note 6)		Borrowings* (Note 18)	
	Group RM	Company RM	Group RM	Company RM
At 1 January 2024	76,870,053	-	2,181,833,174	600,000,000
Cash flows:				
- Payment of lease liabilities	(15,797,898)	-	-	-
- Interest paid	(2,476,820)	-	(264,479,459)	-
- Net drawdown of short-term borrowings	-	-	2,138,827,517	150,000,000
- Drawdown of term loans	-	-	231,336,252	-
- Repayment of term loans	-	-	(28,513,626)	-
Non-cash flows:				
- Additions	13,720,485	-	-	-
- Effect of foreign exchange	(5,695,692)	-	(26,065,957)	-
- Termination	(2,647,446)	-	-	-
- Lease modification	326,409	-	-	-
- Unwinding of interest	2,476,820	-	-	-
At 31 December 2024/At 1 January 2025	66,775,911	-	4,232,937,901	750,000,000
Cash flows:				
- Payment of lease liabilities	(12,913,681)	-	-	-
- Interest paid	(2,024,186)	-	(317,365,402)	-
- Net repayment of short-term borrowings	-	-	(759,313,527)	(150,000,000)
- Drawdown of Sukuk	-	-	200,000,000	200,000,000
- Drawdown of term loans	-	-	27,664,593	-
- Repayment of term loans	-	-	(68,673,388)	-
Non-cash flows:				
- Additions	1,584,283	-	-	-
- Effect of foreign exchange	1,270,188	-	(141,283,213)	-
- Unwinding of interest	2,024,186	-	-	-
At 31 December 2025	56,716,701	-	3,173,966,964	800,000,000

\* Borrowings excluded bank overdraft

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

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 1. CORPORATE INFORMATION

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

The registered office of the Company is located at No.7 (1st Floor), Jalan Pesta 1/1, Taman Tun Dr. Ismail 1, Jalan Bakri, 84000 Muar, Johor Darul Takzim.

The principal place of business is located at PLO 273, Jalan Timah 2, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor Darul Takzim.

The ultimate holding company of the Company is Guan Chong Resources Sdn. Bhd., which is incorporated in Malaysia.

The consolidated financial statements for the financial year ended 31 December 2025 comprise the Company and its subsidiaries and interests of the Group in an associate. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 15 April 2026.

### 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in business of investment holding and provision of management services to subsidiaries. The principal activities of the subsidiaries are mainly involved in the manufacturing, marketing and promotion of cocoa related products. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

### 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company set out on pages 168 to 245 have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 4.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 4. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

#### 4.1. New MFRSs adopted during the financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board (“MASB”) during the financial year:

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025

Adoption of the above Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

#### 4.2. New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2026

Title	Effective Date
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
<i>Annual Improvements to MFRS Accounting Standards - Volume 11</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendment to MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendment to MFRS 121 <i>Translation to a Hyperinflationary Presentation Currency</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 5. PROPERTY, PLANT AND EQUIPMENT

Group	At 1.1.2025 RM	Addition RM	Disposals RM	Written off RM	Reclassification RM	Depreciation charge for the financial year RM	Exchange differences RM	At 31.12.2025 RM
<b>Carrying amount</b>								
Freehold land	73,641,071	-	(10,323,263)	-	-	-	(293,193)	63,024,615
Leasehold land	56,326,082	-	-	-	-	(2,285,553)	(187,897)	53,852,632
Buildings and renovation								
- Owned	480,143,514	21,915,127	(3,781,132)	-	666,980	(1,447,685)	(11,056,331)	473,409,473
- Rights-of-use assets	19,893,197	1,496,569	-	-	-	(7,824,852)	(39,985)	13,524,929
Plant, machineries, tools and equipment								
- Owned	568,154,358	58,559,654	(5,553)	-	25,912,272	(53,107,383)	(9,053,216)	590,460,132
- Rights-of-use assets	45,827,148	-	-	-	-	(3,550,421)	1,020,197	43,296,924
Motor vehicles								
- Owned	8,080,589	1,355,096	(1)	(52,230)	-	(2,641,532)	(81,571)	6,660,351
- Rights-of-use assets	1,156,903	87,714	-	-	-	(517,210)	28,680	756,087
Furniture, fittings and office equipment	28,589,350	2,283,232	(5,517)	(91,279)	-	(4,883,606)	(187,595)	25,704,585
Capital work-in-progress	122,527,780	189,457,074	(5,149,704)	-	(26,579,252)	-	(6,058,526)	274,197,372
	1,404,339,992	275,154,466	(19,265,170)	(143,509)	-	(89,289,242)	(25,909,437)	1,544,887,100

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	At 1.1.2024 RM	Addition RM	Disposals RM	Written off RM	Lease termination RM	Lease modification RM	Reclassification RM	Depreciation charge for the financial year RM	Exchange differences RM	At 31.12.2024 RM
<b>Carrying amount</b>										
Freehold land	77,563,971	-	-	-	-	-	-	-	(3,922,900)	73,641,071
Leasehold land	58,365,998	2,869,472	-	-	-	-	-	(2,299,028)	(2,610,360)	56,326,082
Buildings and renovation										
- Owned	362,241,292	2,416,655	-	-	-	-	149,089,903	(12,355,081)	(21,249,255)	480,143,514
- Rights-of-use assets	29,219,884	3,143,834	-	-	(2,588,240)	326,409	-	(9,523,824)	(684,866)	19,893,197
Plant, machineries, tools and equipment										
- Owned	484,732,138	21,484,246	(985,137)	-	-	-	134,051,145	(47,445,522)	(23,682,512)	568,154,358
- Rights-of-use assets	46,577,462	7,027,718	-	-	-	-	-	(3,792,815)	(3,985,217)	45,827,148
Motor vehicles										
- Owned	6,635,293	4,646,438	(692,062)	-	-	-	105,716	(2,443,325)	(171,471)	8,080,589
- Rights-of-use assets	1,241,625	679,461	-	-	-	-	(105,716)	(569,636)	(88,831)	1,156,903
Furniture, fittings and office equipment										
- Owned	28,769,430	2,248,711	(49,921)	(525)	-	-	3,154,812	(4,379,190)	(1,153,967)	28,589,350
Capital work in-progress										
- Owned	311,775,696	118,568,634	(4,081,653)	(11,609,292)	-	-	(286,295,860)	-	(5,829,745)	122,527,780
	1,407,122,789	163,085,169	(5,808,773)	(11,609,817)	(2,588,240)	326,409	-	(82,808,421)	(63,379,124)	1,404,339,992

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	At 31 December 2025			
	Cost RM	Accumulated depreciation RM	Accumulated Impairment losses RM	Carrying amount RM
Freehold land	63,024,615	-	-	63,024,615
Leasehold land	71,870,321	(18,017,689)	-	53,852,632
Buildings and renovation				
– Owned	573,200,299	(99,790,826)	-	473,409,473
– Rights-of-use assets	38,810,520	(25,285,591)	-	13,524,929
Plant, machineries, tools and equipment				
– Owned	1,068,581,230	(475,577,738)	(2,543,360)	590,460,132
– Rights-of-use assets	60,417,211	(17,120,287)	-	43,296,924
Motor vehicles				
– Owned	24,104,539	(17,444,188)	-	6,660,351
– Rights-of-use assets	2,558,634	(1,802,547)	-	756,087
Furniture, fittings and office equipment	68,273,459	(42,568,874)	-	25,704,585
Capital work-in-progress	274,197,372	-	-	274,197,372
	2,245,038,200	(697,607,740)	(2,543,360)	1,544,887,100

Group	At 31 December 2024			
	Cost RM	Accumulated depreciation RM	Accumulated Impairment losses RM	Carrying amount RM
Freehold land	73,641,071	-	-	73,641,071
Leasehold land	72,838,211	(16,512,129)	-	56,326,082
Buildings and renovation				
– Owned	571,070,749	(90,927,235)	-	480,143,514
– Rights-of-use assets	42,055,449	(22,162,252)	-	19,893,197
Plant, machineries, tools and equipment				
– Owned	1,008,660,045	(437,962,327)	(2,543,360)	568,154,358
– Rights-of-use assets	59,172,241	(13,345,093)	-	45,827,148
Motor vehicles				
– Owned	23,938,222	(15,857,633)	-	8,080,589
– Rights-of-use assets	2,436,752	(1,279,849)	-	1,156,903
Furniture, fittings and office equipment	66,334,283	(37,744,933)	-	28,589,350
Capital work-in-progress	122,527,780	-	-	122,527,780
	2,042,674,803	(635,791,451)	(2,543,360)	1,404,339,992

- (a) All items of property, plant and equipment (excluding right-of-use assets) are initially measured at cost. After initial recognition, property, plant and equipment (excluding right-of-use assets) are stated at cost less any accumulated depreciation and any accumulated impairment losses.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) (Cont'd)

Depreciation is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal depreciation periods and rates are as follows:

Buildings and renovation	5 years to 50 years
Plant, machineries, tools and equipment	5% - 12.5%
Motor vehicles	16% - 20%
Furniture, fittings and office equipment	5% - 16.7%

Freehold land has unlimited useful life and is not depreciated. Capital work-in-progress represents machineries and software systems under installation and is stated at cost. Capital work-in-progress is not depreciated until such time when the asset is available for use.

(b) During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	Group	
	2025 RM	2024 RM
Additions of property, plant and equipment		
Rented right-of-use assets recognition for:	275,154,466	163,085,169
– leasehold land	-	(2,869,472)
– buildings and renovation	(1,496,569)	(3,143,834)
– plant, machineries, tools and equipment	-	(7,027,718)
– motor vehicles	(87,714)	(679,461)
Cash outflow for acquisition of property, plant, and equipment	273,570,183	149,364,684

(c) The carrying amount of certain property, plant and equipment of the Group charged to financial institutions for credit facilities granted to the Group as disclosed in Note 18 to the financial statements at the end of the reporting period are as follows:

	Group	
	2025 RM	2024 RM
Freehold land	9,502,357	9,306,550
Buildings and renovation - owned	55,415,346	62,384,619
Plant and machineries - owned	90,075,574	103,055,982
	154,993,277	174,747,151

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

#### Right-of-use assets

Rights-of-use assets related to leased properties, motor vehicles and plant, machinery, tools and equipment that do not meet the definition of investment property are presented as property, plant and equipment in Note 5 to the financial statements.

Right-of-use assets are re-presented and analysed as follows:

Group	At 1.1.2025 RM	Additions RM	Depreciation RM	Modification RM	Reclassification RM	Termination RM	Exchange differences RM	At 31.12.2025 RM
<b>Carrying amount</b>								
Leasehold land	56,326,082	-	(2,285,553)				(187,897)	53,852,632
Buildings and renovation	19,893,197	1,496,569	(7,824,852)				(39,985)	13,524,929
Plant, machineries, tools and equipment	45,827,148	-	(3,550,421)				1,020,197	43,296,924
Motor vehicles	1,156,903	87,714	(517,210)				28,680	756,087
	123,203,330	1,584,283	(14,178,036)				820,995	111,430,572
Group	At 1.1.2024 RM	Additions RM	Depreciation RM	Modification RM	Reclassification RM	Termination RM	Exchange differences RM	At 31.12.2024 RM
<b>Carrying amount</b>								
Leasehold land	58,365,998	2,869,472	(2,299,028)				(2,610,360)	56,326,082
Buildings and renovation	29,219,884	3,143,834	(9,523,824)	326,409		(2,588,240)	(684,866)	19,893,197
Plant, machineries, tools and equipment	46,577,462	7,027,718	(3,792,815)				(3,985,217)	45,827,148
Motor vehicles	1,241,625	679,461	(569,636)		(105,716)		(88,831)	1,156,903
	135,404,969	13,720,485	(16,185,303)	326,409	(105,716)	(2,588,240)	(7,369,274)	123,203,330

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

#### Lease liabilities

	Group	
	2025 RM	2024 RM
At beginning of financial year	66,775,911	76,870,053
Additions	1,584,283	13,720,485
Lease payments	(14,937,867)	(18,274,718)
Interest expense	2,024,186	2,476,820
Modification	-	326,409
Termination	-	(2,647,446)
Exchange differences	1,270,188	(5,695,692)
At end of financial year	56,716,701	66,775,911
Represented by:		
Current liabilities	10,319,014	11,986,303
Non-current liabilities	46,397,687	54,789,608
	56,716,701	66,775,911
Lease liabilities owing to financial institutions	19,054,888	22,421,469
Lease liabilities owing to non-financial institutions	37,661,813	44,354,442
	56,716,701	66,775,911

- (a) The right-of-use assets under property, plant and equipment are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term, as follows:

Buildings and renovation:

- Rented buildings	2-3 years
- Leasehold warehouse	34 years
Leasehold land	25-60 years
Plant, machineries, tools and equipment	2-4 years
Motor vehicles	3-5 years

- (b) The Group has certain leases of hostel, warehouse and machineries with lease term of 12 months or less. The Group applies the "short-term lease" exemption for these leases.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

(c) The following are the amounts recognised in profit or loss:

	Group	
	2025 RM	2024 RM
Depreciation charge of right-of-use assets	14,178,036	16,185,303
Interest expense on lease liabilities	2,024,186	2,476,820
Gain on lease termination	-	(59,206)
Expense relating to short-term leases (included in cost of sales and administration expenses)	6,213,979	7,405,430
	22,416,201	26,008,347

(d) The following are total cash outflows for leases as a lessee:

	Group	
	2025 RM	2024 RM
Included in net cash from operating activities:		
Payment relating to short-term leases	6,213,979	7,405,430
Included in net cash from financing activities:		
Payment of lease liabilities	14,937,867	18,274,718
Total cash outflow for leases	21,151,846	25,680,148

(e) The Group leases several lease contracts that include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

There is no undiscounted potential future rental payments that are not included in the lease term as at the end of each reporting period.

(f) Weighted average incremental borrowing rates of the lease liabilities of the Group as at the end of the reporting period ranged from 3.35% to 8.50% (2024: 3.29% to 8.50%) per annum.

### 7. INVESTMENT PROPERTIES

	Group	
	2025 RM	2024 RM
<b>Carrying amount</b>		
At beginning of financial year	61,077,534	51,623,835
Addition	8,668,442	10,861,747
Depreciation charge for the financial year	(2,617,040)	(1,062,888)
Exchange differences	(1,387,082)	(345,160)
At end of financial year	65,741,854	61,077,534
Fair value	71,900,000	66,700,000

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 7. INVESTMENT PROPERTIES (CONT'D)

- (a) Investment properties are initially measured at cost, including transaction costs, less any accumulated depreciation and any accumulated impairment losses.

After initial recognition, investment properties are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Freehold land has indefinite useful life and is not depreciated.

Depreciation is calculated to write off the cost or valuation of the investment properties to their residual values on a straight line basis over their estimated useful lives. The principal depreciation periods for the investments properties are as follows:

Freehold building	30 years
Leasehold buildings	43 years
Leasehold land	30 years
Leasehold office	27-89 years

- (b) The investment properties consist of the following:

	Group	
	2025 RM	2024 RM
<b>Carrying amount</b>		
Freehold land	32,853,663	32,853,663
Freehold building	2,837,624	3,321,573
Leasehold buildings	10,590,698	10,911,628
Leasehold land	8,882,503	2,118,252
Leasehold office	10,577,366	11,872,418
	65,741,854	61,077,534

- (c) Rental income and direct operating expenses arising from investment properties during the financial year are as follows:

	Group	
	2025 RM	2024 RM
Rental income derived from investment properties	2,780,710	2,396,153
Direct operating expenses		
– income generating investment properties	(151,867)	(126,273)
– non-income generating investment property	(252,790)	(373,026)
Profit arising from investment properties carried at fair value net of direct operating expenses	2,376,053	1,896,854

- (d) During the financial year, the Group made the following cash payments on investment properties:

	Group	
	2025 RM	2024 RM
Addition of investment property	8,668,442	10,861,747
Reclassified from prepayment	(8,668,442)	-
Cash payments on investment properties	-	10,861,747

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 7. INVESTMENT PROPERTIES (CONT'D)

- (e) For disclosure purposes, the fair value of the investment properties of approximately RM71,900,000 (2024: RM66,700,000) at Level 3 was recommended by the Directors as at the end of the reporting period based on comparison method that makes reference to recent market value of a similar property in the vicinity on a price per square feet basis. Any changes in the price per square feet will result in a reasonable change in the fair value of the investment properties.
- (f) Investment properties with an aggregate carrying amount of RM12,351,377 (2024: RM3,321,573) are charged to a financial institution for banking facilities granted to the Group as disclosed in Note 18 to the financial statements.

#### The Group as lessor

The Group had entered into non-cancellable lease agreements on certain premises and equipment with third parties. The monthly rental consists of a fixed base rent.

The Group has aggregate future minimum lease receivable under the above non-cancellable operating leases as at the end of each reporting period as follows:

	Group	
	2025 RM	2024 RM
Less than one (1) year	778,953	1,083,363
One (1) to two (2) years	566,941	401,071
Two (2) to three (3) years	185,422	356,741
Three (3) to four (4) years	47,271	26,665
Four (4) to five (5) years	28,228	26,665
	1,606,815	1,894,505

### 8. INTANGIBLE ASSETS

Group	At 1.1.2025 RM	Amortisation RM	Exchange differences RM	At 31.12.2025 RM
<b>Carrying amount</b>				
Goodwill	57,875,467	-	192,731	58,068,198
Trademark	10,538,917	(911)	255,650	10,793,656
Non-contractual customer relationship	11,141,501	(779,236)	218,831	10,581,096
	79,555,885	(780,147)	667,212	79,442,950

Group	At 1.1.2024 RM	Amortisation RM	Exchange differences RM	At 31.12.2024 RM
<b>Carrying amount</b>				
Goodwill	62,446,405	-	(4,570,938)	57,875,467
Trademark	11,603,166	(968)	(1,063,281)	10,538,917
Non-contractual customer relationship	12,847,901	(796,736)	(909,664)	11,141,501
	86,897,472	(797,704)	(6,543,883)	79,555,885

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 8. INTANGIBLE ASSETS (CONT'D)

← At 31 December 2025 →				
Group	Cost RM	Accumulated amortisation RM	Accumulated impairment losses RM	Carrying amount RM
Goodwill	66,192,874	-	(8,124,676)	58,068,198
Trademark	10,801,750	(8,094)	-	10,793,656
Non-contractual customer relationship	15,375,443	(4,794,347)	-	10,581,096
	92,370,067	(4,802,441)	(8,124,676)	79,442,950

← At 31 December 2024 →				
Group	Cost RM	Accumulated amortisation RM	Accumulated impairment losses RM	Carrying amount RM
Goodwill	66,000,143	-	(8,124,676)	57,875,467
Trademark	10,546,888	(7,971)	-	10,538,917
Non-contractual customer relationship	15,168,904	(4,027,403)	-	11,141,501
	91,715,935	(4,035,374)	(8,124,676)	79,555,885

- (a) Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any.

Goodwill is not amortised but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount could be impaired.

- (b) Other intangible assets

Intangible assets are initially measured at cost. The cost of intangible assets recognised in a business combination is their fair values as at the date of acquisition.

After initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

#### Trademark

Acquired trademark with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated using the straight line method to allocate the cost of trademark over its estimated useful lives of fifteen (15) years.

Acquired trademark with indefinite useful lives are carried at cost less any accumulated impairment losses.

#### Non-contractual customer relationships

Acquired non-contractual customer relationships have finite useful lives and are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated using the straight line method to allocate the cost of non-contractual customer relationships over its estimated useful lives of twenty (20) years.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 8. INTANGIBLE ASSETS (CONT'D)

- (c) Goodwill and intangible asset with indefinite useful lives has been allocated to the identified cash generating units ("CGU") according to relevant operating segments based on the geographical location of customers as follows:

	Group	
	2025 RM	2024 RM
<b>Goodwill</b>		
Germany	49,885,299	48,857,352
Indonesia	8,182,899	9,018,115
	58,068,198	57,875,467
<b>Trademark</b>		
Germany	10,788,726	10,532,522
	68,856,924	68,407,989

- (d) For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions, which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.
- (e) The recoverable amounts of the CGUs have been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering a five-year period with various inputs, assumptions and terminal value. The following key assumptions are used to generate the financial budgets:

	Group	
	2025 %	2024 %
<b>Sales growth rates</b>		
Germany	3	3
Indonesia	1	1
<b>Pre-tax discount rate</b>		
Germany	11.6	11.6
Indonesia	18.1	18.1

#### Germany and Indonesia CGUs

Based on the annual impairment testing undertaken by the Group, no impairment losses were required for the carrying amounts of goodwill and intangible asset with indefinite useful lives as at 31 December 2025 as their recoverable amounts were in excess of their carrying amounts.

Management is not aware of any reasonable possible changes in the key assumptions that would cause the carrying amount of the media CGU to materially exceed its recoverable amount.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 8. INTANGIBLE ASSETS (CONT'D)

(f) The calculations of value in use for the CGUs are most sensitive to the following assumptions:

(i) Sales growth rate

The forecasted sale growth rate has considered business past performance and management's expectations of market development.

(ii) Pre-tax discount rate

Discount rate reflects the current market assessment of the risks specific to each CGU. This is the benchmark used by management to assess the operating performance of the CGUs.

### 9. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025 RM	2024 RM
<b>Cost</b>		
Unquoted equity shares		
At beginning/end of financial year	262,558,614	262,558,614
<b>Accumulated impairment loss</b>		
At beginning/end of financial year	(4,870,001)	(4,870,001)
Unquoted equity shares, at cost	257,688,613	257,688,613
Equity loan	459,337,845	458,763,715
	717,026,458	716,452,328

(a) Investment in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment loss, if any.

(b) Equity loan

Equity loans to subsidiaries, which are unsecured, interest-free and the subsidiary has the unconditional right to avoid settlement of the loan in cash, and are considered to be part of the investments of the Company in providing the subsidiaries with a long term source of additional capital.

Impairment for equity loans to subsidiaries are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model.

No expected credit loss is recognised arising from equity loans to subsidiaries of the Company as it is negligible.

The Directors of the Company have reassessed the nature of the amounts owing by subsidiaries and determined that an outstanding balance amounting to RM459,337,845 (2024: RM458,763,715) shall constitute an equity loan to subsidiaries as these amounts are unsecured, interest free and settlement is neither planned nor likely to occur in the foreseeable future and are considered to be part of the investment of the Company in providing the subsidiaries with a long term source of additional capital.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 9. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) The details of the subsidiaries are as follows:

Name of companies	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025 %	2024 %	
Guan Chong Cocoa Manufacturer Sdn. Bhd.#	Malaysia	100	100	Producing cocoa-derived food ingredients.
Guan Chong Trading Sdn. Bhd.#	Malaysia	100	100	Dormant.
GCB Foods Sdn. Bhd.#	Malaysia	100	100	Manufacture, marketing and promotion of cocoa related products.
GCB Cocoa Malaysia Sdn. Bhd.#	Malaysia	100	100	Manufacture of cocoa cake, cocoa butter, cocoa powder, cocoa mass and other related cocoa products.
GCB America, Inc ("GCBA")*	United States of America	100	100	Investment holding.
Cocoarich Sdn. Bhd.#	Malaysia	100	100	Investment holding.
GCB Oversea Holdings Corporation ("GCBOHC")^	Federal Territory of Labuan, Malaysia	100	100	Investment holding.
GCB Cocoa Singapore Pte. Ltd. ("GCBCS") #	Singapore	100 <sup>δ</sup>	100 <sup>δ</sup>	Trading of cocoa beans, cocoa-derived food ingredients and cocoa products.
<b>Subsidiaries of GCBOHC</b>				
GCB Cacao GmbH*	Germany	100	100	Dormant.
<b>Subsidiaries of GCBCS</b>				
PT Asia Cocoa Indonesia^	Indonesia	100 <sup>α</sup>	100 <sup>α</sup>	Manufacture of cocoa butter, cocoa cake and cocoa liquor.
PT GCB Cocoa Indonesia ("PTGCBCI")^	Indonesia	100 <sup>α</sup>	100 <sup>α</sup>	Trading of cocoa products.
GCB Cocoa Cote D'Ivoire ("GCBCCI")#	Ivory Coast	100	100	Processing of cocoa into semi-finished and finished products.
Schokinag Holding GmbH ("SCHOKINAG")#	Germany	100	100	Investment holding.

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### 9. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) The details of the subsidiaries are as follows (Cont'd):

Name of companies	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025 %	2024 %	
<b>Subsidiaries of GCBCS (Cont'd)</b>				
GCB Cocoa UK Limited ("GCBCUK") <sup>^</sup>	United Kingdom	100	100	Trading of cocoa powder and chocolate and manufacturing of chocolate.
GCB Cocoa Trading Cote D'Ivoire <sup>#</sup>	Ivory Coast	100	100	Dormant.
GCB Cocoa Europe B.V.*	Netherlands	100	100	Trading of cocoa products.
GCB Cocoa Suisse AG ("GCBCSUI")*	Switzerland	100	-	Trading of cocoa products.
<b>Subsidiary of GCBA</b>				
Carlyle Cocoa Co., LLC*	United States of America	100	100	Manufacture of cocoa ingredients.
<b>Subsidiaries of SCHOKINAG</b>				
Schokinag Verwaltungs GmbH <sup>#</sup>	Germany	100	100	Property holding company.
Schokinag-Schokolade-Industrie GmbH <sup>#</sup>	Germany	100	100	Production and sales of chocolate products.
<b>Subsidiary of GCBUK</b>				
GCB UK Property Limited ("GCBUKP") <sup>^</sup>	United Kingdom	100	100	Property management company.

<sup>#</sup> Audited by BDO PLT, BDO Member Firms or BDO Alliance Firm.

<sup>^</sup> Audited by firms other than BDO PLT and BDO Member Firms.

\* Not a legal requirement to be audited, consolidated based on unaudited management accounts.

<sup>^</sup> 10.00% indirect interest held through Cocoarich Sdn. Bhd.

<sup>^</sup> 26.14% indirect interest held through GCBOHC.

(d) During the financial year, the Group has acquired 100% equity interest in newly incorporated GCBCSUI for total cash consideration of RM263,815 (equivalent to CHF50,000). Upon incorporation, GCBCSUI became wholly owned subsidiary of the Group.

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### 9. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (e) During the financial year, the Group subscribed for an additional 450,000 ordinary shares in a wholly owned subsidiary, PTGCBCI for a total cash consideration of RM1,942,650 (equivalent to USD450,000). Consequently, there was no change in the effective equity interest held by the Group.
- (f) During the financial year, the Group subscribed for an additional 5,700,000 ordinary shares in a wholly owned subsidiary, Carlyle, converting from inter-company balance with value of RM23,147,700 (equivalent to USD5,700,000). Consequently, there was no change in the effective equity interest held by the Group.
- (g) During the financial year, the Group subscribed for an additional 1,400,000 ordinary shares in a wholly owned subsidiary, GCBUKP, converting from inter-company loan with value of RM8,033,340 (equivalent to GBP1,400,000). Consequently, there was no change in the effective equity interest held by the Group.
- (h) In the previous financial year, the Group subscribed for an additional 20,000,000 ordinary shares in a wholly owned subsidiary, GCBCUK, converting from inter-company loan with value of RM112,370,000 (equivalent to GBP20,000,000). Consequently, there was no change in the effective equity interest held by the Group.
- (i) The Group does not have any subsidiary that has non-controlling interests, which is individually material to the Group for both financial years ended 31 December 2025 and 31 December 2024.

### 10. INVESTMENTS IN AN ASSOCIATE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unquoted equity shares, at cost	5,000,000	5,000,000	5,000,000	5,000,000
Share of post-acquisition reserves, net of dividends received	(21,304)	119,751	-	-
	4,978,696	5,119,751	5,000,000	5,000,000

- (a) In the separate financial statements of the Company, an investment in an associate is stated at cost less any impairment losses.

An investment in an associate is accounted for in the consolidated financial statements using the equity method of accounting.

- (b) The details of the associate is as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025 %	2024 %	
SMC Food21 Malaysia Sdn. Bhd. ("SMC") <sup>^</sup>	Malaysia	20	20	Production of blended cocoa- derived food ingredients.

<sup>^</sup> Audited by firms other than BDO PLT

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### 10. INVESTMENTS IN AN ASSOCIATE (CONT'D)

- (c) The Group does not have any associate, which is individually material to the Group for both financial years ended 31 December 2025 and 31 December 2024.
- (d) The Group recognised its share of results in SMC based on unaudited financial statements as at 31 December 2025. The summarised unaudited financial information for the associate is as follows:

	2025 RM	2024 RM
<b>Assets and liabilities</b>		
Current assets	71,242,557	84,351,031
Non-current assets	46,689,436	54,097,390
Total assets	117,931,993	138,448,421
Current liabilities	92,319,755	111,014,494
Non-current liabilities	3,747,136	4,863,554
Total liabilities	96,066,891	115,878,048
<b>Results</b>		
Revenue	319,178,365	282,691,321
(Loss)/Profit for the financial year	(1,222,775)	1,659,135
Other comprehensive income	517,500	226,865
	(705,275)	1,886,000

- (e) The reconciliation of net assets of the associate to the carrying amount of the investments in an associate is as follows:

	2025 RM	2024 RM
Share of net assets of the Group	4,373,021	4,514,076
Goodwill	605,675	605,675
Carrying amount in the statements of financial position	4,978,696	5,119,751
<b>Share of results for the financial year</b>		
Share of (loss)/profit	(244,555)	331,827
Share of other comprehensive income	103,500	45,373
Share of total comprehensive (loss)/income	(141,055)	377,200

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### 11. INVENTORIES

Group	2025 RM	2024 RM
<b>At cost</b>		
Raw materials	1,801,144,677	2,929,705,453
Work-in-progress	44,548,978	25,551,304
Finished goods	2,144,744,040	1,362,032,919
Packaging materials	9,995,263	9,033,054
Stores and supplies	51,540,682	40,580,636
	4,051,973,640	4,366,903,366
<b>At net realisable value</b>		
Finished goods	454,215,723	1,048,730,509
Work-in-progress	27,952,070	67,815,821
	4,534,141,433	5,483,449,696

- (a) Inventories are valued at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out formula. The cost of raw materials comprises all cost of purchase plus other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods includes the cost of raw materials, direct labour, other direct cost and a proportion of production overheads based on normal operating capacity of the production facilities.

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

- (b) During the financial year, inventories of the Group recognised as cost of sales amounted to RM11,148,625,612 (2024: RM10,147,000,869).
- (c) Inventories with carrying amounts of RM336,152,394 (2024: RM977,398,130) are held as security by way of floating charge for the Group's banking facilities as disclosed in Note 18 to the financial statements.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Non-current</b>				
<b>Other receivables</b>				
Amounts owing by:				
– a subsidiary (interest bearing)	-	-	558,449,883	383,921,534
– a subsidiary (non-interest bearing)	-	-	8,636,638	7,265,466
	-	-	567,086,521	391,187,000
<b>Current</b>				
<b>Trade receivables</b>				
Third parties	973,799,300	932,747,152	-	-
Amounts owing by:				
– holding company	-	-	-	48,500
– an associate	699,638	1,195,244	-	-
– a related party	1,696,879	1,163,990	-	-
– a subsidiary	-	-	-	2,000
	976,195,817	935,106,386	-	50,500
Less: Allowance for impairment losses	(10,290,147)	(10,788,895)	-	-
	965,905,670	924,317,491	-	50,500
<b>Other receivables</b>				
Deposits	42,801,679	19,068,093	7,000	7,000
Sundry receivables	261,337,865	329,114,298	1,201,116	-
Amounts owing by:				
– a related party	190,253	190,253	-	-
– a subsidiary (interest bearing)	-	-	-	146,713,025
– subsidiaries (non-interest bearing)	-	-	1,057,778	1,844,146
	304,329,797	348,372,644	2,265,894	148,557,171
Less: Allowance for impairment losses	(1,241,392)	(1,241,392)	-	-
	303,088,405	347,131,252	2,265,894	148,557,171
<b>Total current receivables</b>	1,268,994,075	1,271,448,743	2,265,894	148,607,671
Prepayments	27,305,301	31,233,928	-	-
<b>Total current trade and other receivables</b>	1,296,299,376	1,302,682,671	2,265,894	148,614,671
<b>Grand total</b>	1,296,299,376	1,302,682,671	569,352,415	539,801,671

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## NOTES TO THE FINANCIAL STATEMENTS

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### 12. TRADE AND OTHER RECEIVABLES (CONT'D)

- (a) Trade and other receivables net of prepayments are classified as financial assets and are measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group ranged from 30 days to 180 days (2024: 30 days to 180 days). They are recognised at their original invoice amounts which represent their fair value on initial recognition.
- (c) Non-current and non-trade amounts owing by a subsidiary amounted to RM558,449,883 (2024: RM383,921,534) are unsecured and analysed as follows:
- (i) RM153,178,320 (2024: RM168,812,996) that bears interest at rate of 3.1% (2024: 3.1%) per annum.
  - (ii) RM115,108,539 that bears interest at rate of 5.13% (2024:5.13%) per annum.
  - (iii) RM100,000,000 that bears interest at rate of 5.3% (2024:5.3%) per annum.
  - (iv) RM146,713,024 that bears interest at rate of 5.63% (2024: 5.63%) per annum.
  - (v) RM43,450,000 that bears interest at rate of 5.31% per annum.
- (d) Included in sundry receivables of the Group is deposit paid for acquisition of 500,000 share capital representing 25% of the total registered share capital of Transcao Cote D'Ivoire, a company incorporated in Ivory Coast amounting to RM32,155,818 (equivalent to USD7,918,202) in the current financial year.
- (e) The currency exposure profile of trade and other receivables (excluding prepayments) is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
United States Dollar	582,343,748	352,526,615	155,376,416	171,289,187
Euro	242,720,055	170,996,006	-	-
British Pound	180,580,458	435,602,131	-	-
CFA Franc	169,203,366	181,973,440	-	-
Indonesian Rupiah	60,758,091	79,840,955	-	-
Ringgit Malaysia	33,019,310	46,336,212	413,975,999	368,512,484
Singapore Dollar	366,586	390,421	-	-
Others	2,461	3,782,963	-	-
	1,268,994,075	1,271,448,743	569,352,415	539,801,671

- (f) Recognition and measurement of impairment loss

Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses ("ECL"). Loss rates are based on actual credit loss experience over past years.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

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### 12. TRADE AND OTHER RECEIVABLES (CONT'D)

(f) Recognition and measurement of impairment loss (Cont'd)

The Group assesses the expected credit losses of trade receivables using the flow-rate methods based on customer segments and terms of payment. Individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full.

During this process, the probability of non-payment by the trade receivables is adjusted by forward looking information on macroeconomic factors affecting the ability of customers to settle the receivables and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables.

For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectible, the gross carrying value of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward looking information.

Lifetime expected loss provision for trade receivables of the Group and of the Company are as follows:

Group	Gross carrying amount RM	Lifetime ECL RM	Net carrying amount RM
<b>At 31 December 2025</b>			
Collective assessment			
Not past due	479,953,803	(15,058)	479,938,745
Past due:			
1 to 30 days	190,604,106	(108,748)	190,495,358
31 to 60 days	85,719,659	(1,389)	85,718,270
61 to 90 days	167,306,661	(17,055)	167,289,606
Over 90 days	42,614,330	(150,639)	42,463,691
	486,244,756	(277,831)	485,966,925
Individual assessment	9,997,258	(9,997,258)	-
	976,195,817	(10,290,147)	965,905,670
<b>At 31 December 2024</b>			
Collective assessment			
Not past due	707,852,833	(11,661)	707,841,172
Past due:			
1 to 30 days	106,364,663	(9,657)	106,355,006
31 to 60 days	38,252,374	(49,083)	38,203,291
61 to 90 days	14,701,611	(7,249)	14,694,362
Over 90 days	57,231,078	(7,418)	57,223,660
	216,549,726	(73,407)	216,476,319
Individual assessment	10,703,827	(10,703,827)	-
	935,106,386	(10,788,895)	924,317,491

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### 12. TRADE AND OTHER RECEIVABLES (CONT'D)

- (f) Recognition and measurement of impairment loss (Cont'd)

Lifetime expected loss provision for trade receivables of the Group and of the Company are as follows: (Cont'd)

Company	Gross carrying amount RM	Lifetime ECL RM	Net carrying amount RM
<b>At 31 December 2024</b>			
Collective Assessment			
Not past due	50,500	-	50,500
Individual assessment	-	-	-
	50,500	-	50,500

During the financial year, the Group and the Company did not renegotiate the terms of any trade receivables. These receivables are not secured by any collateral.

- (g) Impairment for other receivables are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while twelve-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve (12) months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The Group and the Company defined significant increase in credit risk based on operating performance of the other receivables, changes to contractual terms, payment delays and past due information.

The probabilities of non-payment by other receivables are adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit loss.

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### 12. TRADE AND OTHER RECEIVABLES (CONT'D)

- (h) Trade and other receivables that are past due and impaired at the end of the reporting period and the reconciliation of movements in allowance for impairment accounts is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Trade receivables</b>				
At 1 January	10,788,895	14,293,221	-	-
Charge for the financial year	224,234	118,140	-	-
Reversal	(208,969)	(3,036,135)	-	-
Exchange differences	(514,013)	(586,331)	-	-
At 31 December	10,290,147	10,788,895	-	-
<b>Other receivables (individually impaired)</b>				
At 1 January	1,241,392	5,190,339	-	-
Written off	-	(3,932,686)	-	-
Exchange differences	-	(16,261)	-	-
At 31 December	1,241,392	1,241,392	-	-

- (i) The Group sold certain trade receivables to a financial institution with non-recourse conditions for cash proceeds. These trade receivables have been derecognised from the statements of financial position because the Group transferred substantially all the risks and rewards - primarily credit risk.

The following information shows the carrying amount of trade receivables at the reporting date that have been sold with non-recourse arrangement and derecognised from trade receivables:

	Group	
	2025 RM	2024 RM
Carrying amount of trade receivables sold with non-recourse arrangement	375,143,709	258,242,693

- (j) Included in other receivables of the Group is an amount due from brokers of RM19,507,444 (2024: RM88,690,120) includes margin accounts which represents cash deposits held with brokers as collateral against open future contracts.
- (k) Information on financial risks of trade and other receivables is disclosed in Note 34 to the financial statements.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 13. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

	Note	Contract/ Notional amount net (short)/long RM	Assets RM	Liabilities RM
<b>2025</b>				
<b>Group</b>				
Commodity futures contracts	(b)	354,513,820	60,558,919	(8,416,727)
Commodity option contracts	(b)	(1,731,295,807)	24,029,359	(49,885,222)
Cross currency swap contracts	(c)	279,676,112	7,046,602	-
Foreign currency forward contracts	(d)	391,147,935	128,072	(2,091,331)
Firm sales commitments denominated in foreign currency	(b)	(1,069,978,873)	170,716,591	-
Firm purchase commitments denominated in foreign currency	(b)	312,010,315	-	(14,725,812)
		(1,463,926,498)	262,479,543	(75,119,092)
<b>2024</b>				
<b>Group</b>				
Commodity futures contracts	(b)	849,330,413	248,002,242	(405,954,448)
Commodity option contracts	(b)	(1,325,705,372)	433,995,519	(398,798,437)
Cross currency swap contracts	(c)	308,222,221	-	(11,443,011)
Foreign currency forward contracts	(d)	300,149,081	10,078,200	(556,817)
Firm purchase commitments denominated in foreign currency	(b)	2,378,759,238	1,198,924,478	-
		2,510,755,581	1,891,000,439	(816,752,713)
<b>2025</b>				
<b>Company</b>				
Cross currency swap contracts	(c)	279,676,112	7,046,602	-
<b>2024</b>				
<b>Company</b>				
Cross currency swap contracts	(c)	308,222,221	-	(11,443,011)

- (a) Derivative financial assets/(liabilities) are classified as financial assets/(liabilities) measured at fair value through profit or loss.
- (b) Commodity futures or option contracts and firm sales and purchase commitments are denominated in foreign currency.

The Group uses commodity futures contracts, commodity options contracts and firm sales and purchase commitments denominated in foreign currency to manage open sales and purchase commitments and movements in cocoa bean prices in the respective commodity markets. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with fair value changes exposure.

The realised fair value changes of completed purchase commitments recognised as purchase cost in cost of sales in statement of profit or loss for the financial year ended 31 December 2025 amounted to RM412,667,926 (2024: RM1,033,613,996).

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### 13. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (CONT'D)

(c) Cross currency swap contracts

The cross currency swap contracts of the Group and of the Company are as follows:

- (i) Cross currency swap contract, which swapped a fixed rate of RM200,000,000 liability to a fixed rate of USD49,140,049 liability ("USDRM CCS1"). The effective period for this cross currency swap is from December 2020 to December 2027. The carrying amount of derivative assets in respect of the USDRM CCS1 as at the end of the financial year is RM5,201,646 (2024: derivative liabilities of RM7,884,668); and
- (ii) Cross currency swap contract, which swapped a fixed rate of RM80,000,000 liability to a fixed rate of USD19,728,730 liability ("USDRM CCS2"). The effective period for this cross currency swap is from December 2020 to December 2027. The carrying amount of derivative assets in respect of the USDRM CCS2 as at the end of the financial year is RM1,844,956 (2024: derivative liabilities of RM3,558,343).

The Group entered into cross currency swap contracts to serve as a net investment hedge against the Group's USD denominated assets arising from its investments in foreign subsidiaries whose net assets are exposed to currency translation risks and which are held for long term investment purposes.

(d) Foreign currency forward or option contracts

The Group uses forward currency contracts and forward currency option contracts to hedge the Group's sales and purchases denominated in foreign currencies for which firm commitments existed at the reporting period. The forward currency contracts have maturity dates that coincide with the expected occurrence of these transactions. The fair value of these components has been determined based on the difference between the contracted rate and the forward exchange rate as applicable to a contract of similar amount and maturity profile at the end of the reporting period.

As at the end of the reporting period, the settlements dates for foreign currency forward contracts range from 1 to 6 months (2024: 1 to 6 months).

- (e) During the financial year, the Group recognised a total net fair value loss of RM830,104,411 (2024: net fair value gain of RM819,042,817) and the Company recognised a total fair value gain of RM18,489,613 (2024: fair value gain of RM8,125,192) arising from fair value changes of derivative financial instruments. The fair value changes are attributable to changes in foreign exchange spot and forward rates, and difference between cocoa bean contracted price and market price. The method and assumptions applied in determining the fair value of derivatives are disclosed in Note 33(c) to the financial statements.
- (f) The currency exposure profile of derivative financial assets/(liabilities) is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Derivative financial assets</b>				
United States Dollar	238,913,613	60,957,112	7,046,602	-
British Pound	20,932,797	631,118,849	-	-
Euro	2,625,278	1,198,924,478	-	-
Others	7,855	-	-	-
	262,479,543	1,891,000,439	7,046,602	-

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### 13. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (CONT'D)

(f) The currency exposure profile of derivative financial assets/(liabilities) is as follows: (Cont'd)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Derivative financial liabilities</b>				
United States Dollar	(36,434,752)	(289,740,124)	-	(11,443,011)
British Pound	(23,608,260)	(526,601,520)	-	-
Euro	(14,725,811)	-	-	-
Others	(350,269)	(411,069)	-	-
	(75,119,092)	(816,752,713)	-	(11,443,011)

(g) Information on financial risks of derivative financial assets/(liabilities) is disclosed in Note 34 to the financial statements.

### 14. CASH AND BANK BALANCES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	85,873,222	210,143,855	375,224	2,692,946
Deposits with licensed banks	37,166,993	31,545,825	20,148,800	14,408,800
	123,040,215	241,689,680	20,524,024	17,101,746

(a) Cash and bank balances and deposits with licensed banks are classified as financial assets measured at amortised cost.

(b) Deposits with licensed banks of the Group have maturity period ranging from six months to twelve months, except for deposits pledged to licensed banks which have maturity period of twelve months (2024: twelve months).

(c) As at the end of the reporting period, the deposits placed with licensed banks of the Group amounting to RM14,725,592 (2024: RM15,290,116) has been charged to financial institutions as security for credit facilities granted to the Group as disclosed in Note 18 to the financial statements.

(d) The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
United States Dollar	35,143,085	85,551,972	27,148	30,932
British Pound	25,090,030	46,833,103	-	-
Ringgit Malaysia	28,302,518	27,998,611	20,496,876	17,070,814
Euro	17,230,479	38,221,843	-	-
CFA Franc	8,486,664	19,883,173	-	-
Indonesian Rupiah	7,468,637	19,646,563	-	-
Singapore Dollar	1,277,874	3,510,980	-	-
Others	40,928	43,435	-	-
	123,040,215	241,689,680	20,524,024	17,101,746

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 14. CASH AND BANK BALANCES (CONT'D)

- (e) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	85,873,222	210,143,855	375,224	2,692,946
Deposits with licensed banks	37,166,993	31,545,825	20,148,800	14,408,800
	123,040,215	241,689,680	20,524,024	17,101,746
Less:				
Deposits pledged	(14,725,592)	(15,290,116)	-	-
Bank overdrafts	(13,743,198)	(2,745,516)	-	-
Deposits tenure more than three (3) months	(22,441,401)	(16,255,709)	(20,148,800)	(14,408,800)
	72,130,024	207,398,339	375,224	2,692,946

- (f) No expected credit losses are recognised arising from the deposits with financial institutions because the probability of default by these financial institutions are negligible.
- (g) Information on financial risks of cash and bank balances is disclosed in Note 34 to the financial statements.

### 15. SHARE CAPITAL

	Group and Company			
	2025		2024	
	Number of shares	RM	Number of shares	RM
<b>Issued and fully paid up ordinary shares with no par value</b>				
At beginning of financial year	1,174,914,924	495,237,253	1,174,914,924	495,237,253
Issuance of ordinary shares pursuant to:				
– Bonus issue	1,566,551,615	-	-	-
– Warrant exercised	900	1,440	-	-
	1,566,552,515	1,440	-	-
At end of financial year	2,741,467,439	495,238,693	1,174,914,924	495,237,253

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 15. SHARE CAPITAL (CONT'D)

(a) During the financial year, the issued and fully paid-up ordinary share capital of the Company increased from 1,174,914,924 ordinary shares to 2,741,467,439 ordinary shares by way of issuance of 1,566,552,515 new ordinary shares pursuant to the following:

- (i) 1,566,551,615 ordinary shares by way of bonus issue on the basis of four (4) new ordinary shares for every three (3) existing ordinary shares held; and
- (ii) 900 warrants exercised at an exercise price of RM1.60 each for cash.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

(b) The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

### 16. TREASURY SHARES

	Group and Company			
	2025		2024	
	Number of shares	RM	Number of shares	RM
<b>Ordinary shares</b>				
At beginning of financial year	400,000	720,042	400,000	720,042
Bonus issue	533,333	-	-	-
At end of financial year	933,333	720,042	400,000	720,042

The shareholders of the Company have approved the Company's plan to repurchase up to 10% of the issued and paid-up share capital of the Company ("Share Buy Back"). The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy Back can be applied in the best interests of the Company and its shareholders.

### 17. RESERVES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Foreign currency translation reserve	(4,319,475)	58,552,545	-	-
Hedging reserve	323,887	(11,566,454)	-	-
Retained earnings	1,775,742,019	1,583,296,965	2,929,598	10,692,813
	1,771,746,431	1,630,283,056	2,929,598	10,692,813

(a) The movements in each category of reserves are disclosed in the statements of changes in equity.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 17. RESERVES (CONT'D)

(b) Foreign currency translation reserve

The foreign currency translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items, which form part of the net investment of the Group in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(c) Hedging reserve

The hedging reserve arising from changes in the fair value relating to the effective portion on the hedge of net investments in foreign operations.

(d) Warrants

On 24 June 2025, the Company issued 293,628,507 free warrants on the basis of one (1) warrant for every four (4) existing ordinary shares held in the Company. The warrants were listed on the Main Market of Bursa Malaysia Securities on 24 June 2025.

The warrant issued are constituted by a Deed Poll dated 28 May 2025. 900 warrants are exercised during the financial year and the total number of warrants that remain unexercised is 293,627,607. The warrants 2025/2028 will expire on 19 June 2028.

The salient features of the warrants are as follows:

- (i) Each warrants entitles the registered holder at any time during the exercise period to subscribe for one new ordinary shares in the Company at an exercise price of RM1.60.
- (ii) The warrants shall be exercisable at any time within the period commencing from and inclusive the date of issue of the warrants and ending on the date immediately preceding the third (3rd) anniversary of the date of issue, or if such day is not a Market day, then it shall be the Market Day immediately preceding the said non-Market Day.
- (iii) All new ordinary shares to be issued pursuant to the exercise of the warrants shall, upon issue and allotment, be of the same class and rank pari passu in all respects with the existing ordinary shares, save and except that such new ordinary shares shall not be entitled to any dividends, rights, allotments and/or other distributions, at the entitlement date of which is prior to the date of the allotment of these new ordinary shares.
- (iv) Any warrants not exercised during the exercise period will lapse and cease to be valid.

Movements in the Warrants since the listing and quotation thereof are as follows:

	Number of Warrants
As at 24 June 2025	293,628,507
Exercised in financial year 2025	(900)
As at 31 December 2025	293,627,607

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## NOTES TO THE FINANCIAL STATEMENTS

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### 18. BORROWINGS

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Short term borrowings</b>					
Secured:					
Bank overdrafts		13,743,198	2,745,516	-	-
Revolving credits		57,502,873	149,595,450	-	-
Term loans		41,007,926	187,286,604	-	150,000,000
Trade loans		2,103,528,387	3,097,400,602	-	-
		2,215,782,384	3,437,028,172	-	150,000,000
<b>Long term borrowings</b>					
Secured:					
Term loans		171,927,778	198,655,245	-	-
Unsecured:					
Sukuk Wakalah	(c)	800,000,000	600,000,000	800,000,000	600,000,000
		971,927,778	798,655,245	800,000,000	600,000,000
<b>Total borrowings</b>					
Bank overdrafts		13,743,198	2,745,516	-	-
Revolving credits		57,502,873	149,595,450	-	-
Sukuk Wakalah	(c)	800,000,000	600,000,000	800,000,000	600,000,000
Term loans		212,935,704	385,941,849	-	150,000,000
Trade loans		2,103,528,387	3,097,400,602	-	-
		3,187,710,162	4,235,683,417	800,000,000	750,000,000

- (a) Borrowings are classified as financial liabilities and measured at amortised cost.
- (b) The revolving credits, term loans and trade loans of the Group are secured by:
- Corporate guarantee from the Company;
  - A legal charges over certain property, plant and equipment (Note 5(c)), and investment properties (Note 7(f)) of the Group;
  - A floating charge over a subsidiary's inventories (Note 11(c));
  - A fixed and floating charge over a subsidiary's assets;
  - Deposits pledged with licensed banks of the Group (Note 14(c)); and
  - Negative pledge by certain subsidiaries
- (c) The Sukuk Wakalah are issued under Islamic medium term notes ("Sukuk Wakalah") programme of up to RM800,000,000 in nominal value under the Shariah principle of Wakalah Bi Al-Istithmar ("Sukuk Wakalah Programme"). The Sukuk Wakalah Programme has a tenure of twenty (20) years from 3 December 2020. The tenure of each issuance of Sukuk Wakalah shall be more than one (1) year and up to twenty (20) years, provided that the Sukuk Wakalah matures on or prior to the expiry of the Sukuk Wakalah Programme.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 18. BORROWINGS (CONT'D)

(c) (Cont'd)

The proceeds raised from the issuance of the Sukuk Wakalah shall be utilised to finance its general working capital, capital expenditure, refinancing of existing financing/borrowings and/or future financing and other general corporate purposes and/or to provide advance via Shariah-compliant manner to its subsidiaries for general working capital, capital expenditure, refinancing of existing financing/borrowings and/or future financing and other general corporate purposes.

On 3 December 2020, the Company completed an issuance of Sukuk Wakalah of RM300,000,000 in notional value ("First Issuance") with a tenure of seven (7) years from the date of issuance and due for repayment in December 2027. The Sukuk Wakalah under the First Issuance bears a profit rate of 3.84% per annum and payable semi-annually.

On 30 January 2023, the Company completed an issuance of Sukuk Wakalah of RM300,000,000 in notional value ("Second Issuance") with a tenure of five (5) and seven (7) years from the date of issuance and due for repayment in January 2028 and January 2030. The Sukuk Wakalah under the Second Issuance bears a profit rate of 5.07% and 5.24% per annum and payable semi-annually.

On 21 April 2025, the Company completed an issuance of Sukuk Wakalah of RM200,000,000 in notional value ("Third Issuance") with a tenure of five (5) years from the date of issuance and due for repayment in April 2030. The Sukuk Wakalah under the Third Issuance bears a profit rate of 5.25% per annum and payable semi-annually.

(d) The currency exposure profile of borrowings is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
United States Dollar	1,009,743,826	2,058,245,444	-	-
Euro	934,088,234	418,012,927	-	-
Ringgit Malaysia	807,707,242	759,435,410	800,000,000	750,000,000
British Pound	429,108,611	999,989,636	-	-
Singapore Dollar	7,062,249	-	-	-
	3,187,710,162	4,235,683,417	800,000,000	750,000,000

(e) Information on financial risks of borrowings and their remaining maturity is disclosed in Note 34 to the financial statements.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 19. DEFERRED TAX LIABILITIES/(ASSETS)

(a) The deferred tax (assets) and liabilities are made up of the following:

	Note	Group	
		2025 RM	2024 RM
At beginning of financial year		66,039,176	78,639,201
Recognised in profit or loss	25	(2,278,426)	(10,246,257)
Recognised in other comprehensive income	25(e)	(51,039)	3,479
Translation differences		(1,002,470)	(2,357,247)
At end of financial year		62,707,241	66,039,176
Reflected in the statements of financial position as follow:			
Deferred tax liabilities		63,989,676	67,499,961
Deferred tax assets		(1,282,435)	(1,460,785)
At 31 December		62,707,241	66,039,176

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

Group	Property, plant and equipment RM	Other temporary differences RM	Total RM
At 1 January 2025	112,609,396	(46,570,220)	66,039,176
Recognised in profit or loss	1,361,506	(3,639,932)	(2,278,426)
Recognised in other comprehensive income	-	(51,039)	(51,039)
Translation differences	(2,041,088)	1,038,618	(1,002,470)
At 31 December 2025	111,929,814	(49,222,573)	62,707,241
At 1 January 2024	100,337,451	(21,698,250)	78,639,201
Recognised in profit or loss	16,345,359	(26,591,616)	(10,246,257)
Recognised in other comprehensive income	-	3,479	3,479
Translation differences	(4,073,414)	1,716,167	(2,357,247)
At 31 December 2024	112,609,396	(46,570,220)	66,039,176

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 19. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D)

- (c) The amount of temporary differences for which no deferred tax asset has been recognised in the statements of financial position are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unused tax losses:				
– No expiry date	65,543,000	53,058,000	-	-
– Expires by 31 December 2028	3,256,000	1,574,000	1,022,000	1,067,000
– Expires by 31 December 2033	473,000	473,000	-	-
– Expires by 31 December 2035	64,000	-	-	-
Unabsorbed capital allowances:				
– No expiry date	18,067,000	18,961,000	-	-
	87,403,000	74,066,000	1,022,000	1,067,000

Deferred tax assets of the Company and certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits would be available against which the deductible temporary differences could be utilised.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local and foreign tax authorities.

### 20. RETIREMENT BENEFITS OBLIGATIONS

- (a) Certain foreign subsidiaries of the Group in Indonesia operate an unfunded defined benefits retirement plan required under the Labour Laws of that country in which they operate. The Group is required to pay their employees termination, appreciation and compensation benefits in case of employment dismissal based on the employees' number of years of services provided.
- (b) Under the plan, all of the eligible permanent employees of the certain foreign subsidiaries of the Group are entitled to retirement benefits based on last drawn final salary and length of service attainment of the retirement age of 55.
- (c) The amounts recognised in the statements of financial position are determined as follows:

Group	2025 RM	2024 RM
Present value of defined benefit obligations	2,707,696	2,333,208
Analysed as follows:		
Non-current liabilities	2,707,696	2,333,208

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 20. RETIREMENT BENEFITS OBLIGATIONS (CONT'D)

(d) The following table sets out the reconciliation of defined benefit plan:

Group	2025 RM	2024 RM
At beginning of financial year	2,333,208	3,073,841
Current service costs	503,706	454,715
Interest costs	164,862	143,871
Past service costs - vested	181,707	(748,499)
Translation differences	(75,533)	(135,831)
Included in profit or loss	774,742	(285,744)
Remeasurement:		
Effects of experience adjustment	232,006	(15,835)
Translation differences	(248,041)	(62,496)
	(16,035)	(78,331)
Benefits paid	(384,219)	(376,558)
At end of financial year	2,707,696	2,333,208

(e) The principal actuarial assumptions used were as follows:

Group	2025	2024
Retirement age	55 years	55 years
Discount rate	6.49% - 6.56%	7.12%
Expected rate of salary increases	8.00%	8.00%

(f) The following table demonstrates the sensitivity analysis of the Group if the significant actuarial assumptions at the end of each reporting period changed by one hundred (100) basis points with all other variables held constant:

Group	2025		2024	
	Increase RM	Decrease RM	Increase RM	Decrease RM
<b>Discount rate:</b>				
Present value of defined benefit obligation	(270,723)	313,891	(232,140)	268,758
Current service cost	(46,461)	51,033	(38,545)	44,072
<b>Salary increments rate:</b>				
Present value of defined benefit obligation	317,075	(278,353)	273,069	(239,873)
Current service cost	51,940	(48,126)	45,255	(40,298)

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### 21. TRADE AND OTHER PAYABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Trade payables</b>				
Third parties	1,941,167,658	2,793,026,866	-	-
<b>Other payables</b>				
Other payables	117,619,258	139,607,840	-	-
Accruals	155,571,293	137,782,028	10,098,350	8,911,176
Deposits received	1,261,451	3,166,976	-	-
Amount owing to a subsidiary	-	-	5,968,113	2,477,689
	274,452,002	280,556,844	16,066,463	11,388,865
Provision for onerous contract	56,891,994	42,683,288	-	-
<b>Grand total</b>	<b>2,272,511,654</b>	<b>3,116,266,998</b>	<b>16,066,463</b>	<b>11,388,865</b>

- (a) Trade and other payables are classified as financial liabilities and measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranged from 30 days to 90 days (2024: 30 days to 60 days).
- (c) The currency exposure profile of trade and other payables (excluding provision) is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
United States Dollar	1,163,032,848	1,686,633,198	-	-
Euro	380,212,120	356,048,483	-	-
British Pound	378,057,214	833,058,494	-	-
CFA Franc	209,153,005	49,303,097	-	-
Ringgit Malaysia	60,882,897	119,932,977	16,066,463	11,388,865
Singapore Dollar	19,134,295	20,901,923	-	-
Indonesian Rupiah	5,147,281	7,705,538	-	-
	2,215,619,660	3,073,583,710	16,066,463	11,388,865

- (d) The Group participates in a supply chain financing arrangement (“SCF”), for which its suppliers may elect to receive early payment of their invoice from a bank by factoring their receivable from the Group. Under the arrangement, a bank agrees to pay amounts to a participating supplier in respect of invoices owed by the Group and receives settlement from the Group at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and enable the willing suppliers to sell their receivables due from the Group to a bank before their due date.

# FINANCIAL STATEMENTS

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### 21. TRADE AND OTHER PAYABLES (CONT'D)

(d) (Cont'd)

The Group has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability was substantially modified on entering into the arrangement. From the perspective of the Group, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating. The Group does not incur any additional interest towards the bank on the amounts due to the suppliers. The Group therefore discloses the amounts factored by suppliers within trade payables because the nature and function of the financial liability remain the same as those of other trade payables but discloses disaggregated amounts in the notes. All payables under the SCF are classified as current as at 31 December 2025 and 2024.

Group	Total SCF trade payables RM	Not yet paid by finance provider RM	Paid by finance provider RM
At 31 December 2025	318,243,809	-	318,243,809
At 31 December 2024	217,856,082	-	217,856,082

Range of Payment due dates (after invoice date)	Trade payables that are part of the SCF	Comparable trade payables that are not part of the SCF
At 31 December 2025	150 - 180 days	30 - 90 days
At 31 December 2024	180 days	30 - 90 days

The payments to the bank are included within operating cash flows because they continue to be part of the normal operating cycle of the Group and their principal nature remains operating - i.e. payments for the purchased goods and services. The payments to a supplier by the bank are considered non-cash transactions and amount to RM318,243,809 (2024: RM217,856,082).

- (e) Amount owing to a subsidiary represents advances and payments made on behalf of the Company by the subsidiary, which are unsecured, interest-free and payables within next twelve (12) months or upon demand in cash and cash equivalent.
- (f) Information on financial risks of trade and other payables is disclosed in Note 34 to the financial statements.

### 22. CAPITAL COMMITMENTS

	Group	
	2025 RM	2024 RM
<b>Capital expenditure in respect of purchase of property, plant and equipment:</b>		
Contracted but not provided for	42,406,000	91,446,000

# FINANCIAL STATEMENTS

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### 23. REVENUE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Revenue from contracts with customers</b>				
– Sale of goods	14,922,765,495	10,441,795,977	-	-
<b>Other revenue</b>				
– Dividend income from subsidiaries	-	-	46,000,000	31,876,830
– Interest income	916,493	457,181	27,002,231	21,517,173
– Management fees	28,000	-	47,000	94,000
– Rental income	339,612	266,524	-	-
	1,284,105	723,705	73,049,231	53,488,003
Grand total	14,924,049,600	10,442,519,682	73,049,231	53,488,003

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 23. REVENUE (CONT'D)

*Disaggregation of revenue from contracts with customers*

Revenue from contracts with customers is disaggregated in the table below by primary geographical market and timing of revenue recognition.

	Malaysia RM	Singapore RM	Indonesia RM	Germany RM	Ivory Coast RM	Others RM	Total RM
<b>At 31 December 2025</b>							
<b>Recognised at point in time:</b>							
Sale of goods	4,632,478,124	6,731,802,450	811,828,252	2,415,671,580	14,702,231	316,282,858	14,922,765,495
<b>Recognised at point over time:</b>							
- Interest income	916,493	-	-	-	-	-	916,493
- Management fees	28,000	-	-	-	-	-	28,000
- Rental income	-	-	-	234,667	-	104,945	339,612
	944,493	-	-	234,667	-	104,945	1,284,105
	4,633,422,617	6,731,802,450	811,828,252	2,415,906,247	14,702,231	316,387,803	14,924,049,600
<b>At 31 December 2024</b>							
<b>Recognised at point in time:</b>							
Sale of goods	3,208,517,749	4,675,649,516	649,360,284	1,753,623,460	9,891	154,635,077	10,441,795,977
<b>Recognised at point over time:</b>							
- Interest income	457,181	-	-	-	-	-	457,181
- Rental income	-	-	-	150,578	-	115,946	266,524
	457,181	-	-	150,578	-	115,946	723,705
	3,208,974,930	4,675,649,516	649,360,284	1,753,774,038	9,891	154,751,023	10,442,519,682

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 23. REVENUE (CONT'D)

#### *Disaggregation of revenue from contracts with customers (Cont'd)*

Revenue from contracts with customers is disaggregated in the table below by primary geographical market and timing of revenue recognition. (Cont'd)

(a) Revenue is measured at the fair value of consideration received or receivable. Revenue from sale of products is recognised at a point in time when the products has been transferred to the customer and coincides with the delivery of products and acceptance by customers.

There is no significant financing component in the revenue arising from sale of goods as the sales are made on the normal credit terms not exceeding twelve months.

(b) Revenue recognition not in relation to performance obligations is described below:

(i) Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established.

(ii) Management fee

Management fee from rendering of services is recognised when the services are rendered.

(iii) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(iv) Rental income

Rental income is recognised on the straight-line basis over the lease term of the relevant tenancy agreement.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

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### 24. PROFIT BEFORE TAX

Other than those disclosed elsewhere in the financial statements, profit before tax is arrived at:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>After charging:</b>				
Auditors' remuneration				
– statutory audit fees	1,411,736	1,343,451	175,000	140,000
– under provision in prior year	2,697	17,523	-	-
– non-audit fees	18,255	47,714	5,000	5,000
Bad debts written off	1,867,074	529,840	-	-
Finance cost				
Bank commission	16,011,147	15,487,554	-	-
Interest expense:				
– bank overdraft	964,745	44,567	-	-
– hire purchase	2,134	4,000	-	-
– lease liabilities	2,022,054	2,472,820	-	-
– receivable financing	50,951,691	30,721,575	-	-
– revolving credit	6,647,059	6,330,018	-	-
– term loans	19,772,444	16,284,619	3,461,298	4,478,516
– trade loans	205,552,633	184,084,316	-	-
– Sukuk Wakalah	34,441,573	27,058,931	34,441,573	27,058,931
	336,365,480	282,488,400	37,902,871	31,537,447
<b>and after crediting:</b>				
Bad debt recovered	-	-	-	(1,000,000)
Insurance claim income	(12,707,938)	(9,610,940)	-	-
Interest income	(2,185,333)	(2,111,521)	(27,002,231)	(21,517,173)
Gain on disposal of property, plant and equipment	(7,965,117)	(346,192)	-	-

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### 25. TAX EXPENSE

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Current tax expense:</b>					
– Malaysia income tax		22,658,135	31,829,181	2,263,644	1,941,578
– Foreign income tax		32,229,212	58,893,999	-	-
– Pillar Two income tax		12,031,028	-	4,990,651	-
		66,918,375	90,723,180	7,254,295	1,941,578
(Over)/Under provision in prior years					
– Malaysia income tax		(316,135)	1,304,343	(46,191)	(131,813)
– Foreign income tax		468,284	2,872,700	-	-
		152,149	4,177,043	(46,191)	(131,813)
Current tax expense		67,070,524	94,900,223	7,208,104	1,809,765
<b>Deferred tax:</b>					
– Relating to origination and reversal of temporary differences		(2,352,282)	(6,163,655)	-	-
– Under/(Over) provision in prior years		73,856	(4,082,602)	-	-
	19	(2,278,426)	(10,246,257)	-	-
Real Property Gain Tax		758,201	-	-	-
		65,550,299	84,653,966	7,208,104	1,809,765

- (a) The Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated taxable profits for the fiscal year.
- (b) Tax expense for other taxation authorities are calculated at the rates prevailing in the respective jurisdictions.
- (c) The Group is within the scope of the Organisation for Economic Co-Operation and Development ('OECD') Pillar Two model rules and the Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. In December 2023, Malaysia enacted the Pillar Two legislation and implemented a Multinational Top-up Tax ('MTT') and a Domestic Top-up Tax ('DTT'), effective from 1 January 2025.

Under the legislation, the Group is liable to pay a top-up tax for the difference between the Pillar Two effective tax rate for each jurisdiction and the 15% minimum rate. All entities within the Group have an effective tax rate that exceeds 15%, except for one subsidiary that operates in jurisdiction Singapore. The Group is currently engaged with tax specialists to assist them with applying the Global Minimum Tax ('GMT') legislation and made Pillar Two income tax provisions respectively.

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### 25. TAX EXPENSE (CONT'D)

- (d) The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rates of the Group and of the Company are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	293,411,769	513,812,391	34,680,338	21,881,684
Tax expense at the applicable tax rate of 24% (2024: 24%)	70,418,825	123,314,974	8,323,281	5,251,604
Tax effects in respect of:				
Different tax rate in foreign subsidiaries	(12,004,370)	(27,024,728)	-	-
Non-taxable income	(37,369,679)	(7,744,124)	(16,191,488)	(10,240,888)
Non-deductible expenses	37,211,360	22,035,126	10,142,732	6,951,982
Pillar Two income tax	12,031,028	-	4,990,651	-
Tax concessions	(8,921,766)	(28,980,683)	-	-
Deferred tax assets not recognised/ (Utilisation of deferred tax assets previously not recognised)	3,200,695	2,958,960	(10,881)	(21,120)
Real Property Gain Tax	758,201	-	-	-
	65,324,294	84,559,525	7,254,295	1,941,578
Under/(Over) provision in prior years				
– income tax	152,149	4,177,043	(46,191)	(131,813)
– deferred tax	73,856	(4,082,602)	-	-
	65,550,299	84,653,966	7,208,104	1,809,765

Included in tax concessions amounted to RM8,921,766 (2024:RM27,980,530) is tax concession granted to GCBCS. GCBCS has been approved as an approved global trading company ("AGTC") by a Singapore government agency. As a result, with effect from 1 January 2011, the Company enjoys a concessionary tax rate of 10% on qualifying transaction from trading of cocoa bean and cocoa ingredient products. The concession will expire on 31 December 2028.

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### 25. TAX EXPENSE (CONT'D)

(e) Tax on each component of other comprehensive income is as follows;

Group	Before tax RM	Tax effect RM	After tax RM
<b>2025</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Hedge of net investments in foreign operations	11,890,341	-	11,890,341
Foreign currency translation	(62,975,520)	-	(62,975,520)
Share of other comprehensive income of an associate	103,500	-	103,500
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of post-employment benefit obligation	(232,006)	51,039	(180,967)
	(51,213,685)	51,039	(51,162,646)
<b>2024</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Hedge of net investments in foreign operations	8,103,481	-	8,103,481
Foreign currency translation	(53,548,682)	-	(53,548,682)
Share of other comprehensive income of an associate	45,373	-	45,373
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of post-employment benefit obligation	15,835	(3,479)	12,356
	(45,383,993)	(3,479)	(45,387,472)

### 26. EARNINGS PER ORDINARY SHARE

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2025	2024 (Restated)
Profit attributable to equity holders of the parent ("RM")	227,861,470	429,158,425
Weighted average number of ordinary shares in issue	2,740,533,475	2,740,533,206
Basic earnings per ordinary share (sen)	8.31	15.66

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### 26. EARNINGS PER ORDINARY SHARE (CONT'D)

(b) Diluted

Diluted earnings per ordinary share for the current and previous financial years is equal to the basic earnings per ordinary share for the respective financial year as there were no outstanding dilutive potential ordinary shares at the end of the reporting period.

There is no diluted effects of the potential ordinary shares convert under warrants issued since the exercise price is above the average market value at the company's shares.

### 27. DIVIDENDS

	Group and Company	
	2025 RM	2024 RM
<b>In respect of financial year ended 31 December 2024:</b>		
First interim single tier dividend of 1.0 sen per ordinary share, paid on 27 December 2024	-	11,745,149
Special single tier dividend of 1.5 sen per ordinary share, paid on 9 April 2025	17,617,724	-
Final single tier dividend of 1.5 sen per ordinary share, paid on 9 June 2025	17,617,725	-
	35,235,449	11,745,149

On 26 February 2026, the Directors declared final single tier dividend of 1.5 sen per ordinary share amounting to RM41,108,012 in respect of the financial year ended 31 December 2025, which is subject to the approval of the members at the forthcoming Annual General Meeting. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

On 3 March 2026, the Directors declared first interim single tier dividend of 1.5 sen per ordinary share amounting to RM41,108,012 in respect of the financial year ending 31 December 2026. The dividend was paid on 10 April 2026 to shareholders at the close of business on 18 March 2026. The dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

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### 28. EMPLOYEE BENEFITS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Salaries, wages and bonuses	189,505,700	178,598,419	1,700,167	1,742,757
Defined contribution plan	10,064,038	9,013,665	200,739	158,111
Social security contribution	14,344,340	12,171,203	16,517	12,796
Defined benefit plan	1,037,415	575,447	-	-
Other benefits	10,301,423	11,300,480	12,033	9,943
	225,252,916	211,659,214	1,929,456	1,923,607

Included in the employee benefits of the Group are Executive Directors' remuneration amounting to RM29,939,393 (2024: RM31,829,722).

### 29. DIRECTORS' REMUNERATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Executive Directors of the Company:				
– Fees	540,000	540,000	-	-
– Other emoluments	20,249,722	19,138,423	-	-
	20,789,722	19,678,423	-	-
Estimated money value of benefits-in-kind	138,711	128,212	-	-
	20,928,433	19,806,635	-	-
Executive Directors of the subsidiaries:				
– Other emoluments	9,149,671	12,151,299	-	-
– Estimated money value of benefits-in-kind	51,950	25,079	-	-
	9,201,621	12,176,378	-	-
Total Executive Directors' remuneration	30,130,054	31,983,013	-	-
Non-Executive Directors of the Company:				
– Fees	220,800	220,800	220,800	220,800
– Other emoluments	10,000	10,000	10,000	10,000
	230,800	230,800	230,800	230,800
Total Directors' remuneration including benefits-in-kind	30,360,854	32,213,813	230,800	230,800

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### 30. FINANCIAL GUARANTEE CONTRACTS

	Company	
	2025 RM	2024 RM
<b>Corporate guarantees – unsecured</b>		
Issued to banks for banking facilities granted to subsidiaries		
– limit of guarantee	4,954,550,791	4,503,543,239
– amount utilised	(2,397,608,415)	(3,619,976,330)

Financial guarantee contracts issued by the Company are those contracts that require payments to be made to reimburse the holders for losses they incur because the specified debtors fail to make payments when due in accordance with the terms of debt instruments.

Financial guarantee contracts are recognised as financial liabilities at the time the guarantees are issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected loss model under MFRS 9 (using the similar approach as disclosed in Note 12(g) to the financial statements) and the amount initially recognised less amortisation.

Financial guarantee have not been recognised since the fair value was not material on initial recognition. As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

### 31. RELATED PARTY DISCLOSURES

#### (a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other entities.

The Company has related party relationships with its direct, indirect subsidiaries, associates and ultimate holding company. In addition, the Company also has related party relationships with the following party:

Related party	Relationship with the Group
Enrich Mix Sdn. Bhd.	A related party by virtue of the directorship of certain Directors of the Company, Tay Hoe Lian and his alternate director, Hia Cheng.

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Holding Company				
– Management fee income	-	-	28,000	56,000
Subsidiaries				
– Dividend income	-	-	46,000,000	37,851,258
– Management fee income	-	-	19,000	38,000
– Interest income	-	-	26,085,738	21,059,992

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### 31. RELATED PARTY DISCLOSURES (CONT'D)

- (b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (Cont'd)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Related party				
– Sale of goods	12,626,446	9,654,162	-	-
Associate				
– Sale of goods	22,555,634	7,901,193	-	-

Material balances of the above related parties are disclosed in Note 12 and Note 21 to the financial statements.

The related party transactions described above were carried out based on negotiated terms and conditions and mutually agreed with the related parties.

- (c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) and any other members of key management personnel of the Group and the Company.

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Directors' remuneration including estimated money value of benefits-in-kind	29	30,360,854	32,213,813	230,800	230,800
Other key management personnel's remuneration		3,807,836	4,476,676	-	-
		34,168,690	36,690,489	230,800	230,800

### 32. OPERATING SEGMENTS

Guan Chong Berhad and its subsidiaries are principally engaged in investment holding, manufacturing, distributing and trading in cocoa butter, cocoa cake, cocoa powder and cocoa-derived food ingredients.

Guan Chong Berhad has arrived at five (5) reportable segments that are Malaysia, Singapore, Indonesia, Germany and Ivory Coast.

Other operating segments that do not constitute reportable segments comprise operations related to investment holding and provision of management services.

The accounting policies of operating segments are the same as those described in the notes to financial statements.

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### 32. OPERATING SEGMENTS (CONT'D)

Inter-segment revenue is priced along the same lines as sales to external customers and conditions and is eliminated on the consolidated financial statements. These policies have been applied constantly throughout the current and previous financial years.

The respective subsidiaries' chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on segment profit or loss before tax, interest, depreciation and amortisation.

#### **Segment assets**

The amounts provided to the chief operating decision maker with respect to total assets are based on all assets allocated to each reportable segment other than deferred income tax assets and tax recoverable.

#### **Segment liabilities**

The amounts provided to the chief operating decision maker with respect to total liabilities are based on all liabilities allocated to each reportable segment other than income tax liabilities and borrowings.

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### 32. OPERATING SEGMENTS (CONT'D)

The following tables provide an analysis of the Group's revenue, results, assets, liabilities and other information by geographical segments:

2025	Malaysia RM	Singapore RM	Indonesia RM	Germany RM	Ivory Coast RM	Others RM	Eliminations RM	Consolidated RM
<b>Revenue</b>								
Total external revenue	4,633,422,617	6,731,802,450	811,828,252	2,415,906,247	14,702,231	316,387,803	-	14,924,049,600
Inter-segment revenue	5,569,059,192	11,235,036,328	3,561,201,151	2,245,649	2,162,246,550	72,321,398	(22,602,110,268)	-
Total revenue	10,202,481,809	17,966,838,778	4,373,029,403	2,418,151,896	2,176,948,781	388,709,201	(22,602,110,268)	14,924,049,600
<b>Segment results</b>								
Interest income	304,010,544	287,105,368	80,393,837	35,164,163	1,17,032,404	76,480,227	(179,908,198)	720,278,345
Finance cost	353,094	20,582,720	269,299	-	-	27,002,536	(46,022,316)	2,185,333
Depreciation and amortisation	(164,240,531)	(130,218,804)	(4,321,093)	(9,759,073)	(41,333,365)	(48,539,101)	62,046,487	(336,365,480)
Tax expense	(25,891,132)	(1,101,668)	(18,857,256)	(22,560,460)	(12,282,473)	(11,993,440)	-	(92,686,429)
<b>Segment profit before tax</b>								
Profit for the financial year								293,411,769
								(65,550,299)
								227,861,470

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### 32. OPERATING SEGMENTS (CONT'D)

The following tables provide an analysis of the Group's revenue, results, assets, liabilities and other information by geographical segments: (Cont'd)

2025	Malaysia RM	Singapore RM	Indonesia RM	Germany RM	Ivory Coast RM	Others RM	Eliminations RM	Consolidated RM
<b>Segment assets</b>	3,134,638,415	1,493,180,866	1,131,679,246	470,311,029	998,354,857	682,846,754	-	7,911,011,167
Current tax assets								46,757,441
Deferred tax assets								1,282,435
Total assets								7,959,051,043
<b>Segment liabilities</b>	420,486,698	1,573,558,956	55,538,955	60,295,575	210,636,581	29,821,677	-	2,350,338,442
Current tax liabilities								34,030,980
Deferred tax liabilities								63,989,676
Borrowings								3,187,710,162
Lease liabilities								56,716,701
Total liabilities								5,692,785,961
<b>Other information:</b>								
Capital expenditure	43,978,691	19,315	22,295,957	5,226,007	115,938,058	86,112,155	-	273,570,183
Net fair value loss/(gain) on derivatives	8,571,665	821,821,989	-	(289,243)	-	-	-	830,104,411
Non-cash (income)/expenses (other than depreciation and amortisation)	(38,400,742)	35,784,203	4,378,963	56,569	786,946	31,889,712	-	34,495,651

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### 32. OPERATING SEGMENTS (CONT'D)

The following tables provide an analysis of the Group's revenue, results, assets, liabilities and other information by geographical segments: (Cont'd)

2024	Malaysia RM	Singapore RM	Indonesia RM	Germany RM	Ivory Coast RM	Others RM	Eliminations RM	Consolidated RM
<b>Revenue</b>								
Total external revenue	3,208,974,930	4,675,649,516	649,360,284	1,753,774,038	9,891	154,751,023	-	10,442,519,682
Inter-segment revenue	5,675,584,936	9,266,782,974	3,348,428,560	3,253,898	1,038,415,496	63,297,087	(19,395,762,951)	-
Total revenue	8,884,559,866	13,942,432,490	3,997,788,844	1,757,027,936	1,038,425,387	218,048,110	(19,395,762,951)	10,442,519,682
<b>Segment results</b>								
Interest income	270,086,667	482,646,907	68,256,133	22,485,512	71,589,888	74,430,448	(110,637,272)	878,858,283
Finance cost	632,602	23,630,059	232,386	-	-	21,517,442	(43,900,968)	2,111,521
Depreciation and amortisation	(143,344,920)	(118,305,860)	(2,748,250)	(9,864,598)	(29,990,593)	(38,369,853)	60,135,674	(282,488,400)
	(23,796,646)	(1,005,574)	(19,425,700)	(22,967,080)	(11,329,301)	(6,144,712)	-	(84,669,013)
<b>Segment profit before tax</b>								
Tax expense								513,812,391
Profit for the financial year								(84,653,966)
								429,158,425

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### 32. OPERATING SEGMENTS (CONT'D)

The following tables provide an analysis of the Group's revenue, results, assets, liabilities and other information by geographical segments: (Cont'd)

2024	Malaysia RM	Singapore RM	Indonesia RM	Germany RM	Ivory Coast RM	Others RM	Eliminations RM	Consolidated RM
<b>Segment assets</b>	3,435,159,362	3,804,971,339	1,434,071,625	499,005,070	805,799,055	489,909,197	-	10,468,915,648
Current tax assets								23,146,109
Deferred tax assets								1,460,785
Total assets								10,493,522,542
<b>Segment liabilities</b>	590,870,874	2,842,859,302	233,235,182	183,053,373	53,800,772	31,533,416	-	3,935,352,919
Current tax liabilities								63,410,067
Deferred tax liabilities								67,499,961
Borrowings								4,235,683,417
Lease liabilities								66,775,911
Total liabilities								8,368,722,275
<b>Other information:</b>								
Capital expenditure	37,839,413	-	14,916,796	6,039,602	49,953,280	40,615,593	-	149,364,684
Net fair value (gain)/loss on derivatives	(7,474,122)	(804,115,059)	-	671,556	-	(8,125,192)	-	(819,042,817)
Non-cash expenses (other than depreciation and amortisation)	37,093,345	4,948,503	4,531,497	8,440,903	820,638	828,641	-	56,663,527

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### 33. FINANCIAL INSTRUMENTS

#### (a) Capital management

The Group manages its capital to ensure that entities within the Group would be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings and lease liabilities from financial institutions less cash and bank balances. Capital includes equity attributable to the owners of the parent.

As it is common in the cocoa industry for manufacturers or processors to carry cocoa beans inventory that are sufficient to mitigate the impact of seasonality and varieties of crops, and normally the bean inventory is financed through trade finance facilities. The interest cost of this is recouped and imputed through cocoa product pricing. In order to reflect better Group's gearing position, the net debt is adjusted to exclude trade finance facilities which are used to finance cocoa bean or raw material. There was no change in the Group's approach to capital management during the reporting period.

The debt-to-equity ratio of the Group at the end of the reporting period was as follows:

	Note	Group	
		2025 RM	2024 RM
Borrowings	18	3,187,710,162	4,235,683,417
Lease liabilities owing to financial institutions	6	19,054,888	22,421,469
Less: Cash and bank balances	14	(123,040,215)	(241,689,680)
Net debt		3,083,724,835	4,016,415,206
Total equity		2,266,265,082	2,124,800,267
Debt-to-equity ratio (time)		1.36	1.89

The Group is not subject to any other externally imposed capital requirements.

#### (b) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

- (i) Financial instruments that are not carried at fair value and whose carrying amounts are at reasonable approximation of fair value.

The carrying amounts of financial assets and financial liabilities, such as trade and other receivables, trade and other payables and floating rate borrowings, are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amounts of the current position of borrowings are reasonable approximation of fair values due to the insignificant impact of discounting.

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### 33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Methods and assumptions used to estimate fair value (Cont'd)

(ii) Derivatives

The fair values of commodity futures contracts and firm purchase commitments denominated in foreign currency are determined based on the quoted closing price on the relevant commodity markets at the end of the reporting period.

The fair value of a forward foreign exchange contract is the amount that would be payable or receivable upon termination of the outstanding position arising and is determined by reference to the difference between the contracted rate and the forward exchange rate as at the end of each reporting period applied to a contract of similar amount and maturity profile.

The fair value of the interest rate swap contracts is the amount that would be payable or receivable upon termination of the position at the end of each reporting period, and is calculated as the difference between the present value of the estimated future cash flows at the contracted rate compared to that calculated at the spot rate as at the end of each reporting period.

(c) Fair value hierarchy

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

(i) 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.

(ii) Fair value of non-derivative financial liabilities, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. For other borrowings, the market rate of interest is determined by reference to similar borrowing arrangements.

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 33. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy (Cont'd)

The following tables set out the financial instruments carried at fair value, together with their fair values and carrying amounts shown in the statements of financial position.

Group	Fair value of financial instruments carried at fair value				Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM			
<b>2025</b>						
<b>Financial assets</b>						
<b>Fair value through profit or loss</b>						
Derivative financial assets						
– Commodity futures contracts	-	60,558,919	-	-	60,558,919	60,558,919
– Commodity option contracts	-	24,029,359	-	-	24,029,359	24,029,359
– Cross currency swap contracts	-	7,046,602	-	-	7,046,602	7,046,602
– Foreign currency forward contracts	-	128,072	-	-	128,072	128,072
– Firm sales commitments denominated in foreign currency	-	170,716,591	-	-	170,716,591	170,716,591
	-	262,479,543	-	-	262,479,543	262,479,543
<b>Financial liabilities</b>						
<b>Fair value through profit or loss</b>						
Derivative financial liabilities						
– Commodity futures contracts	-	8,416,727	-	-	8,416,727	8,416,727
– Commodity option contracts	-	49,885,222	-	-	49,885,222	49,885,222
– Foreign currency forward contracts	-	2,091,331	-	-	2,091,331	2,091,331
– Firm purchase commitments denominated in foreign currency	-	14,725,812	-	-	14,725,812	14,725,812
	-	75,119,092	-	-	75,119,092	75,119,092

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## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 33. FINANCIAL INSTRUMENTS (CONT'D)

#### (c) Fair value hierarchy (Cont'd)

The following tables set out the financial instruments carried at fair value, together with their fair values and carrying amounts shown in the statements of financial position. (Cont'd)

Group	Fair value of financial instruments carried at fair value				Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	RM		
<b>2024</b>						
<b>Financial assets</b>						
<b>Fair value through profit or loss</b>						
Derivative financial assets						
– Commodity futures contracts	-	248,002,242	-	248,002,242	248,002,242	
– Commodity option contracts	-	433,995,519	-	433,995,519	433,995,519	
– Foreign currency forward contracts	-	10,078,200	-	10,078,200	10,078,200	
– Firm purchase commitments denominated in foreign currency	-	1,198,924,478	-	1,198,924,478	1,198,924,478	
	-	1,891,000,439	-	1,891,000,439	1,891,000,439	
<b>Financial liabilities</b>						
<b>Fair value through profit or loss</b>						
Derivative financial liabilities						
– Commodity futures contracts	-	405,954,448	-	405,954,448	405,954,448	
– Commodity option contracts	-	398,798,437	-	398,798,437	398,798,437	
– Cross currency swap contracts	-	11,443,011	-	11,443,011	11,443,011	
– Foreign currency forward contracts	-	556,817	-	556,817	556,817	
	-	816,752,713	-	816,752,713	816,752,713	

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 33. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy (Cont'd)

The following tables set out the financial instruments carried at fair value, together with their fair values and carrying amounts shown in the statements of financial position. (Cont'd)

Company	Fair value of financial instruments carried at fair value			Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM		
<b>2025</b>					
<b>Financial assets</b>					
<b>Fair value through profit or loss</b>					
Derivative financial asset					
– Cross currency swap contracts	-	7,046,602	-	7,046,602	7,046,602
<b>2024</b>					
<b>Financial liabilities</b>					
<b>Fair value through profit or loss</b>					
Derivative financial liabilities					
– Cross currency swap contracts	-	11,443,011	-	11,443,011	11,443,011

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management objective is to optimise value creation for its shareholders whilst minimising the potential adverse impact arising from fluctuations in foreign currency exchange, interest rates and unpredictably of the financial markets.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors. Financial risk management is carried out through risk review, internal control systems and adherence to the Group's financial risk management policies. The Group is exposed mainly to credit risk, foreign currency risk, interest rate risk, commodity price risk as well as liquidity and cash flow risk. Information on the management of the related exposures is detailed below.

#### (i) Credit risk

Cash deposits and trade receivables could give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are major international institutions and reputable multinational organisations. It is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade and other receivables. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of 30 days to 180 days (2024: 30 days to 180 days). Each customer has a maximum credit limit and the Group seeks to maintain strict control over its outstanding receivables via a credit control officer to minimise credit risk. Overdue balances are reviewed regularly by senior management.

The Company provides financial guarantee to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

#### Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by two (2) customers (2024: two (2) customers) which constituted approximately 26% (2024: 23%) of its trade receivables at the end of the reporting period.

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# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(i) Credit risk (Cont'd)

Credit risk concentration profile (Cont'd)

The Group determines concentration of credit risk by monitoring the country and industry sector profiles of its trade receivables (including amounts owing by a related party and associate) on an ongoing basis. The credit risk concentration profile of the trade receivables of the Group at the end of each reporting period are as follows:

	Group		Group	
	2025 RM	2025 of total %	2024 RM	2024 of total %
<b>By Country</b>				
United States	248,574,346	25.7	128,912,979	13.9
Switzerland	165,986,993	17.2	93,930,756	10.2
Indonesia	59,944,937	6.2	81,854,178	8.9
China	48,802,413	5.1	61,523,795	6.7
Malaysia	44,865,800	4.6	88,964,257	9.6
Russia	34,321,407	3.6	28,934,573	3.1
Netherlands	27,112,131	2.8	104,695,725	11.3
Germany	19,956,394	2.1	11,294,342	1.2
India	17,334,645	1.8	49,341,505	5.3
Italy	16,933,734	1.8	11,936,848	1.3
Singapore	4,579,438	0.5	55,571,987	6.0
Japan	3,078,466	0.3	31,491,856	3.4
Brazil	1,766,536	0.2	11,549,924	1.2
Other countries	272,648,430	28.1	164,314,766	17.9
	965,905,670	100.0	924,317,491	100.0

The maximum exposure to credit risk in relation to financial guarantee contracts provided as credit enhancements to the secured loans of subsidiaries amounts to RM2,397,608,415 (2024: RM3,619,976,330) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"), British Pound ("GBP"), Euro ("EUR") and CFA Franc ("FCFA"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Group enters into forward currency contracts to hedge against its foreign currency risk. The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes.

The majority of the Group transactional currency risk arises from its foreign currency based forward sales and purchase of commodity items, contracted along the cocoa bean price chain. These non-financial forward contracts denominated in foreign currency are exposed to economic risk due to currency fluctuations and accounted as financial instruments with fair value impact to its financial statements. These forward contracts on fulfillment at maturity will result in book receivables or payables in foreign currency.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (ii) Foreign currency risk (Cont'd)

The Group entity's currency exposure and corresponding foreign currency contract are mark-to-market and fair value quarterly for operational hedge effectiveness testing and for management reporting and oversight. Monthly long-short positions on foreign currencies and foreign currency derivatives are also produced for timely control and intervention.

#### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of the Group and of the Company to a reasonably possible change in USD, GBP, EUR and FCFA against the respective functional currencies of the Group entities, with all other variables held constant, comparatives have been restated to conform with current year's presentation:

Effect of 5.0% (2024: 5.0%) changes to RM against foreign currencies	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit after tax and equity:				
USD/RM – Strengthen	(51,406,800)	(134,352,200)	6,173,100	6,075,300
– Weaken	51,406,800	134,352,200	(6,173,100)	(6,075,300)
GBP/RM – Strengthen	(22,958,500)	(47,351,600)	-	-
– Weaken	22,958,500	47,351,600	-	-
EUR/RM – Strengthen	(40,525,100)	24,095,100	-	-
– Weaken	40,525,100	(24,095,100)	-	-
FCFA/RM – Strengthen	(1,195,600)	5,797,000	-	-
– Weaken	1,195,600	(5,797,000)	-	-

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# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market interest rates. The exposures to market risk of the Group for changes in interest rates relates primarily to the deposits placed with licensed banks and interest bearing borrowings of the Group. There is no formal hedging policy with respect to interest rate exposure.

The following table sets out the carrying amounts, the weighted average effective interest rates as at the end of the reporting period and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk:

Group	Note	Weighted average effective interest rate %	Within 1 year RM	years 1-5 RM	More than years 5 RM	Total RM
<b>At 31 December 2025</b>						
<b>Fixed rates</b>						
Deposits with licensed banks	14	3.36	37,166,993	-	-	37,166,993
Revolving credits	18	5.27	(57,502,873)	-	-	(57,502,873)
Sukuk Wakalah	18	4.69	-	(800,000,000)	-	(800,000,000)
Trade loans	18	5.26	(2,103,528,387)	-	-	(2,103,528,387)
<b>Floating rates</b>						
Bank overdrafts	18	5.43	(13,743,198)	-	-	(13,743,198)
Term loans	18	6.25	(41,007,926)	(155,006,623)	(16,921,155)	(212,935,704)
<b>At 31 December 2024</b>						
<b>Fixed rates</b>						
Deposits with licensed banks	14	3.95	31,545,825	-	-	31,545,825
Revolving credits	18	5.37	(149,595,450)	-	-	(149,595,450)
Sukuk Wakalah	18	4.50	-	(450,000,000)	(150,000,000)	(600,000,000)
Trade loans	18	6.04	(3,097,400,602)	-	-	(3,097,400,602)
<b>Floating rates</b>						
Bank overdrafts	18	3.57	(2,745,516)	-	-	(2,745,516)
Term loans	18	6.57	(187,286,604)	(163,029,086)	(35,626,159)	(385,941,849)

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (iii) Interest rate risk (Cont'd)

The following table sets out the carrying amounts, the weighted average effective interest rates as at the end of the reporting period and the remaining maturities of the financial instruments of the Company that are exposed to interest rate risk: (Cont'd)

Company	Note	Weighted average effective interest rate %	Within 1 year RM	years 1-5 RM	More than years 5 RM	Total RM
<b>At 31 December 2025</b>						
<b>Fixed rates</b>						
Amounts owing by a subsidiary	12	4.75	-	558,449,883	-	558,449,883
Deposits with licensed banks	14	2.70	20,148,800	-	-	20,148,800
Sukuk Wakalah	18	4.69	-	(800,000,000)	-	(800,000,000)
<b>At 31 December 2024</b>						
<b>Fixed rates</b>						
Amounts owing by a subsidiary	12	4.65	146,713,025	383,921,534	-	530,634,559
Deposits with licensed banks	14	3.00	14,408,800	-	-	14,408,800
Sukuk Wakalah	18	4.50	-	(450,000,000)	(150,000,000)	(600,000,000)
<b>Floating rates</b>						
Term loan	18	5.51	(150,000,000)	-	-	(150,000,000)

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iii) Interest rate risk (Cont'd)

#### Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group and of the Company if interest rates at the end of the reporting period changed by 100 basis points with all other variables held constant.

Effect of 1.0% (2024: 1.0%) changes to interest rate	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit after tax and equity:				
- Increase	(1,723,000)	(2,954,000)	-	(1,140,000)
- Decrease	1,723,000	2,954,000	-	1,140,000

The assumed movement in basis points for interest rate sensitivity analysis is based on current observable market environment.

(iv) Commodity price risk

Commodity traded by the Group is subject to fluctuations due to a number of factors that result in price risk. The Group enters into commodity derivatives for trading purposes with the purpose of managing market exposure to adverse price movement in this commodity. The Group's trading market risk appetite is determined by the Board of Directors.

#### Sensitivity analysis for commodity price risk

The following table demonstrates the sensitivity analysis of commodity derivatives of the Group if commodity price index at the end of reporting date changed by 1% with all other variables held constant.

Effect of 1.0% (2024: 1.0%) changes to commodity price	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit after tax and equity:				
- Increase	(3,721,000)	(2,536,000)	-	-
- Decrease	3,721,000	2,536,000	-	-

(v) Liquidity and cash flow risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group would encounter difficulty in meeting its financial obligations when due.

The Group monitors and maintains a level of cash and bank balances deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(v) Liquidity and cash flow risk (Cont'd)

The table below summarises the maturity profile of the liabilities of the Group and of the Company at the end of each reporting period based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
<b>At 31 December 2025</b>				
<b>Group</b>				
Trade and other payables	2,272,511,654	-	-	2,272,511,654
Borrowings	2,296,500,767	1,053,295,629	17,472,286	3,367,268,682
Derivative financial liabilities	75,119,092	-	-	75,119,092
Lease liabilities	13,626,408	41,176,831	29,538,025	84,341,264
	4,657,757,921	1,094,472,460	47,010,311	5,799,240,692
<b>Company</b>				
Trade and other payables	16,066,463	-	-	16,066,463
Borrowings	37,485,000	878,620,342	-	916,105,342
Financial guarantee contracts	2,397,608,415	-	-	2,397,608,415
	2,451,159,878	878,620,342	-	3,329,780,220
<b>At 31 December 2024</b>				
<b>Group</b>				
Trade and other payables	3,116,266,998	-	-	3,116,266,998
Borrowings	3,503,957,429	716,264,721	190,315,792	4,410,537,942
Derivative financial liabilities	816,752,713	-	-	816,752,713
Lease liabilities	17,065,916	43,702,507	38,226,485	98,994,908
	7,454,043,056	759,967,228	228,542,277	8,442,552,561
<b>Company</b>				
Trade and other payables	11,388,865	-	-	11,388,865
Derivative financial liabilities	11,443,011	-	-	11,443,011
Borrowings	180,409,315	520,294,932	150,646,027	851,350,274
Financial guarantee contracts	3,619,976,330	-	-	3,619,976,330
	3,823,217,521	520,294,932	150,646,027	4,494,158,480

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(vi) Net investment hedge

The Group's foreign operations of various functional currencies when translated into its parent's reporting currency based on closing rates (for assets and liabilities) and average transaction rates (for income and expenses) at consolidation, gives rise to foreign currency translation gain or loss that will be recognised in other comprehensive income.

A foreign currency exposure arises from the Group's net investment in its Singapore subsidiary that has a USD functional currency. The risk arises from the fluctuation in spot exchange rates between USD and RM, which causes the amount of the net investment to vary. The hedged risk in the net investment hedge is the risk of a weakening USD against the RM that will result in a reduction in the carrying amount of the Group's net investment in the Singapore subsidiary.

Part of the Group's net investment in its Singapore subsidiary is hedged by cross currency swap contracts, which mitigates the foreign currency risk arising from the subsidiary's net assets. The swap contracts are designated as a hedging instrument for the changes in the value of the net investment that is attributable to changes in the RM/USD spot rate. The Group applies a hedge ratio 1:1.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amount of the swap contracts that is attributable to a change in the mark-to-market with changes in the investment in the foreign operation due to movements in the spot rate. The Group's policy is to hedge the net investment only to the extent of the swap contracts principal.

The amounts related to items designated as hedged items of the Group were as follows:

	Group	
	2025 RM	2024 RM
<b>Overseas subsidiary</b>		
Changes in value used for calculating hedge effectiveness	323,887	(11,566,454)
Foreign currency translation reserve	323,887	(11,566,454)
Balance remaining in the foreign currency translation reserve from hedging relationship for which hedge accounting is no longer applied	-	-

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(vi) Net investment hedge (Cont'd)

The amounts related to items designated as hedging instruments of the Group were as follows:

	Notional amount RM	Carrying amount of liabilities RM	Line item in the statement of financial position where the hedging instrument is included	Hedging gain or loss recognised in OCI RM	Hedge ineffectiveness recognised in profit or loss RM	Line item in the statement of comprehensive income that includes hedge ineffectiveness
<b>Gross currency swap contracts</b>						
2025	279,676,112	7,046,602	Derivative financial assets	323,887	6,534,315	Other income
2024	308,222,221	(11,443,011)	Derivative financial liabilities	(11,566,454)	-	Other expenses

### 35. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

During the financial year, a deposit of FCFA5,000,000,000 (equivalent to RM32,155,818) has been paid towards the acquisition of 500,000 ordinary shares representing 25% of the total share capital of Transcao Cote D'Ivoire. This is further to the share sale agreement entered into on 10 January 2025 for a total purchase consideration of FCFA18,418,243,221 (equivalent to RM130,104,217). The acquisition has yet to be completed as at the date of this report.

Subsequent to the end of the reporting period, escalating tensions in the Middle East resulted in significant energy price increase. These developments contributed to heightened volatility in energy prices, foreign exchange markets and supply chains. The potential financial impact remains uncertain, the Group is actively assessing the situation to determine any potential implications for its financial position and operations.

# 09 OTHER INFORMATION

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# OTHER INFORMATION

## LIST OF PROPERTIES

Location	Tenure / Term of lease	Approx. Land Area (sq m)	Approx. Age of building	Existing Use	Date of Acquisition	Net Book Values @ 31 December 2025
<b>Malaysia</b>						
PLO273 Jalan Timah 2, 81700 Pasir Gudang, Johor	60 years (expiring on 8 May 2043)	7,976	35 years (Main factory and office) 29 years (Second factory)	Industrial premises / factory consists of GCCM main office, production area for GCCM and temporary warehouse	7 December 1989	5,598,730
No. 49 Jalan 10/9, Perjiranan 10, Pasir Gudang, Johor	99 years (expiring on 6 May 2082)	143	42 years	Hostel	28 July 1994	38,961
PLO725, Jalan Keluli 9, 81700 Pasir Gudang, Johor	60 years (expiring on 17 February 2068)	27,523	19 years	Factory / warehouse	9 January 2006	16,441,350
Lot 4-0104(P) Mukim of Plentong, Johor	Freehold	3,502	N/A	Industrial land	1 July 2013	2,032,207
Lot D30 & D31, Distripark B, Pelepas Free Zone, Johor	13 years (expiring on 22 March 2055)	16,107	15 years	Rental	2 July 2014	19,473,201
PLO81, Jalan Timah 3, 81700 Pasir Gudang, Johor	60 years (expiring on 21 July 2036)	12,747	3 years	Industrial land	4 January 2019	11,011,566
PLO207, Jalan Tembaga Satu, 81700 Pasir Gudang, Johor	60 years (expiring on 30 September 2045)	8,093.71	8 years (Main office and factory)	Industrial premises / factory consists of GCBCM main office, production area for GCBCM and temporary warehouse	26 December 1990	14,480,274
PLO233, Jalan Tembaga Satu, 81700 Pasir Gudang, Johor	60 years (expiring on 16 January 2049)	8,044	39 years	Industrial premises with a two storey office with a single storey factory and warehouse	15 October 2020	13,864,198

# OTHER INFORMATION

## LIST OF PROPERTIES

Location	Tenure / Term of lease	Approx. Land Area (sq m)	Approx. Age of building	Existing Use	Date of Acquisition	Net Book Values @ 31 December 2025
<b>Malaysia</b>						
PLO308, Jalan Tembaga Dua, 81700 Pasir Gudang, Johor	60 years (expiring on 22 September 2045)	8,093	39 years	Industrial premises / factory / warehouse	15 October 2020	13,960,543
PLO480, Jalan Keluli Tiga, 81700 Pasir Gudang, Johor	60 years (expiring on 17 October 2053)	20,234	14 years	Warehouse	30 June 2021	10,040,340
PLO546, Jalan Keluli Sepuluh, 81700 Pasir Gudang, Johor	60 years (expiring on 7 October 2057)	20,166	17 years	Warehouse	30 June 2021	8,520,144
Lot 211016 Mukim of Plentong, Johor	Freehold	25,750	N/A	Commercial land	07 August 2023	32,853,663
<b>Singapore</b>						
The Cascadia 943 Bukit Timah Road #05-47 Singapore 589659	Freehold	111	16 years	Residential	17 January 2011	2,837,624
1 Commonwealth Lane #08-04 One Commonwealth Singapore 149544	30 years (expiring on 28 February 2038)	111	18 years	Rental	19 January 2011	1,063,618
12 Woodlands Square #03-68 Woods Square Singapore 737715	89 years (expiring on 14 July 2113)	145	2 years	Rental	9 October 2024	9,513,748
<b>United States</b>						
400, Eagle Court Swedesboro, Logan Township, Gloucester County, NJ 08085	Freehold	6,113.02	N/A	Industrial premises / Factory consists of Carlyle main office, production area for Carlyle	10 April 2017	7,422,269

# OTHER INFORMATION

## LIST OF PROPERTIES

Location	Tenure / Term of lease	Approx. Land Area (sq m)	Approx. Age of building	Existing Use	Date of Acquisition	Net Book Values @ 31 December 2025
<b>Côte d'Ivoire</b>						
Zone Industrielle de San Pédro Bardot 18, Lot 208 TF No. 1138 Bas-Cavally, Côte d'Ivoire	Leasehold	63,566	4 years	Industrial premises / factory consists of GCBCCI main office and production area for GCBCCI	28 January 2019	169,528,804
<b>Indonesia</b>						
Komplek Tunas Industrial Estate Type 7 No. A-F, Batam, Indonesia	30 years (expiring on 24 August 2030)	33,181	16 years	Industrial premises / Factory consists of PT Asia main office, production area for PT Asia	21 June 2010	28,574,545
Komplek Tunas Industrial Estate Type 7 No. 7-G, Batam, Indonesia	Leasehold (expiring on 24 August 2030)	6,985	20 years	Industrial premises and warehouse	17 March 2011	2,917,300
Komplek Tunas Industrial Estate Type 6 No. 6-D, Batam, Indonesia	Leasehold (expiring on 24 August 2030)	1,257	20 years	Industrial premises and warehouse	17 March 2011	763,002
Komplek Tunas Industrial Estate Type 7 No. 7-H, Batam, Indonesia	Leasehold (expiring on 24 August 2030)	4,388	19 years	Industrial premises and warehouse	4 August 2020	5,580,946
Komplek Tunas Industrial Estate Type 7 No. 7-I, Batam, Indonesia	Leasehold (expiring on 24 August 2030)	4,513	19 years	Industrial premises and warehouse	11 January 2021	6,083,164
Komplek Perumahan Diamond Palace Blok B No. 26, Batam, Indonesia	Leasehold (expiring on 13 August 2030)	170	21 years	Hostel	23 September 2011	388,257
Komplek Perumahan Purimas Residence Blok B3 No. 11, Batam, Indonesia	Leasehold (expiring on 28 May 2030)	132	20 years	Hostel	6 May 2011	138,753

# OTHER INFORMATION

## LIST OF PROPERTIES

Location	Tenure / Term of lease	Approx. Land Area (sq m)	Approx. Age of building	Existing Use	Date of Acquisition	Net Book Values @ 31 December 2025
<b>Indonesia</b>						
Komplek Perumahan Purimas Residence Blok B3 No. 15, Batam, Indonesia	Leasehold (expiring on 28 May 2030)	132	20 years	Hostel	6 May 2011	138,753
Komplek Perumahan Purimas Residence Blok B5 No. 23, Batam, Indonesia	Leasehold (expiring on 28 May 2030)	132	22 years	Hostel	6 May 2011	138,753
Kawasan Industri Kelurahan IV, Blok 5 Kelurahan Belian Kecamatan Batam Kota, Batam, Indonesia	Leasehold (expiring on 8 August 2031)	30,000	13 years	Industrial premises and warehouse	10 January 2012	29,569,372
Komplek Tunas Industrial Estate Type 6 No. 6-C, Batam, Indonesia	Leasehold (expiring on 24 August 2030)	942	20 years	Industrial premises and warehouse	8 June 2012	753,714
Kawasan Daan Mogot Arcadia, Rukan Daan Mogot Permai Blok G15 No.5 & 6, Jl Raya Daan Mogot KM 21, Batu Ceper, Tangerang 15122, Indonesia.	Leasehold (expiring on 4 August 2035)	864	13 years	Industrial premises	2 October 2012	2,468,957
Palu warehouse Jalan Trans Sulawesi, Kelurahan Taipa, Kecamatan Palu Utara, Kota Palu 94147, Sulawesi Tengah.	Leasehold (expiring on 22 January 2027)	15,551	19 years	Warehouse	13 December 2013	5,930,980

# OTHER INFORMATION

## LIST OF PROPERTIES

Location	Tenure / Term of lease	Approx. Land Area (sq m)	Approx. Age of building	Existing Use	Date of Acquisition	Net Book Values @ 31 December 2025
<b>Indonesia</b>						
Makassar Warehouse Jl. Kima 10 Kav A/5-a Makassar 90241, Sulawesi Selatan	Leasehold (expiring on 29 October 2028)	10,890	27 years	Warehouse	10 December 2013	3,938,411
Komplek Villa Bukit Indah Blok H3 No.1, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	174	10 years	Hostel	29 December 2015	463,831
Komplek Villa Bukit Indah Blok H3 No.2, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	112	10 years	Hostel	29 December 2015	299,891
Komplek Villa Bukit Indah Blok H3 No.3, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	112	10 years	Hostel	29 December 2015	299,891
Komplek Villa Bukit Indah Blok H3 No.3A, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	112	10 years	Hostel	29 December 2015	299,891
Komplek Villa Bukit Indah Blok H3 No.5, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	112	10 years	Hostel	29 December 2015	299,891
Komplek Villa Bukit Indah Blok H3 No.6, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	112	10 years	Hostel	29 December 2015	299,891
Komplek Villa Bukit Indah Blok H3 No.9, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	112	10 years	Hostel	29 December 2015	299,891
Komplek Villa Bukit Indah Blok H3 No.10, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	112	10 years	Hostel	29 December 2015	299,891

# OTHER INFORMATION

## LIST OF PROPERTIES

Location	Tenure / Term of lease	Approx. Land Area (sq m)	Approx. Age of building	Existing Use	Date of Acquisition	Net Book Values @ 31 December 2025
<b>Indonesia</b>						
Komplek Villa Bukit Indah Blok H3 No.11, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	112	10 years	Hostel	29 December 2015	299,891
Komplek Villa Bukit Indah Blok H3 No.12, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	112	10 years	Hostel	29 December 2015	299,891
Komplek Villa Bukit Indah Blok H3 No.12A, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	112	10 years	Hostel	29 December 2015	299,891
Komplek Villa Bukit Indah Blok H3 No.12B, Batam, Indonesia	Leasehold (expiring on 03 October 2031)	174	10 years	Hostel	29 December 2015	463,831
Rukan Daan Mogot Permai Blok G15 No.1 Jalan Raya Daan Mogot KM 21 Batu Ceper, Tangerang 15122, Indonesia	Leasehold (expiring on 21 August 2039)	605	7 years	Warehouse	22 August 2019	1,793,325
<b>Germany</b>						
Neckarvorlandstraße 21-25, 68159 Mannheim, Germany	Freehold	13,044	55 years	Industrial premises / factory consists of SVG main office, production area for SVG and residential building	1 January 2020	27,549,041
Fruchtbahnhofstraße 35-41, 68159 Mannheim, Germany	Leasehold (expiring on 30 September 2050)	20,840	N/A	Industrial premises	1 October 2020	26,627,523
Am Salzkai, 68159 Mannheim Germany	Leasehold (expiring on 30 June 2028)	703	N/A	Car Park	1 June 2020	154,293

# OTHER INFORMATION

## LIST OF PROPERTIES

Location	Tenure / Term of lease	Approx. Land Area (sq m)	Approx. Age of building	Existing Use	Date of Acquisition	Net Book Values @ 31 December 2025
<b>United Kingdom</b>						
Lower Road, Glensford, Sudbury, Suffolk	Freehold	71,872	75 years (Building One) 25 years (Building Two)	Industrial premises / factory consists of GCBUK main office and production area for GCBUK	25 September 2020	158,240,333
Plot 34 Long Melford, 5 Siskin Close Long Melford Sudbury Suffolk CO10 9FZ	Freehold	85	3 years	Residential	28 February 2023	1,857,875
Plot 29 Long Melford, 3 Robin Close Long Melford Sudbury Suffolk CO10 9GE	Freehold	87	3 years	Residential	31 March 2023	2,037,182
Plot 46 Long Melford, 7 Dunnock Close Long Melford Sudbury Suffolk CO10 9GF	Freehold	144	3 years	Residential	29 June 2023	3,245,825
Plot 22 Fawcett Road, 24 Fawcett Road, Sudbury Suffolk CO10 0WX	Freehold	144	3 years	Residential	17 November 2023	2,613,055

# OTHER INFORMATION

## OTHER COMPLIANCE INFORMATION

### 1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no proceeds raised from any corporate proposal during the financial year ended 31 December 2025.

### 2. AUDIT AND NON-AUDIT FEES

The fees payable to the external auditors in relation to the audit and non-audit services rendered to the Company and its subsidiaries for the financial year ended 31 December 2025 are as follows:

	COMPANY RM	GROUP RM
Audit fees	175,000	1,411,736
Non audit fees	5,000	18,255

### 3. MATERIAL CONTRACTS

There were no material contracts entered into by the Group involving the interest of Directors and major shareholders, either still subsisting at the end of the financial year under review or entered into since the end of the previous financial year.

### 4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

#### (a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 RM	2024 RM
Revenue		14,923,133,107	10,442,062,501
Interest income	Revenue	916,493	457,181
Interest income	Other Income	1,268,840	1,654,340
Share of result of associates		-	331,827
Other income		246,114,385	1,730,845,400
<b>Total</b>		<b>15,171,432,825</b>	<b>12,175,351,249</b>
<b>Total Assets</b>		<b>7,959,051,043</b>	<b>10,493,522,542</b>

# OTHER INFORMATION

## OTHER COMPLIANCE INFORMATION

### 4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

#### (b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 RM	2024 RM
Non-halal food and beverages (F&B) including F&B without halal certification from JAKIM or any certification bodies recognised by JAKIM		110,237,687	64,514,174
Interest income		1,435,639	1,715,399
<b>Total</b>		<b>111,673,326</b>	<b>66,229,573</b>

#### (c) Component of Financial Position

##### (i) Cash Component

	Remarks	Group	
		2025 RM	2024 RM
<b>Islamic Account/Instruments</b>			
Cash and bank balances (exclude cash in hand)		5,412,979	17,710,702
Cash in hand		341,251	2,957,794
Deposits with licensed bank		20,120,000	16,420,000
<b>Total</b>		<b>25,874,230</b>	<b>37,088,496</b>

	Remarks	Group	
		2025 RM	2024 RM
<b>Conventional Account/Instruments</b>			
Cash and bank balances (exclude cash in hand)		80,118,992	187,435,359
Deposits with licensed bank		17,046,993	17,165,825
<b>Total</b>		<b>97,165,985</b>	<b>204,601,184</b>

# OTHER INFORMATION

## OTHER COMPLIANCE INFORMATION

### 4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

#### (c) Component of Financial Position (Cont'd)

##### (ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 RM	2024 RM
<b>Current</b>			
Revolving credit and financing		31,472,750	84,810,725
Term financing		-	150,000,000
Trade financing		1,116,791,179	1,635,050,607
<b>Non-Current</b>			
Sukuk		800,000,000	600,000,000
<b>Total</b>		<b>1,948,263,929</b>	<b>2,469,861,332</b>

Conventional Borrowing	Remarks	Group	
		2025 RM	2024 RM
<b>Current</b>			
Bank overdrafts		13,743,198	2,745,516
Revolving credit and loans		26,030,123	64,784,725
Term loans		45,809,617	79,590,368
Trade financing		986,737,207	1,420,046,231
<b>Non-Current</b>			
Term loans		167,126,088	198,655,245
<b>Total</b>		<b>1,239,446,233</b>	<b>1,765,822,085</b>

# OTHER INFORMATION

## ANALYSIS OF SHAREHOLDINGS

### AS AT 1 APRIL 2026

<b>Issued Share Capital</b>	<b>2,741,467,464 ordinary shares (including treasury shares)</b> <b>2,740,534,131 ordinary shares (excluding treasury shares)</b>
<b>Voting Right</b>	<b>One vote per ordinary share</b>
<b>Number of Shareholders</b>	<b>8,690</b>

#### DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%* of Shareholders	No. of Shares held	%* of Issued Share Capital
Less than 100 shares	264	3.04	9,832	Neg
100 to 1,000 shares	859	9.88	500,502	0.02
1,001 to 10,000 shares	3,550	40.85	19,342,183	0.71
10,001 to 100,000 shares	3,261	37.53	109,842,520	4.00
100,001 to less than 5% of issued shares	753	8.67	1,242,019,621	45.32
5% and above of issued shares	3	0.03	1,368,819,473	49.95
<b>Total</b>	<b>8,690</b>	<b>100.00</b>	<b>2,740,534,131</b>	<b>100.00</b>

Notes:

Neg Negligible

\* Excluding 933,333 shares held as treasury shares

#### LIST OF SUBSTANTIAL SHAREHOLDERS

Name	No. of Shares held			
	Direct	%*	Indirect	%*
Guan Chong Resources Sdn. Bhd.	1,368,819,473	49.95	-	-
Hia Cheng	71,338,973	2.60	117,617,362 <sup>(1)</sup>	4.29

Notes:

\* Excluding 933,333 shares held as treasury shares

<sup>(1)</sup> Deemed interest by virtue of his spouse, Wong Saow Lai's and his daughters and son, Hia Sin Yee's, Hia Sin Che's and Hia Kai Xuan's shareholding in the Company.

# OTHER INFORMATION

## ANALYSIS OF SHAREHOLDINGS

### AS AT 1 APRIL 2026

#### DIRECTORS' SHAREHOLDINGS

Name	No. of Shares held			
	Direct	%*	Indirect	%*
Tay Hoe Lian	133,254,566	4.86	1,779,999 <sup>(1)</sup>	0.07
Tay How Sik @ Tay How Sick	50,464,205	1.84	14,822,731 <sup>(2)</sup>	0.54
Hia Cheng	71,338,973	2.60	117,617,362 <sup>(3)</sup>	4.29
Ang Nyee Nyee	-	-	18,666 <sup>(4)</sup>	Neg
Nurulhuda Binti Abd Kadir	-	-	-	-
Ng Kim Hian	-	-	-	-
Tan Pui Suang	-	-	-	-

#### Notes:

\* Excluding 933,333 shares held as treasury shares

- (1) Deemed interest by virtue of his spouse, Yap Kim Hong's and his daughter, Tay Jing Ying's shareholding in the Company.
- (2) Deemed interest by virtue of his daughters, son and daughter-in-law, Tay Jing Ye's, Tay Sing Ye's, Tay Lian Shi's and Lee Ping's shareholding in the Company.
- (3) Deemed interest by virtue of his spouse, Wong Saow Lai's and his daughters and son, Hia Sin Yee's, Hia Sin Che's and Hia Kai Xuan's shareholding in the Company.
- (4) Deemed interest by virtue of her spouse, Leong Chee Foong's shareholding in the Company.

#### HOLDING COMPANY – GUAN CHONG RESOURCES SDN. BHD.

Name	No. of ordinary shares			
	Direct	%	Indirect	%
Tay Hoe Lian	5,130,000	19.00	-	-
Tay How Sik @ Tay How Sick	3,762,180	13.93	-	-
Hia Cheng	1,350,000	5.00	-	-

Other than as disclosed above, the Directors of the Company did not have any other interest in the shares of the Company and its related corporations as at the date of the Analysis of Shareholdings.

# OTHER INFORMATION

## ANALYSIS OF SHAREHOLDINGS

### AS AT 1 APRIL 2026

#### GUAN CHONG BERHAD – ORDINARY SHARES THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares held	%*
1.	Guan Chong Resources Sdn. Bhd.	978,115,666	35.69
2.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Guan Chong Resources Sdn. Bhd.	215,833,333	7.88
3.	AMSEC Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account - Ambank (M) Berhad for Guan Chong Resources Sdn. Bhd. (SMART)	174,870,474	6.38
4.	Tay Hoe Lian	126,059,417	4.60
5.	Wong Saow Lai	74,915,654	2.73
6.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt An for Citibank New York (Norges Bank 22)	70,321,132	2.57
7.	Kumpulan Wang Persaraan (Diperbadankan)	61,528,851	2.24
8.	Hia Cheng	54,501,502	1.99
9.	iFAST Nominees (Tempatan) Sdn. Bhd. Tay How Sik @ Tay How Sick	46,860,289	1.71
10.	Syarikat PJ Enterprise Sdn. Bhd.	46,055,333	1.68
11.	Tay Hoe Chin	35,000,000	1.28
12.	Tay How Yeh	30,656,565	1.12
13.	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (RHB INV)	29,770,000	1.09
14.	Citigroup Nominees (Tempatan) Sdn. Bhd. Urusharta Jamaah Sdn. Bhd. (2)	29,315,100	1.07
15.	Tay See Min	22,617,333	0.82
16.	T & T Family Sdn. Bhd.	21,406,835	0.78
17.	Tan Bak Keng @ Tang Ka Guek	18,666,666	0.68
18.	Citigroup Nominees (Asing) Sdn. Bhd. CBNY for Norges Bank (FI 17)	17,170,100	0.63
19.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Hia Cheng	16,837,471	0.61
20.	DB (Malaysia) Nominee (Asing) Sdn. Bhd. SSBT Fund J724 for SPDR Portfolio Emerging Markets ETF	15,042,687	0.55
21.	Chan Lee Yin	14,839,055	0.54
22.	iFAST Nominees (Tempatan) Sdn. Bhd. Tay Lee Goh	14,049,483	0.51
23.	Citigroup Nominees (Asing) Sdn. Bhd. UBS AG	13,825,895	0.50
24.	Tay Lee Shein	13,745,291	0.50
25.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt An for Citibank New York (Norges Bank 19)	12,821,400	0.47
26.	Tay How Yeh	11,920,000	0.44
27.	Hia Sin Yee	11,277,777	0.41
28.	HSBC Nominees (Asing) Sdn. Bhd. J.P. Morgan Securities PLC	10,736,363	0.39
29.	Wong Saow Lai	10,266,666	0.38
30.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Eastspring Investmentssmall-Cap Fund	10,061,400	0.37
<b>Total</b>		<b>2,209,087,738</b>	<b>80.61</b>

Note:

\* Excluding 933,333 shares held as treasury shares

# OTHER INFORMATION

## ANALYSIS OF WARRANTHOLDINGS

### AS AT 1 APRIL 2026

<b>Number of Warrant C Issued</b>	<b>: 293,628,507</b>
<b>Number of Warrant C Exercised</b>	<b>: 925</b>
<b>Number of Warrant Unexercised</b>	<b>: 293,627,582</b>
<b>Voting Rights</b>	<b>: The holder of warrants is not entitled to any voting rights</b>
<b>Exercise Price Per Warrant</b>	<b>: RM1.60</b>
<b>Number of Warrant holders</b>	<b>: 4,280</b>

#### DISTRIBUTION OF WARRANTHOLDINGS

Size of Warrantholdings	No. of Warrantholders	% of Warrantholders	No. of Warrants held	%* of Warrants
Less than 100 warrants	659	15.40	31,408	0.01
100 to 1,000 warrants	1,678	39.21	851,486	0.29
1,001 to 10,000 warrants	1,328	31.03	4,541,811	1.54
10,001 to 100,000 warrants	426	9.95	14,648,642	4.99
100,001 to less than 5% warrants	186	4.34	127,162,863	43.31
5% and above of warrants	3	0.07	146,391,372	49.86
<b>Total</b>	<b>4,280</b>	<b>100.00</b>	<b>293,627,582</b>	<b>100.00</b>

Note:

\* Number of warrants unexercised.

#### LIST OF SUBSTANTIAL SHAREHOLDERS

Name	Direct	No. of Warrants held		
		%*	Indirect	%*
Guan Chong Resources Sdn. Bhd.	146,391,372	49.86	-	-
Hia Cheng	7,420,603	2.53	12,601,860 <sup>(1)</sup>	4.29

Note:

\* Number of warrants unexercised.

(1) Deemed interest by virtue of his spouse, Wong Saow Lai's and his daughters and son, Hia Sin Yee's, Hia Sin Che's and Hia Kai Xuan's warrantholding in the Company.

#### DIRECTORS' WARRANTHOLDINGS

Name	Direct	No. of Warrants held		
		%*	Indirect	%*
Tay Hoe Lian	14,137,989	4.81	180,000 <sup>(1)</sup>	0.06
Tay How Sik @ Tay How Sick	5,299,736	1.81	1,622,575 <sup>(2)</sup>	0.55
Hia Cheng	7,420,603	2.53	12,601,860 <sup>(3)</sup>	4.29
Ang Nyee Nyee	-	-	2,000 <sup>(4)</sup>	Neg
Nurulhuda Binti Abd Kadir	-	-	-	-
Ng Kim Hian	-	-	-	-
Tan Pui Suang	-	-	-	-

Notes:

\* Number of warrants unexercised.

Neg Negligible

(1) Deemed interest by virtue of his spouse, Yap Kim Hong's and his daughter, Tay Jing Ying's warrantholding in the Company.

(2) Deemed interest by virtue of his daughters, son and daughter-in-law, Tay Jing Ye's, Tay Sing Ye's, Tay Lian Shi's and Lee Ping's warrantholding in the Company.

(3) Deemed interest by virtue of his spouse, Wong Saow Lai's and his daughters and son, Hia Sin Yee's, Hia Sin Che's and Hia Kai Xuan's warrantholding in the Company.

(4) Deemed interest by virtue of her spouse, Leong Chee Foong's warrantholding in the Company.

# OTHER INFORMATION

## ANALYSIS OF WARRANTHOLDINGS

### AS AT 1 APRIL 2026

#### GUAN CHONG BERHAD – WARRANTS C THIRTY (30) LARGEST WARRANTHOLDERS

No.	Name of Warrantholders	No. of Warrants held	%*
1.	Guan Chong Resources Sdn. Bhd.	104,530,250	35.60
2.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Guan Chong Resources Sdn. Bhd.	23,125,000	7.88
3.	AMSEC Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account - Ambank (M) Berhad for Guan Chong Resources Sdn. Bhd. (SMART)	18,736,122	6.38
4.	Tay Hoe Lian	13,399,223	4.56
5.	Wong Saow Lai	8,026,677	2.73
6.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt An for Citibank New York (Norges Bank 22)	5,788,000	1.97
7.	Hia Cheng	5,616,589	1.91
8.	iFAST Nominees (Tempatan) Sdn. Bhd. Tay How Sik @ Tay How Sick	5,020,745	1.71
9.	Syarikat PJ Enterprise Sdn. Bhd.	4,934,500	1.68
10.	Tay Hoe Chin	3,750,000	1.28
11.	Tay How Yeh	3,273,917	1.12
12.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Au Kwan Seng	2,483,300	0.85
13.	T & T Family Sdn. Bhd.	2,183,589	0.74
14.	Tay Hock Soon	2,124,700	0.72
15.	HSBC Nominees (Tempatan) Sdn. Bhd. HSBC (M) Trustee Bhd for Allianz Life Insurance Malaysia Berhad (MEF)	2,109,850	0.72
16.	Tay See Min	2,065,000	0.70
17.	Tan Bak Keng @ Tang Ka Guek	2,000,000	0.68
18.	Citigroup Nominees (Tempatan) Sdn. Bhd. Urusharta Jamaah Sdn. Bhd. (2)	1,994,475	0.68
19.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Hia Cheng	1,804,014	0.61
20.	Chan Lee Yin	1,589,898	0.54
21.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for One KL Family Office Sdn. Bhd.	1,579,750	0.54
22.	iFAST Nominees (Tempatan) Sdn. Bhd. Tay Lee Goh	1,505,301	0.51
23.	Tay Lee Shein	1,472,709	0.50
24.	DB (Malaysia) Nominee (Asing) Sdn. Bhd. SSBT Fund J724 for SPDR Portfolio Emerging Markets ETF	1,439,966	0.49
25.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Au Kwan Seng (E-KLC)	1,348,000	0.46
26.	Hia Sin Yee	1,208,333	0.41
27.	Tay How Yeh	1,170,000	0.40
28.	Wong Saow Lai	1,100,000	0.38
29.	Tay Lee Lin	1,041,285	0.36
30.	Hia Kai Xuan	1,003,750	0.34
<b>Total</b>		<b>227,424,943</b>	<b>77.45</b>

Note:  
\* Number of warrants unexercised.

# OTHER INFORMATION

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Second Annual General Meeting of GUAN CHONG BERHAD (“GCB” or “the Company”) will be held at Praline & Truffle, ibis Styles Johor Iskandar Puteri, 1 Nusa Sentrum Complex, Jalan SiLC 2/9, SiLC Industrial Park, 79200 Iskandar Puteri, Johor on Friday, 29 May 2026 at 11.00 a.m. for the transaction of the following businesses:

### AGENDA

#### *As Ordinary Business*

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Directors’ and Auditors’ Reports thereon.
2. To approve the payment of Directors’ fees and benefits up to RM500,000 for the financial year ending 31 December 2026 payable monthly in arrears after each month of completed service of the Directors during the subject financial year. **Ordinary Resolution 1**
3. To declare a final single-tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 December 2025. **Ordinary Resolution 2**
4. To re-elect the following Directors who retire in accordance with Clause 91 of the Company’s Constitution:  
  - i) Nurulhuda Binti Abd Kadir **Ordinary Resolution 3**
  - ii) Ng Kim Hian **Ordinary Resolution 4**
5. To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

#### *As Special Business*

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

6. **Proposed renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016** **Ordinary Resolution 6**

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant regulatory authorities (where applicable), the Directors of the Company be hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company without first offer to holders of existing issued shares of the Company, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being (“Proposed General Mandate”).

# OTHER INFORMATION

## NOTICE OF ANNUAL GENERAL MEETING

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- i) the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- ii) the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
- iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

THAT the Directors of the Company be hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for such New Shares on the Main Market of Bursa Malaysia Securities Berhad.

AND THAT authority be hereby given to the Directors of the Company, to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation thereto as to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.”

**7. Proposed renewal of shareholders’ mandate for recurrent related party transactions of a revenue or trading nature (“RRPT”)**

**Ordinary Resolution 7**

“THAT pursuant to paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be hereby given for the renewal of shareholders’ mandate for the Company and its subsidiaries (“GCB Group”) to enter into and to give effect to specified RRPT and with the related parties as stated in Section 4.3 of the Circular to Shareholders dated 29 April 2026, which are necessary for the day-to-day operations, to be entered into by the GCB Group on the basis that these transactions are or to be entered into on terms which are not more favorable to the related parties involved than generally available to the public and are not detrimental to the minority shareholders of the Company (“Proposed Shareholders’ Mandate”);

THAT the Proposed Shareholders’ Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Shareholders’ Mandate shall only continue to be in force until:

- i) the conclusion of the next Annual General Meeting of the Company following the general meeting at which the Proposed Shareholders’ Mandate has been passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- ii) the expiration of the period within which the next Annual General Meeting after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- iii) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier;

AND THAT the Directors of the Company and/or any of them be hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the Proposed Shareholders’ Mandate.”

# OTHER INFORMATION

## NOTICE OF ANNUAL GENERAL MEETING

### 8. Proposed renewal of authority for the Company to purchase its own ordinary shares up to ten percent (10%) of its issued share capital

### Ordinary Resolution 8

“THAT subject to compliance with the Companies Act 2016, the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all other applicable laws, regulations, guidelines and the approvals of all relevant governmental and/or regulatory authorities, the Company be hereby given full authority to seek shareholders’ approval for the renewal of authority for the Company to purchase such amount of ordinary shares in the Company (“Shares”) through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:

- i) the aggregate number of Shares so purchased and/or held pursuant to this ordinary resolution (“Purchased Shares”) does not exceed ten percent (10%) of the total issued share capital of the Company; and
- ii) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the aggregate of the retained profits of the Company;

THAT the Directors be hereby authorised to decide at their discretion either to retain the Purchased Shares as treasury shares (as defined in Section 127 of the Companies Act 2016) and/or to cancel the Purchased Shares and/or to retain the Purchased Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Malaysia Securities Berhad in accordance with the relevant rules of Bursa Malaysia Securities Berhad and/or cancelled subsequently and/or to retain part of the Purchased Shares as treasury shares and/or cancel the remainder and to deal with the Purchased Shares in such other manner as may be permitted by the Companies Act 2016, rules, regulations, guidelines, requirements and/or orders of Bursa Malaysia Securities Berhad and any other relevant authorities for the time being in force;

AND THAT such approval and authorisation shall only continue to be in force until:

- i) the conclusion of the next 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 unconditionally or subject to conditions; or
- ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND FURTHER THAT the Directors of the Company be authorised to do all such acts and things (including, without limitation executing all such documents as may be required) as they may consider expedient or necessary to give full effect to this mandate.”

### 9. To transact any other business of which due notice shall have been given.

# OTHER INFORMATION

## NOTICE OF ANNUAL GENERAL MEETING

### NOTICE OF ENTITLEMENT DATE AND DIVIDEND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the Twenty-Second Annual General Meeting, the proposed final single-tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 December 2025, will be paid on 9 June 2026 to depositors registered in the Record of Depositors of the Company at the close of business on 15 May 2026.

A depositor shall qualify for entitlement only in respect of:-

- i) Shares transferred into the Depositor's Securities Account before 4.30 p.m. on 15 May 2026 in respect of ordinary transfers; or
- ii) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By order of the Board,

NG MEI WAN

(SSM Practicing Certificate No.: 201908000801) (MIA 28862)

TAN HUI KHIM

(SSM Practicing Certificate No.: 201908000859) (LS 0009936)

Company Secretaries

Muar, Johor

29 April 2026

#### Notes:

1. Only depositors whose names appear in the Record of Depositors as at 21 May 2026 shall be regarded as members and be entitled to attend, participate, speak and vote at the Twenty-Second Annual General Meeting.
2. A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.
3. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised. Any alterations in the Form of Proxy must be initialed by the member.
6. In the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/her/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy, have been duly completed by the member(s).
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at the Share Registrars of the Company, Boardroom Share Registrars Sdn. Bhd. situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor or by email to [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com) or by fax +603-7890 4670 or lodged electronically via Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time appointed for holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Twenty-Second Annual General Meeting to vote by way of poll. For electronic lodgement please refer to the Administrative Details of Twenty-Second Annual General Meeting.

# OTHER INFORMATION

## NOTICE OF ANNUAL GENERAL MEETING

### Explanatory Notes to the Agenda:

#### 8. **Item 1 of the Agenda** **Audited Financial Statements**

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

#### 9. **Item 2 of the Agenda – Ordinary Resolution 1** **Approval of Directors' fees and benefits for the financial year ending 31 December 2026**

Directors' fees and benefits approved for the financial year ended 31 December 2025 were RM500,000. The Directors' fees and benefits proposed for the financial year ending 31 December 2026 are calculated based on the number of scheduled Board and Committee Meetings for financial year ending 31 December 2026 and assuming that all Non-Executive Directors will hold office until the end of the subject financial year.

This resolution is to facilitate payment of Directors' fees and benefits on current financial year basis. In the event the Directors' fees and benefits proposed are insufficient (e.g. due to more meetings), approval will be sought at the next Annual General Meeting for additional fees and benefits to meet the shortfall.

#### 10. **Item 4 of the Agenda – Ordinary Resolutions 3 and 4** **Re-election of Nurulhuda Binti Abd Kadir and Ng Kim Hian, the Directors who retire in accordance with Clause 91 of the Company's Constitution**

Leveraging the annual evaluation of the Board's contribution and performance and an Independent assessment of the Directors, the Nomination Committee had on 15 April 2026 assessed the performance and attributes of the Board, Board Committees and individual Directors in respect of their effectiveness and contribution to the Company, based on a set of prescribed criteria which were approved by the Board.

Based on this annual assessment conducted, the Nomination Committee was of the view that the existing Board and each of its members has the requisite competence and capability to contribute to the needs of the Company and they had sufficiently demonstrated their commitment to the Company in terms of time and participation at meetings during the year under review. Each of these retiring Directors has confirmed to the Board that they do not have any conflict of interest with any of the companies in the Company which may affect his/her ability to act in the best interest of the Company.

Accordingly, the Nomination Committee unanimously recommended to the Board the re-election of all the retiring Directors, at the Twenty-Second Annual General Meeting. Based on the recommendation of the Nomination Committee, the Board (with the exception of the Directors who abstained in respect of their individual retirement) supports the re-election of the retiring Directors at the Twenty-Second Annual General Meeting.

The profile of the Directors standing for re-election is set out in the Directors' Profile in the Annual Report 2025.

#### 11. **Item 5 of the Agenda – Ordinary Resolution 5** **To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration**

The Audit Committee ("AC") had on 15 April 2026 undertook an annual evaluation of the effectiveness of the external audit process and the performance, suitability and independence of the external auditors, BDO PLT, based on the criteria set out in its Terms of Reference.

The AC was satisfied with the suitability of BDO PLT based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Group. The AC was also satisfied in

# OTHER INFORMATION

## NOTICE OF ANNUAL GENERAL MEETING

its review that the provision of non-audit services by BDO PLT to the Group for the financial year ended 31 December 2025 did not in any way, impair their objectivity and independence as external auditors of the Company.

Based on the AC's recommendation, the Board endorsed the motion on the proposed re-appointment of BDO PLT as external auditors of the Company for the financial year ending 31 December 2026 and recommended the same for shareholders' approval. BDO PLT have earlier, indicated their willingness to continue in office.

### 12. **Item 6 of the Agenda – Ordinary Resolution 6** **Proposed renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016**

- i) The proposed Ordinary Resolution 6, if passed, will grant a mandate ("General Mandate") empowering the Directors of the Company, from the date of the Twenty-Second Annual General Meeting to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company up to an amount not exceeding ten percent (10%) of the total number of issued shares capital of the Company. This authority, unless revoked or varied at a general meeting shall continue to be in full force until the conclusion of the next Annual General Meeting of the Company.
- ii) The General Mandate is a renewal of the previous mandate obtained at the last Annual General Meeting held on 28 May 2025 which will expire at the conclusion of the forthcoming Annual General Meeting.
- iii) As at the date of this Notice, the Company did not issue any new ordinary shares based on the previous mandate obtained at the last Annual General Meeting.
- iv) The General Mandate, if granted will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding current and/or future investment project(s), working capital and/or acquisitions.
- v) In accordance with Clause 9 of the Company's Constitution, the passing of the Ordinary Resolution 6, the shareholders of the Company shall be taken as agree for the New Shares to be issued to such person(s) as the Directors may deem fit and expedient in the interest of the Company without first offer the New Shares to holders of existing issued shares of the Company prior to issuance of the New Shares.

### 13. **Item 7 of the Agenda – Ordinary Resolution 7** **Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("RRPT") ("Proposed Shareholders' Mandate")**

The proposed Ordinary Resolution 7, if passed, will authorise GCB Group to enter into RRPT which are necessary for the GCB Group's day-to-day operations to be entered into by the Company and its subsidiaries with the respective related parties from the forthcoming Annual General Meeting to the next Annual General Meeting; subject to the condition that the transactions are entered into on terms which are not more favorable to the related parties involved than generally available to the public and are not detrimental to the minority shareholders of the Company.

Further details on the Proposed Shareholders' Mandate are provided in the Circular to Shareholders dated 29 April 2026.

# OTHER INFORMATION

## NOTICE OF ANNUAL GENERAL MEETING

### 14. **Item 8 of the Agenda – Ordinary Resolution 8**

#### **Proposed renewal of authority for the Company to purchase its own ordinary shares up to ten percent (10%) of its issued share capital**

The proposed Ordinary Resolution 8, if passed, will allow the Directors of the Company to exercise the power of the Company to purchase not more than ten percent (10%) of the total issued share capital of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This authority, unless revoked or varied by the Company at a general meeting, shall continue to be in full force until the conclusion of the next Annual General Meeting of the Company.

Further details are set out in the Circular to Shareholders dated 29 April 2026.

### 15. **ANNUAL REPORT**

The Annual Report for the financial year ended 31 December 2025 is now available at the Company's corporate website, [www.gcbcocoa.com](http://www.gcbcocoa.com). Printed copy of the Annual Report shall be provided to the shareholders upon request soonest possible from the date of receipt of the request.

Shareholders who wish to receive the printed Annual Report may login to Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com> and select "Request Annual Report" under "Investor Service" to submit your request.

# OTHER INFORMATION

## NOTICE OF ANNUAL GENERAL MEETING

### STATEMENT ACCOMPANYING NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

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

**1. Details of Individuals Standing for Election as Directors**

No individual is seeking election as a Director at the Twenty-Second Annual General Meeting of the Company.

**2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

Please refer to item 12 – Explanatory Notes to the Agenda for Ordinary Resolution 6 on proposed renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.

# OTHER INFORMATION

## ADMINISTRATIVE DETAILS

Dear Shareholders

Greeting from GUAN CHONG BERHAD

### (A) Details of the Twenty-Second Annual General Meeting

**Date** : Friday, 29 May 2026  
**Time** : 11.00 a.m. or any adjournment thereof  
**Venue** : Praline & Truffle, ibis Styles Johor Iskandar Puteri  
1 Nusa Sentrum Complex  
Jalan SiLC 2/9  
SiLC Industrial Park  
79200 Iskandar Puteri, Johor

### (B) Registration

1. Registration will start at 10.00 a.m. on Friday, 29 May 2026.
2. Kindly produce your original MyKad/Passport (for foreigners) to the registration staff at the registration counter for verification. Please ensure to collect your MyKad/Passport thereafter.
3. Upon verification, you are required to sign on the Attendance list prepared by the registration staff.
4. After registration, a polling slip will be issued to the respective shareholders and/or proxy holders and will only be given a wristband as identification in order to vote.
5. No person will be allowed to register on behalf of another person, even with the original MyKad/Passport of that person.
6. The registration counter will handle only the verification of identity and registration.
7. Please vacate the registration area immediately after registration and proceed to the meeting hall.
8. For any clarification or enquiry, please proceed to the Company's Helpdesk at the registration counter.
9. Poll Administrator's Helpdesk will handle the revocation of a proxy's appointment.

### (C) Entitlement to Participate in the Annual General Meeting

Only members whose names appear on the Record of Depositors as at 21 May 2026 shall be entitled to attend the Twenty-Second Annual General Meeting or appoint proxy(ies)/corporate representative(s)/attorney to attend and to vote in his/her stead. A proxy must be 18 years and above and need not be a member of the Company.

### (D) Proxy

1. A member entitled to attend and vote is entitled to appoint proxy/proxies, to attend and vote instead of him/her. If you are unable to attend the meeting and wish to appoint a proxy to vote on your behalf, please submit your Form of Proxy in accordance with the notes and instructions printed therein.
2. You may submit your Form of Proxy to the office of the Share Registrar of our Company, Boardroom Share Registrars Sdn. Bhd. ("BSR") or by email to [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com) or by fax +603-7890 4670. We do not acknowledge receipt of the form(s) of proxy.
3. The proxy appointment may also be lodged electronically via Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com> or email to [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com) which is free and available to all shareholders. For further information, kindly refer to Table 1 below for proxy appointment via BSIP.

# OTHER INFORMATION

## ADMINISTRATIVE DETAILS

**Table 1 – Proxy Appointment via Boardroom Smart Investor Portal (“BSIP”)**

<p>Step 1 – Register Online with Boardroom Smart Investor Portal</p> <p>(For first time registration only)</p>	<p><i>Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2.</i></p> <ul style="list-style-type: none"> <li>• Access the website <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a></li> <li>• Click <b>“Register”</b> to sign up as a user.</li> <li>• Please select the correct account type i.e. sign up as <b>“Shareholder”</b> or <b>“Corporate Holder”</b>.</li> <li>• Complete registration with all the required information. Upload and attach a softcopy of your Identity Card (NRIC) (front and back) or Passport. Click <b>“Register”</b>.</li> <li>• For Corporate Holder, kindly upload the authorisation letter as well, Click <b>“Sign Up”</b>.</li> <li>• You will receive an email from BSIP Online for email address verification. Click on <b>“Verify Email Address”</b> from the email received to continue with the registration.</li> <li>• Once your email address is verified, you will be re-direct to BSIP Online for verification of mobile number.</li> <li>• Click on <b>“Request OTP Code”</b> and an OTP code will be sent to the registered mobile number. You will need to enter the OTP Code and click <b>“Enter”</b> to complete the process.</li> <li>• Once your mobile number is verified, registration of your new BSIP account will be pending for final verification.</li> <li>• An email will be sent to you to inform the approval of your BSIP account within one (1) business day. Subsequently, you can login at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> with the email address and password filled up by you during the registration to proceed.</li> </ul>
<p>Step 2 – Appointment of Proxy</p>	<ul style="list-style-type: none"> <li>• Login to <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> using your user ID and password from Step 1 above.</li> <li>• Click <b>“Meeting Event(s)”</b> and select from list of companies <b>“GUAN CHONG BERHAD 22ND ANNUAL GENERAL MEETING”</b> and click <b>“Enter”</b>.</li> <li>• Click <b>“Submit eProxy Form”</b>.</li> <li>• Select the company you would like to represent (if you represent more than one company, for Corporate Shareholder).</li> <li>• Enter your CDS Account Number and number of Securities held.</li> <li>• Select your proxy — either the Chairman of the meeting or individual named proxy(ies) and enter the required particulars of your proxy(ies).</li> <li>• Read and accept the General Terms and Conditions and click <b>“Next”</b>.</li> <li>• Enter the required particulars of your proxy(ies).</li> <li>• Indicate your voting instructions — <b>“FOR”</b> or <b>“AGAINST”</b> or <b>“ABSTAIN”</b>. If you wish to have your proxy(ies) to act upon his/her discretion, please indicate <b>“DISCRETIONARY”</b>.</li> <li>• Click <b>“Apply”</b>. Download or print the eProxy Form as acknowledgement.</li> </ul> <p><i>Note for Corporate Shareholders: if you are representing more than (1) company, kindly click the home button and select “Edit Profile” in order to add Company.</i></p>

# OTHER INFORMATION

## ADMINISTRATIVE DETAILS

Step 2 – Appointment of Proxy (Cont'd)	<p><b>Corporate Shareholders (via email)</b></p> <ul style="list-style-type: none"><li>• Write in to <a href="mailto:bsr.proxy@boardroomlimited.com">bsr.proxy@boardroomlimited.com</a> by providing the name of Member, CDS Account Number accompanied with the Certificate of Appointment of Corporate Representative or Form of Proxy (as the case may be) to submit the request latest by <b>27 May 2026 at 11.00 a.m.</b></li><li>• Please provide a copy of Corporate Representative's or Proxy's Identity Card (front and back) or Passport as well as his/her email address.</li></ul> <p><b>Authorised Nominee and Exempt Authorised Nominee</b></p> <p><b>Via BSIP</b></p> <ul style="list-style-type: none"><li>• Login to <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> using your user ID and password from Step 1 above.</li><li>• Select <b>"GUAN CHONG BERHAD 22ND ANNUAL GENERAL MEETING"</b> from the list of Meeting Event(s) and click <b>"Enter"</b>.</li><li>• Click on <b>"Submit eProxy Form"</b>.</li><li>• Select the company you would like to represent (if you represent more than one company).</li><li>• Proceed to download the file format for <b>"Submission of Proxy Form"</b> from BSIP.</li><li>• Prepare the file for the appointment of proxies by inserting the required data.</li><li>• Proceed to upload the duly completed proxy appointment file.</li><li>• Review and confirm your proxy appointment and click <b>"Submit"</b>.</li><li>• Download or print the eProxy form as acknowledgement.</li></ul> <p><i>Note: if you are representing more than (1) company, kindly click the home button and select "Edit Profile" in order to add Company.</i></p> <p><b>Via email</b></p> <ul style="list-style-type: none"><li>• To submit the request, Authorised Nominee and Exempt Authorised Nominee need to deposit the original hardcopy Form of Proxy to BSR and write in to BSR at <a href="mailto:bsr.proxy@boardroomlimited.com">bsr.proxy@boardroomlimited.com</a> by providing softcopy of the Form of Proxy, the name of shareholders and CDS Account Number.</li><li>• Please provide a copy of the proxy holder's MyKad/Identification Card (front and back) or Passport in JPEG, PNG or PDF format as well as his/her email address.</li></ul>
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4. If you wish to attend the Meeting yourself, please do not submit any Form of Proxy. You will not be allowed to attend the Meeting together with a proxy appointed by you.
5. If you have submitted your Form of Proxy prior to the meeting and subsequently decided to attend the meeting yourself, please proceed to the Poll Administrator's Helpdesk to revoke the appointment of your proxy.

# OTHER INFORMATION

## ADMINISTRATIVE DETAILS

### (E) Poll Voting

1. In accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the voting at the Twenty-Second Annual General Meeting will be conducted by poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
2. The Poll Administrator will be available to brief and/or guide all Twenty-Second Annual General Meeting Attendees before the commencement of and during the voting process.
3. Upon completion of the voting session for the Twenty-Second Annual General Meeting, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration of whether the resolutions are duly passed.

### (F) Annual Report 2025

1. The Company's Annual Report 2025, Form of Proxy, Corporate Governance Report and Administrative Details are available on the following websites:
  - <https://www.bursamalaysia.com>
  - <https://www.gcbcocoa.com/content/annual-reports>
2. If you wish to request a printed copy of the Annual Report 2025, please complete and send the Requisition Form which can be downloaded from the Company's website at <https://www.gcbcocoa.com/content/annual-reports> or login to Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com> and select "Request Annual Report" under "Investor Service" to submit your request.
3. Kindly think of the environment before you decide to print the Annual Report 2025. We would appreciate your support by joining us to promote "Act Green" initiative to achieve environmentally responsible and paperless.

### (G) Enquiry

If you have any queries prior to the meeting, please contact the following officers during office hours:

#### **Boardroom Share Registrars Sdn. Bhd.**

[199601006647 (378993-D)]

11th Floor, Menara Symphony

No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,

46200 Petaling Jaya Selangor

Tel No. : +603-7890 4700 / 4716 / 4704

Fax No. : +603-7890 4670

Email Address : [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com)  
[mohamed.sophiee@boardroomlimited.com](mailto:mohamed.sophiee@boardroomlimited.com)  
[nuratiqah.arif@boardroomlimited.com](mailto:nuratiqah.arif@boardroomlimited.com)

Contact Person : Encik Mohamed Sophiee Ahmad Nawawi  
Cik Nur Atiqah Mohd Arif

No. of Shares held	
CDS Account No.	

I/We, \_\_\_\_\_ NRIC/Passport/Registration No. \_\_\_\_\_  
(full name in capital letters)

of \_\_\_\_\_  
(full address)

being a member/members of GUAN CHONG BERHAD, hereby appoint \_\_\_\_\_

\_\_\_\_\_ NRIC No./Passport No. \_\_\_\_\_  
(full name in capital letters)

of \_\_\_\_\_  
(full address)

and/or \_\_\_\_\_ NRIC No./Passport No. \_\_\_\_\_  
(full name in capital letters)

of \_\_\_\_\_  
(full address)

or failing him/her\*, the CHAIRMAN OF THE MEETING as my/our\* proxy to vote for me/us\* on my/our\* behalf at the Twenty-Second Annual General Meeting of the Company to be held at Praline & Truffle, ibis Styles Johor Iskandar Puteri, 1 Nusa Sentrum Complex, Jalan SiLC 2/9, SiLC Industrial Park, 79200 Iskandar Puteri, Johor on Friday, 29 May 2026 at 11.00 a.m. and at any adjournment thereof in respect of my/our\* shareholding in the manner indicated below:-

No.	Ordinary Resolution	For	Against
1	Approval of Directors' fees and benefits for the financial year ending 31 December 2026		
2	Declaration of a final single-tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 December 2025		
3	Re-election of Nurulhuda Binti Abd Kadir as Director		
4	Re-election of Ng Kim Hian as Director		
5	Re-appointment of Messrs BDO PLT as Auditors		
6	Renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		
7	Renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature		
8	Renewal of authority for the Company to purchase its own ordinary shares up to ten percent (10%) of its issued share capital		

[Please indicate with a "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific instructions, your proxy will vote or abstain as he/she thinks fit]

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

Proxy	No. of Shares	Percentage
1		
2		
Total		100%

\_\_\_\_\_  
Signature of Shareholder or Common Seal

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

Fold this flap for sealing

Notes:

1. Only depositors whose names appear in the Record of Depositors as at 21 May 2026 shall be regarded as members and be entitled to attend, participate, speak and vote at the Twenty-Second Annual General Meeting.
2. A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.
3. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised. Any alterations in the Form of Proxy must be initialed by the member.

Then fold here

Affix  
Stamp

The Share Registrar  
**Boardroom Share Registrars Sdn. Bhd.**  
**Registration No.: 199601006647 (378993-D)**

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

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6. In the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/her/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy, have been duly completed by the member(s).
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at the Share Registrars of the Company, Boardroom Share Registrars Sdn. Bhd. situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor or by email to [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com) or by fax +603-7890 4670 or lodged electronically via Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time appointed for holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Twenty-Second Annual General Meeting to vote by way of poll. For electronic lodgement please refer to the Administrative Details of Twenty-Second Annual General Meeting.

#### **Personal Data Privacy**

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purpose of the Twenty-Second Annual General Meeting and any adjournment thereof.



**BERHAD**  
**GUANCHONG**

200401007722 (646226-K)

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