

Annual Report 2025

The **CANs** Company



CAN-ONE BERHAD

Registration No. 200401000396 (638899-K)



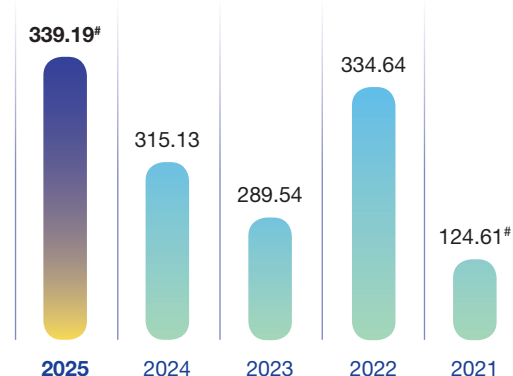
FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

	Financial Year Ended 31 December				
	2025	2024	2023	2022	2021
Revenue (RM'Million)	3,191.45	3,192.60	3,053.79	3,167.45	2,693.43
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) (RM'Million)	339.19[#]	315.13	289.54	334.64	124.61 [#]
Profit/(Loss) Before Taxation (RM'Million)	33.83	20.95	50.29	128.93	(69.24)
(Loss)/Profit After Taxation (RM'Million)	(26.06)	(25.75)	28.62	87.89	(108.94)
Net (Loss)/Profit Attributable to Equity Holders (RM'Million)	(26.66)	(19.68)	33.40	91.65	(52.86)
Total Assets (RM'Million)	4,472.30	4,396.26	4,483.23	4,263.57	3,962.35
Paid-Up Capital (RM'Million)	197.66	197.66	197.66	197.66	197.66
Shareholders' Equity (RM'Million)	1,721.14	1,809.55	1,851.49	1,826.58	1,733.80
Return on Equity (%)	(1.55)	(1.09)	1.80	5.02	(3.05)
Total Borrowings and Lease Liabilities (RM'Million)	2,041.91	1,869.50	1,762.11	1,603.07	1,481.16
(Loss)/Earnings Per Share (Sen)	(13.87)	(10.24)	17.38	47.70	(27.51)
Net Assets Per Share (RM)	8.96	9.42	9.64	9.51	9.02
Debt-To-Equity Ratio (times)					
- Debt Included Lease Liabilities	1.19	1.03	0.95	0.88	0.85
- Debt Excluded Lease Liabilities	1.07	0.93	0.85	0.79	0.85
- Net Debt-To-Equity	0.96	0.80	0.74	0.67	0.71

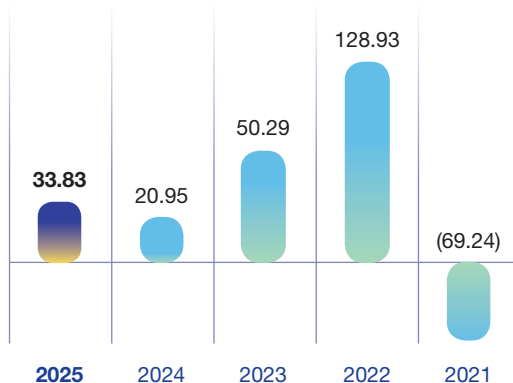
Revenue
(RM'MILLION)



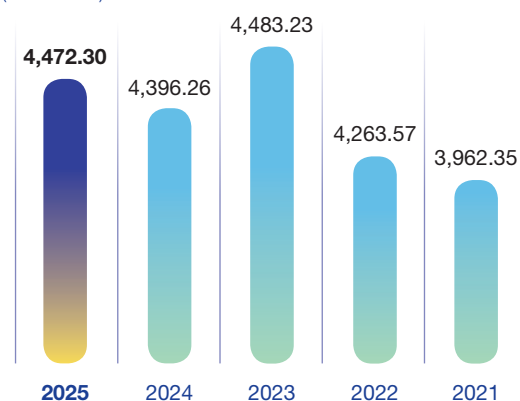
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)
(RM'MILLION)



Profit/(Loss) Before Taxation
(RM'MILLION)



Total Assets
(RM'MILLION)



[#] EBITDA amount included reversal of impairment losses of property, plant and equipment and right-of-use assets of RM3.1 million and RM4.6 million (2021: impairment losses of RM197.0 million and RM34.5 million) respectively.

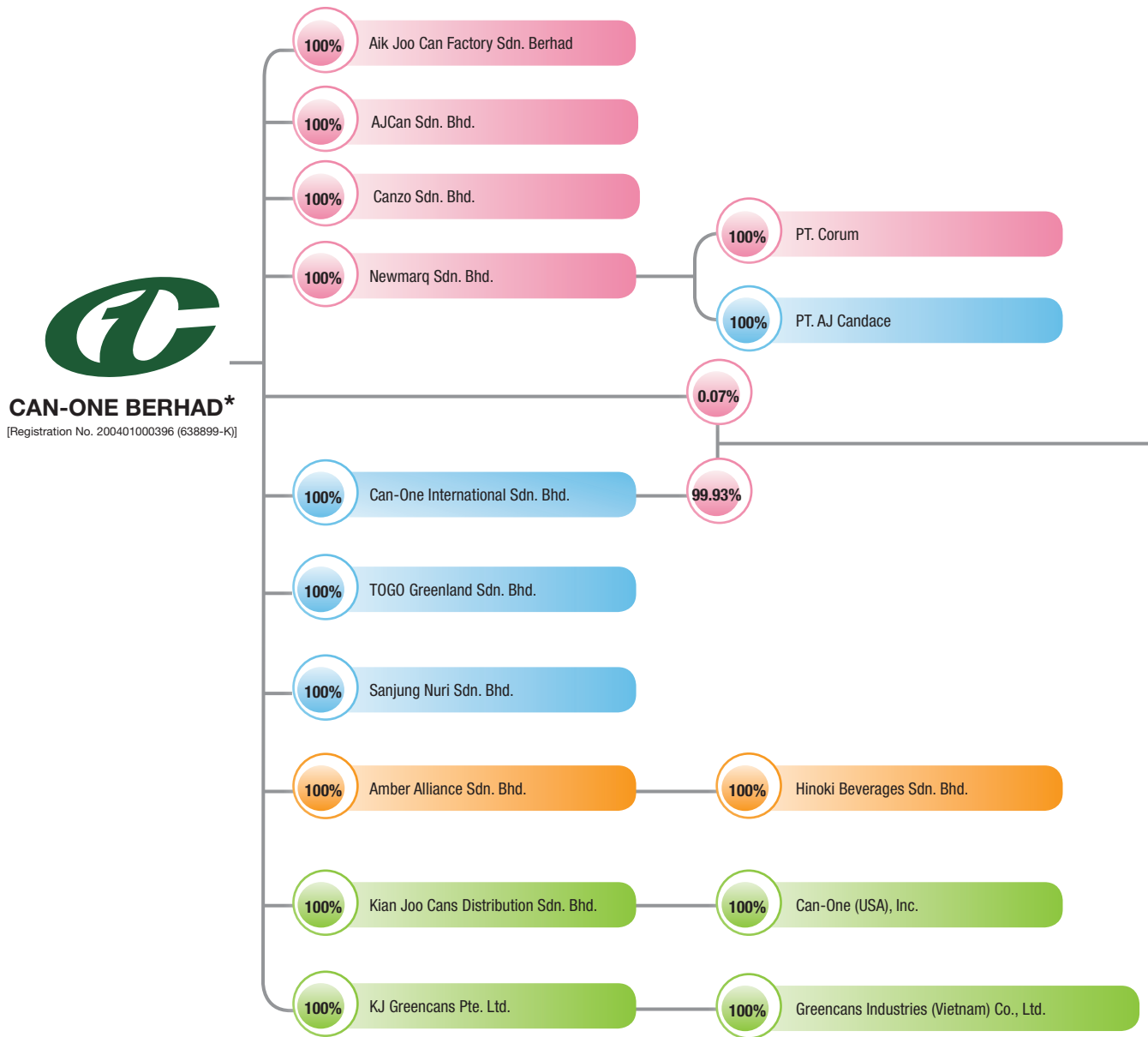
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CORPORATE STRUCTURE

AS AT 15 APRIL 2026



* Listed on the Main Market of Bursa Malaysia Securities Berhad

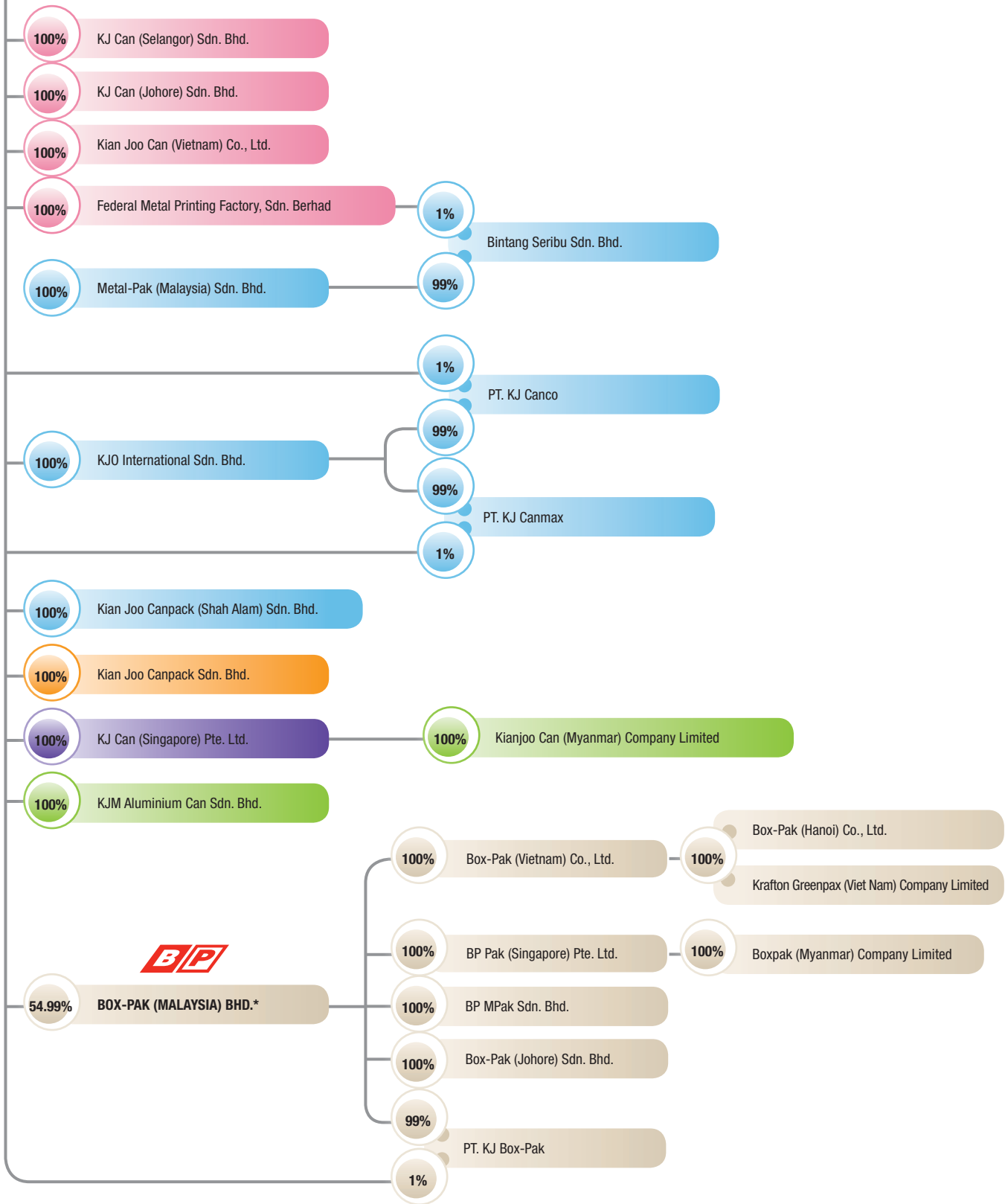
- General packaging division - General cans (Tin cans, jerry cans and rigid packaging) segment
- General packaging division - Aluminium cans segment
- General packaging division - Cartons segment
- Contract manufacturing division
- Trading division
- Property development and investment holding division

CORPORATE STRUCTURE

AS AT 15 APRIL 2026



Kian Joo Can Factory Berhad



CORPORATE INFORMATION

AS AT 15 APRIL 2026

BOARD OF DIRECTORS

Tun Arifin Bin Zakaria

*Chairman/Senior Independent
Non-Executive Director*

**Marc Francis Yeoh
Min Chang**

Group Managing Director

Goh Teck Hong

Executive Director

Yeoh Jin Hoe

*Non-Independent
Non-Executive Director*

Yeoh Jin Beng

*Non-Independent
Non-Executive Director*

Foo Kee Fatt

Independent Non-Executive Director

**Datuk Dr. Syed Hussain
Bin Syed Husman, J.P.**

Independent Non-Executive Director

Rajaretnam Soloman Daniel

Independent Non-Executive Director

Kee E-Lene

Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Foo Kee Fatt (*Chairman*)
Datuk Dr. Syed Hussain
Bin Syed Husman, J.P.
Rajaretnam Soloman Daniel

NOMINATING COMMITTEE

Rajaretnam Soloman Daniel
(*Chairman*)
Datuk Dr. Syed Hussain
Bin Syed Husman, J.P.
Kee E-Lene

REMUNERATION COMMITTEE

Datuk Dr. Syed Hussain
Bin Syed Husman, J.P.
(*Chairman*)
Foo Kee Fatt
Yeoh Jin Hoe

COMPANY SECRETARIES

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

Kwong Shuk Fong
SSM PC No. 202008002178
MAICSA 7032330

REGISTERED AND CORPORATE OFFICE

2B-4, Level 4
Jalan SS 6/6, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Telephone : +603-7804 8590
Fax : +603-7880 1605
Email : can1@canone.com.my

PRINCIPAL PLACE OF BUSINESS

Lot 2244, Jalan Rajawali
Batu 9, Kampung Kebun Baru
42500 Telok Panglima Garang
Kuala Langat
Selangor Darul Ehsan, Malaysia
Telephone : +603-3122 1988
Fax : +603-3122 2188
Email : ajctpg@aikjoo.com.my

PRINCIPAL BANKERS

AmBank (M) Berhad
Export-Import Bank of Malaysia
Berhad
Hong Leong Bank Berhad
HSBC Bank Malaysia Berhad
OCBC Bank (Malaysia) Berhad
United Overseas Bank (Malaysia) Bhd

AUDITORS

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants
Level 10, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Telephone : +603-7721 3388
Fax : +603-7721 3399
Email : info@kpmg.com.my

SHARE REGISTRAR

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

STOCK EXCHANGE LISTING

Main Market
Bursa Malaysia Securities Berhad
Stock Name : CANONE
Stock Code : 5105
Sector : Industrial Products
& Services
Sub-sector : Packaging Materials

WEBSITE

www.canone.com.my

PROFILE OF DIRECTORS

AS AT 15 APRIL 2026

TUN ARIFIN BIN ZAKARIA

Chairman/Senior Independent Non-Executive Director

Malaysian
Male
Aged 75

Tun Arifin Bin Zakaria was appointed as Senior Independent Non-Executive Director and Chairman of Board of Directors of Can-One Berhad (“Can-One” or “the Company”) on 28 June 2023.

He graduated with Bachelor of Laws (LLB) (Honours) from the University of Sheffield, United Kingdom (“UK”) in 1974 and Master of Laws (LLM) from the University College, London in 1979. He was called to the English Bar at The Honourable Society of Lincoln’s Inn in 1979.

Upon graduation, he joined the Malaysian Judicial and Legal Service serving as a Magistrate in the Magistrates’ Court, President of the Sessions Court, and Senior Assistant Registrar of the High Court, Federal Counsel and Senior Federal Counsel in the Advisory Division of the Attorney General’s Chambers of Malaysia, Legal Advisor to the Ministry of Primary Industries, Legal Advisor to the Public Services Department, Legal Advisor to the State of Malacca and Perak, Deputy Parliamentary Draftsman and Senior Federal Counsel of the Inland Revenue Department.

He was appointed as Judicial Commissioner of the High Court of Malaya on 1 March 1992, and Judge of the High Court of Malaya in 1994. In 2002, he was elevated as Judge of the Court of Appeal, in 2005 as Judge of the Federal Court and in October 2008 as Chief Judge of the High Court of Malaya. On 12 September 2011, he was appointed as the 13th Chief Justice of Malaysia, where he served until his retirement on 31 March 2017. In 2013, he was made an Honorary Bencher of The Honorable Society of Lincoln’s Inn.

Among his contributions to the legal fraternity are improving the efficiency of judiciary through the use of information technology in courts, upgrading and installation of Court Recording and Transcription (CRT) facility, implementation of e-filing and e-finance system. Other contributions include the setting up of the New Commercial Courts (NCC) to dispose commercial cases within 9 months, establishing the Environmental Courts as part of the Sessions and Magistrates’ Courts in 2011, setting up of the Construction Court in Kuala Lumpur and Shah Alam in 2013, overseeing the establishment of the Coroner’s Court in 2014 and setting up of the Anti-Profitteering Court in 2015, and introducing court-annexed mediation throughout the country to expedite disposal of cases and reduce cost of litigation.

He also headed the committee drafting the Rules of Court 2012, combining the Rules of the High Court 1980 and the Subordinate Court Rules 1980, reforming and streamlining civil procedure in Malaysia.

He is currently the Chairman of DutaLand Berhad, which is listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”). He is also the President of Inns of Court Malaysia, a society for legal professionals. He is also currently the Chancellor of Quest International University and Chairman of Baroque Investment Bank Ltd.

He does not have any family relationship with any Director and/or major shareholder of Can-One.

PROFILE OF DIRECTORS

AS AT 15 APRIL 2026

Malaysian
Male
Aged 41

MARC FRANCIS YEOH MIN CHANG

Group Managing Director

Marc Francis Yeoh Min Chang was appointed as Chief Operating Officer cum Executive Director of Can-One on 6 July 2012, and assumed the position of Group Managing Director (“MD”) on 1 October 2017.

He holds a Bachelor of Science Degree in Electrical and Electronic Engineering (Magna cum Laude) from Marquette University, United States of America (“USA”) and a Master of Business Administration in Finance from University of Southern Queensland, Australia.

He is currently responsible for implementation of Can-One group of companies’ (“Can-One Group” or “the Group”) board operational strategies and policies. In addition, he also oversees the day-to-day operations and performance of the Group. His experience covers engineering, business development, management and marketing.

He was General Manager of the Engineering and Business Development units of the Group before his appointment to the Board of Directors of Can-One. Prior to this, he was working for Axiata Group Berhad group of companies serving in various senior positions abroad from 2007 to 2010.

He is the Senior Executive Director of Kian Joo Can Factory Berhad (“KJCFB”), a wholly-owned subsidiary of Can-One. He acts as an Alternate Director to Yeoh Jin Hoe in Aluminium Company of Malaysia Berhad, a wholly-owned subsidiary of Alcom Group Berhad (“AGB”). He is also a Trustee of Yayasan Canone Kianjoo.

He is the son of Yeoh Jin Hoe (a Director and major shareholder of the Company) while Yeoh Jin Beng (a Director of the Company) is his uncle.

Malaysian
Male
Aged 51

GOH TECK HONG

Executive Director

Goh Teck Hong was appointed as Executive Director of Can-One on 1 March 2022. He holds a Bachelor of Commerce Degree in Accounting and Economics from Deakin University, Australia. He is a Certified Practising Accountant of CPA Australia and Chartered Accountant of the Malaysian Institute of Accountants (“MIA”).

He has more than 20 years capital market, Islamic banking and commercial experience, local and regional, in the fields of investment banking, corporate finance, corporate banking and debt markets. He previously held various senior positions in RHB Islamic Bank Berhad, Kuwait Finance House (Malaysia) Berhad and Aseambankers Malaysia Berhad (now known as Maybank Investment Bank Berhad). He also possesses experience in regulatory and compliance fields during his employment with Kuala Lumpur Stock Exchange (now known as Bursa Securities) and Malaysian Derivatives Clearing House Berhad.

He is an Executive Director of AGB and an Independent Non-Executive Director of LAC Med Berhad, both are listed on the Main Market of Bursa Securities.

He does not have any family relationship with any Director and/or major shareholder of Can-One.

PROFILE OF DIRECTORS

AS AT 15 APRIL 2026

YEOH JIN HOE

Non-Independent Non-Executive Director

Malaysian
Male
Aged 79

Yeoh Jin Hoe was appointed as MD of Can-One on 8 April 2005 but relinquished the position on 11 July 2012 when he was appointed Group MD of KJCFB, a wholly-owned subsidiary of Can-One. He, however, remained on the Board of Directors of Can-One as a Non-Independent Non-Executive Director. He is also a member of Remuneration Committee.

He has extensive experience in the manufacturing and trading industries, having been the founder of several companies involved in the manufacturing sector. The Kaiserkorp Sdn. Bhd. group of companies ("Kaiserkorp Group") which manufacture and distribute "KingKoil" and other branded mattresses as well as other sleep related products in Malaysia were started by him in the 1980s. He also founded Agrow Malaysia Sdn. Bhd. group of companies, which distribute sanitary wares, ironmongery and builders' hardware. Thereafter, he went on to establish Ibufood Corporation Sdn. Bhd. group of companies ("Ibufood Group") which manufacture and distribute instant noodles, food seasonings, instant soups and marinades.

Under his leadership and guidance, Can-One Group expanded its core business as a tin can manufacturer to include the manufacture of plastic jerry cans, rigid packaging, dairy and non-dairy products. He was instrumental in the acquisition by Can-One Group of its initial 32.9% equity interest in KJCFB.

He is also the Group MD of Box-Pak (Malaysia) Bhd., which is listed on the Main Market of Bursa Securities and a subsidiary company of KJCFB. He is an Executive Director of AGB which is listed on the Main Market of Bursa Securities as well as Aluminium Company of Malaysia Berhad, a subsidiary of AGB. He is also a Trustee of Yayasan Canone Kianjoo.

He is a major shareholder of Can-One. He is the father of Marc Francis Yeoh Min Chang (the Group MD of Can-One) and the brother of Yeoh Jin Beng (a Director of Can-One).



PROFILE OF DIRECTORS

AS AT 15 APRIL 2026

Malaysian
Male
Aged 74

YEOH JIN BENG

Non-Independent Non-Executive Director

Yeoh Jin Beng was appointed as Non-Independent Non-Executive Director of Can-One on 8 April 2005.

His expertise is in the manufacture and trading of fast moving consumer goods. He is one of the co-founders of Kaiserkorp Group which manufactures and distributes “KingKoil” and other branded mattresses in Malaysia. Prior to that, he was working for an international pharmaceutical company which deals in pharmaceutical and other specialty medical products.

He is the MD of Ibufood Group which is involved in the manufacture and distribution of instant noodles, food seasonings, instant soups and marinades.

He is the brother of Yeoh Jin Hoe (Director and major shareholder of Can-One) and uncle of Marc Francis Yeoh Min Chang (the Group MD of Can-One).

He has no directorship in other public companies and listed issuers.

Malaysian
Male
Aged 60

FOO KEE FATT

Independent Non-Executive Director

Foo Kee Fatt was appointed as Independent Non-Executive Director of Can-One on 29 December 2017. He is also the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee.

He is a member of the Malaysian Institute of Certified Public Accountants (“MICPA”) and Chartered Accountant of the MIA. He is also an associate member of Chartered Tax Institute of Malaysia and an approved company auditor under the Companies Act 2016. He has about 38 years of experience in public accountancy practice.

He began his career in 1987 when he joined and served his articleship with Messrs. Kassim Chan & Co. (now known as Messrs. Deloitte). In 1993, he joined Messrs. Peter Chong & Co., a local accounting firm with international affiliation, as a Senior Associate where he worked his way up to become a Partner at the firm. In 2007, he established Messrs. KFF, an audit firm, and currently, he is in public practice.

He is an Independent Non-Executive Director of MMS Ventures Berhad and Box-Pak (Malaysia) Bhd. (a subsidiary of Can-One), both of which are listed on the Main Market of Bursa Securities.

He does not have family relationship with any Director and/or major shareholder of Can-One.

PROFILE OF DIRECTORS

AS AT 15 APRIL 2026

DATUK DR. SYED HUSSAIN BIN SYED HUSMAN, J.P.

Independent Non-Executive Director

Malaysian
Male
Aged 68

Datuk Dr. Syed Hussain Bin Syed Husman, J.P. was appointed as Independent Non-Executive Director of Can-One on 1 December 2021. He is also the Chairman of the Remuneration Committee and a member of the Audit and Risk Management Committee and the Nominating Committee.

He holds a Bachelor in Business Studies and a Masters in Business Administration from Western Illinois University, Illinois, USA. He has a Doctorate of Philosophy in Labour Relations from London, UK, and also a Doctorate in Business Administration from Asia e University (AeU). He has also attended the Senior Management Development Program at Harvard Business School, USA in 2002.

He is also currently serving as the President of Malaysian Employers Federation and a member of the Board of the Employees Provident Fund as an Employers' representative. He is also appointed to the Ahli Majlis Negara bagi Keselamatan dan Kesihatan Pekerjaan, the Advisory Council of Malaysian Society for Occupational Health and Safety, National Wages Consultative Council, Ahli Majlis Penasihat Industri Jabatan Pendidikan Politeknik dan Kolej Komuniti, Ahli Mesyuarat Jawatankuasa Eksekutif Majlis TVET Negara, Council Member of the Malaysian Qualifications Agency under the Ministry of Higher Education, President of Confederation of Asia Pacific Employers (CAPE) and also a Governing Board member of International Labour Organisation (ILO).

He was with Procter & Gamble, Malaysia/Singapore as Human Resources and External Affairs Director (1992 to 1997); Rothmans of Pall Mall (Malaysia) Berhad (1997 to 2000) and British American Tobacco (Malaysia) Berhad (2000 to 2004) as Director, Human Resources - Public Relations and Security Affairs. He joined Ramunia Holdings Bhd. (2006 to 2008) as Group Director, Human Resources, Communications and Information Technology, and Petrofield (M) Sdn. Bhd. (2008 to 2010) as Group Director, Human Resources, Corporate Affairs and Government Affairs.

He is an Executive Director/Chief Executive Officer of SVTT Resources Sdn. Bhd., and the Chairman and Senior Independent Non-Executive Director of KIP REIT Management Sdn. Bhd., the Manager of public listed KIP Real Estate Investment Trust.

He does not have any family relationship with any Director and/or major shareholder of Can-One.



PROFILE OF DIRECTORS

AS AT 15 APRIL 2026

Malaysian
Male
Aged 71

RAJARETNAM SOLOMAN DANIEL

Independent Non-Executive Director

Rajaretnam Soloman Daniel was appointed as Independent Non-Executive Director of Can-One on 29 June 2022. He is also the Chairman of the Nominating Committee and a member of the Audit and Risk Management Committee.

He holds a Bachelor of Economics (Honours) Degree from University of Malaya and a Masters in Business Administration from University of Strathclyde, Glasgow, UK under scholarship from United Asian Bank Berhad (now known as CIMB Bank Berhad).

He has over 33 years of experience in the banking industry particularly, in the area of credit management, having previously served as Group Chief Credit Officer in EON Bank Group ("EON Bank") and RHB Bank Group ("RHB Bank"). During his tenure with EON Bank and RHB Bank, he sat in several committees in the aforesaid banks namely, Credit Committee, Management Committee, Credit Recovery Committee, Risk Management Committee, Risk Assessment Committee, Basel II Steering Committee, Asset-liability Committee and Information Technology Steering Committee. He also served as director in several subsidiaries of RHB Bank.

He has no directorship in other public companies and listed issuers. He does not have any family relationship with any Director and/or major shareholder of Can-One.

Malaysian
Female
Aged 57

KEE E-LENE

Independent Non-Executive Director

Kee E-Lene was appointed as Independent Non-Executive Director of Can-One on 29 June 2022. She is also a member of the Nominating Committee.

She holds a LLB (Honours) degree from the University of Nottingham, England and was admitted to the Bar of England and Wales and the Malaysian Bar in 1991 and 1993 respectively.

She brings with her a depth of business experience in addition to her corporate legal experience having worked closely for over 30 years with founders of companies, more particularly, in property development, retail advisory, education and agriculture. Adding to this diversity, she also co-founded Abundant Ventures Sdn. Bhd., is a multifaceted social enterprise focusing on the people and environment whilst undertaking an advisory role at the Malaysian chapter of a global youth non-governmental organisation (NGO).

She is an Independent Non-Executive Director of CIMB Bank Berhad. She does not have any family relationship with any Director and/or major shareholder of Can-One.

Additional information:

1. Save as disclosed, none of the Directors has conflict of interest or potential conflict of interest with Can-One, including any interest in any competing business with Can-One or its subsidiaries.
2. None of the Directors has been convicted of any offence within the past 5 years or was publicly sanctioned or imposed with penalty by the relevant regulatory bodies during the financial year ended 31 December 2025.
3. Details of the Directors' attendance at Board meetings are set out in page 96 of this Annual Report.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

Malaysian
Male
Aged 61

CHAN KAM CHIEW

Group Finance Director

Chan Kam Chiew is a member of MIA, MICPA and Institute of Corporate Directors Malaysia. He joined KPMG in Kuala Lumpur in 1984. He was a Partner in the Assurance Services of KPMG Malaysia from 1998 until his retirement in December 2020. He had also served in KPMG San Francisco office from 1991 to 1993.

During his 36 years in KPMG, he garnered experience in providing audit and business advisory services to a wide range of public listed companies and multinational corporations in various industries including those in automotive, real estate investments trust, property development and construction, oil and gas, electronics and information technology, freight and shipping, industrial manufacturing, food and beverages, retail and consumer and banking and financial services.

In addition to statutory audits, he had led and been involved in assignments in relation to the International Financial Reporting Standards reviews, initial public offerings and reverse takeovers, mergers and acquisitions (including cross borders), financial due diligence reviews, provision of financial advisory services and review of policies and procedures.

He had served on the Board of Malaysian Accounting Standards Board ("MASB") for 2 terms from 2012 to 2018. He had also served as a member as well as chaired a few working groups of MASB and was an examiner for the Regulatory and Financial Reporting Framework examination for the MICPA. In March 2023, he was appointed as a member of the Malaysian Financial Reporting Standards Application and Implementation Committee of the MASB.

He joined Can-One on 1 June 2021 in the capacity of Group Finance Director. He is an Independent Non-Executive Director of Kerjaya Prospek Group Berhad, LGMS Berhad and Well Chip Berhad, all of which are listed on the Main Market of Bursa Securities. He is also an Independent Non-Executive Director of Panda Eco System Berhad, which is listed on the ACE Market of Bursa Securities.

Malaysian
Female
Aged 60

BERNADETTE CHIN CHEEN CHOO

Group Chief Operating Officer

Bernadette Chin Cheen Choo is a qualified accountant and Fellow Member of the Association of Chartered Certified Accountants.

She gained experience working in international accounting firms for more than 20 years before joining commercial organisations from 2007 onwards. Prior to joining the Can-One group, she had experience in the warehouse and logistics industry, as well as the cash and manned security industry.

She joined KJCFB in 2015 as Head of Internal Audit, then became the Director of the Group Executive Management Office in 2017. She was promoted to her current role on 1 July 2024.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

Malaysian
Male
Aged 62

HO YIK KIT

Head of Corporate Sustainability

Ho Yik Kit has over 30 years of experience in leadership roles across operations, sales, and finance with Malaysian conglomerates involved in the automotive and heavy machinery industries.

He joined the Group in 2016 as General Manager of Finance & Operations Support and was promoted to General Manager of Box-Pak (Malaysia) Bhd. in 2018. In 2021, he assumed the role of General Manager – Audit, Risk, and Sustainability. He was appointed Head of Corporate Sustainability in March 2024.

Ho Yik Kit is a Certified Sustainability Practitioner with the Institute of Certified Sustainability Practitioners and holds a Sustainability and Climate Risk Certificate from the Global Association of Risk Professionals. He is also a member of the International Society of Sustainability Professionals and a Chartered Accountant with the MIA. He holds a Bachelor's of Economics (Accounting & Econometrics) from Monash University, Australia.

Malaysian
Female
Aged 39

LYDIA TONG YIU SHYIAN-SHYIAN

Joint Company Secretary/Chief Integrity Officer

Lydia Tong Yiu Shyian-Shyian holds a LLM in Professional Legal Practice from City Law School, London, UK (2010), and a LLB (Honours) degree from University of Reading, UK (2008). She was called to The Honourable Society of Lincoln's Inn, UK in 2009 and the Malaysian Bar in 2010 and is a member of Bar Council. She was a partner at Lee & May from September 2015 to December 2022 in General Litigation and Conveying Practice.

From October 2014 to August 2015, she served as Legal, Risk & Compliance Officer at ZICO Allshores Trust (S) Pte. Ltd. (Singapore). She was appointed as Joint Company Secretary of Can-One on 1 February 2023. She was also appointed as the Chief Integrity Officer of the Group on 1 September 2024.

Malaysian
Female
Aged 53

KWONG SHUK FONG

Joint Company Secretary

Kwong Shuk Fong is an associate member of The Malaysian Institute of Chartered Secretaries and Administrators and a Chartered Governance Professional under the Chartered Governance Institute. She was appointed Company Secretary on 18 April 2013. She has extensive experience in receivership, liquidation, corporate recovery and reconstruction and company secretarial work having served in both the secretarial services and commercial sectors. Prior to joining Can-One, she was an Assistant Company Secretary of a public listed company which is involved in oil and gas, renewable energy, industrial trading and services.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

ANG KOK KUN

Group Head of Digitalisation & AI Transformation

Malaysian
Male
Aged 54

Ang Kok Kun obtained his Bachelor Degree in Mechanical & Manufacturing from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology). He joined KJCFB in the Tin cans segment in 1995 as a production engineer and rose up the ranks to the position of General Manager on 1 January 2017. He was promoted to his current position on 1 January 2026.

QUEK KHEH MENG

Group Head of Procurement

Malaysian
Male
Aged 51

Quek Kheh Meng holds a Bachelor of Business Administration (Honours) from Coventry University, United Kingdom. He joined Federal Metal Printing Factory, Sdn. Berhad in 1998 as a Sales Executive in the Tin cans segment and has since accumulated more than 25 years of experience in the metal packaging and manufacturing industry.

Over the course of his career, he has held various key leadership positions. In 2008, he was appointed as a Division Sales Manager for the Tin cans segment in KJCFB. In 2012, he was appointed as a Deputy General Manager in Kian Joo Canpack (Shah Alam) Sdn. Bhd. to lead the Contract Manufacturing Division at the Shah Alam dry powder plant and was subsequently promoted to General Manager in 2017. In 2022, he was reassigned to Kian Joo Canpack Sdn. Bhd. to lead the Seremban beverage plant, overseeing operations and business development.

In 2025, he was appointed as Group Head of Procurement, where he is responsible for the Group's procurement strategy, strategic sourcing, supplier management, and cost optimisation initiatives across the organisation.

LOO CHAI KHENG

Group Risk Officer

Malaysian
Female
Aged 38

Loo Chai Kheng is a qualified accountant and Fellow Member of the Association of Chartered Certified Accountants. She is also a Chartered Accountant of the Malaysian Institute of Accountants and holds the GARP Sustainability and Climate Risk (SCR) certification. She has more than 15 years of experience in audit, finance, corporate reporting, risk management and sustainability. Prior to joining Can-One, she gained experience in audit and financial reporting with KPMG PLT. She joined Can-One Berhad in May 2016 and held various positions within the Group Finance function before her appointment as Group Risk Officer in December 2023.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

LEONG SHEONG LOK

General Manager - Tin cans segment, Central Region

Malaysian
Male
Aged 55

Leong Sheong Lok holds a Bachelor Degree in Mechanical Engineering from Universiti Kebangsaan Malaysia. He joined Federal Metal Printing Factory, Sdn. Berhad as plant engineer in 1997 in the Tin cans segment and he was promoted to General Manager in Shah Alam plants on 1 January 2017. He was appointed to his current position on 1 February 2026.

TAN KIM WENG

General Manager - Tin cans segment, Johor

Malaysian
Male
Aged 49

Tan Kim Weng obtained his Bachelor of Business Administration degree from University of Ottawa, United States of America. He has more than 18 years of working experience in the tin cans industry. He worked in Japan for 3 years before joining KJ Can (Johore) Sdn. Bhd. as Sales Executive in 2007. He was promoted to his current position on 1 January 2017.

HOH WEE SANG

General Director - Tin cans segment, Vietnam

Malaysian
Male
Aged 58

Hoh Wee Sang holds a Bachelor Degree from Thung Hai University, Taiwan. He joined KJ Can (Selangor) Sdn. Bhd. in 1995 as an industrial engineer and was seconded to Kian Joo Can (Vietnam) Co., Ltd. in 2002. He was promoted to his current position on 1 November 2013.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

LE SEE LI

*Head of Operational Efficiencies and Improvements
- Tin cans segment, Teluk Panglima Garang*

Malaysian
Male
Aged 62

Le See Li holds a Diploma in Technology in Mechanical and Automotive Engineering from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology). He was awarded a Master in Business Administration from Southern Cross University, New South Wales, Australia in 2005. He joined Federal Metal Printing Factory, Sdn. Berhad in 1989. He was transferred to KJM Aluminium Can Sdn. Bhd. in 2007 and promoted to General Manager on 1 January 2017. On 1 January 2024, he took on the role of Head of Operational Efficiencies and Improvements in Aik Joo Can Factory Sdn. Berhad's Tin cans segment, Teluk Panglima Garang manufacturing plant in Malaysia.

FOO MUN CHOONG

*General Manager - Sales, Tin cans segment
General Manager - Tin cans segment, Teluk Panglima Garang and Butterworth*

Malaysian
Male
Aged 53

Foo Mun Choong holds a Master in Business Administration from the University of Wales, Newport and Asia e-University. He joined Federal Metal Printing Factory, Sdn. Berhad since 1993 and served in various positions in the operations team before he was transferred to the Sales and Marketing Department. He was promoted to head the Sales and Marketing Department in KJCFB in 2012 and was promoted to General Manager - Sales in KJ Can (Selangor) Sdn. Bhd. on 1 January 2017. On 1 January 2022, he assumed the duty of General Manager for the Teluk Panglima Garang and Butterworth manufacturing plants in Malaysia.

VIRAT RODPHAIBOOL

Plant Manager - Tin cans and Aluminium cans segment, Nilai

Thai
Male
Aged 59

Virat Rodphaibool holds a Master in Business Administration from the Mahanakorn University of Technology Thailand and Bachelor of Engineering, Major Mechanical Engineering from Ramajangala Institute of Technology Thailand. He had work with cans manufacturing plants in Thailand for 30 years. He joined KJM Aluminium Can Sdn. Bhd. as a Plant Manager since 1 April 2024.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

FRANCIS ALBERT BALIAH

General Manager - Aluminium cans segment, Batu Caves

Malaysian
Male
Aged 51

Francis Albert Baliah holds a Diploma in Electrical Engineering from Federal Institute of Technology and Executive Diploma Operations Management from Universiti Tun Hussein Onn Malaysia. He joined the operations team of KJM Aluminium Can Sdn. Bhd. in 1995 as an Electrical Engineer and he was promoted to Operations Manager on 1 June 2020. On 1 January 2024, he was promoted to the position of General Manager.

YEW LI LIAN

General Manager - Sales, Aluminium cans Segment

Malaysian
Female
Aged 60

Yew Li Lian holds a Master of Business Administration (MBA with Distinction) from Royal Melbourne Institute of Technology (RMIT), Melbourne, Australia. She joined KJM Aluminium Can Sdn. Bhd. in 1998 and served in several capacities before she was transferred to the Sales & Marketing Department. She was promoted to her current position on 1 January 2017.

CHEW HOCK SAN

General Manager - Aluminium cans and Cartons segments, Myanmar

Malaysian
Male
Aged 60

Chew Hock San holds a Bachelor of Science with Education (Honours) degree majoring in Chemistry from Universiti Putra Malaysia. He worked in various capacities since he joined Kian Joo-Visypak Sdn. Bhd., a joint venture company of Kian Joo Can Factory Berhad (voluntary liquidation in 2015) as an Operation Manager in 2001. In 2006, he was transferred to KJM Aluminium Can Sdn. Bhd.. In 2018, he was promoted to his current role in Kianjoo Can (Myanmar) Company Limited and Boxpak (Myanmar) Company Limited.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

CHOW YINNERN

Plant Manager – Aluminium cans segment, Myanmar

Malaysian
Male
Aged 36

Chow Yinnern holds a Bachelor Degree in Mechanical and Manufacturing System Engineering from Sheffield Hallam University, UK. He started in KJM Aluminium Can Sdn. Bhd. in 2014 as a technical engineer. He was appointed as an Engineering Manager in Kianjoo Can (Myanmar) Company Limited in 2018. He was promoted to his current role in March 2026.

GIOVANNI DI MAMBRO

Chief Executive Officer, Can-One (USA), Inc. ("Can-One USA")

American/Italian
Male
Aged 67

A graduate of Babson College, Giovanni has led operations at prestigious firms in Massachusetts and Hawaii across industries including hospitality, sports & entertainment, marketing, education, design & planning, real estate development, biotech, and technology.

Known for his ability to revitalise distressed businesses, Giovanni brings a combination of strategic vision and hands-on execution across diverse markets.

Among his notable achievements, Giovanni assembled the founding committees and developed the strategic plan that helped secure Boston's selection as one of nine U.S. host cities for FIFA World Cup 1994. This milestone reflects both his civic commitment and his capacity for large-scale stakeholder coordination.

He joined Can-One USA in February 2025, where he leads with a focus on operational excellence and developing leaders throughout the organisation.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

Indonesian
Male
Aged 70

CH Aidir Umar

Plant Manager - Aluminium cans segment, Can-One USA

Chaidir Umar holds a Master's degree in Industrial Engineering from Pelita Harapan University, Jakarta. He is a proactive and performance-driven operations professional with 38 years of progressive expertise in leadership and problem-solving within industrial manufacturing operations. Chaidir has a keen understanding of business priorities and is a genuine team player committed to managing operations and projects flawlessly while contributing to revenue-producing activities. He is recognised for his consistent success in developing processes and procedures to streamline operations, increase revenues, and enhance profit performance.

His areas of expertise include project management, technical due diligence, plant appraisal and audit, and developing efficient plant operations at optimal costs. He is skilled in leading and motivating employees, handling employee issues, fostering a team environment, and delegating work effectively. Chaidir is both analytical and strategic in his approach to plant operations.

Chaidir has extensive experience as a plant manager in various key aluminium can manufacturing companies across Indonesia, Vietnam, Malaysia, and Myanmar. He was appointed as the Plant Manager of Can-One USA in January 2025.

Malaysian
Male
Aged 57

Tan Beng Wah

Chief Operating Officer - Cartons segment, Malaysia

Tan Beng Wah holds a Bachelor of Accounting Degree and a Master in Business Administration from University Utara Malaysia. He is also a member of the MIA. He joined KPMG Peat Marwick, Penang as audit assistant in 1994. From 1995 to 1997, he served as the Finance Manager in a subsidiary of a listed company, Sin Kean Boon Group Berhad. In 1998, he joined Aik Joo Can Factory Sdn. Berhad as the General Manager of the Finance and Administration units. He was appointed to the Board of Can-One as Executive Director on 16 July 2012 where he was responsible for the financial and administration affairs of the Group. He joined F & B Nutrition Sdn. Bhd. as Chief Executive Officer from 2019 to 2023. His experience covers operation, finance, human resource, administration and marketing.

He joined Box-Pak (Malaysia) Bhd. on 1 April 2023 as Chief Operating Officer for the Box-Pak Group's operations in Malaysia.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

CHAN HUAN CHEONG

Group Senior General Director - Cartons segment, Vietnam

Malaysian
Male
Aged 83

Chan Huan Cheong graduated from Han Chiang High School and started his career in 1963 in the corrugated carton industry. He gained his technical knowledge in Japan and Europe through his various engagements with the corrugated carton manufacturers. He joined Box-Pak (Vietnam) Co., Ltd. in 2004 and was promoted to his current position on 28 May 2014.

MA MY PHUONG

General Director - Cartons segment, Vietnam

Vietnamese
Female
Aged 53

Ma My Phuong graduated from high school and has 34 years of working experience in the corrugated carton industry having started her career in 1992. She joined Box-Pak (Vietnam) Co., Ltd. in 2004 as a Marketing Manager and was promoted to Deputy General Director on 1 September 2016. She was promoted to her current position on 1 January 2023.

LE THI PHUONG LAN

Deputy General Director - Cartons segment, Vietnam

Vietnamese
Female
Aged 45

Le Thi Phuong Lan has 25 years of working's experience in the corrugated carton industry. She holds a Master's Degree in Finance and Banking and Bachelor of Economics degree majoring in Accounting and Auditing. She joined Box-Pak (Vietnam) Co., Ltd. in September 2005 as a Chief Accountant and was promoted to Deputy General Director on 1 September 2016.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

Malaysian
Male
Aged 53

GAN JOE YEE

General Manager - Cartons segment, Vietnam

Gan Joe Yee holds a Bachelor Degree in Commerce (Honours) from Lincoln University, New Zealand. He has 30 years working experience in various industries. He joined Box-Pak (Hanoi) Co., Ltd. on 19 July 2019 as General Manager of the corrugated carton operations in Hanoi, Vietnam.

Malaysian
Male
Aged 53

LINUS NG JOO SENG

Acting Plant Manager - Carton Segment, Senai Plant

Linus Ng Joo Seng is a Malaysian professional with over three decades of experience in the corrugated packaging industry. He began his career in 1993 as a Sales Executive, building a strong foundation in commercial operations and customer management.

In 2006, he joined Box-Pak (Johore) Sdn. Bhd. as Sales Manager, where he was responsible for overseeing sales and operational activities in Johore. His role combined business development with operational coordination, contributing to market expansion and improved plant performance.

In 2013, Linus was posted to BP MPak Sdn. Bhd. to lead and drive sales initiatives, further strengthening the company's market position and customer portfolio.

In September 2025, he was appointed Acting Plant Manager for the Carton Segment at the Senai Plant. In this capacity, he oversees overall plant operations, with a focus on driving business growth, operational efficiency, and profitability.

Malaysian
Male
Aged 53

ONG KEAN KENG

General Manager - Contract Manufacturing Division

Ong Kean Keng holds a Master in Business Administration from University of South Australia and Bachelor of Science majoring in Physics from University of Malaya. He joined KJCFB as a Deputy General Manager in 2011. He was promoted to his current position on 1 January 2017.

PROFILE OF KEY SENIOR MANAGEMENT

AS AT 15 APRIL 2026

LAU GIE WEE

Head of Commercial - Contract Manufacturing Division

Malaysian
Male
Aged 37

Lau Gie Wee holds a Bachelor of Marketing degree from University of Hertfordshire, UK. He joined Kian Joo Canpack Sdn. Bhd. as a Sales Executive in the Contract Manufacturing Division in 2011. He was promoted to his current position in September 2021.

LIM ENG TAK

General Manager – Rigid packaging segment

Malaysian
Male
Aged 58

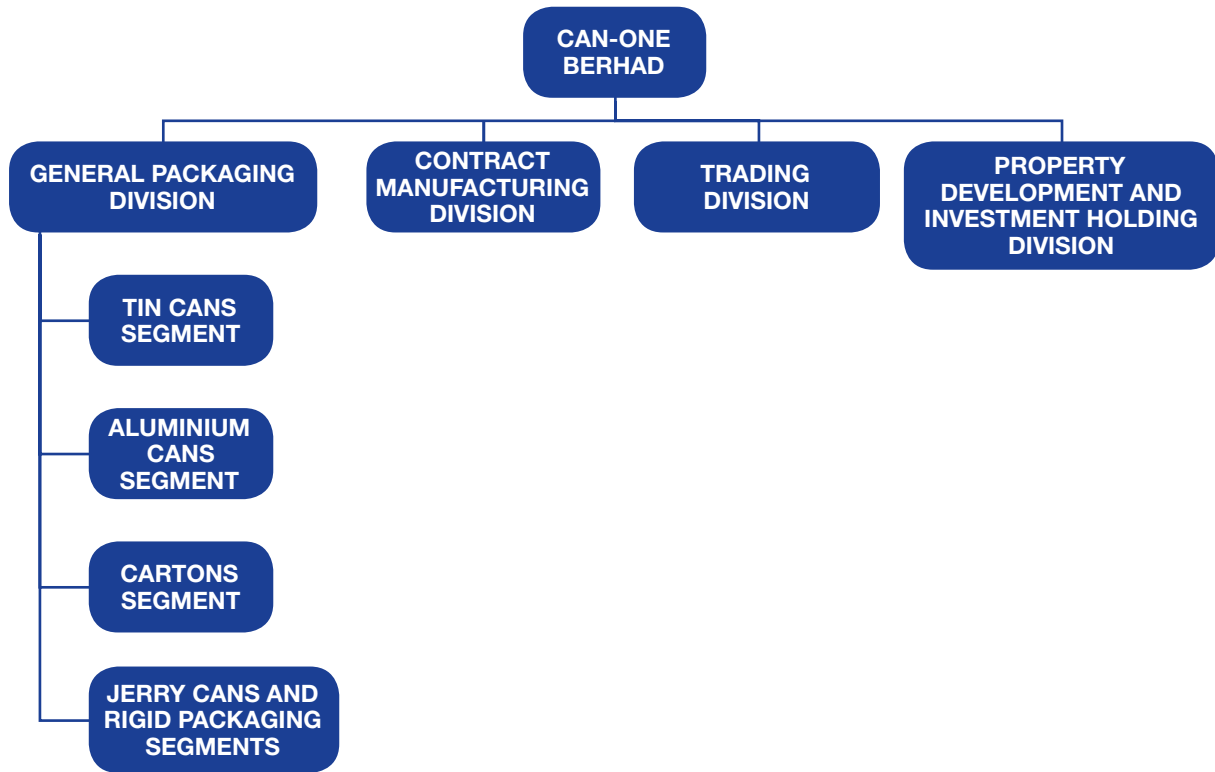
Lim Eng Tak holds a Bachelor of Business degree from Edith Cowan University, Australia. He joined Canzo Sdn. Bhd. on 1 August 2013 as a General Manager taking charge of the operations in the Rigid packaging segment of the General Packaging Division. Prior to this, he was the General Manager of a multinational plastic manufacturing company for 11 years.

Additional information:

- *Save for Chan Kam Chiew, none of the Key Senior Management holds directorship in public companies and listed companies.*
- *None of the Key Senior Management has family relationship with any Director and/or major shareholder of the Company.*
- *Save as disclosed, none of the Key Senior Management staff has conflict of interest or potential conflict of interest with Can-One, including any interest in any competing business with Can-One or its subsidiaries.*
- *None of the Key Senior Management has been convicted for offences within the past 5 years or was publicly sanctioned or imposed with penalty by the relevant regulatory bodies during financial year ended 31 December 2025.*

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF BUSINESS AND OPERATIONS



GENERAL PACKAGING DIVISION

Tin cans segment

This segment is principally involved in the manufacture of metal and lithographed tin cans and components in Malaysia and Vietnam. Tin cans manufactured by the Group are supplied to a wide variety of industries including fast-moving consumer goods, edible oils packaging, industrial products, battery jackets, aerosol, and other products.

Aluminium cans segment

This segment is principally involved in the manufacture of aluminium cans in Malaysia, Myanmar and the United States of America (“USA”). The new aluminium cans plant in Vietnam is expected to commence operations in mid 2026. The main customers of aluminium cans segment are the beverage industry which includes beer, carbonated, energy, isotonic, and Asian drink products.

Cartons segment

This segment is principally involved in the manufacture of corrugated cartons for fast-moving consumer goods, electronic and electrical products, footwear, furniture, and other products in Malaysia, Vietnam and Myanmar.

Jerry cans and Rigid packaging segments

This segment is principally involved in the manufacture of plastic jerry cans and plastic rigid bottles in Malaysia and Indonesia. These products manufactured by the Group are supplied to customers in fast-moving consumer goods, edible oils packaging, pharmaceutical products, and other industries.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF BUSINESS AND OPERATIONS *(continued)*

CONTRACT MANUFACTURING DIVISION

This division is principally involved in contract manufacturing, packaging, and distribution of carbonated and non-carbonated beverages.

TRADING DIVISION

This division undertakes sales and marketing activities for the Group. It also acts as the international procurement centre for key direct materials of the Group.

PROPERTY DEVELOPMENT AND INVESTMENT HOLDING DIVISION

All activities that are not classified in the abovementioned divisions are included in this division. This includes investments in certain subsidiaries, investments in properties held for development, and for entities with properties for letting to related companies and third parties.

FINANCIAL PERFORMANCE HIGHLIGHTS AND REVIEW

	Financial year ended 31 December ("FYE")		(Decrease)/ Increase RM'000
	2025 RM'000	2024 RM'000	
Revenue	3,191,448	3,192,603	(1,155)
Gross profit	360,598	322,171	38,427
Profit before tax ("PBT")	33,826	20,949	12,877
Loss after tax ("LAT")	(26,057)	(25,749)	308
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	339,185	315,128	24,057
Adjusted earnings before interest, tax, depreciation, and amortisation ("Adjusted EBITDA")	347,949 ⁽¹⁾	336,375 ⁽²⁾	11,574

⁽¹⁾ This was arrived at after adding the impairment loss on financial instruments and unrealised foreign exchange loss, and deducting the gain on disposal of property, plant and equipment, reversal of impairment loss on property, plant and equipment, and right-of-use assets during the financial year amounting to RM8.8 million.

⁽²⁾ This was arrived at after adding the impairment loss on financial instruments and unrealised foreign exchange loss, and deducting the gain on disposal of property, plant and equipment, and investment properties during the financial year amounting to RM21.2 million.

The net revenue of the Group for FYE 2025 marginally decreased by RM1.2 million to RM3,191.4 million. PBT of the Group for FYE 2025 increased by RM12.9 million to RM33.8 million. The higher PBT was mainly attributable to the higher gross profit that arose primarily from the General Packaging division.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE HIGHLIGHTS AND REVIEW *(continued)*

DIVISIONAL BUSINESS REVIEW

General packaging division

Revenue of the General Packaging division increased by RM46.3 million to RM3,017.5 million in FYE 2025 mainly due to higher sales volumes in Aluminium cans segments. PBT increased by RM36.6 million to RM56.5 million in FYE 2025. This was mainly due to the reversal of impairment losses on certain property, plant and equipment, and right-of-use assets of RM23.0 million.

Contract manufacturing division

Revenue of the Contract Manufacturing division decreased by RM24.2 million to RM192.4 million in FYE 2025 mainly due to lower sales volumes being achieved. Loss before tax ("LBT") increased by RM21.3 million to RM23.0 million in FYE 2025. This was mainly due to the impairment losses on certain property, plant and equipment of RM15.3 million.

Trading division

Revenue of Trading division increased by RM10.3 million to RM155.6 million in FYE 2025. PBT of the division improved by RM8.5 million to RM11.6 million in FYE 2025 which was mainly due to increase in interest income and decrease in interest expense.

Property development and investment holding division

Property development division continues to recognise a share of revenue and PBT of RM26.8 million and RM6.3 million respectively from its property development activities in Kapar.

FINANCE POSITION REVIEW

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000	Increase/ (Decrease) RM'000
Total assets	4,472,303	4,396,264	76,039
Total liabilities	2,679,163	2,512,720	166,443
Shareholders' equity	1,721,143	1,809,553	(88,410)
Non-controlling interests	71,997	73,991	(1,994)
Cash and cash equivalents, and deposits with a financial institution	396,309	425,408	(29,099)
Total loans and borrowings and lease liabilities	2,041,913	1,869,503	172,410
Return on equity (%)	(1.55)	(1.09)	0.46
Debt-to-equity ratio (times)	1.19	1.03	0.16
Net debt-to-equity ratio (times)	0.96	0.80	0.16
Net assets per share (RM)	8.96	9.42	(0.46)
Loss per share (RM)	(0.14)	(0.10)	0.04

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCE POSITION REVIEW *(continued)*

As at 31 December 2025, the Group's total assets stood at RM4,472.3 million, an increase of RM76.0 million compared to 31 December 2024.

The Group continued to invest in capital expenditures to increase production capacity and to work on improving production efficiency. Total capital expenditures invested in FYE 2025 amounted to RM418.1 million.

Total liabilities of the Group stood at RM2,679.2 million as at 31 December 2025, an increase of RM166.4 million compared to 31 December 2024.

CASH FLOWS REVIEW

The cash and cash equivalents, and deposits with a financial institution of the Group decreased by RM29.1 million to RM396.3 million as at 31 December 2025.

The Group generated net cash flows of RM259.9 million from operating activities. Net cash used in investing activities was RM414.1 million mainly due to the acquisition of property, plant and equipment. Net cash from financing activities was RM86.9 million mainly due to the new term loans drawdown.

CAPITAL STRUCTURE AND CAPITAL RESOURCES

Gross debt-to-equity ratio increased to 1.19 times as at 31 December 2025 and net debt-to-equity ratio increased to 0.96 times as at 31 December 2025 due to higher term loans to finance the investment in the Vietnam aluminium cans plant.

The Group aims to maintain a prudent financial structure in order to continue to have access to adequate capital and financing on favourable terms to safeguard the ability of the Group to continue as a going concern while streamlining the operations and integration of process flows in the Group to achieve an optimal capital structure. The Management monitors and is determined to maintain an optimal gearing ratio that complies with the debt covenants.

The Group's total capital commitments as of 31 December 2025 amounted to RM99.6 million.

DIVIDEND

The Group maintains a track record of dividend distribution. After considering the financial performance of the Group and both its long-term and short-term commitments, the Board is recommending a first and final single-tier dividend of four (4) sen per share amounting to approximately RM7.7 million for the FYE 2025, subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONAL ACTIVITIES REVIEW

GENERAL PACKAGING DIVISION

Tin cans, Jerry cans, and Rigid packaging segments

Tin cans are used as primary packaging material for a variety of products which include food and beverages, confectionary, lubricants, paint, chemicals, battery jackets, and other dry and liquid products. The segment produces a wide range of various sizes and shapes of metal and lithographed tin cans. The tin cans market in Malaysia is a matured industry with more than 50 years of history.

In Vietnam, there are approximately 15 manufacturers of tin cans. Tin cans manufactured are catered for Vietnam domestic customers, especially in the dairy, processed food, and aerosol industries.

Jerry cans which are primarily produced in the Indonesian plant are used for edible oil packaging while Rigid packaging produced in the Malaysian plant is used as packaging material in the food and beverage industry such as cooking oil, oats, flavoured syrup, honey, and others.

At present, the majority of the products manufactured by our plants in Malaysia are primarily for the domestic market. Hence, the growth of tin cans and rigid packaging businesses in Malaysia is dependent on the consumers' demand in the domestic market as well as export opportunities.

Aluminium cans segment

Aluminium cans have infinite recyclability and is therefore gaining popularity as the most sustainable form of packaging material for the beverage industry. As Environment, Social and Governance (ESG) gains momentum, aluminium products, especially aluminium cans, will gain prominence in the consumer marketplace and will be in direct competition with plastic and glass bottle packaging.

Aluminium cans produced by the Group are primarily used as packaging material for the single-serve, ready-to-drink carbonated, and non-carbonated beverage industry.

There are now three (3) aluminium cans manufacturers in Malaysia. It is also possible for domestic beverage manufacturers to import empty cans from suppliers abroad. The majority of aluminium cans produced by the Group is to cater to domestic beverage manufacturers. Hence, the growth of aluminium cans business is dependent on the consumer market demands both domestically and overseas. The Group's direction of targeting and developing new export markets has been positive.

In its seventh year of commercial operation, the Group's Myanmar entity recorded a revenue RM333.2 million (FYE 2024: RM306.6 million) and reported a PBT of RM61.4 million (FYE 2024: PBT RM63.7 million).

The Group's aluminium can plant in the USA commenced its operations in December 2023. As a greenfield project, it is only expected to contribute positive results to the Group in 3 to 5 years.

The Group's new aluminium can plant in Vietnam is expected to commence operations in mid 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONAL ACTIVITIES REVIEW *(continued)*

GENERAL PACKAGING DIVISION *(continued)*

Cartons segment

Corrugated cartons are used in a wide variety of industries worldwide as a secondary packaging material. The market demand for the Group's products is dependent on the economic situation in Malaysia, Vietnam, and Myanmar.

The corrugated carton specifications may differ from country to country, from industry to industry, and from customer to customer. The Group's objective is to supply quality corrugated cartons at prices acceptable to customers to achieve business growth.

In Malaysia, the corrugated carton industry is a mature industry with numerous players. The Malaysian Corrugated Carton Manufacturer's Association which is the trade association representing the industry has more than 50 members and associate members.

Apart from a handful of integrated corrugated carton manufacturers who also manufacture paper rolls, there are also a handful of corrugated carton manufacturers with size and capacity comparable to the operations of the Group in Malaysia or Vietnam. Some downstream players are pure converters where they source paper boards from corrugated carton manufacturers and supply corrugated cartons to their customers.

In Malaysia, the Group focuses its marketing efforts on fast-moving consumer goods where high-quality corrugated cartons are in demand. The Group also sells its corrugated cartons to the electronic and electrical industries, paints, and other industries.

In Vietnam, the corrugated carton industry is also a mature industry with a large number of manufacturers. Apart from manufacturers of similar size, the operations of the Group in Vietnam are also competing with large integrated corrugated carton manufacturers as well as smaller converters.

The Group in Vietnam focuses its attention on fast-moving goods and footwear where demand is high and the quality requirements are more stringent. The Group also supplies corrugated cartons to the electric and electrical industry as well as the furniture industry. During FYE 2025, the entities of the Group in Vietnam were experiencing lower production and sales volume because of lower demand in key export markets weighing on its manufacturing industry. The management will continue to focus on business development activities to increase sales volume from customers and work towards better operational efficiencies. The Group has ceased its operations in Hanoi at the end of the financial year.

In Myanmar, there are more than 10 corrugated carton manufacturers. Demand for corrugated cartons is expected to grow moderately due to the current political, and economic situation in Myanmar.

The entity of the Group in Myanmar is in its seventh year of commercial operation. The Myanmar entity recorded a revenue of RM68.1 million (FYE 2024: RM63.8 million) and a PBT of RM26.3 million in FYE 2025 (FYE 2024: LBT of RM2.3 million) mainly due to higher sales volume and sales mix and reversal of impairment loss on property, plant and equipment and right-of-use assets.

Due to the presence of a high number of corrugated carton manufacturers in Malaysia, Vietnam and Myanmar, competition in these markets is intense and the profit margin is expected to be thin but reasonable.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONAL ACTIVITIES REVIEW *(continued)*

CONTRACT MANUFACTURING DIVISION

The division is a value-added division where the Group offers additional services to assist our customers, who are renowned brand owners, to manufacture their beverages products whilst the brand owners concentrate their efforts on developing their markets and promoting their products. The growth of this division is very much dependent on the demand for beverage products from both the domestic and overseas markets.

The Management is increasing its efforts in marketing to secure more orders from customers while gearing up production capacity to contribute positively to the financial performance of the Group in the financial year ending 2026.

TRADING DIVISION

This division is used primarily to consolidate marketing efforts to sell products manufactured by the Group domestically and globally. It served as an international procurement centre to consolidate the Group's negotiation power with various suppliers.

RISKS ASSUMED IN BUSINESS OPERATIONS

The following are the main financial and non-financial risks that have an impact on the financial management and operations of the Group:

A. Availability and price of raw materials

The main raw materials for the manufacturing activities of the Group are tin plates for the Tin cans segment, resin for Jerry Cans and Rigid packaging segment, aluminium coils for the Aluminium cans segment, and paper rolls for the Cartons segment.

There is one sole tin plate supplier in both Malaysia and Vietnam. Importation of tin plates into Malaysia and Vietnam is permissible subject to payment of import duty (unless an exemption can be obtained from the relevant authorities) and anti-dumping duty (where applicable). The supply of tin plates is dependent on the availability of the cold-rolled steel plates and the rolling mill's capacity to produce the tin mill black plates which forms the core of the tin plate. Demand for other forms of steel products globally may affect the supply and pricing of cold-rolled steel plates.

The main resins used in the manufacturing of jerry cans and rigid packaging are imported without import duty.

Aluminium coils are fully imported. There is no local supplier in Malaysia and Myanmar. There are aluminium coils suppliers in the USA. The cost of aluminium coils is based on the commodity price quoted on London Metal Exchange ("LME") and aluminium rolling costs. The Group manages the cost pressure partially through a hedging mechanism, when appropriate.

MANAGEMENT DISCUSSION AND ANALYSIS

RISKS ASSUMED IN BUSINESS OPERATIONS *(continued)*

The following are the main financial and non-financial risks that have an impact on the financial management and operations of the Group *(continued)*:

A. Availability and price of raw materials *(continued)*

In Malaysia, there are only a handful of reliable local paper suppliers from whom the Group purchases its paper rolls. The Group also imports paper rolls which are subject to 0% to 10% import duty. Similarly in Vietnam, the Group works with a handful of reliable local paper roll suppliers for its paper roll requirements. Paper rolls can be imported, subject to an import duty of between 0% to 10%. Although the majority of paper rolls are sourced locally by the Malaysian and Vietnam entities, the cost of paper rolls mirrors those of the international market as it is influenced by the market price of paper pulps and old corrugated cardboard (“OCC”) price in the international market. On the other hand, major suppliers of paper rolls in Malaysia and Vietnam are also producers of corrugated cartons and hence, they have a competitive advantage over the Group in the marketplace. In Myanmar, the Group imports paper rolls, free from duty. The Group continuously assesses the quality standard of local paper mills to localise more of its paper requirements in the future.

The Group mitigates these risks by monitoring the price and availability of raw materials, establishing long-term business relationships with its pool of suppliers, and maintaining sufficient inventory of raw materials.

B. Political, Economic and Regulatory Considerations

Adverse developments in the political, economic, and regulatory conditions locally and overseas could materially and adversely affect the financial prospects of the Group. Political and economic uncertainties include but are not limited to, risks of war, expropriation, nationalisation, change in political leadership, global economic downturn, and unfavourable changes in government policies which include interest rates, method and rate of taxation, currency exchange control or introduction of new regulations, import duties and tariffs and re-negotiations or nullification of existing contracts.

C. Competition

The general packaging industry is mature and highly competitive due to price pressure and the presence of numerous manufacturers competing for the same pool of customers. The Group is confident that it will be able to withstand any direct competition. The entry barriers into the general packaging industry are high because of the need for large capital investment.

D. Foreign Exchange

The Group operates its business internationally which exposes itself to foreign currency exchange risk, mainly from the fluctuation of the USD. The Group manages its exposures to the foreign currency risk in the following manner:

- (i) Foreign currency sales and purchases in the same currency provide a natural hedge against fluctuations in the foreign currency exchange rates;
- (ii) Maintain part of its cash and bank balances in the foreign currency accounts and obtain foreign currency trade facilities to meet its future obligations in foreign currencies; and
- (iii) Enter into foreign currency forward contracts to hedge against the residual foreign currency exposure, when appropriate.

MANAGEMENT DISCUSSION AND ANALYSIS

RISKS ASSUMED IN BUSINESS OPERATIONS *(continued)*

The following are the main financial and non-financial risks that have an impact on the financial management and operations of the Group *(continued)*:

E. Human Capital

The manufacturing activities of all divisions are considered labour intensive.

In Malaysia, the direct labour cost is affected by the minimum wage fixed by the Malaysian Government. There was a revision made to the minimum wage applied, i.e. RM1,700 per month effective from February 2025.

The Group has complied with the Employment Act 1955 (Amendment 2022) that was enforced on 1 January 2023 to increase and expand the protection and welfare of employees. The key changes made to the Act include the following:-

1. The maximum working hours for workers have been reduced from 48 hours per week to 45 hours per week;
2. Increased paid parental leave. Maternity leave entitlement for working mothers has increased from 60 days to 98 days post delivery and Paternity leave of 7 consecutive days;
3. Employees earning RM4,000 per month and below are now eligible for overtime payment; and
4. Awareness promotion in the workplace in respect of sexual harassment issues.

In Vietnam, the Government of Vietnam enforces the minimum wage. In Ho Chi Minh City and Hanoi City, the minimum wage per month is Vietnamese Dong (“VND”) 4.96 million per month in FYE 2025 (FYE 2024: VND4.96 million per month effective from July 2024).

In Myanmar, the Government of Myanmar increased the minimum wage by Myanmar Kyat 1,000 to Myanmar Kyat 7,800 a day effective October 2025 (FYE 2024: Myanmar Kyat 6,800 a day effective August 2024).

The Group established collaborative ventures with technical and vocational institutions to create employer branding, obtaining Skim Latihan Dual Nasional (“SLDN”) accreditation for some plants as places of technical experiential learning focusing primarily on metal printing skill development. This will provide the Group with an avenue to build local skilled talents and reduce the reliance on foreign workers.

Risk associated with loss of key personnel is reviewed regularly and succession plans are in place for key roles.

F. Health and Safety

As a packaging manufacturer primarily serving the fast-moving consumer goods industry, the Group is fully aware of the importance of consumers’ health and food safety. Thus, the Group is committed to producing and offering products with high-quality assurance for packaging and consumption, which are key factors directly affecting the end consumers’ satisfaction as well as the business reputation of the Group.

As such, the Group’s commitment to stringent manufacturing processes has led to its recognition under the various quality credentials such as Quality Management ISO 9001, Environment Management Systems ISO 14001, Occupational Health and Safety Management Systems ISO 45001, Food Safety Management System FSSC 22000, Hazard Analysis and Critical Control Point (“HACCP”) and Good Manufacturing Practice (“GMP”). This is to ensure consistency in the quality and safety management of products delivered to end consumers.

MANAGEMENT DISCUSSION AND ANALYSIS

RISKS ASSUMED IN BUSINESS OPERATIONS *(continued)*

The following are the main financial and non-financial risks that have an impact on the financial management and operations of the Group *(continued)*:

G. Environment, Social and Governance

Regulators are strengthening ESG-related rules. The transition to a low-carbon economy is emerging as a crucial conversation and a license to operate. The Group has an ESG roadmap, and has engaged customers, vendors, and financial institutions in our effort to understand the decarbonisation requirements in particular. This is addressed and reported in our Sustainability Report in this Annual Report.

FORWARD-LOOKING STATEMENT

The operating environment of the Group for the financial year ending 2026 is expected to be influenced by volatility in foreign currency exchange rates, cumulative inflationary effects in raw materials and other input costs such as labour, transportation, and energy costs, challenging macroeconomics conditions in certain markets, escalation of geopolitical conflicts with the risks of sea trade disruptions and shipping delays, uncertainty amid an election year in a large number of countries, rising protectionism, an elevated interest rate environment that increases working capital costs for businesses as well as dampened consumer spending. There is also heightened awareness and compliance related to climate-related risk mitigation actions that businesses are adopting. Global economists are forecasting slower consumption rather than a recession in light of moderate global trade growth. The Board is cautiously optimistic about business prospects of the Group as the Group continues to explore new market opportunities with an emphasis on operational efficiency to deliver sustainable growth and satisfactory performance for the financial year ending 31 December 2026.



SUSTAINABILITY REPORT

MESSAGE FROM GROUP MANAGING DIRECTOR

Dear Stakeholders,

I am pleased to present the Group's ninth Sustainability Report for the financial year ended 31 December 2025. This report highlights the progress we have made in embedding sustainability across our operations, as well as the strengthening of capabilities required to support long-term value creation.

The Group continues to advance steadily towards our Net Zero by 2050 ambition. In the year under review, a 16% reduction in combined Scope 1 and Scope 2 greenhouse gas emissions intensity was achieved, resulting in a cumulative reduction of 65% and keeping us on track towards our interim target of a 70% reduction by 2030.

Energy management remains a core pillar of our climate strategy. To date, the Group has invested approximately RM20 million in rooftop solar systems. During the year, three additional subsidiaries were equipped with on-site solar power, increasing our total installed renewable capacity to 7,853 kWp, with an estimated annual emissions avoidance of approximately 6,100 tCO₂e. In parallel, our Malaysia-based plants continued to procure green electricity under Tenaga Nasional Berhad's Green Electricity Tariff programme. We also strengthened our energy governance and performance management, with another company achieving ISO 50001 certification, bringing the total to two, while a third remains in progress.

Beyond operations, we continue to integrate sustainability considerations into our products. During the year, we achieved ISO 14067 Product Carbon Footprint certification for our two-piece aluminium can products. This provides a strong foundation to advance sustainable product development and support our customers' decarbonisation efforts. We plan to extend this certification to other key product lines over time.

Ahead of its mandatory requirement, the Group adopted Malaysia's National Sustainability Reporting Framework, reflecting our commitment to advance reporting in line with emerging requirements. We were rewarded for our philosophy of pursuing continuous improvement. In December 2025, the Group's ESG rating rose from 3 stars to 4 stars in Bursa Malaysia's PLC ESG Ratings assessment by FTSE Russell. This recognition places the Group among the top tier of ESG performers and highlights measurable progress across governance, environmental performance, and social practices.

Our people remain central to the Group's success. I would like to thank our employees for their dedication, as well as our customers and suppliers for their continued trust and collaboration. Looking ahead, we remain focused on strengthening execution, scaling proven initiatives, and delivering sustainable value to all stakeholders.

Thank you for your continued support.

Marc Francis Yeoh Min Chang
Group Managing Director

SUSTAINABILITY REPORT

ABOUT THIS REPORT

This Sustainability Report outlines the sustainability-related risks, opportunities, commitments, actions, and performance of Can-One Berhad (“Can-One” or “the Company”) and its subsidiaries (collectively, “the Group” or “Can-One Group”).

It provides a balanced view of how the Group identifies, manages, and monitors material sustainability-related risks and opportunities that may affect its long-term enterprise value. It also communicates the Group’s ongoing sustainability commitments, initiatives, and progress in delivering positive impacts for stakeholders and the environment.

REPORTING FRAMEWORKS

This report has been prepared in accordance with Bursa Securities Berhad (“Bursa Securities”) Main Market Listing Requirements on Sustainability Reporting, aligned with the National Sustainability Reporting Framework, and with reference to the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB) and the Global Reporting Initiative (GRI) Standards.

REPORTING PERIOD AND BOUNDARY

This Sustainability Report covers the period from 1 January 2025 to 31 December (“FYE 2025”), in alignment with the Group’s financial year. The reporting boundary encompasses all entities included in the Group’s consolidated financial statements.

Exclusions:

- Aluminium can plant in the United States of America (“USA”). The plant, which commenced operations in December 2023 has yet to achieve operational maturity. Data collection and reporting frameworks are being established, and the operation will be incorporated into future reporting once maturity is attained, expected within the next two years.
- High-density polyethylene (HDPE) jerry can plant in Indonesia. Its operational scale (below 1% of Group revenue in FYE 2025) and associated emissions are not material to the Group’s overall sustainability performance.
- Supporting Activities. Activities such as trading, property development, and investment holding are considered immaterial (below 1% of Group revenue in FYE 2025), and they do not contribute significantly to the Group’s sustainability-related risks, opportunities, or enterprise value.

While excluded from reporting, the USA and Indonesia operations, together with supporting activities, are captured within the Group’s value chain mapping to provide stakeholders with a comprehensive understanding of impacts across the lifecycle of the Group’s products and operations.

This Report is published on an annual basis. The previous Sustainability Report, covering the period from 1 January 2024 to 31 December 2024, was published in April 2025.

SUSTAINABILITY REPORT

GHG EMISSIONS BOUNDARY

Greenhouse gas (“GHG”) emissions are reported in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. The Group applies the operational control approach to determine its organisational boundary, which includes all entities where Can-One has full operational control over activities and policies. The Group has no associates, joint ventures, or unconsolidated subsidiaries. All reported Scope 1 and Scope 2 emissions represent the consolidated Group, and no further disaggregation is required.

The Group recognises that Scope 3 emissions from its upstream and downstream value chain constitute a significant portion of its total emissions. Robust data collection systems and quantification methodologies are being established. Material Scope 3 categories will be progressively incorporated into our disclosures over the next two years.

PRESENTATION CURRENCY

All monetary values in this report are presented in Ringgit Malaysia (“RM”), consistent with the Group’s financial statements. Unless specified otherwise, all amounts are rounded to the nearest million.

TIME HORIZONS

Sustainability-related risks and opportunities are assessed across defined time horizons: Short term: within 12 months; Medium term: 1–5 years; Long term: more than 5 years.

REPORTING PRINCIPLES

The report applies the principles of materiality, completeness, comparability, and accuracy. Where data is unavailable or considered immaterial, this is disclosed together with management’s rationale and planned actions for future reporting.

RESTATEMENTS

Where applicable, the Group has restated some of the comparative data to reflect improvements in data accuracy or changes in methodology. The nature and reasons for any restatements are explained in the relevant sections of this report.

JUDGEMENTS, ESTIMATES, AND FORWARD-LOOKING STATEMENTS

In preparing this report, the Group has applied certain judgements, estimates, and assumptions in determining material sustainability matters and measurement approaches. Some disclosures include forward-looking statements relating to future plans, targets, and expectations, which are based on information available at the reporting date. Actual outcomes may differ due to uncertainties inherent in sustainability-related risks and opportunities, changes in operating conditions, or external factors beyond the Group’s control.

SUSTAINABILITY REPORT

LINK TO ANNUAL REPORT

This Sustainability Report should be read together with the Annual Report 2025, which presents the Group's audited financial statements and statutory disclosures. Together, these documents provide a comprehensive view of the Group's financial and sustainability performance.

STATEMENT OF ASSURANCE

To enhance the credibility of this report, the Board of Directors ("the Board") approved the engagement of Intertek Certification International Sdn. Bhd., with the assurance engagement conducted by Intertek Deutschland GmbH to perform limited assurance on selected sustainability indicators, including Scope 1 and Scope 2 GHG emissions, water usage, and waste management, in accordance with applicable international assurance standards.

The subject matter(s) covered, scope and conclusion (where applicable) are provided below:

Type of Assurance	Material Matters	Subject Matter	Scope	Conclusion
Independent Assurance	Climate Change	Scope 1 greenhouse gas ("GHG") emissions in tonnes of carbon dioxide equivalent ("tCO ₂ e")	Operations assessed: 1. Malaysia 2. Vietnam 3. Myanmar	Based on the data and information provided by Can-One, Intertek concludes with limited assurance that there is no evidence that the GHG Statement, Water and Waste data are not materially correct, are not a fair representation of the Scope 1 and 2 GHG emissions, Water and Waste data and information, as well as are not prepared in accordance with the WRI <i>GHG Protocol – A Corporate Accounting and Reporting Standard</i> and GRI Standards.
		Scope 2 GHG emissions in tonnes of ("tCO ₂ e")		
		Total volume of water consumed and discharged in Megalitres		
	Responsible Waste Management	Total waste diverted from disposal (tonnes) Total waste directed to disposal (tonnes)		

Note: In preparing the Subject Matter mentioned above, Can-One Berhad applied the following criteria: (1) GRI Standards and (2) Can-One Berhad's relevant policies and procedures.


The complete limited assurance report is on page 83.

FEEDBACK

We welcome and encourage feedback on this Sustainability Report to help us continuously improve our disclosures and performance. Stakeholders may share their views, questions, or suggestions with us at sustainability@canone.com.my.

SUSTAINABILITY REPORT

FYE 2025 HIGHLIGHTS

 	 	 
<p>16%* Reduction in Scope 1 & 2 GHG emissions intensity (year)</p> <p>65%* (cumulative)</p>	<p>ZERO Employee and contractor fatality</p>	<p>ZERO Complaints on customers' data breaches</p>
<p>7,853 kWp Total solar capacity installed to date</p>	<p>48% Management staff are women</p>	<p>78% Suppliers screened on social compliance[^]</p>
<p>4,968 MT CO₂e per year avoided from solar usage</p>	<p>1.96 Lost Time Incident rate</p>	<p>ZERO Human rights violation</p>
<p>98,545 MWh Green Electricity[@]</p>	<p>84% Workforce from local communities</p>	<p>50% Procurement spent on local suppliers</p>
<p>24% Reduction in water consumption intensity[#]</p>	<p>25 Hours (Management) Training invested per employee</p>	<p>3.7 ESG Rating assessed by FTSE Russell⁺</p> <p>★★★★</p>
<p>98% Waste diverted from disposal</p>	<p>14 Hours (Non-Management)</p>	

Note

- * Market-based approach in accordance with the GHG Protocol Standard and against FYE 2020 baseline.
- # Measured against FYE 2024. This represents 36% if measured against FYE 2023, the year where data collection for water usage and discharge started.
- ^ Utilising 3rd party (Sedex) risk assessment tool.
- + ESG Ratings of Main Market PLCs assessed by FTSE Russell published by Bursa Securities in December 2025.
- @ Green Electricity refers to electricity generated by solar power plants under the Large-Scale Solar, hydropower stations or other renewable energy plants and supplied through the national power grid.

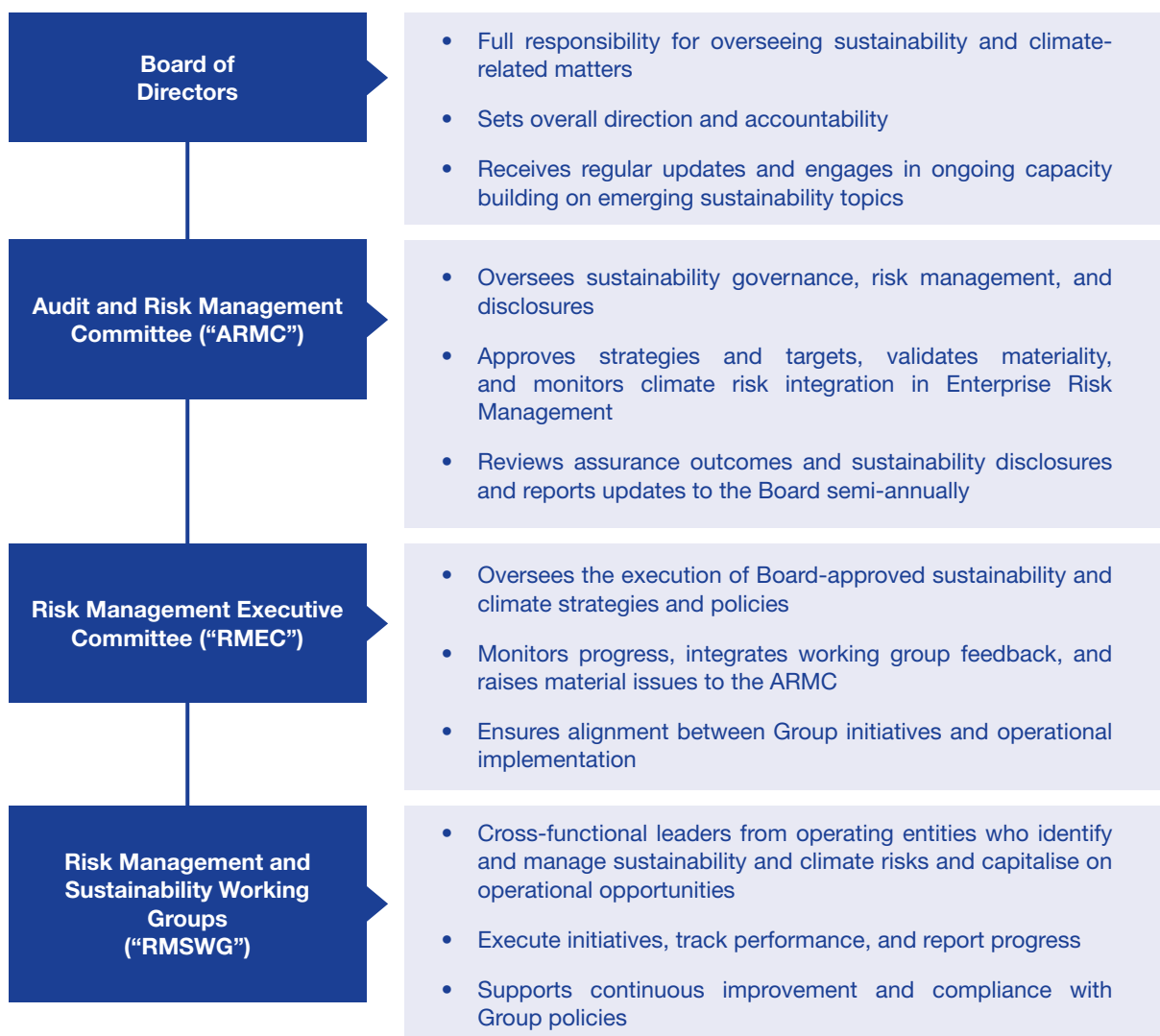
SUSTAINABILITY REPORT

GOVERNANCE

The Board has ultimate responsibility for overseeing the Group’s risk management and sustainability agenda, including climate-related risks and opportunities. This oversight is supported by a governance framework that embeds sustainability and climate considerations across Board committees, management, and working groups. This ensures that sustainability matters are aligned with overall strategy, enterprise risk management, and stakeholder expectations.

Sustainability and climate-related matters reviewed by the Board and its committees inform strategic direction, capital prioritisation, and risk appetite setting, supporting alignment between sustainability objectives and long-term enterprise value.

GOVERNANCE STRUCTURE



SUSTAINABILITY REPORT

ACCOUNTABILITY AND INCENTIVES

Sustainability and climate-related Key Performance Indicators (“KPIs”) are embedded in the Group’s management performance evaluation framework to ensure accountability for sustainability outcomes. Operating units are assessed on measures such as emissions reduction, waste minimisation, governance and ethics, health and safety, and employee development. Heads of companies have these KPIs incorporated into their performance evaluations, contributing up to 30% of their overall assessment.

OUR BUSINESS

The Group manufactures aluminium cans, tin cans, carton boxes, jerry cans and provides contract manufacturing services for beverage products. Headquartered in Malaysia, the Group operates manufacturing plants in Malaysia, Vietnam, Myanmar, Indonesia, and USA, serving both domestic and international markets.

Refer to Management Discussion and Analysis section of the Annual Report 2025 (Pages 22-31) for further details on the Group’s business activities, strategy, and financial performance.

OUR VALUE CHAIN

The Group’s value chain is centred on packaging production, which forms our core business, supported by non-core activities such as trading, investment holding, and limited property development. Mapping the value chain enables the Group to identify where sustainability and climate-related risks, opportunities, and impacts arise across the lifecycle of our products and operations. It also clarifies our dependencies on key capitals, including natural resources, people, and stakeholder relationships, which underpin long-term value creation and business resilience. Insights from this mapping help integrate material sustainability and climate-related topics into strategic planning and risk management processes.

Given the Group’s operations across multiple geographies, close collaboration with suppliers, contractors, and customers is essential to maintaining supply chain resilience, ensuring operational continuity, and driving shared progress on sustainability objectives.

Core Operations

Upstream: Raw Materials Suppliers and Transporters

- Inputs: tin plates, aluminium coils, paper rolls, High-Density Polyethylene (HDPE) resins, lacquers, inks, adhesives, starch, sweeteners, concentrates, biomass, and chemicals.
- Geographies: sourced primarily from Malaysia, Vietnam, Indonesia, China, USA, and other regional markets.
- Sustainability Topics: responsible sourcing, supplier engagement, human rights, labour practices, supply chain resilience, product carbon footprint, biodiversity protection, and safe chemical management.
- Climate Topics: exposure to physical risks affecting upstream production and logistics, impacting raw material availability and operational continuity; and transition risks from carbon pricing and energy-intensive supply chains.

SUSTAINABILITY REPORT

OUR VALUE CHAIN *(continued)*

Core Operations *(continued)*

Manufacturing

- Businesses: aluminium cans, tin cans, carton boxes, jerry cans, and contract manufacturing of beverage products.
 - o Malaysia (manufacturing plants)
 - o Vietnam (manufacturing plants)
 - o USA (manufacturing plant)
 - o Myanmar (manufacturing plants)
 - o Indonesia (manufacturing plant)
- Sustainability Topics: operational efficiency, energy and emissions reduction, water use and discharge, responsible waste management, workplace health and safety, labour practices and standards, workforce upskilling for low-carbon transition, and product innovation.
- Climate Topics: managing energy transition risks, physical climate risks affecting plant operations, and opportunities in energy efficiency and low-carbon technologies.

Downstream: Distribution and Customers

- Industries served: food & beverages, fast-moving consumer goods, edible oils, industrial products, confectionery, footwear, furniture, electrical products, and others.
- Geographies: Malaysia, ASEAN, USA, and other export markets.
- Sustainability Topics: logistics efficiency, customer satisfaction, sustainable packaging solutions, and Scope 3 emissions from product distribution and use.
- Climate Topics: opportunities from growing customer demand for low-carbon and recyclable packaging, and risks from changing trade and emissions regulations.

End-of-Life: Recycling and Circularity

- Materials: Aluminium, tin, paperboard, and HDPE are inherently recyclable, as classified by international material standards. Actual recycling rates and closed-loop circularity are constrained by external infrastructure and the availability of reliable post-consumer data.
- Sustainability Topics: packaging recyclability, circular economy partnerships, and initiatives to improve recycling systems and facilitate closed-loop material flows.
- Climate Topics: supporting emission reductions through material recovery and reuse, and contributing to a circular, low-carbon economy.

Non-core: Supporting Activities

- Trading division: facilitates procurement and sales across the Group; not operated as a standalone business.
 - Sustainability Topics: responsible procurement practices, supply chain ethics, and customer engagement.
 - Climate Topics: low-carbon sourcing criteria and logistics efficiency.
- Property development and investment holding: Comprises entities primarily focused on property rentals, investment in subsidiaries, and investment in properties held for development, not a core business area.
 - Sustainability Topics: governance, responsible management, and economic contribution.

The above topics are closely linked to the matters identified in our materiality assessment (refer to page 41).

SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT

The Group engages regularly with stakeholders to identify issues that are important to them and relevant to our long-term business performance. As sustainability considerations become increasingly linked to enterprise value, resilience, and risk management, these interactions guide our materiality assessment and strategic priorities.

Stakeholder	Engagement Method	Frequency	Key Topics Raised	Our Response / Outcome
Employees	Townhalls, surveys, training, employee appraisals, grievance channels	A, P, AWR	Workplace safety, career development, fair wages	Enhanced training and upskilling initiatives, strengthen health and safety management, competitive remuneration
Customers	Satisfaction surveys, meetings, customer audits and visits	R, AWR	Product quality, sustainable packaging, compliance	Product innovation, quality assurance, ISO certifications, carbon footprint certifications, ESG ratings
Suppliers	Supplier code of conduct, audits, site visits, evaluations	R, P, AWR	Ethical sourcing, quality, pricing and delivery, capacity building	Supplier ethical screening, transparent procurement policy, supply stability
Investors and Shareholders	Annual General Meetings, Annual Reports, Sustainability reporting	A, P, AWR	Climate-related risks, sustainability performance, financial returns	Climate transition plan, International reporting framework alignment and deliver sustained shareholder value
Regulators and Government Agencies	Regulatory submissions, compliance audits, industry consultations	A, P, AWR	Compliance, environmental standards, labour practices	Full compliance, participation in policy dialogues
Communities	CSR programmes, partnerships, grievance mechanisms	P, AWR	Local employment, environmental impacts, community investment	Local hiring and training, community outreach, environmental monitoring
Financial Institutions	ESG ratings and assessments, sustainability-linked loan review	P, AWR	Materiality of ESG risks, GHG targets, climate strategy	Transparent GHG emissions data, climate-related risk integrated in financial planning

A – Annually, P – Periodically, R – Regularly, AWR – As and When Required

SUSTAINABILITY REPORT

MATERIALITY ASSESSMENT

To understand stakeholder expectations across our value chain, the Group conducted a comprehensive materiality assessment in 2024 through a broad-based stakeholder survey. Responses were analysed, weighted, ranked, and consolidated into a materiality matrix that mapped both the importance of issues to stakeholders and their significance to the Group.

2024 Materiality Assessment Framework

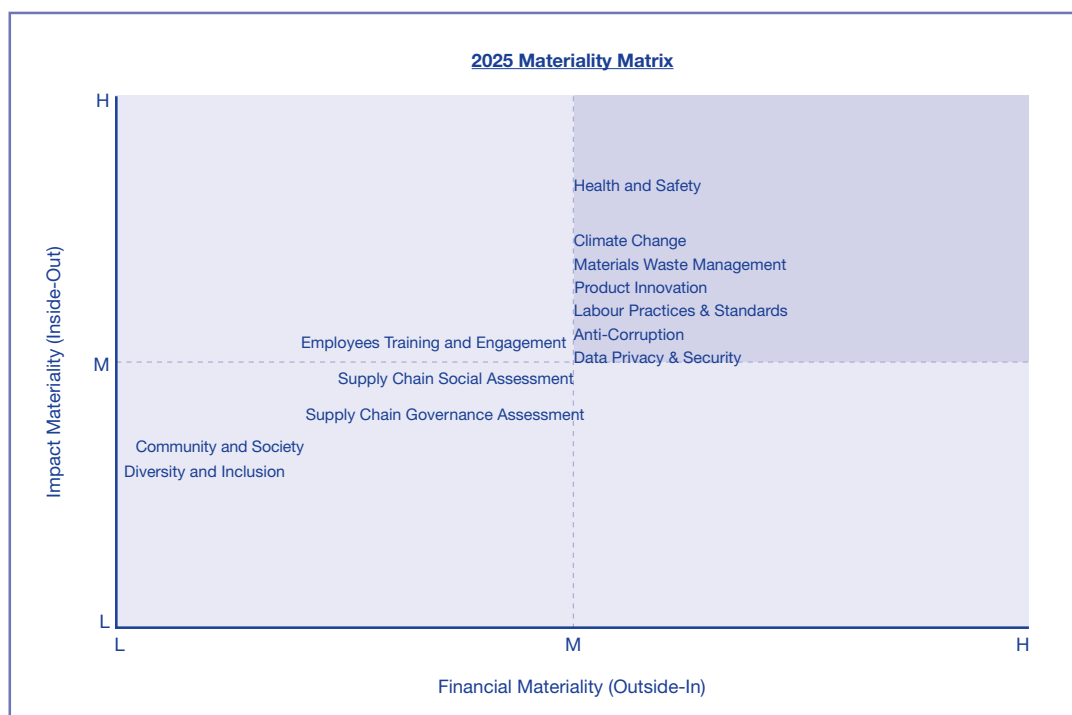
Identify – Develop a list of sustainability topics using industry benchmarks, peer practices, and global standards, then gather input from key stakeholders.

Prioritise – Rank and map topics based on significance to stakeholders and the Group, with results visualised in a materiality matrix.

Validate – Reviewed by RMEC and endorsed by the Board. A full reassessment is conducted at least once every three years, supported by interim reviews to ensure continued relevance.

For 2025, the Group reviewed the 2024 materiality matrix and confirmed the continued relevance of the identified topics. In addition, in line with the IFRS disclosure framework, a financial materiality perspective was incorporated to assess the potential impact of each topic on enterprise value. The updated 2025 matrix below highlights issues that are significant to both stakeholders and business performance. It was reviewed by the RMEC and endorsed by the Board. It underpins our sustainability strategy, reporting, and integrated risks and opportunities analysis (see page 42).

MATERIALITY MATRIX - 2025



Note:
 Climate Change encompasses Emissions, Energy Management, and Water.
 Waste Management encompasses Effluents and Waste Management.

SUSTAINABILITY REPORT

MATERIALITY MATRIX - 2025 (continued)

The table below outlines key risks, opportunities, and related financial and management considerations for each material matter.

Topic	Key Risks	Likelihood	Inside-Out	Outside-In	Time Horizon	Key Opportunities	Financial Implications	What We Are Doing
Product Innovation	Weak pipeline; failure to meet customer needs	P	M	M	MT	Differentiate via sustainable products. Carbon footprint certification	Lost revenue if demand unmet; margin growth	Invest in Research and Development. Product innovation, page 58
Governance and Ethics	Non-compliance; weak controls	P	M	M	Ongoing	Strong governance builds trust	Fines and compliance costs. Reputational damage leading to customer orders reduction	Training and strengthening compliance. Governance and Ethics, page 61
Data Privacy and Security	Cyberattacks; regulatory breaches	L	M	H	Ongoing	Certifications (ISO 27001) enhance trust	Business disruption costs	Upgrading IT security. Data Privacy and Security, page 60
Materials	Unsustainable sourcing	L	M	M	MT-LT	Responsible sourcing strengthens reputation	Risk of customer loss; potential price premiums	Supplier due diligence. Materials, page 54
Responsible Waste Management	Poor handling; fines	P	M	M	ST-MT	Cost savings from reduction	Avoid penalties; lower operating costs	Recycling and waste segregation. Responsible Waste Management, page 55
Climate Change	Physical and transition costs; water scarcity; regulatory exposure	L	M	M	MT-LT	Energy efficiency; renewable energy adoption	Higher energy/carbon costs; long-term savings from renewable energy	Solar rollout, energy audits, and water management. Climate Change, page 47
Health and Safety	Accidents; reputational loss	P	H	M	Ongoing	Strong safety culture	Productivity loss, legal claims; reduced absenteeism	Safety training, audits, and ISO certifications. Health and Safety, page 63
Diversity, Labour Practices and Standards	Stakeholders' expectations and reputation; poor retention	P	M	M	Ongoing	Inclusive culture enhances engagement and talent attraction	Penalties avoided; lower turnover costs	Workforce engagement. Diversity, Labour Practices and Standards, page 66

Note: HL – Highly Likely; L – Likely; P – Probable; U – Unlikely; HU – Highly Unlikely
 L – Low; M- Medium; MH – Medium-High; H – High
 ST – Short Term (< 12 months); MT – Medium Term (1-5 years); LT - Long Term (> 5 years); Ongoing – continuous relevance.

SUSTAINABILITY REPORT

RISK MANAGEMENT

The Group's Enterprise Risk Management framework integrates sustainability and climate-related risks with corporate, financial, and operational risks. These risks are evaluated for potential financial, operational, and reputational impacts across short-, medium-, and long-term horizons, with long-term exposures reviewed at the strategic level. Risk owners and the RMSWG conduct regular reviews, and consolidated reports are submitted bi-annually to the RMEC and ARMC. This ensures that material sustainability risks, including transition and physical risks, are effectively managed within the Group's defined risk appetite. Sustainability- and climate-related risks are prioritised as material where they are assessed to have the potential to significantly affect the Group's financial performance, financial position, cash flows, or long-term business continuity.

Refer to the Statement of Risk Management and Internal Control section on pages 106 to 110 for further details.

CLIMATE STRATEGY AND SCENARIO ANALYSIS

In 2024, the Group conducted a climate-related scenario analysis, evaluating both a 1.5°C transition pathway aligned with global net zero ambitions and a business-as-usual trajectory using Intergovernmental Panel on Climate Change ("IPCC") AR6 references. The assessment considered key transition risks, including carbon pricing, regulatory changes, and market demand shifts, as well as physical risks such as flooding, heat stress, and water scarcity. It also identified opportunities in energy efficiency, renewable energy adoption, and product innovation. These insights contributed to the foundation for the Group's Net Zero by 2050 Roadmap ("Roadmap"), which was introduced in our previous year's report.

For 2025, the Group reviewed the underlying 2024 assumptions and confirmed their continued validity. In addition, the Group enhanced the Roadmap with a Climate Transition and Adaptation Plan to provide a more comprehensive framework to guide strategy, manage risks, and capitalise on opportunities on the path to achieving the Group's net zero target. Based on the scenarios assessed, the Group considers its strategy under the Climate Transition and Adaptation Plan resilient under both transition-focused and business-as-usual pathways.

A full scenario analysis is planned for 2027 to ensure the plan remains aligned with evolving risks and opportunities.

CLIMATE TRANSITION AND ADAPTATION PLAN ("CTAP")

Our CTAP, targeting net zero emissions by 2050, is in line with the Paris Agreement and national commitments. The plan comprises four strategic pillars:

- Decarbonising operations. Expand renewable energy adoption (solar, green electricity purchases, biomethane, and biomass) and improve energy efficiency across all plants in the countries where the Group operates through process optimisation, equipment upgrades, and digital monitoring systems.
- Advancing circularity. Integrate circular principles by sourcing higher-recycled, lower-emission raw materials, and minimising waste through increased recycling in our operations.
- Developing recyclable, lightweight, and lower-carbon packaging solutions that help brand owners reduce lifecycle emissions and meet their sustainability commitments.
- Resilience and resource management. Strengthen water efficiency, climate resilience by climate-proofing facilities, securing alternative water sources, and ensuring business continuity under extreme weather events.

The Group will also evaluate the potential application of carbon capture, utilisation, and storage (CCUS) and other emerging abatement technologies to address hard-to-abate residual emissions. Any remaining emissions will be neutralised using high-quality carbon credits from projects verified under internationally recognised standards.

SUSTAINABILITY REPORT

CLIMATE TRANSITION AND ADAPTATION PLAN (“CTAP”) (continued)

Interim Targets and Scope 3 Development

To measure and monitor progress, the Group has set interim targets for 2030, which apply to all sites within the Group’s reporting boundary:

- A 70% reduction in Scope 1 and 2 GHG emissions intensity, with a 50% reduction by 2026, measured against a 2020 baseline of 68.37 tCO₂e per RM million, using the market-based method for Scope 2 emissions.
- Zero landfill waste through recycling and recovery.
- 10% reduction in water withdrawal intensity vs 2020 baseline of 0.57 megalitres per RM million.

The Group’s immediate focus remains on direct emissions (Scope 1 and 2). Scope 3 emissions have not been included yet as the Group is still establishing the necessary data collection systems, supplier engagement processes, and quantification methodologies. The Group aims to finalise the methodology and progressively incorporate Scope 3 emissions into the transition plan over the next two years. This phased approach will enable us to build robust data quality and internal capacity for credible and transparent reporting.

Supply Chain Engagement and Upstream Emissions

The Group recognises that most lifecycle emissions arise from upstream materials suppliers such as aluminium coils, tin plates, and paper rolls. Pending the finalisation of its Scope 3 development, the Group will work with these suppliers to improve disclosure of their carbon footprints, promote increased use of recycled materials, pursue lower-carbon production methods, and collaborate on logistics efficiency, including exploring lower-carbon transport options.

Regulatory Outlook on Carbon Pricing

The Group monitors evolving carbon and climate policies across its operating jurisdictions. In Malaysia, the proposed Climate Change Bill (RUUPIN) is expected to establish a national framework for carbon pricing and related regulatory instruments from 2026. In Vietnam, a pilot emissions trading scheme was launched in 2025, with full implementation expected by 2029. Initial coverage in both countries is expected to focus on high-emission sectors such as power generation, steel, and cement, with potential expansion to other industries over time.

Carbon Pricing Exposure

To assess potential carbon pricing exposure, the Group use Singapore’s carbon tax, the only implemented carbon pricing mechanism in Southeast Asia, as a proxy. At an initial reference rate of S\$5 per tonne (approximately RM15), the Group’s FYE 2025 consolidated Scope 1 emissions of 36,400 tCO₂e would result in an estimated cost of RM0.5 million, rising to RM3.6 million at an indicative rate of RM100 per tonne. In practice, exposure is expected to be lower, as carbon taxes are typically levied at the entity level, and differences in national implementation timelines are likely to see a phased exposure.

Indirect carbon-related costs may arise if electricity producers pass on their carbon pricing impacts via higher tariffs. The Group, however, is in a position to mitigate these potential impacts and preserve financial resilience through the measures outlined in the CTAP.

Internal Carbon Pricing

The Group does not currently apply an internal carbon price in planning or investment decisions. As regional policies evolve and external carbon price signals become clearer, the Group will continue to monitor developments and assess whether adopting an internal carbon price could enhance capital planning.

SUSTAINABILITY REPORT

CLIMATE TRANSITION AND ADAPTATION PLAN (“CTAP”) (continued)

Resources Commitments

Achieving the targets will require sustained investment and capacity-building over the medium to long term, including:

- Financial resources. Future capital investment in decarbonisation technologies and sustainable packaging initiatives.
- Human resources. Training, upskilling, and re-skilling employees to develop sustainability expertise across functions and support the Group’s transition to lower-carbon operations.
- Supply chain collaboration. Engagement programmes to build joint capacity and extend impact beyond our operations.

Performance Measurement

Performance against sustainability and climate-related metrics and targets is monitored by management to track progress, identify necessary corrective actions, and support decision-making on operational improvements and investment priorities. Key indicators monitored include absolute and intensity-based GHG emissions, the proportion of waste diverted from disposal, water withdrawal intensity, and the share of renewable energy in the total energy mix. Performance is reported to the ARMC and Board twice a year.

Key Assumptions

The CTAP is based on several forward-looking assumptions.

- Carbon pricing is expected to be gradually introduced across our operating geographies. For planning purposes, the Group assumes a carbon price of RM15 per tCO₂e initially, rising to RM100 per tCO₂e by 2035.
- Renewable energy supply (such as green electricity, and biomethane) will become increasingly available and cost-competitive as national utilities providers decarbonise.
- Governments across our operating geographies will continue to strengthen climate and waste-related regulations in line with their Paris Agreement commitments.
- Key customers will increasingly prefer packaging solutions with lower carbon footprints and higher recyclability, supporting demand for our sustainable packaging offerings.
- Energy efficiency gains of 1–2% per year are achievable through process optimisation, equipment upgrades, and digital monitoring systems.
- Aluminium and tinplate producers are expected to progressively reduce their embedded carbon footprint by increasing recycled content and adopting lower-carbon production methods in their production.
- Advanced abatement technologies, such as carbon capture and hydrogen, are expected to become commercially viable, offering long-term options for hard-to-abate emissions.
- Local waste management and recycling infrastructure will continue to expand in our operating countries, supporting our zero-landfill waste ambition.
- Logistics optimisation and adoption of lower-carbon transport modes will deliver measurable reductions in transport-related emissions by 2030.

SUSTAINABILITY REPORT

INDUSTRY ASSOCIATIONS AND MEMBERSHIPS

Can-One Group participates in industry associations to remain informed on emerging trends and developments, as well as to benchmark against peers, align with industry standards, and contribute to shaping resilient strategies to address opportunities and challenges.

The Group is a member of the following associations:

Association / Organisation	Purpose / Focus Area	Level of Involvement	Contribution / Benefit
Federation of Malaysian Manufacturing (FMM)	Advocacy on manufacturing policies and trade facilitation.	Member	Stay updated on regulatory changes, benchmark with peers, and industry voice.
Malaysian Employers Federation (MEF)	Labour standards, employment law, and human resource development.	Member	Guidance on fair labour practices, compliance, and employee welfare.
Malaysian Recycling Alliance (MAREA)	Promote circular economy, packaging recovery, and recycling collaboration.	Member	Advance sustainable packaging solutions and contribute to national recycling agenda.
Sedex (Supplier Ethical Data Exchange)	Global platform for transparent supply chain and ethical sourcing.	Member	Strengthen responsible sourcing and share performance with customers.

BIODIVERSITY

The Group's biodiversity-related risks arise primarily from upstream raw material sourcing rather than direct operations. All our manufacturing plants are in industrial zones, which minimises direct impacts on natural habitats and ecosystems. We manage biodiversity risks through responsible sourcing practices, a preference for certified and recycled materials, supplier environmental requirements, and robust environmental management systems at operational sites. For further details, refer to the following sections of this report: Climate Change, Product Innovation, Governance and Ethics, Materials, and Responsible Waste Management.

SUSTAINABILITY FRAMEWORK

Our sustainability framework continued to be anchored on four key pillars: Caring for the Environment, Delivering Excellence, Responsible Supply Chain, and Empowering our People.

SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT

CLIMATE CHANGE

Why it matters

Climate change presents financial and operational risks, including potential costs from carbon pricing, stricter regulatory requirements, and physical impacts such as flooding and extreme weather events. At the same time, the transition to a low-carbon economy offers opportunities to strengthen resilience, improve resource efficiency, and create value for stakeholders.

Management approach

Guided by the Group Sustainability Policy and Environmental Policy, climate risks and opportunities are integrated into our business strategy. Our approach is underpinned by the CTAP, which translates climate scenario insights into actionable mitigation and adaptation initiatives (refer to page 43 for further details).

Air Quality

Combustion processes in our boiler systems and industrial ovens produce trace emissions of nitrogen dioxide (NO₂), carbon monoxide (CO), carbon dioxide (CO₂), sulfur dioxide (SO₂), volatile organic compounds (VOCs), and particulate matter (PM). All plants conduct regular stack emissions monitoring to ensure compliance with local environmental laws.

Energy and Carbon Emissions

Electricity from the national grid is the main source of energy powering our machinery and equipment across manufacturing plants. As packaging production is inherently energy-intensive, we continue to focus on optimising energy use and implementing efficiency measures to reduce emissions and operating costs.

Heat and steam required for production are generated through boiler systems and ovens that utilise different fuels depending on availability and infrastructure:

- o Malaysia: Boilers and ovens are fuelled by natural gas.
- o Vietnam: Boilers use biomass, while the oven uses liquefied petroleum gas (LPG).
- o Myanmar: Both the boilers and the oven operate on LPG.

All plants have standby diesel generators to maintain operations during power disruptions. While usage is limited, they are included in energy monitoring and reporting.

Energy and carbon impacts are managed by identifying significant uses, implementing process and technological improvements, expanding renewable and lower-carbon energy options where feasible, and strengthening monitoring. The Group will implement ISO 50001 Energy Management Systems at its high energy-consuming sites, targeting initial coverage of at least 60% of total consumption (FYE 2024).

Water Consumption

Water is essential for steam generation, can and tin washing, contract filling, glue production, machinery cooling, and facility cleaning. Guided by our Environmental Policy, the Group focuses on efficiency, recycling, and responsible water use.



SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT *(continued)*

CLIMATE CHANGE *(continued)*

Management approach *(continued)*

Water Consumption *(continued)*

Our plants are situated in areas of varying water stress, according to the Aqueduct Water Risk Atlas. Malaysian plants are in low-risk areas, Ho Chi Minh City plants are in low-to-medium-risk areas, and Myanmar plants are in medium-to-high-risk areas.

Plants located in medium-to-high water-stress areas are prioritised for water-management measures. Key actions include leak-loss control, installation of water-saving fixtures, and employee awareness programmes. Our carton segment plants in Myanmar, Vietnam, and Malaysia also recycle wastewater from equipment cleaning and machinery cooling for re-use in glue production. This initiative reduces freshwater consumption and improves water efficiency across our operations. To strengthen operational resilience, the Myanmar plants supplement their water supply with rainwater harvesting systems.

Water-use performance is monitored using intensity metrics at both corporate and facility levels.

Our Performance

Energy Consumption

In GJ	FYE 2020 Baseline	FYE 2023	FYE 2024	FYE 2025
Grid Electricity (Non-Renewable)	517,400	481,500	332,100	258,300
Grid Electricity (Renewable via I-RECs)	–	135,500	305,800	331,600
Solar onsite generation (Self-consumed)	–	–	2,400	23,200
Solar onsite generation (Not consumed) ⁶	–	–	–	0
Natural Gas	446,900	476,800	512,100	462,900
Coal	118,300	20,900	–	–
Biomass	–	131,300	159,800	154,300
Petrol, Diesel and LPG	NA	NA	124,400	132,600
Total	1,082,600	1,246,000	1,436,600	1,362,900
Intensity (GJ/RM million)	474.42	373.19	410.45	396.61

Note:

- Figures are rounded to the nearest hundred. Group's revenue (inclusive of inter-company sales) is used in calculation of intensity GJ/RM million.
- Myanmar operations have been included from FYE 2022, with data collection starting in that year. As a result, the FYE 2020 baseline does not include data from Myanmar.
- Petrol, diesel, and LPG data collection started from FYE 2024. As a result, the FYE 2020 baseline does not include the data.
- Covers operations in Malaysia, Vietnam, and Myanmar. USA, Indonesia and supporting activities operations are outside the current reporting boundary. Refer to Reporting Period and Boundary section for details.
- NA – Not Available.
- Amount generated and not consumed in FYE 2025 was below 20GJ.

SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT *(continued)*

CLIMATE CHANGE *(continued)*

Our Performance *(continued)*

Energy Consumption *(continued)*

- Overall energy consumption declined by 5.1%, with a corresponding 3.4% reduction in energy intensity compared to the previous year.
- Energy consumption in FYE 2025 was affected by exceptional operational events. An earthquake in Myanmar disrupted grid power, requiring extended use of diesel generators at our Myanmar plants, while a burst gas pipeline in Putra Heights, Selangor, temporarily interrupted natural gas supply to our plants in Batu Caves, necessitating diesel and LPG use for its boiler and oven. The use of generators for an extended period shifted some energy that would otherwise be reported under Scope 2 into Scope 1 while the switch to diesel and LPG, which has a higher emission factor than natural gas, increased Scope 1 emissions.
- In 2025, the Group expanded its on-site renewable-energy portfolio with the installation of new rooftop solar photovoltaic systems at three manufacturing sites in Malaysia, increasing total installed solar capacity to 7,853 kWp (5 sites). Based on the expected annual generation, the Group's entire system is now projected to avoid approximately 6,100 tCO₂e of Scope 2 emissions per year.
- Plants in Malaysia continued to participate in Tenaga Nasional Berhad's Green Electricity Tariff (GET) programme with supply contracts covering approximately 84,600 MWh of renewable-attributed electricity annually, which is estimated to avoid 65,480 tCO₂e of market-based Scope 2 emissions per year.
- Natural gas remains a key fuel for Malaysian operations. Renewable gas alternative such as biomethane is available in the market, although supply remains limited and prices are at a premium. The Group will monitor market developments and assess transition opportunities as availability and cost competitiveness improve.
- The majority of LPG consumption arises from operations in Vietnam and Myanmar, where natural gas infrastructure is not readily available within the respective industrial estates. The Group will continue to monitor market developments and evaluate opportunities to transition to lower-carbon energy sources as availability improves and costs become commercially competitive.
- Coal has been completely phased out from the Group's energy mix and replaced with purchased waste-wood biomass pellets at our Vietnam plants.
- As reported last year, KJM Aluminium Can Sdn. Bhd. ("KJM"), Nilai plant, and Kian Joo Can Factory Berhad ("KJCF") began implementing the ISO 50001 Energy Management System. In 2025, KJM successfully obtained ISO 50001 certification, while KJCF completed its Stage 1 audit, with the final certification audit scheduled for Q1 2026. The ISO 50001 Energy Management System now covers facilities accounting for approximately 51%* of the Group's total energy consumption. The Group expects to achieve its 60%* rollout target by FYE 2026.

* Based on FYE 2024 total energy consumption

SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT *(continued)*

CLIMATE CHANGE *(continued)*

Our Performance *(continued)*

Water Consumption

In megalitres	FYE 2020 Baseline	FYE 2023	FYE 2024	FYE 2025	Target
Water Withdrawal					
Municipal Water	1,300	1,770	1,730	1,650	
Harvested Rainwater	NA	20	40	20	
Total (A)	1,300	1,790	1,770	1,670	
Intensity (megalitres/RM million)	0.57	0.54	0.50	0.49	0.51 By 2030
Water Discharged (Released)					
Treated Water (B)	NA	940	1,030	1,130	
Net Consumption (A-B)	1,300	850	740	540	
Intensity (megalitres/RM million)	0.57	0.25	0.21	0.16	

Note:

- Figures are rounded to the nearest ten. Group's revenue (inclusive of inter-company sales) is used in calculation of intensity megalitres/RM million.
- Treated water data collection started from FYE 2023. As a result, the FYE 2020 baseline does not include the data.
- Covers operations in Malaysia, Vietnam, and Myanmar. USA, Indonesia and supporting activities operations are outside the current reporting boundary. Refer to Reporting Period and Boundary section for details.
- NA – Not Available.

- Wastewater recycled by carton segment plants for re-use in glue production in FYE 2025 was 5 megalitres. The majority of this volume was attributed to the Vietnam plant.
- In September 2025, the carton segment plant in Vietnam installed a rainwater harvesting system as part of ongoing efforts to reduce reliance on municipal water supply while strengthening operational resilience.
- Water withdrawal intensity remained broadly stable at 0.50 megalitres per RM million revenue (FYE 2024: 0.50). Municipal water remains our primary source of water, supplemented by limited volumes of harvested rainwater.
- At plants located in medium-to-high water-stress areas, water-use intensity at our Myanmar plants improved from 0.20 megalitres per RM million in FYE 2023 to 0.16 in FYE 2025.

SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT *(continued)*

CLIMATE CHANGE *(continued)*

Our Performance *(continued)*

Our GHG Inventory

Emissions (tCO ₂ e)	FYE 2020 Baseline	FYE 2023	FYE 2024	FYE 2025	Target
Direct GHG Emissions – Scope 1 ^{2,3}	37,100	30,100	38,200	36,400	
Indirect GHG Emissions – Scope 2 ^{4,5} (Market-based)	118,900	96,500	63,400	47,000	
Total Scope 1 and 2	156,000	126,600	101,600	83,400	
Intensity (tCO ₂ e/RM million)	68.37	37.92	29.03	24.27	20.5 By 2030
Indirect GHG Emissions – Scope 3					
Category 2: Capital goods ⁹	NA	NA	NA	3,800	
Category 3: Fuel and energy- related activities ^{6,7}	NA	NA	NA	15,900	
Category 5: Waste generated in operations ⁶	NA	NA	NA	500	
Category 6: Business travel ⁸	NA	NA	100	200	
Category 7: Employee commuting ⁸	NA	NA	5,400	5,300	
Total Scope 1, 2, and 3	156,000	126,600	107,100	109,100	
Intensity (tCO ₂ e/RM million)	68.37	37.92	30.61	31.75	

Note:

- Figures are rounded to the nearest hundred. Group's revenue (inclusive of inter-company sales) is used in calculation of intensity tCO₂e/RM million.
- Scope 1: Emission sources include natural gas, biomass, petrol, diesel, LPG, and refrigerants. Prior to FYE 2024, this comprised natural gas, biomass, and coal only.
- Scope 1 emissions are calculated based on emission factors published by IPCC Guidelines for National Greenhouse Gas Inventories, GHG Protocol: Emission Factors from Cross-Sector Tools (April 2014) and GHG Protocol: Global Warming Potential Values (IPCC Sixth Assessment Report 2020 (AR6)).
- Scope 2: Emission source is purchased electricity from the national grid.
- Scope 2 emissions are calculated based on emission factors published by Energy Commission for Peninsular Malaysia Electricity Grid 2022, Department of Climate Change on research and develop emission factors for Vietnam's electricity grid 2023 and Myanmar Japan Thilawa Development Ltd for Thilawa Special Economic Zone electricity grid.
- Scope 3: Calculated using the average-data method, applying emission factors from the UK Government GHG Conversion Factors for Company Reporting 2025, published by the Department for Energy Security and Net Zero (UK).
- Electricity transmission and distribution loss factors are sourced from Tenaga Nasional Berhad's 2024 Annual Report, Vietnam Electricity Corporation and Ministry of Electric Power, Myanmar.
- Business travel covers air travel only and uses a distance-based method. Employee commuting is based on estimated travel distances.
- Spend-based method, applying emission factors from US EEE10 EPA Supply Chain GHG Emission Factors V1.3 by North America Industry Classification System (NAICS)-6.
- Covers operations in Malaysia, Vietnam, and Myanmar. USA, Indonesia and supporting activities operations are outside the current reporting boundary. Refer to Reporting Period and Boundary section for details.
NA – Not Available

SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT *(continued)*

CLIMATE CHANGE *(continued)*

Our Performance *(continued)*

Our GHG Inventory *(continued)*

- FYE 2025 Scope 1 and 2 achieved an 18% reduction in absolute emissions and a 16% improvement in emission intensity compared to the previous year.
- Total Scope 1 and 2 GHG emissions decreased by 47%, from 156,000 tCO₂e in FYE 2020 (baseline) to 83,400 tCO₂e in FYE 2025, with intensity improving by 64%, from 68.4 to 24.3 tCO₂e per RM million. These reductions reflect the impact of ongoing decarbonisation initiatives, including energy-efficiency improvements, investment in energy-efficient machinery, and the transition to lower-carbon energy sources.
- KJM Nilai and KJM Batu Caves plants obtained ISO 14067 Product Carbon Footprint certification for their two-piece aluminium can products in 2025. The certification provides verified insights into product-level GHG emissions, enabling the identification of reduction opportunities to support the Group's broader emissions roadmap. The Group plans to extend similar assessments to other major manufacturing sites over the next two years to further integrate product-level carbon management across its operations.
- Scope 2 emissions are reported using both market-based and location-based approaches in line with GHG Protocol guidance. Location-based Scope 2 emissions intensity decreased from 52.12 tCO₂e/RM million in FYE 2020 (baseline) to 34.06 tCO₂e/RM million in FYE 2025, primarily due to the installation of rooftop solar photovoltaic systems that displaced grid electricity, as well as the use of more energy-efficient machinery and the implementation of ongoing energy management and efficiency measures.

Indirect GHG Emissions – Scope 2 (Location-based)	FYE 2020 Baseline	FYE 2023	FYE 2024	FYE 2025
Emissions (tCO ₂ e)	118,900	124,400	127,700	117,000
Intensity (tCO ₂ e/RM million)	52.12	37.25	36.49	34.06

Note: Figures are rounded to the nearest hundred. Group's revenue (inclusive of inter-company sales) is used in calculation of intensity tCO₂e/RM million.

- Scope 3 emissions were first measured in FYE 2024, covering business travel and employee commuting. In FYE 2025, reporting was expanded to include additional material categories: capital goods, fuel and energy-related activities, and operational waste.
- Biogenic CO₂ emissions arise from the use of biomass as a renewable energy source at our Vietnam plant. The increase from 14,700 tCO₂ in FYE 2023 to 17,900 tCO₂ in FYE 2024 reflects the phasing out of coal and phasing in of biomass until the switch was completed. These emissions are reported separately as biomass is considered carbon-neutral over its lifecycle.

Biogenic Emission (tCO ₂)	FYE 2020 Baseline	FYE 2023	FYE 2024	FYE 2025
Biomass	–	14,700	17,900	17,300

Note: Emission is calculated based on emission factors from the IPCC 2006 Guidelines for National Greenhouse Gas Inventories. Figures are rounded to the nearest hundred.

SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT *(continued)*

CLIMATE CHANGE *(continued)*

Our Performance *(continued)*

Air Emissions

- In 2025, the Group initiated a pilot exercise at KJM Nilai plant on the methodology to quantify key air emissions (NO₂, SO₂, VOCs, and PM). Once data integrity and calculation assumptions are validated, the Group intends to roll out the methodology across other plants, with reporting readiness targeted by the next reporting cycle.
- There were no air emissions violations or penalties recorded during the year. All sites complied with applicable environmental regulations.

New rooftop solar photovoltaic systems installed and commissioned in 2025.



2,137 kWp solar system at KJCF plant
in Batu Caves



1,264 kWp solar system at KJ Can (Selangor)
Sdn. Bhd. - Plant 1



623 kWp solar system at Aik Joo Can Factory Sdn.
Berhad Lot 2244



456 kWp solar system at Aik Joo Can Factory Sdn.
Berhad Lot 2211

SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT *(continued)*



MATERIALS

Why it matters

Responsible use of renewable materials and recycled materials reduces resource depletion, minimises waste, and lowers the carbon footprint of our products. As a manufacturer of packaging products, sustainable material sourcing is central to our ability to deliver long-term value, strengthen supply chain resilience, and meet evolving customer expectations.

Management approach

Primary Materials

The Group sources key materials responsibly to promote sustainability across the value chain. For aluminium used in metal packaging, all coils are procured from suppliers that hold leading industry certifications for responsible production. These include certifications for site-level environmental and social performance, as well as supply chain traceability (chain of custody). These certifications provide recognised environmental, social, and governance standards for responsible aluminium production and supply chain practices.

Recognising that aluminium, tin, and steel are inherently recyclable, the Group also works with its suppliers to progressively increase the recycled content in the coils and plates used in our production.

The Group's carton plants adhere to responsible sourcing standards that ensure material traceability. In paper roll procurement, preference is given to suppliers certified under recognised chain-of-custody programmes. All paper rolls used in production contain recycled pulp, with certain grades blended with responsibly sourced virgin pulp to meet strength requirements.

To support circularity, the Group ensures that its metal and paper production scrap is reintegrated into the material cycle. Refer to the Responsible Waste Management section for further details on recyclable production waste.

Lightweighting

We collaborate with customers to design lighter cans and carton boxes without compromising strength or performance. Lightweighting reduces material consumption, logistics requirements, and the associated energy use and emissions. Refer to the Product Innovation section for further details on lightweighting.

Zero Waste to Landfill

The Group has set a target to achieve zero waste to landfill by 2030. This commitment ensures that all production by-products, scrap, and waste are either recycled or repurposed. Waste is segregated at the source, and recyclable materials are sent to licensed collectors for recovery, reducing reliance on landfills and supporting circularity across the value chain. Refer to the Responsible Waste Management section for further details.

Employee Training and Awareness

Employees across all levels are trained in sustainability practices, including waste segregation, energy efficiency, and recycling. Campaigns and workshops are conducted periodically to raise awareness.

Our Performance

- In FYE 2025, all aluminium coils were sourced from suppliers with recognised responsible-production certifications and approximately 80% of paper rolls (by volume) were procured from vendors certified under recognised chain of custody programmes.
- Refer to the Product Innovation and Responsible Waste Management sections for further details on the lightweighting and zero-waste-to-landfill initiatives undertaken in FYE 2025.

SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT *(continued)*

RESPONSIBLE WASTE MANAGEMENT



Why it matters

Waste generated from packaging production must be responsibly managed to reduce environmental impacts, safeguard community health, and ensure compliance with regulatory standards. Effective waste management also supports resource efficiency and contributes to the Group's sustainability goals.

Management approach

Policies and Governance

- Our Environmental and Sustainability Policies set expectations for responsible waste management across all operations.
- Safety, Health, and Environment (“SHE”) Committees at each plant meet regularly to review waste handling, disposal practices, and legal compliance, supported by SHE Officers at the operational level.
- Internal audits and periodic independent certification assessments reinforce compliance and continual improvement.

Certifications

- 56% of plants are certified under the ISO 14001:2015 Environmental Management System (“EMS”) framework, assuring alignment with global environmental management standards.
 - o KJM Aluminium Can Sdn. Bhd.
 - o Kian Joo Can Factory Berhad
 - o Kian Joo Canpack Sdn. Bhd.
 - o Kianjoo Can (Myanmar) Company Limited
 - o Box-Pak (Malaysia) Bhd.
 - o Box-Pak (Vietnam) Co., Ltd.
 - o BP MPak Sdn. Bhd.
 - o Boxpak (Myanmar) Company Limited
- These certified plants serve as benchmarks for best practices in responsible waste management, providing a foundation for scaling similar initiatives across the Group.
- Through the implementation of this EMS, the Group demonstrates its commitment to identifying, controlling and preventing pollution, reducing waste generation, conserving both renewable, and non-renewable resources, and protecting the environment through reduce, reuse, and recycle approach.

Types of Waste and Management

- **Recyclable production waste (non-hazardous):** Paper, aluminium, and tin scraps generated during manufacturing are segregated at source and collected by licensed third-party recyclers. Given their high quality and inherent material value, these materials are sold to downstream mills, which often offer premium pricing, providing an incentive for recyclers to reintegrate the materials into the supply chain.
- **General solid waste (non-hazardous):** Office waste, packaging, and canteen waste are segregated and disposed of in compliance with local requirements. Canteen waste from our Batu Caves plant in Malaysia is consolidated at Kian Joo Can Factory Berhad, where it is composted on-site into organic fertiliser as part of a small-scale pilot circularity initiative.
- **Scheduled waste (hazardous):** Includes ink sludge, metal-bearing sludge, spent oil-water emulsions, waste ink, and adhesives. These are securely stored, properly documented, and transferred only to licensed service providers for treatment, recovery, or final disposal in accordance with local regulatory requirements.
- **Wastewater:** Some plants generate wastewater containing traces of metals and chemicals as part of the production process. This wastewater is treated at our in-house wastewater treatment plants and tested for key parameters such as pH, Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD), and Ammoniacal Nitrogen prior to discharge.

SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT *(continued)*

RESPONSIBLE WASTE MANAGEMENT *(continued)*

Management approach *(continued)*

Types of Waste and Management *(continued)*

Our wastewater management practices comply with local regulatory requirements and industry standards. In Malaysia, manufacturing wastewater undergoes primary and secondary treatment on-site before discharge as surface water to designated drains, in line with Standard B limits set by the Department of Environment. In Vietnam and Myanmar, wastewater is similarly treated on-site before being sent to sewerage pipelines managed by industrial park authorities for further third-party treatment and final disposal. These measures help minimise environmental impact across all operations.

Waste handling and disposal across the Group is conducted responsibly, supported by internal monitoring and periodic reporting to ensure ongoing compliance.

Classification

- Wastes that are reused, recycled, or recovered (both non-hazardous and hazardous) are classified as **diverted from disposal**. Wastes with no feasible recovery route, sent to landfill, or incinerated without energy recovery, are classified as **directed to disposal**.

Regulatory Reporting

- In Malaysia, all scheduled waste is tracked through the Department of Environment's e-SWIS system, providing traceability and regulatory oversight. In Vietnam, scheduled waste reporting is handled through a comparable system managed by the Ministry of Natural Resources and Environment. In Myanmar, where formal regulatory reporting systems are less developed, the Group applies the Malaysian framework to manage waste, including recording, tracking, storing, and reporting, to ensure accountability and control.

Our Performance

Waste generated (MT)	FYE 2020 Baseline	FYE 2023	FYE 2024	FYE 2025	Target
Total Solid waste (non-hazardous)	58,600	58,300	61,200	59,020	
Total Scheduled waste (hazardous)	3,900	5,000	5,200	4,940	
Waste diverted from disposal					By 2030 Zero landfill
Solid waste (non-hazardous)	58,600	58,300	60,500	58,970	
Scheduled waste (hazardous)	–	–	3,700	3,520	
Total	58,600	58,300	64,200	62,490	
As a % of total waste	94	92	97	98	

SUSTAINABILITY REPORT

CARING FOR THE ENVIRONMENT *(continued)*

RESPONSIBLE WASTE MANAGEMENT *(continued)*

Our Performance *(continued)*

	FYE 2020 Baseline	FYE 2023	FYE 2024	FYE 2025	Target
Waste directed to disposal					
Solid Waste (non-hazardous)	–	–	700	50	By 2030 Zero landfill
Scheduled Waste (hazardous)	3,900	5,000	1,500	1,420	
Total	3,900	5,000	2,200	1,470	

Note:

- Covers operations in Malaysia, Vietnam, and Myanmar. USA, Indonesia and supporting activities operations are outside the current reporting boundary. Refer to Reporting Period and Boundary section for details.
- Figures are rounded to the nearest hundred except for FYE 2025 where figures are rounded to the nearest ten.

- 98% of total waste generated in FYE 2025 was diverted from landfill through recycling and recovery, achieving our milestone towards the zero-landfill target by 2030.
- There were no environmental non-compliance incidents related to waste management, including effluent discharge, during the year, and all sites remained in full compliance with applicable waste management regulations.
- In FYE 2025, 4.6 tonnes of food waste from all our plants in Batu Caves were composted, producing 1 tonne of fertiliser. This initiative supports landfill diversion and demonstrates the Group’s commitment to circular resource management, with potential for expansion to other sites.



Organic fertiliser from food waste



Food waste composting machine

SUSTAINABILITY REPORT

DELIVERING EXCELLENCE



PRODUCT INNOVATION

Why it matters

Innovation strengthens our competitive edge by meeting evolving customer needs, ensuring relevance in the marketplace, and enhancing long-term financial performance. At the same time, robust quality and safety standards build customer trust and retention.

Management approach

Quality and Safety Management

All manufacturing plants within the Group are certified under the ISO 9001:2015 Quality Management System framework, ensuring consistent delivery of products that meet both customer and regulatory requirements.

In addition, the following plants involved in the production of primary packaging for the food and beverage industry are certified under the FSSC 22000 Food Safety Management System framework:

- o KJM Aluminium Can Sdn. Bhd.
- o Kian Joo Can Factory Berhad
- o KJ Can (Selangor) Sdn. Bhd.
- o Federal Metal Printing Factory, Sdn. Berhad
- o Kian Joo Canpack Sdn. Bhd.
- o KJ Can (Johore) Sdn. Bhd.
- o Kian Joo Can (Vietnam) Co., Ltd.
- o AJ Can Sdn. Bhd.

The use of Material Safety Data Sheets (MSDS) enables systematic assessment of potential hazards prior to production, underpinning product safety and compliance. Compliance is monitored by the Internal Audit Department and verified through independent third-party assessments during certification and recertification processes.

Group-wide policies and procedures are embedded across all plants to uphold quality standards as part of the ISO framework.

Innovation and Lightweighting

The Group works with customers to co-develop packaging solutions that maintain required performance while reducing environmental impact. Key initiatives include:

- Lightweighting cans without compromising functional or mechanical performance.
- Optimising carton designs by reducing material use and adopting lower-grammage paperboards.

These measures contribute to reduced raw material consumption, improved energy efficiency during production, and lower GHG emissions across the value chain.

To support ongoing product innovation and market responsiveness, the Group participates in regional packaging forums, technical seminars, and industry conferences to track developments relevant to product design, materials, technologies, and automation.

SUSTAINABILITY REPORT

DELIVERING EXCELLENCE *(continued)*

PRODUCT INNOVATION *(continued)*

Our Performance

- Our carton plant in Batu Caves continued with the lightweighting project launched last year. Additional orders processed during the year resulted in a savings of 22 metric tons of paper or 4.9%, bringing the cumulative total to 42 metric tons to date.
- The lightweighting project at our aluminium can plant in Nilai, which started last year achieved a 2% material savings to date compared to a projected 5%.
- In FYE 2025, there were zero incidents of non-compliance with regulations relating to the health and safety impacts of our products.
- No product recalls were recorded in FYE 2025, in line with our zero-recall target.
- Participated in Asia Cantech Conference, Foodtech Packtech, SaudiFood Expo, Pack Print International 2025, WePack South East Asia 2025, ProPak Asia Expo, and Gulfood Manufacturing Expo.



Foodtech Packtech 2025



Asia Cantech Conference 2025

SUSTAINABILITY REPORT

DELIVERING EXCELLENCE (*continued*)



DATA PRIVACY AND SECURITY

Why it matters

Safeguarding data privacy and security is essential to maintaining customer trust, protecting stakeholder information, and minimising operational and reputational risks. As cyber threats become more frequent and sophisticated, ensuring the confidentiality, integrity, and availability of sensitive data is both a regulatory requirement and a critical factor in sustaining business continuity.

Management approach

Policy and Governance

The Group's Personal Data Protection Policy sets out how personal information is collected, stored, and processed in compliance with data protection laws in all countries where we operate. The policy is reviewed periodically to ensure continued alignment with evolving legal and regulatory requirements, as well as best practices.

System Safeguards

We adopt a layered defence approach, including firewalls, encryption, intrusion detection, and continuous monitoring. Access controls, such as role-based permissions, strong password protocols, and account lockouts are enforced to minimise the risk of unauthorised access.

Incident Response and Testing

The Group maintains an internal incident response plan to address data breaches or disruptions swiftly. Third-party experts are periodically engaged to conduct penetration testing and security audits, helping us identify vulnerabilities and strengthen controls.

Employee Training

Employees participate in regular training and awareness programmes covering cybersecurity risks, phishing prevention, and responsible data handling. Updates on emerging threats and precautionary measures are communicated through periodic alerts and reminders.

ISO 27001 Standard Alignment

As part of our continuous improvement journey, the Group aims to align its data security framework with the ISO 27001 Information Security Management System standard.

Our Performance

- There were no breaches or losses of personal or customer data during the reporting period, in line with our zero-breach target.
- KJCF completed its ISO 27001 Stage 1 audit in December 2025, with Stage 2 certification scheduled for Q1 2026. The Group plans to extend ISO 27001 to other subsidiaries, prioritising larger operations to ensure a consistent and structured implementation across the Group.

SUSTAINABILITY REPORT

DELIVERING EXCELLENCE RESPONSIBLE SUPPLY CHAIN

GOVERNANCE AND ETHICS



Why it matters

Ethical, transparent, and responsible governance underpins our sustainability performance and builds long-term stakeholder trust. Strong governance practices safeguard the Group against compliance risks, corruption, and reputational damage, while also supporting sustainable growth across our value chain.

Management approach

Anti-Corruption Policy (“AC Policy”)

Aligned with the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Group’s AC Policy establishes a common framework for preventing bribery and corruption across all operations. While based on Malaysian legislation, the Policy has been adopted group-wide and adapted where necessary to reflect local regulatory requirements and operating contexts. All directors, officers, and employees are required to comply with applicable anti-corruption laws in every country where we operate. In addition, all managerial and key employees sign an Annual Statement of Compliance affirming their independence and commitment to ethical and anti-corruption conduct.

Whistle-blowing Policy (“WB Policy”)

The Group maintains a formal whistle-blowing mechanism to uphold integrity and accountability across its operations. The WB Policy provides employees and external stakeholders with a secure and confidential channel to report suspected unethical or improper conduct directly to the Group Managing Director through dedicated email, phone, or mailing options. All reports are handled in accordance with established procedures and are investigated objectively, with whistle-blowers protected from any form of retaliation. The WB Policy, together with the reporting procedures and contact details, are publicly available on the Group’s corporate website to promote transparency.

Employee Code of Conduct (“ECoC”)

The ECoC sets standards for ethical behaviour, including respect for human rights, non-discrimination, and workplace safety. All new employees undergo mandatory induction programmes covering the ECoC, AC Policy, and WB Policy.

Supplier Code of Conduct (“SCC”)

The SCC requires suppliers to adhere to standards aligned with the United Nations (“UN”) Guiding Principles, International Labour Organisation (“ILO”) Conventions, and the 10 Principles of the UN Global Compact. Key focus areas include:

- Labour practices: working hours, child and forced labour, and non-discrimination
- Health & safety: workplace safety, compliance with regulations, and decent housing
- Environmental practices: permits, hazardous materials, and pollution management
- Business integrity: anti-bribery, grievance channels, fair competition, conflict minerals, and intellectual property

SUSTAINABILITY REPORT

DELIVERING EXCELLENCE RESPONSIBLE SUPPLY CHAIN *(continued)*

GOVERNANCE AND ETHICS *(continued)*

Management approach *(continued)*

Supplier Code of Conduct ("SCC") *(continued)*

All new and existing suppliers are required to sign the SCC. New suppliers also undergo screening before approval, and the procurement team conducts periodic site audits to verify compliance.

All our Policies and Code of Conducts are reviewed periodically and updated to ensure continued relevance.

Sedex (Supplier Ethical Data Exchange)

In FYE 2024, the Group joined Sedex to strengthen responsible sourcing and manage supply chain risks. Sedex assessments evaluate suppliers' social, ethical, and environmental practices, including human rights, labour standards, health and safety, and business ethics. All new significant suppliers are screened as part of this process. Over the medium term, the Group aims for at least 80% of suppliers, by spend value, to be evaluated under the Sedex framework to improve transparency and accountability across the supply chain.

Our Performance

- Whistle-blowing

Financial Year	Cases Reported	Substantiated	Unsubstantiated	Resolved by Year End
2023	1	1	0	1
2024	5	5	0	5
2025	8	5	3	8

Corrective actions for substantiated cases include employee counselling, disciplinary measures, process improvements, and staff training, where appropriate, have been taken.

- No corruption cases were reported in FYE 2025, in line with our zero-incident target.
- In FYE 2025, 402 new suppliers signed the SCC, while the Group conducted 29 on-site supplier audit visits to validate compliance with the SCC as part of its supplier performance review and monitoring programme. Audit findings are tracked and, where necessary, corrective actions are required to address identified gaps to support continuous improvement across the supply chain.
- No significant actual or potential negative social impacts were identified within our supply chain in FYE 2025.
- Progress of suppliers by spend value (based on FYE 2023 spending) assessed under Sedex evaluation framework:

Percentage covered as at	Overall
FYE 2024	58%
FYE 2025	78%

The Group continues to enhance responsible supply chain management, with suppliers evaluated under the Sedex framework increasing to 78% as at end of 2025. This is an ongoing engagement with key suppliers and our commitment to promote ethical, environmental, and social practices across our supply chain.

SUSTAINABILITY REPORT

EMPOWERING OUR PEOPLE

HEALTH AND SAFETY

Why it matters

Safeguarding the health, safety, and well-being of our employees and everyone on-site is fundamental to our operations. A robust safety culture protects people, sustains productivity, and supports business continuity, while also helping us manage compliance risks and attract skilled talent.

Management approach

Policy and Governance

- The Group's Safety and Health Policy applies to all employees, contractors, and site visitors, setting expectations for safe conduct across all plants.
- SHE Committees at each plant, comprising management and employee representatives, including worker representatives, meet quarterly to review safety issues, report hazards, and recommend improvements. We maintain a 'No-Blame' culture where employees are encouraged to report hazards and are strictly protected against any form of reprisal.
- Safety Officers at each plant oversee the implementation of safety procedures, hazard identification, compliance with regulations, and incident follow-up.
- Oversight of health and safety matters rests with the Group Managing Director, who is also a member of the Board, ensuring board-level accountability for the Group's health and safety performance.
- The Group identifies and manages occupational health and safety risks as part of its ongoing assessment of potential human rights impacts on employees, with mitigation measures incorporated into daily operations and governance processes.

Preventive and Protective Measures

Initiatives implemented to reduce risks and protect employees at our sites include:

- Provision of Personal Protective Equipment and training on safe handling of hazardous chemicals.
- Audiometric testing for employees exposed to noise, supported by regular noise monitoring at plants.
- Access to healthcare services through public and private clinics.
- Installation of safety guards on high-risk machinery.
- Installation of handrails at staircases.
- Inspection and maintenance of firefighting systems and equipment, with regular fire drills to ensure emergency readiness.

These measures are implemented across all operational sites and are regularly reviewed to ensure effectiveness, reinforcing our commitment to a safe and resilient workplace.

Certifications

- 50% of the Group's plants are certified under the ISO 45001:2018 Occupational Health and Safety Management System framework, reflecting alignment with international best practices. For plants without the accreditation, the Group mandates full alignment with the ISO framework to ensure a standardised safety culture across its operations.



SUSTAINABILITY REPORT

EMPOWERING OUR PEOPLE *(continued)*

HEALTH AND SAFETY *(continued)*

Management approach *(continued)*

Certifications *(continued)*

- Certified plants include:
 - o KJM Aluminium Can Sdn. Bhd.
 - o Kian Joo Canpack Sdn. Bhd.
 - o Kian Joo Can Factory Berhad
 - o Kianjoo Can (Myanmar) Company Limited
 - o Box-Pak (Malaysia) Bhd.
 - o Box-Pak (Vietnam) Co., Ltd.
 - o Boxpak (Myanmar) Company Limited
 - o BP MPak Sdn. Bhd.

Monitoring

- Regular safety audits and inspections are conducted in line with regulatory requirements in Malaysia, Vietnam, and Myanmar.
- The Group requires all incidents to be reported, reviewed, and investigated under its ISO management framework, with corrective actions implemented to prevent recurrence. Non-ISO-certified plants are required to follow equivalent monitoring and reporting procedures in line with the Group's policy.

Competency, Awareness and Training

- The Group provides occupational health and safety training to relevant employee groups, including health and safety personnel and operational staff. Training covers hazard identification, safe-work procedures, emergency response, chemical safety, machine safety protocols, and incident reporting.
- Employees in higher-risk operations receive additional job-specific training and refresher programmes based on risk exposure and legal requirements.
- Contractors working on-site are required to complete a safety induction briefing prior to commencing work.
- Training attendance and competency assessments are recorded to ensure compliance and traceability across all operating entities.

Our Performance

	FYE 2020 Baseline	FYE 2023	FYE 2024	FYE 2025
Work-Related Injury by Case				
- Minor injury	139	94	123	115
- Major injury	65	72	62	63
- Fatality	-	-	-	-
Lost time injury (Days)	1,924	1,626	1,731	1,732
Work-Related Ill-health by Case				
No of cases	-	-	-	-

SUSTAINABILITY REPORT

EMPOWERING OUR PEOPLE *(continued)*

HEALTH AND SAFETY *(continued)*

Our Performance *(continued)*

	FYE 2023	FYE 2024	FYE 2025	
Audiometric test conducted				
Targeted			3,559	
Attended			3,343	
Group headcount			6,128	
% employees covered			55%	
				Target
Lost Time Incident Rate ("LTIR")	1.69	1.96	1.96	< 2.0

Note: Covers operations in Malaysia, Vietnam, and Myanmar. USA, Indonesia and supporting activities operations are outside the current reporting boundary. Refer to Reporting Period and Boundary section for details.

- The LTIR, although within our target, highlights ongoing operational safety challenges, particularly in high-risk manufacturing environments. The rate has remained within a relatively narrow range over the past four years, indicating stable safety performance across the Group.
- FYE 2025 recorded zero employee and contractor fatalities, in line with our target.
- Total health and safety training hours delivered: 31,518 hours (FYE 2024: 45,781 hours). Operations workforce trained: 52%.
- Average OHS training per employee: 9.8 hours/employee (FYE 2024: 13 hours/employee).
- The Group conducted health and safety programmes across all sites, with 3,217 employees and contractors participating in first aid and CPR training, health talks, audiometric tests, fire drills, and contractor safety briefings. These activities reinforce the Group's focus on workforce safety, risk mitigation, and compliance with occupational health standards.



Industrial First Aid and CPR training – Federal Metal Printing Factory, Sdn. Berhad



Health talk – Aik Joo Can Factory Berhad



Audiometric Occupation Health Doctors Examination presentation – Kian Joo Canpack Sdn. Bhd.



Safety Briefing for contractors – Kianjoo Can (Myanmar) Company Limited

SUSTAINABILITY REPORT

EMPOWERING OUR PEOPLE (*continued*)

DIVERSITY, LABOUR PRACTICES AND STANDARDS



Why it matters

Our people are central to our success. By fostering diversity, inclusivity, and fair labour standards, we create a safe, equitable, and supportive workplace where employees are engaged and empowered to grow. Respecting labour rights and building a motivated workforce drives productivity, innovation, and long-term business resilience.

Management approach

Commitments and Governance

Our approach to people management is underpinned by policies and ethical standards that guide both employees and the supply chain.

- Employee Code of Conduct

Sets out expected behaviour, grievance mechanisms, and fair labour practices. In addition, it prohibits underage or forced labour and discriminatory practices, ensures fair wages and working hours, and upholds freedom of association, in alignment with ILO conventions and the UN Guiding Principles on Business and Human Rights. Oversight of labour and human rights matters rests with the Group Human Resources Head, with periodic reporting to senior management to ensure alignment with labour regulations, ethical standards, and Group policies.

- Supplier Code of Conduct

Extends our human rights and fair labour commitments to our supply chain. (Refer to Governance and Ethics section on page 61 for further details).

Workplace Practices

- Diversity and Equal Opportunity

We promote an inclusive culture where recruitment, selection, promotion, and career development are based on merit, capability, and performance. We maintain policies prohibiting discrimination in employment on the basis of gender, age, ethnicity, nationality, or religion.

- Fair Labour Practices and Worker Rights

Malaysia: Our plants employ both local and migrant workers. Migrant workers are recruited directly, and the Group conducts thorough due diligence on recruitment agents prior to engagement to ensure compliance with ethical standards. Agents are required to sign agreements prohibiting charging recruitment fees to workers, and this requirement is reinforced through periodic due diligence and compliance checks. Employment contracts are explained in workers' native language before signing. All employment terms comply with the Minimum Wages Order 2022 and Employment Act 1955 (as amended). Housing provided for migrant workers meets the Employees' Minimum Standards of Housing, Accommodations and Amenities (Amendment) Act 2020 (Act 446).

Vietnam and Myanmar: All employees are hired in accordance with applicable national labour laws, with recruitment and employment practices designed to comply with legal requirements on fair treatment and non-discrimination.

SUSTAINABILITY REPORT

EMPOWERING OUR PEOPLE *(continued)*

DIVERSITY, LABOUR PRACTICES AND STANDARDS *(continued)*

Management approach *(continued)*

Fair and Competitive Compensation

The Group regularly reviews remuneration to ensure it is fair, competitive, and based on experience and role rather than gender or other discriminatory factors. All employees are treated equitably, reflecting our commitment to decent work, diversity, and non-discrimination. To further strengthen social responsibility, the Group will conduct a Group-wide living wage assessment in 2026.

Employee Engagement and Well-being

Open communication, regular townhalls, and employee surveys support a culture of transparency and continuous improvement. A group-wide employee survey is conducted every two years, with the next survey scheduled for 2026. In 2024, the survey recorded an overall satisfaction rate of 78%. Feedback from these engagement channels is reviewed by management to identify areas for improvement and strengthen workplace practices. Social initiatives such as cultural events, volunteer programmes, and community engagement strengthen social cohesion and a sense of belonging, supporting employees' overall well-being and reinforcing engagement across the Group.

Training and Talent Development

We invest in upskilling, reskilling, and broader capability building initiatives to ensure the continued employability and relevance of our workforce amid evolving operational and technological demands. Cross-functional, technical, and leadership programmes are implemented to strengthen workforce competencies and operational effectiveness. Educational assistance is provided to employees pursuing further studies to support their professional growth.

Some of the Group's plants in Malaysia collaborate with technical institutes under the country's Technical and Vocational Education and Training (TVET) programmes to develop industry-relevant skills and create employment pathways for graduates. The Group also hosts internship programmes for students from technical institutes and universities, supporting the pipeline of future talent.

Monitoring and Continuous Improvement

Oversight of adherence to labour standards is conducted by the Internal Audit Department. All companies in the Group are members of Sedex, which enables independent reviews of workplace conditions and supports continuous improvement.

Stakeholder Communication and Engagement

The Group uses its official LinkedIn platform as a communication channel to share corporate updates, including awards, operational milestones, and employee as well as community initiatives. Content published on the platform recognises employee contributions, and reinforces consistent engagement with customers, partners, and the wider community.

SUSTAINABILITY REPORT

EMPOWERING OUR PEOPLE *(continued)*

DIVERSITY, LABOUR PRACTICES AND STANDARDS *(continued)*

Our Performance

Employees by Age Group	FYE 2020 Baseline	FYE 2023	FYE 2024	FYE 2025
< 30 years				
Management	137	126	127	120
Non-Management	2,237	2,341	2,128	1,911
Total	2,374	2,467	2,255	2,031
30 – 50 years				
Management	494	541	567	545
Non-Management	2,803	3,067	3,064	2,875
Total	3,297	3,608	3,631	3,420
> 50 years				
Management	115	142	146	161
Non-Management	420	480	501	516
Total	535	622	647	677
Grand Total	6,206	6,697	6,533	6,128

Employees by Gender	FYE 2020 Baseline	FYE 2023	FYE 2024	FYE 2025	Target
Male					
Management	405	439	438	431	
Non-Management	4,149	4,544	4,359	4,090	
Total	4,554	4,983	4,797	4,521	
Female					
Management	341	370	402	395	
Non-Management	1,311	1,344	1,334	1,212	
Total	1,652	1,714	1,736	1,607	
Grand Total	6,206	6,697	6,533	6,128	

% female in total workforce	27%	26%	27%	26%	
% female at Management level	46%	46%	48%	48%	By 2026 50%
Staff turnover rate		3.14%	1.98%	2.26%	

Total training (hours)				
Management		17,441	27,933	19,999
Average per employee		26.87	37.54	25.16
Non-Management		73,715	87,588	59,573
Average per employee		21.09	19.60	13.55

SUSTAINABILITY REPORT

EMPOWERING OUR PEOPLE *(continued)*

DIVERSITY, LABOUR PRACTICES AND STANDARDS *(continued)*

Our Performance *(continued)*

Workforce mix	Malaysia	Vietnam	Myanmar	Group
Local	76%	100%	97%	84%
Non local	24%	–	3%	16%

Note: Covers operations in Malaysia, Vietnam, and Myanmar. USA, Indonesia and supporting activities operations are outside the current reporting boundary. Refer to Reporting Period and Boundary section for details.

- Our three-year average staff turnover rate of under 3% is well below industry averages. This stability underscores a resilient corporate culture and strong employee engagement.
- Female representation at management level has remained stable over the past three years. While the 50% target for 2026 remains challenging due to the specialised skills required, the Group continues to support initiatives that advance gender diversity and develop future female leaders.
- The Group facilitates employee participation in community and charitable initiatives through union engagement and site-level coordination.

The Group continued the practice of organising multi-cultural festive gatherings and celebrations, including Chinese New Year, Hari Raya, Deepavali, Women’s Day, and staff appreciation dinners, fostering inclusivity, employee engagement, and a sense of community across the workforce.



Staff Appreciation Dinner – KianJoo Can (Myanmar) Company Limited



Deepavali Celebration at Batu Caves



Buka Puasa at Batu Caves



Celebrating Women’s Day at Vietnam plant.

SUSTAINABILITY REPORT

EMPOWERING OUR PEOPLE *(continued)*

DIVERSITY, LABOUR PRACTICES AND STANDARDS *(continued)*

Our Performance *(continued)*

Our carton plant in Ho Chi Minh City held its 8th annual meeting with union members to review performance and share expectations. Scholarships were awarded to children of union members who excelled academically, and financial support was provided to employees with disabilities.



Box-Pak (Vietnam) Co., Ltd. Annual meeting with union members

For the third consecutive year, the Group supported employee participation in environmental and community volunteer activities aligned with its operational footprint. Given the Group's reliance on water and energy, initiatives focused on protecting local waterways and strengthening surrounding ecosystems near our manufacturing sites:

- o Beach and river clean-up initiatives contributing to reduced pollution in shared waterways and improved environmental conditions for local communities.
- o Tree planting activities at forest reserves and mangrove sites, contributing to supporting ecosystem protection, shoreline resilience, aquatic biodiversity, and long-term carbon sequestration.



3rd tributary cleaning at Taman Desa Ria, Negeri Sembilan participated by 47 volunteers with 480kg rubbish collected.



Beach cleanup at Bagan Lalang, Selangor participated by 70 volunteers. 90kg rubbish collected.

SUSTAINABILITY REPORT

EMPOWERING OUR PEOPLE *(continued)*

DIVERSITY, LABOUR PRACTICES AND STANDARDS *(continued)*

Our Performance *(continued)*



Mangrove sapling planting at Taman Rekreasi Paya Bakau, Kampung Sijangkang, Selangor. 60 saplings planted and participated by 36 volunteers.



Sapling planting at Sungai Menyala Forest Reserve, Port Dickson, Negeri Sembilan. 250 saplings planted with 67 volunteers.

The Group signed an additional memorandum of understanding (“MOU”) with a technical institute under the TVET programme in 2025, bringing the total to four MOUs with institutes across four states in Peninsular Malaysia. Through these partnerships, students in relevant technical courses gain practical exposure at the Group’s plants, supporting skills development, enhancing employability, and contributing to Malaysia’s future workforce.



MOU signing ceremony with Institut Kemahiran Tinggi Belia Negara (IKTBN), Sepang

- The Group channels its community investment through Yayasan Canone Kianjoo (“YCK”). In FYE 2025, YCK contributed RM4.0 million (FYE 2024: RM2.1 million) to initiatives supporting education, healthcare, and social welfare:
 - o Scholarships and education support: RM435,000 (13 beneficiaries)
 - o Schools and institutes: RM922,000 (12 beneficiaries)
 - o Healthcare and medical support: RM640,000 (15 beneficiaries)
 - o Underprivileged and welfare homes: RM943,000 (20 beneficiaries)
 - o Non-Governmental Organisations and other initiatives: RM1,070,000 (27 beneficiaries)

SUSTAINABILITY REPORT

Date & Time: 2026-04-21_15:37:11
FYE 31/12/2025

CAN-ONE BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0	No assurance	Our target is zero cases Internal documentation
Supply Chain Management	Proportion of spending on local suppliers	Percentage	50	-	No assurance	Internal documentation
Waste Management	Total waste generated	Metric tonnes	63960	-	External (Limited)	
Waste Management	Total waste diverted from disposal	Metric tonnes	62490	-	External (Limited)	
Waste Management	Total scheduled (hazardous) waste generated	Metric tonnes	4940	-	External (Limited)	
Waste Management	Percentage of scheduled (hazardous) waste diverted from disposal (recycled)	Percentage	71	-	External (Limited)	Ratio of externally assured scheduled waste diverted from disposal to externally assured total scheduled waste generated.
Waste Management	Percentage of total waste diverted from disposal	Percentage	98	Zero landfill by 2030	External (Limited)	Ratio of externally assured total waste (scheduled and solid) diverted from disposal to externally assured total waste (scheduled and solid) generated.
Energy Management	Total energy consumption	Gigajoules	1362900	-	External (Limited)	Assured as it is part of Scope 1 and Scope 2 emissions subjected to external assurance (limited).
Energy Management	Percentage of grid electricity	Percentage	18.95	-	External (Limited)	Assured as it is part of Scope 1 and Scope 2 emissions subjected to external assurance (limited). Ratio of grid electricity & total energy.

SUSTAINABILITY REPORT

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Energy Management	Percentage renewable electricity	Percentage	24.33	-	External (Limited)	RECs retired in the company's name. Assured as it is part of Scope 1 and Scope 2 emissions subjected to external assurance (limited). Ratio of renewable electricity & total energy.
Energy Management	Percentage self-generated electricity	Percentage	1.70	-	External (Limited)	Assured as it is part of Scope 1 and Scope 2 emissions subjected to external assurance (limited). Ratio of self-generated electricity & total energy.
Water Management	Total water withdrawn (gross consumption)	Megalitres	1670	-	External (Limited)	
Water Management	Total water consumed (withdrawn less discharged)	Megalitres	540	-	External (Limited)	
Water Management	Gross water consumption intensity	Megalitres per RM million	0.49	0.51 by year 2030	External (Limited)	Ratio of externally assured water withdrawal and revenue from internal financial records.
Health and Safety	Number of work-related fatalities	Number	0	0	Internal	Zero employee and contractor fatalities. Internal documentation.
Health and Safety	Lost time incident rate	Rate	1.96	below 2.0	Internal	Internal documentation
Health and Safety	Employees trained on health and safety standards	Number	3277	-	Internal	Internal documentation
Diversity	Percentage of Management staff - Female	Percentage	48	50 by 2026	No assurance	Internal documentation
Diversity	Percentage of total workforce - Female	Percentage	26	-	No assurance	Internal documentation

SUSTAINABILITY REPORT

Date & Time: 2026-04-21_15:37:11
FYE 31/12/2025

CAN-ONE BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	Percentage of directors - Female	Percentage	11	-	No assurance	Internal documentation
Labour Practices and Standards	Total training hours (Management)	Hours	19989	-	Internal	Internal documentation
Labour Practices and Standards	Total training hours (Non-Management)	Hours	59573	-	Internal	Internal documentation
Labour Practices and Standards	Employees who are contractors or temporary staff	Percentage	2.85	-	Internal	Internal documentation
Labour Practices and Standards	Overall employee turnover	Percentage	2.26	-	Internal	Internal documentation
Labour Practices and Standards	Substantiated complaints on human rights violations	Number	0	-	Internal	Internal documentation
Data Privacy and Security	Substantiated complaints on breaches of customer privacy and losses of customer data	Number	0	0	No assurance	Internal documentation
Product Safety and Innovation	Product recall from packaging material defects	Number of cases	0	0	No assurance	Internal documentation
GHG Emissions	Scope 1	Metric tonnes of carbon dioxide equivalents ("tCO2e")	36400	-	External (Limited)	
GHG Emissions	Scope 2 (Market-based)	tCO2e	47000	-	External (Limited)	RECs retired in the company's name per GHG Protocol Scope 2 market-based method.
GHG Emissions	Scope 2 (Location-based)	tCO2e	117000	-	External (Limited)	
GHG Emissions	Scope 1 and Scope 2 (market-based) intensity	tCO2e per RM million	24.27	20.5 by year 2030	External (Limited)	Ratio of externally assured Scope 1 and Scope 2 emissions and revenue from internal financial records.
GHG Emissions	Scope 3 Cat.2: Capital goods	tCO2e	3800	-	No assurance	Spend-based method. Refer to Climate Change section of report.

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
GHG Emissions	Scope 3 Cat.3: Fuel-and-energy-related activities (not included in Scope 1 and 2)	tCO2e	15900	-	No assurance	Average-data method. Refer to Climate Change section of report.
GHG Emissions	Scope 3 Cat.5: Waste generated in operations	tCO2e	500	-	No assurance	Average-data method. Refer to Climate Change section of report.
GHG Emissions	Scope 3 Cat.6: Business travel	tCO2e	200	-	No assurance	Distance-based method. Covers air travel only. Refer to Climate Change section of report.
GHG Emissions	Scope 3 Cat.7: Employee commuting	tCO2e	5300	-	No assurance	Based on estimated travel distances. Refer to Climate Change section of report.

SUSTAINABILITY REPORT

GRI CONTENT INDEX

GRI Standard	Disclosure	Page	Brief Information on Disclosures
GRI 2: General Disclosures 2021			
2-1	Organisational details	38, 22-31	Can-One Berhad is a Bursa Securities-listed company. Refer to Our Business, Our Value Chain. Refer to Corporate Information and Management Discussion and Analysis in AR 2025.
2-2	Entities included in the organisation's sustainability reporting	33	Refer to Reporting Period and Boundary
2-3	Reporting period, frequency, and contact point	33,35	About this report
2-4	Restatements of information	34	Refer to Restatements
2-5	External assurance	35,83	Refer to Statement of Assurance
2-6	Activities, value chain, and other business relationships	38	Refer to Our Business and Our Value Chain
2-7	Employees	68	Refer to the Diversity, Labour Practices and Standards section
2-8	Workers who are not employees	–	180 workers (2.85%) 2024: 342 (4.97%)
2-9	Governance structure and composition	37,91	Refer to the Governance Structure section and Corporate Governance Overview Statement under Nomination Committee in AR 2025
2-10	Nomination and selection of the highest governance body		
2-11	Chair of the highest governance body		
2-12	Role of the highest governance body in overseeing the management of impacts		
2-13	Delegation of responsibility for managing impacts		
2-14	Role of the highest governance body in sustainability reporting		
2-15	Conflicts of interest	103	Refer to the Audit and Risk Management Committee Report
2-16	Communication of critical concerns	103	
2-17	Collective knowledge of the highest governance body	88	Refer to Corporate Governance Overview Statement under Remuneration Committee
2-18	Evaluation of the performance of the highest governance body	88	Refer to Corporate Governance Overview Statement under Remuneration Committee and Nomination Committee in AR 2025
2-19	Remuneration policies	88,91	
2-20	Process to determine remuneration	88,91	
2-22	Statement of sustainability development strategy	32	Refer to the Group Managing Director's message
2-23	Policy commitments	61	Refer to the Governance and Ethics section
2-24	Embedding policies commitments	37,61	Refer to Governance section and Governance and Ethics section

SUSTAINABILITY REPORT

GRI CONTENT INDEX (continued)

GRI Standard	Disclosure	Page	Brief Information on Disclosures																												
GRI 2: General Disclosures 2021 (continued)																															
2-25	Processes to remediate negative impacts	103, 106	Refer to Audit and Risk Management Committee Report and Statement of Risk Management and Internal Control																												
2-26	Mechanisms for seeking advice and raising concerns	61	Refer to the Governance and Ethics section																												
2-27	Compliance with laws and regulations	61,55, 47	Governance and Ethics section. Responsible Waste Management section Climate Change section																												
2-28	Membership associations	46	Refer to Memberships and Association section																												
2-29	Approach to stakeholder engagement	40	Refer to the Stakeholders Engagement section																												
2-30	Collective bargaining agreements	–	578 employees (14%) in Malaysia Plants and 1,413 employees (97%) in Vietnam Plants are covered by the Collective Agreement																												
3-1	The process of determining material topics	41	Refer to the Materiality Assessment section																												
3-2	List of material topics	41	Refer to the Materiality Matrix section																												
GRI 201: Economic Performance 2016																															
3-3	Management of material topics	58	Refer to Management Approach in the Product Innovation section																												
201-1	Direct economic value generated and distributed	–	<table border="1"> <thead> <tr> <th>RM million</th> <th>FYE 2023</th> <th>FYE 2024</th> <th>FYE 2025</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>3,054</td> <td>3,193</td> <td>3,191</td> </tr> <tr> <td>Operating Cost</td> <td>2,412</td> <td>2,469</td> <td>2,456</td> </tr> <tr> <td>Payment to Capital Provider</td> <td>72</td> <td>94</td> <td>100</td> </tr> <tr> <td>Employee Wages and Benefits</td> <td>407</td> <td>401</td> <td>424</td> </tr> <tr> <td>Payment to Governments</td> <td>29</td> <td>47</td> <td>53</td> </tr> <tr> <td>Payment to Shareholders</td> <td>7.7</td> <td>7.7</td> <td>7.7</td> </tr> </tbody> </table>	RM million	FYE 2023	FYE 2024	FYE 2025	Revenue	3,054	3,193	3,191	Operating Cost	2,412	2,469	2,456	Payment to Capital Provider	72	94	100	Employee Wages and Benefits	407	401	424	Payment to Governments	29	47	53	Payment to Shareholders	7.7	7.7	7.7
RM million	FYE 2023	FYE 2024	FYE 2025																												
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Payment to Governments	29	47	53																												
Payment to Shareholders	7.7	7.7	7.7																												
201-2	Financial implications and other risks and opportunities due to climate change	42	Refer to table on key risks, opportunities, and related financial and management considerations																												
201-3	Defined benefit plan obligations and other retirement plans	152, 179	Refer to Note 2(r)(iii) and Note 18 of Financial Statements																												
201-4	Financial assistance received from government	171	Tax incentives such as reinvestment allowance and income exemption for value of increase of exports. Refer to Note 8 of Financial Statements																												
GRI 204: Procurement practices 2016																															
3-3	Management of material topics	61,54	Refer to Governance and Ethics and Materials section																												
204-1	Proportion of spending on local suppliers	–	50% (RM950 mil) 2024: 50% (RM961 mil)																												

SUSTAINABILITY REPORT

GRI CONTENT INDEX *(continued)*

GRI Standard	Disclosure	Page	Brief Information on Disclosures
GRI 205: Anti-Corruption 2016			
3-3	Management of material topics	61	Refer to Management Approach in the Governance and Ethics section
205-1	Operations assessed for risks related to corruption	103,61	Refer to the Audit and Risk Management Committee Report and Governance and Ethics section
205-2	Communication and training about anti-corruption policies and procedures	61	Refer to the Governance and Ethics section 65% management staff and 43% non-management staff attended anti-corruption training in FYE 2025
205-3	Confirmed incidents of corruption and actions taken	61	Refer to Our Performance under the Governance and Ethics section
GRI 301: Materials 2016			
3-3	Management of material topics	54	Refer to Materials section
301-1	Materials used by weight or volume		
301-2	Recycled input materials used		
301-3	Reclaimed products and their packaging materials		
GRI 302: Energy 2016			
3-3	Management of material topics	47	Refer to Management Approach in Climate Change section
302-1	Energy consumption within the organisation	48	Refer to the Climate Change section
302-3	Energy intensity	48	
302-4	Reduction of energy consumption	49	
302-5	Reduction in energy requirements of products and services	49	
GRI 303: Water and Effluent 2018			
3-3	Management of material topics	47	Refer to Management Approach in Climate Change section
303-1	Interactions with water as a shared resource	47	
303-2	Management of water discharge-related impacts	47,55	Refer to Management Approach in the Responsible Waste Management section and Climate Change section
303-3	Water withdrawal	50	Refer to Water Consumption in Climate Change section
303-4	Water discharge	50	
303-5	Water Consumption	50	

SUSTAINABILITY REPORT

GRI CONTENT INDEX (continued)

GRI Standard	Disclosure	Page	Brief Information on Disclosures																																								
GRI 305: Emissions 2016																																											
3-3	Management of material topics	47	Refer to Management Approach in Climate Change section																																								
305-1	Direct (Scope 1) GHG emissions	51	Refer to the Climate Change section																																								
305-2	Energy indirect (Scope 2) GHG emissions	51																																									
305-3	Other indirect (Scope 3) GHG emissions	51																																									
305-4	GHG emissions intensity	51																																									
305-5	Reduction of GHG Emissions	52																																									
305-7	Nitrogen oxides (NOx), Sulphur oxides (SOx), and other significant air emissions	53																																									
GRI 306: Waste 2020																																											
3-3	Management of material topics	55	Refer to Management Approach in the Responsible Waste Management section																																								
306-1	Waste generation and significant waste-related impacts	55	Refer to Responsible waste Management section																																								
306-2	Management of significant waste-related impacts	55																																									
306-3	Waste generated	56																																									
306-4	Waste diverted from disposal	56																																									
306-5	Waste directed to disposal	57																																									
GRI 401: Employment 2016																																											
3-3	Management of material topics	66	Refer to Management Approach in the Diversity, Labour Practices and Standards section																																								
401-1	New employee hires and employee turnover	–	<p>Malaysia plants new hire as at year end: -</p> <table border="1"> <thead> <tr> <th>Age Group</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>< 30</td> <td>245</td> <td>56</td> <td>301</td> </tr> <tr> <td>30 – 50</td> <td>79</td> <td>32</td> <td>111</td> </tr> <tr> <td>> 50</td> <td>19</td> <td>9</td> <td>28</td> </tr> <tr> <td>Total</td> <td>343</td> <td>97</td> <td>440</td> </tr> </tbody> </table> <p>Vietnam plants new hire as at year end: -</p> <table border="1"> <thead> <tr> <th>Age Group</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>< 30</td> <td>83</td> <td>31</td> <td>114</td> </tr> <tr> <td>30 – 50</td> <td>78</td> <td>44</td> <td>122</td> </tr> <tr> <td>> 50</td> <td>14</td> <td>2</td> <td>16</td> </tr> <tr> <td>Total</td> <td>175</td> <td>77</td> <td>252</td> </tr> </tbody> </table>	Age Group	Male	Female	Total	< 30	245	56	301	30 – 50	79	32	111	> 50	19	9	28	Total	343	97	440	Age Group	Male	Female	Total	< 30	83	31	114	30 – 50	78	44	122	> 50	14	2	16	Total	175	77	252
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SUSTAINABILITY REPORT

GRI CONTENT INDEX (continued)

GRI Standard	Disclosure	Page	Brief Information on Disclosures																				
GRI 401: Employment 2016 (continued)																							
401-1	New employee hires and employee turnover (continued)	–	<p>Myanmar plant new hire as at year end: -</p> <table border="1"> <thead> <tr> <th>Age Group</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>< 30</td> <td>69</td> <td>15</td> <td>84</td> </tr> <tr> <td>30 – 50</td> <td>9</td> <td>1</td> <td>10</td> </tr> <tr> <td>> 50</td> <td>–</td> <td>–</td> <td>–</td> </tr> <tr> <td>Total</td> <td>78</td> <td>16</td> <td>94</td> </tr> </tbody> </table> <p>Employee turnover for the Group was 2.26%.</p>	Age Group	Male	Female	Total	< 30	69	15	84	30 – 50	9	1	10	> 50	–	–	–	Total	78	16	94
Age Group	Male	Female	Total																				
< 30	69	15	84																				
30 – 50	9	1	10																				
> 50	–	–	–																				
Total	78	16	94																				
401-2	Benefits provided to full-time employees that are not provided to temp/part-time employees	–	All categories are entitled to medical coverage, life insurance, social security contributions, parental leave, and paid annual leave																				
401-3	Parental leave	–	<table border="1"> <thead> <tr> <th>Country</th> <th>Entitled</th> <th>Taken</th> <th>% returned to work #</th> </tr> </thead> <tbody> <tr> <td>Malaysia</td> <td>2,691</td> <td>132</td> <td>92</td> </tr> <tr> <td>Vietnam</td> <td>118</td> <td>23</td> <td>70</td> </tr> <tr> <td>Myanmar</td> <td>344</td> <td>18</td> <td>100</td> </tr> <tr> <td>Total</td> <td>3,153</td> <td>173</td> <td>90</td> </tr> </tbody> </table> <p># As at end of reporting period</p>	Country	Entitled	Taken	% returned to work #	Malaysia	2,691	132	92	Vietnam	118	23	70	Myanmar	344	18	100	Total	3,153	173	90
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Malaysia	2,691	132	92																				
Vietnam	118	23	70																				
Myanmar	344	18	100																				
Total	3,153	173	90																				
GRI 403: Occupational Health and Safety 2018																							
3-3	Management of material topics	63	Refer to Management Approach in the Health and Safety section																				
403-1	Occupational health and safety management system	63	Policies, Preventive measures , certifications, monitoring, awareness, and trainings are in place. Refer to the Health and Safety section																				
403-2	Hazard identification, risk assessment and incident investigation	63																					
403-3	Occupational health services	63	Audiometric tests, health talks, medical and hospitalisation insurance. Refer to the Health and Safety section																				
403-4	Worker participation, consultation, and communication on occupational health and safety	63	Through Safety Committee of the respective plants. Refer to the Health and Safety section																				
403-5	Worker training on occupational health and safety	64	Role based and structured training. Refer to the Health and Safety section																				
403-6	Promotion of worker health	–	Access to company panel of clinics. Annual audiometric test for workers. Periodic factory noise monitoring. Health talks.																				

SUSTAINABILITY REPORT

GRI CONTENT INDEX (continued)

GRI Standard	Disclosure	Page	Brief Information on Disclosures
GRI 403: Occupational Health and Safety 2018 (continued)			
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	–	Supplier Code of Conduct in place and audits are carried out to ensure compliance
403-8	Workers covered by an occupational health and safety management system	–	50% of the Group's operations covering 65% of employees, are certified under ISO45001; Occupational Health and Safety Management system
403-9	Work-related injuries	64	Refer to the Health and Safety section
403-10	Work-related ill health	64	
GRI 404: Training and Education 2016			
3-3	Management of material topics	66	Refer to Management Approach and Performance in the Diversity, Labour Practices and Standards section
404-1	Average hours of training per year per employee	68	
404-2	Programs for upgrading employees' skills and transition assistance programs	67	Refer to Training and development under Diversity, Labour Practices and Standards section
404-3	Percentage of employees receiving regular performance and career development reviews	–	All staff undergo annual staff appraisals. Ad-hoc reviews are also carried out
GRI 405: Diversity & Equal Opportunity 2016			
3-3	Management of material topics	66	Refer to Management Approach in Diversity, Labour Practices and Standards section
405-1	Diversity of governance bodies and employees	66,94	Refer to the Diversity, Labour Practices and Standards section and Corporate Governance Overview Statement
GRI 406: Non-discrimination 2016			
3-3	Management of material topics	66	Refer to Management Approach in the Diversity, Labour Practices and Standards section
406-1	Incidents of discrimination and corrective actions taken	–	No incidence of discrimination was received or reported
GRI 407: Freedom of Association and collective bargaining 2016			
3-3	Management of material topics	61,66	Refer to Governance and Ethics and Diversity, Labour Practices and Standards section
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	–	The rights of employees to freedom of association and collective bargaining is stated in our Code of Conduct. During the year, no operations or major suppliers were identified as having risk of violations.

SUSTAINABILITY REPORT

GRI CONTENT INDEX (continued)

GRI Standard	Disclosure	Page	Brief Information on Disclosures
GRI 408: Child Labour 2016			
3-3	Management of material topics	66	Refer to Management Approach in the Diversity, Labour Practices and Standards section
408-1	Operations and suppliers at significant risk for incidents of child labour	–	During the year, no operations or major suppliers were identified as having risk of violations. Signed compliance with Employees' Code of Conduct and Suppliers' Code of Conduct
GRI 409: Forced or Compulsory Labour 2016			
3-3	Management of material topics	66	Refer to Diversity, Labour Practices and Standards section
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	–	None. Employees' Code of Conduct and Suppliers' Code of Conduct
GRI 410: Security Practices 2016			
3-3	Management of material topics	–	All service providers are required to sign off and comply with our Suppliers Code of Conduct. The Internal Audit department conducts periodic audit
410-1	Security personnel trained in human rights policies or procedures	–	Our Group head of security has briefed and trained our security service provider personnel in FYE 2024. Follow up is conducted annually.
GRI 414: Supplier Social Assessment 2016			
3-3	Management of material topics	61	Refer to Management Approach in the Governance and Ethics section
414-1	New suppliers that were screened using social criteria	61	All significant new suppliers are screened through Sedex assessment tools. Refer to Governance and ethics section
414-2	Negative social impacts in the supply chain and action taken	61	In FYE 2025, on-site audits conducted did not reveal any. Refer to the Governance and Ethics section
GRI 416: Customer Health and Safety 2016			
3-3	Management of material topics	58	Refer to Product Innovation section
416-1	Assessment of the health and safety impacts of products and services	–	All plants are accredited with ISO 9001 and have an In-house Quality Control laboratory at the site. Refer to the Product Innovation section.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and service	59	There were no incidents of non-compliance for the year. Refer to the Product Innovation section.
GRI 418: Customer Privacy 2016			
3-3	Management of material topics	60	Refer to Governance and Ethics section
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	–	There were no substantiated complaints received in FYE 2025

SUSTAINABILITY REPORT



Independent Limited Assurance Opinion to Can-One Berhad on Scope 1 and 2 Greenhouse Gas Emissions, Water and Waste Data for Calendar Year 2025

To the Management of Can-One Berhad,

Introduction

Intertek Deutschland GmbH (hereinafter referred to as "Intertek"), represented in this project by the sustainability team, was commissioned by Can-One Berhad (hereafter referred to as "Can-One") for independent third-party verification of their Scope 1 and 2 Greenhouse Gas (GHG) Emissions (the "GHG Statement") and Water as well as Waste data (inclusive of scheduled waste and solid waste), for calendar year 2025 (i.e. from 1st January 2025 to 31st December 2025). The verification was performed in accordance with ISO 14064-3 'Specification with guidance for the verification and validation of greenhouse gas statements' and ISAE 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.

Objective

The objective of this limited assurance review was to confirm whether any objective evidence existed to suggest that Can-One's GHG Statement, as well as Water and Waste data for 2025, were not accurate, complete, consistent, transparent, or suggested material errors or omissions.

Intended Users

The intended users of this assurance statement are Can-One's management and stakeholders. Intertek's responsibility in performing this task was limited to the verification of the GHG Statement, Water and Waste data, in accordance with the agreed scope of work. This assurance engagement was based on the assumption that the data and information provided to us is authentic and complete.

Responsibilities

Can-One's Management was solely responsible for defining the goal and scope, the organisation's GHG emissions, water and waste information system, data maintenance and reporting procedures in accordance with that system, including the data collection, inventory, calculation and determination of GHG emissions, Water and Waste data for the organisation.

As agreed with Can-One's Management, Intertek's responsibility was to provide assurance and express an independent limited assurance opinion on Can-One's GHG Statement, Water and Waste data based on verification following the assurance scope and criteria stated below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organisation. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope

The organisational boundary followed the operational control approach. The verification covered GHG emissions activities, water and waste data from all locations under Can-One's operational control for the period of 1st January 2025 to 31st December 2025.

Verification covered 95% of total Scope 1 and 2 GHG emissions in 2025, which included the following activities:

- Scope 1: Direct GHG Emissions
- Scope 2: Purchased Electricity (including renewable energy) – Location- and Market-based

The GHG Statement follows the criteria of the World Resources Institute's (WRI) *Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard* (hereafter referred to as the 'GHG Protocol Standard').

SUSTAINABILITY REPORT

Verification for Water data in 2025 comprised:

- Water consumed
- Water discharged

Verification for Waste data in 2025 comprised:

- Scheduled waste:
 - Waste generated
 - Waste diverted from disposal
 - Waste directed to disposal
- Solid waste:
 - Waste generated
 - Waste diverted from disposal
 - Waste directed to disposal

Assurance Criteria

Intertek conducted the verification work in accordance with requirements of 'Limited Assurance' procedures as per the following standards:

- ISO 14064-3 '*Specification with guidance for the verification and validation of greenhouse gas statements*'; and
- ISAE 3000 (revised) for '*Assurance Engagements other than Audits or Reviews of Historical Financial Information*'

The criteria in which the GHG Statement was compared against were:

- WRI GHG Protocol – *A Corporate Accounting and Reporting Standard*
- GRI Standards – *GRI 303: Water and Effluents 2018; GRI 306: Waste 2020*

A limited assurance engagement involved performing procedures to obtain evidence about the quantification of emissions and related information in the GHG Statement, as well as quantification and related information for Water and Waste data. Source data verification was undertaken during the assurance process, where available.

A materiality level of 5% was applied.

Methodology

Intertek performed verification work using risk-based approach to obtain the information, explanations and evidence that were considered necessary to provide a limited level of assurance. The verification was conducted by desktop review regarding Can-One's GHG Statement, Water and Waste data and supporting records for 2025. Data and information supporting Can-One's GHG Statement, Water and Waste data were historical in nature and proven by evidence. Our assurance task was planned and carried out from December 2025 to February 2026. The verification included the following:

- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available digitally.
- Conducted a virtual interview with data managers.
- Assessment of the appropriateness of various emission factors and conversion factors used by Can-One.
- Review of input data on sample basis for the duration of 1st January 2025 to 31st December 2025 through Can-One's GHG calculation spreadsheet and raw data files.
- Recalculation of GHG emissions based on the data provided.
- Appropriate documentary evidence was obtained to support our conclusions on the GHG Statement, Water and Waste data.

SUSTAINABILITY REPORT

Findings

Intertek found that sufficient and appropriate evidence was provided to support material GHG emissions, Water and Waste data. The criteria were applied appropriately for material Scope 1 and 2 GHG emissions, Water and Waste data. Can-One was informed of Intertek's findings and have subsequently taken corrective actions to the identified errors. Intertek has verified that all errors and corrective actions identified during the verification process have been duly corrected.

Conclusion and Assurance Opinion

Intertek reviewed selected Scope 1 and 2 GHG emissions, Water and Waste data of Can-One Berhad ("Can-One") for the reporting period of 1st January 2025 to 31st December 2025 (2025) to a limited level of assurance. The verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

Based on the data and information provided by Can-One, Intertek concludes with limited assurance that there is no evidence that the GHG Statement, Water and Waste data are not materially correct, are not a fair representation of the Scope 1 and 2 GHG emissions, Water and Waste data and information, as well as are not prepared in accordance with the WRI GHG Protocol – A Corporate Accounting and Reporting Standard and GRI Standards.

The reported GHG emissions for 2025 are equal to:

Scope	GHG Emissions (tonnes CO ₂ e) ¹
Scope 1	36,404
Scope 2 (Location-based)	117,048
Scope 2 (Market-based)	46,993
Total (Location-based)	153,452
Total (Market-based)	83,396
Biogenic Carbon Emissions	17,281

The reported Water data for 2025 are equal to:

Water Data	Total (megaliters)
Water consumed	1,674
Water discharged	1,125

The reported Waste data for 2025 are equal to:

Waste Data	Total (metric tonnes)
Scheduled waste:	
• Waste generated	4,944
• Waste diverted from disposal	3,523
• Waste directed to disposal	1,421
Solid waste:	
• Waste generated	59,020
• Waste diverted from disposal	58,971
• Waste directed to disposal	49

This opinion shall be interpreted with the GHG Statement, and Water and Waste data of Can-One as a whole.

¹ Discrepancy in total emissions are due to rounding

SUSTAINABILITY REPORT

Intertek's Competence and Independence

Intertek ensures the selection of appropriately qualified and impartial individuals as the verifiers. The selected verifiers have over 10 years of experience working on GHG accounting and verification projects. They were not involved in the preparation of Can-One's GHG Statement, Water and Waste data.

Intertek adheres to the requirements of ISO 14064-3 and ISAE 3000 in its verification works. The verification was internally reviewed to ensure that the approach applied was rigorous and transparent. The verification team was not involved in any other Intertek projects with Can-One.

No member of the verification team has a business relationship with Can-One, its Directors or Managers beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

On behalf of Intertek



Kin Seng Wong
Sustainability Consultant – Climate Change & Sustainability
Intertek Assuris



Ridzwan Nazimuddin
Senior Consultant – Climate Change & Sustainability
Intertek Assuris



Yi Hang Yu
Senior Manager – Climate Change & Sustainability
Intertek Assuris

3rd March 2026

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of Can-One Berhad (“Can-One” or “the Company”) is fully committed to the principles and recommendations of the Malaysian Code on Corporate Governance which was updated and took effect from 28 April 2021 (“MCCG”). This ensures that the best practices of corporate governance including accountability and transparency are adhered to within the Company and its subsidiaries to achieve long-term financial performance and growth as the Board is mindful of its accountability to the shareholders and various stakeholders of the Company.

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

- (i) Board leadership and effectiveness;
- (ii) Effective audit and risk management; and
- (iii) Integrity in corporate reporting and meaningful relationship with stakeholders

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Roles and Responsibilities of the Board

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

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(continued)*

Roles and Responsibilities of the Board *(continued)*

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

- (ix) Ensuring that the Group adheres to high standards of ethics and corporate behaviour in accordance with the Group's Code of Corporate Conduct including transparency in the conduct of business. Directors are required to comply with the Directors' Code of Ethics;
- (x) Reviewing the Board Charter periodically and making it available publicly on the Company's website including the Terms of Reference ("TOR") of the respective Board Committees;
- (xi) Ensuring that there is in place an appropriate corporate disclosure policy and procedures which leverage on information technology for effective dissemination of information to ensure comprehensive, accurate and timely disclosure; and
- (xii) Ensuring that there is in place an appropriate Investor Relations and Communications Policy which encourages shareholders' participation at general meetings and promotes effective communication and proactive engagements with shareholders.

In discharging its duties, the Board is assisted by the Board Committees namely, the Audit and Risk Management Committee, Remuneration Committee and Nominating Committee. Each Committee operates within its respective defined TORs which have been approved by the Board. The TORs of the respective Board Committees are periodically reviewed and assessed to ensure that the TORs remain relevant and adequate in governing the functions and responsibilities of the Committee concerned and reflect the latest developments in the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the MCCG.

A. Audit and Risk Management Committee ("ARMC")

The Audit Committee was established on 15 September 2005 and was re-designated on 30 August 2017 to the ARMC. For details of its composition and activities during the FYE 2025, please refer to the ARMC Report on pages 103 and 105 of this Annual Report.

B. Remuneration Committee ("RC")

The RC was established on 15 September 2005 and it currently comprises the following members, all of whom are Non-Executive Directors:

Datuk Dr. Syed Hussain Bin Syed Husman, J.P. *(Chairman)*
Foo Kee Fatt *(Member)*
Yeoh Jin Hoe *(Member)*

The RC's primary responsibility is to structure and review the remuneration policies for key executives of the Group, with a view to ensure that compensation and other benefits encourage performance that enhances the Group's long-term profitability and value. The remuneration packages for Key Senior Management are subject to the approval of the Board, and in the case of Directors' fees and benefits, the approval of the shareholders at the Annual General Meeting ("AGM") of the Company.

The TOR of the RC are available for reference on the Company's website at www.canone.com.my. In carrying out its duties and responsibilities, the RC has full, free and unrestricted access to the Company's records, properties and personnel.

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

The Company pays its Directors fees which are approved annually by the shareholders. The Directors are paid meeting allowances for the meetings they attended per day and are also reimbursed reasonable expenses incurred by them in the course of carrying out their duties on behalf of the Company. Where applicable, the Board also takes into consideration any relevant information provided by the independent consultants or from survey data. The Company has in place a Directors' Remuneration Policy which is available for reference on the Company's website at www.canone.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

Roles and Responsibilities of the Board (continued)

B. Remuneration Committee (“RC”) (continued)

Details of the aggregate remunerations of the Directors of the Company (comprising remunerations received and/or receivable from the Company and/or its subsidiaries) during FYE 2025 are categorised as follows:

No.	Name	Company (RM'000)						Group (RM'000)							
		Fee	Allowance	Salary ⁽¹⁾	Bonus	Benefits in-kind ⁽²⁾	Other emoluments	Total	Fee	Allowance	Salary ⁽¹⁾	Bonus	Benefits in-kind ⁽²⁾	Other emoluments	Total
Non-Executive Directors															
1.	Tun Arifin Bin Zakaria	108.0	57.5	-	-	-	-	165.5	108.0	57.5	-	-	-	-	165.5
2.	Yeoh Jin Hoe	73.8	30.0	360.9	90.0	-	-	554.7	197.6	39.0	5,360.8	2,258.0	15.5	-	7,870.9
3.	Yeoh Jin Beng	67.2	52.2	-	-	-	-	119.4	117.2	52.2	-	-	-	-	169.4
4.	Foo Kee Fatt	100.2	51.5	-	-	-	-	151.7	200.4	60.5	-	-	-	-	260.9
5.	Datuk Dr. Syed Hussain Bin Syed Husman, J.P.	106.8	7.5	-	-	-	-	114.3	106.8	7.5	-	-	-	-	114.3
6.	Rajarethnam Solomon Daniel	100.2	57.5	-	-	-	-	157.7	100.2	57.5	-	-	-	-	157.7
7.	Kee E-Lene	73.8	50.3	-	-	-	-	124.1	73.8	50.3	-	-	-	-	124.1
Executive Directors															
8.	Marc Francis Yeoh Min Chang	67.2	7.5	686.2	200.0	-	7.2	968.1	117.2	96.9	3,130.8	948.0	31.1	-	4,324.0
9.	Goh Teck Hong	67.2	14.9	582.7	168.0	-	31.3	864.1	67.2	14.9	1,131.3	248.0	31.3	-	1,492.7

Notes:

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

(2) Benefits-in-kind comprised provision of company motor vehicle, petrol allowance and phone bill.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(continued)*

Roles and Responsibilities of the Board *(continued)*

B. Remuneration Committee (“RC”) *(continued)*

The number of Directors whose total remunerations in FYE 2025 fall within the following bands are as follows:

Remuneration Range	Number of Directors
Executive Directors	
Between RM1,450,001 - RM1,500,000	1
Between RM4,300,001 – RM4,350,000	1
Non-Executive Directors	
Between RM100,001 - RM150,000	2
Between RM150,001 - RM200,000	3
Between RM250,001 - RM300,000	1
Between RM7,850,001 - RM7,900,000	1

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

The details of the aggregate remuneration of the top 5 Senior Management personnel of the Group (comprising remuneration received and/or receivable from the Company and/or its subsidiaries) during the FYE 2025 are categorised as follows:

Category	Group RM’0000	Company RM’000
Salaries and bonuses ⁽¹⁾	5,047	–
Emoluments ⁽²⁾	1,858	15
Benefits-in-kind ⁽³⁾	67	–
Total	6,972	15

Notes:

⁽¹⁾ Salaries and bonuses comprised basic salary, bonus, EIS, EPF and SOCSO.

⁽²⁾ Emoluments comprised meeting allowance and other allowances.

⁽³⁾ Benefits-in-kind comprised provision of company motor vehicle, petrol allowance, insurance and phone bill.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(continued)*

Roles and Responsibilities of the Board *(continued)*

B. Remuneration Committee (“RC”) *(continued)*

The number of Senior Management personnel of the Group whose total remunerations in FYE 2025 fall within the following bands are as follows:

Remuneration Range	Number of Senior Management personnel
Between RM950,001 - RM1,000,000	1
Between RM1,400,001 - RM1,450,000	1
Between RM1,450,001 - RM1,500,000	1
Between RM1,500,001 - RM1,550,000	1
Between RM1,550,001 - RM1,600,000	1

The Board had chosen to disclose the remuneration of the top 5 Senior Management personnel in bands rather than on a named basis as the Board considered the information of the remuneration of these personnel to be sensitive and proprietary. The transparency and accountability aspects of corporate governance applicable to the remuneration of these personnel are deemed appropriately served by the above disclosure.

C. Nominating Committee (“NC”)

The NC was set up on 15 September 2005 to formalise procedures for appointments to the Board and the Board Committees. All decisions on appointments are made by the Board after considering the recommendations of the NC.

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

Rajaretnam Soloman Daniel *(Chairman)*
 Datuk Dr. Syed Hussain Bin Syed Husman, J.P. *(Member)*
 Kee E-Lene *(Member)*

The NC’s role is primarily to:

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

The TOR of the NC are available for reference on the Company’s website at www.canone.com.my.

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(continued)*

Roles and Responsibilities of the Board *(continued)*

C. Nominating Committee (“NC”) *(continued)*

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

- (i) Assessed and reviewed the independence of the Independent Directors and their tenure of service as Independent Directors of the Company;
- (ii) Evaluated each individual Director to assess the Director’s calibre and ability to understand the requirements, risk and management of the Group’s business; his/her contribution and performance; his/her character, integrity and professional conduct in dealing with conflict of interest or potential conflict of interest situations; his/her ability to critically challenge and ask the right questions; his/her commitment and due diligence; his/her confidence to stand up for a point of view; his/her interaction at meetings and his/her training records for the FYE 2025;
- (iii) Evaluated the Board and the Board Committees to assess their mix, composition, size, roles, responsibilities as well as their activities, communications and effectiveness for the FYE 2025; and
- (iv) Endorsed the re-election of Directors, Tun Arifin Bin Zakaria, Rajaretnam Soloman Daniel and Kee E-Lene who will be up for retirement pursuant to Clause 82 of the Constitution of the Company at the close of the Twenty-Second AGM of the Company to be held in June 2026.

The NC, after having conducted the abovementioned evaluation and assessment on 20 November 2025, concluded that:

- (i) all the 5 Independent Directors of the Company viz, Tun Arifin Bin Zakaria, Foo Kee Fatt, Datuk Dr. Syed Hussain Bin Syed Husman, J.P., Rajaretnam Soloman Daniel and Kee E-Lene continued to demonstrate conduct and behaviour that were essential indicators of their independence, and that each of them continued to fulfill the definition and criteria of independence as set out in the MMLR of Bursa Securities;
- (ii) each Director of the Company has the requisite competence and calibre to serve on the Board and the Board Committees and had continued to demonstrate his/her commitment to the Company in terms of time, participation and dialogue during the FYE 2025;
- (iii) none of the Directors of the Company have improperly used his or her position in the Company to gain a benefit or advantage for himself or herself or any other person, or to cause detriment to the Company and/or the Group;
- (iv) the Board and the Board Committees’ respective responsibilities were well-defined and set out in the Board Charter of the Company. The criteria in the MMLR of Bursa Securities that at least 1 of the members of the ARMC must be a member of the Malaysian Institute of Accountants or a person approved under the MMLR of Bursa Securities is also met. Practices set out in the MCCG pertaining to the composition of the ARMC have also been adopted; and
- (v) the Board consisted of 9 Directors, out of which 5 (55.6%) are Independent Directors, hence Practice 5.2 of the MCCG that at least half of the Board is independent directors is applied.

The Board members unanimously concurred with the above conclusions of the NC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(continued)*

Roles of the Chairman and the Group Managing Director

The Chairman holds a Non-Executive position and is primarily responsible for matters pertaining to the Board and overall conduct of the Board. The Group Managing Director is responsible for the development of the corporate goals and objectives and the setting of strategies to achieve them.

Role of the Company Secretaries

The Company Secretaries are responsible for ensuring that the Board procedures are followed, applicable rules and regulations for the conduct of the affairs of the Board are complied with, and for all matters associated with the maintenance of the Board or otherwise required for its efficient operation. The Company Secretaries also keep the Board members updated on new statutory requirements, guidelines and rulings issued by the relevant regulatory authorities from time to time.

All Board members have direct access to the advice and services of the Company Secretaries for the purpose of the Board's affairs and the business.

Access to Information and Advice

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

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

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

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

The Board has access to the advice and services of the Company Secretaries and may undertake independent professional advice, where necessary and in appropriate circumstances, in furtherance of its duties.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(continued)*

Board Charter

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

The Board Charter is subject to periodic review and updates by the Board whenever deemed necessary.

The Board Charter was reviewed and updated on 21 November 2024 in line with the needs of the Group and the new regulations that impacted the discharge of the Board's responsibilities. This is to ensure its relevance for good corporate governance practices within the Group. The Board Charter is available for reference on the Company's website at www.canone.com.my.

Code of Ethics

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

Board Composition and Independence

As at 31 December 2025, the Board consists of 9 members, comprising 7 Non-Executive Directors, a Group Managing Director and an Executive Director. Out of the 7 Non-Executive Directors, 5 of them are Independent Directors.

Paragraph 15.02 of the MMLR of Bursa Securities stipulates that at least 2 Directors or one-third of the Board members, whichever is higher, must be made up of Independent Non-Executive Directors. The Board balance is achieved with the presence of 5 Independent Non-Executive Directors.

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

Tun Arifin Bin Zakaria, the Chairman of the Board is the Senior Independent Non-Executive Director to whom concerns of shareholders, management, employees, and others may be conveyed. The Independent Directors led by Tun Arifin Bin Zakaria provide a broader view, independent and balanced assessment of proposals from the Senior Management of the Company.

Gender Diversity Policy

The Board had on 25 November 2021 adopted the revised Board Diversity Policy to set the target and timeframe for the Company to achieve at least 30% woman participation on the Board by 2023. The Company will put greater effort into looking for suitable candidates for appointment to the Board to achieve its target and will work towards having the appropriate age and ethnic diversity on the Board.

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(continued)*

Appointments to the Board

The Company has in place a Policy on the Nomination and Assessments Process of Board members. Candidates for appointment to the Board as Independent Directors are selected after taking into consideration the mix of skills, experience and strength that would be relevant for the effective discharge of the Board's responsibilities. Potential candidates are first evaluated by the NC and, if recommended by the NC, subsequently, by the Board based on their respective profiles as well as their character, integrity, professionalism, independence and their ability to commit sufficient time and energy to the Company's matters.

Annual Assessment

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

The annual evaluations of the individual Directors/Board Committee members are performed by the NC via the Directors'/Key Officers' Evaluation Form comprising questionnaires pertaining to the Director's knowledge and skills, participation, contribution and performance, calibre and personality.

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

Tenure of Independent Directors

The Company has implemented a cumulative 9 year-term limit for Independent Directors. The Board Charter has adopted Step Up Practice 5.4 of the MCCG on 25 November 2021 where the tenure of Independent Directors is limit to 9 years without further extension. After 9 years, such Independent Director may continue to serve on the Board subject to his re-designation as a Non-Independent Director.

Re-elections to the Board

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

Directors, Tun Arifin Bin Zakaria, Rajaretnam Soloman Daniel and Kee E-Lene are due to retire by rotation at the conclusion of the forthcoming Twenty-Second AGM of the Company on 24 June 2026 pursuant to Clause 82 of the Company's Constitution, and have offered themselves for re-election at the aforesaid AGM.

The Board members, with Tun Arifin Bin Zakaria, Rajaretnam Soloman Daniel and Kee E-Lene abstaining from deliberation and voting, had endorsed the aforesaid Directors for re-election at the said AGM, based on the recommendation of the NC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(continued)*

Meetings and Time Commitment

4 Board meetings were held during the FYE 2025 and the attendance of the meetings by the Board members were as follows:

Members	Number of meetings attended in FYE 2025	Percentage of Attendance
Tun Arifin Bin Zakaria	4 out of 4 meetings	100
Marc Francis Yeoh Min Chang	4 out of 4 meetings	100
Goh Teck Hong	4 out of 4 meetings	100
Yeoh Jin Hoe	4 out of 4 meetings	100
Yeoh Jin Beng	4 out of 4 meetings	100
Foo Kee Fatt	4 out of 4 meetings	100
Datuk Dr. Syed Hussain Bin Syed Husman, J.P.	4 out of 4 meetings	100
Rajaretnam Soloman Daniel	4 out of 4 meetings	100
Kee E-Lene	4 out of 4 meetings	100

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

The Directors also made time to attend appropriate webinars/conference/dialogues during the year under review to equip themselves further with the knowledge to discharge their duties more effectively and to keep abreast of developments on a continuous basis in compliance with Paragraph 15.08 of the MMLR of Bursa Securities, the details of which are set out below:

Director	Webinars/Conferences/Dialogues	Date
Tun Arifin Bin Zakaria	Personal Data Protection Act 2010 (PDPA): Implementation and Compliance	24 March 2025
	2025 Malaysian Financial Reporting Standard ("MFRS") Updates	5 December 2025
Marc Francis Yeoh Min Chang	Mandatory Accreditation Programme ("MAP") Part II: Leading for Impact	9 to 10 April 2025
	2025 MFRS Updates	2 December 2025
Goh Teck Hong	MAP Part II: Leading for Impact	11 to 12 June 2025
	Expanding your Trading Business into Vietnam	19 June 2025
Yeoh Jin Hoe	MAP Part II: Leading for Impact	11 to 12 June 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(continued)*

Meetings and Time Commitment *(continued)*

The Directors also made time to attend appropriate webinars/conference/dialogues during the year under review to equip themselves further with the knowledge to discharge their duties more effectively and to keep abreast of developments on a continuous basis in compliance with Paragraph 15.08 of the MMLR of Bursa Securities, the details of which are set out below *(continued)*:

Director	Webinars/Conferences/Dialogues	Date
Yeoh Jin Beng	The Bengkel Inovasi GLC (BIG) Programme: Catalysing Corporate Innovation	28 November 2025
	Bursa Malaysia Workshop on IFRS Sustainability Standards	13 November 2025
	2025 MFRS Updates	2 December 2025
Foo Kee Fatt	Transfer Pricing: Revised Scope, Requirements & Audit Approach	12 March 2025
	Hasil-Chartered Tax Institute of Malaysia (CTIM) Tax Forum Roadshow 2025	10 June 2025
	Recap and Overview of Key Auditing Standards (ISAs)	18 August 2025
	Recap and Overview of Key Malaysian Private Entities Reporting Standard (MPERS) Sections	29 July 2025
	2026 Budget Seminar	4 November 2025
	Audit Oversight Board (AOB) Conversation with Audit Committees	25 November 2025
	2026 Budget Seminar	27 November 2025
	2025 MFRS Updates	5 December 2025
Datuk Dr. Syed Hussein Bin Syed Husman, J.P.	AI at the Helm: How Directors Can Govern the Future	30 October 2025
Rajaretnam Soloman Daniel	Board Simulation - Balancing Risks & Opportunity in Sustainability Leadership	9 September 2025
	2025 MFRS Updates	5 December 2025
Kee E-Lene	AI training for Board of Directors	22 January 2025
	Sustainability Insights Series with Enterprise Risk Management Trends for 2025	20 March 2025
	Carbon Markets & Pricing: Insights from the Value Chain	5 June 2025
	Retail Mortgage - Understanding of Underwriting Practices and Controls	9 June 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(continued)*

Meetings and Time Commitment *(continued)*

The Directors also made time to attend appropriate webinars/conference/dialogues during the year under review to equip themselves further with the knowledge to discharge their duties more effectively and to keep abreast of developments on a continuous basis in compliance with Paragraph 15.08 of the MMLR of Bursa Securities, the details of which are set out below *(continued)*:

Director	Webinars/Conferences/Dialogues	Date
Kee E-Lene <i>(continued)</i>	Sasana Symposium 2025 - Exploring the Future of Digital Assets	17 June 2025
	Sasana Symposium 2025 - Fostering an Inclusive Instant Payment Connectivity in ASEAN	18 June 2025
	AI's Next Wave - Chips, Code, and Localisation	20 June 2025
	Johor - Singapore Special Economic Zone Forum 2025	23 June 2025
	Financial Institutions Directors' Education ("FIDE"): Core Programme - Module A	30 June to 3 July 2025
	FIDE: Core Programme - Module B	14 to 17 July 2025
	FIDE: Climate First....or Last?	8 September 2025
	At One Impact Week 2025	17 September 2025
	Audit Committee Conference 2025	29 September 2025
	Khazanah Megatrends Forum 2025	6 to 7 October 2025

Suitability and Independence of External Auditors

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

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Sound Risk Management Framework

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

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

The Board had put in place an ongoing process for identifying, evaluating and managing significant risks faced by the Group and for FYE 2025, a Group's Corporate Risk Management Report was presented to the ARMC.

A Statement on Risk Management and Internal Control which provides an overview of the state of internal controls within the Group is set out in pages 106 to 110 of this Annual Report.

Internal Audit Function

The internal audit function are set out in the ARMC Report on page 105 and in the Statement on Risk Management and Internal Control on page 109 of this Annual Report.

The key features of the Risk Management Framework are set out in the Statement on Risk Management and Internal Control as presented on pages 106 to 110 of this Annual Report.

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

Compliance with Applicable Financial Reporting Standards

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

A statement by Directors of their responsibilities in preparing the financial statements is set out on page 111 of this Annual Report.

Investors Relations and Shareholders Communication

The Company recognises the importance of effective and timely communication with shareholders and investors to keep them informed of the Group's latest financial performance and material business/corporate matters affecting the Company. Such information are available to shareholders and investors through the Annual Reports, the various disclosures and announcements made to Bursa Securities and the Company's website at www.canone.com.my. Notice of the AGM and related papers thereto are sent to the shareholders at least 28 days before the AGM to facilitate easy review by the shareholders. In respect of items on Special Business, the notice of meeting will be accompanied by a full explanation of the effects of the proposed resolution.

The AGM provides the principal platform for dialogue and interactions with the shareholders. At every meeting, the Chairman sets out the performance of the Group for the financial year then ended. Question and Answer session will then be convened wherein the Directors, Group Finance Director, Company Secretaries and the External Auditors will be available to answer to the queries raised by the shareholders. The Chairman of the Board will announce before the start of all general meetings, the right of the shareholders to demand a poll in accordance with the Company's Constitution. A full explanation for each resolution proposed at the AGM will usually be provided by the Chairman before the resolution is put to the vote.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *(continued)*

Investors Relations and Shareholders Communication *(continued)*

Each shareholder can vote in person or by appointing a proxy to attend and vote on his/her/its behalf. Separate issues are tabled in separate resolutions at general meetings, voting is carried systematically and motions carried through are properly recorded.

Shareholders shall have the option to submit to the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor"), their Proxy Forms either in hard copy or by electronic form via Vistra Share Registry and IPO (MY) portal pursuant to Clause 76 of the Constitution of the Company for the Twenty-Second AGM of the Company.

In accordance with Paragraph 8.29A(1) of the MMLR of Bursa Securities, poll voting will be carried out at the said Twenty-Second AGM of the Company.

Shareholders and the public can access information on the Group's background, products and financial performance through the Company's website at www.canone.com.my.

Leverage on Information Technology for Effective Dissemination of Information

The Company is committed in providing accurate and complete information on a timely basis. Such information is disseminated through various disclosures and announcements made to Bursa Securities through the quarterly financial results, audited financial statements and Annual Reports.

This Annual Report, Circular to Shareholders, Notice of AGM and other AGM related documents will be made available on the Company's website at www.canone.com.my or shareholders may request for the printed copy of the same from the Company's Share Registrar, Tricor. Notifications in respect of the availability of the aforesaid documents will be sent via email to shareholders with email address and via ordinary mail to the other shareholders.

COMPLIANCE WITH THE MCCG

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

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

The Board has reviewed and approved this Corporate Governance Overview Statement by way of a resolution of the Board dated on 7 April 2026. The Board is satisfied that this Corporate Governance Overview Statement provides the information necessary to enable shareholders to evaluate how the MCCG has been applied and obligations are fulfilled under the MCCG and the MMLR of Bursa Securities throughout the FYE 2025 save for the exceptions as disclosed above.

This Corporate Governance Overview Statement is to be read in conjunction with the Corporate Governance Report for the FYE 2025, which is made available online at www.canone.com.my.

ADDITIONAL COMPLIANCE INFORMATION

AUDIT AND NON-AUDIT FEES PAID/PAYABLE

During the FYE 2025, the amount of audit and non-audit fees paid/payable by the Group and the Company to the External Auditors, KPMG PLT, other member firms of KPMG International Limited and its affiliates for services rendered to the Company and its subsidiaries are as follows:

Type of fees	Group RM'000	Company RM'000
Audit fees - KPMG PLT	472	48
Audit fees - Other member firms of KPMG International Limited	191	–
Non-audit fees - KPMG PLT	33	32
Non-audit fees - Affiliates of KPMG PLT	132	6

MATERIAL CONTRACTS

Saved as disclosed below, there were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiaries involving Directors' and major shareholders' interests which subsisted at the end of the FYE 2025 or, if not then subsisting, which were entered into since the end of the previous financial year.

Recurrent Related Party Transactions

At the Twenty-First AGM of the Company held on 25 June 2025, the Company had obtained shareholders' mandate to allow the Company and its subsidiaries to enter into recurrent related party transactions ("RRPTs") of a revenue or trading nature which are necessary for the day-to-day operations of the Group and in the ordinary course of business, with related parties.

The aforesaid mandate will lapse at the conclusion of the forthcoming Twenty-Second AGM of the Company.

In accordance with Paragraph 3.1.5 of Practice Note 12 of the MMLR of Bursa Securities, details of the RRPTs conducted during the FYE 2025 pursuant to the aforesaid shareholders' mandate are as follows:

Provider of products/services	Recipient of products/services	Nature of Transaction	Actual value transacted from 25 June 2025 up to 31 December 2025 (RM'000)	Interested Related Party
Box-Pak (Malaysia) Bhd. ("Box-Pak") group of companies	Can-One Group	Purchase of cartons	11,067	Yeoh Jin Hoe ⁽¹⁾
Can-One Group	Box-Pak group of companies	Lease of factory building	1,170	
Total :			12,237	



ADDITIONAL COMPLIANCE INFORMATION

MATERIAL CONTRACTS *(continued)*

Recurrent Related Party Transactions *(continued)*

Note:

- (1) *Yeoh Jin Hoe is a Director and major shareholder of Can-One. He holds 7,505,700 ordinary shares in Can-One ("Can-One Shares") representing 3.91% of the total number of issued Can-One Shares and has an indirect equity interest over 108,858,800 Can-One Shares representing 56.65% of the total number of issued Can-One Shares held by Eller Axis Sdn. Bhd., a company in which he has more than 20% voting shares. He is also the Group Managing Director ("MD") and a major shareholder of Kian Joo Can Factory Berhad ("KJCFB") and has an indirect equity interest over 444,167,786 ordinary shares in KJCFB ("KJCFB Shares") representing 100% of the total number of issued KJCFB Shares held by Can-One and its wholly-owned subsidiary, Can-One International Sdn. Bhd.. He is also the Group MD and a major shareholder of Box-Pak by virtue of his indirect equity interest over 66,016,121 ordinary shares in Box-Pak ("Box-Pak Shares") representing 54.99% of the total number of issued Box-Pak Shares held by KJCFB.*

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION

The Audit and Risk Management Committee (“ARMC” or “the Committee”) of Can-One Berhad (“the Company”) comprises the following:

MEMBERS

Foo Kee Fatt (*Chairman*)
 Datuk Dr. Syed Hussain Bin Syed Husman, J.P. (*Member*)
 Rajaretnam Soloman Daniel (*Member*)

SECRETARIES

Lydia Tong Yiu Shyian-Shyian
 Kwong Shuk Fong

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

NUMBER OF MEETINGS AND ATTENDANCE

The Committee held 4 meetings during the financial year ended 31 December 2025 (“FYE 2025”) and the attendance of the meetings were follows:

Members	Number of meetings attended in FYE 2025	Percentage of Attendance
Foo Kee Fatt	4 out of 4 meetings	100
Datuk Dr. Syed Hussain Bin Syed Husman, J.P.	4 out of 4 meetings	100
Rajaretnam Soloman Daniel	4 out of 4 meetings	100

SUMMARY OF ACTIVITIES

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

- (i) Reviewed the quarterly internal audit reports of the Company and its subsidiary companies (“the Group”) prepared by the Internal Auditors regarding risk and compliance areas and internal control matters and discussions on the findings to ensure that appropriate and timely measures have been taken to improve on the internal control systems, meeting compliance requirements and mitigating risks.
- (ii) Reviewed the semi-annual risk management reports on significant risks identified, discussion with the Management and action to be taken to address or mitigate these risks, and also the half-yearly Sustainability Reports on the progress on actions to deliver on the agreed sustainability targets and any new sustainability reporting requirements.
- (iii) Reviewed conflict of interest or potential conflict of interest situations and related parties transactions, if any, entered into by the Group and the disclosure of such transactions in the quarterly financial reporting and Annual Report to ensure compliance with Bursa Malaysia Securities Berhad’s Main Market Listing Requirements.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF ACTIVITIES *(continued)*

The main activities undertaken by the Committee in discharging their responsibility during FYE 2025 were as follows *(continued)*:

- (iv) Held private sessions with External Auditors without the presence of management in February 2025 and November 2025.
- (v) Reviewed the announcements on the quarterly unaudited financial results of the Company and the Group before recommendation to the Board of Directors of the Company (“the Board”) for its consideration and approval.
- (vi) Received the audit report prepared by the External Auditors, and their findings on the audit of the financial statements of the Group and of the Company for the FYE 2024.
- (vii) Reviewed the annual audited financial statements of the Group and of the Company for the FYE 2024 with the External Auditors prior to submission to the Board for approval.
- (viii) Discussed with the Management and the External Auditors on developments in respect of the Malaysian Financial Reporting Standards and IFRS Accounting Standards issued by the International Accounting Standards Board applicable to the financial statements of the Group and of the Company for the FYE 2025 and their judgment of the items that may affect the financial statements.
- (ix) Reviewed the assistance given by the Company’s employees to the Internal Auditors and External Auditors.
- (x) Evaluated the internal audit function and also the performance of the External Auditors prior to recommendation to the Board for their re-appointment.
- (xi) Reviewed the ARMC Report, Statement on Risk Management and Internal Control and Sustainability Report for inclusion in the Annual Report 2024.
- (xii) Reviewed the External Auditors’ scope, plan and strategy in respect of the audit of the financial statements of the Group and of the Company for the FYE 2025.
- (xiii) Received a presentation on 2025 Enterprise Risk Management Report of the Group.
- (xiv) Acknowledged the Statement of Independence of the Internal Audit team.
- (xv) Reviewed and approved the Internal Audit Plan and Budget for the Group for year 2026 presented by the Internal Auditors.

During financial year 2025, an external audit firm, LitmanGerson and Associates, LLP [certified public accountants in Massachusetts, United States of America (“USA”)], was appointed as internal auditors for Can-One (USA), Inc., a wholly-owned subsidiary company incorporated in Delaware, USA, to conduct quarterly assessment on the process and internal controls of Can-One (USA), Inc.’s plant in New Hampshire, USA. The total fees paid were RM437,998.

The internal audit function for the Group [excluding Kian Joo Can Factory Berhad group of companies and Box-Pak (Malaysia) Bhd. group of companies] in FYE 2025 was outsourced to an external independent consulting firm, Tan Yen Yeow & Company. The total fees paid were RM25,000.

Except for the above outsourced work, the in-house Internal Audit team conducted all internal audit activities.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION

In discharging its function, the Group utilises the in-house Internal Audit team as well as the services of external independent consulting firms (collectively, “Internal Auditors”) to undertake independent, regular and systematic review of the system of internal controls, and compliance within the Group based on the approved Group Internal Audit Plan to provide reasonable assurance on the adequacy and effectiveness of governance, risk management and the internal control systems. The Internal Audit function reports directly to the Committee. The Internal Auditors provide the Committee with independent and objective reports on the state of internal controls of the Group’s operations, the extent of the entities’ compliance with the Group’s policies, procedures and relevant statutory requirements, and make recommendations, where necessary. The Committee then deliberates on the internal audit reports to ensure recommendations made are duly acted upon by the Management.

Summary of activities of the internal audit function during FYE 2025 are presented in the Statement on Risk Management and Internal Control. The total costs incurred by the Group’s Internal Audit function for FYE 2025 were RM1,434,873 (including outsourced internal audit services amounting to RM462,998).

This Report is made in accordance with a resolution of the Board dated 7 April 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

This Statement on Risk Management and Internal Control (“SORMIC”) has been prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and in accordance with the SORMIC Guide 2025 – Guidelines for Directors of Listed Companies.

BOARD OF DIRECTORS’ RESPONSIBILITIES

The Board of Directors (“Board”) of Can-One Berhad (“the Company” or “the Group”) acknowledges its overall responsibility for the Group’s system of risk management and internal control and for reviewing the adequacy and effectiveness of these systems.

The Board has delegated oversight of the Group’s risk management and internal control framework, including sustainability-related and climate-related risks, to the Audit and Risk Management Committee (“ARMC”).

KEY FEATURES OF THE RISK MANAGEMENT AND INTERNAL CONTROL

The Group has established a system of risk management and internal control designed to identify, evaluate and manage the principal risks faced by the Group in achieving its business objectives and strategies.

The system is aligned with the principles of the Committee of Sponsoring Organisations of the Treadway Commission (“COSO”) Enterprise Risk Management (“ERM”) Framework, and is embedded within the Group’s governance structure and key management processes. It addresses strategic, operational, financial, compliance, sustainability and emerging risks, including cybersecurity, digitalisation and artificial intelligence, and climate-related risks.

The system is designed to manage risks within acceptable levels rather than eliminate all risks and can therefore only provide reasonable, but not absolute, assurance against material misstatement, loss or failure to achieve business objectives and safeguard shareholders’ interests.

RISK MANAGEMENT STRUCTURE

The Group’s risk governance structure comprises multiple levels of oversight and accountability:

- **ARMC**

Provides oversight of the adequacy and effectiveness of the Group’s risk management and internal control systems.

- **Risk Management Executive Committee (“RMEC”)**

Chaired by the Group Managing Director (“GMD”), RMEC provides executive oversight of Group-wide risk exposures, ensures alignment between risk management, strategy and operations, and approves key risk actions and mitigation plans. The RMEC reports risk profiles and highlights key risk areas to the ARMC.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT STRUCTURE *(continued)*

The Group's risk governance structure comprises multiple levels of oversight and accountability *(continued)*:

- **Corporate Risk Management and Sustainability Working Groups ("RMSWG")**

Supports the operationalisation of ERM, integrates Environmental, Social, and Governance ("ESG")-related risk factors, and ensures consistency across risk registers and sustainability reporting, and recommends mitigation actions or enhancements where gaps are identified. Where appropriate, the Corporate RMSWG highlights key risk areas for escalation to the RMEC and for consideration in the internal audit planning process.

- **Operational RMSWG**

Act as risk owners responsible for identifying, assessing and monitoring operational and site-level risks and opportunities within the Group's business units. Risk information and emerging issues identified at the operational level are reported to the Corporate RMSWG for strategic decision making.

This structure reflects a Three Lines Model, with management responsible for risk ownership and control execution, ERM facilitating and monitoring risk processes, and Internal Audit providing independent assurance.

RISK MANAGEMENT PROCESS

Risk Identification, Evaluation and Management

The Group's risk management process is an ongoing and structured process involving both top-down and bottom-up approaches. Key risks are identified through strategic assessments, political, economic, social, technological, environment, and legal ("PESTEL") analysis, operational risk registers, management discussions and consideration of emerging risks.

Risks are assessed on a gross risk basis, considering the likelihood of occurrence and potential impact. In addition, management considers the existence of key controls and mitigation actions at a qualitative level when reviewing selected key enterprise risks, based on management judgement and operational experience.

Risk mitigation actions are developed and implemented by risk owners at both corporate and operational levels, with progress monitored through periodic reporting and management reviews.

The Board confirms that the Group's risk management processes were in place throughout the financial year ended 31 December 2025 ("FYE 2025") and remained in operation up to the date of approval of this Statement.

INTERNAL CONTROL FRAMEWORK

The Group maintains a well-defined organisational structure with clear lines of authority, responsibility, and reporting mechanisms, as outlined in the Board Charter.

The Senior Management team, led by GMD, Group Finance Director ("GFD") and Group Chief Operating Officer ("GCOO"), comprises experienced personnel who are subject matter experts in their own specialised fields. They central oversight and coordination of key functions including governance, sustainability, finance, tax, treasury, corporate affairs, legal matters, and contract management. The Senior Management team are also accountable for the conduct and performance of all business units.

Internal control mechanism is integrated into the various day-to-day operational policies and procedures of all business units at the appropriate levels in the Group. The Senior Management team monitor the affairs of the business units through review of performance. They hold monthly management meetings with the General Managers, General Directors, Chief Operating Officer and Departmental Heads of the business entities to identify, discuss and resolve business, financial, operational, governance, sustainability, compliance, and management issues. These meetings also serve as a platform for communicating the Group's goals and objectives.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL FRAMEWORK *(continued)*

The Board meets at least quarterly and with a Schedule of Matters reserved for its collective decision-making, ensuring effective control over strategic, management, financial, operational, environmental and compliance matters. In reviewing the adequacy and effectiveness of the internal control system, the Board and its Committees focus on the effectiveness of controls supporting the management of key enterprise and sustainability risk areas identified under the Group's enterprise risk management and sustainability frameworks. The internal control measures described below are designed to support compliance, safeguard assets and ensure reliable operations. Control gaps or weaknesses identified through management reviews, Internal Audit, or external assessments are reviewed and monitored through management oversight.

A. Technology, Digitalisation and Automation

The Group recognises risks associated with increased reliance on technology, digitalisation and automation within its operations. Relevant policies, governance arrangements and general control principles are in place to guide the use of technology and automated processes, including access management, segregation of duties and change management considerations. Technology-related risks are considered as part of management discussions, with oversight being strengthened through the Group's digitalisation and Artificial Intelligence ("AI") transformation roadmap.

B. Cybersecurity and Data Integrity

The Group has established information technology security policies to safeguard the confidentiality, integrity and availability of information systems and data. Controls include Information Technology ("IT") security policies, access management, data protection measures and incident response procedures. Cybersecurity and data-related matters are considered by management and escalated through established governance channels where appropriate.

C. Workforce and Human Capital

The Group maintains policies and practices relating to workforce capacity, competence and accountability. These include documented human resource policies, clearly defined roles and responsibilities, performance management processes, training and development programmes, and succession considerations for critical roles. Workforce-related matters are monitored through management reviews and addressed through operational and strategic actions.

D. Climate-Related Adaptation and Mitigation

The Group recognises climate-related risks and considers such risks in a manner appropriate to the nature and scale of its operations. Physical climate risks are considered through business continuity planning and site-level controls to mitigate potential operational disruption and asset exposure. Climate transition risks are addressed through the Group's decarbonisation direction and roadmap, including initiatives relating to renewable energy adoption and energy efficiency improvements. Water-related risks are managed through conservation practices and the use of alternative water sources, noting that the Group's operating locations are not currently situated in water-stressed regions.

Climate-related considerations, including energy efficiencies and emissions reduction priorities, are incorporated into capital expenditure planning, operational efficiency initiatives and sustainability initiatives, with oversight exercised through management reviews and addressed through operational and strategic actions.

E. Macroeconomic and Geopolitical Volatility

The Group considers external risks arising from macroeconomic conditions, market volatility and geopolitical developments as part of management's review of business performance and operating conditions. These considerations inform management decision-making, contingency planning and governance discussions, with escalation through established channels where appropriate.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL FRAMEWORK *(continued)*

F. Anti-Bribery, Corruption and Fraud

The Group has established a governance framework to address fraud, bribery and corruption risks, including a Code of Conduct, anti-bribery and corruption policies, delegation of authority limits and related governance arrangements. Matters arising from Internal Audit activities or other management channels are addressed in accordance with established procedures, with governance oversight exercised where appropriate. Whistleblowing mechanisms are administered independently with due regard to confidentiality, in accordance with the Group's governance arrangements.

G. Human Rights and Supply Chain Practices

Human rights and supply chain risks are addressed through the Group's Supplier Code of Conduct, which sets out expected standards for suppliers relating to labour practices, ethical conduct and responsible sourcing. These standards inform management's approach to supplier-related governance considerations.

H. Personal Data Protection and Regulatory Compliance

The Group maintains policies and procedures to support compliance with applicable personal data protection and regulatory requirements. These policies provide guidance on data handling, access controls, and awareness considerations. Regulatory and compliance matters are considered by management and addressed through established governance arrangements where appropriate.

INTERNAL AUDIT

The Group has both in-house Internal Audit Department ("IAD") as well as the services of external independent consulting firms (collectively, "Internal Auditors"), which report directly to the ARMC and provide the Board with independent assessment and assurance on the adequacy and effectiveness of the Group's internal control system.

The internal audit function assists the ARMC in respect of the following:

- Assess the adequacy and effectiveness of the current internal control systems and provide recommendations to improve on the existing control environment in relation to key business processes and risk management practices;
- Highlight opportunities to improve efficiency, effectiveness, and economic aspects of the Group's operations; and
- Promote a system of internal control that is responsive to the dynamic and ever-changing business environment, cost effective and sustainable.

In 2024, the Group engaged a qualified independent consulting firm to conduct a Quality Assurance Review of the Group's in-house IAD in accordance with the Institute of Internal Auditors' International Professional Practices Framework ("IPPF"). The review assessed the Department's conformance with professional standards and the effectiveness of its quality assurance and improvement programme, and identified certain areas for enhancement. Management has considered and fully implemented the recommendations in 2025, in line with the expectations of the ARMC. In line with IPPF requirements, the IAD performs ongoing internal self-assessments and will continue to undertake independent external quality assessments at least once every five years to support continuous improvement and sustained conformance with professional standards.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT *(continued)*

The annual Group Internal Audit Plan is reviewed and approved by the ARMC before each financial year. The audit plan is developed using a risk-based approach, taking into account the Group's enterprise risk profile, key risk themes identified through the ERM process, prior internal audit findings, management inputs, and changes in the business, operating environment and regulatory landscape. For FYE 2025, internal audit reviews were focused on high-risk areas, including operational efficiencies, compliance and financial controls, while lower-risk areas are reviewed on a rotational basis. Findings arising from internal audits, together with proposed recommendations and management action plans, are presented to the ARMC for deliberation, with agreed corrective measures communicated to the relevant heads of departments and business units for implementation and follow-up.

There were no material losses incurred during FYE 2025 due to weaknesses in internal control. The Group has complied with the relevant legislation and regulations. Management continues to be vigilant and take the necessary measures to strengthen the internal control environment periodically.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in *Audit and Assurance Practice Guide ("AAPG 3", Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report)* issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Annual Report of the Group for the FYE 2025. The External Auditors reported to the Board that nothing has come to their attention that causes them to believe that this Statement, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, or
- (b) is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion by the Board and Management. The External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problem disclosed in the Annual Report will, in fact, remedy the problems.

CONCLUSION

The Board, having received reasonable assurance from the GMD, GFD and GCOO, is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system for the FYE 2025 and up to the date of approval of this Statement. There were no material internal control weaknesses that resulted in material misstatement, losses, uncertainties or contingencies that would require disclosure in this Annual Report.

This Statement is made in accordance with a resolution of the Board dated 7 April 2026.

DIRECTORS' RESPONSIBILITY STATEMENT

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

In preparing the financial statements of the Group and of the Company for the financial year ended 31 December 2025 ("FYE 2025") as set on pages 118 to 211 of this Annual Report, the Directors ensured that the Group has used the Malaysian Financial Reporting Standards ("MFRS"), IFRS Accounting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016, applied them consistently and made judgments and estimates that are reasonable and prudent. The Directors also ensured that the MFRS and IFRS Accounting Standards have been followed and that the financial statements have been prepared on going concern basis.

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

This Statement is made in accordance with a resolution of the Board of Directors of the Company dated 7 April 2026.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors hereby submit 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 investment holding activities whilst the principal activities and details of the subsidiaries are as stated in Note 7 to the financial statements.

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

ULTIMATE HOLDING COMPANY

The Directors regard Eller Axis Sdn. Bhd., which is incorporated in Malaysia as the ultimate holding company during the financial year and until the date of this report.

RESULTS

	Group RM'000	Company RM'000
(Loss)/Profit for the year attributable to:		
Owners of the Company	(26,657)	204,552
Non-controlling interests	600	-
	(26,057)	204,552

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review.

DIVIDENDS

Since the end of the previous financial year, the amount of dividend paid by the Company in respect of the financial year ended 31 December 2024 as reported in the Directors' Report of that year was a first and final single-tier dividend of 4 sen per share totalling RM7,686,000 paid on 25 July 2025.

The Board of Directors has recommended a first and final single-tier dividend of 4 sen per share totalling RM7,686,000 for the financial year ended 31 December 2025, subject to shareholders' approval at the forthcoming Annual General Meeting.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS OF THE COMPANY

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

Tun Arifin bin Zakaria
Yeoh Jin Hoe
Yeoh Jin Beng
Marc Francis Yeoh Min Chang
Foo Kee Fatt
Datuk Dr. Syed Hussain bin Syed Husman, J.P.
Goh Teck Hong
Rajaretnam Soloman Daniel
Kee E-Lene

DIRECTORS OF SUBSIDIARIES

Pursuant to Section 253(2) of the Companies Act 2016, the directors who served in the subsidiaries during the financial year and up to the date of this report are as follows:

Yeoh Jin Hoe
Yeoh Jin Beng
Marc Francis Yeoh Min Chang
Keith Christopher Yeoh Min Kit
Shaun Patrick Yeoh Min Jin
Dato' Mah Siew Kwok
Tan Kim Seng
Sharifah Nadia Aljafri
Foo Kee Fatt
Datin Liow Guat Eng
Nur Aisyah Wong @ Wong Wai Yin (Huang Huiyan)
Chew Hock San
Hoh Wee Sang
Bernadette Chin Cheen Choo
Chan Huan Cheong
Gan Joe Yee

(Retired on 14 March 2026)

(Resigned on 30 January 2026)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS' INTERESTS IN SHARES

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

	Number of ordinary shares			At 31.12.2025
	At 1.1.2025	Bought	Sold	
<u>Direct interest in the Company:</u>				
Yeoh Jin Hoe	7,505,700	-	-	7,505,700
Yeoh Jin Beng	150,000	-	-	150,000
<u>Deemed interest in the Company:</u>				
Yeoh Jin Hoe	108,858,800	-	-	108,858,800
Yeoh Jin Beng	5,500,000	-	-	5,500,000
<u>Direct interest in the ultimate holding company:</u>				
Yeoh Jin Hoe	950,000	-	-	950,000

By virtue of his interests of more than 20% in the shares of the ultimate holding company, Yeoh Jin Hoe is also deemed interested in the shares of the subsidiaries of the ultimate holding company during the financial year to the extent that the ultimate holding company or the Company has an interest.

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

DIRECTORS' BENEFITS

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

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

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS' REMUNERATION

The Directors' remuneration in respect of the financial year ended 31 December 2025 are as follows:

	Group RM'000	Company RM'000
Fees	1,088	764
Salaries and bonuses	12,485	1,909
Statutory contributions	592	178
Allowances	436	330
Benefits-in-kind	78	39
	14,679	3,220

ISSUE OF SHARES AND DEBENTURES

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

INDEMNITY AND INSURANCE COSTS

The Company maintains a corporate liability insurance which provides appropriate insurance cover for the Directors and officers of the Group throughout the financial year. The amount of insurance premium paid by the Company for the financial year 2025 was RM70,402.

There was no indemnity or insurance effected for the auditors of the Group and of the Company during the financial year.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

OTHER STATUTORY INFORMATION

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

- (i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- (ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

- (i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- (ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- (iv) not otherwise dealt with in this report or in the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

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

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

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

CONSOLIDATION OF SUBSIDIARIES WITH DIFFERENT FINANCIAL YEAR END

Pursuant to Section 247(7) of the Companies Act 2016, the Company has been granted approval by the Companies Commission of Malaysia for Kianjoo Can (Myanmar) Company Limited and Boxpak (Myanmar) Company Limited, the subsidiaries located in Myanmar, to continue to have a financial year end which does not coincide with the Company in relation to the financial year ended 31 December 2025.

AUDITORS

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

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company during the year was as follows:

	Group RM'000	Company RM'000
Statutory audit	472	48
Other services	33	32
	505	80

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

Marc Francis Yeoh Min Chang
Director

Foo Kee Fatt
Director

Date: 7 April 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Assets					
Property, plant and equipment	3	2,111,426	1,992,853	-	-
Right-of-use assets	4	548,366	574,091	-	-
Investment properties	5	76,853	78,356	-	-
Intangible assets	6	7,380	5,375	-	-
Investments in subsidiaries	7	-	-	1,863,153	1,337,931
Deferred tax assets	8	1,621	334	-	-
Prepayments	9	46,623	10,172	-	-
Trade and other receivables	11	-	-	71,432	391,455
Total non-current assets		2,792,269	2,661,181	1,934,585	1,729,386
Inventories	10	736,904	713,660	-	-
Trade and other receivables	11	519,447	566,468	93,743	109,891
Prepayments	9	14,587	16,829	-	-
Current tax assets		12,323	10,828	-	-
Derivative financial assets	12	464	1,890	-	-
Deposits with a financial institution	13	13,876	13,649	-	-
Cash and cash equivalents	14	382,433	411,759	10,711	2,684
Total current assets		1,680,034	1,735,083	104,454	112,575
Total assets		4,472,303	4,396,264	2,039,039	1,841,961

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Equity					
Share capital	15	197,660	197,660	197,660	197,660
Reserves	16	1,523,483	1,611,893	1,552,005	1,355,139
Equity attributable to owners of the Company					
Non-controlling interests	7.2	1,721,143	1,809,553	1,749,665	1,552,799
		71,997	73,991	–	–
Total equity		1,793,140	1,883,544	1,749,665	1,552,799
Liabilities					
Loans and borrowings	17	1,050,323	891,922	286,107	286,107
Lease liabilities		174,854	176,895	–	–
Retirement benefit obligations	18	83,878	76,060	–	–
Deferred tax liabilities	8	98,770	92,026	–	–
Total non-current liabilities		1,407,825	1,236,903	286,107	286,107
Trade and other payables	19	426,539	430,863	2,483	2,449
Loans and borrowings	17	798,097	786,096	–	–
Lease liabilities		18,639	14,590	–	–
Retirement benefit obligations	18	5,454	10,913	–	–
Contract liabilities		5,808	20,242	–	–
Derivative financial liabilities	12	524	–	–	–
Current tax liabilities		16,277	13,113	784	606
Total current liabilities		1,271,338	1,275,817	3,267	3,055
Total liabilities		2,679,163	2,512,720	289,374	289,162
Total equity and liabilities		4,472,303	4,396,264	2,039,039	1,841,961

The notes on pages 130 to 211 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	20	3,191,448	3,192,603	216,756	356,693
Cost of sales		(2,830,850)	(2,870,432)	-	-
Gross profit		360,598	322,171	216,756	356,693
Other income		37,617	27,785	164	19
Selling and distribution expenses		(24,909)	(29,715)	-	-
Administrative expenses		(171,161)	(158,711)	(4,917)	(2,527)
Other expenses		(74,758)	(44,578)	(5,290)	(1)
Operating profit before impairment losses		127,387	116,952	206,713	354,184
Net reversal of impairment losses/(impairment losses) on:					
- property, plant and equipment		3,134	-	-	-
- right-of-use assets		4,570	-	-	-
- investments in subsidiaries		-	-	-	(1,426)
- financial instruments		(4,125)	(5,126)	724	(844)
		3,579	(5,126)	724	(2,270)
Results from operating activities		130,966	111,826	207,437	351,914
Interest income		2,969	3,026	13,374	11,031
Interest expense	21	(100,109)	(93,903)	(13,632)	(15,366)
Profit before tax	23	33,826	20,949	207,179	347,579
Tax expense	24	(59,883)	(46,698)	(2,627)	(2,339)
(Loss)/Profit for the year		(26,057)	(25,749)	204,552	345,240

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(Loss)/Profit for the year		(26,057)	(25,749)	204,552	345,240
Other comprehensive expense, net of tax					
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Cash flow hedge	25	(253)	(665)	–	–
Foreign currency translation differences for foreign operations	25	(56,408)	(15,524)	–	–
Total comprehensive (expense)/income for the year		(82,718)	(41,938)	204,552	345,240
(Loss)/Profit attributable to:					
Owners of the Company		(26,657)	(19,675)	204,552	345,240
Non-controlling interests		600	(6,074)	–	–
(Loss)/Profit for the year		(26,057)	(25,749)	204,552	345,240
Total comprehensive (expense) /income attributable to:					
Owners of the Company		(80,724)	(34,253)	204,552	345,240
Non-controlling interests		(1,994)	(7,685)	–	–
Total comprehensive (expense)/income for the year		(82,718)	(41,938)	204,552	345,240
Basic/Diluted loss per ordinary share (sen)	26	(13.87)	(10.24)		

The notes on pages 130 to 211 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	← Attributable to owners of the Company →				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Cash flow hedge reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000			
At 1 January 2024		197,660	1,382	26,500	1,625,950	1,851,492	81,676	1,933,168
Other comprehensive expense for the year								
- Cash flow hedge		-	(665)	-	-	(665)	-	(665)
- Foreign currency translation differences of foreign operations		-	-	(13,913)	-	(13,913)	(1,611)	(15,524)
Total other comprehensive expense for the year		-	(665)	(13,913)	-	(14,578)	(1,611)	(16,189)
Loss for the year		-	-	-	(19,675)	(19,675)	(6,074)	(25,749)
Total comprehensive expense for the year		-	(665)	(13,913)	(19,675)	(34,253)	(7,685)	(41,938)
Distribution to owners of the Company								
- Dividends	27	-	-	-	(7,686)	(7,686)	-	(7,686)
At 31 December 2024		197,660	717	12,587	1,598,589	1,809,553	73,991	1,883,544
		Note 15	Note 16.1	Note 16.2			Note 7.2	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	← Attributable to owners of the Company →					Non-controlling interests	Total equity
		← Non-distributable →		Distributable				
		Share capital	Cash flow hedge reserve	Foreign currency translation reserve	Retained earnings	Total		
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2025		197,660	717	12,587	1,598,589	1,809,553	73,991	1,883,544
Other comprehensive expense for the year								
- Cash flow hedge		-	(253)	-	-	(253)	-	(253)
- Foreign currency translation differences of foreign operations		-	-	(53,814)	-	(53,814)	(2,594)	(56,408)
Total other comprehensive expense for the year		-	(253)	(53,814)	-	(54,067)	(2,594)	(56,661)
(Loss)/Profit for the year		-	-	-	(26,657)	(26,657)	600	(26,057)
Total comprehensive expense for the year		-	(253)	(53,814)	(26,657)	(80,724)	(1,994)	(82,718)
Distribution to owners of the Company								
- Dividends	27	-	-	-	(7,686)	(7,686)	-	(7,686)
At 31 December 2025		197,660	464	(41,227)	1,564,246	1,721,143	71,997	1,793,140
		Note 15	Note 16.1	Note 16.2			Note 7.2	

The notes on pages 130 to 211 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Non-distributable Share capital RM'000	Distributable Retained earnings RM'000	Total equity RM'000
At 1 January 2024		197,660	1,017,585	1,215,245
Profit for the year and total comprehensive income for the year		–	345,240	345,240
Distributions to owners of the Company - Dividends	27	–	(7,686)	(7,686)
At 31 December 2024/1 January 2025		197,660	1,355,139	1,552,799
Profit for the year and total comprehensive income for the year		–	204,552	204,552
Distribution to owners of the Company - Dividends	27	–	(7,686)	(7,686)
At 31 December 2025		197,660	1,552,005	1,749,665

Note 15

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash flows from operating activities					
Profit before tax		33,826	20,949	207,179	347,579
<i>Adjustments for:</i>					
Depreciation of:					
- property, plant and equipment	3	175,803	173,205	-	-
- right-of-use assets	4	30,247	29,007	-	-
- investment properties	5	1,503	1,550	-	-
Amortisation of intangible assets	6	2,266	777	-	-
Gain on disposal of:					
- property, plant and equipment	23	(4,882)	(2,003)	-	-
- investment properties	23	-	(1,160)	-	-
Net gain on termination, expiration, modification and reassessment of lease contracts	23	(33)	(23)	-	-
Interest expense	21	100,109	93,903	13,632	15,366
Interest income		(2,969)	(3,026)	(13,374)	(11,031)
Income distribution from investment in money market funds	23	(1,600)	(1,237)	(164)	(16)
Net (reversal of impairment losses)/impairment losses on:					
- property, plant and equipment	23	(3,134)	-	-	-
- right-of-use assets	23	(4,570)	-	-	-
- investments in subsidiaries	23	-	-	-	1,426
- financial instruments	23	4,125	5,126	(724)	844
Retirement benefit obligations and gratuity	18	7,635	7,859	-	-
Unrealised loss/(gain) on:					
- foreign exchange	23	17,225	19,284	5,286	-
- derivative financial instruments		1,697	(1,209)	-	-
(Reversal of write-down)/Write-down of inventories	23	(6,369)	9,495	-	-
Write off in respect of:					
- property, plant and equipment	23	540	732	-	-
- inventories	23	27,351	28,927	-	-
Dividend income		-	-	(216,756)	(356,693)
Operating profit/(loss) before changes in working capital		378,770	382,156	(4,921)	(2,525)

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash flows from operating activities <i>(continued)</i>					
Operating profit/(loss) before changes in working capital		378,770	382,156	(4,921)	(2,525)
Changes in working capital:					
Inventories		(44,226)	49,519	-	-
Trade and other receivables		12,685	(19,786)	(13)	(22)
Prepayments		2,242	(6,557)	-	-
Trade and other payables		(9,104)	(135,309)	34	(1,752)
Contract liabilities		(14,434)	(8,445)	-	-
Cash generated from/ (used in) operations		325,933	261,578	(4,900)	(4,299)
Interest paid		(7,722)	(7,863)	-	-
Retirement benefit paid		(5,276)	(14,934)	-	-
Tax paid		(56,841)	(46,576)	(2,487)	(2,026)
Tax refund		3,758	15	38	-
Dividend received		-	-	207,721	305,365
Net cash from operating activities		259,852	192,220	200,372	299,040
Cash flows from investing activities					
Proceeds from disposal of:					
- property, plant and equipment		6,321	2,575	-	-
- investment properties		-	2,500	-	-
Additions of:					
- property, plant and equipment	B	(419,903)	(124,729)	-	-
- right-of-use assets		(720)	(60,483)	-	-
- intangible assets	6	(4,408)	(2,863)	-	-
Interest received		2,969	3,026	13,374	11,031
Income distribution from investment in money market funds		1,600	1,237	164	16
Advances to subsidiaries		-	-	(184,565)	(259,208)
Net cash used in investing activities		(414,141)	(178,737)	(171,027)	(248,161)

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash flows from financing activities					
Drawdown of term loans		276,226	260,912	-	-
Repayment of term loans		(72,902)	(124,192)	-	-
Trade financing, net		(88,135)	82,915	-	-
Revolving credits, net		97,363	(92,424)	-	-
Payment of hire purchase liabilities		(11,833)	(12,421)	-	-
Payment of lease liabilities		(13,517)	(13,082)	-	-
Interest paid		(92,387)	(86,040)	(13,632)	(15,366)
Dividends paid		(7,686)	(7,686)	(7,686)	(7,686)
Deposits pledged		(227)	(13,649)	-	-
Repayment to a subsidiary		-	-	-	(30,700)
Net cash from/(used in) financing activities		86,902	(5,667)	(21,318)	(53,752)
Net (decrease)/increase in cash and cash equivalents		(67,387)	7,816	8,027	(2,873)
Effect of exchange rate fluctuations on cash and cash equivalents held		38,061	16,877	-	-
Cash and cash equivalents at 1 January		411,759	387,066	2,684	5,557
Cash and cash equivalents at 31 December	14	382,433	411,759	10,711	2,684

Notes to statements of cash flows:

A. Cash and cash equivalents

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances	270,729	221,717	9,043	2,684
Short-term deposits placed with licensed banks	34,343	76,835	-	-
Investment in money market funds	77,361	113,207	1,668	-
Deposits with a financial institution	13,876	13,649	-	-
	396,309	425,408	10,711	2,684
Less: Deposits pledged	(13,876)	(13,649)	-	-
	382,433	411,759	10,711	2,684

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

Notes to statements of cash flows (continued):

B. Reconciliation of additions of property, plant and equipment

	Note	Group 2025 RM'000	2024 RM'000
Additions of:			
- property, plant and equipment	3	384,004	139,694
- motor vehicle through hire purchase liabilities		(552)	–
Net movement in non-current prepayments		36,451	(14,965)
		419,903	124,729

C. Cash outflows for leases as a lessee

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Included in net cash from operating activities:					
Payment relating to:					
- short-term leases	23	4,503	4,448	–	–
- leases of low-value assets	23	872	952	4	4
Interest paid in relation to lease liabilities		7,722	7,863	–	–
Included in net cash from financing activities:					
Payment of lease liabilities		13,516	13,082	–	–
Total cash outflows for leases		26,613	26,345	4	4

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

Notes to statements of cash flows (continued):

D. Reconciliation of movements of liabilities to cash flows arising from financing activities:

Group

	At 1.1.2024 RM'000	Net changes from financing cash flows RM'000	Addition of new leases RM'000	Modification/ Reassessment/ Termination/ Expiration of leases RM'000	Foreign exchange movement RM'000	At 31.12.2024 RM'000
Term loans	722,956	136,720	–	–	(4,109)	855,567
Trade financing	468,379	82,915	–	–	3,397	554,691
Revolving credits	242,000	(92,424)	–	–	(294)	149,282
Hire purchase liabilities	134,220	(12,421)	–	–	(3,321)	118,478
Lease liabilities	194,550	(13,082)	14,460	222	(4,665)	191,485
	1,762,105	101,708	14,460	222	(8,992)	1,869,503

	At 1.1.2025 RM'000	Net changes from financing cash flows RM'000	Addition of new leases RM'000	Modification/ Reassessment/ Termination/ Expiration of leases RM'000	Foreign exchange movement RM'000	At 31.12.2025 RM'000
Term loans	855,567	203,324	–	–	(14,548)	1,044,343
Trade financing	554,691	(88,135)	–	–	(4,968)	461,588
Revolving credits	149,282	97,363	–	–	(415)	246,230
Hire purchase liabilities	118,478	(11,833)	552	–	(10,938)	96,259
Lease liabilities	191,485	(13,517)	28,970	3,071	(16,516)	193,493
	1,869,503	187,202	29,522	3,071	(47,385)	2,041,913

Company

	At 1.1.2024 RM'000	Net changes from financing cash flows RM'000	At 31.12.2024/ 1.1.2025 RM'000	Net changes from financing cash flows RM'000	At 31.12.2025 RM'000
Term loan	286,107	–	286,107	–	286,107
Amount due to a subsidiary	30,700	(30,700)	–	–	–
	316,807	(30,700)	286,107	–	286,107

The notes on pages 130 to 211 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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

Registered office

2B-4 Level 4
Jalan SS 6/6
Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan

Principal place of business

Lot 2244, Jalan Rajawali
Batu 9, Kampung Kebun Baru
42500 Telok Panglima Garang
Kuala Langat
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”).

The Company is principally engaged in investment holding activities whilst the principal activities of the subsidiaries are as stated in Note 7.

These financial statements were authorised for issue by the Board of Directors on 7 April 2026.

1. BASIS OF PREPARATION

(a) Statement of compliance

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

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

The Group adopted the Amendments to MFRS 121, *The Effect of Changes in Foreign Exchange Rate – Lack of Exchangeability* which is effective from annual period beginning 1 January 2025. The adoption of this amendment does not have a material financial impact to the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION *(continued)*

(a) Statement of compliance *(continued)*

MFRS Accounting Standards, interpretations and amendments that have been issued by the Malaysian Accounting Standards Board that have not been adopted by the Group and the Company

The Group and the Company plan to apply the following accounting standards, interpretations and amendments upon its effective date.

Title	Effective date
i. Amendments to MFRS 9, <i>Financial Instruments</i> and MFRS 7, <i>Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments</i>	1 January 2026
ii. Amendments to MFRS 9, <i>Financial Instruments</i> and MFRS 7, <i>Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
iii. Amendments that are part of Annual Improvements – Volume 11: <ul style="list-style-type: none"> • Amendments to MFRS 1, <i>First-time Adoption of Malaysian Financial Reporting Standards</i> • Amendments to MFRS 7, <i>Financial Instruments: Disclosures</i> • Amendments to MFRS 9, <i>Financial Instruments</i> • Amendments to MFRS 10, <i>Consolidated Financial Statements</i> • Amendments to MFRS 107, <i>Statement of Cash Flows</i> 	1 January 2026
iv. MFRS 18, <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
v. MFRS 19 and Amendments to MFRS 19, <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
vi. Amendments to MFRS 121, <i>The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency</i>	1 January 2027
vii. Amendments to MFRS 10, <i>Consolidated Financial Statements</i> and MFRS 128, <i>Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company is in the process of assessing the impact of implementing the abovementioned accounting standards, interpretations or amendments, since the effects would only be observable for the future financial years.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and presentation currency

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

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION *(continued)*

(d) Use of estimates and judgements

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

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

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

- Note 3 - valuation of property, plant and equipment
- Note 4 - valuation of right-of-use assets
 - extension options and incremental borrowing rate in relation to leases
- Note 7 - valuation of investments in subsidiaries
- Note 10 - valuation of inventories
- Note 29.4 - measurement of expected credit loss ("ECL")

2. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive.

The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(a) Basis of consolidation *(continued)*

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Acquisitions of non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a financial asset depending on the level of influence retained.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(a) Basis of consolidation *(continued)*

(v) Non-controlling interests

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

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting period, except for those that are measured at fair value which are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity instruments where they are measured at fair value through other comprehensive income or a financial instrument designated as a cash flow hedge, which are recognised in other comprehensive income.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve ("FCTR") in equity.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(b) Foreign currency *(continued)*

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the FCTR in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

(c) Financial instruments

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(c) Financial instruments *(continued)*

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(a) *Amortised cost*

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(h)(i)) where the effective interest rate is applied to the amortised cost.

(b) *Fair value through other comprehensive income*

(i) *Debt investments*

Fair value through other comprehensive income category comprises debt investment where it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the debt investment, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The debt investment is not designated as at fair value through profit or loss. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(h)(i)) where the effective interest rate is applied to the amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(c) Financial instruments *(continued)*

(ii) Financial instrument categories and subsequent measurement *(continued)*

Financial assets (continued)

(b) Fair value through other comprehensive income *(continued)*

(ii) Equity investments

This category comprises investment in equity that is not held for trading, and the Group and the Company irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

(c) Fair value through profit or loss

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment (see Note 2(h)(i)).

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(c) Financial instruments *(continued)*

(ii) Financial instrument categories and subsequent measurement *(continued)*

Financial liabilities

The categories of financial liabilities at initial recognition are as follows:

(a) **Fair value through profit or loss**

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination and financial liabilities that are specifically designated into this category upon initial recognition.

On initial recognition, the Group or the Company may irrevocably designate a financial liability that otherwise meets the requirements to be measured at amortised cost as at fair value through profit or loss:

- (a) if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise;
- (b) a group of financial liabilities or assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Group's key management personnel; or
- (c) if a contract contains one or more embedded derivatives and the host is not a financial asset in the scope of MFRS 9, where the embedded derivative significantly modifies the cash flows and separation is not prohibited.

Financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair value with gains or losses, including any interest expense are recognised in the profit or loss.

For financial liabilities where it is designated as fair value through profit or loss upon initial recognition, the Group and the Company recognise the amount of change in fair value of the financial liability that is attributable to change in credit risk in the other comprehensive income and remaining amount of the change in fair value in the profit or loss, unless the treatment of the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch.

(b) **Amortised cost**

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(c) Financial instruments *(continued)*

(iii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers*.

Liabilities arising from financial guarantees are presented together with other provisions.

(iv) Regular way purchase or sale of financial assets

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date or settlement date accounting in current year.

Trade date accounting refers to:

- (a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
- (b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Settlement date accounting refers to:

- (a) the recognition of an asset on the day it is received by the Group or the Company, and
- (b) derecognition of an asset and recognition of any gain or loss on disposal on the day that is delivered by the Group or the Company.

Any change in the fair value of the asset to be received during the period between the trade date and the settlement date is accounted in the same way as it accounts for the acquired asset.

Generally, the Group or the Company apply settlement date accounting unless otherwise stated for the specific class of asset.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(c) Financial instruments *(continued)*

(v) Hedge accounting

At inception of a designated hedging relationship, the Group and the Company document the risk management objective and strategy for undertaking the hedge. The Group and the Company also document the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

(a) Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with all, or a component of, a recognised asset or liability or a highly probable forecast transaction and could affect the profit or loss. In a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and accumulated in equity and the ineffective portion is recognised in profit or loss. The effective portion of changes in the fair value of the derivative that is recognised in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge.

Subsequently, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss. If the hedge item is a non-financial asset or liability, the associated gain or loss recognised in other comprehensive income is removed from equity and included in the initial amount of the asset or liability. However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is reclassified from equity into profit or loss immediately.

The Group designates only the change in fair value of the spot element of forward contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (“forward points”) and/or the foreign currency basis spread are separately accounted for as cost of hedging and recognised in a cost of hedging reserve within equity.

Cash flow hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, the hedge is no longer highly effective, the forecast transaction is no longer expected to occur or the hedge designation is revoked. If the hedge is for a forecast transaction, the cumulative gain or loss on the hedging instrument remains in equity until the forecast transaction occurs. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item’s cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(c) Financial instruments *(continued)*

(vi) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expired or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(vii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(d) Intangible assets

(i) Recognition and measurement

Intangible assets, comprise of software, which have finite useful life, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Amortisation

Intangible assets are amortised from the date that they are available for use. Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of intangible assets.

The estimated useful life of software for the current and comparative periods is two (2) years.

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

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(e) Property, plant and equipment

(i) Recognition and measurement

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

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

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

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(e) Property, plant and equipment *(continued)*

(iii) Depreciation *(continued)*

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

	Current year	Comparative periods
Buildings	27 - 50	27 - 50
Plant, machinery and equipment	3 - 18	3 - 15
Furniture, fittings and office equipment	2 - 10	2 - 10
Motor vehicles	5 - 10	5 - 10
Spare parts	2 - 10	2 - 10

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

(f) Leases

(i) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(f) Leases *(continued)*

(ii) Recognition and initial measurement

(a) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the Group incremental borrowing rate. Generally, the Group use their incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

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

(b) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Group applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(f) Leases *(continued)*

(iii) Subsequent measurement

(a) As a lessee

The right-of-use asset is subsequently 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 asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) As a lessor

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "revenue" or "other income".

(g) Investment properties

Investment property carried at cost

Investment properties are properties which are owned or right-of-use asset held under a lease contract to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less any accumulated depreciation and any accumulated impairment losses, consistent with the accounting policy for property, plant and equipment as stated in accounting policy Note 2(e).

Cost includes expenditure that is attributable to the acquisition of the investment property. The cost of self-constructed investment property includes materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. Right-of-use asset held under a lease contract that meets the definition of investment property is initially measured similar to other right-of-use assets.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of 18 - 50 years for buildings. Leasehold land is depreciated over the lease term and freehold land is not depreciated.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(h) Impairment

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss and cash and bank balance for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Company's procedures for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(h) Impairment *(continued)*

(ii) Other assets

The carrying amounts of other assets (except for inventories, and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or a group of cash-generating unit) and then to reduce the carrying amounts of the other assets in the cash-generating unit (or a group of cash-generating units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(i) Inventories

(i) Manufacturing inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is measured based on first-in, first-out method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

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.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(i) Inventories *(continued)*

(ii) Property development

Land held for property development consists of the purchase price of the land, professional fees, stamp duties, commissions, conversion fees, levies and direct development cost incurred in preparing the land for development.

Property development costs are stated at the lower of cost and net realisable value. The cost includes cost of land less cumulative amounts recognised as cost of sales in the profit or loss. Property development cost of unsold unit is transferred to completed development unit once the property is completed.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and applicable variable selling expenses.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

(k) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as interest expense.

(m) Contract liabilities

The contract liabilities are stated at cost and represents the obligation of the Group to transfer goods or services to customers for which consideration have been received from customers. The contract liabilities are expected to be recognised as revenue in the next twelve months.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(n) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(o) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

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

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unabsorbed reinvestment allowance being tax incentives that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against which the unutilised tax incentive can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(p) Revenue and other income

(i) Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:

- a) the customer simultaneously receives and consumes the benefits provided as the Group performs;
- b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c) the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(ii) Dividend income

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(iv) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(q) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(r) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(r) Employee benefits *(continued)*

(iii) Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed once every three years by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The Group determines the net interest expense or income on the net defined liability or asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability or asset, taking into account any changes in the net defined benefit liability or asset during the period as a result of contributions and benefit payments.

Net interest expense and other expenses relating to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(s) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES *(continued)*

(t) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly by the chief operating decision maker, which in this case is the Group Managing Director of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(u) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT

Group

	Freehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Spare parts RM'000	Assets under construction RM'000	Total RM'000
Cost								
At 1 January 2024	300,291	640,696	2,191,764	144,752	16,637	100,322	274,173	3,668,635
Additions	-	8,542	29,915	7,065	248	31,024	62,900	139,694
Disposals	-	-	(15,198)	(165)	(1,133)	(2)	-	(16,498)
Written off	-	-	(2,664)	(548)	-	(10,375)	(77)	(13,664)
Reclassification	-	148,857	146,552	(45,249)	-	47,097	(297,257)	-
Foreign exchange difference	-	(12,314)	(29,026)	(5,718)	(104)	(1,186)	(6,466)	(54,814)
At 31 December 2024/ 1 January 2025	300,291	785,781	2,321,343	100,137	15,648	166,880	33,273	3,723,353
Additions	-	1,088	28,507	4,920	1,026	30,273	318,190	384,004
Disposals	-	-	(37,330)	(213)	(604)	(325)	(1,908)	(40,380)
Written off	-	-	(6,900)	(465)	(1)	-	-	(7,366)
Reclassification	-	827	37,352	-	-	-	(38,179)	-
Foreign exchange difference	-	(49,066)	(85,242)	(4,688)	(190)	(10,133)	(1,112)	(150,431)
At 31 December 2025	300,291	738,630	2,257,730	99,691	15,879	186,695	310,264	3,909,180

NOTES TO THE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Group

	Freehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Spare parts RM'000	Assets under construction RM'000	Total RM'000
Depreciation and impairment losses								
At 1 January 2024								
Accumulated depreciation	-	93,353	1,143,484	125,973	14,021	38,479	-	1,415,310
Accumulated impairment losses	-	66,610	99,399	949	-	26,225	2,611	195,794
	-	159,963	1,242,883	126,922	14,021	64,704	2,611	1,611,104
Charge for the financial year	-	22,064	115,906	6,066	776	28,393	-	173,205
Disposals	-	-	(14,778)	(159)	(988)	(1)	-	(15,926)
Written off	-	-	(2,515)	(544)	-	(9,814)	(59)	(12,932)
Reclassification	-	(87)	27	(45,416)	-	45,514	(38)	-
Foreign exchange difference	-	(3,946)	(14,992)	(5,253)	(85)	(675)	-	(24,951)
	-	177,994	1,326,531	81,616	13,724	128,121	2,514	1,730,500
At 31 December 2024								
Accumulated depreciation	-	112,813	1,232,293	80,721	13,724	106,862	-	1,546,413
Accumulated impairment losses	-	65,181	94,238	895	-	21,259	2,514	184,087
	-	177,994	1,326,531	81,616	13,724	128,121	2,514	1,730,500
At 1 January 2025								
Accumulated depreciation	-	112,813	1,232,293	80,721	13,724	106,862	-	1,546,413
Accumulated impairment losses	-	65,181	94,238	895	-	21,259	2,514	184,087
	-	177,994	1,326,531	81,616	13,724	128,121	2,514	1,730,500
Charge for the financial year	-	23,575	118,449	4,677	727	28,375	-	175,803
Disposals	-	-	(36,117)	(128)	(512)	(325)	(1,859)	(38,941)
Written off	-	-	(6,432)	(393)	(1)	-	-	(6,826)
Net (Reversal of impairment losses)/Impairment losses	-	(14,205)	11,071	-	-	-	-	(3,134)
Foreign exchange difference	-	(12,862)	(34,357)	(3,671)	(137)	(8,621)	-	(59,648)
	-	174,502	1,379,145	82,101	13,801	147,550	655	1,797,754
At 31 December 2025								
Accumulated depreciation	-	129,559	1,285,285	81,224	13,801	126,029	-	1,635,898
Accumulated impairment losses	-	44,943	93,860	877	-	21,521	655	161,856
	-	174,502	1,379,145	82,101	13,801	147,550	655	1,797,754

NOTES TO THE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Group

	Freehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Spare parts RM'000	Assets under construction RM'000	Total RM'000
Carrying amounts								
At 1 January 2024	300,291	480,733	948,881	17,830	2,616	35,618	271,562	2,057,531
At 31 December 2024/ 1 January 2025	300,291	607,787	994,812	18,521	1,924	38,759	30,759	1,992,853
At 31 December 2025	300,291	564,128	878,585	17,590	2,078	39,145	309,609	2,111,426

3.1 Leased motor vehicles and plant and machinery

At 31 December 2025, the carrying amounts of leased motor vehicles and plant and machinery of the Group are as follows:

	Group	
	2025 RM'000	2024 RM'000
Motor vehicles	793	1,129
Plant and machinery	125,502	149,023
	126,295	150,152

3.2 Security

The carrying amounts of buildings and assets under construction collateralised for banking facilities granted to the Group are as follows (see Note 17):

	Group	
	2025 RM'000	2024 RM'000
Buildings	21,614	22,416
Assets under construction	265,882	–
	287,496	22,416

NOTES TO THE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT *(continued)*

3.3 Change in estimates

During the financial year ended 31 December 2025, the Group conducted an operational efficiency review of the plant and equipment located in United States of America, which resulted in an extension of the expected useful lives of certain items of plant, machinery and equipment. Certain plant, machinery and equipment, which management previously intended to replace after fifteen years of use, is now expected to extend for use up to eighteen years from the date of purchase. As a result of this, the depreciation charge per annum decreased accordingly. The effect of this does not have a material financial impact to the Group.

3.4 Land and buildings subject to operating lease

The Group had leased a part of a freehold land to a related party and certain buildings to a third party. At the end of the reporting date, the lease of freehold land contains an initial non-cancellable period of two (2024: two) years. Subsequent renewals are negotiated with the lessee.

The following is recognised in profit or loss:

	Group 2025 RM'000	2024 RM'000
Lease income	3,061	2,396

The operating lease payments to be received are as follows:

	Group 2025 RM'000	2024 RM'000
Less than one year	2,513	3,061
One to two years	793	2,468
Two to three years	–	778
Total undiscounted lease payment	3,306	6,307

3.5 Impairment testing on property, plant and equipment

The Group assessed whether there were any indicators of impairment during the financial year. In doing this, management considered the current environment and performance of the cash generating units (“CGUs”). Management considered the continued losses generated in certain operating subsidiaries in the current financial year as impairment indicators. These companies collectively held RM542,260,000 (2024: RM646,941,000) in carrying amount of property, plant and equipment as at 31 December 2025.

A CGU's recoverable amount is determined as being the higher of the CGU's fair value less costs of disposal and its value in use. Where fair value less costs of disposal was used, the management made estimation using the latest available market information and recent experience and knowledge in the location and category of property being valued. Where the value in use model was used, management had made estimates about the future results and key assumptions applied to cash flow projections of the CGUs. These key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rate, which was, amongst others, dependent on forecasted economic conditions.

NOTES TO THE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT *(continued)*

3.5 Impairment testing on property, plant and equipment *(continued)*

The recoverable amount is based on value in use method which was determined by discounting the future cash flow generated from the continuing use of the property, plant and equipment and was based on the following key assumptions:

- (i) The range of anticipated annual revenue growth rates per annum used in the cash flow projections of the CGUs were as follows:-

Domicile country of the subsidiaries	2025	2024
Malaysia	0% to 18%	0% to 9%
Myanmar	(13%) to 35%	0% to 20%
Vietnam	–	6% to 39%
United States of America	(4%) to 178%	0% to 577%

- (ii) Profit margins were projected based on the historical profit margins achieved for the products.
- (iii) Discount rate used for each respective country was based on the country's weighted average cost of capital rate (pre-tax discount rate), incorporating the respective country's risk premium and an additional premium to factor in risk of cash flow projection inaccuracy. The pre-tax discount rates for the operating subsidiaries were as follows:-

Domicile country of the subsidiaries	2025	2024
Malaysia	11.94%	10.61%
Myanmar	12.00%	12.00%
Vietnam	–	7.27%
United States of America	6.62%	6.82%

- (iv) Cash flows were projected based on 1 year (2024: 1 year) base financial budgets approved by the Board of Directors.

Any unfavourable deviation to the above assumptions will result in further impairment to the Group.

Premised on the above, the Group had recognised an impairment loss of RM15,296,000 (2024: Nil) in relation to property, plant and equipment. During the financial year, the Group had reversed previously impaired assets amounting to RM18,430,000 (2024: Nil) as the Group had utilised the assets to generate income during the financial year. The reversal of the impairment loss has been set off with the impairment loss in arriving at the net reversal of impairment loss.

- 3.6 Spare parts, which were held for use in the production and supply of goods are expected to be used over more than one period, and are classified as property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

4. RIGHT-OF-USE ASSETS - GROUP

	Land use rights RM'000	Buildings and hostels RM'000	Factory equipment RM'000	Motor vehicles RM'000	Total RM'000
Cost					
At 1 January 2024	442,440	193,828	13,192	147	649,607
Additions	60,483	7,461	6,999	–	74,943
Termination of lease contracts	–	(240)	(501)	(57)	(798)
Modification/Reassessment	–	(661)	(554)	–	(1,215)
Expiration of lease contracts	–	(140)	(1,424)	–	(1,564)
Foreign exchange difference	(6,321)	(4,783)	(269)	(8)	(11,381)
At 31 December 2024/ 1 January 2025	496,602	195,465	17,443	82	709,592
Additions	720	26,910	2,060	–	29,690
Termination of lease contracts	–	(595)	(1,934)	–	(2,529)
Modification/Reassessment	–	560	(523)	–	37
Expiration of lease contracts	–	(1,073)	(1,814)	(77)	(2,964)
Foreign exchange difference	(21,777)	(17,143)	(393)	(5)	(39,318)
At 31 December 2025	475,545	204,124	14,839	–	694,508

NOTES TO THE FINANCIAL STATEMENTS

4. RIGHT-OF-USE ASSETS - GROUP (continued)

	Land use rights RM'000	Buildings and hostels RM'000	Factory equipment RM'000	Motor vehicles RM'000	Total RM'000
Depreciation and impairment losses					
At 1 January 2024					
Accumulated depreciation	50,469	20,325	5,194	74	76,062
Accumulated impairment losses	35,884	–	256	–	36,140
	86,353	20,325	5,450	74	112,202
Charge for the financial year	10,738	14,125	4,087	57	29,007
Termination of lease contracts	–	(117)	(132)	(43)	(292)
Modification/Reassessment	–	(1,314)	(678)	–	(1,992)
Expiration of lease contracts	–	(114)	(1,424)	–	(1,538)
Foreign exchange difference	(1,165)	(564)	(151)	(6)	(1,886)
At 31 December 2024/ 1 January 2025					
Accumulated depreciation	60,502	32,341	6,896	82	99,821
Accumulated impairment losses	35,424	–	256	–	35,680
	95,926	32,341	7,152	82	135,501
Charge for the financial year	11,689	14,593	3,965	–	30,247
Reversal of impairment losses	(4,570)	–	–	–	(4,570)
Termination of lease contracts	–	(316)	(945)	–	(1,261)
Modification/ Reassessment	–	(3,609)	(766)	–	(4,375)
Expiration of lease contracts	–	(1,033)	(1,814)	(77)	(2,924)
Foreign exchange difference	(3,816)	(2,449)	(206)	(5)	(6,476)
At 31 December 2025					
Accumulated depreciation	70,316	39,527	7,130	–	116,973
Accumulated impairment losses	28,913	–	256	–	29,169
	99,229	39,527	7,386	–	146,142

NOTES TO THE FINANCIAL STATEMENTS

4. RIGHT-OF-USE ASSETS - GROUP *(continued)*

	Land use rights RM'000	Buildings and hostels RM'000	Factory equipment RM'000	Motor vehicles RM'000	Total RM'000
Carrying amounts					
At 1 January 2024	356,087	173,503	7,742	73	537,405
At 31 December 2024/ 1 January 2025	400,676	163,124	10,291	–	574,091
At 31 December 2025	376,316	164,597	7,453	–	548,366

Included in land use rights are RM376,316,000 (2024: RM400,676,000) in relation to leasehold land with remaining tenures of 3 to 55 years (2024: 4 to 56 years). The Group also leases a number of factory buildings, hostels, factory facilities and motor vehicles that run between 1 year to 17 years (2024: 1 year to 18 years) with an option to renew the lease after the initial period.

4.1 The carrying amount of land use rights collateralised for the banking facilities granted to the Group is RM59,794,000 (2024: RM8,446,000) (see Note 17).

4.2 Extension options

Certain leases of factory buildings and hostels contain extension options exercisable by the Group prior to the end of the non-cancellable contract period. Where applicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

The extension option of the lease is currently included in the lease term as the Group assessed that it is reasonably certain to exercise the extension option, which is supported by the high historical rate of extensions exercised by the Group. Hence, as at 31 December 2025, there are no potential future lease payments not included in lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS

4. RIGHT-OF-USE ASSETS - GROUP *(continued)*

4.3 Significant judgements and assumptions in relation to lease

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

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

4.4 Impairment testing on right-of-use assets

The Group assessed whether there were any indicators of impairment. In doing this, management considered the current environment and performance of the CGUs. Management considered the continued losses generated in certain operating subsidiaries as impairment indicators. These companies collectively held RM167,750,000 (2024: RM177,913,000) in carrying amount of right-of-use assets as at 31 December 2025.

A CGU's recoverable amount was determined as being the higher of the CGU's fair value less costs of disposal and its value in use. Where the value in use model was used, management has made estimates about the future results and key assumptions applied to cash flow projections of the CGUs. These key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rate, which was, amongst others, dependent on forecasted economic conditions. This impairment testing was performed based on the key assumptions as applied with the impairment testing on property, plant and equipment as disclosed in Note 3.5.

Premised on the above, the Group had reversed previously impaired assets amounting to RM4,570,000 (2024: Nil) as the Group had utilised the assets to generate income during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

5. INVESTMENT PROPERTIES - GROUP

	Leasehold land RM'000	Leasehold buildings RM'000	Total RM'000
Cost			
At 1 January 2024	69,300	19,600	88,900
Disposal	(1,300)	(600)	(1,900)
At 31 December 2024/1 January 2025/ 31 December 2025	68,000	19,000	87,000
Accumulated depreciation			
At 1 January 2024	4,838	2,816	7,654
Charge for the financial year	976	574	1,550
Disposal	(383)	(177)	(560)
At 31 December 2024/1 January 2025	5,431	3,213	8,644
Charge for the financial year	944	559	1,503
At 31 December 2025	6,375	3,772	10,147
Carrying amounts			
At 1 January 2024	64,462	16,784	81,246
At 31 December 2024/1 January 2025	62,569	15,787	78,356
At 31 December 2025	61,625	15,228	76,853

5.1 Investment properties of the Group comprise leasehold land and buildings that are leased to third parties. No contingent rents are charged.

The following are recognised in profit or loss:

	2025 RM'000	2024 RM'000
Lease income	3,001	2,995
Direct operating expenses - income generating investment properties	473	777

NOTES TO THE FINANCIAL STATEMENTS

5. INVESTMENT PROPERTIES - GROUP (continued)

5.2 The operating lease payments to be received are as follows:

	2025 RM'000	2024 RM'000
Less than one year	2,454	3,001
One to two years	778	2,454
Two to three years	-	778
Total undiscounted lease payments	3,232	6,233

5.3 Fair value information

The fair value of the investment properties is classified as level 3 of fair value hierarchy and determined to be approximately RM87,000,000 (2024: RM87,000,000).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment properties. The valuation technique used in the determination of fair value within Level 3 is as follows:

Description of Valuation Technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Sales comparison approach:		
This approach entails comparing the property with similar properties that were sold. The characteristics, merits and demerits of these properties are noted and appropriate adjustments thereof are then made to arrive at the value of the investment properties.	Price per square meter RM2,150 (2024: RM2,150)	The estimated fair value would increase (decrease) if the price per square meter is higher (lower).

Valuation processes applied by the Group for Level 3 fair value

The fair value of investment properties of the Group was based on Directors' estimation using the latest available market information and recent experience and knowledge in the location and category of properties being valued.

5.4 Impairment testing on investment properties

The Group assessed whether there were any indicators of impairment by considering the current environment and performance of the investment properties by the Group.

The recoverable amount of the investment property was estimated based on fair value less costs of disposal method. The fair value less costs of disposal was determined by external, independent property valuer based on comparison of the investment property with the latest available market information and recent experience and knowledge in the location and category of properties similar to the investment property being valued.

NOTES TO THE FINANCIAL STATEMENTS

6. INTANGIBLE ASSETS - GROUP

	Software	
	2025 RM'000	2024 RM'000
Cost		
At 1 January	17,856	15,228
Additions	4,408	2,863
Foreign exchange difference	(684)	(235)
At 31 December	21,580	17,856
Amortisation		
At 1 January	12,481	11,857
Charge for the financial year	2,266	777
Foreign exchange difference	(547)	(153)
At 31 December	14,200	12,481
Carrying amounts	7,380	5,375

7. INVESTMENTS IN SUBSIDIARIES - COMPANY

	Note	2025 RM'000	2024 RM'000
Cost of investments		1,986,408	1,461,186
Less: Impairment loss	7.1	(123,255)	(123,255)
		1,863,153	1,337,931

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN SUBSIDIARIES - COMPANY *(continued)*

Details of the subsidiaries are as follows:

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest		Principal activities
		2025 %	2024 %	
Aik Joo Can Factory Sdn. Berhad	Malaysia	100	100	Can manufacturing
AJCan Sdn. Bhd.	Malaysia	100	100	Can manufacturing
Canzo Sdn. Bhd.	Malaysia	100	100	Can manufacturing
PT. Corum ⁽¹⁾	Indonesia	100	100	Can manufacturing
Newmarq Sdn. Bhd.	Malaysia	100	100	Investment holding
Amber Alliance Sdn. Bhd.	Malaysia	100	100	Investment holding
Hinoki Beverages Sdn. Bhd.	Malaysia	100	100	Property investment
TOGO Greenland Sdn. Bhd.	Malaysia	100	100	Property development, construction of building, purchase and sale of properties
Sanjung Nuri Sdn. Bhd.	Malaysia	100	100	Property investment
Can-One International Sdn. Bhd.	Malaysia	100	100	Investment holding
Kian Joo Can Factory Berhad	Malaysia	100	100	Can manufacturing and investment holding
KJ Can (Selangor) Sdn. Bhd.	Malaysia	100	100	Can manufacturing
KJ Can (Johore) Sdn. Bhd.	Malaysia	100	100	Can manufacturing
Federal Metal Printing Factory, Sdn. Berhad	Malaysia	100	100	Can manufacturing
Kian Joo Can (Vietnam) Co., Ltd.	Vietnam	100	100	Can manufacturing

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN SUBSIDIARIES - COMPANY *(continued)*

Details of the subsidiaries are as follows *(continued)*:

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest		Principal activities
		2025 %	2024 %	
KJM Aluminium Can Sdn. Bhd.	Malaysia	100	100	Aluminium and steel can manufacturing, and trading of aluminium coils and ends
Kianjoo Can (Myanmar) Company Limited ⁽³⁾	Myanmar	100	100	Aluminium can manufacturing
Can-One (USA), Inc. ⁽¹⁾	United States of America	100	100	Aluminium can manufacturing
Kian Joo Cans Distribution Sdn. Bhd.	Malaysia	100	100	Investment holding and trading
KJ Greencans Pte. Ltd. ⁽¹⁾	Singapore	100	100	Investment holding
Greencans Industries (Vietnam) Co.,Ltd.	Vietnam	100	100	Aluminium can manufacturing
Kian Joo Canpack Sdn. Bhd.	Malaysia	100	100	Provision of contract manufacturing
Kian Joo Canpack (Shah Alam) Sdn. Bhd.	Malaysia	100	100	Provision of contract packing services
Metal-Pak (Malaysia) Sdn. Bhd.	Malaysia	100	100	Investment holding
KJO International Sdn. Bhd.	Malaysia	100	100	Investment holding
Bintang Seribu Sdn. Bhd.	Malaysia	100	100	Letting of factory building
KJ Can (Singapore) Pte. Ltd. ⁽¹⁾	Singapore	100	100	Trading
PT. AJ Candace ⁽²⁾	Indonesia	100	100	Dormant
PT. KJ Canmax ⁽¹⁾	Indonesia	100	100	Dormant
PT. KJ Canco ⁽¹⁾	Indonesia	100	100	Dormant

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN SUBSIDIARIES - COMPANY *(continued)*

Details of the subsidiaries are as follows *(continued)*:

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest		Principal activities
		2025 %	2024 %	
Box-Pak (Malaysia) Bhd. ⁽¹⁾	Malaysia	55	55	Corrugated fibre board carton manufacturing and trading of paper roll
BP MPak Sdn. Bhd. ⁽¹⁾	Malaysia	55	55	Corrugated fibre board carton manufacturing and trading of paper roll
Box-Pak (Vietnam) Co., Ltd. ⁽¹⁾	Vietnam	55	55	Corrugated fibre board carton manufacturing
Krafton Greenpax (Viet Nam) Company Limited ⁽¹⁾	Vietnam	55	55	Corrugated fibre board carton manufacturing
Box-Pak (Hanoi) Co., Ltd. ⁽¹⁾⁽⁵⁾	Vietnam	55	55	Corrugated fibre board carton manufacturing
Boxpak (Myanmar) Company Limited ⁽¹⁾⁽³⁾	Myanmar	55	55	Corrugated fibre board carton manufacturing
BP Pax (Singapore) Pte. Ltd. ⁽¹⁾	Singapore	55	55	Investment holding
PT. KJ Box-Pak ⁽¹⁾	Indonesia	55	55	Dormant
Box-Pak (Johore) Sdn. Bhd. ⁽¹⁾	Malaysia	55	55	Dormant
Indastri Kian Joo Sdn. Bhd. ⁽⁴⁾	Malaysia	100	100	Dormant

⁽¹⁾ The financial statements of these subsidiary companies are not audited by KPMG PLT, Malaysia or other KPMG International member firms.

⁽²⁾ The unaudited management financial statements were consolidated in the Group's financial statements.

⁽³⁾ The accounting year end of these subsidiaries are 31 March. The Company has been granted approval by the Companies Commission of Malaysia for the subsidiaries to continue to have a financial year which does not coincide with the Company in relation to the financial year ended 31 December 2025.

⁽⁴⁾ The subsidiary was struck off/deregistered from the register of Companies Commission of Malaysia on 12 February 2026.

⁽⁵⁾ The subsidiary has ceased operations as at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN SUBSIDIARIES - COMPANY *(continued)*

7.1 Impairment testing on investments in subsidiaries

The Company assessed whether there were any indicators of impairment during the financial year. In doing this, management considered the current environment and performance of the CGUs. Management also considered the continued losses or deficit in shareholders' funds in certain operating subsidiaries in the current financial year as impairment indicators. The carrying amounts of investments in these subsidiaries amounted to RM585,949,000 (2024: RM32,375,000) as at 31 December 2025.

The recoverable amounts of the investments in subsidiaries were RM585,949,000 (2024: RM30,949,000) which were arrived at based on fair values less costs of disposal by estimating the fair values of the underlying assets and liabilities of these subsidiaries.

In the previous year, the Company recognised an impairment loss of RM1,426,000 on investments in subsidiaries as these subsidiaries are unlikely to turn profitable in the foreseeable future.

7.2 Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	Box-Pak (Malaysia) Bhd.	
	2025	2024
NCI percentage of ownership interest and voting interest	45%	45%
Carrying amount of NCI (RM'000)	71,997	73,991
Profit/(Loss) allocated to NCI (RM'000)	600	(6,074)

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN SUBSIDIARIES - COMPANY *(continued)*

7.2 Non-controlling interests in subsidiaries *(continued)*

Summarised financial information before intra-group elimination and fair value adjustments

	Box-Pak (Malaysia) Bhd.	
	2025 RM'000	2024 RM'000
As at 31 December		
Non-current assets	239,165	241,262
Current assets	227,670	254,111
Non-current liabilities	(34,597)	(43,357)
Current liabilities	(340,414)	(357,666)
Net assets	91,824	94,350
Year ended 31 December		
Revenue	598,084	666,283
Profit/(Loss) for the year	3,239	(11,451)
Total comprehensive expense	(2,526)	(15,030)
Cash flows from/(used in):		
- operating activities	9,936	28,195
- investing activities	(17,214)	(55,776)
- financing activities	13,620	(18,844)
Net increase/(decrease) in cash and cash equivalents	6,342	(46,425)

7.3 Shares pledged for banking facilities

The entire unquoted shares of Kian Joo Cans Distribution Sdn. Bhd. and Kian Joo Can Factory Berhad have been pledged to a financial institution and a bank respectively for term loan facilities granted to a subsidiary and the Company respectively (see Note 17).

NOTES TO THE FINANCIAL STATEMENTS

8. DEFERRED TAX ASSETS/(LIABILITIES) - GROUP

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Capital allowances and depreciation differences	-	-	(75,465)	(49,099)	(75,465)	(49,099)
Right-of-use assets	-	-	(90,301)	(93,260)	(90,301)	(93,260)
Unabsorbed capital allowances	4,569	4,196	-	-	4,569	4,196
Unabsorbed reinvestment allowances	21,333	18,072	-	-	21,333	18,072
Unabsorbed tax losses	7,290	3,735	-	-	7,290	3,735
Provisions and other temporary differences	35,425	24,664	-	-	35,425	24,664
Deferred tax assets/(liabilities)	68,617	50,667	(165,766)	(142,359)	(97,149)	(91,692)
Set-off of tax	(66,996)	(50,333)	66,996	50,333	-	-
Net deferred tax assets/(liabilities)	1,621	334	(98,770)	(92,026)	(97,149)	(91,692)

NOTES TO THE FINANCIAL STATEMENTS

8. DEFERRED TAX ASSETS/(LIABILITIES) - GROUP *(continued)*

Movements in temporary differences during the financial year are as follows:

	At 1 January 2024 RM'000	Recognised in profit or loss (Note 24) RM'000	Foreign exchange difference RM'000	At 31 December 2024/ 1 January 2025 RM'000	Recognised in profit or loss (Note 24) RM'000	Foreign exchange difference RM'000	At 31 December 2025 RM'000
Capital allowances and depreciation differences	(48,749)	(344)	(6)	(49,099)	(26,354)	(12)	(75,465)
Right-of-use assets	(95,556)	2,296	-	(93,260)	2,959	-	(90,301)
Unabsorbed capital allowances	7,810	(3,614)	-	4,196	373	-	4,569
Unabsorbed reinvestment allowances	8,071	10,001	-	18,072	3,261	-	21,333
Unabsorbed tax losses	7,147	(3,412)	-	3,735	3,555	-	7,290
Provisions and other temporary differences	25,938	(1,245)	(29)	24,664	10,824	(63)	35,425
	(95,339)	3,682	(35)	(91,692)	(5,382)	(75)	(97,149)

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

	2025 RM'000	2024 RM'000
Unabsorbed capital allowances	178,865	173,813
Unabsorbed reinvestment allowances	120,433	317,895
Unabsorbed tax losses	298,403	304,630
Exemption of income for value of increase in exports	16,130	16,130
Provisions and other temporary differences	(11,395)	(144,172)
	602,436	668,296

Deferred tax assets have not been recognised in respect of the above items because it is not probable that future taxable profits will be available against which the subsidiaries can utilise the benefits therefrom.

The Myanmar entities' business activities are conducted in a Special Economic Zone and the entities have been granted tax allowance to retrieve the losses for the five (5) years after the year of losses incurred under the provision of the Myanmar Special Economic Law, 2014.

For the Malaysian entities, with the gazette of the Finance Act 2021, the carry forward of any unabsorbed tax losses is extended to ten (10) consecutive years of assessment and it is deemed effective from the year of assessment 2019. Any amount which is not deducted at the end of the period of ten (10) years of assessment shall be disregarded.

NOTES TO THE FINANCIAL STATEMENTS

8. DEFERRED TAX ASSETS/(LIABILITIES) - GROUP *(continued)*

For the Malaysian entities, effective from year of assessment 2019, the unabsorbed reinvestment allowances will expire after seven (7) consecutive years of assessment from the end of each qualifying period of fifteen (15) consecutive years of assessment commencing from the year of assessment of the first claim.

	Unabsorbed reinvestment allowances		Unabsorbed tax losses	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Expires by:				
- 31 December 2025	-	184,441	-	10,460
- 31 December 2026	-	-	5,652	10,233
- 31 December 2027	29,968	29,968	6,211	8,674
- 31 December 2028	-	-	41,314	45,684
- 31 December 2029	-	-	21,562	24,837
- 31 December 2030	42,155	42,155	63,333	20,263
- 31 December 2031	119,217	118,650	24,756	24,756
- 31 December 2032	-	-	27,023	27,023
- 31 December 2033	-	-	24,271	25,782
- 31 December 2034	-	-	23,846	25,768
- 31 December 2035	-	-	1,422	-
- 31 December 2036	17,981	17,981	-	-
- 31 December 2042	-	-	9,957	10,973
- 31 December 2043	-	-	45,016	49,611
- 31 December 2044	-	-	31,160	34,341
- 31 December 2045	-	-	17,213	-
	209,321	393,195	342,736	318,405

The tax losses of overseas subsidiaries that presently can be carried forward ranges from 5 years to 20 years (2024: 5 years to 20 years) and these are subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislations in those countries that the Group operates in.

9. PREPAYMENTS - GROUP

	Note	2025 RM'000	2024 RM'000
Non-current	9.1	46,623	10,172
Current	9.2	14,587	16,829

9.1 These are prepayments for acquisition of property, plant and machinery.

9.2 These are mainly advance payments to suppliers for purchase of raw materials.

NOTES TO THE FINANCIAL STATEMENTS

10. INVENTORIES - GROUP

	Note	2025 RM'000	2024 RM'000
Manufacturing inventories			
- Raw materials		469,029	419,720
- Work-in-progress		114,926	124,753
- Finished goods		143,577	139,971
		727,532	684,444
Property development cost	10.1	9,372	29,216
		736,904	713,660
Recognised in profit or loss:			
Inventories recognised as "cost of sales"		2,809,868	2,832,010
(Reversal of write-down)/Write down of inventories to net realisable value	10.2	(6,369)	9,495
Write off of inventories		27,351	28,927

10.1 Property development cost

	2025 RM'000	2024 RM'000
At 1 January	29,216	89,659
Recognised as cost of sales	(19,844)	(60,443)
At 31 December	9,372	29,216

A subsidiary had entered into a Development Agreement with a third party to collaborate and develop the freehold land.

The carrying amount of the property development cost on the freehold land was collateralised for banking facilities granted to a subsidiary. In the previous year, the subsidiary has fully repaid the term loan.

- 10.2 Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible change in these estimates could result in revision to the valuation of inventories. The write-down and reversal are included in "cost of sales".

NOTES TO THE FINANCIAL STATEMENTS

11. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current					
Non-trade					
Amount due from a subsidiary	11.1	–	–	71,432	391,455
Current					
Trade					
Trade receivables	11.2	454,700	519,587	–	–
Non-trade					
Amounts due from subsidiaries	11.1	–	–	16,338	41,534
Other receivables	11.3	60,495	42,641	41	28
Dividend receivable		–	–	77,363	68,328
Deposits		4,252	4,240	1	1
		64,747	46,881	93,743	109,891
		519,447	566,468	93,743	109,891

11.1 Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured and bear interest rates ranging from 4.30% to 4.97% (2024: 4.23% to 4.98%) per annum.

11.2 The Group has entered into a non-recourse receivables financing agreements with certain financial institutions where the rights for collection and significantly all the risks and rewards over the receivables under the financing agreements have been transferred to the financial institutions. At the end of the reporting period, a total of RM124,233,000 (2024: RM95,059,000) of the Group has been derecognised from the trade receivables balance.

11.3 Other receivables

Included in other receivables of the Group is a sum of RM48,300,000 (2024: RM28,419,000) which is in relation to value added tax to be recovered from the relevant taxation authorities.

NOTES TO THE FINANCIAL STATEMENTS

12. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) - GROUP

	Note	Nominal amount RM'000	Assets RM'000	Liabilities RM'000
2025				
Derivatives at fair value through profit or loss:				
- Forward exchange contracts	12.1	45,008	-	(524)
Derivatives at fair value through other comprehensive income:				
- Commodity contracts	12.2	8,311	464	-
Current assets			464	(524)
2024				
Derivatives at fair value through profit or loss:				
- Forward exchange contracts	12.1	27,117	1,173	-
Derivatives at fair value through other comprehensive income:				
- Commodity contracts	12.2	29,436	717	-
Current assets			1,890	-

12.1 Forward exchange contracts are used to manage the foreign currency exposure arising from the Group's receivables and payables denominated in currencies other than the functional currency of the Group. The forward exchange contracts have maturities of less than one year after the end of the reporting period. When necessary, the forward exchange contracts are rolled over at maturity.

12.2 This represents arrangements entered into with banks to hedge pricing risk of aluminium.

12.3 Derivatives financial assets/(liabilities) of the Group were categorised as Level 2 in the fair value hierarchy. There was no transfer between levels in the hierarchy during the financial year.

13. DEPOSITS WITH A FINANCIAL INSTITUTION

Deposits placed with a financial institution have been pledged as collateral for a term loan facility granted to a subsidiary (see Note 17).

NOTES TO THE FINANCIAL STATEMENTS

14. CASH AND CASH EQUIVALENTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances	270,729	221,717	9,043	2,684
Short-term deposits placed with licensed banks	34,343	76,835	–	–
Investment in money market funds	77,361	113,207	1,668	–
	382,433	411,759	10,711	2,684

14.1 Investment in money market funds were managed by a licensed fund management company of which the amounts deposited can be withdrawn at the discretion of the Group by giving a two days notice period.

Investment in money market funds were categorised as Level 2 in the fair value hierarchy. There was no transfer between levels in the hierarchy during the financial year.

15. SHARE CAPITAL - GROUP AND COMPANY

	2025		2024	
	Amount RM'000	Number of shares '000	Amount RM'000	Number of shares '000
Ordinary shares issued and fully paid	197,660	192,153	197,660	192,153

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

16. RESERVES

16.1 Cash flow hedge reserve

Cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of the cash flow hedges related to hedged transactions that have not yet occurred.

16.2 Foreign currency translation reserve

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.

NOTES TO THE FINANCIAL STATEMENTS

17. LOANS AND BORROWINGS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current				
Term loans	966,584	786,357	286,107	286,107
Hire purchase liabilities	83,739	105,565	-	-
	1,050,323	891,922	286,107	286,107
Current				
Term loans	77,759	69,210	-	-
Trade financing	461,588	554,691	-	-
Revolving credits	246,230	149,282	-	-
Hire purchase liabilities	12,520	12,913	-	-
	798,097	786,096	-	-
	1,848,420	1,678,018	286,107	286,107

17.1 Securities

Certain loans and borrowings are secured against legal charges over land, buildings and deposits placed with a financial institution of certain subsidiaries (see Note 3.2, Note 4.1 and Note 13), investment in subsidiaries (see Note 7.3) and corporate guarantee from the Company (see Note 29.4).

17.2 Covenants required by certain banks

The covenants of banking facilities taken by certain subsidiaries of the Group restrict the ability of those subsidiaries to declare dividends to its shareholders from exceeding certain amount of the profit before tax or profit after tax for the financial year of the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

18. RETIREMENT BENEFIT OBLIGATIONS - GROUP

Certain entities in the Group operate an unfunded Retirement Benefit Scheme (“the Scheme”) for its eligible employees. The obligation of the Group under the Scheme is determined based on the latest actuarial valuation by an independent actuary dated 22 December 2023 (2024: 22 December 2023). The Group carries out the valuation once every three years. Under the Scheme, eligible employees are entitled to retirement benefits varying between 18 days and 52 days (2024: 18 days and 52 days) per year of final salary upon attainment of the retirement age of 60 (2024: 60).

The amounts recognised in the statements of financial position are determined as follows:

	2025 RM'000	2024 RM'000
Analysed as:		
Current liabilities	5,454	10,913
Non-current liabilities	83,878	76,060
Retirement benefit obligations representing net liability	89,332	86,973
Analysed as:		
Not later than one year	5,454	10,913
Later than one year but not later than two years	17,106	5,590
Later than two years but not later than five years	17,906	28,092
Later than five years	48,866	42,378
	89,332	86,973

The movements during the financial year in the amounts recognised in the statements of financial position in respect of the retirement benefit obligations are as follows:

	2025 RM'000	2024 RM'000
At 1 January	86,973	94,048
Current service cost	4,318	4,669
Interest cost	3,317	3,190
Items recognised in profit or loss	7,635	7,859
Benefits paid by the Scheme	(5,276)	(14,934)
At 31 December	89,332	86,973

Certain assumptions are used in the actuarial valuation and due to the long term nature of this Scheme, such estimates are subject to uncertainty.

NOTES TO THE FINANCIAL STATEMENTS

18. RETIREMENT BENEFIT OBLIGATIONS - GROUP *(continued)*

The principal actuarial assumptions used are as follows:

	2025 %	2024 %
Discount rate	4.6	4.6
Expected rate of salary increases	5.5	5.5

The discount rate is determined based on the values of Malaysian government securities and AA rated private debt securities (2024: Malaysian government securities and AA rated private debt securities) with 3 to 7 years (2024: 3 to 7 years) of maturity.

Significant actuarial assumption for determination of the retirement benefit obligations is the discount rate. The sensitivity analysis below has been determined based on changes to significant assumption with all other assumptions held constant.

	2025 RM'000	2024 RM'000
A 1% increase in discount rate will decrease the retirement benefit obligation by	4,660	4,754

The sensitivity analysis presented above may not be representative of the actual change in retirement benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some assumptions may be correlated.

19. TRADE AND OTHER PAYABLES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade				
Trade payables	269,073	253,008	-	-
Non-trade				
Other payables	54,314	59,607	8	65
Accrued expenses	103,152	118,248	2,475	2,384
	157,466	177,855	2,483	2,449
	426,539	430,863	2,483	2,449

NOTES TO THE FINANCIAL STATEMENTS

20. REVENUE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers	3,191,048	3,192,547	-	-
Other revenue				
- Dividend income	-	-	216,756	356,693
- Rental income	400	56	-	-
	3,191,448	3,192,603	216,756	356,693

20.1 Nature of goods and timing of recognition

Revenue from the sale of the products of general packaging and contract manufacturing as well as trading of goods

Revenue from the sale of the products of general packaging and contract manufacturing as well as trading of goods in the course of ordinary activities is typically recognised at the point in time when the Group transfers the control of the goods to the customers. Revenue is measured as the amount of consideration to which the Group is expected to be entitled, net of discounts and rebates.

The general credit terms granted to customers range from cash on delivery to 120 days (2024: cash on delivery to 120 days) and there is no warranty attached to the goods sold by the Group. The Group generally allows return of goods in exchange with new goods.

Revenue from property development

Revenue arising from property development in Malaysia is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance do not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the output method, which is based on the level of completion of the physical proportion of contract work to date, certified by an architect.

The Group recognises sales at a point in time for the sale of completed properties when the control of the properties has been transferred to the purchasers and it is probable that the Group will collect the consideration to which it will be entitled to in exchange for the assets sold.

20.2 Transaction price allocated to the remaining performance obligations

The Group applies the practical expedient in paragraph 121(a) of MFRS 15 and did not disclose the transaction price allocated to unsatisfied (or partially satisfied) performance obligations where the contract has an original expected duration of one year or less.

NOTES TO THE FINANCIAL STATEMENTS

20. REVENUE (continued)

20.3 Disaggregation of revenue based on the geographical location and revenue from major product lines has been presented in the operating segments, Note 28 to the financial statements.

20.4 The following shows the revenue expected to be recognised in the future related to the performance obligations that are yet to be satisfied by the Group at the reporting date. The amount presented below are after accounting for all the variable considerations from contracts with customers.

	Within 1 to 2 years	
	2025	2024
	RM'000	RM'000
Remaining performance obligation for the financial year end		
Property development revenue	3,109	10,497

21. INTEREST EXPENSE

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:				
- Term loans	45,625	41,757	13,593	14,062
- Trade financing	29,626	29,853	-	-
- Revolving credits	8,951	4,425	-	-
- Hire purchase liabilities	8,185	10,005	-	-
- Advances from subsidiaries	-	-	39	1,304
Interest expense on lease liabilities	7,722	7,863	-	-
	100,109	93,903	13,632	15,366

22. EMPLOYEE INFORMATION (INCLUDING KEY MANAGEMENT PERSONNEL COMPENSATIONS)

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Staff costs	423,537	401,408	4,380	3,536

Staff costs of the Group and of the Company include contributions to the Employees' Provident Fund of RM24,737,000 (2024: RM23,498,000) and RM296,000 (2024: RM250,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

23. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Auditors' remuneration					
Audit fees					
KPMG PLT		472	477	48	48
Other member firms of KPMG International Limited		191	177	–	–
Other auditors		684	782	–	–
Non-audit fees					
KPMG PLT		33	61	32	32
Affiliates of KPMG PLT		132	116	6	14
Other auditors and affiliates		343	327	29	29
Material expenses/ (income)					
Depreciation of:					
- property, plant and equipment	3	175,803	173,205	–	–
- right-of-use assets	4	30,247	29,007	–	–
- investment properties	5	1,503	1,550	–	–
Amortisation of intangible assets	6	2,266	777	–	–
Net (reversal of impairment losses)/impairment losses on:					
- property, plant and equipment	3	(3,134)	–	–	–
- right-of-use assets	4	(4,570)	–	–	–
- investments in subsidiaries	7	–	–	–	1,426
Income distribution from investment in money market funds		(1,600)	(1,237)	(164)	(16)
Loss on foreign exchange:					
- realised		40,807	14,101	1	–
- unrealised		17,225	19,284	5,286	–
Unrealised loss/(gain) on derivative financial instruments		1,697	(1,209)	–	–
Gain on disposal of:					
- property, plant and equipment		(4,882)	(2,003)	–	–
- investment properties		–	(1,160)	–	–
(Reversal of write-down)/ Write-down of inventories		(6,369)	9,495	–	–
Write off in respect of:					
- inventories		27,351	28,927	–	–
- property, plant and equipment		540	732	–	–

NOTES TO THE FINANCIAL STATEMENTS

23. PROFIT BEFORE TAX (continued)

Profit before tax is arrived at after charging/(crediting) (continued):

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Expenses/(income) arising from leases					
Expenses relating to:					
- short-term leases	a	4,503	4,448	-	-
- leases of low-value assets	a	872	952	4	4
Net gain on termination, expiration, modification and reassessment of lease contracts		(33)	(23)	-	-
Lease income		(3,109)	(2,520)	-	-
Net impairment losses/(reversal of impairment losses) on financial instruments		4,125	5,126	(724)	844

Note a

The Group leases plant and equipment and office equipment with contract term of less than 1 year. These leases are short-term and/or leases of low-value items. The Group had elected not to recognise right-of-use assets and leases liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS

24. TAX EXPENSE

24.1 Recognised in profit or loss

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax expense				
- Current year	51,801	51,737	2,633	2,378
- Prior years	1,917	(1,534)	(6)	(39)
	53,718	50,203	2,627	2,339
Deferred tax expense/(credit)				
- Current year	5,463	(283)	-	-
- Prior years	(81)	(3,399)	-	-
	5,382	(3,682)	-	-
Real property gain tax ("RPGT")	783	177	-	-
Total tax expense	59,883	46,698	2,627	2,339

NOTES TO THE FINANCIAL STATEMENTS

24. TAX EXPENSE (continued)

24.2 Reconciliation of tax expense

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(Loss)/Profit for the year	(26,057)	(25,749)	204,552	345,240
Total tax expense	59,883	46,698	2,627	2,339
Profit before tax	33,826	20,949	207,179	347,579
Income tax calculated using Malaysian tax rate of 24% (2024: 24%)	8,118	5,028	49,723	83,419
Non-deductible expenses	34,293	32,896	4,932	4,565
Tax exempt income	(10,571)	(9,372)	(52,022)	(85,606)
Effect of:				
- different tax rates in foreign jurisdictions	19,624	26,495	-	-
- unrecognised deferred tax assets	(12,491)	(4,811)	-	-
- reinvestment allowance	-	(144)	-	-
- tax rate arising from disposal of property subjected to RPGT	(3,890)	(349)	-	-
Expiry of unutilised reinvestment allowance	22,667	-	-	-
Reversal of deferred tax on revaluation of property	(324)	(35)	-	-
	57,426	49,708	2,633	2,378
Withholding tax in foreign jurisdiction	621	1,923	-	-
Under/(Over)provision in prior years	1,836	(4,933)	(6)	(39)
Total tax expense	59,883	46,698	2,627	2,339

NOTES TO THE FINANCIAL STATEMENTS

25. OTHER COMPREHENSIVE EXPENSE - GROUP

	Before tax RM'000	2025 Tax expense RM'000	Net of tax RM'000	Before tax RM'000	2024 Tax expense RM'000	Net of tax RM'000
Items that are or may be reclassified subsequently to profit or loss						
Cash flow hedge	(253)	-	(253)	(665)	-	(665)
Foreign currency translation differences for foreign operations	(56,408)	-	(56,408)	(15,524)	-	(15,524)
	(56,661)	-	(56,661)	(16,189)	-	(16,189)

26. LOSS PER ORDINARY SHARE - GROUP

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

	2025 RM'000	2024 RM'000
Loss for the year attributable to the owners of the Company	(26,657)	(19,675)
Weighted average number of ordinary shares ('000)	192,153	192,153
Basic loss per ordinary share (sen)	(13.87)	(10.24)

The diluted loss per ordinary share is the same as basic loss per ordinary share as there are no dilutive instruments as at end of the current and last financial years.



NOTES TO THE FINANCIAL STATEMENTS

27. DIVIDENDS

Dividends recognised by the Company:

	sen per share	Total amount RM'000	Date of payment
2025			
First and final 2024 single-tier dividend	4	7,686	25 July 2025
2024			
First and final 2023 single-tier dividend	4	7,686	26 July 2024

The Directors recommended a first and final single-tier dividend of 4 sen per share totalling RM7,686,000 for the financial year ended 31 December 2025. These financial statements do not reflect the said dividend which will be accounted for as an appropriation of retained earnings in the financial year ending 31 December 2026 when approved by the shareholders at the forthcoming Annual General Meeting.

28. OPERATING SEGMENTS - GROUP

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group Managing Director (the chief operating decision maker) reviews internal management reports at least on a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

- Division 1 - General packaging - manufacture of metal and lithographed tin cans, plastic jerry cans, rigid packaging, aluminium cans and corrugated fibre board cartons
- Division 2 - Contract manufacturing - manufacturing, packaging and distribution of carbonated and non-carbonated beverages
- Division 3 - Trading
- Division 4 - Property development and investment holding

Performance is measured based on segment profit before tax and interest as included in the internal management reports that are reviewed by the Group Managing Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Management monitors the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment.

Segment assets

The total of segment assets is measured based on all assets of a segment (excluding current and deferred tax assets), as included in the internal management reports that are reviewed by the Group Managing Director. Segment total asset is used to measure the return of assets of each segment.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, right-of-use assets, investment properties, land held for property development and intangible assets.

NOTES TO THE FINANCIAL STATEMENTS

28. OPERATING SEGMENTS - GROUP (continued)

	General packaging RM'000	Contract manufacturing RM'000	Trading RM'000	Property development and investment holding RM'000	Total RM'000	Reconciliations/ Eliminations RM'000	Note	Consolidated financial statements RM'000
2025								
Segment profit	156,767	(19,596)	3,675	202,046	342,892	(211,926)	28.1.1	130,966
<i>Included in the measure of segment profit/(loss) are:</i>								
Revenue from								
external customers	2,906,122	192,366	65,786	27,174	3,191,448	-		3,191,448
Reversal of write-down/								
(Write-down) of inventories	6,975	(606)	-	-	6,369	-		6,369
Written off in respect of:								
- financial instruments	-	-	(163)	-	(163)	-		(163)
- inventories	(26,394)	(957)	-	-	(27,351)	-		(27,351)
- property, plant and equipment	(540)	-	-	-	(540)	-		(540)
Net reversal of impairment losses/ (impairment losses) of:								
- property, plant and equipment	18,430	(15,296)	-	-	3,134	-		3,134
- right-of-use assets	4,570	-	-	-	4,570	-		4,570
- financial instruments	(4,531)	93	313	-	(4,125)	-		(4,125)
Depreciation and amortisation	(198,942)	(7,013)	(205)	(3,918)	(210,078)	259		(209,819)
<i>Not included in the measure of segment profit/(loss) but provided to Group Managing Director:</i>								
Interest income	9,496	24	14,652	13,067	37,239	(34,270)		2,969
Interest expense	(109,777)	(3,478)	(6,678)	(14,508)	(134,441)	34,332		(100,109)
Tax expense	(54,342)	(79)	(920)	(4,542)	(59,883)	-		(59,883)
Segment assets	4,606,696	116,021	285,378	246,836	5,254,931	(796,572)	28.1.2	4,458,359
<i>Included in the measure of segment assets are:</i>								
Segment capital expenditure	436,915	8,826	292	181	446,214	(28,112)		418,102

NOTES TO THE FINANCIAL STATEMENTS

28. OPERATING SEGMENTS - GROUP (continued)

	General packaging RM'000	Contract manufacturing RM'000	Trading RM'000	Property development and investment holding RM'000	Total RM'000	Reconciliations/ Eliminations RM'000	Note	Consolidated financial statements RM'000
2024								
Segment profit	100,003	3,044	2,484	364,206	469,737	(357,911)	28.1.1	111,826
<i>Included in the measure of segment profit/(loss) are:</i>								
<i>Revenue from</i>								
external customers	2,842,032	216,606	60,011	73,954	3,192,603	-		3,192,603
Write-down of inventories	(8,987)	(508)	-	-	(9,495)	-		(9,495)
Waiver of debts	143	-	-	-	143	(143)		-
<i>Written off in respect of:</i>								
- financial instruments	(23)	-	-	(143)	(166)	143		(23)
- inventories	(28,519)	(408)	-	-	(28,927)	-		(28,927)
- property, plant and equipment	(714)	-	-	(18)	(732)	-		(732)
<i>Net reversal of impairment losses/ (impairment losses) on:</i>								
- investments in subsidiaries	-	-	-	(1,426)	(1,426)	1,426		-
- financial instruments	(4,516)	(1,379)	845	(952)	(6,002)	876		(5,126)
Depreciation and amortisation	(194,309)	(6,338)	(211)	(3,961)	(204,819)	280		(204,539)
<i>Not included in the measure of segment profit/(loss) but provided to Group Managing Director:</i>								
Interest income	12,918	23	10,316	10,094	33,351	(30,325)		3,026
Interest expense	(93,050)	(4,731)	(9,696)	(16,780)	(124,257)	30,354		(93,903)
Tax expense	(39,514)	(168)	(1,106)	(5,910)	(46,698)	-		(46,698)
Segment assets	4,504,390	146,637	260,714	577,557	5,489,298	(1,104,196)	28.1.2	4,385,102
<i>Included in the measure of segment assets are:</i>								
Segment capital expenditure	211,673	5,584	-	243	217,500	-		217,500

NOTES TO THE FINANCIAL STATEMENTS

28. OPERATING SEGMENTS - GROUP (continued)

28.1 Reconciliations of reportable segment revenue, profit or loss and assets

28.1.1 The following items are added to/(deducted from) segment profit/(loss) to arrive at "Profit before tax" presented in the statements of profit or loss and other comprehensive income:

	2025 RM'000	2024 RM'000
Segment profit	130,966	111,826
Interest income	2,969	3,026
Interest expense	(100,109)	(93,903)
Consolidated profit before tax	33,826	20,949

28.1.2 The following items are added to segment assets to arrive at total assets reported in the statements of financial position:

	2025 RM'000	2024 RM'000
Segment assets	4,458,359	4,385,102
Deferred tax assets	1,621	334
Current tax assets	12,323	10,828
Consolidated total assets	4,472,303	4,396,264

28.2 Geographical information

The Group's geographical information is based on the location of the Group's assets. In presenting on the basis of geographical areas, segment revenue is based on the geographical location from which the sale transactions originated. The amounts of non-current assets do not include financial instruments and deferred tax assets.

	Revenue		Non-current assets	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Malaysia	2,105,651	2,173,497	1,317,610	1,374,679
Vietnam	478,185	524,936	517,524	263,746
Singapore	65,786	60,011	15,972	5,436
Myanmar	401,234	370,379	295,538	296,649
Indonesia	22,119	22,304	14,863	23,006
United States of America	118,473	41,476	629,141	697,331
	3,191,448	3,192,603	2,790,648	2,660,847

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS

29.1 Categories of financial instruments

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

- (a) Amortised cost ("AC")
- (b) Fair value through profit or loss ("FVTPL") - Mandatorily required by MFRS 9
- (c) Fair value through other comprehensive income ("FVOCI")

Group

	Carrying amount RM'000	AC RM'000	FVTPL RM'000	FVOCI RM'000
2025				
Financial assets				
Trade and other receivables	519,447	519,447	-	-
Deposits with a financial institution	13,876	13,876	-	-
Cash and cash equivalents	382,433	305,072	77,361	-
Derivative financial assets	464	-	-	464
	916,220	838,395	77,361	464
Financial liabilities				
Loans and borrowings	(1,848,420)	(1,848,420)	-	-
Trade and other payables	(426,539)	(426,539)	-	-
Derivative financial liabilities	(524)	-	(524)	-
	(2,275,483)	(2,274,959)	(524)	-
2024				
Financial assets				
Trade and other receivables	566,468	566,468	-	-
Deposits with a financial institution	13,649	13,649	-	-
Cash and cash equivalents	411,759	298,552	113,207	-
Derivative financial assets	1,890	-	1,173	717
	993,766	878,669	114,380	717
Financial liabilities				
Loans and borrowings	(1,678,018)	(1,678,018)	-	-
Trade and other payables	(430,863)	(430,863)	-	-
	(2,108,881)	(2,108,881)	-	-

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS *(continued)*

29.1 Categories of financial instruments *(continued)*

Company	Carrying amount RM'000	AC RM'000	FVTPL RM'000
2025			
Financial assets			
Trade and other receivables	165,175	165,175	–
Cash and cash equivalents	10,711	9,043	1,668
	175,886	174,218	1,668
Financial liabilities			
Loans and borrowings	(286,107)	(286,107)	–
Trade and other payables	(2,483)	(2,483)	–
	(288,590)	(288,590)	–
2024			
Financial assets			
Trade and other receivables	501,346	501,346	–
Cash and cash equivalents	2,684	2,684	–
	504,030	504,030	–
Financial liabilities			
Loans and borrowings	(286,107)	(286,107)	–
Trade and other payables	(2,449)	(2,449)	–
	(288,556)	(288,556)	–

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS *(continued)*

29.2 Net gains and losses arising from financial instruments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net gains/(losses) on:				
Fair value through:				
- profit or loss	2,916	4,564	164	16
- other comprehensive income	(253)	(665)	-	-
Financial assets at amortised cost	(83,167)	(38,612)	8,810	10,186
Financial liabilities at amortised cost	(68,568)	(82,936)	(13,632)	(15,366)
	(149,072)	(117,649)	(4,658)	(5,164)

29.3 Financial risk management

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

- Credit risk
- Liquidity risk

29.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and cash and cash equivalents. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries, cash and cash equivalents and financial guarantees given to banks for banking facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally financial guarantees given by banks, shareholders or directors of customers are obtained, and credit evaluations are performed on customers requiring credit over a certain amount.

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

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

There are no significant changes as compared to the previous year.

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS *(continued)*

29.4 Credit risk *(continued)*

Trade receivables *(continued)*

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables of the Group are summarised in the table below:

	2025 RM'000	2024 RM'000
Maximum exposure	454,700	519,587
Collaterals obtained	(196,287)	(211,742)
Net exposure to credit risk	258,413	307,845

The above collaterals were credit insurance obtained by the Group.

Concentration of credit risk

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic location from which the trade receivables originated was:

	2025 RM'000	Group 2024 RM'000
Malaysia	214,112	241,275
Vietnam	92,604	114,248
Singapore	16,189	20,427
Myanmar	48,880	67,985
Thailand	9,506	11,349
United States of America	20,039	8,006
Others	53,370	56,297
	454,700	519,587

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its trade receivables and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 120 days.

The Group considers credit loss experience and observable data such as current changes and future forecasts in economic conditions by market segment of the Group to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment losses (continued)

During this process, the probability of non-payment by the trade receivable is adjusted by forward looking information 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 presented on a net basis, such impairments are recorded in a separate impairment account with the loss being recognised in profit or loss.

It requires management to exercise significant judgement on determining the probability of default by trade receivables and appropriate forward looking information.

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

Group

	Gross carrying amount RM'000	Impairment loss allowances RM'000	Net balance RM'000
2025			
Not past due	362,307	(1,065)	361,242
Past due 1-30 days	59,855	(321)	59,534
Past due 31-120 days	28,944	(574)	28,370
Past due more than 120 days	24,057	(18,503)	5,554
	475,163	(20,463)	454,700
2024			
Not past due	425,987	(907)	425,080
Past due 1-30 days	70,807	(258)	70,549
Past due 31-120 days	24,228	(2,528)	21,700
Past due more than 120 days	18,279	(16,021)	2,258
	539,301	(19,714)	519,587

There are trade receivables where the Group has not recognised any loss allowance as the trade receivables are supported by subsequent collection after the reporting period and historical collection trend from these customers.

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment losses (continued)

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

Group

	Lifetime ECL/ Credit impaired	
	2025 RM'000	2024 RM'000
Balance at 1 January	19,714	14,947
Amounts written off	(178)	(18)
Net remeasurement of loss allowance	2,429	5,126
Foreign exchange difference	(1,502)	(341)
Balance at 31 December	20,463	19,714

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks and a credit institution in respect of credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loans on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM1,380 million (2024: RM1,162 million) representing the outstanding credit facilities of the subsidiaries as at the end of the reporting period.

The financial guarantees are provided as credit enhancements for the subsidiaries' to secure credit facilities.

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS *(continued)*

29.4 Credit risk *(continued)*

Financial guarantees *(continued)*

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' funds.

The Company determines the probability of default of the guaranteed credit facilities individually using internal information available.

The subsidiaries defaulting on the credit lines is remote. Consequently, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Inter-company loans and advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

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

- The subsidiary is unlikely to repay its loan or advance to the Company in full;
- The subsidiary is continuously loss making and is having a deficit shareholders' funds.

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

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.4 Credit risk (continued)

Inter-company loans and advances (continued)

Recognition and measurement of impairment loss (continued)

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' loans and advances.

Company

	Gross carrying amount RM'000	Impairment loss allowances RM'000	Net balance RM'000
2025			
Low credit risk	87,890	(120)	87,770
2024			
Low credit risk	433,833	(844)	432,989

The movement in the allowance for impairment in respect of subsidiaries' loans and advances during the year is as follows:

Company

	Lifetime ECL/ Credit impaired	
	2025 RM'000	2024 RM'000
Balance at 1 January	844	–
Net remeasurement of loss allowance	(724)	844
Balance at 31 December	120	844

Cash and cash equivalents

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

These banks, financial institutions and a non-financial institution have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.



NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS *(continued)*

29.4 Credit risk *(continued)*

Other receivables

Credit risks on other receivables of the Group is mainly arising from value added tax to be recovered from the relevant taxation authorities.

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

The following table provides information about the exposure to credit risk and ECLs for other receivables.

Group

	Gross carrying amount RM'000	Impairment loss allowances RM'000	Net balance RM'000
2025			
Low credit risk	62,191	(1,696)	60,495

The movements in the allowance for impairment in respect of other receivables during the financial year are shown below:

Group

	Lifetime ECL/ Credit impaired	
	2025 RM'000	2024 RM'000
Balance at 1 January	–	–
Net remeasurement of loss allowance	1,696	–
Balance at 31 December	1,696	–

29.5 Liquidity risk

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.5 Liquidity risk (continued)

Maturity analysis

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

Group

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2025							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	426,539	-	426,539	426,539	-	-	-
Loans and borrowings	1,848,420	1.48 – 7.25	2,112,795	883,647	388,866	535,395	304,887
Lease liabilities	193,493	1.16 – 5.13	262,933	23,473	23,527	52,072	163,861
	2,468,452		2,802,267	1,333,659	412,393	587,467	468,748
<i>Derivative financial (assets)/liabilities</i>							
Commodity contracts	(464)	-	(464)	(464)	-	-	-
Forward exchange contracts (gross settled):							
- Outflow	524	-	45,008	45,008	-	-	-
- Inflow	-	-	(44,484)	(44,484)	-	-	-
	2,468,512		2,802,327	1,333,719	412,393	587,467	468,748
2024							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	430,863	-	430,863	430,863	-	-	-
Loans and borrowings	1,678,018	1.48 – 8.50	1,885,386	829,361	133,975	656,628	265,422
Lease liabilities	191,485	1.16 – 5.17	271,453	20,045	17,674	40,461	193,273
	2,300,366		2,587,702	1,280,269	151,649	697,089	458,695
<i>Derivative financial assets</i>							
Commodity contracts	(717)	-	(717)	(717)	-	-	-
Forward exchange contracts (gross settled):							
- Outflow	-	-	27,117	27,117	-	-	-
- Inflow	(1,173)	-	(28,290)	(28,290)	-	-	-
	2,298,476		2,585,812	1,278,379	151,649	697,089	458,695

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.5 Liquidity risk (continued)

Maturity analysis (continued)

Company

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2025							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	2,483	-	2,483	2,483	-	-	-
Loans and borrowings	286,107	4.57	309,480	13,085	231,665	64,730	-
Financial guarantees	-	-	1,380,249	1,380,249	-	-	-
	288,590		1,692,212	1,395,817	231,665	64,730	-
2024							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	2,449	-	2,449	2,449	-	-	-
Loans and borrowings	286,107	4.90	325,170	14,020	14,020	297,130	-
Financial guarantees	-	-	1,161,819	1,161,819	-	-	-
	288,556		1,489,438	1,178,288	14,020	297,130	-

29.6 Market risk

Market risk is the risk that changes in market prices, such as foreign currency exchange rates and interest rates that will affect financial position or cash flows. The Group's and the Company's exposure to market risk arises principally from changes in foreign currency exchange rates and interest rates.

29.6.1 Currency risk

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

Risk management objectives, policies and processes for managing the risk

The Group's uses forward exchange contracts to hedge its foreign currency risk. The forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward exchange contracts are rolled over at maturity.

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.6 Market risk (continued)

29.6.1 Currency risk (continued)

Exposure to foreign currency risk

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

	2025		2024	
	Denominated in		Denominated in	
	SGD	USD	SGD	USD
	RM'000	RM'000	RM'000	RM'000
Group				
Balance recognised in the statements of financial position				
Trade and other receivables	11,667	252,593	14,581	337,155
Cash and cash equivalents	10,326	82,059	7,890	128,595
Trade and other payables	(1,870)	(87,892)	(2,392)	(85,567)
Loans and borrowings	–	(224,102)	(365)	(373,453)
Net exposure	20,123	22,658	19,714	6,730
Company				
Balance recognised in the statements of financial position				
Trade and other receivables	–	58,231	–	–

Currency risk sensitivity analysis

A 10% strengthening of the Ringgit Malaysia (RM) against the following currencies at the end of the reporting period would have decreased post-tax profit or loss/equity by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Group		Company	
	Profit or loss/Equity		Profit or loss/Equity	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
SGD	(1,529)	(1,498)	–	–
USD	(1,722)	(511)	(4,426)	–

A 10% weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.6 Market risk (continued)

29.6.2 Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group and the Company are exposed to interest rate risk through the impact of rate changes on interest bearing loans and borrowings and interest earning deposits. The Group's policy is to borrow principally on the floating basis but to retain a portion of fixed rate debt. The objectives for the mix between fixed and floating rate loans and borrowings are set to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall.

Exposure to interest rate risk

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

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Fixed rate instruments				
Financial assets	48,219	90,484	87,770	432,989
Financial liabilities	(289,752)	(309,963)	–	–
	(241,533)	(219,479)	87,770	432,989
Floating rate instruments				
Financial assets	77,361	113,207	1,668	–
Financial liabilities	(1,752,161)	(1,559,540)	(286,107)	(286,107)
	(1,674,800)	(1,446,333)	(284,439)	(286,107)

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.6 Market risk (continued)

29.6.2 Interest rate risk (continued)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate forward exchange contracts as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(b) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points (bp) in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss/equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Group		Company	
	Profit or loss/Equity 100 bp Increase RM'000	100 bp Decrease RM'000	Profit or loss/Equity 100 bp Increase RM'000	100 bp Decrease RM'000
2025				
Floating rate instruments	(12,728)	12,728	(2,162)	2,162
2024				
Floating rate instruments	(10,992)	10,992	(2,174)	2,174

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.7 Hedging activities

Cash flow hedge

The Group held the following instrument to hedge exposures to change in aluminium price.

Group

	Maturity Under 1 year	
	2025 RM'000	2024 RM'000
<i>Commodity risk</i>		
Commodity contracts	(464)	(717)

The Group entered into arrangement with a financial institution in order to operationally hedge the pricing risk of aluminium.

The amount relating to item designated as hedged item as at reporting date are as follows:

Group

	Change in value used for calculation of hedge ineffectiveness RM'000	Cash flow hedge reserve RM'000	Nominal amount RM'000	Assets RM'000	Line item in the consolidated financial position where the hedging instrument is included
2025					
<i>Commodity risk</i>					
Commodity contracts	-	464	8,311	(464)	<i>Derivative financial assets and derivative financial liabilities</i>
2024					
<i>Commodity risk</i>					
Commodity contracts	-	717	29,436	(717)	<i>Derivative financial assets and derivative financial liabilities</i>

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.7 Hedging activities (continued)

Cash flow hedge (continued)

Group

	Changes in the value of hedging instrument recognised RM'000	Hedge ineffectiveness recognised in other comprehensive income RM'000	Line item in other comprehensive income that includes hedge ineffectiveness
2025			
<i>Commodity risk</i>			
Commodity contracts	(253)	–	Cash flow hedge
2024			
<i>Commodity risk</i>			
Commodity contracts	(665)	–	Cash flow hedge

The following table provides reconciliation by risk category of components of equity and analysis of other comprehensive income items, net of tax, resulting from cash flow hedge accounting:

Group

	Cash flow hedge reserve	
	2025 RM'000	2024 RM'000
At 1 January	717	1,382
Changes in fair value		
<i>Commodity contracts</i>	(253)	(665)
At 31 December	464	717

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (continued)

29.8 Fair value information

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

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

Group

	Fair value of financial instruments not carried at fair value			Carrying amount RM'000
	Level 1 and Level 2 RM'000	Level 3 RM'000	Total RM'000	
2025				
Financial liabilities				
Term loans	–	(1,096,390)	(1,096,390)	(1,044,343)
Hire purchase liabilities	–	(101,446)	(101,446)	(96,259)
	–	(1,197,836)	(1,197,836)	(1,140,602)
2024				
Financial liabilities				
Term loans	–	(883,002)	(883,002)	(855,567)
Hire purchase liabilities	–	(124,847)	(124,847)	(118,478)
	–	(1,007,849)	(1,007,849)	(974,045)

Company

	Fair value of financial instruments not carried at fair value			Carrying amount RM'000
	Level 1 and Level 2 RM'000	Level 3 RM'000	Total RM'000	
2025				
Financial liabilities				
Term loan	–	(293,811)	(293,811)	(286,107)
2024				
Financial liabilities				
Term loan	–	(300,276)	(300,276)	(286,107)

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS *(continued)*

29.8 Fair value information *(continued)*

The Company provides financial guarantees to banks for credit facilities granted to certain subsidiaries. The fair value of such guarantees is negligible as the probability of the subsidiaries defaulting on the credit lines is remote.

Level 3 fair value

Non-derivative financial liabilities

Fair value 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. The market rate of interest is determined by reference to similar borrowing arrangements.

The fair value of term loans and hire purchase liabilities are calculated using discounted cash flows.

30. CAPITAL MANAGEMENT - GROUP

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

During 2025, the Group's strategy which was unchanged from 2024, was to maintain the net debt-to-equity ratio at below 1.5:1. The net debt-to-equity ratios at 31 December 2025 and 31 December 2024 were as follows:

	2025 RM'000	2024 RM'000
Loans and borrowings (Note 17)	1,848,420	1,678,018
Lease liabilities	193,493	191,485
Less: Cash and cash equivalents (Note 14)	(382,433)	(411,759)
Deposits with a financial institution (Note 13)	(13,876)	(13,649)
Net debt	1,645,604	1,444,095
Total equity	1,721,143	1,809,553
Net debt-to-equity ratio	0.96	0.80

31. CAPITAL COMMITMENTS - GROUP

	2025 RM'000	2024 RM'000
Capital expenditure commitments		
Property, plant and equipment		
- Contracted but not provided for	99,647	31,394

NOTES TO THE FINANCIAL STATEMENTS

32. CONTINGENT LIABILITIES - COMPANY

Corporate guarantees

The Company has provided corporate guarantees amounting to RM2,311 million (2024: RM2,117 million) to banks and a credit institution to secure credit facilities granted to certain subsidiaries. As at 31 December 2025, the amount of facilities utilised amounted to RM1,380 million (2024: RM1,162 million).

33. RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel are Directors of the Group.

The Group has related party relationship with the following:

- (i) ultimate holding company; and
- (ii) subsidiaries of the Company as disclosed in Note 7 to the financial statements.

33.1 Significant related party transactions

Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company, other than key management personnel compensations as disclosed in Note 33.2 to the financial statements, are as follows:

	2025 RM'000	2024 RM'000
Group		
Dividend paid to ultimate holding company	4,354	4,354
Company		
Interest paid to subsidiaries	39	1,304
Dividend paid to ultimate holding company	4,354	4,354
Interest income from subsidiaries	(13,326)	(11,014)
Dividend income from subsidiaries	(216,756)	(356,693)

Trade and non-trade balances with subsidiaries and a related party are disclosed in Notes 11 and 19 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

33. RELATED PARTIES *(continued)*

33.2 Key management personnel compensations

The key management personnel compensations are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors of the Company				
- Fees	1,088	1,087	764	764
- Remuneration	13,513	11,720	2,417	1,763
- Benefits-in-kind	78	70	39	21
	14,679	12,877	3,220	2,548
Other directors in the Group entities				
- Fees	568	536	-	-
- Remuneration	4,885	3,807	-	-
- Benefits-in-kind	10	10	-	-
	5,463	4,353	-	-
	20,142	17,230	3,220	2,548

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on pages 118 to 211 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

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

Marc Francis Yeoh Min Chang
Director

Foo Kee Fatt
Director

Date: 7 April 2026

STATUTORY DECLARATION

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

I, **Chan Kam Chiew**, the officer primarily responsible for the financial management of Can-One Berhad, do solemnly and sincerely declare that the financial statements set out on pages 118 to 211 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Chan Kam Chiew, MIA CA7639, at Kuala Lumpur on 7 April 2026.

Chan Kam Chiew

Before me:

Masnita Binti MD Sharif
(No. W1125)
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAN-ONE BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Can-One 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 118 to 211.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Impairment of property, plant and equipment ("PPE") and right-of-use assets ("ROU")

Refer to Note 2(h)(ii) – Material accounting policy: Impairment of other assets, Note 3 – Property, plant and equipment and Note 4 – Right-of-use assets.

The key audit matter

The Group has property, plant and equipment and right-of-use assets of RM2,111 million and RM548 million respectively as at 31 December 2025. Certain subsidiaries in the Group made losses during the current financial year ended 31 December 2025 or had a history of continuous losses. The property, plant and equipment and right-of-use assets belonging to these subsidiaries are subject to impairment testing under MFRS 136, Impairment of Assets given the impairment indicators present.

The Group estimated the recoverable amounts of the assets concerned and compared with their carrying amount in order to determine the amount of impairment loss which should be recognised for the year, if any.

We determined valuation of property, plant and equipment and right-of-use assets as a key audit matter as there are significant judgmental assumptions used by the Group which may be affected by future market or economic conditions.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAN-ONE BERHAD

Key Audit Matters *(continued)*

1. Impairment of property, plant and equipment ("PPE") and right-of-use assets ("ROU") *(continued)*

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Discussed the impairment model based on discounted future cash flows with the Group and challenged the key assumptions and estimates used, in particular, those relating to forecast growth in future revenue, operating profit margin and discount rate by making reference to internally derived sources as well as publicly available data of comparable entities;
- Considered the Group's forecasting process and evaluated the accuracy of the historical forecast by comparing prior period financial budget against actual results;
- Performed sensitivity across the different elements of the impairment model in order to understand which judgements and assumptions are most sensitive in achieving the Group's recoverable assessment;
- Assessed the relevant disclosures in the consolidated financial statements in respect of impairment assessment.

2. Valuation of trade receivables

Refer to Note 2(h)(i) – Material accounting policy: Impairment of financial assets, Note 11 – Trade and other receivables and Note 29.4 – Financial instruments: Credit risk – Trade receivables.

The key audit matter

As at 31 December 2025, the carrying amount of the Group's trade receivables amounted to RM455 million, representing 27% of the Group's current assets.

The Directors applied assumptions in assessing the level of allowance for expected credit losses ("ECL") required to determine the impairment loss of trade receivables. Therefore, there is an inherent uncertainty in the assumptions applied by the Directors to determine the probability of default by trade receivables and appropriate forward-looking information.

We identified the recoverability of trade receivables as a key audit matter because of the significance degree of judgement applied by the Group in determining the impairment loss for trade receivables and the significance of trade receivables to the consolidated financial statements.

We performed the following audit procedures, among others:

- Evaluated the appropriateness of the Group's allowance for ECL policies in accordance to the requirement of MFRS 9, Financial Instruments: Recognition and Measurement;
- Assessed the completeness and accuracy of the trade receivable ageing report used by Directors in assessing and monitoring the receivables' profile;
- Inspected post year end cash receipt relating to selected samples of trade receivables' balances at year end; and
- Assessed the adequacy of the Group's allowance for ECL made against doubtful trade receivables by taking into account our own expectation based on the Group's previous experience of customers' historical and post year end payment trends.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAN-ONE BERHAD

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAN-ONE BERHAD

Auditors' Responsibilities for the Audit of the Financial Statements *(continued)*

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAN-ONE BERHAD

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 7 to the financial statements.

Other Matter

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

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya

Date: 7 April 2026

Ow Peng Li
Approval Number: 02666/09/2027 J
Chartered Accountant

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, 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'000)	2024 (RM'000)
Revenue		3,191,448	3,192,603
Other income		37,617	27,785
Interest income		2,969	3,026
Total		3,232,034	3,223,414
Total Assets		4,472,303	4,396,264

(B) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Liquor and liquor-related activities		692,103	583,889
Pork and pork-related activities		2,867	–
Interest income		2,706	2,762
Total		697,676	586,651

(C) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Cash at bank (exclude cash in hand)		33,976	19,905
Money market instruments		77,361	113,207
Total		111,337	133,112

Conventional Account/Instruments	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Cash at bank (exclude cash in hand)		232,725	198,724
Deposits with licensed bank		48,219	90,484
Total		280,944	289,208

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

(C) Component of Financial Position *(continued)*

(ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Current			
Term financing		39,153	26,513
Trade financing		38,172	64,670
Revolving credit and financing		138,897	64,136
Non-Current			
Term financing		254,095	293,254
Total		470,317	448,573

Conventional Borrowing	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Current			
Term loans		38,606	42,697
Trade financing		423,416	490,021
Revolving credit and loans		107,333	85,146
Hire purchase payables		12,520	12,913
Non-Current			
Term loans		712,489	493,103
Hire purchase payables		83,739	105,565
Total		1,378,103	1,229,445

LIST OF MATERIAL PROPERTIES

AS AT 31 DECEMBER 2025

No.	Location	Description and Existing Use	Year of Last Revaluation/ Acquisition	Area (Square metres)	Tenure	Expiry Date of Lease	2025	
							Age of Buildings (Years)	Net Book Value (RM'000)
1.	Lot No. C1 Thilawa Special Economic Zone Zone A, Thanlyin Township Yangon Region The Republic of the Union of Myanmar	Land & Office and Factory Building/ Industrial	2016	99,567	Leasehold	04.06.2064	7	158,155
2.	PT 15637 (Lot C) Taman Perindustrian Puchong Section 3, Puchong, Selangor Malaysia	Land & Building	2019	40,468	Leasehold	02.09.2090	24	76,853
3.	Lot PT31619 Arab-Malaysian Industrial Park Nilai, Negeri Sembilan Malaysia	Land & Office and Factory Building/ Industrial	2019	52,586	Freehold	–	28	74,894
4.	Lot No. 28829 to 28832 Batu Caves, Selangor Malaysia	Land & Office and Factory Building/ Industrial	2019	16,923	Freehold	–	30	57,750
5.	HS (D) 80122 PT No. 5141 Mukim Damansara Petaling, Selangor Malaysia	Land & Office and Factory Building/ Industrial	2019	31,142	Freehold	–	33	56,634
6.	Lot 125, Dai Lo Huu Nghi Vietnam Singapore Industrial Park Binh Ho ward # Ho Chi Minh City Vietnam	Land & Office and Factory Building/ Industrial	2019	15,000	Leasehold	12.07.2048	10	42,662
7.	Lot 4, Jalan Perusahaan 2 Batu Caves, Selangor Malaysia	Land & Office and Factory Building/ Industrial	2019	18,848	Leasehold	05.09.2074	33	46,628

LIST OF MATERIAL PROPERTIES

AS AT 31 DECEMBER 2025

No.	Location	Description and Existing Use	Year of Last Revaluation/ Acquisition	Area (Square metres)	Tenure	Expiry Date of Lease	2025	
							Age of Buildings (Years)	Net Book Value (RM'000)
8.	Lot 19, Jalan SU 4 Section 22 Shah Alam, Selangor Malaysia	Land & Office and Factory Building/ Industrial	2019	19,776	Freehold	–	27	44,525
9.	Lot 2245, Jalan Rajawali Batu 9, Kampung Kebun Baru 42500 Teluk Panglima Garang Selangor Malaysia	Land & Office and Factory Building/ Industrial	2019	28,520	Freehold	–	15	41,176
10.	Lot No. C2 Thilawa Special Economic Zone Zone A, Thanlyin Township Yangon Region The Republic of the Union of Myanmar	Land & Office and Factory Building/ Industrial	2016	74,830	Leasehold	04.06.2064	7	39,091
11.	22 Dai Lo Huu Nghi Vietnam Singapore Industrial Park Binh Ho ward # Ho Chi Minh City Vietnam	Land & Office and Factory Building/ Industrial	2019	44,230	Leasehold	11.02.2046	22	26,052
12.	Lot I-9, D5 & N5 Streets Huu Thanh Industrial Park Duc Hoa Commune * Tay Ninh Province Vietnam	Land	2024	50,000	Leasehold	06.08.2069	–	27,028
13.	Lot I-7, D5 Street Huu Thanh Industrial Park Duc Hoa Commune * Tay Ninh Province Vietnam	Land	2025	44,896	Leasehold	06.08.2069	–	27,055

Binh Ho ward (formerly known as (FKA) Thuan An District) Ho Chi Minh City (FKA Binh Duong Province)

* *Duc Hoa Commune (FKA Duc Hoa District) Tay Ninh Province (FKA Long An Province)*

ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2026

Total number of issued shares	:	192,153,000
Class of shares	:	Ordinary shares
Voting rights	:	1 vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	%	No. of shares held	%
Less than 100 shares	36	1.72	334	#
100 to 1,000 shares	447	21.36	327,420	0.17
1,001 to 10,000 shares	1,056	50.45	4,983,696	2.59
10,001 to 100,000 shares	455	21.74	14,925,900	7.77
100,001 to 9,607,649 shares *	98	4.68	63,056,850	32.82
9,607,650 shares and above **	1	0.05	108,858,800	56.65
Total	2,093	100.00	192,153,000	100.00

Notes:

Negligible.

* Less than 5% of issued shares.

** 5% and above of issued shares.

SUBSTANTIAL SHAREHOLDERS

(According to the Register of Substantial Shareholders)

Name	← Direct →		← Indirect →		← Total →	
	No. of shares held	%	No. of shares held	%	No. of shares held	%
Eller Axis Sdn. Bhd. ("EASB")	108,858,800	56.65	–	–	108,858,800	56.65
Yeoh Jin Hoe	7,505,700	3.91	108,858,800 ^(a)	56.65 ^(a)	116,364,500	60.56

Note:

^(a) Deemed interest by virtue of his shareholding in EASB pursuant to Section 8(4) of the Companies Act, 2016 ("the Act").

ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2026

DIRECTORS' SHAREHOLDINGS

(According to the Register of Directors' Shareholdings)

Name	← Direct →		← Indirect →		← Total →	
	No. of shares held	%	No. of shares held	%	No. of shares held	%
Tun Arifin Bin Zakaria	–	–	–	–	–	–
Marc Francis Yeoh Min Chang	–	–	–	–	–	–
Goh Teck Hong	–	–	–	–	–	–
Yeoh Jin Hoe	7,505,700	3.91	108,858,800 ^(a)	56.65 ^(a)	116,364,500	60.56
Yeoh Jin Beng	150,000	0.08	5,500,000 ^(b)	2.86 ^(b)	5,650,000	2.94
Foo Kee Fatt	–	–	–	–	–	–
Datuk Dr. Syed Hussain Bin Syed Husman, J.P.	–	–	–	–	–	–
Rajaretnam Soloman Daniel	–	–	–	–	–	–
Kee E-Lene	–	–	–	–	–	–

Notes:

^(a) Deemed interest by virtue of his shareholding in EASB pursuant to Section 8(4) of the Act.

^(b) Deemed interest by virtue of his shareholding in Yongsun Equity Sdn. Bhd. pursuant to Section 8(4) of the Act.

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ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2026

LIST OF 30 LARGEST SHAREHOLDERS

(According to the Record of Depositors)

No.	Name	No. of shares held	%
1.	Eller Axis Sdn. Bhd.	108,858,800	56.65
2.	Yeoh Jin Hoe	7,505,700	3.91
3.	Yongsun Equity Sdn. Bhd.	5,500,000	2.86
4.	Winchem (Malaysia) Sdn. Bhd.	4,400,000	2.29
5.	Tan Kim Seng	2,800,000	1.46
6.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teh Win Kee (8016787)	2,721,300	1.42
7.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for TXM Services Sdn. Bhd.	2,337,300	1.22
8.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teh Win Kee (8106483)	2,233,100	1.16
9.	See Ewe Lin	2,145,000	1.12
10.	Amsec Nominees (Tempatan) Sdn. Bhd. - Ambank (M) Berhad for Tan Boon Seng (7928-1102)	1,800,000	0.94
11.	Low Kam Fatt	1,730,000	0.90
12.	Berjaya Equity Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Heng Loon	1,713,800	0.89
13.	See Teow Guan	1,407,100	0.73
14.	Khoo Loon See	1,119,000	0.58
15.	Chee Khay Leong	1,000,000	0.52
16.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tay Hock Soon (MY1055)	914,100	0.47
17.	Teo Kwee Hock	837,300	0.43
18.	Goh Swee Yong	816,200	0.42
19.	Low Khok Heng @ Low Choon Huat	804,300	0.42
20.	Tan Cuiling	800,000	0.42
21.	Goh Thong Beng	770,000	0.40
22.	Tan Kim Kee @ Tan Kee	700,000	0.36
23.	Lee Chee Beng	656,400	0.34
24.	Chee Khay Leong	650,000	0.34
25.	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Chan Chiau Chung	649,700	0.34
26.	Maybank Nominees (Tempatan) Sdn. Bhd. - Soh Chin Leong	625,000	0.33
27.	Pui Cheng Wui	595,000	0.31
28.	Genkho Candoz Sdn. Bhd.	541,000	0.28
29.	Yeoh Jin Aik	500,000	0.26
30.	Ong Poh Lan	497,300	0.26
	Total	157,627,400	82.03

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Second Annual General Meeting (“AGM”) of Can-One Berhad (“Can-One” or “the Company”) will be held at the Conference Room, Lot 4, Jalan Perusahaan Dua, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia on Wednesday, 24 June 2026 at 10.00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

- | | | |
|----|---|---|
| 1. | To receive the Audited Financial Statements of the Group and of the Company for the financial year ended 31 December 2025 and the Reports of the Directors and Auditors thereon. | <i>(Please refer to Note C of this Agenda)</i> |
| 2. | To declare a first and final single-tier dividend of 4 sen per share in respect of the financial year ended 31 December 2025. | <i>Resolution 1</i> |
| 3. | To re-elect the following Directors of the Company who retire pursuant to Clause 82 of the Company’s Constitution: | |
| | (i) Tun Arifin Bin Zakaria | <i>Resolution 2</i> |
| | (ii) Rajaretnam Soloman Daniel | <i>Resolution 3</i> |
| | (iii) Kee E-Lene | <i>Resolution 4</i> |
| 4. | To approve the payment of Directors’ Fees amounting to RM1,003,000 to Directors of the Company and its subsidiaries (excluding Box-Pak (Malaysia) Bhd. and its subsidiaries) for the financial year ended 31 December 2025. | <i>Resolution 5</i> |
| 5. | To approve the following payment of allowance and benefits for the financial year ending 31 December 2026: | <i>Resolution 6</i> |
| | (i) annual travelling claims of RM50,000 for Non-Executive Directors of the Company (inclusive spouse and children); | |
| | (ii) meeting allowance of RM1,500 per person per day to the Directors of the Company; and | |
| | (iii) other benefits of up to an amount of RM400,000 to the Non-Executive Directors of the Company and its subsidiaries. | |
| 6. | To re-appoint KPMG PLT, Chartered Accountants, as Auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix the remuneration of the Auditors. | <i>Resolution 7</i> |

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

Proposed authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016

Resolution 8

“THAT subject to the Companies Act, 2016, the Constitution of the Company and the approvals of the relevant governmental and/or regulatory authorities, if applicable, the Board of Directors of the Company (“Board”) be and is hereby empowered pursuant to Sections 75 and 76 of the Companies Act, 2016, to allot and issue shares in the Company at any time at such issue price which is at a not more than a ten per centum (10%) discount to the 5-day volume weighted average market price of the shares of the Company immediately before the relevant price fixing date to such Qualified Placee(s) as the Board may in its absolute discretion deem fit or appropriate, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares in the Company for the time being (excluding treasury shares), and upon such other additional terms and conditions (if any) to be determined by the Board. For the purposes of this resolution, “Qualified Placee(s)” shall refer to persons who are not (in accordance with Paragraph 6.04(c) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad) (a) a director, major shareholder or chief executive of the Company or a holding company of the Company (if applicable), or person(s) connected with such director, major shareholder or chief executive; or (b) nominee corporations, unless the names of the ultimate beneficiaries are disclosed. Qualified Placees shall also be person(s) or party(ies) who/which qualify under Schedules 6 and 7 of the Capital Markets and Services Act, 2007;

THAT such authority if/when passed shall constitute an authority for the issue of shares with prior shareholders’ approval in a general meeting of the precise terms and conditions of the issue;

THAT such authority shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time it shall lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first;

AND THAT the Board be and is empowered to apply for and obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.”

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

8. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

Proposed renewal of authority for the Company to purchase its own shares

Resolution 9

“THAT subject to compliance with the Companies Act, 2016, the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Company’s Constitution and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Board of Directors of the Company (“Board”) from time to time through Bursa Securities upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company, provided that:

- (i) the aggregate number of shares to be purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares in the Company as at the date of the share buy-back;
- (ii) an aggregate amount of the funds not exceeding the retained profits of the Company as at the date of the share buy-back, be utilised by the Company for the purchase of its own shares; and
- (iii) the shares of the Company to be purchased may be cancelled, retained as treasury shares, distributed as dividends or resold on Bursa Securities, or a combination of any of the above, at the absolute discretion of the Board;

AND THAT the authority conferred by this resolution will commence immediately upon the passing of this resolution and will continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time it shall lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the MMLR of Bursa Securities or any other relevant authorities;

AND FURTHER THAT the Board be and is hereby authorised to do all such acts and things and to take all such steps as it deems fit, necessary, expedient and/or appropriate in order to complete and give full effect to the purchase by the Company of its own shares with full powers to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities.”

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

9. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

Proposed renewal of mandate for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature

Resolution 10

“THAT subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature as set out in Section 2.4 of Part B of the Company’s Circular to Shareholders dated 28 April 2026 provided that:

- (i) such transactions are necessary for the day-to-day operations of the Company and/or its subsidiaries and are carried out in the ordinary course of business on normal commercial terms and on terms not more favourable to the parties with which such recurrent transactions are to be entered into than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and
- (ii) the mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the mandate during the financial year;

AND THAT the mandate conferred by this resolution shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time it will lapse, unless by ordinary resolution passed at the meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (“the Act”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier;

AND FURTHER THAT the Board of Directors of the Company be and is hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required) as it may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution.”

10. To transact any other business of which due notice shall have been given in accordance with the Company’s Constitution and/or the Companies Act, 2016.

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

NOTICE OF DIVIDEND PAYMENT AND DIVIDEND ENTITLEMENT DATE

NOTICE IS HEREBY GIVEN THAT a first and final single-tier dividend of 4 sen per share in respect of the financial year ended 31 December 2025 (“Dividend”), if approved by shareholders at the Twenty-Second Annual General Meeting of the Company, will be paid to shareholders on 24 July 2026. The entitlement date for the Dividends shall be 14 July 2026.

Shareholders will be entitled to the Dividend only in respect of:

- (a) shares transferred into their Securities Account before 4.30 p.m. on 14 July 2026, for transfers; and
- (b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board of Directors

LYDIA TONG YIU SHYIAN-SHYIAN
SSM PC No. 202208000755
(BC/L/1922)

KWONG SHUK FONG
SSM PC No. 202008002178
(MAICSA 7032330)
Company Secretaries

Petaling Jaya
Selangor Darul Ehsan
Malaysia
28 April 2026

Notes:

(A) GENERAL MEETING RECORD OF DEPOSITORS

Only a depositor whose name appears on the General Meeting Record of Depositors as at 12 June 2026 shall be entitled to attend the Twenty-Second AGM of the Company or appoint proxy(ies) to attend, speak and vote in his/her stead.

(B) MODE OF MEETING AND PROXY

- (i) *A member of the Company entitled to attend, speak and vote at the Twenty-Second AGM of the Company is entitled to appoint not more than 2 proxies of his/her own choice to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company. Where a member appoints more than 1 proxy, the member shall specify the proportion of his/her shareholding to be represented by each proxy, failing which, the appointment shall be invalid.*
- (ii) *Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than 2 proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend the Twenty-Second AGM of the Company. Where a member of the Company is an Exempt Authorised Nominee (“EAN”) which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account (“Omnibus Account”), such EAN may appoint multiple proxies in respect of each Omnibus Account it holds. In both cases, such appointment shall be invalid unless the Authorised Nominee or EAN specifies the proportion of its shareholdings to be represented by each proxy it has appointed.*

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

(B) **MODE OF MEETING AND PROXY** (continued)

- (iii) *The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation, under its common seal or signed by its attorney duly authorised in writing or by 2 officers, 1 of whom shall be a director, on behalf of the corporation. Any alteration to the instrument appointing a proxy must be initialled.*
- (iv) *The appointment of a proxy may be made in hard copy form or by electronic form and must be deposited with/received by the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor"), not less than 48 hours before the time appointed for holding the Twenty-Second AGM of the Company or any adjournment thereof, and in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, otherwise the person so named shall not be entitled to vote in respect thereof.*
- (v) *In the case of an appointment made in hard copy form, the Proxy Form, together with the power of attorney (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of the Company's Share Registrar, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or alternatively, to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.*
- (vi) *In the case of appointment by electronic form, the Proxy Form must be electronically lodged with the Company's Share Registrar, Tricor via Vistra Share Registry and IPO (MY) portal ("Portal") at <https://srmy.vistra.com>. Please refer to the Administrative Details for the Twenty-Second AGM on the procedures for electronic lodgement of Proxy Form via the Portal.*

(C) **AUDITED FINANCIAL STATEMENTS**

This agenda item is meant for discussion only as under the provision of Section 340(1) of the Companies Act, 2016, the audited financial statements do not require a formal approval of the members. Hence, this item will not be put forward for voting.

(D) **POLL VOTING**

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), all the resolutions set out in this Notice will be put to vote by way of poll. Independent Scrutineers will be appointed to verify the results of the poll.

(E) **PERSONAL DATA PRIVACY**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the forthcoming Twenty-Second AGM of the Company and/or any adjournment thereof, a member of the Company:

- (i) *consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the Twenty-Second AGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Twenty-Second AGM of the Company (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes");*
- (ii) *warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and*
- (iii) *agrees that the member will indemnify the Company in respect of any penalty, claim, demand, loss and damage as a result of the member's breach of warranty.*

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

(F) EXPLANATORY NOTES FOR ITEM 3 OF THE AGENDA

The profiles of the retiring Directors are set out in the Profile of Directors on pages 5 and 10 of the Company's Annual Report 2025. For the purpose of determining the eligibility of Directors, Tun Arifin Bin Zakaria, Rajaretnam Soloman Daniel and Kee E-Lene, who are standing for re-election at the Twenty-Second AGM, the Board through its Nominating Committee ("NC") had assessed them using the Directors'/Key Officers' Evaluation Form, Board & Board Committee Evaluation Form, Performance Evaluation Sheet - Board Committees and Conflict of Interest Assessment Form, as well as the Independent Director's Self-Assessment Checklist, in order to assess each of their calibre and ability to understand the requirements, risk and management of the Group's business; contribution and performance; character, integrity and professional conduct in dealing with conflict of interest situations; ability to critically challenge and ask the right questions; commitment and due diligence, confidence to stand up for a point of view; interaction at meetings, training record for the financial year ended 31 December 2025 and their independence. Based on the evaluation result, the aforesaid retiring Directors met the performance criteria required of an effective member of the Board. The aforesaid retiring Directors, who are Independent Directors continued to demonstrate objectivity and independence in their judgement.

The Board, with the recommendation of the NC, endorsed the re-election of the Directors named under Resolutions 2, 3, 4 who are due to retire in accordance with the Company's Constitution and are eligible to stand for re-election.

(G) EXPLANATORY NOTES FOR ITEMS 4 AND 5 OF THE AGENDA

Pursuant to Section 230(1) of the Companies Act, 2016, the fees of the directors, and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at the general meeting.

Resolution 5

If approved, will authorise the payment of Directors' fees for the financial year ended 31 December 2025 to Directors of the Company and its subsidiaries, as set out below:

	Amount (RM)
Can-One Berhad	764,000
Subsidiaries	239,000

Resolution 6

If approved, will authorise the payment of annual travelling claims for Non-Executive Directors and meeting allowance to all Directors of the Company, and other benefits of up to RM400,000 to the Non-Executive Directors of the Company and its subsidiaries, for the financial year ending 31 December 2026.

(H) EXPLANATORY NOTES ON SPECIAL BUSINESS

Ordinary Resolution 8 - Proposed authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016

Ordinary Resolution 8 proposed, if passed, will give a mandate to the Board, from the date of the forthcoming Twenty-Second AGM of the Company, to allot and issue ordinary shares of the Company at any time at such issue price which is at a not more than a 10% discount to the 5-day volume weighted average market price of the shares of the Company immediately before the relevant price fixing date, to such Qualified Placee(s) as the Board may in its absolute discretion, consider to be in the interest of the Company and upon such other additional terms and conditions (if any) to be determined by the Board, without having to convene a general meeting provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares in the Company for the time being ("Mandate"). The Mandate from the shareholders will be effective immediately upon passing of the Ordinary Resolution and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

(H) EXPLANATORY NOTES ON SPECIAL BUSINESS (continued)

Ordinary Resolution 8 - Proposed authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 (continued)

The Mandate will provide flexibility to the Company to raise more capital expeditiously and efficiently during this challenging time, to meet its funding requirements including but not limited to working capital, operational expenditures, future investment(s), and/or acquisition(s).

The Board, having considered the current and prospective financial position, needs and capacity of the Group, is of the opinion that the Mandate is in the best interests of the Company and its shareholders.

As at the date of this Notice, no new ordinary shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM of the Company held on 25 June 2025. Hence, no proceeds were raised.

Ordinary Resolution 9 - Proposed renewal of authority for the Company to purchase its own shares

Ordinary Resolution 9 proposed, if passed, will renew the authority for the Company to purchase through Bursa Securities such number of ordinary shares in the Company up to an aggregate amount not exceeding 10% of the total number of issued shares in the Company. The renewed authority from the shareholders will be effective immediately upon passing of the Ordinary Resolution and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

For further information, please refer to the Share Buy-Back Statement dated 28 April 2026 which is made available together with the Company's Annual Report 2025 at <https://www.canone.com.my/agm2026>.

Ordinary Resolution 10 - Proposed renewal of mandate for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature ("RRPTs")

Ordinary Resolution 10 proposed, if passed, will renew the mandate for the Company and its subsidiary companies to enter into the RRPTs with Box-Pak (Malaysia) Bhd. and/or its subsidiary companies as well as Alcom Group Berhad and/or its subsidiary companies, as set out in Section 2.4 of Part B of the Circular to Shareholders dated 28 April 2026.

The aforesaid mandate from shareholders is on an annual basis and subject to renewal at the next AGM of the Company.

For further information, please refer to the Circular to Shareholders dated 28 April 2026 which is made available together with the Company's Annual Report 2025 at <https://www.canone.com.my/agm2026>.

ADMINISTRATIVE DETAILS FOR THE TWENTY-SECOND ANNUAL GENERAL MEETING ("AGM")

Date of AGM	:	Wednesday, 24 June 2026
Time of AGM	:	10.00 a.m.
Venue of AGM	:	Conference Room Lot 4, Jalan Perusahaan Dua 68100 Batu Caves Selangor Darul Ehsan Malaysia

REGISTRATION

1. Registration will start at 9.00 a.m. and will end at a time as directed by the Chairman of the AGM.
2. Please read the signage to ascertain where you should register yourself for the AGM and join the queue accordingly.
3. Please present your **original** MyKad/Passport at the registration counter for verification and ensure that you collect your MyKad/Passport thereafter.
4. Upon verification, you are required to write your name and sign the Attendance List placed on the registration table.
5. You will be given an identification wristband with personalised passcode for purpose of voting at the AGM.
6. If you are attending the AGM as a shareholder, proxy or corporate representative, you will be registered **once** and will be given only **one** identification wristband to enter the Conference Room.
7. No individual will be allowed to register on behalf of another individual even with the original MyKad/Passport of the other individual.
8. There will be no replacement in the event you lose or misplace the identification wristband. No individual will be allowed to enter the Conference Room without wearing the identification wristband.
9. You must wear the identification wristband throughout the AGM.
10. The registration counter will only handle verification of identity and registration of attendance.

HELP DESK

1. Please proceed to the Help Desk for any clarification or queries apart from registration details.
2. The Help Desk will also handle revocation of proxy's appointment.

ENTITLEMENT TO ATTEND, SPEAK AND VOTE

Only a depositor whose name appears in the Record of Depositors as at 12 June 2026 shall be entitled to attend, speak and vote at the AGM or appoint proxies to attend, speak and vote on his/her behalf in respect of the number of shares registered in his/her name at that time.

ADMINISTRATIVE DETAILS FOR THE TWENTY-SECOND ANNUAL GENERAL MEETING ("AGM")

PROXY

1. If you are a member of Can-One Berhad ("the Company"), you are entitled to appoint not more than two (2) proxies to exercise all or any of your rights to attend, speak and vote at the AGM. If you appoint more than one (1) proxy, please specify the proportion of your shareholding to be represented by each proxy, failing which, the appointment shall be invalid.
2. If you are unable to attend the AGM and wish to appoint a proxy to attend and vote on your behalf, please submit your Proxy Form for the AGM in accordance with the notes and instructions printed therein.
3. If you wish to attend the AGM yourself, please do not submit any Proxy Form. You will NOT be allowed to attend the AGM together with a proxy appointed by you.
4. If you have submitted your Proxy Form prior to the AGM and subsequently decided to attend the AGM yourself, please proceed to the Help Desk to revoke the appointment of your proxy.
5. Accordingly, the Proxy Form and/or documents relating to the appointment of proxy or authorised representative or attorney for the AGM whether in hard copy form or electronic means shall be deposited or submitted in the following manner not later than **Monday, 22 June 2026 at 10.00 a.m.**

(i) In hard copy form

By hand or post to the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or alternatively, to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

(ii) By electronic form

You may also submit your proxy appointment electronically via Vistra Share Registry and IPO (MY) portal ("Portal") at <https://srmy.vistra.com>.

ELECTRONIC LODGEMENT OF PROXY FORM

The procedures to lodge your Proxy Form electronically via the Portal are summarised below:

Procedure	Action
(i) Steps for Individual Shareholders	
Register as a User with the Portal	<ol style="list-style-type: none"> 1. Visit the Portal at https://srmy.vistra.com. 2. Click "Register" and select "Individual Holder" and complete the New User Registration Form. 3. For guidance, you may refer to the tutorial guide available on the homepage. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. <p><i>If you are an existing user with the Portal or our TIH Online portal previously, you are not required to register again.</i></p>

ADMINISTRATIVE DETAILS FOR THE TWENTY-SECOND ANNUAL GENERAL MEETING ("AGM")

ELECTRONIC LODGEMENT OF PROXY FORM *(continued)*

The procedures to lodge your Proxy Form electronically via the Portal are summarised below *(continued)*:

Procedure	Action
(i) Steps for Individual Shareholders <i>(continued)</i>	
Proceed with submission of Proxy Form	<ol style="list-style-type: none"> 1. After the release of the Notice of Twenty-Second AGM by the Company, login with your email address and password. 2. Select the corporate event: "CAN-ONE BERHAD 22ND AGM". 3. Navigate to the 3 dots at the end of the corporate event and choose "SUBMISSION OF PROXY FORM". 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Indicate the total number of shares assigned to your proxy(ies) to vote on your behalf. 6. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. 7. Indicate your voting instructions - FOR or AGAINST or ABSTAIN. 8. Print the Proxy Form for your record.
(ii) Steps for Corporation or Institutional Shareholders	
Register as a User with the Portal	<ol style="list-style-type: none"> 1. Visit the Portal at https://srmy.vistra.com. 2. Click "Register" and select "Representative of Corporate Holder" and complete the New User Registration Form. 3. Complete the registration form with your personal details. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approved within two (2) working days. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. <p style="margin-top: 10px;"><i>Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Tricor if you need clarifications on the user registration.</i></p>
Proceed with submission of Proxy Form	<ol style="list-style-type: none"> 1. Login to https://srmy.vistra.com with your email address and password. 2. Select the corporate event: "CAN-ONE BERHAD 22ND AGM". 3. Navigate to the icon ">" at the end of the corporate event. 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Select the corporate holder's name. 6. Proceed to download the submission file. 7. Prepare the file for the appointment of proxy(ies) by inserting the required data. 8. Proceed to upload the duly completed proxy appointment file. 9. Select "Confirm" to complete your submission. 10. Print the confirmation report of your submission for your record.

ADMINISTRATIVE DETAILS FOR THE TWENTY-SECOND ANNUAL GENERAL MEETING ("AGM")

CORPORATE MEMBER

Any corporate member who wishes to appoint a representative instead of a proxy to attend the AGM should submit the **original** Certificate of Appointment under the seal of the corporation to the office of the Share Registrar, Tricor at any time before the time appointed for holding the AGM or to the registration staff on the day of the AGM for the Company's record.

VOTING PROCEDURE

The voting at the AGM will be conducted by way of poll in accordance to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor to conduct the poll by way of electronic voting and Quantegic Services Sdn. Bhd. as scrutineers to verify the poll results.

Shareholders or proxies or corporate representatives or attorneys can proceed to vote on the resolutions upon the announcement by the Chairman of the AGM. Detailed instructions will be provided at the AGM before the commencement of the e-voting session. Upon completion of the voting session for the AGM, the Scrutineers will verify the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

SEATING ARRANGEMENT FOR THE AGM

1. Free seating. All shareholders, proxies, corporate representatives will be allowed to enter the Conference Room from 9.00 a.m. onwards.
2. All shareholders, proxies, corporate representatives are encouraged to be seated at least five (5) minutes before the commencement of the AGM.

MOBILE DEVICES

Please ensure that all mobile devices i.e. phones, pagers, other sound emitting devices are put on silent mode during the AGM to ensure smooth and uninterrupted proceedings.

NO DOOR GIFT/FOOD VOUCHER

There will be no distribution of door gift /food voucher for participating at the Twenty-Second AGM.

The Company would like to thank all its shareholders for their kind co-operation and understanding in these challenging times.

ENQUIRY

If you have any queries on the above, please contact the Company's Share Registrar, Tricor at +603-2783 9299 or email to is.enquiry@vistra.com during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays).



PROXY FORM

CAN-ONE BERHAD[Registration No. 200401000396 (638899-K)]
(Incorporated in Malaysia)*I/We (NRIC/Company No.)
of
(Full Name in Block Letters) (Address)and telephone no./email address being a member/members of
Can-One Berhad (the "Company"), hereby appoint:

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholdings
Telephone No.	Email Address		

and

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholdings
Telephone No.	Email Address		

or failing him/her, THE CHAIRMAN OF THE MEETING as *my/our proxy to vote for *me/us on *my/our behalf at the Twenty-Second Annual General Meeting ("AGM") of the Company to be held at the Conference Room, Lot 4, Jalan Perusahaan Dua, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia on Wednesday, 24 June 2026 at 10.00 a.m. and at any adjournment thereof. *I/We indicate with an "X" in the spaces below how *I/we wish *my/our votes to be cast.

Resolution	Ordinary Business	For	Against
1	To declare a first and final single-tier dividend of 4 sen per share in respect of the financial year ended 31 December 2025.		
2	To re-elect Tun Arifin Bin Zakaria as Director.		
3	To re-elect Rajaretnam Soloman Daniel as Director.		
4	To re-elect Kee E-Lene as Director.		
5	To approve the payment of Directors' Fees amounting to RM1,003,000 to Directors of the Company and its subsidiaries (excluding Box-Pak (Malaysia) Bhd. and its subsidiaries) for the financial year ended 31 December 2025.		
6	To approve payment of allowance and benefits for the financial year ending 31 December 2026.		
7	To re-appoint KPMG PLT, Chartered Accountants, as Auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix the remuneration of the Auditors.		
	Special Business		
8	Proposed authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.		
9	Proposed renewal of authority for the Company to purchase its own shares.		
10	Proposed renewal of mandate for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature.		

Subject to the abovestated voting instructions, *my/our proxy may vote or abstain from voting on the resolutions as *he/she/they may think fit.

If appointment of proxy is under hand: Signed by *individual member/*officer or attorney of member/*authorised nominee of (beneficial owner)	No. of shares held: Securities Account No.: (CDS Account No.) (Compulsory) Date:
If appointment of proxy is under seal: The Common Seal of was hereto affixed in accordance with its Constitution in the presence of: Director/Secretary In its capacity as *member/*attorney of member/*authorised nominee of (beneficial owner)	No. of shares held: Securities Account No.: (CDS Account No.) (Compulsory) Date:

Signed this day of, 2026.

*Strike out whichever is not desired.
[Unless otherwise instructed, the proxy may vote as he/she thinks fit.]**Notes:**

- (i) Only a depositor whose name appears on the General Meeting Record of Depositors as at 12 June 2026 shall be entitled to attend at the Twenty-Second AGM of the Company or appoint proxy(ies) to attend, speak and vote in his/her stead.
- (ii) A member of the Company entitled to attend, speak and vote at the Twenty-Second AGM of the Company is entitled to appoint not more than 2 proxies of his/her own choice to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company. Where a member appoints more than 1 proxy, the member shall specify the proportion of his/her shareholding to be represented by each proxy, failing which, the appointment shall be invalid.
- (iii) Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than 2 proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend the Twenty-Second AGM of the Company. Where a member of the Company is an Exempt Authorised Nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("Omnibus Account"), such EAN may appoint multiple proxies in respect of each Omnibus Account it holds. In both cases, such appointment shall be invalid unless the Authorised Nominee or EAN specifies the proportion of its shareholdings to be represented by each proxy it has appointed.



Notes (continued):

- (iv) The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation, under its common seal or signed by its attorney duly authorised in writing or by 2 officers, 1 of whom shall be a director, on behalf of the corporation. Any alteration to the instrument appointing a proxy must be initialled.
- (v) The appointment of a proxy may be made in hard copy form or by electronic form and must be deposited with/received by the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor"), not less than 48 hours before the time appointed for holding the Twenty-Second AGM of the Company or any adjournment thereof, and in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, otherwise the person so named shall not be entitled to vote in respect thereof.
- (vi) In the case of an appointment made in hard copy form, the Proxy Form, together with the power of attorney (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of the Company's Share Registrar, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or alternatively, to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.
- (vii) In the case of appointment by electronic form, the Proxy Form must be electronically lodged with the Company's Share Registrar, Tricor via *Visra Share Registry and IPO (MY) portal ("Portal")* at <https://srmv.vistra.com>. Please refer to the Administrative Details for the Twenty-Second AGM on the procedures for electronic lodgement of Proxy Form via the Portal.
- (viii) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to the vote by way of poll. Independent Scrutineers will be appointed to verify the results of the poll.
- (ix) By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the forthcoming Twenty-Second AGM of the Company and/or any adjournment thereof, the member of the Company accepts and agrees to the Personal Data Privacy terms as set out in the Notice of Twenty-Second AGM of the Company dated 28 April 2026.

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AFFIX
STAMP

The Share Registrar
TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.
[Registration No. 197101000970 (11324-H)]
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan
Malaysia

2nd Fold Here

Fold This Flap For Sealing



CAN-ONE BERHAD

Registration No. 200401000396 (638899-K)

2B-4, Level 4
Jalan SS 6/6, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Tel : +603-7804 8590
Fax : +603-7880 1605

www.canone.com.my