



# ANNUAL REPORT 2025



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## NOTICE OF 29<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 29<sup>th</sup> Annual General Meeting ("AGM") of **CME GROUP BERHAD** ("the Company") will be held at Dorsett Putrajaya, Precinct 3, Wilayah Persekutuan Bandar, 62000 Putrajaya on **Tuesday, 31 March 2026 at 10.30 a.m.** or at any adjournment thereof, for the purpose of transacting the following business:

### AGENDA

#### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 September 2025 and the Reports of the Directors and Auditors thereon.	<b>Please refer to Note 2.</b>
2. To re-elect Ong Suan Pin, who retires in accordance with Rule 144 of the Company's Constitution and who, being eligible, offers herself for re-election.	<b>Ordinary Resolution 1</b>
3. To re-elect Adam Lim Lian Hwee Bin Danial, who retires in accordance with Rule 119 of the Company's Constitution and who, being eligible, offers himself for re-election.	<b>Ordinary Resolution 2</b>
4. To approve the payment of Directors' fees up to an amount of RM180,000 in total from the date of this Annual General Meeting until the conclusion of the next Annual General Meeting.	<b>Ordinary Resolution 3</b>
5. To re-appoint PKF PLT as Auditors of the Company for the financial year ending 30 September 2026 and to authorise the Board of Directors to fix their remuneration.	<b>Ordinary Resolution 4</b>

## AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following as Ordinary Resolutions:

6. WAIVER OF STATUTORY PRE-EMPTIVE RIGHTS OF THE SHAREHOLDERS UNDER SECTION 85 OF THE COMPANIES ACT 2016	Ordinary Resolution 5
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"THAT approval be and is hereby given to waive the pre-emptive rights of the shareholders, pursuant to Section 85 of the Companies Act 2016 ("the Act") read together with Rule 17 of the Constitution of the Company, in respect of the allotment of new shares of the Company pursuant to Ordinary Resolution 6 which rank equally with the existing issued shares of the Company."

7. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016	Ordinary Resolution 6
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"THAT contingent upon the passing of Ordinary Resolution 5 and subject always to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Section 75(1) of the Act to allot and issue shares in the Company from time to time at such price and upon such terms and conditions for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit, provided always that the aggregate number of shares issued pursuant to this resolution, when aggregated with the total number of shares issued during the preceding twelve (12) months, does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being.

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on the Main Market of Bursa Securities.

FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

**8. PROPOSED RETENTION OF INDEPENDENT DIRECTOR**

“THAT approval be and is hereby given for YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah, who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Director of the Company in accordance with the Malaysian Code on Corporate Governance.”

**Ordinary  
Resolution 7**

**OTHER ORDINARY BUSINESS**

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

**By Order of the Board**

Cheam Tau Chern  
Company Secretary  
(MIA 18593)  
[SSM PC No.: 201908000002]

Klang  
30 January 2026

**NOTES:**

**1. Participation and Appointment of Proxy**

- (a) A member entitled to attend and vote at the 29<sup>th</sup> Annual General Meeting (“**AGM**”) is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (b) The instrument appointing a proxy (“**proxy form**”) shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (c) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (d) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of Section 25A(1) of the SICDA.
- (e) Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- (f) The proxy form must be deposited at the Company’s Share Registrar’s office, **Boardroom Share Registrars Sdn. Bhd. at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.**
- (g) Only members whose names appear in the Record of Depositors as at **23 March 2026** will be entitled to attend the meeting or appoint proxies to attend and/or vote on his/her behalf.
- (h) Please ensure **ALL** the particulars as required in the proxy form are completed and that the proxy form is signed and dated accordingly.
- (i) The last date and time for lodging the proxy form is **Sunday, 29 March 2026 at 10.30 a.m.**
- (j) For a corporate member who has appointed a representative instead of a proxy to participate in this 29<sup>th</sup> AGM, please deposit the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form if this has not been lodged with the Company’s Share Registrar earlier.
- (k) It is important that you read the Notification to Shareholders for the conduct of this 29<sup>th</sup> AGM.

## Notice of 29th AGM

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- (l) Pursuant to Section 320(2) of the Companies Act 2016, a copy of this Notice together with the proxy form is available at the Company's website at <https://www.cme.com.my>.
- (m) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**"), all resolutions set out in the Notice of the 29<sup>th</sup> AGM will be put to vote by poll.

### **Explanatory Notes on Ordinary Business**

#### **2. Audited Financial Statements for financial year ended 30 September 2025**

The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 ("**the Act**") for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

#### **3. Ordinary Resolutions 1 and 2 – Re-election of Directors**

**Rule 144** of the Company's Constitution states that every Director shall be subject to retirement at least once in every three (3) years. A retiring Director shall be eligible for re-election.

**Rule 119** of the Company's Constitution states that the Board shall have power at any time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed in accordance with the Constitution. Any Director so appointed shall hold office only until the next Annual General Meeting and shall be eligible for re-election at such meeting. A Director retiring under this Rule shall not be taken into account in determining the Directors or the number of Directors to retire by rotation at such meeting.

In determining the eligibility of the Directors due for retirement to stand for re-election at the forthcoming Annual General Meeting, the Nominating Committee ("NC") had assessed the retiring Directors and was satisfied with the outcome of the fit and proper assessment.

The Board had considered the NC's evaluation of the eligibility of the retiring Directors and was satisfied that they will continue to bring their knowledge, experience and skills and contribute effectively to the Board's discussions, deliberations and decisions.

### **Explanatory Notes On Special Business**

#### **4. Ordinary Resolution 5 – Waiver of Pre-emptive Rights under Section 85 of the Act**

Pursuant to Section 85 of the Act read together with Rule 17 of the Constitution of the Company, the shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally with the existing issued shares of the Company and are offered in proportion to their existing shareholdings.

The proposed Ordinary Resolution 5, if passed, will result in a waiver of your pre-emptive rights in respect of the allotment of new shares by the Company pursuant to Ordinary Resolution 6.

#### **5. Ordinary Resolution 6 – Authority for Directors to Allot and Issue Shares**

The proposed Ordinary Resolution 6, if passed, will empower the Directors of the Company to allot and issue ordinary shares of the Company from time to time, provided that the aggregate number of shares issued pursuant to this resolution, when aggregated with the total number of shares previously issued pursuant to this resolution during the preceding 12 months, does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being, subject to Paragraph 6.03 of the Listing Requirements.

This authority is a renewal of the general mandate previously granted by shareholders at the Company's 28<sup>th</sup> AGM and will, unless revoked or varied by the Company at a general meeting, expire at the conclusion of the next AGM.

The authority will provide flexibility to the Company to raise funds, including but not limited to placements, through the allotment and issuance of shares for the purpose of funding future investment project(s), working capital and/or acquisitions.

As at the date of this Notice, no new shares were issued pursuant to the authority granted to the Directors at the 28<sup>th</sup> AGM held on 20 March 2025, the mandate of which will lapse at the conclusion of the forthcoming 29<sup>th</sup> AGM to be held on 31 March 2026.

#### **6. Ordinary Resolution 7 – Proposed Retention of Independent Director**

Pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance published in April 2021, the tenure of an Independent Director should not exceed a term limit of 9 years. Upon completion of the 9 years, an Independent Director may continue to serve on the Board as a Non-Independent Director. If the Board intends to retain the Independent Director beyond 9 years, shareholders' approval must be sought through a two-tier voting process and the Board must provide justifications for the retention.

The proposed Ordinary Resolution 7 is intended to retain YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah, who has served as an Independent Director of the Company for a term limit of more than 9 years, and the Board recommends him to continue to act as Independent Director of the Company.

## Notice of 29th AGM

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The NC had assessed the independence of YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah and recommended his retention as an Independent Director based on the following key justifications:

- (a) YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah has fulfilled the criteria stated under the definition of Independent Director as defined in the Listing Requirements and he will be able to provide proper check and balance thus bringing an element of objectivity to the Board;
- (b) His length of service on the Board for a cumulative term of more than 9 years does not in any way interfere with his exercise of objective judgement or his ability to act in the best interest of the Company and he has always actively participated in Board Committee and Board discussions and he has continuously provided an independent view to the Board; and
- (c) He has exercised due care during his tenure as an Independent Director of the Company and has discharged his duties with reasonable skill and competence and he also possesses vast professional experience and brings the right mix of skills to the Board.

The Board therefore endorsed the NC's recommendation for him to be retained as an Independent Director and will seek shareholders' approval at the forthcoming AGM.

Shareholders' approval for Ordinary Resolution 7 will be sought through a two-tier voting process, whereby Tier 1 voting will be conducted by the Large Shareholder(s) of the Company and Tier 2 voting will be conducted by the remaining shareholders, in accordance with the Malaysian Code on Corporate Governance published in April 2021.

**STATEMENT ACCOMPANYING  
NOTICE OF 29<sup>TH</sup> ANNUAL GENERAL MEETING**

(PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

**1. DETAILS OF INDIVIDUALS WHO ARE STANDING FOR ELECTION AS DIRECTORS**

There are no individuals who are standing for election as directors (excluding directors standing for re-election) as per Appendix 8A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The information in relation to the Directors who are standing for re-election at the 29<sup>th</sup> Annual General Meeting (“AGM”) are provided in the Directors’ Profile of the Annual Report 2025 and their latest interests in the shares and warrants of the Company are disclosed under Analysis of Shareholdings in the Annual Report 2025.

**2. STATEMENT RELATING TO GENERAL MANDATE FOR ISSUE OF SECURITIES IN ACCORDANCE WITH PARAGRAPH 6.03(3) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

Details of the general mandate to allot and issue securities in the Company pursuant to the Companies Act 2016 are set out in Explanatory Note 5 of the Notice of 29<sup>th</sup> AGM.

## **CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

## **AND ITS SUBSIDIARIES**

# **Corporate Information**

## **Corporate Profile**

CME Group Berhad (“CME”) was incorporated in Malaysia on 14 November 1979 under the Companies Act, 1965 as a private limited company under the name of Beijer (Malaysia) Sdn Bhd. The name was changed to Construction and Mining Equipment Holdings Sdn Bhd on 27 February 1984 to reflect its activities at that time. On 5 January 1991, the Company changed its name to CME Group Sdn Bhd.

The Company subsequently converted its status into a public company and assumed its present name on 26 December 1995. The Company was listed on the Second Board of the Kuala Lumpur Stock Exchange on the 3 October 1997.

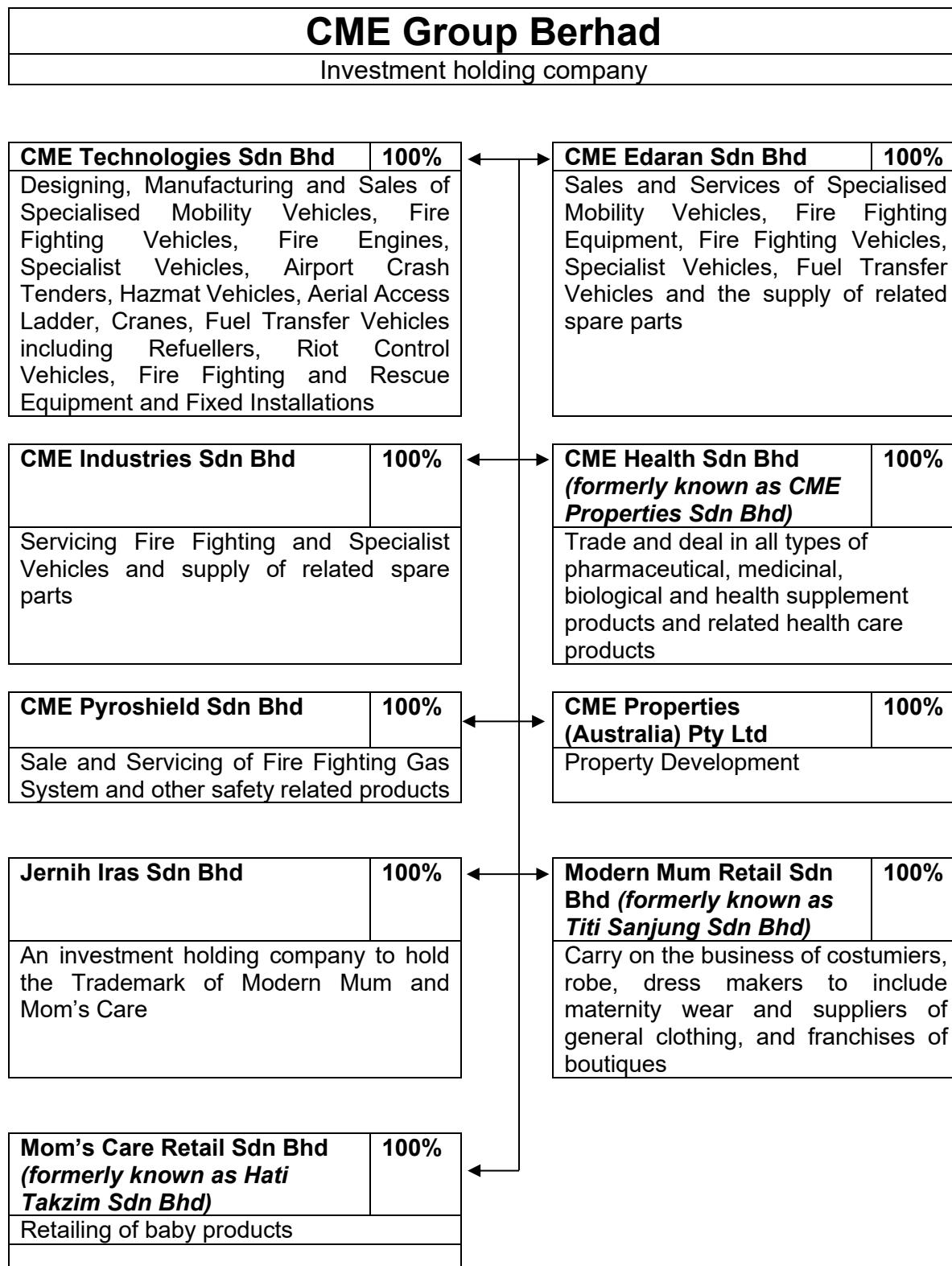
The existing principal activity of the Group is providing comprehensive solutions in relation to designing, manufacturing and sales of various types of specialised mobility vehicles, and fire fighting and safety vehicles. The Group designs and builds various types of fire fighting vehicles, specialist vehicles, airport crash tenders, hazmat vehicles, fuel transfer vehicles, riot control vehicles and fire rescue equipment.

CME of today has become an experience comprehensive solutions provider to the fire fighting industries with a reputation for delivering customized, value driven vehicle solutions that incorporate safety and reliability that comply with the highest standards such as NFPA, ICAO and CEN. The products manufactured by the Group's meet and complied with ISO 9001 certification. CME now stands proudly at the forefront of industry in the country. The customers of CME Group are mainly from public sector and oil and gas industry.

In recent years, the Group has diversified into the property development, property investment and retail business. The diversification is intended to be part of a long-term plan to move the Group forward by expanding the Group's income stream and further strengthening the Group's financial position.

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****Group Corporate Structure**

# CME GROUP BERHAD

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

## AND ITS SUBSIDIARIES

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Y.M. Tunku Nizamuddin Bin Tunku Dato'Seri Shahabuddin

*Executive Director*

YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah

*Independent Non-Executive Director*

En. Azlan Omry Bin Omar

*Executive Director*

Mr Andrew Ho Tho Kong (resigned wef 17.03.25)

*Independent Non-Executive Director*

YM Tengku Munawirah Putra (resigned wef 31.03.25)

*Independent Non-executive Director*

Miss Ong Suan Pin

*Non-Independent Non-Executive Director*

Mr Adam Lim Lian Hwee Bin Danial (appointed wef 17.06.25)

*Independent Non-Executive Director*

### Company Secretary

Mr. Cheam Tau Chern

(PC No: 20190800002)

### Key Management

Mr. Yap Wai Yee

*Chief Executive Officer*

Pn Maizatul Akmam Addul Malik

*General Manager*

Mr Tay Thian San, Joseph

*Finance Manager*

### Audit Committee

Mr Adam Lim Lian Hwee Bin Danial (appointed wef 17.06.25)

*Chairman. Independent Non-Executive Director*

Miss Ong Suan Pin

*Non-Independent Non-Executive Director*

YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris

*Shah Independent Non-Executive Director*

YM Tengku Munawirah Putra (resigned wef 31.03.25)

*Independent Non-Executive Director*

Mr Andrew Ho Tho Kong (resigned wef 17.03.25)

*Independent Non-Executive Director*

### Nominating Committee

Mr Adam Lim Lian Hwee Bin Danial (appointed wef 17.06.25)

*Chairman. Independent Non Executive Director*

Miss Ong Suan Pin

*Non-Independent Non-Executive Director*

YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris

*Shah Independent Non-Executive Director*

YM Tengku Munawirah Putra (resigned 31.03.25)

*Independent Non-Executive Director*

Mr Andrew Ho Tho Kong (resigned wef 17.03.25)

*Independent Non-Executive Director*

### Remuneration Committee

Mr Adam Lim Lian Hwee Bin Danial (appointed wef 17.06.25)

*Chairman. Independent Non-Executive Director*

Miss Ong Suan Pin

*Non-Independent Non-Executive Director*

YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah.

*Independent Non-Executive Director*

YM Tengku Munawirah Putra (resigned wef 31.03.25)

*Independent Non-Executive Director*

Mr Andrew Ho Tho Kong (resigned wef 17.03.25)

*Independent Non-Executive Director*

### Corporate Office

Lot 19, Jalan Delima 1/1, Taman

Perindustrian Teknologi Tinggi Subang

47500 Subang Jaya

Tel : 03-5633 1188

Website : <http://www.cme.com.my>

### Share Registrar

Boardroom Share Registrars Sdn Bhd

11<sup>th</sup> Floor, Menara Symphony, No.5

Jalan Prof. Khoo Kay Sim, Seksyen 13

46200 Petaling Jaya, Selangor

Tel : 03-7890 4700 Fax : 03-7890 4670

### Auditors

PKF PLT

Level 33, Menara 1MK

Kompleks 1 Mont Kiara,

No.1, Jalan Kiara,

Mont Kiara, 50480,

Kuala Lumpur, Malaysia.

Tel : +603 6203 1888

### Registered Office

No. 22C, Jalan Gelugor

41050 Klang, Selangor

Tel : 014-661 0608

### Principal Bankers

Public Bank Berhad

United Overseas Bank (Malaysia) Berhad

SME Bank Berhad

### Stock Exchange Listing

The Main Market of Bursa Malaysia

Securities Berhad

Stock Name : CME

Stock Code : 7018

Date of listing : 3 October 1997

## **CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

## **AND ITS SUBSIDIARIES**

### **Directors' Profile**

#### **Y.M. Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin**

*Executive Director*

Y.M. Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin, aged 54, Malaysian, was appointed to the Board of the Company on 6 May 2009. He holds a Bachelor of Business in Tourism Management from University of New England, Lismore, Australia and MBA in International Management from Thunderbird, The Garvin School of International Management, Arizona, USA. Tunku has more than 20 years of experience in the field of advisory and consultancy in all business areas, of which more than 10 years were spent in the oil and gas industry.

He does not have any family relationship with any of the Directors and/or substantial shareholders of the Company nor has he had any personal interest in any business arrangement involving CME. He has had no convictions for offences over the past 10 years other than traffic offences.

He is deemed as a substantial shareholder in CME and has no interest in the securities of any subsidiary companies of CME. He also sits on the Board of several other private limited companies.

#### **En. Azlan Omry Bin Omar**

*Executive Director*

En. Azlan Omry Bin Omar, aged 59, Malaysian, was appointed to the Board of the Company on 6 July 2000 as Independent Non-Executive Director. He was re-designated as Executive Director on 1 July 2015. He holds a Bachelor of Science degree majoring in Civil Engineering from California State University and a Master of Science degree in Manufacturing Systems Engineering from University of Warwick, England. He started his career as a civil and structural engineer in 1990 before returning to England in 1993 to work for Warwick Manufacturing Group as a Research Associate. He returned to Malaysia and joined Composites Technology Research Malaysia Sdn Bhd ("CTRM") in 1994. He has been in the business of distribution and retail of consumer and lifestyle products between 2003 and 2014.

He does not have any family relationship with any of the Directors and/or substantial shareholders of the Company nor has he had any personal interest in any business arrangement involving CME. He has had no convictions for offences over the past 10 years other than traffic offences.

He does not hold any shares in CME and has no interest in the securities of any subsidiary companies of CME. He also sits on the Board of several other private limited companies.

#### **YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah**

*Independent Non-Executive Director*

*Member of Audit Committee, Nominating Committee, Remuneration Committee*

YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah, aged 75, Malaysian, was appointed to the Board of the Company on 9 March 2015. He held the directorships in C.I Holdings Berhad, Berjaya Group Berhad and TAS Industries Sdn Bhd in the past years. Presently, he is the Chairman of Taman Positif Sdn Bhd. He is also the Chairman of Sultan Ahmad Shah Pekan Pahang Mosque. He is active in sports especially badminton. He is the president of Pahang Badminton Association for the past 30 years till to-date. He is also the present Vice President of Badminton Association of Malaysia.

He does not have any family relationship with any of the Directors and/or substantial shareholders of the Company nor has he had any personal interest in any business arrangement involving CME. He has had no convictions for offences over the past 10 years other than traffic offences.

He does not hold any shares in CME and has no interest in the securities of any subsidiary companies of CME. He also sits on the Board of several other private limited companies.

## **CME GROUP BERHAD**

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## **AND ITS SUBSIDIARIES**

### **Miss Ong Suan Pin**

*Non-Independent Non-Executive Director*

*Member of Audit Committee, Nominating Committee, Remuneration Committee*

Miss Ong Suan Pin, aged 67, Malaysian, was appointed to the Board on 24 June 2011. She is a holder of ACCA (The Association of Chartered Certified Accountants) qualification and has more than 35 years of working experience in the field of accountancy. She started her career in 1981 as a lecturer for Institute Technology of Mara before moving to join a public accounting firm, gaining experience in auditing. Presently, she is the Financial Controller for a construction group of companies.

She does not have any family relationship with any of the Directors and/or substantial shareholders of the Company nor has she had any personal interest in any business arrangement involving CME. She has had no convictions for offences over the past 10 years other than traffic offences.

She holds 7,666,000 shares in CME and has no interest in the securities of any subsidiary companies of CME.

### **Mr Adam Lim Lian Hwee Bin Danial**

*Independent Non-Executive Director*

*Chairman of Audit Committee, Nominating Committee, Remuneration Committee*

Mr Adam Lim Lian Hwee Bin Danial, aged 32, Malaysian, was appointed to the Board of the Company on 17 June 2025 as Independent Non-Executive Director. He holds a Bachelor of Science in Actuarial Science and a Master of Science in Actuarial Management from the City University of London, United Kingdom.

He started his career in 2015 with one and a half years of experience as an Actuarial Associate in the field of life insurance at Prudential UK in London. He returned to Malaysia in 2017 and joined the private sector in the field of Construction and Consultancy in the role of Risk Adviser. He has continued to work as a Risk Adviser for the last eight years and deals mainly with risk analysis and risk management.

He does not have any family relationship with any of the Directors and/or substantial shareholders of the Company nor has he had any personal interest in any business arrangement involving CME. He has had no convictions for offences over the past 10 years other than traffic offences.

He does not hold any shares in CME and has no interest in the securities of any subsidiary companies of CME.

## **Key Management**

### **Mr. Yap Wai Yee**

Chief Executive Officer

Mr. Yap Wai Yee, age 61, holds a Master of Management Science and Bachelor Degree of Engineering majoring in Electrical Engineering from Imperial College London.

Mr. Yap has over 30 years of experience in management and operations of business. He began his career with Hume Industries (M) Bhd as an engineer in 1989 before embarking into the financial industry. He joined D&C Mitsui Merchant Bankers Bhd in 1991 where he specialized in corporate finance and advisory including mergers and acquisitions and initial public offering. In 1996, in his capacity in a management consultancy company, he was assigned as the General Manager of Seacera Tiles Bhd where his role is to bring the company to listing on the Main Market of Bursa Malaysia. Mr. Yap also has extensive experience in the property development sector, being the Deputy Chief Operating Officer for SBC Corporation Bhd and the Senior General Manager of Fitters Properties Sdn Bhd, a subsidiary of Fitters Diversified Bhd.

## **CME GROUP BERHAD**

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## **AND ITS SUBSIDIARIES**

He does not have any family relationship with any of the Directors and/or substantial shareholders of the Company nor has he had any personal interest in any business arrangement involving CME. He has had no convictions for offences over the past 10 years other than traffic offences.

### **Pn Maizatul Akmam Abdul Malik**

General Manager

Pn Maiza age 49, graduated with Degree in Engineering (Aerospace) from University Putra Malaysia. She also majors in French Language, Cultural and Arts from Universite Da Stasbourg, France and is a registered engineer with BEM.

She has more than 23 years of experience as an Engineer and Project Leader in the production, maintenance and marketing of specialized civilian and military vehicles such as Fire Vehicles, Ambulances, Traffic Management Vehicles, Milk Tankers and Bridge Transporters. She acted as Director of Business Development for Samawah Engineering Sdn Bhd from 2015 to 2023 where she was also in charge of establishing good relationship and growth opportunities with government agencies, commercial conglomerates as well as initiating international business alliances and partnerships.

She is currently in charge of overseeing the project management, production and service division of CME Group.

She does not have any family relationship with any of the Directors and/or substantial shareholders of the Company nor has she had any personal interest in any business arrangement involving CME. She has had no convictions for offences over the past 10 years other than traffic offences.

### **Mr Tay Thian San, Joseph**

Finance Manager

Mr Tay Thian San age 67, graduated with Diploma in Business Studies (Financial Accounting) from Tunku Abdul Rahman College (TARC) Malaysia. He has over 35 years of experience, starting from auditing in Public Accountants firms in Singapore and Malaysia as audit senior and audit manager for 9 years. From 1990 -1997, he joined as a Finance Manager in LB Aluminum Berhad, a manufacturer and retailer in aluminum extrusions. During his tenure in LBA, besides overseeing the Finance, Accounting and Corporate Affairs, he was involved in the Corporate Planning and Restructuring which included IPO exercise, leading to the Company being listed on the Second Board of the Kuala Lumpur Stock Exchange Malaysia in 1994. In addition, he has also served as Senior Finance Manager for 15 years in Kencana Petroleum Berhad Group of Companies which specialized in integrated engineering and fabrication of oil and gas production facilities, drilling rigs, specialized fabrication and infrastructure construction. He was also involved in the Company Corporate Exercise, leading to the listing of Kencana Petroleum Berhad on the Main Board of Bursa Malaysia Berhad in 2009.

He joined CME Group Berhad on 1 October 2024 and is responsible for all financial and treasury related matters for the CME Group which covers the overall financial management and planning to support decision making on operational and strategic issues of the Group.

He does not have any family relationship with any of the Directors and/or substantial shareholders of the Company nor has he had any personal interest in any business arrangement involving CME. He has had no convictions for offences over the past 10 years other than traffic offences.

## **CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

## **AND ITS SUBSIDIARIES**

### **Statement By The Board of Directors**

Dear valued shareholders,

On behalf of the Board of Directors ("Board"), we are pleased to present the Annual Report and Audited Financial Statements of CME Group Berhad ("CME" or "Company") and its subsidiaries ("Group") for the financial year from 1 October 2024 to 30 September 2025 ("FYE 2025").

#### **Introduction.**

The Group revenue for the financial year ended 30 September 2025 recorded a total of RM 39.93 million. The profit before tax is reported at RM 6.26 million and the earnings per share is RM 0.71 for the financial year under review.

Manufacturing Segment continues to be the main core business for the group in terms of revenue, which accounted for 90 %, followed by Trading and Services Segment which accounted for 7 % of the total revenue for the FYE 2025 respectively.

#### **Business Outlook and Future Prospect**

The local and global economy will continue to be challenging in 2025/2026. However, the Group remains cautiously optimistic about the outlook of the specialized mobility vehicles industry particularly in the after sales market. Fluctuations in exchange rates and commodity prices will continue to have an impact on the Group's financial performance and position. To maintain its competitiveness, the Board will need to constantly review its price structure and react accordingly. The Group will continue its effort to enhance operating efficiency programs to mitigate as much as possible the impact of higher costs.

The Directors will continue to exercise due care to preserve and enhance shareholders' value. The Board and the Management will continue to access all business opportunities with prudence and leverage on their core strengths and competencies built over the years, to improve the profitability of the Group.

#### **Corporate Social Responsibility**

The Group views corporate social responsibility as a continuing commitment to business to act ethically and contribute to economic and social development while improving the quality of work force, stakeholders' value and the local community at large.

The Group continues to provide its employees with relevant training programs to help develop technical and soft skills among different level of employees.

#### **Dividend**

The Board, having made due consideration, is not recommending any dividend payment for the financial year ended 30 September 2025.

#### **Appreciation and Acknowledgement**

I wish to take this opportunity to express my heartfelt appreciation to my fellow Board of Directors, the Management Team and employees of CME Group for their commitment and contributions to the Group. I wish to also extend our gratitude and thanks to our shareholders, customers, financiers, government authorities, regulatory bodies and all other stakeholders for their continuous support and confidence in the Group. We look forward to your continuous support as we strive to build a stronger business organization and deliver sustainable growth in the years to come.

**Y.M. Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin**

**EXECUTIVE DIRECTOR**

**CME GROUP BERHAD**

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**FIVE-YEAR FINANCIAL HIGHLIGHTS**

	FYE 30 June 2021	FYE 30 June 2022	15 months Financial Period Ended 30 Sept 2023	FYE 30 Sept 2024	FYE 30 Sept 2025
<b>FINANCIAL PERFORMANCE (RM'000)</b>					
Revenue	4,145	15,955	<b>12,944</b>	<b>27,222</b>	<b>39,933</b>
Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA")	2,105	(3,518)	117	(621)	<b>7,650</b>
Profit/(Loss) Before Taxation	627	(4,920)	<b>(1,939)</b>	<b>(2,252)</b>	<b>6,257</b>
Profit/(Loss) After Taxation	2,502	(5,148)	<b>(2,082)</b>	<b>(2,502)</b>	<b>8,406</b>
Net Profit/(Loss) Attributed to Equity Holders	2,502	(5,148)	<b>(2,082)</b>	<b>(2,502)</b>	<b>8,406</b>
<b>KEY BALANCE SHEET DATA (RM'000)</b>					
Total Assets	103,834	89,924	<b>118,499</b>	<b>111,190</b>	<b>108,386</b>
Total Liabilities	45,934	37,527	<b>68,366</b>	<b>63,949</b>	<b>53,016</b>
Equity Attributable to owners of the Company	57,900	52,397	<b>50,133</b>	<b>47,241</b>	<b>55,370</b>
<b>SHARE INFORMATION</b>					
Basic Earnings Per Share (sen)	0.31	(0.53)	(0.21)	(0.24)	0.71
Diluted Earnings Per Share (sen)	0.18	(0.33)	(0.14)	(0.16)	0.68
<b>FINANCIAL RATIOS</b>					
Current Ratio (times)	0.655	0.407	0.657	0.560	0.540
Net Assets Per Share (RM)	0.071	0.053	0.049	0.045	0.046

Notes:

1 Earnings per share ("EPS") is computed by dividing the Net Profit/(Loss) Attributed to Equity Holders by the weighted average number of ordinary shares in issue during the financial year.

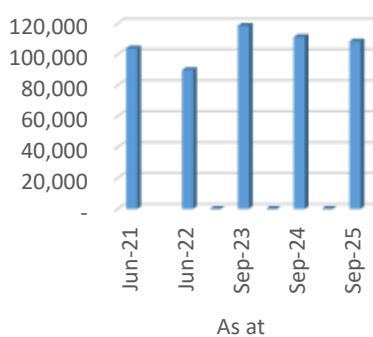
2 The diluted earnings per ordinary share is same as the basic earnings per share because the effect of the assumed conversion of warrants outstanding will be anti-dilutive and the Company has no other dilutive potential ordinary share in issue as at the end of the reporting period.

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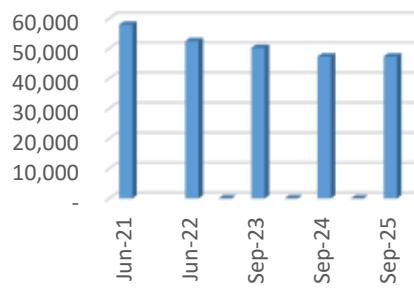
(RM'000) Total Assets



(RM'000) Total Liabilities

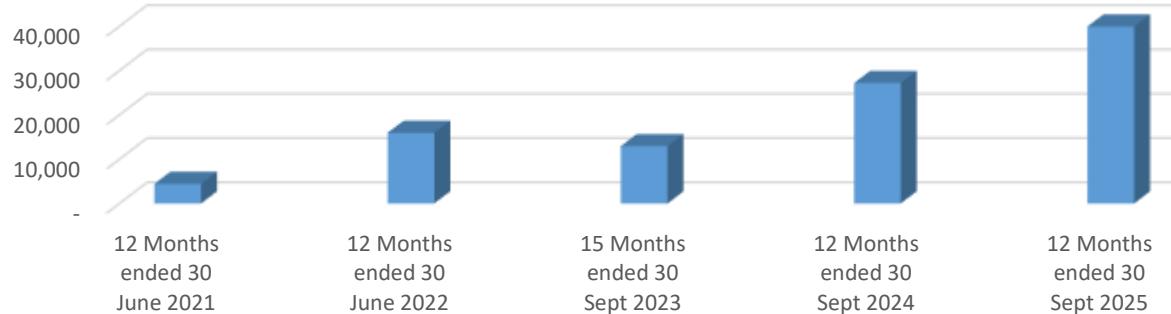


(RM'000) Equity



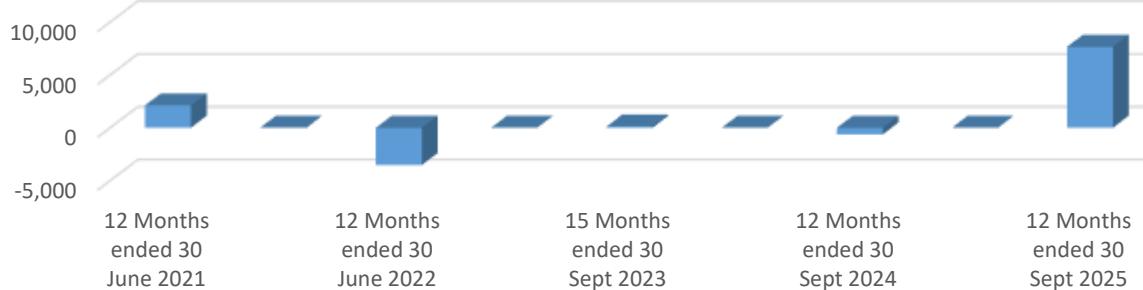
(RM'000)

Revenue



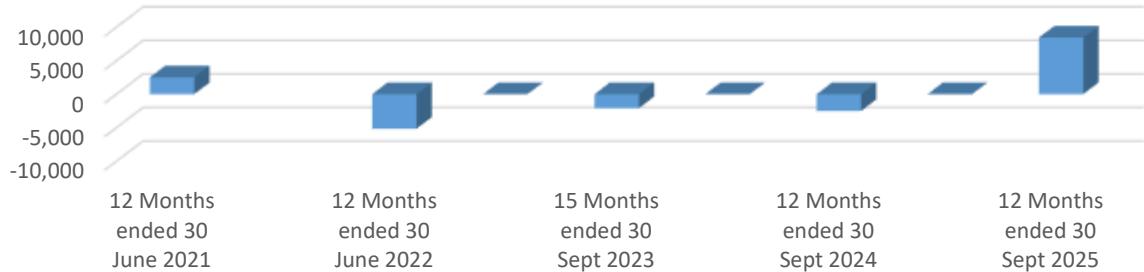
(RM'000)

EBITDA



(RM'000)

Net Profit/(Loss) Attributed to Equity Holders



## **CME GROUP BERHAD**

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# **Management Discussion and Analysis**

## **Overview**

CME Group Berhad (“CME” or the “Company”) and its subsidiaries (“CME Group” or “our Group”) are principally involved in providing comprehensive solutions in relation to designing, manufacturing and sales of various types of specialised mobility vehicles, and fire fighting and safety vehicles. Our Group has become an experienced comprehensive solutions provider to the fire fighting industries with a reputation for delivering customised, value -driven vehicle solutions that incorporate safety and reliability that comply with the highest standards. Examples of our products are fire fighting vehicles, specialist vehicles, airport crash tenders, hazmat vehicles, fuel transfer vehicles, riot control vehicles and fire rescue equipment.

The world experienced a broad-based and sharper than expected slowdown in 2025/2026, due to a variety of factors, including the ongoing military conflict in Ukraine, the cost-of-living crisis, interest rate hikes, tightening financial conditions in most regions, the global energy crisis. Furthermore, the ongoing disruptions in supply chain and price increases in various economic sectors have caused inflation to be higher than it has been in previous decades.

CME continues to focus on business development activities and is continuously seeking market opportunities in the domestic and foreign markets to strengthen our market share and enhance profitability. The Group’s products are expected to remain competitive in the market, largely attributable to our established track record (i.e. 20 years of experience in automotive coachwork industry) with our capability in delivering customised, value driven vehicle solutions that incorporate safety and reliability that comply with international standards.

## **Performance**

The financial year under review remains challenging for the Group, especially the fluctuations in exchange rates and commodity prices, which will continue to have an impact on the Group’s financial performance and position.

Our Group is involved in the manufacturing and sales of specialized mobility vehicles, fire fighting and other safety related products. For FYE 2025 manufacturing remains the core business of our Group and accounts for 90% of the Group’s revenue of RM 39.93 million as compared to the Group’s revenue of RM27.22 million in FYE 2024, followed by Trading and Services segment which accounted for 7 % for FYE 2025 as compared to 12.1 % for the FYE 2024.

The Group’s revenue for FYE 2025 increased by RM12.71 million or 46.69 % of RM27.22 million ( FYE 2024 increased by RM14.28 million or 110.36 % of RM12.94 million), mainly due to higher revenue recorded from manufacturing segment and trading segment as a result of higher delivery of vehicles to its customers during FYE 2025. The Group recorded a profit before tax of RM6.26 million for FYE 2025 as compared to loss before tax of RM2.25 million for the previous FYE 2024. The higher profit before tax was mainly due to gain on revaluation of investment properties of RM 5.08 million from Investment Holding segment.

The Group’s cash and bank balances reduced RM0.10 million to RM6.04million as at FYE 2025 from RM6.15 million in FYE 2024. Total loans borrowing decreased to RM31.53 million for FYE 2025 as compared to RM33.29 million for the FYE 2024, mainly due to the repayment of project loan secured to finance the operating of ongoing projects.

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### **Business Segments Review**

#### *Investment Holding*

Our Group owns 48 units of 3-storey shop offices in Bandar Indera Mahkota, Kuantan, Pahang under the Investment Holding segment which are held to earn rental income and/or capital appreciation.

Investment Holding reported a total income of RM0.94 million during FYE 2025, representing 2.3 % of the Group's total income (FYE 2024: RM1.16 million) whilst its profit before tax was RM4.43 million (FYE 2024: -RM0.49 million),

due to gain on revaluation of investment properties of RM 5.08 million from Investment Holding segment.

#### *Manufacturing*

Manufacturing is operated by its subsidiaries, CME Edaran Sdn Bhd and CME Technologies Sdn Bhd, which remain the core business of the Group and has accounted for 90 % or RM35.40 million of the Group's total revenue for the FYE 2025. (FYE 2024: 84.3% or RM23.77 million).

The profit before tax for FYE 2025 was RM 1.24 million compared to loss before tax of RM 1.79 million for FYE 2024, a turnaround of 169.27 %.

The Group has secured a contract from the Ministry of Housing & Local Government (Malaysia) to supply 150 units compact fire rescue tender (CFRT) complete with fittings and accessories for Fire and Rescue Department (FRDM), a value of RM 145.8 million. This order is to be fulfilled in few batches over the period of 6 years. The order is expected to contribute positively to the Group's earnings for the next financial year onwards.

#### *Trading and services*

Under this segment, our Group is involved in the sales and services of fire fighting gas system and other safety related products which accounted for 9.0% and 8.4% of our Group's revenue for the FYE 2025 and FYE 2024, respectively.

The segment recorded a profit before tax of RM 0.91 million for FYE 2025 as compared to RM 0.72 million for FYE 2024.

#### *Others*

Other segments are made up of the property development division of the Group. Currently, our Group owns 2 parcels of land held for property development located on the South Western intersection of Mandurah Terrace and Henson Street in Mandurah, Australia which is approximately 1.5 km north of the Mandurah Town Centre. The land falls under the zones of residential, tourism accommodation and mixed use and commercial.

Other segments recorded a loss before tax of RM0.36 million for FYE 2025 (FYE 2024 Loss before tax of RM 0.54 million) mainly due to the lack of revenues from property development.

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### **Prospects**

The global economic environment for 2025/2026 remains challenging. The International Monetary Fund (IMF) projects global GDP to reach growth around 3.0 percent in 2025 and growth is expected to rise slightly to about 3.1 percent in 2026 reflecting some stabilization in major economies. Overall, global expansion remains modest and notably below pre-pandemic norms, shaped by ongoing geopolitical and trade uncertainties. Inflation is projected to continue declining over both years. The trend reflects easing price pressure globally. However, IMF highlights several risks that could dampen the outlook which include trade tensions and tariff uncertainties, geopolitical conflicts and supply chain disruptions, financial tightening and debt vulnerabilities

For Malaysia, IMF forecasts roughly 4.5 % growth in 2025 and 4.0 % in 2026. Despite the subdued growth for 2026, the Group will remain strengthening its existing core business of manufacturing specialized motor vehicles. The group performance depends on the orders and the gradual recovery of the market which subsequently increases the spending power in both the government and private sectors. Despite these challenges, the Group remains prudent and vigilant towards the changes in the external environment and will continue to enhance its operation including emphasis on effective cost management and improving production efficiency in project execution

Moving ahead, the Group remains cautiously optimistic and continues to work towards tendering and securing more contracts from both government and oil and gas sector to further grow our revenue stream. The Group will continue to formulate new strategies to improve project execution and delivery in order to remain competitive in this challenging business environment.

### **Dividends**

The Board had not proposed any dividend for the FYE 30 September 2025.

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# Sustainability Statement

CME Group Berhad (“CME”) is pleased to present its Sustainability Statement for the financial period from 1 October 2024 to 30 September 2025 (“FYE 2025”). This statement is prepared in accordance with Practice Note 9 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.

### Structure

CME does not have a Sustainability Committee at the Board of Directors level. Our sustainability strategy is developed and directed by the Chief Executive Officer and Senior Management of the Group based on guidelines provided by the Board.

### Scope

This report focuses on our core business activities that were conducted during the financial year with respect to manufacturing and sales of specialised mobility vehicles, fire fighting and safety vehicles and other safety-related products.

### Stakeholder

CME has identified the following stakeholders during our core business operations. We regularly engage our key stakeholders to gain an external perspective on various aspects of our core business and work to constantly improve our sustainability practices to meet their expectations.

No.	Stakeholders	Engagement channel	Frequency of engagement	Stakeholders' concerns
1	Customers	<ul style="list-style-type: none"><li>Meetings</li><li>Customer feedback</li></ul>	As needed As needed	<ul style="list-style-type: none"><li>Customer's specific preferences and requirements (Customer satisfactions)</li><li>Product quality</li><li>After sales services</li></ul>
2	Vendors/ Contractors	<ul style="list-style-type: none"><li>Meetings</li></ul>	As needed	<ul style="list-style-type: none"><li>Prompt payment</li></ul>
3	Employees	<ul style="list-style-type: none"><li>Appraisals</li><li>Training</li><li>Open communications</li></ul>	Annual As needed	<ul style="list-style-type: none"><li>Remunerations</li><li>Staff welfare</li><li>Career advancement</li></ul>
4	Regulators	<ul style="list-style-type: none"><li>Statutory reporting</li></ul>	As required	<ul style="list-style-type: none"><li>Compliance with legal regulations</li></ul>
5	Shareholders & Investors	<ul style="list-style-type: none"><li>Annual General Meeting</li><li>Extraordinary Meeting</li></ul>	Annual As needed	<ul style="list-style-type: none"><li>Profitability</li><li>Dividend</li></ul>

### Identification of Material sustainability matters

The Group's senior management has identified the following matters which are deemed material to the Group's core business and stakeholders:

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### **1. Customer**

#### **i. Customer satisfaction**

Our Group core business is manufacturing and sales of specialised mobility vehicles, firefighting and safety vehicles and other safety related products. We recognises that keeping customers satisfied is key factor for the sustainable success of the Group's business. Hence, engagement channels such as meetings, email, and phone calls with customers to get a deeper understanding of customers' needs. Our business goal is to develop and sell products that appeal to our customers. We will maintain our competitive advantage by ensuring prompt delivery, price competitiveness of our products and consistent quality.

#### **ii. After sale services**

Our Group has also provided after-sale service for customers and is confident that we will maintain our good relationship. Although we have not conducted any former customer satisfaction surveys, our project team always welcomed feedback which would provide us with insights into customers' expectations that enabled us to develop and deliver better products and services. Knowing what customers expect from us makes it easier for us to strengthen and market our product and services.

### **2. Employees**

CME recognizes that our employees are a key asset that plays a major role in influencing the performance of the Group. Human capital is the most valuable asset, the Group committed to providing a safe working environment for all its employees and promotes a balanced and healthy lifestyle.

In line with this objective, we committed to the following:

	<b>Welfare</b>	<b>Our Commitment</b>
i.	Health and safety	<ul style="list-style-type: none"><li>• Workplace safety is our utmost priority, we provide safety handbooks to all levels of employees to improve and enhance awareness amongst staff, especially those who work with the factory.</li><li>• The Group, through CME Sport Club, promotes a balanced and healthy lifestyle for the employees and their immediate family. We contributed to CME Sport Club for various outdoor activities, recreational and sport activities for the benefit of its members.</li></ul>
ii.	Employee welfare	<ul style="list-style-type: none"><li>• Equal opportunities for career advancement based on performance to all employees irrespective of gender, age or ethnicity.</li><li>• Fair and competitive compensation and benefits.</li><li>• Complies with local statutory requirement to contribute to the Employees' Provident Fund, social security protection and annual leave provision.</li><li>• Provides medical benefits for outpatients, accident insurance, hospitalization and surgical insurance coverage to employees and their family members.</li></ul>
iii.	Continuous training	<ul style="list-style-type: none"><li>• We recognized that continuous training is important to increase the competency of our employees. We provide both internal training and also send employees for external training course. Among the trainings attended were:</li></ul>

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		i. Induction Training on ISO 9001:2015 Quality Management Systems ii. Niosh Oil & Gas Safety Passport iii. Niosh TNB Safety Passport
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**3. Environment****i. Environment friendly**

We recognize the needs and importance of environmental protection. As a responsible corporate citizen, the Group has initiated various measures to promote a “greener” mindset among our employees and stakeholders. Employees are encouraged to cut down wastage on energy, water and paper consumption.

We promote and recommend to our customers environmentally friendly product namely “Pyroshield”. Pyroshield is an IG55 inert gas extinguishing system, complies to NFPA 2001 – Standard on Clean Agent Fire Extinguishing Systems, with zero ozone depleting potential, zero global warming potential and no atmospheric life. Technically, no decomposition by-products that will damage equipment, no thermal shock to sensitive electronic and electrical equipment and no clean-up after discharge.

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# **Corporate Governance Overview Statement**

The Board of Directors (“the Board”) of CME Group Berhad (“the Group”) acknowledge the importance of sound corporate governance and is fully committed to exercise high standards of corporate governance being practiced throughout the Group to safeguard and promote the interests of all its stakeholders and for sustainable value creation. As such, the Board is committed to ensure that the relevant principles and recommendations stipulated in the Malaysian Code on Corporate Governance (“the Code”) are applied throughout the Company and its subsidiaries. This Corporate Governance Overview Statement should be read together with the Corporate Governance Report for the financial period from 1 October 2024 to 30 September 2025 (“FYE 2025”), which is available for download from the Company’s website at [www.cme.com.my](http://www.cme.com.my).

The Board is pleased to provide the following statement, which sets out the manner in which the Group has applied the principles and the extent of compliance with the best practices of the Code throughout the financial year under review.

## **1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES**

### **1.1 Clear Functions of the Board and Management**

The Board plays an active role in directing management in an effective and responsible manner. The Directors, collectively and individually, has a legal and fiduciary duty to act in the best interest of the Company and to effectively represent and promote the interests of the shareholders and stakeholders with a view to achieve its vision towards corporate sustainability. The Board assured of a balanced and independent view at all Board deliberations.

To assist the Board in the discharge of its oversight function, the Board has established Board Committees namely an Audit Committee, Nominating Committee, Remuneration Committee and The Employees’ Share Option Scheme Committee. The Board Committees operate within their own clearly defined terms of references and responsibilities as set out by the Board.

The following matters shall be reserved to the Board for determination and/or approval:

- Corporate plans and programs;
- Annual budgets, including major capital commitments;
- Key matters such as approval of annual and quarterly results;
- Material new ventures;
- Material acquisitions and disposal of undertakings and properties; and
- Changes to the management and control structure within the Company and its subsidiaries.

Other than as specifically reserved for the Board, the Board delegates the responsibility of implementing the Board approved strategies, business plans, policies and decisions to the Management which is led by the Group Chief Executive Officer (“CEO”).

The CEO and the management assume, amongst others, the following duties and responsibilities:

- Putting in place its many measures to build on its core business of sales and services of Specialised Mobility Vehicles;
- Exploring new product range and opportunities within the specialised vehicle industry;
- Explore other viable and profitable business ventures to improve the Group’s performance;
- Reviewing and monitor the performances of the Group’s operating divisions;
- Review shared initiatives and update the operational policies; and
- Identify opportunities and risks affecting the Group’s business and find ways of dealing with them.

The CEO shall attend Board Meetings by invitation. Non-Executive Directors may communicate with members of the management team at any time. The Board is assured of a balanced and independent view at all Board deliberations largely due to the presence of its Non-Executive Directors who are independent from management.

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### **1.2 Board Roles and Responsibilities**

The Board assumes, amongst others, the following duties and responsibilities:

- Reviewing, monitoring and approving the overall strategies, direction and policies of the Group;
- Overseeing the conduct of the Company's business to evaluate and to ensure the business is being properly managed;
- Identifying principal risks and ensuring significant risks are appropriately managed, reviewed and addressed;
- Succession planning, including appointing and determining the compensation of where necessary replacing senior management if required and necessary;
- Considering management recommendations on key issues including acquisition, disposal, restricting and significant capital expenditure; and
- Reviews adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

### **1.3 Code of Conduct and Ethics and Whistleblowing Policy**

This Code of Ethics and Conduct sets out the principles, values and standards of business ethics and conduct to guide the Board of Directors, the management and employees of the Group and its subsidiaries.

This Code is not a comprehensive guide that covers every ethical situation Employees and Directors when performing their duties but it provides a minimum standard of conduct in which the board and the employees of CME in their daily conduct.

Where there are doubts over matters relating to the Code, employees are to seek guidance from their respective Heads of Subsidiaries, Heads of Division or Heads of Department, who may if necessary, seek guidance from the senior

The Board is alert to the possibility of potential conflicts of interest involving the Directors, its employees and the Company. In line with good corporate governance practices and with the introduction of Whistleblower Protection Act 2010, the Board recognises the important of formalising a Whistleblowing Policy and Procedures to provide an avenue for all employees of the Group or external party to raise concerns about any improper conduct within the Group.

The objective of the Whistleblowing Policy and Procedures is to ensure that whistleblower, through understanding the Whistleblowing Policy and Procedures, will come forward to express his or her concerns about a (suspected) malpractice, without fear of punishment or unfair treatment. The Whistleblowing Policy and Procedures is posted on the Company's website at [www.cme.com.my](http://www.cme.com.my).

### **1.4 Anti-Bribery Corruption Policy**

The Group is committed to conducting its business ethically and in compliance with all applicable laws and regulations in the countries where it does business. These laws include but are not limited to the Malaysian Penal Code (revised 1977), the Malaysian Anti-Corruption Commission Act 2009 (revised 2018) and the Malaysian Companies Act 2016. These laws prohibit acts of bribery and corruption, and mandate that companies establish and maintain adequate procedures to prevent bribery and corruption. The Group has adopted a zero-tolerance for bribery and corrupt activities and committed to acting professionally, fairly, and with integrity in all business dealings and relationships, wherever in the country we operate.

This anti-bribery policy applies to all employees (whether temporary, fixed-term, or permanent), consultants, contractors, trainees, seconded staff, home workers, casual workers, agency staff, volunteers, interns, agents, sponsors, or any other person or persons associated with us (including third parties), or any of our subsidiaries or their employees, no matter where they are located (within or outside of the Malaysia). The policy also applies to Officers, Trustees, Board, and/or Committee members at any level. The Anti-Bribery and Corruption Policy is available on the Company's website at [www.cme.com.my](http://www.cme.com.my).

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### **1.5 Strategies that Promote Sustainability**

The Board places great importance on corporate responsibility and business sustainability. The Company's activities on environment, social and governance for the year under review are disclosed in the Sustainability Statement of this Annual Report.

### **1.6 Access to Information and Advice**

The Board has full and unrestricted access to all information pertaining to the businesses and affairs of the Group. Prior to the meetings of the Board and Board Committees, all Directors are furnished with the agenda together with comprehensive board papers containing information relevant to the business of the meetings. This allows the information, clarifications, necessary, at the meetings are focused and constructive to enable the Board to effectively discharge its function. Minutes of each Board meeting are circulated to all Directors for their perusal prior to confirmation, and Directors may raise comments or seek clarifications on the minutes prior to the confirmation of the minutes.

In discharging their duties, all the Directors have full access to the advice and services of the Company Secretary and other senior management. The Directors may, if necessary, also seek external independent professional advice in the furtherance of their duties to the Group's expense.

The Directors are notified of all the Company's announcements to Bursa Malaysia. They are also notified of the restriction in dealing with the securities of the Company at least one (1) month prior to the release of the quarterly financial result announcement.

Besides Board meetings, the Board also exercises control on matters that requires its approval through the circulation of Directors' resolutions.

### **1.7 Qualified and competent Company Secretary**

The Company Secretary of the Group has legal qualification and qualified to act as company secretary. The Company Secretary plays an advisory role to the Board in relation to the Company's Constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations. The Company Secretary ensures that deliberations at the Board meetings are recorded in the minutes. The Company Secretary also ensures that accurate and proper record of the proceedings and resolutions passed are taken and maintained in the statutory registers of the company.

### **1.8 Board Charter**

The Board is guided by Board Charter which provides reference for directors in relation to the Board's role, ensure the member acting on behalf of the Company are aware of their duties and responsibilities as Board members and the various legislations and regulations affecting their conduct and that the principles and practice of good Corporate Governance are applied in all their dealings in respect and on behalf of the Company.

The Board Charter is reviewed periodically to ensure its relevance and compliance. The Board Charter can be viewed on the Company's website at [www.cme.com.my](http://www.cme.com.my).

## **2. STRENGTHEN COMPOSITION OF THE BOARD**

### **2.1 Nominating Committee**

The Board has established a Nominating Committee comprises of the following Directors:

Adam Lim Lian Hwee Bin Danial	(Chairman) ( <i>Appointed w.e.f. 17 June 2025</i> )
Andrew Ho Tho Kong	(Chairman) ( <i>Resigned w.e.f. 17 March 2025</i> )
Miss Ong Suan Pin	(Member)
YAM Tengku Besar Tengku Kamil Ismail bin Tengku Idris Shah	(Member)

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The Nominating Committee is empowered by the Board and its terms and reference are:

- a. The members of the Nominating Committee shall be appointed by the Board from amongst their number, consisting of wholly Non-Executives Directors, a majority of whom must be independent, and shall consist of not less than two (2) members.
- b. The members of the Committee shall elect the Chairman from amongst their number who shall be Independent Non-Executive Director.
- c. If the number of members for any reasons fall below two (2), the Committee shall, within three (3) months of that event, review and recommend for the Board's approval to appoint the appropriate Director to fill the vacancy.
- d. The term of office for all members of the Committee is subject to renewal on a yearly basis.
- e. The Company Secretary shall be the Secretary of the Committee.
- f. Directors do not participate in decisions on their own nomination.

### **2.1.1 Terms of Reference of Nominating Committee**

- a. To propose new nominees for the Board and its subsidiaries whether to be filled by Board members, shareholders or executives.
- b. The Committee shall also consider candidates for directorships proposed by the Chief Executive Officer and within the bounds of practicality by any other senior executive or any director or shareholder.
- c. In identifying candidates for the Board, the Committee shall not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.
- d. If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Committee should explain why these source(s) suffice and other sources were not used.
- e. To assist the Board annually in reviewing the required mix of skills of experience and other qualities, including core competencies, which Non-Executive Directors should bring to the Board.
- f. To annually carry out the process to be implemented by the Board for assessing the effectiveness of the Board as a whole, the Committees of the Board and for assessing the contribution of each individual Director.
- g. To review management's proposals for the appointment, dismissal, transfer and promotions of all executives.
- h. Meetings are to be held as and when necessary. The quorum for each meeting shall be two (2). The Committee will decide its own procedures and other administrative arrangements. Minutes of each meeting shall be kept by the Company Secretary as evidence that the Committee has discharged its functions. The Chairman of the Committee will report to the Board after each Nominating Committee meeting.

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### **2.2 Develop, maintain and review criteria for recruitment and annual assessment of Directors**

#### **2.2.1 Appointment to the Board**

The appointment of Directors is undertaken by the Board as a whole upon recommendation by the Nominating Committee with due consideration given to the mix of expertise and experience required for an effective Board.

#### **2.2.2 Gender Diversity Policy**

Currently, the Company does not have a policy on gender diversity but believes in providing equal opportunity to all candidates. The Board has one female director for the time being. The Board remains committed to achieving 30% female representation on the Board.

#### **2.2.3 Annual Assessment**

The Nominating Committee will carry out annual evaluation on the effectiveness of the Board and the Board Committees as a whole. The evaluation will be done at least once a year for assessing the effectiveness of the Board. During the year, the performance evaluation indicated that the Board continue to function effectively.

#### **2.2.4 Assessment of Independent Directors**

Pursuant to the Malaysian Code of Corporate Governance, the tenure of an Independent Director does not exceed a term limit of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the board as a non-independent director. If the board intends to retain an independent director beyond nine years and not exceeding twelve years, it should provide justification and seek annual shareholders' approval through a two-tier voting process at the general meeting.

The Board through the Nominating Committee assessed the independence of Independent Non-Executive Directors of the Company and the Board has recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:

- i) They fulfill the criteria under the definition on Independent Director as defined in the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia;
- ii) They are able to bring independent and objective judgment to the Board;
- iii) They have been with the Company for more than nine (9) years with incumbent knowledge of the Company and the Group's activities and corporate history which enable them to participate actively and contribute positively during deliberations or discussions at Board meetings;
- iv) They have contributed sufficient time and effort and attended the Committee and Board Meetings for an informed and balanced decision making;
- v) They do not have any conflict of interest with the Company and have not been entering/are not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies; and
- vi) They have performed their duties diligently and in the best interest of the Company and provide broader views, independent and balanced assessment of proposals from the management.

#### **2.2.5 Re-election of Directors**

In accordance with the Constitution of the Company (the "Constitution"), at each Annual General Meeting ("AGM"), one-third (1/3) of the Directors for the time being, or if their number is not three (3) or multiple of three (3), then the number nearest to one-third (1/3), shall retire from office by rotation and all Directors shall retire from office at least once every three years but shall be eligible to offer themselves for re-election. Directors who are appointed by the Board during the financial year are subject to re-election by the shareholders at the next AGM to be held following their appointments.

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The Company Secretary ensures that all appointments are properly made, that all information is obtained from the Directors, both for the Company's own records and for the purposes of meeting statutory obligations, as well as obligations arising from the Listing Requirements or other regulatory requirements.

The names and details of Directors seeking re-election and re-appointment are disclosed in the Notice of AGM.

### **2.2.6 Directors' Fit and Proper Policy**

In line with the new rule of the Main LR, the Board had on 30 September 2022 adopted the Directors' Fit and Proper Policy. The Fit and Proper Policy sets out the Group's approach to the assessment on any person identified to be appointed as a Director or to continue holding the position as Director to ensure they have the required character, experience, integrity, competence and commitment of time to effectively discharge their duties and responsibilities in tandem with good corporate governance practice. The Directors' Fit and Proper Policy is available at the Company's corporate website at [www.cme.com.my](http://www.cme.com.my).

### **2.3 Remuneration Committee**

The Board has established a Remuneration Committee consisting of the following Directors:

Adam Lim Lian Hwee Bin Danial	(Chairman) <i>(Appointed w.e.f. 17 June 2025)</i>
Andrew Ho Tho Kong	<i>(Chairman) (Resigned w.e.f. 17 March 2025)</i>
YAM Tengku Besar Tengku Kamil Ismail	
Bin Tengku Idris Shah	(Member)
Miss Ong Suan Pin	(Member)

- a. The members of the Remuneration Committee shall be appointed by the Board from amongst their number, consisting wholly of Non-Executive Directors, a majority of them must be independent, and shall consist of not less than two (2) members.
- b. The members of the Committee shall elect the Chairman from amongst their number who shall be Independent Non-Executive Director.
- c. If the number of members for any reasons fall below two (2), the Board shall, within three (3) months of that event, appoint such numbers of new members as may be required to make up the minimum number of two (2) members.
- d. The term of office for all members of the Committee is subject to renewal on a yearly basis.
- e. The Company Secretary shall be the Secretary of the Committee.
- f. Directors do not participate in decisions on their own remuneration packages.

#### **2.3.1 Remuneration Policy**

The responsibilities of Remuneration Committee are set out in the Term of Reference as below:

- a. To review and recommend to the Board the remuneration of each of the Executive and Non-Executive Directors in all its forms, drawing from outside advice as necessary.
- b. To recommend to the Board after reviewing the management's proposals on:
  - Overall annual salary increment frameworks/policy.
  - Annual bonus limits/guidelines and incentive scheme.
  - Fees and basic salary levels.

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- Remuneration, benefits in kinds and other terms and conditions of employment, which have to be introduced as part of the group's overall human resource development plan. This would include matters such as pegging the Group salaries in line with industry standards and major changes in benefits package.

### 2.3.2 Remuneration Procedures

Directors' remuneration is decided and reviewed in line with the objective of attracting and retaining directors of the calibre, expertise and experience needed to lead the Group successfully. Remuneration for the Executive Directors is aligned to individual and corporate performance. Non-Executive Directors are paid fees for the responsibility they shoulder.

The Remuneration Committee recommends to the Board for approval the remuneration of the Executive Directors in accordance with the remuneration policy established. The Board as a whole determines the remuneration of the Non-Executive Directors. Each individual Director abstains from the Board decision on his own remuneration. The fees of the Directors are subject to the approval of the shareholders at the AGM.

### 2.3.3 Disclosure of Directors' Remuneration

The details of Directors' remuneration during the FYE 2025 disclosed by category are as follows:

Directors	Fee (RM)	Salary (RM)	Statutory Contribution (RM)	Incentive (RM)	Total (RM)
<b><u>From the Company</u></b> <b><u>Executive Directors</u></b>					
<b><u>Y.M. Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin</u></b>					
Y.M. Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin	20,000	-	-	-	20,000
Azlan Omry Bin Omar	20,000	-	-	-	20,000
<b><u>Non-Executive Directors</u></b>					
Adam Lim Lian Hwee Bin Danial (Appointed on 17.6.2025)	10,000	-	-	-	10,000
Ong Suan Pin	40,000	-	-	-	40,000
YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah	40,000	-	-	-	40,000
Tengku Munawirah Putra (Resigned on 31.3.2025)	10,000	-	-	-	10,000
Andrew Ho Tho Kong (Resigned on 17.3.2025)	10,000	-	-	-	10,000
<b><u>From the Group</u></b> <b><u>Executive Directors</u></b>					

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Y.M. Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin	20,000	-	-	-	20,000
Azlan Omry Bin Omar	20,000	63,000	8,519	-	91,519
<b><i>Non-Executive Directors</i></b>					
Adam Lim Lian Hwee Bin Danial (Appointed on 17.6.2025)	10,000	-	-	-	10,000
Ong Suan Pin	40,000	-	-	-	40,000
YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah	40,000	-	-	-	40,000
Tengku Munawirah Putra (Resigned on 31.3.2025)	10,000	-	-	-	10,000
Andrew Ho Tho Kong (Resigned on 17.3.2025)	10,000	-	-	-	10,000

The Company respects the confidentiality of the remuneration of the Senior Management in view of the competitive nature of human resource market. Thus, the Company does not have the intention to adopt the recommendation to disclose the details of each member of senior management in bands of RM50,000 on a named basis.

However, the Company would endeavor to ensure that the remuneration packages of the employees are in line with the industry practices and the annual increments and bonuses pay-out are based on individual performance.

### **3. REINFORCE INDEPENDENCE**

#### **3.1 Annual Assessment of Independent Directors**

The Board shall assess the independence of the Independent Directors annually, taking into account the individual Director's ability to exercise independent judgment at all times and to contribute to the effective functioning of the Board.

The Independent Directors are not employees and they do not participate in the day-to-day management as well as the daily business of the Company. There are two (2) independent directors and they are able to express their views without any constraint. This strengthens the Board which benefits from their independent views expressed before any decisions are taken. They bring an external perspective, constructively challenge and help develop proposals on strategy, scrutinise the performance of Management in meeting approved goals and objectives, and monitor risk profile of the Company's business and the reporting of monthly business performance.

The Board has assessed the independence of the Independent Directors and is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interest of the Company.

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### **3.2 Tenure of Independent Directors**

In compliance with the recommendation of the Code, the Nominating Committee has reviewed and assessed the Independent Director who has served a tenure of more than nine (9) years each in that capacity of the Company. YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah, who was appointed as an Independent Non-Executive Director on 9 March 2015, has exercised his objective and independent judgments on all board deliberations and has not compromised his long relationship with other Board members. The Nominating Committee has recommended to the Board to seek shareholders' approval through a two-tier voting process for YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah to be retained as an Independent Director of the Company at the forthcoming AGM.

### **3.3 Separation of positions of the Chairman and CEO**

The roles and responsibilities of the Chairman and the CEO are distinct and separate; the Chairman being Non-Executive is not involved in the management and day-to-day operations of the Group. The Chairman position has been vacated and the Board will continue to assess the need to fill up the position from time to time.

The CEO has overall responsibilities for the day-to-day management of the business and is responsible for Group strategies, organisational effectiveness and implementation of Board policies and decisions.

Generally, the Executive Directors are responsible for developing, coordinating and implementing business and corporate policies and strategies for the Group. They are accountable to the Board for the profitability, operations and development of the Group, consistent with the primary objective of protecting and enhancing long term stakeholders' value and the financial performance of the Group whilst taking into account the interests of other stakeholders.

The Non-Executive Directors who possess the experience and business acumen contribute effectively to the Board's deliberation and decision making process. The Independent Directors are independent of management and are free from any business or other relationships that could materially interfere with the exercise of independent judgment. They provide independent and balanced assessment and unbiased views and advice to the Board's deliberation and decision-making process, so as to safeguard the interests of the Group and its stakeholders whilst ensuring high standards of conduct and integrity are maintained.

### **3.4 Composition of the Board**

The Board acknowledges the importance of age, nationality, professional background and gender diversity and recognises the benefits that such diversity can bring. The Company is led and managed by a well-balanced Board which consists of members with wide range of business, financial, legal experience and industry specific knowledge which is vital for the successful direction of the Group.

The Board is made up of five(5) members as set out below:

- Two (2) Independent Non-Executive Directors
- One (1) Non-Independent Non-Executive Director, and
- Two (2) Executive Directors

The Board composition provides an effective check and balance in the functioning of the Board, and is in compliance with Listing Requirements of Bursa Malaysia which require one-third (1/3) of the Board to be independent directors.

A brief profile of each Director is presented on pages 13 to 14 of this Annual Report.

## **4. FOSTER COMMITMENT**

### **4.1 Time Commitment**

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The Board meets at least four (4) times a year with additional meetings for particular matters convened as and when necessary. Meetings were scheduled at the start of the year to enable Board members to plan their appointment schedule. During the FYE2025, the Board met four (4) times and all Directors have complied with the requirements in respect of board meeting attendance as provided in the Listing Requirements of Bursa Malaysia. At these meetings, all members of the Board are encouraged to conduct full deliberation on issues brought up. Senior management and external advisors are invited to attend the Board meetings to brief and advise on relevant agenda items to enable the Board to arrive at a considered decision. At these meetings, the Company Secretary is responsible for ensuring that all relevant procedures are complied with and that accurate and proper records of the proceedings of Board meetings and resolutions passed are recorded and kept in the statutory register at the registered office of CME.

The details of the attendance of each Director at Board Meetings held during the FYE 2025 are set out below.

<u>Name</u>	<u>Meetings Attended</u>
Y.M. Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin	4/4
Azlan Omry Bin Omar	4/4
Adam Lim Lian Hwee Bin Danial*	0/1
Andrew Ho Tho Kong**	2/2
Tengku Munawirah Putra***	2/2
Ong Suan Pin	4/4
YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah	4/4

\* Appointed on 17 June 2025

\*\* Resigned on 17 March 2025

\*\*\* Resigned on 31 March 2025

### **4.2 Directors' Training**

The Company is cognizant of the importance of continuous training for Directors to further enhance their knowledge and expertise and to keep abreast with latest developments in regulatory requirements and business practices.

All Directors have attended the Mandatory Accreditation Programme prescribed by the Listing Requirements of Bursa Malaysia. From time to time, all directors are provided with reading materials and internal briefings pertaining to their roles and responsibilities by Company Secretary.

The Board encourages its Directors to attend talks, seminars, workshops and conferences to update and enhance their skills and knowledge to enable them to carry out their roles effectively as Directors in discharging their responsibilities towards corporate governance, operational and regulatory issues.

During the FYE 2025, the Director attended the following training programme:

<u>Name</u>	<u>Programme</u>
Y.M. Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin	Strategic Portfolio Leadership Driving Growth In Business Innovation
Azlan Omry Bin Omar	
Adam Lim Lian Hwee Bin Danial	
YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah	
Ong Suan Pin	

## **5. UPHOLD INTEGRITY IN FINANCIAL REPORTING**

### **5.1 Compliance with applicable financial reporting standards**

#### **5.1.1 Financial Reporting**

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The Board is responsible for ensuring that financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. In presenting the financial statements, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates to present a true and fair assessment of the Company’s position and prospects. The annual audited financial statements and quarterly announcement of results were reviewed by Audit Committee and approved by the Board prior to release to Bursa Malaysia.

### **5.2 Assessment of suitability and independence of External Auditors**

The Company’s external auditors continue to report to the Company on their findings which are reported in the Company’s financial reports with respect to each year of audit on the statutory financial statements. The Audit Committee and the Board have established formal and transparent arrangements to maintain appropriate relationships with the Company’s external auditors from whom professional advice on financial reporting is sought.

The Board has established a formal and transparent relationship with the auditors. The Audit Committee recommends the appointment of the external auditors. The appointment of the external auditors is subject to the approval of shareholders in general meetings whilst their remuneration is determined by the Board. From time to time, the auditors highlight to the Audit Committee and the Board on matters that require the Board’s attention and the Audit Committee Members meet with the External Auditors at least twice a year without the presence of the Executive Director and Management.

For the financial year under review, the External Auditors confirmed that they are and have been independent throughout the audit engagement.

## **6. RECOGNISE AND MANAGE RISK**

The Board is responsible for the Group’s system of internal control and risk management and for reviewing its adequacy and integrity. While acknowledging their responsibility for the system of internal control, the Board is aware that the Group’s system is designed to manage rather than eliminate risks and therefore cannot provide absolute assurance against material misstatements, fraud and loss.

The Statement on Risk Management and Internal Control set out on pages 41 to 44 of this Annual Report provides an overview of the state of risk management and internal controls of the Group and of the Company.

## **7. ENSURE TIMELY AND HIGH QUALITY DISCLOSURE**

### **7.1 Corporate Disclosure Policies**

The Board has in place a Corporate Disclosure Policy in line with the Main Market Listing Requirements of Bursa Securities to enable comprehensive, accurate and timely disclosures relating to the Company and its subsidiaries to be made to the regulators, shareholders and investors.

The Board has delegated the authority to the Executive Directors to approve all announcements for release to Bursa Securities. The Executive Director work closely with the Board, Key Management and Company Secretary who are privy to the information to maintain strict confidentiality of the information.

Apart from the provisions relating to the ‘closed period’ for dealing in the company’s shares, the directors and key management privy to price sensitive information are prohibited from dealing in the shares of the company until such information is publicly available.

### **7.2 Leverage on Information Technology for Effective Dissemination of Information**

Shareholders and investors can obtain pertinent information on the Group’s various activities by accessing its website at [www.cme.com.my](http://www.cme.com.my) or through the Bursa Malaysia website at [www.bursamalaysia.com](http://www.bursamalaysia.com). CME website has a dedicated online investor relation portal providing information about the Group including financials, Annual Report, announcements and media releases.

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### **8. STRENGHTEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS**

The Board recognises the important of establishing a direct line of communication with shareholders and investors through timely dissemination of information on the Group's performance and major development via appropriate channels of communication.

Platforms for dissemination of information include the AGM and Extraordinary General Meetings ("EGM"), if any, distribution of Annual Reports and relevant circulars, and prospectuses. Information on the financial performance of the Group is communicated to the public via the announcement of its financial results to Bursa Securities on a quarterly basis.

The AGM is the principal forum for dialogue and interaction among shareholders, the Board and Management. At each AGM, the Board encourages shareholders to participate in the proceedings and ask questions about the resolutions being proposed and corporate developments as well as receiving constructive feedback from shareholders. Shareholders who are unable to attend are allowed to appoint proxy/proxies to attend and vote on their behalf.

The Chairman will ensure that the Shareholders are informed of their rights to demand for poll voting at the commencement of each general meeting.

This statement was approved by the Board of Directors on 26 January 2026.

### **ADDITIONAL COMPLIANCE INFORMATION**

The following information provided is in respect of the FYE 30 September 2025.

#### **1. Debts and Equity Securities**

During the financial under review, there were no share buy-back, shares cancellation, share held as treasury shares or resale of treasury shares by the Company.

During the financial year, the Company allotted ordinary shares pursuant to the conversion of its Zero Coupon Irredeemable Convertible Unsecured Loan Stocks ("ICULS"), comprising:

- (a) the conversion of 120,000 ICULS into 120,000 ordinary shares; and
- (b) the mandatory conversion of 402,365,915 ICULS into 160,942,365 ordinary shares.

#### **2. Audit and Non-Audit Fees**

During the financial year, the amounts of audit and non-audit fees paid and payable by the Company and the Group to the External Auditors are as follows:

	<b>Company (RM'000)</b>	<b>Group (RM'000)</b>
Audit Fees	65	162
Non-Audit Fees	8	8

#### **3. Material Contracts**

There was no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest.

#### **4. Recurrent related party transactions of a revenue or trading nature**

There were no recurrent transactions with related parties undertaken by the Group during the financial year under review.

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# **Audit Committee Report**

The Board of Directors of CME Group Berhad is pleased to present the Audit Committee Report for the financial year ended 30 September 2025 ("FYE 2025").

## **CONSTITUTION**

The terms of reference of the Audit Committee are set out in pages 39 to 40 of the Annual Report.

## **COMPOSITION**

The Audit Committee comprises three (3) members of the Board with two (2) Independent Non-Executive Directors and one (1) Non-Executive Non-Independent Director.

## **MEMBERSHIP**

Members of the Board who serve on the Audit Committee are as follows:

<u>Name</u>	<u>Membership status</u>
Adam Lim Lian Hwee Bin Danial (Appointed on 17 June 2025)	Chairman, Independent Non-Executive Director
Andrew Ho Tho Kong (Resigned on 17 March 2025)	Chairman, Independent Non-Executive Director
Ong Suan Pin	Member, Non-Executive Non-Independent Director
YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah	Member, Independent Non-Executive Director

## **MEETINGS**

The Committee met four (4) times during the FYE 2025. Details of the attendance of each member at the Audit Committee Meeting held during the period are as follows:

<u>Name</u>	<u>No. of Meeting Attended</u>
Adam Lim Lian Hwee Bin Danial (Appointed on 17 June 2025)	0/1
Andrew Ho Tho Kong (Resigned on 17 March 2025)	2/2
Ong Suan Pin	4/4
YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah	4/4

## **SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE**

During the financial year, the Audit Committee conducted its activities in line with its terms of reference which include the followings:

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### **1. Financial Results**

- (a) Reviewed the unaudited quarterly financial results and announcements before recommending to the Board for consideration and approval and the release of the Group's results to Bursa Malaysia.
- (b) Reviewed the annual audited financial statements before recommending to the Board for consideration and approval. The review was to ensure that the financial reporting and disclosures were in compliance with:
  - Main Market Listing Requirements of Bursa Malaysia;
  - Provisions of Companies Act 2016 and other legal and regulatory requirements; and
  - Applicable approved accounting standards of Malaysian Accounting Standards Board.

### **2. External Audit**

- (a) Reviewed and approved the external auditors' audit plan and scope of work for the annual audit.
- (b) Reviewed the results from the external audit and highlighted the issues and reservations arising from the audit to the Committee.
- (c) Recommended to the Board the appointment and remuneration of the external auditors.
- (d) Reviewed with the external auditors the impact of new or proposed changes in accounting standards and regulatory requirements and the extent of compliance.

### **3. Internal Audit**

- (a) Reviewed and approved the internal audit plan for the year prepared by the internal auditors to ensure adequate scope and coverage on the activities of the Group taking into consideration the assessment of the key risks areas.
- (b) Reviewed the performance, adequacy, resources and competency of the internal auditors.
- (c) Reviewed the internal audit reports, audit recommendations made and Management's response to these recommendations and actions taken to improve system of internal control and procedures.

### **INTERNAL AUDIT FUNCTION**

The Internal Audit Function ("IAF") of the Group is outsourced. The cost incurred for the outsourced of internal audit function in respect of the FYE 2025 amounted to RM12,000.00.

The IAF's primary role is to provide assurance to the Audit Committee on the adequacy and effectiveness of the risk, control and governance framework of the Group.

The IAF reports directly to the Audit Committee who reviews and approves the annual internal audit plan.

During the FYE 2025, the activities carried out were as follows:

- (a) Conducted internal audit reviews in accordance with the approved internal audit plan and reported to the Audit Committee on the findings and the actions taken by Management to address the matters highlighted.
- (b) Reviewed the adequacy and effectiveness of the system of controls to ensure there is a systematic methodology in identifying, assessing and mitigating risk areas in regard to:

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- Reliability and integrity of financial and operational information;
- Effectiveness and efficiency of operations;
- Safeguarding of assets; and
- Compliance with laws, regulations and contractual obligations within the Group's governance, operations and information systems.

(c) Reviewed and appraised the soundness, adequacy and application of controls in the area of adherence, efficiency and effectiveness.

(d) Identified opportunities to improve the operations and processes of the Group and recommend improvements to existing system of internal controls.

## **TERMS OF REFERENCE**

The Audit Committee is guided by terms of reference, of which the salient points are as follows:

### **1. Objectives of the Audit Committee**

The Audit Committee shall assist the Board:

- (a) in complying with specified accounting standards and the necessary disclosure as required by Bursa Malaysia, relevant accounting standards bodies, and any other laws and regulations as amended from time to time;
- (b) in presenting a balanced and understandable assessment of the Company's position and prospects;
- (c) in establishing a formal and transparent arrangement for maintaining an appropriate relationship with the Company's auditors; and
- (d) in maintaining a sound system of internal controls to safeguard shareholders' investment and the Company's assets.
- (e) ensure the independence of the external and internal audit functions.

### **2. Composition of the Audit Committee**

- (a) The Audit Committee shall comprise a minimum of three (3) members and the Audit Committee should comprise majority of independent directors.
- (b) All members of the Audit Committee shall be non-executive directors.
- (c) At least one (1) member of the Audit Committee shall be a member of the Malaysian Institute of Accountants or a person who fulfils the requirements of the Listing Requirements.
- (d) The Chairman of the Audit Committee shall be an Independent Director.
- (e) All members of the Audit Committee shall hold office only for so long as they serve as Directors of the Company.

### **3. Duties and Responsibilities of the Audit Committee**

- (a) To nominate and recommend the appointment of the external auditors and considers the adequacy of experience, resources, audit fee and any issues regarding their re-appointment, resignation or dismissal;
- (b) To discuss with the external auditors before the audit commences the nature and scope of the audit;

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- (c) To discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary);
- (d) To review with external auditors, their audit report;
- (e) To perform the following in respect of the IAF:
  - (i) reviews and reports to the Board on:
    - the adequacy of the scope, authority, functions, resources and competency of the IAF;
    - the internal audit programme, processes and the results of the internal audit programme, process or investigations undertaken and whether or not the management takes appropriate action on the recommendation of the IAF;
  - (ii) discuss and review the major findings of internal audit investigations and Management's response and where necessary, ensures that appropriate actions taken on the recommendations of the IAF;
  - (iii) reviews any appraisal or assessment of the performance of members of the IAF;
  - (iv) ensures the independence of the IAF and that it reports directly to the Audit Committee;
- (f) To review with the management and the external auditors the quarterly and year-end financial statements before their submission to the Board, focusing particularly on any changes in accounting policies and practices, significant adjustments arising from the audit, the going concern assumptions, and compliance with accounting standards and other statutory requirements;
- (g) To review and report to the Board on any related party transactions and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (h) To report to the Board of Directors if there is any breach of Listing Requirements and recommends corrective measures;
- (i) To promptly report to Bursa Malaysia where a matter reported by the Audit Committee to the Board has not been satisfactorily resolved resulting in a breach of Listing Requirements; and
- (j) To consider other issues as defined by the Board.

## **CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

## **AND ITS SUBSIDIARIES**

# **STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL**

The Statement of Risk Management and Internal Control ("Statement") is made pursuant to Paragraph 15.26(b) and Practice Note 9 of Bursa Malaysia Securities Berhad Main Market Listing Requirements of which requires Malaysian Public listed companies to outline the nature and scope of risk management and internal control, as a Group, in their Annual Report. The Board of Directors ('The Board") of CME Group Berhad ("The Group") is pleased to present the following statement which outlines the nature and scope of internal control of the Company.

## **BOARD RESPONSIBILITY**

The Board recognizes the importance of good practice of corporate governance and is responsible for the adequacy and effectiveness of the Group's Risk Management and Internal Control System. The Board is committed to maintain a sound system of internal control and risk management for the Group and is responsible for the establishment of an appropriate control environment, risk management framework, processes and structures, and continually reviewing its adequacy and integrity so as to safeguard shareholders' investment and the assets of the Group.

The Board and Management have implemented a sound system designed to identify and manage risks faced by the Group in pursuit of its business objective including updating the systems in line with changes to business environment, operating conditions and compliance with relevant laws, both local and foreign, all other regulations, policies and procedures. As any system of internal control has inherent limitations, such systems are designed to manage rather than eliminate the risk that may restrict or prevent the achievement of the Group's business objectives. This internal control system, by its nature, can only provide reasonable but not absolute assurance against material misstatement or losses, fraud or breaches of laws or regulations. The Board has received assurance from the CEO that the Company's risk management and internal control systems are operating adequately and effectively in all material aspects.

## **RISK MANAGEMENT**

The Group's overall risk management objective is to ensure that the Group creates value for its shareholders whilst minimising potential adverse effects on its performance and positions.

The Group has in place processes for the identification, evaluation, reporting, treatment, monitoring and review of the major strategic, business and operation risks within the Group. The risk management structure and control mechanism for financial, operational, environmental and compliance matters with Board's participation, is put in place and embedded throughout the Group during the financial year under review and up to the date of approval of this Statement, so as to manage the significant risks that may affect the Group's business objectives on a continuous basis and they also allow any new significant risk identified being subsequently evaluated and managed. The Board shall continue to evaluate the existing risk management practices, and where appropriate and necessary, revise such practices accordingly.

### **Enterprise Risk Management ("ERM") Framework**

The Board endeavours to identify the relevant and major risk faced by the Group and regards risk management as an integral part of the Group's business operations and has oversight over this critical area through the Audit Committee. The Audit Committee, supported by the outsourced Internal Audit department, provides an independent assessment of the effectiveness of the Group's ERM framework and reports to the Board. The Group's ERM framework is consistent with the ERM framework and involves systematically identifying, analysing, measuring, monitoring and reporting on the risks that may affect the achievement of its business objectives. This framework helps to reduce the uncertainties surrounding the Group's internal and external environment, thus allowing it to maximise opportunities and minimise adverse incidences that may arise. The major risks to which the Group is exposed are strategic, operational, regulatory, financial, market, technological, products and reputational risks.

## **CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

## **AND ITS SUBSIDIARIES**

### **GROUP'S ERM FRAMEWORK**

The ERM process is based on the following principles:

- Consider and manage risks enterprise-wide;
- Integrate risk management into business activities;
- Manage risk in accordance with the Risk Management framework;
- Tailor responses to business circumstances; and
- Communicate risks and responses to Management

All identified risks are displayed on a 1-to-3 risk matrix based on their risk ranking to assist Management in prioritising their efforts and appropriately managing the different classes of risks. The Board and Management drive a proactive risk management culture and regular risk awareness and coaching sessions are held to ensure that the Group's employees have a good understanding and application of risk management principles. There is no dedicated ERM department, however, deputy Chief Finance Officer work closely with the Group's operational managers to continuously strengthen the risk management initiatives within the Group so that it responds effectively to the constantly changing business environment and is thus able to protect and enhance shareholder value.

The Board acknowledged the importance of effective ERM in enhancing shareholder value while upholding a high standard of corporate governance. Combining a strong and sustained commitment from the Board and Senior Management with a clear direction and oversight from all levels of leadership, the Group embraces a holistic risk management approach to achieve its business targets with minimal surprises.

### **INTERNAL CONTROL SYSTEM**

The Board further recognises its responsibility for having an effective internal control system as part of the Internal Audit function of the Group. As more fully described in the Audit Committee Report, an independent internal audit function has been established which provides assurance to the Audit Committee on the adequacy and integrity of the Group's internal controls, the Group in its efforts to provide adequate and effective internal control system had appointed T. H. Kuan & Co, ("TH Kuan"), an independent consulting firm to review the adequacy and integrity of its system of internal control. The internal auditor work closely with management to understand all aspects of CME Group's business environment and recommend measures to improve the internal controls, where appropriate. They concentrate on areas in which risk exposures are high and management's area of concern as well as areas which have significant financial impact to the Group. This is to provide reasonable assurance that such systems continue to operate satisfactorily and effectively within the Group.

For the Financial Year Ending 30 September 2025, the area of reviews by TH Kuan include:

- a) Human resource management
  - compliance with established policies and procedures
  - hiring and termination of personal
  - recording and computing of payroll
  - approval and disbursement of payroll, overtime and staff claim
  - maintenance of payroll master files
  - manpower planning and budgeting
  - staff training and development program
- b) property, plant & equipment management
  - approval of acquisition of assets
  - completeness of recording
  - safeguard measures

## **CME GROUP BERHAD**

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## **AND ITS SUBSIDIARIES**

- c) inventory management and logistic
  - stock count procedures and process
  - stock card system
  - recording system for stocks
  - security for storage of inventories
  - provision for stock obsolescence

The findings of the internal audit reviews together with Management's responses are circulated to the Audit Committee and Board by TH Kuan. The objective of the internal audit review is to assist the board of directors in performing its oversight responsibilities, and to help increase shareholders' confidence in the Group's system of internal controls.

The review is to determine whether there are significant areas of non-compliance with controls and procedures as indicated in the policies and procedures of the Group that may be detrimental to the Group's financial position.

The Key Elements of The Group's Internal Control System include:

1. The roles and responsible are clearly defined with a clear organisation structure, line of accountability and delegated authority to facilitate the Group's daily operations consistently in line with its corporate objectives, strategies, budget, policies and business directions as approved by the Board;
2. Policy guidelines and authority limits are imposed on Executive Directors and Management within the Group in respect of the day to day banking and financing operations, investments, acquisition and disposal of assets. The limits are reviewed and updated regularly to reflect business, operational and structural changes. There are guidelines within the Group for recruitment of staff, training, performance appraisals and other relevant procedures;
3. Quarterly Board meetings and monthly management meetings are held where information is provided to the Board and management covering financial performances and operations;
4. Training and development are provided as and when required by employees with the objective of enhancing their knowledge and competency; and
5. Management accounts and reports are prepared regularly for monitoring of actual performance.

Audits on quality accreditations of the Group by internal auditors and accreditation bodies to ensure compliance with certification and regulatory requirements were conducted. The Group has in place internal control systems at each level of responsibility supported by commitment of management. The Board believes that a sound internal control system reduces, though it cannot eliminate, the possibility of poor judgement in decision making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

## **REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS**

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report. Their limited assurance review was performed in accordance with ISAE 3000 (Revised) and AAPG 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

Based on the procedures performed, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is it factually inaccurate.

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****CONCLUSION**

The CEO, being the person primarily responsible for the overseeing and managing of the operational affairs of the Company has provided assurance to the Board that the Group's risk management and internal control system, have been operated adequately and effectively, in all material aspects, based on the Group's policies and procedures. Under the purview of the CEO and the General Managers, the heads of department are empowered with the responsibility of managing their respective operations.

The Board is of the view that the risk management and internal control systems of the Group are satisfactory and have not resulted in material losses or contingencies to the Group for the financial year under review.

The Board has an ongoing commitment to ensure continuous improvement in the effectiveness and integrity of the Group's system of risk management and internal control.

This statement is made in accordance with the resolution of the Board of Directors dated 26 January 2026.

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****STATEMENT OF DIRECTORS' RESPONSIBILITY**

The Directors are responsible to ensure that financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2025 and of the results and the cash flows of the Group and of the Company for the year then ended.

In preparing these financial statements for the financial year ended 30 September 2025, the Directors have:

- adopted suitable accounting policies and then applied them consistently;
- made estimates and judgments that are reasonable and prudent;
- ensured that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2016. The Directors are also responsible for the assets of the Group and of the Company and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**CME GROUP BERHAD**  
Registration No.: 197901007949 (52235-K)  
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**AND ITS SUBSIDIARIES**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30 SEPTEMBER 2025**  
**(In Ringgit Malaysia)**

**CME GROUP BERHAD**

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## **CME GROUP BERHAD**

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## **AND ITS SUBSIDIARIES**

### **DIRECTORS' REPORT**

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 September 2025.

#### **Principal activities**

The Company is principally engaged in the business of investment holding.

The principal activities of the subsidiaries are set out in Note 13 to the financial statements.

#### **Results**

	<b>Group RM'000</b>	<b>Company RM'000</b>
Profit for the financial year after taxation attributable to owners of the Company	<u>8,406</u>	<u>4,426</u>

#### **Reserves and provisions**

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

#### **Dividend**

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any dividend for the financial year ended 30 September 2025.

#### **Directors**

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

YM Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin  
YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah  
Azlan Omry Bin Omar  
Ong Suan Pin  
Adam Lim Lian Hwee Bin Danial (appointed on 17 June 2025)  
Andrew Ho Tho Kong (resigned on 17 March 2025)  
Tengku Munawirah Putra (resigned on 31 March 2025)

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****Directors (continued)**

The Directors who hold office in the subsidiary companies (excluding Directors who are also Directors of the Company) during the financial year until the date of this report are:

Nicola Lim Lian Li  
Dato' Sri Adnan Bin Wan Mamat

**Directors' interest in shares**

The shareholdings in the Ordinary Shares of the Company and of its related corporations (other than wholly owned subsidiaries) of those who were Directors at the end of the financial year, as recorded in Register of Director's Shareholding kept by the Company and the related corporation respectively under Section 59 of the Companies Act, 2016 in Malaysia were as follows:

	<b>Number of ordinary shares</b>		
	<b>At 1.10.2024</b>	<b>Addition</b>	<b>Disposal</b>
			<b>At 30.9.2025</b>

## Direct interests:

Ong Suan Pin	7,666,000	-	-	7,666,000
Azlan Omry Bin Omar	50,000	-	-	50,000

## Indirect interests:

YM Tunku Nizamuddin Bin				
Tunku Dato' Seri Shahabuddin*	174,449,400	-	-	174,449,400

**Numbers of Warrants 2018/2028**

	<b>Conversion/ Disposal</b>		
	<b>At 1.10.2024</b>	<b>Addition</b>	<b>At 30.9.2025</b>

## Direct interests:

Ong Suan Pin	75,000	-	-	75,000
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## Indirect interests:

YM Tunku Nizamuddin Bin				
Tunku Dato' Seri Shahabuddin*	17,144,700	-	-	17,144,700

\* By virtue of Section 8 of the Companies Act, 2016, YM Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin is deemed to be interested in the shares of the Company to the extent that Best Birdnest Sdn. Bhd. has an interest.

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares of the Company and of its related corporations.

**Directors' benefits**

## **CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

## **AND ITS SUBSIDIARIES**

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Director shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than as disclosed in Note 5 to the financial statements.

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

### **Directors' remuneration**

The remuneration paid to or receivable by the Directors or past Directors of the Company and the estimated money value of other benefits received or receivable by them otherwise than in cash from the Company or its subsidiaries are as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
Directors' remuneration		
- Fees	150	150
- Other emoluments	105	-
- Defined contribution plan	9	-
	<hr/> <b>264</b>	<hr/> <b>150</b>

### **Indemnity and insurance for Directors, officers or auditors**

There was no indemnity has been given to or insurance effected for any Director, officer or auditor of the Group and of the Company.

### **Issue of shares and debentures**

During the financial year, the issued and paid-up share capital of the Company was increased from 1,048,063,635 ordinary shares to 1,209,126,000 ordinary shares by ways of issue of:

- (i) 161,062,365 new ordinary shares by way of conversion of irredeemable convertible unsecured loan stocks based on the conversion price of RM0.10 per ordinary shares (Note 19)

The new ordinary shares issued during the financial year rank pari-passu in all respects with the existing ordinary shares of the Company.

There were no debentures issued during the financial year.

### **Options granted over unissued shares**

**CME GROUP BERHAD**

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**AND ITS SUBSIDIARIES**

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

**Other statutory information**

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

- (i) proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there are no known bad debts and that adequate provision had been 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) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts of the Group and of the Company inadequate to any substantial extent; or
- (ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (iv) not otherwise dealt with in this report or the financial statements, which 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 and of the Company that has arisen since the end of the financial year to secure 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 the Group and of the Company 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 30 September 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 the financial year and the date of this report.

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES**

**Auditors**

The auditors, Messrs PKF PLT, have expressed their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year ended 30 September 2025 amounted to RM162,000 and RM65,000 respectively.

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

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AZLAN OMRY BIN OMAR

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YM TUNKU NIZAMUDDIN BIN TUNKU DATO'  
SERI SHAHABUDDIN

Kuala Lumpur  
26 January 2026

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES**

**STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016 IN MALAYSIA**

In the opinion of the Directors, the accompanying financial statements as set out on pages 59 to 137 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia, so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2025 and of their financial performance and their cash flows for the financial year ended on that date.

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

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AZLAN OMRY BIN OMAR

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YM TUNKU NIZAMUDDIN BIN TUNKU DATO'  
SERI SHAHABUDDIN

Kuala Lumpur  
26 January 2026

**STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016 IN MALAYSIA**

I, AZLAN OMRY BIN OMAR, being the Director primarily responsible for the financial management of CME GROUP BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements as set out on pages 59 to 137 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960 in Malaysia.

Subscribed and solemnly declared by the )  
above-named at Kuala Lumpur in Wilayah )  
Persekutuan on 26 January 2026 )

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AZLAN OMRY BIN OMAR

Before me,

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COMMISSIONER FOR OATHS

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF CME GROUP BERHAD  
Registration No.: 197901007949 (52235-K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES**

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the financial statements of CME GROUP BERHAD, which comprise the statements of financial position as at 30 September 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 59 to 137.

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 30 September 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, 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 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"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

***Material uncertainty related to going concern***

We draw attention to Note 1(c) to the financial statements, which disclosed that the Group and the Company recorded accumulated losses of RM68,176,732 and RM70,359,236 respectively during the financial year ended 30 September 2025 and, as of that date, the Group's and the Company's current liabilities exceeded their current assets by RM24,481,090 and RM41,964,038 respectively, thereby indicating the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as going concerns.

The ability of the Group and the Company to continue as a going concern is dependent on its ability to continue generating positive future cash flows and having sufficient banking credit facilities to meet its obligations and liabilities as and when they fall due. Our opinion is not modified in respect of this matter.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF CME GROUP BERHAD  
Registration No.: 197901007949 (52235-K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES**

(continued)

**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 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**(I) Revenue from fire truck sales and related maintenance services**

(Refer to Note 2(k) Material accounting policies information – Revenue and Note 3 - Revenue)

For the financial year ended 30 September 2025, the Group's revenue from the design, manufacture and sales of various types of specialised mobility vehicles, and firefighting and safety vehicles in addition to the providing of servicing, maintenance, and warranty services amounted to RM39 million. These contracts comprise of sale of firefighting truck and provision of maintenance services which contain one or more performance obligations and span more than one accounting period.

We identified revenue from the contract as areas requiring audit focus as significant management judgement and estimates are involved, particularly in the following areas:

- (a) in determining whether sale of firefighting trucks and provision of maintenance services should be considered as one performance obligation; and
- (b) in respect of the maintenance services where revenue is recognised over time, estimates made by the management is required to estimate the standalone selling price of the maintenance services and allocate the transaction price accordingly. This includes estimating the appropriate proportion of revenue to be recognised over the maintenance service period, taking into account factors such as expected service costs, and the nature and level of ongoing support provided.

Our audit procedures included:

- Reading the relevant contracts to obtain an understanding of the specific terms and conditions impacting revenue recognition, including the pricing structure for the firefighting truck and the maintenance services, the duration of the maintenance period, and any bundled-service arrangements, in evaluating management's identification and assessment of the performance obligations;
- Obtaining an understanding of the relevant internal controls over the accuracy and timing of revenue recognised in the financial statements, including controls related to the determination of standalone selling prices, allocation of the transaction price, and monitoring of fulfilment of maintenance service obligations over the contract period;
- Reviewing the appropriateness and adequacy of the disclosures in the financial statements.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF CME GROUP BERHAD  
Registration No.: 197901007949 (52235-K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES**

(continued)

***Key Audit Matters (continued)***

**(II) Ongoing Material Litigations**

(Refer to Notes 32 to the financial statements)

On 10 August 2022, CME was served with the sealed cause papers from an application by a creditor to place the Company under judicial management ("Creditor's JM Application") from Desa Tiasa Sdn. Bhd. ("Desa Tiasa"). Under the Companies Act 2016, all legal proceedings against the Company including winding-up petitions are stayed until the disposal of the Creditor's JM Application.

In view of the judicial management application, the matter is fixed for Case Management on 30 January 2026 for parties to update Court on the status of the application.

We focused on this area because significant judgements are made by the Directors in respect of the current litigation of the Company in estimating the possibility of an outflow of resources embodying economic benefits.

Our audit procedures included:

- Obtaining solicitors' confirmation letter from the Group's solicitors;
- Holding discussions with the Group's solicitors to obtain clarification and understanding of the legal opinion provided in the solicitors' confirmation letter;
- Performing a review of legal correspondence letter;
- Performing a review of and holding discussions with the management regarding the reasonableness of the assumptions made; and
- Reviewing the appropriateness and adequacy of the disclosures in the financial statements.

***Information Other than the Financial Statements and Auditors' Report Thereon***

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF CME GROUP BERHAD  
Registration No.: 197901007949 (52235-K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES**

(continued)

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF CME GROUP BERHAD  
Registration No.: 197901007949 (52235-K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES**

(continued)

***Auditors' Responsibilities for the Audit of the Financial Statements (continued)***

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

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

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

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

***Report on Other Legal and Regulatory Requirements***

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors are disclosed in Note 13 to the financial statements.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF CME GROUP BERHAD  
Registration No.: 197901007949 (52235-K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES**

(continued)

**Other matters**

1. 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 contents of this report.
2. The financial statements of the Group and of the Company for the financial year ended 30 September 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 24 January 2025.

PKF PLT  
20220600012 (LLP0030836-LCA) & AF0911  
CHARTERED ACCOUNTANTS

NGU SIEW PING  
03033/11/2027 J  
CHARTERED ACCOUNTANT

Kuala Lumpur  
26 January 2026

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES**

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025**

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Revenue	3	39,933	27,222	945	1,160
Cost of sales		(33,848)	(22,842)	(177)	(167)
<b>Gross profit</b>		<u>6,085</u>	<u>4,380</u>	<u>768</u>	<u>993</u>
Other income	4	5,541	608	5,526	173
Administrative expenses		(3,163)	(3,176)	(583)	(666)
Other operating expenses		<u>(1,051)</u>	<u>(2,855)</u>	<u>(571)</u>	<u>(185)</u>
<b>Profit/(Loss) from operations</b>		<u>7,412</u>	<u>(1,043)</u>	<u>5,140</u>	<u>315</u>
Finance costs	6	<u>(1,155)</u>	<u>(1,209)</u>	<u>(714)</u>	<u>(800)</u>
<b>Profit/(Loss) before taxation</b>	7	<u>6,257</u>	<u>(2,252)</u>	<u>4,426</u>	<u>(485)</u>
Taxation	8	<u>2,149</u>	<u>(250)</u>	<u>-</u>	<u>-</u>
<b>Profit/(Loss) for the year</b>		<u>8,406</u>	<u>(2,502)</u>	<u>4,426</u>	<u>(485)</u>
<b>Other comprehensive income, net of tax:</b>					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on transaction of foreign operation		<u>(284)</u>	<u>(743)</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income/(loss) for the year</b>		<u>8,122</u>	<u>(3,245)</u>	<u>4,426</u>	<u>(485)</u>
<b>Profit/(Loss) attributable to:</b>					
Owners of the Company		<u>8,406</u>	<u>(2,502)</u>	<u>4,426</u>	<u>(485)</u>
<b>Total comprehensive income/(loss) attributable to:</b>					
Owners of the Company		<u>8,122</u>	<u>(3,245)</u>	<u>4,426</u>	<u>(485)</u>
Basic earnings/(loss) per share (sen)	9	<u>0.71</u>	<u>(0.24)</u>		
Diluted earnings/(loss) per share (sen)	9	<u>0.68</u>	<u>(0.16)</u>		

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025**

	Note	Group		Company		
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	
<b>ASSETS</b>						
<b>Non-current assets</b>						
Property, plant and equipment	10	28,666	28,799	-	-	
Right-of-use assets	11	70	125	-	-	
Investment properties	12	39,410	35,030	39,410	35,030	
Investment in subsidiaries	13	-	-	35,630	35,630	
Inventories	14	11,265	11,563	-	-	
Other investment	16	742	596	742	596	
<b>Total non-current assets</b>		<b>80,153</b>	<b>76,113</b>	<b>75,782</b>	<b>71,256</b>	
<b>Current assets</b>						
Inventories	14	15,216	18,902	-	-	
Trade and other receivables	17	6,795	9,772	8,257	7,414	
Cash and bank	18	6,045	6,147	10	10	
Current tax assets		177	256	-	-	
<b>Total current assets</b>		<b>28,233</b>	<b>35,077</b>	<b>8,267</b>	<b>7,424</b>	
<b>Total assets</b>		<b>108,386</b>	<b>111,190</b>	<b>84,049</b>	<b>78,680</b>	
<b>EQUITY AND LIABILITIES</b>						
<b>Equity attributable to owners of the Company</b>						
Share capital	19	102,143	86,037	102,143	86,037	
Irredeemable convertible unsecured loan stocks ("ICULS")	20	-	16,099	-	16,099	
Reserves	21	(46,773)	(54,895)	(68,325)	(72,751)	
<b>Total equity</b>		<b>55,370</b>	<b>47,241</b>	<b>33,818</b>	<b>29,385</b>	

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025 (CONTINUED)**

	Note	Group		Company		
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	
<b>LIABILITIES</b>						
<b>Non-current liabilities</b>						
Borrowings	22	-	1,303	-	-	
Provisions	24	302	102	-	-	
Deferred tax liabilities	25	-	2,217	-	-	
<b>Total non-current liabilities</b>		<b>302</b>	<b>3,622</b>	<b>-</b>	<b>-</b>	
<b>Current liabilities</b>						
Contract liabilities	26	6,392	13,623	-	-	
Trade and other payables	27	15,555	14,423	47,058	46,343	
Borrowings	22	30,581	31,989	3,173	2,952	
Lease liabilities	23	19	80	-	-	
Provisions	24	167	212	-	-	
<b>Total current liabilities</b>		<b>52,714</b>	<b>60,327</b>	<b>50,231</b>	<b>49,295</b>	
<b>Total liabilities</b>		<b>53,016</b>	<b>63,949</b>	<b>50,231</b>	<b>49,295</b>	
<b>Net current liabilities</b>		<b>24,481</b>	<b>25,250</b>	<b>41,964</b>	<b>41,871</b>	
<b>Total equity and liabilities</b>		<b>108,386</b>	<b>111,190</b>	<b>84,049</b>	<b>78,680</b>	

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES**

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025**

Group	Non distributable					Distributable	
	<u>Share capital</u> RM'000	<u>Irredeemable convertible unsecured loan stocks</u> (ICULS) RM'000	<u>Revaluation reserve</u> RM'000	<u>Foreign currency transaction reserve</u> RM'000	<u>Warrant reserve</u> RM'000	<u>Accumulated losses</u> RM'000	<u>Total equity</u> RM'000
At 1 October 2023	85,684	16,099	19,723	674	2,034	(74,081)	50,133
Issuance of share capital	353	-	-	-	-	-	353
Loss for the financial year	-	-	-	-	-	(2,502)	(2,502)
Other comprehensive loss for the financial year	-	-	-	(743)	-	-	(743)
Total comprehensive loss for the financial year	-	-	-	(743)	-	(2,502)	(3,245)
At 30 September 2024	<u>86,037</u>	<u>16,099</u>	<u>19,723</u>	<u>(69)</u>	<u>2,034</u>	<u>(76,583)</u>	<u>47,241</u>
At 1 October 2024	86,037	16,099	19,723	(69)	2,034	(76,583)	47,241
Issuance of share capital	7	-	-	-	-	-	7
Conversion of ICULS (Note 19)	16,099	(16,099)	-	-	-	-	-
Profit for the financial year	-	-	-	-	-	8,406	8,406
Other comprehensive loss for the financial year	-	-	-	(284)	-	-	(284)
Total comprehensive income for the financial year	-	-	-	(284)	-	8,406	8,122
At 30 September 2025	<u>102,143</u>	<u>-</u>	<u>19,723</u>	<u>(353)</u>	<u>2,034</u>	<u>(68,177)</u>	<u>55,370</u>

The accompanying notes form an integral part of the financial statements.

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES**

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025 (CONTINUED)**

Company	Non distributable			Distributable	
	<u>Share capital</u> RM'000	<u>Irredeemable convertible unsecured loan stocks (ICULS)</u> RM'000	<u>Warrant reserve</u> RM'000	<u>Accumulated losses</u> RM'000	<u>Total equity</u> RM'000
At 1 October 2023	85,684	16,099	2,034	(74,300)	29,517
Issuance of share capital	353	-	-	-	353
Total comprehensive loss for the financial year	-	-	-	(485)	(485)
At 30 September 2024	<u>86,037</u>	<u>16,099</u>	<u>2,034</u>	<u>(74,785)</u>	<u>29,385</u>
At 1 October 2024	86,037	16,099	2,034	(74,785)	29,385
Issuance of share capital	7	-	-	-	7
Conversion of ICULS (Note 19)	16,099	(16,099)	-	-	-
Total comprehensive income for the financial year	-	-	-	4,426	4,426
At 30 September 2025	<u>102,143</u>	<u>-</u>	<u>2,034</u>	<u>(70,359)</u>	<u>33,818</u>

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025**

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Cash flows from operating activities</b>					
<b>Profit/(Loss) before tax</b>		6,257	(2,252)	4,426	(485)
Adjustment for:					
Impairment loss on intangible assets	7	-	150	-	-
Amortisation of intangible assets	15	-	200	-	-
Depreciation of property, plant and equipment	10	183	168	-	-
Depreciation of right-of-use assets	11	55	55	-	-
Fair value gain on investment property	4	(5,080)	-	(5,080)	-
Fair value gain on financial asset at fair value through profit or loss	4	(146)	(173)	(146)	(173)
Finance costs	6	1,155	1,209	714	800
Gain on disposal of investment property	4	(300)	-	(300)	-
Gain on disposal of property, plant and equipment	4	-	(206)	-	-
Bad receivables written off	7	-	184		
Allowance for expected credit losses	7	568	-	568	-
Allowance/(Reversal) of warranties	24	207	268	-	-
Unrealised gain on foreign exchange	7	-	(211)	-	-
<b>Operating profit/(loss) before working capital changes</b>		2,899	(608)	182	142
<b>Changes in working capital:</b>					
Inventories		3,984	5,608	-	-
Trade receivables		1,768	(408)	46	(279)
Other receivables, deposits and prepayment		743	2,178	(110)	204
Contract liabilities		(7,231)	(2,472)	-	-
Trade payables		3,529	241	1,639	(239)
Other payables and accruals		(2,389)	734	(1,300)	134
Provisions		(52)	(60)	-	-
<b>Cash generated from/(used in) operations</b>		3,251	5,213	457	(38)
Tax refund/(paid)		11	(120)	-	-
<b>Net cash flows generated from/(used in) operating activities</b>		3,262	5,093	457	(38)

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS**

**FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025 (CONTINUED)**

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	10	(50)	(1,553)	-	-
Proceeds from disposal of investment property		890	-	890	-
Interest received		-	1	-	-
<b>Net cash from/(used in) investing activities</b>		<u>840</u>	<u>(1,552)</u>	<u>890</u>	<u>-</u>
<b>Cash flows from financing activities</b>					
Proceeds from conversion of ICULS	19	7	-	7	-
Proceeds from private placement	19	-	353	-	353
(Repayment to)/Advance from subsidiaries		-	-	(861)	664
Placement of cash collateral		-	1,372	-	-
Repayment of project loan		(1,148)	(2,431)	-	-
Repayment of term loan		(743)	(745)	-	-
(Repayment)/Drawdown of bankers' acceptance		(420)	270	-	-
Repayment of lease liabilities	23	(61)	(90)	-	-
Interest paid		<u>(1,155)</u>	<u>(1,209)</u>	<u>(714)</u>	<u>(800)</u>
<b>Net cash (used in)/generated from financing activities</b>		<u>(3,520)</u>	<u>(2,480)</u>	<u>(1,568)</u>	<u>217</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		582	1,061	(221)	179
Cash and cash equivalents at beginning of the year		(9,867)	(10,185)	(2,942)	(3,121)
Foreign exchange difference		<u>(284)</u>	<u>(743)</u>	<u>-</u>	<u>-</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>(9,569)</u>	<u>(9,867)</u>	<u>(3,163)</u>	<u>(2,942)</u>

**Notes:**

**(i) Cash and cash equivalents**

		Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Cash and bank balances	18	6,045	6,147	10	10
Bank overdrafts	22	(9,625)	(10,025)	(3,173)	(2,952)
		<u>(3,580)</u>	<u>(3,878)</u>	<u>(3,163)</u>	<u>(2,942)</u>
Less: cash collateral	18	(5,989)	(5,989)	-	-
<b>Cash and cash equivalents</b>		<u>(9,569)</u>	<u>(9,867)</u>	<u>(3,163)</u>	<u>(2,942)</u>

**CME GROUP BERHAD**

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(Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****STATEMENTS OF CASH FLOWS****FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025 (CONTINUED)****Notes (continued):****(ii) Acquisition of property, plant and equipment**

During the financial year, the Group made the following cash payments to acquire property, plant and equipment:

	Note	Group 2025 RM'000	2024 RM'000
Addition of property, plant and equipment	10	50	1,553

**(iii) Changes in liabilities arising from financing activities**

The table below details changes in the liabilities of the Group arising from financing activities, including both cash and non-cash changes as follows:

Group 2025	At beginning of year RM'000	Non-cash item RM'000	Cash flows RM'000	At end of year RM'000
Lease liabilities	80	10	(71)	19
Project loan	21,544	553	(1,701)	20,396
Bankers' acceptance	420	45	(465)	-
Term loan	1,303	56	(799)	560
	<u>23,347</u>	<u>664</u>	<u>(3,036)</u>	<u>20,975</u>
2024				
Lease liabilities	170	12	(102)	80
Project loan	23,975	1,086	(3,517)	21,544
Bankers' acceptance	150	5	265	420
Term loan	2,048	70	(815)	1,303
	<u>26,343</u>	<u>1,173</u>	<u>(4,169)</u>	<u>23,347</u>

# **CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

## **AND ITS SUBSIDIARIES**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025**

#### **1. Basis of preparation**

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

The accompanying financial statements have been prepared assuming that the Group and the Company will continue as going concern which contemplates the realisation of assets and settlement of liabilities in the normal course of business.

The financial statements are presented in the Ringgit Malaysia ("RM"), which is the Group and the Company's functional and presentation currency, and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

##### **(a) Standards issued and effective**

On 1 October 2024, the Group and the Company has adopted the following accounting standards, amendments and interpretations which are mandatory for annual financial periods beginning on or after 1 January 2024:

###### **Description**

- Amendments to MFRS 16, Leases: Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101, Presentation of Financial Statements: Non-current Liabilities with Covenants
- Amendments to MFSR 7, Financial Instruments and MFRS 107 Statement of Cash Flows: Disclosures – Supplier Finance Arrangements
- Amendments to MFRS121, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

The Directors expect that the adoption of the new and amended MFRS above did not have material impact on the financial statements of the Group and the Company.

##### **(b) Standards issued but not yet effective**

Certain new accounting standards and amendments have been issued but not yet effective for 30 September 2025 reporting period and have not been early adopted by the Company. These standards are not expected to have a material impact on the Group and the Company in the current or future reporting periods.

###### **Effective for financial periods beginning on or after 1 January 2026:**

- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments – Disclosures – Amendments to the Classification and Measurement of Financial Instruments
- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments – Disclosures – Contracts Referencing Nature – Dependent Electricity
- Annual Improvements to MFRS Accounting Standards – Volume 11

# CME GROUP BERHAD

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

## AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

#### 1. Basis of preparation (continued)

##### (b) Standards issued but not yet effective (continued)

###### **Effective for financial periods beginning on or after 1 January 2027:**

- Amendments to MFRS 18, Presentation and Disclosure in Financial Statements
- Amendments to MFRS 19, Subsidiaries without Public Accountability, Disclosures

###### **Amendments to MFRSs – effective date deferred indefinitely:**

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

##### (c) Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis unless otherwise as indicated in the material accounting policies.

The Group and the Company recorded accumulated losses of RM68,176,732 and RM70,359,236 respectively during the financial year ended 30 September 2025 and, as of that date, the Group's and the Company's current liabilities exceeded their current assets by RM24,481,090 and RM41,964,038 respectively. These conditions indicate that material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

The ability of the Group and the Company to continue as a going concern is dependent on its ability to continue generating positive future cash flows and having sufficient banking credit facilities to meet its obligations and liabilities as and when they fall due. Our opinion is not modified in respect of this matter.

##### (d) Significant accounting estimates and judgements

Estimates and judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's and of the Company's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:

###### (i) *Write-down for inventories*

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews required judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

# CME GROUP BERHAD

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## AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

#### 1. Basis of preparation (continued)

##### (d) Significant accounting estimates and judgements (continued)

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

The Company assesses the specific terms and conditions of the relevant contracts and evaluates the nature and timing of performance obligations.

###### (iii) *Provision for Expected Credit Loss ("ECL") of Trade Receivables*

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward looking estimates at the end of reporting period.

###### (iv) *Deferred tax assets*

Deferred tax assets are recognised for all unabsorbed tax losses, unabsorbed capital allowances and other temporary differences to the extent that it is probable that taxable profit will be available against which the unabsorbed tax losses, unabsorbed capital allowances and other temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The amount of unrecognised deferred tax assets arising from unabsorbed tax losses, capital allowances and other temporary differences are as disclosed in Note 25 to the financial statements.

###### (v) *Impairment of investment in subsidiary companies*

The Company reviews the investments in subsidiaries for impairment when there is an indication of impairment and assess the impairment of receivables on the amounts due from subsidiaries when the receivables are long outstanding.

The recoverable amounts of the investments in subsidiaries and amounts due from subsidiaries are assessed by reference to the value in use of the respective subsidiaries.

The value in use is the net present value of the projected future cash flows derived from the business operations of the respective subsidiaries discounted at an appropriate discount rate. For such discounted cash flow method, it involves the use of estimated future results and a set assumption to reflect their income and cash flows. Judgement had also been used to determine the discount rate for the cash flows and the future growth of the businesses of the subsidiaries.

The carrying amounts of investment in subsidiary companies of the Company as at 30 September 2025 are as disclosed in Note 13 to the financial statements.

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## AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

#### 1. Material accounting policies

##### (a) Basis of consolidation

###### (i) *Subsidiaries*

Subsidiaries are entities, including structured entities, controlled by the Group. The Group controls an entity when the Group is exposed to, 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.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Acquisition-related costs are recognised in the profit or loss as incurred.

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

###### (ii) *Business combinations*

Acquisitions of business are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill.

###### (iii) *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.

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**AND ITS SUBSIDIARIES****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025****2. Material accounting policies (continued)****(b) Financial instruments****Financial assets – subsequent measurements and gains and losses****Debt instruments at amortised cost**

These assets are subsequently measured at amortised cost under the effective interest method. The gross carrying amount 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.

**Financial liabilities – subsequent measurements and gains and losses**

Financial liabilities are classified at amortised cost. Financial liabilities are subsequently measured at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

**(c) Property, plant and equipment**

Property, plant and equipment (other than freehold land and buildings) are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land and buildings are measured using revaluation model, based on valuations by external independent valuers, less accumulated depreciation on buildings and any impairment losses recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the freehold land and buildings does not differ materially from the carrying amount. The gross carrying amount is restated and the difference compared to the revalued amount of asset is absorbed by the accumulated depreciation.

The revaluation reserve is transferred to retained earnings as the assets are used. The amount of revaluation reserve transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

Revaluation on freehold land and buildings are performed once in every five years with additional valuations in the intervening years where market conditions indicate that the carrying values of the revalued freehold land and buildings materially differ from the market value.

Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Freehold land has an unlimited useful life and therefore is not depreciated. All other property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

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FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025****2. Material accounting policies (continued)****(c) Property, plant and equipment (continued)**

The principal annual rates of depreciation for the property, plant and equipment are as follows:

	Rate (%)
Building	2
Computer, furniture and fittings, office and workshop equipment and air-conditioners	10 - 30
Motor vehicles	20

**(d) Contract liability**

A contract liability is stated at cost and represents the obligation of the Group to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

**(e) Leases****(i) Lessee accounting**

The Group presents right-of-use assets and lease liabilities as separate lines in the statements of financial position.

**Short-term leases and leases of low value assets**

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of lease.

**Right-of-use assets**

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

The Group presents right-of-use assets and lease liabilities as separate lines in the statements of financial position.

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## AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

#### 2. Material accounting policies (continued)

##### (e) Leases (continued)

###### (i) Lessee accounting (continued)

###### Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate. The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

##### (f) Intangible assets

Intangible assets represent the trademarks at cost less any accumulated impairment losses. Trademarks have an indefinite useful life as it is maintained through continuous marketing and introduction of new products. Trademarks are tested annually for impairment. Where an indication of impairment exists, the carrying amount of trademarks are assessed and written down immediately to its recoverable amount.

##### (g) Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair values of investment properties are recognised in profit or loss for the period in which they arise.

Cost includes purchase price and any directly attributable costs incurred to bring the property to its present location and condition intended for use as an investment property.

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 disposals. Any gains and losses arising from derecognition of the asset is recognised in the profit or loss.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property carried at fair value to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, any difference arising on the date of change in use between the carrying amount of the item immediately prior to the transfer and its fair value is recognised directly in equity as a revaluation of properties, plant and equipment.

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

#### 2. Material accounting policies (continued)

##### (h) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is calculated using the weighted average 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 finished goods, 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 than estimated costs of completion and the estimated costs necessary to make the sale.

##### (i) Impairment

###### (i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets 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, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12 months 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.

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## AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

#### 2. Material accounting policies (continued)

##### (i) Impairment (continued)

###### (i) *Financial assets (continued)*

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.

An impairment loss in respect of debt investments measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income 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 and the Company determine 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 amounts due.

###### (ii) *Other assets*

The carrying amounts of other assets (except for contract assets, deferred tax asset, assets arising from employee benefits, investment property measured at fair value and non-current assets (or disposal group) classified as held for sale) 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 goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

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**AND ITS SUBSIDIARIES****NOTES TO THE FINANCIAL STATEMENTS  
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For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to group of cash-generating units that are expected to benefit from the synergies of the combination.

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 (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, 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 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.

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025**

#### **2. Material accounting policies (continued)**

##### **(j) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risk specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

##### **(k) Revenue and other income**

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:

- the customer simultaneously receives and consumes the benefits provided as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- 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.

If control of the assets is transferred over time, revenue is recognised over the period of the contract by reference to the progress towards the satisfaction of each of those performance obligations. Otherwise, revenue is recognised at a point in time when the customer obtain control over the goods or service.

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Revenue from the sale of goods is recognised upon delivery of goods where the control of the goods has been passed to the customers, net of goods and services taxes and discounts.

Contract liabilities is recognised when consideration has been received from customers, but the goods have not yet been fully delivered or pending installation and/or testing rendered to customers.

**(ii) Manufacturing and assembly of firefighting and specialist vehicles**

Revenue is recognised at point in time when control of vehicles is transferred to the customer. The customer accepts the vehicle with satisfaction as to the quality of the assembled vehicle, take delivery and has absolute rights over the distribution and selling price of the vehicle.

Revenue from these services is recognised based on the fixed price specified in the contract and the variable expenses recoverable from the customers, based on the aggregate service provided over an agreed period. Accumulated experience is used to estimate and provide for the variable expenses recoverable, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the vehicles are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

**(iii) Rendering of services**

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the end of the reporting period. The stage of completion is assessed by reference to services performed to date as a percentage of total services to be performed.

**(iv) Rental income**

Rental income 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. Rental income from sub-leased property is recognised as other income.

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025**

#### **2. Material accounting policies (continued)**

##### **(l) 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 from the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

##### **(m) Operating segments**

An operating segment is a component of the Group and the Company 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 and the Company's other components. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker, which in this case is the Board of Directors of the Company, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

##### **(n) Earnings per share**

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. 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, which comprise full conversion of the ICULS and warrants.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025**

**3. Revenue**

**(a) Disaggregation of revenue**

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Primary geographical market				
- Malaysia	39,933	27,222	945	1,160
Revenue from contracts with customers:				
- Manufacturing of fire fighting and specialist vehicles	35,402	22,960	-	-
- Servicing of fire fighting vehicles and equipment	1,118	526	-	-
- Sale of fire fighting equipment gas system and accessories	2,468	2,576	-	-
	38,988	26,062	-	-
Rental income from investment properties	945	1,160	945	1,160
	39,933	27,222	945	1,160
<b>Timing of revenue recognition:</b>				
- At a point in time	38,988	26,062	-	-
- Over time	945	1,160	945	1,160
	39,933	27,222	945	1,160

**(b) Transaction price allocated to the remaining performance obligations**

The transaction price allocated to the remaining performance obligations as at 30 September 2025 due within one year is RM34.02 million (2024: RM27.22 million) and due more than one year is RM69.98 million (2024: RM1.04 billion). These relate to performance obligations from long term service contracts that is to be satisfied within 1 to 3 years (2024: within 1 to 4 years).

**(c) Significant judgements and assumptions arising from revenue recognition**

The Group apply significant judgements and assumptions that significantly affect the determination of the amount and timing of revenue recognised from contracts with customers.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. Other income**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b> RM'000	<b>2024</b> RM'000	<b>2025</b> RM'000	<b>2024</b> RM'000
Gain on disposal of investment property	300	-	300	-
Gain on disposal of property, plant and equipment	-	206	-	-
Gain on revaluation of investment property	5,080	-	5,080	-
Fair value gain on equity instruments at fair value through profit or loss	146	173	146	173
Gain on foreign exchange:				
- Realised	-	2	-	-
- Unrealised	-	211	-	-
Other income	15	8	-	-
Reversal of overprovision in other payable	-	8	-	-
	<b>5,541</b>	<b>608</b>	<b>5,526</b>	<b>173</b>

**5. Employee benefits expenses**

Employee benefits recognised as expense (excluding Directors' remuneration):

	<b>Group</b>		<b>Company</b>	
	<b>2025</b> RM'000	<b>2024</b> RM'000	<b>2025</b> RM'000	<b>2024</b> RM'000
Salaries and other staff benefit	1,885	1,413	29	40
Defined contribution plan	246	178	4	5
	<b>2,131</b>	<b>1,591</b>	<b>33</b>	<b>45</b>

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

#### 5. Employee benefits expenses (continued)

##### Directors' remuneration:

	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
<b>Executive</b>				
- fees	40	40	40	40
- other emoluments	63	63	-	-
- defined contribution plan	7	7	-	-
	<u>110</u>	<u>110</u>	<u>40</u>	<u>-</u>
<b>Non-executive</b>				
- fees	<u>110</u>	<u>135</u>	<u>110</u>	<u>135</u>
<b>Director of subsidiaries</b>				
- other emoluments	42	42	-	-
- defined contribution plan	2	4	-	-
	<u>44</u>	<u>46</u>	<u>-</u>	<u>-</u>
	<u>264</u>	<u>291</u>	<u>150</u>	<u>175</u>

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit by way of usage of the Group's assets and other benefits.

#### 6. Finance costs

	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
<b>Interest expenses on:</b>				
- lease liabilities	10	12	-	-
- term loans and project loans	56	70	-	-
- bank overdraft	775	838	445	516
- bankers' acceptance	45	5	-	-
- other borrowings	<u>269</u>	<u>284</u>	<u>269</u>	<u>284</u>
	<u>1,155</u>	<u>1,209</u>	<u>714</u>	<u>800</u>

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**7. Profit/(Loss) before taxation**

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit/(Loss) before taxation is arrived at after charging/(crediting):				
Auditors' remuneration				
- PKF PLT				
- current financial year	162	-	65	-
- other services	8	-	8	-
- Other auditors	6	146	-	59
Amortisation of intangible asset	-	200	-	-
Bad receivables written off	-	184	-	-
Allowance for expected credit loss	568	-	568	-
Depreciation of:				
- property, plant and equipment	183	168	-	-
- right-of-use assets	55	55	-	-
Impairment loss on intangible assets	-	150	-	-
Net provision for warranties	207	268	-	-
Loss/(Gain) on foreign exchange				
- Realised	67	68	-	-
- Unrealised	-	(211)	-	-
Reversal of overprovision in other payables	<u>-</u>	<u>(8)</u>	<u>-</u>	<u>-</u>

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

#### 8. Income tax expense

	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
<b>Income tax expense</b>				
Current income tax:				
- Malaysian income tax	68	-	-	-
<b>Deferred tax (Note 25)</b>				
- Relating to origination and reversal of temporary differences	-	250	-	-
- Overprovision of deferred tax expenses in prior year	(2,217)	-	-	-
Taxation for the financial year	<u>(2,149)</u>	<u>250</u>	<u>-</u>	<u>-</u>

Income tax is calculated at the Malaysian statutory tax rates of 24% (2024 – 24%) of the estimated assessable profit for the financial year. The corporate tax rate applicable to the subsidiary of the Group in Australia is 30% (2024 – 30%).

#### Reconciliation of tax expense

	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Profit/(Loss) before tax	6,257	(2,252)	4,426	(485)
Tax calculated at statutory tax rate of 24%	1,502	(540)	1,062	(116)
Effect of different tax rates in other countries	(103)	(111)	-	-
Income not subject to tax	(1,326)	-	(1,326)	-
Expenses not deductible for tax purposes	653	580	202	116
Deferred tax assets not recognised	169	321	136	-
Utilisation of deferred tax assets previously not recognised	(827)	-	(74)	-
Overprovision of deferred tax in prior year	<u>(2,217)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total taxation for the financial year	<u>(2,149)</u>	<u>250</u>	<u>-</u>	<u>-</u>

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The Group has unutilised tax losses amounting to RM3,895,295 (2024: RM10,013,588) for set off against future taxable profits for which no deferred tax assets have been recognised. The Company has unabsorbed tax losses amounting to RM134,615 (2024: RM443,171) for set off against future taxable profits for which no deferred tax assets have been recognised.

The unutilised tax losses of the Group can be carried forward for a period of 10 years of assessment ("YA") to set off against future taxable profits. The details of the expiry of the Group's unutilised tax losses are as follows:

<b>Expiring in</b>	<b>Group RM'000</b>	<b>Company RM'000</b>
YA 2028	2,106	-
YA 2029	573	-
YA 2032	203	135
YA 2033	584	-
YA 2034	401	-
YA 2035	28	-
	<b>3,895</b>	<b>135</b>

**9. Earnings/(Loss) per share*****Basic Earnings/(Loss) Per Share***

Basic earnings/(loss) per share is calculated by dividing the earnings/loss for the financial year attributable to ordinary shareholders by weighted average number of ordinary shares in issue during the financial year as follows:

	<b>Group 2025 RM'000</b>	<b>2024 RM'000</b>
Profit/(Loss) attributable to owners of the Company	<b>8,406</b>	<b>(2,502)</b>
Weighted average number of ordinary shares in issue (units '000)	<b>1,181,331</b>	<b>1,043,706</b>
Basic earnings/(loss) per share (sen)	<b>0.71</b>	<b>(0.24)</b>

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Diluted earnings/(loss) per share is calculated by dividing the consolidated profit attributable to owners of the Group by weighted average number of ordinary shares in issue during the financial year after adjustments for dilutive effects of all potential ordinary shares as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit/(Loss) attributable to owners of the Company	8,406	<u>(2,502)</u>
Weighted average number of ordinary shares in issue (units '000)	1,181,331	1,043,706
Adjusted for assumed exercise of:		
- ICULS	-	474,476
- Warrants	47,751	47,751
	<u>1,229,082</u>	<u>1,565,933</u>
Diluted earnings/(loss) per share (sen)	0.68	<u>(0.16)</u>

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**10. Property, plant and equipment**

Group	Freehold land RM'000	Building RM'000	Computer, furniture, fittings, office and workshop equipment and air- conditioners RM'000	Motor vehicles RM'000	Total RM'000
					2025
<b>At valuation/costs</b>					
At 1.10.2024	20,625	8,413	1,315	270	30,623
Additions	-	-	50	-	50
At 30.9.2025	<u>20,625</u>	<u>8,413</u>	<u>1,365</u>	<u>270</u>	<u>30,673</u>
<b>Accumulated depreciation</b>					
At 1.10.2024	-	265	1,290	269	1,824
Charge for the financial year	-	167	15	1	183
At 30.9.2025	<u>-</u>	<u>432</u>	<u>1,305</u>	<u>270</u>	<u>2,007</u>
<b>Carrying amount</b>					
At cost	-	-	60	-	28,666
At valuation	<u>20,625</u>	<u>7,981</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at 30.9.2025	<u>20,625</u>	<u>7,981</u>	<u>60</u>	<u>-</u>	<u>28,666</u>

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**10. Property, plant and equipment (continued)**

Group	Freehold land RM'000	Building RM'000	Computer, furniture, fittings, office and workshop equipment	Motor vehicles RM'000	Total RM'000				
			and air- conditioners RM'000						
<b>2024</b>									
<b>At valuation/costs</b>									
At 1.10.2023	20,625	6,875	1,300	1,463	30,263				
Additions	-	1,538	15	-	1,553				
Disposal	-	-	-	(1,193)	(1,193)				
At 30.9.2024	<u>20,625</u>	<u>8,413</u>	<u>1,315</u>	<u>270</u>	<u>30,623</u>				
<b>Accumulated depreciation</b>									
At 1.10.2023	-	104	1,283	1,462	2,849				
Charge for the financial year	-	161	7	-	168				
Disposal	-	-	-	(1,193)	(1,193)				
At 30.09.2024	<u>-</u>	<u>265</u>	<u>1,290</u>	<u>269</u>	<u>1,824</u>				
<b>Carrying amount</b>									
At cost	-	-	25	1	28,799				
At valuation	<u>20,625</u>	<u>8,148</u>	<u>-</u>	<u>-</u>	<u>-</u>				
As at 30.9.2024	<u>20,625</u>	<u>8,148</u>	<u>25</u>	<u>1</u>	<u>28,799</u>				

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**10. Property, plant and equipment (continued)**

Company	RM'000	Computer, furniture, fittings, office and workshop equipment and air-conditioners
<b>2025</b>		
<b>At costs</b>		
At 1.10.2024/30.9.2025	<u>122</u>	
<b>Accumulated depreciation</b>		
At 1.10.2024/30.9.2025	<u>122</u>	
<b>Carrying amount</b>		
At 30.9.2024/30.9.2025	<u>-</u>	

**(a) Assets pledged as security**

Freehold land and building with carrying amount of RM28,605,562 (2024 – RM28,773,812), have been pledged to licensed banks as securities for credit facilities granted to a subsidiary as disclosed in Note 22(b), Note 22(c) and Note 22(d) to the financial statements.

**(b) Revaluation of freehold land and building**

Had the revalued freehold land and building been carried at historical cost less accumulated depreciation, the net carrying amount would have been as follows:

Group	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
<b>30.9.2025</b>			
Freehold land	1,820	-	1,820
Building	<u>8,798</u>	<u>(4,262)</u>	<u>4,536</u>
	<u>10,618</u>	<u>(4,262)</u>	<u>6,356</u>
<b>30.9.2024</b>			
Freehold land	1,820	-	1,820
Building	<u>8,798</u>	<u>(4,086)</u>	<u>4,712</u>
	<u>10,618</u>	<u>(4,086)</u>	<u>6,532</u>

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The fair value of property, plant and equipment of the Group is categorised as follows:

<b>Group</b>	<b>Level 3 RM'000</b>
<b>30.9.2025</b>	
Freehold land	20,625
Building	8,413
	<u>29,038</u>
<b>30.9.2024</b>	
Freehold land	20,625
Building	8,413
	<u>29,038</u>

The freehold land and building of the Group have been revalued on 5 January 2023 by external independent valuers, Amax Valuers Sdn. Bhd., a member of the Institute of Valuers in Malaysia. Fair value is determined by comparison and cost method of valuation.

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**11. Right-of-use assets**

Group	Motor vehicles RM'000	Software RM'000	Total RM'000
<b>2025</b>			
<b>Costs</b>			
At 1.10.2024/30.9.2025	157	278	435
<b>Accumulated depreciation</b>			
At 1.10.2024	157	153	310
Charge for the financial year	-	55	55
At 30.9.2025	157	208	365
<b>Carrying amount</b>			
	-	70	70
<b>2024</b>			
<b>Costs</b>			
At 1.10.2023/30.9.2024	157	278	435
<b>Accumulated depreciation</b>			
At 1.10.2023	157	98	255
Charge for the financial year	-	55	55
At 30.9.2024	157	153	310
<b>Carrying amount</b>			
	-	125	125

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**AND ITS SUBSIDIARIES****NOTES TO THE FINANCIAL STATEMENTS  
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	<b>Group and Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
At 1 October	35,030	35,030
Disposal	(700)	-
Gain on revaluation	5,080	-
At 30 September	<u>39,410</u>	<u>35,030</u>

Investment properties of the Group and the Company comprise commercial and residential properties that are intended to be leased to third parties. No contingent rents are charged.

Investment properties of the Group and the Company with carrying amount of RM22,270,000 (2024 – RM22,270,000) have been pledged as securities for banking facilities and advances granted to the Group and the Company as mentioned in Note 22(a), Note 22(b) and Note 27 to the financial statements respectively.

Rental income of RM944,749 (2024 – RM1,160,073) is recognised in profit or loss in respect of the investment properties. The direct operating expenses of RM177,168 (2024 – RM167,179) to generate rental income is recognised in profit or loss in respect of investment properties.

**Fair value information**

The fair value of investment properties of the Group and the Company is categorised as follows:

<b>Group and Company</b>	<b>Level 3</b>
	<b>RM'000</b>
<b>30.9.2025</b>	
Investment properties	<u>39,410</u>
<b>30.9.2024</b>	
Investment properties	<u>35,030</u>

The current year fair values of the investment properties have been determined based on valuation report dated 9 April 2025 and 13 May 2025 using comparison and investment method of valuation. The valuation is carried out by external independent valuers, Mohd Nor & Partners (PJ) Sdn. Bhd., a member of the Institute of Valuers in Malaysia. The most significant input into this valuation approach is price per square feet of comparable properties.

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**AND ITS SUBSIDIARIES****NOTES TO THE FINANCIAL STATEMENTS  
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	Company	
	2025 RM'000	2024 RM'000
Unquoted shares, at cost	10,338	10,338
Quasi loans	65,556	65,556
	<hr/>	<hr/>
	75,894	75,894
Less: Impairment loss		
- Unquoted shares	(780)	(780)
- Quasi loans	(39,484)	(39,484)
	<hr/>	<hr/>
	(40,264)	(40,264)
	<hr/>	<hr/>
	35,630	35,630

The movements in the accumulated impairment losses of investment in subsidiaries during the financial year were:

	Company	
	2025 RM'000	2024 RM'000
At end of the financial year	<hr/>	<hr/>
	40,264	40,264

Quasi loans represent amount owing by subsidiary companies which is non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat this amount as long-term source of capital to the subsidiary company. As this amount is, in substance, a part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment loss, if any.

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

#### 13. Investment in subsidiaries (continued)

The details of the subsidiary companies are as follows:

Name of subsidiary companies	Principal place of business/Country of incorporation	Principal activity	Effective ownership interest	
			2025	2024
			%	%
CME Industries Sdn. Bhd.	Malaysia	Servicing of firefighting and specialist vehicles and sale of related spare parts	100	100
CME Edaran Sdn. Bhd.	Malaysia	Sale and servicing of firefighting equipment and specialist vehicles and sale of related spare parts	100	100
CME Technologies Sdn. Bhd.	Malaysia	Designing, manufacturing and sale of firefighting equipment, fire engines and specialist vehicles	100	100
CME Health Sdn. Bhd.*	Malaysia	Trade and deal in all types of pharmaceutical, medicinal, biological and health supplement products and related health care products	100	100
CME Pyroshield Sdn. Bhd.	Malaysia	Sale and servicing of firefighting gas system and other safety related products	100	100
CME Properties (Australia) Pty Ltd*#	Australia	Property development	100	100
Jernih Iras Sdn. Bhd.*	Malaysia	Dormant	100	100
Mom's Care Retail Sdn. Bhd.*	Malaysia	Trading of baby products, the company has ceased business	100	100
Modern Mum Retail Sdn. Bhd.*	Malaysia	Trading of maternity wear, the company has ceased business	100	100

\* The auditors' report of the subsidiary companies contains a paragraph of material uncertainty related to going concern.

# Audited by a firm other than PKF PLT.

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

#### 14. Inventories

	Group	
	2025 RM'000	2024 RM'000
<b>Non-current</b>		
At net realisable value		
- Freehold land held for development	11,265	<u>11,563</u>
<b>Current</b>		
At costs		
- Work-in-progress	15,076	18,671
- Trading merchandise	140	231
	<u>15,216</u>	<u>18,902</u>
	<u>26,481</u>	<u>30,465</u>

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM26,173,414 (2024 – RM14,318,708).

The net realisable value of freehold land held for development of AUD4,050,000 (approximately RM11,265,075 (2024 – AUD4,050,000 (approximately RM11,563,155)) arrived from directors' estimation by reference to the actual transactions transacted for properties around the same vicinity.

#### 15. Intangible assets

	Group	
	2025 RM'000	2024 RM'000
<b>Trademarks</b>		
<b>Costs</b>		
At 1 October/30 September	1,450	<u>1,450</u>
<b>Accumulated amortisation</b>		
At 1 October	1,300	1,100
Charge for the financial year	-	200
At 30 September	<u>1,300</u>	<u>1,300</u>
<b>Accumulated impairment loss</b>		
At 1 October	150	-
Charge for the financial year	-	150
At 30 September	<u>150</u>	<u>150</u>
<b>Carrying amount</b>		
<b>16. Other investment</b>	<u>-</u>	<u>-</u>

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	<b>Group and Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
- Quoted equity investment	<u>742</u>	<u>596</u>

**17. Trade and other receivables**

	<b>Group</b>		<b>Company</b>		
	<b>Note</b>	<b>2025</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>	<b>2025</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>
Trade receivables	(a)	7,142	8,908	6,790	6,627
Amount due from subsidiaries	(b)	-	-	5,393	4,355
Other receivables		1,513	1,296	691	481
Deposits		5,324	6,201	3,381	3,381
Prepayment	3	1	-	-	-
		<u>13,982</u>	<u>16,406</u>	<u>16,255</u>	<u>14,844</u>
<b>Allowances for expected credit loss:</b>					
Third parties		<u>(6,534)</u>	<u>(5,966)</u>	<u>(6,534)</u>	<u>(5,966)</u>
<b>Impairment losses:</b>					
Amount due from subsidiaries		-	-	(1,399)	(1,399)
Other receivables		(653)	(668)	(65)	(65)
		<u>(653)</u>	<u>(668)</u>	<u>(1,464)</u>	<u>(1,464)</u>
Total trade and other receivables		<u>6,795</u>	<u>9,772</u>	<u>8,257</u>	<u>7,414</u>

**(a) Trade receivables**

Trade receivables are non-interest bearing and are generally on 30 to 120 days (2024: 30 to 120 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

**(b) Amount due from subsidiaries**

The non-trade amount due from subsidiaries is unsecured, non-interest bearing, repayable on demand by cash and cash equivalents.

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	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash in hand	15	21	-	-
Cash at banks	6,030	6,126	10	10
Cash and bank balances	<u>6,045</u>	<u>6,147</u>	<u>10</u>	<u>10</u>

Included in the bank at banks balance of the Group is an amount of RM5,988,843 (2024 – RM5,988,843) charged to a licensed bank as cash collateral for banking facilities granted to a subsidiary as disclosed in Note 22(a) to the financial statement and therefore, restricted from use in other operations.

**19. Share capital**

	Group and Company			
	2025 Number of ordinary shares ('000)	2024 Number of ordinary shares ('000)	2025 RM'000	2024 RM'000
<b>Issued and fully paid</b>				
As at 1 October	1,048,064	1,033,564	86,037	85,684
Private placement	-	14,500	-	353
Conversion of ICULS	161,062	-	16,106	-
As at 30 September	<u>1,209,126</u>	<u>1,048,064</u>	<u>102,143</u>	<u>86,037</u>

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

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On 28 November 2014, the Company issued 784,250,715 ICULS.

The ICULS are constituted by a Trust Deed Dated 15 October 2014 as varied in the Supplemental Trust Deed dated 13 March 2018. The ICULS at the nominal amount of RM0.04 each issued by the Company have a tenure of ten (10) years from the date of issue and are not redeemable in cash. Unless converted, all outstanding ICULS will be mandatorily converted by the Company into new ordinary shares of the Company (“CME Shares”) at the conversion price applicable on the maturity date (i.e. 27 November 2024).

The ICULS may be converted into new CME Shares by : -

- (i) surrendering the ICULS with an aggregate nominal value equivalent to RM0.10 for every one (1) new CME Share (subject to adjustments in accordance with the provisions of the Trust Deed) (“Conversion Price”); or
- (ii) surrendering one (1) ICULS together with the necessary cash payment constituting the difference between the Conversion Price and the nominal value of the ICULS surrendered, for one (1) new CME Share. For avoidance of doubt, for every one (1) ICULS surrendered together with the required cash payment, the holder will only be entitled to subscribe for one (1) new CME Share.

The new CME Shares to be issued upon conversion of the ICULS will, upon allotment and issuance, rank pari passu in all respects with the existing CME Shares save that they will not be entitled for any dividends, rights, allotments, and/or other distributions, the entitlement date of which is before the date of allotment of the new CME Shares pursuant to the conversion of the ICULS.

The interest on the ICULS is at zero coupon rate per annum on the nominal value of the outstanding ICULS.

On 19 November 2024, 120,000 ICULS were converted into 120,000 new ordinary shares based on conversion price of RM0.10 per ordinary shares.

Subsequently on 29 November 2024, the remaining balance of ICULS of 402,365,915 were fully converted into 160,942,365 ordinary shares upon maturity date at a conversion price of RM0.10 per ordinary share.

The latest issued and paid-up share capital after the aforementioned conversion is 1,209,126,000 ordinary shares.

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#### 21. Reserves

Note	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revaluation reserve	(a) 19,723	19,723	-	-
Foreign currency translation reserve	(b) (353)	(69)	-	-
Warrant reserve	(c) 2,034	2,034	2,034	2,034
Accumulated losses	(68,177)	(76,583)	(70,359)	(74,785)
	<u>(46,773)</u>	<u>(54,895)</u>	<u>(68,325)</u>	<u>(72,751)</u>

#### (a) Revaluation reserve

Revaluation reserve represents the surplus on the revaluation of freehold land and building of the Group.

#### (b) Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of a foreign operation whose functional currency is different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operation, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.

#### (c) Warrant reserve

On 14 May 2018, the Company issued 123,783,023 free warrants to all subscribers of the rights issue on the basis of five (5) free warrants for every four (4) right shares subscribed. The warrants were listed on the Main Market of Bursa Malaysia Securities Berhad on 14 May 2018. The warrants are constituted under a Deed Poll executed on 13 March 2018.

The salient features of the warrants are as follows:

- (i) Each warrant entitles the registered holder the right at any time during the exercise period of 10 years from 14 May 2018 to 13 May 2028 to subscribe in cash for one new ordinary share of the Company at an exercise price of RM0.01 each (subject to adjustments in accordance with the provisions of the Deed Poll);
- (ii) Upon the expiry of the exercise period, warrants which have not been exercised will lapse and cease to be valid for any purposes; and

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The salient features of the warrants are as follows (continued):

(iii) The holders of the warrants are not entitled to any voting right or participation in any dividends, rights, allotment and/or other forms of distribution other than on winding-up, compromise or arrangement of the Company unless and until the holders of the warrants become a shareholder of the Company by exercising his warrants into new shares.

In the previous financial years, 641,900 new ordinary shares by way of conversions of warrants at an exercise price of RM0.01 each and transfer of warrants reserve of RM0.0426 each upon exercise of warrants. As such, the number of outstanding Warrants 2018/2028 are 47,750,623 (2024 – 47,750,623).

There were no conversion of warrants during the year.

**22. Borrowings**

Note	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-current:</b>				
<u>Secured</u>				
Term loan	-	1,303	-	-
<b>Current:</b>				
<u>Secured</u>				
Project loan	20,396	21,544	-	-
Bank overdrafts	9,625	10,025	3,173	2,952
Bankers' acceptance	-	420	-	-
Term loan	560	-	-	-
	<u>30,581</u>	<u>31,989</u>	<u>3,173</u>	<u>2,952</u>
<b>Total borrowings</b>				
<u>Secured</u>				
Project loan	(a) 20,396	21,544	-	-
Bank overdrafts	(b) 9,625	10,025	3,173	2,952
Bankers' acceptance	(c) -	420	-	-
Term loan	(d) 560	1,303	-	-
	<u>30,581</u>	<u>33,292</u>	<u>3,173</u>	<u>2,952</u>

**22. Borrowings (continued)**

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#### **(a) Project loan**

The project loan bear interest at rate ranges from 8.25% to 8.50% (2024 – 8.50%) per annum and is secured by following:

1. corporate guarantee by the Company;
2. 30% cash margin placed in form of cash deposit; and
3. legal charge over the investment properties of the Company as disclosed in Note 12 to the financial statements.

#### **(b) Bank overdrafts**

The bank overdrafts of the Group and the Company bear interest at rate range from 7.97% to 8.20% (2024 – 7.97% to 8.20%) and 7.82% (2024 – 7.82%) per annum respectively and are secured by way of:

1. corporate guarantee by the Company;
2. legal charge over the investment properties of the Company as disclosed in Note 12 to the financial statements; and
3. legal charge over the freehold land and building of subsidiary company as disclosed in Note 10(a) to the financial statements.

#### **(c) Bankers' acceptance**

Bankers' acceptance of the Group bear interest at rate of 3.15% to 4.15% (2024 – 3.15% to 4.15%) per annum and are secured by way of:

1. corporate guarantee by the Company; and
2. legal charge over the freehold land and building of subsidiary company as disclosed in Note 10(a) to the financial statements.

#### **(d) Term loan**

The term loan of the Group bear interest at rate of 4.29% (2024 – 4.29%) per annum and are secured by way of:

1. corporate guarantee by the Company; and
2. legal charge over the freehold land and building of subsidiary company as disclosed in Note 10(a) to the financial statements.

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**23. Lease liabilities**

	Group	2025 RM'000	2024 RM'000
At 1 October		80	170
Interest expense recognised in profit or loss		10	12
Repayment of principal		(61)	(90)
Repayment of interest expense		(10)	(12)
At 30 September		<u>19</u>	<u>80</u>
<b>Representing:</b>			
Current		<u>19</u>	<u>80</u>

The weighted average effective interest rate of the lease liabilities of the Group is 2.56% (2024 – 2.56%) per annum.

The Group obtains lease facilities to finance their purchase of software. The remaining lease terms are of 1 year as at 30 September 2025. Implicit interest rate of the lease is fixed and the inception of the lease arrangements and the lease instalments are fixed throughout the lease period. The Group has the option to purchase the assets at the end of the agreements. There are no significant restriction clauses imposed on the lease arrangements.

**24. Provisions**

	Group	2025 RM'000	2024 RM'000
<b>Warranties</b>			
As at 1 October		314	106
Recognised in profit or loss		518	414
Utilisation during the financial year		(52)	(60)
Reversal during the financial year		(311)	(146)
As at 30 September		<u>469</u>	<u>314</u>
Non-current		<u>302</u>	<u>102</u>
Current		<u>167</u>	<u>212</u>

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The Group provide warranty for firefighting and specialist vehicles which have completed the repair and passed the quality tests and undertakes to provide repair or spare parts replacement services to customers free of charge within the warranty period. As at 30 September 2025, based on the best estimates of management, the Group recognised a provision of RM468,510.

The assessment of warranty costs requires the use of certain critical accounting estimates and management's best knowledge and judgment on the circumstances. The actual situation and results may differ from management's assessment. Accordingly, the Group's liability balance at 30 September 2025 may be subject to further changes.

**25. Deferred tax liabilities**

	<b>Group</b>	
	<b>2025</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>
At 1 October	2,217	1,967
Recognised in profit or loss	(2,217)	250
At 30 September	-	2,217

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

	<b>Accelerated capital allowance</b> <b>RM'000</b>
At 1 October 2023	1,967
Recognised in profit or loss	250
At 30 September 2024	2,217
Recognised in profit or loss	(2,217)
At 30 September 2025	-

**Deferred tax assets not recognised**

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

	<b>Group</b>		<b>Company</b>	
	<b>2025</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>	<b>2025</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>
Unutilised tax losses	3,895	7,338	135	443
Unabsorbed capital allowance	-	3	-	-
Other temporary differences	6,984	6,280	6,534	5,967
	<b>10,879</b>	<b>13,621</b>	<b>6,669</b>	<b>6,410</b>

**26. Contract liabilities**

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	Group	
	2025 RM'000	2024 RM'000
<b>Contract liabilities</b>		
Consideration received or amount billed for goods or services yet rendered	6,392	<u>13,623</u>
The movements of contract liabilities are as follows:		
At 1 October	13,623	16,095
Contract liabilities at the beginning of financial year being recognised to revenue currently	(35,402)	(22,960)
Increase due to consideration received or billed, but revenue not recognised	<u>28,171</u>	<u>20,488</u>
At 30 September	<u>6,392</u>	<u>13,623</u>

**27. Trade and other payables**

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
<b>Trade payables</b>					
Third parties	(a)	5,845	2,316	1,929	82
Amount due to subsidiaries	(b)	-	-	37,404	37,227
		<u>5,845</u>	<u>2,316</u>	<u>39,333</u>	<u>37,309</u>
<b>Other payables</b>					
Other payables	(c)	7,423	7,961	5,584	6,844
Accruals		1,672	2,923	1,526	687
Deposits received		615	1,223	615	1,503
		<u>9,710</u>	<u>12,107</u>	<u>7,725</u>	<u>9,034</u>
Total trade and other payables		<u>15,555</u>	<u>14,423</u>	<u>47,058</u>	<u>46,343</u>

**(a) Trade payables**

The normal credit terms of trade payables range from 30 to 60 days (2024 – 30 to 60 days) terms.

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#### **27. Trade and other payables (continued)**

##### **(b) Amount due to subsidiaries**

The amount due to subsidiaries is unsecured, non-interest bearing, repayable upon demand and is expected to be settled in cash.

##### **(c) Other payables**

Included in other payables of the Group and of the Company consist of advances from third parties amounted to RM820,000 (2024 – RM820,000) bears interest at rate of 18% (2024 – 18%) per annum and secured by way of legal charge over the investment properties of the Group and the Company as disclosed in Note 12 to the financial statements.

#### **28. Significant related party disclosures**

##### Identities of related parties

For the purposes of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. 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 Company either directly or indirectly. The key management personnel include all the Directors of the Group and of the Company, and certain members of the senior management of the Group and of the Company.

The Group and the Company have related party relationship with their directors and key management personnel.

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Related party transactions entered into the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are show below. The related party balances are shown in Note 17 and Note 27 to the financial statements.

## (a) Compensation of key management personnel

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors' remuneration (Note 5)	264	291	150	175
Other key management personnel				
- salaries and other staff benefit	120	242	-	7
- defined contribution plan	13	26	-	1
	<u>397</u>	<u>559</u>	<u>150</u>	<u>183</u>

**29. Segment information**

The Group prepared the following segment information in accordance with MFRS 8 Operating Segments based on the internal reports of the Group's strategic business units which are regularly reviewed by the Group's chief operating decision maker for the purpose of making decisions about resource allocation and performance assessment.

The four reportable operating segments are as follows:

Segments

Investment holding	- Investment holding
Manufacturing	- Designing, manufacturing, sales and servicing of firefighting and specialist vehicles
Trading	- Servicing of firefighting and specialist vehicles - Sales of firefighting equipment and related spare parts - Sales and servicing of firefighting gas systems and related accessories
Others	- Sales of maternity and baby products - Dormant

Inter-segment pricing is determined on negotiated basis.

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Segment performance is used to measure performance as Group's chief operating decision maker believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets and liabilities

The total of segment assets and liabilities are measured based on all assets and liabilities of a segment, as included in the internal reports that are reviewed by the Group's chief operating decision maker.

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**29. Segment information (continued)**

**(a) Operating segment**

	<b>Investment holding</b> <b>RM'000</b>	<b>Manufacturing</b> <b>RM'000</b>	<b>Trading</b> <b>RM'000</b>	<b>Others</b> <b>RM'000</b>	<b>Adjustments and elimination</b> <b>RM'000</b>	<b>Note</b>	<b>Total</b> <b>RM'000</b>
<b>2025</b>							
<b>Revenue:</b>							
External sales	945	38,397	591	-	-		39,933
Inter-segment sales	-	5,876	2,468	-	(8,344)	<b>A</b>	-
Total revenue	<b>945</b>	<b>44,273</b>	<b>3,059</b>	<b>-</b>	<b>(8,344)</b>		<b>39,933</b>
<b>Results:</b>							
Segment results	5,139	2,592	40	(1,727)	1,368	<b>B</b>	7,412
Finance costs	(714)	(441)	-	-	-		(1,155)
Segment loss	4,425	2,151	40	(1,727)	1,368	<b>B</b>	6,257
Taxation	-	(68)	2,217	-	-		2,149
Loss for the financial year	<b>4,425</b>	<b>2,083</b>	<b>2,257</b>	<b>(1,727)</b>	<b>1,368</b>	<b>B</b>	<b>8,406</b>

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**29. Segment information (continued)**

**(a) Operating segment (continued)**

2025	Investment	Adjustments				Note	Total RM'000
	holding RM'000	Manufacturing RM'000	Trading RM'000	Others RM'000	elimination RM'000		
<b>Other information:</b>							
Investment properties	39,410	-	-	-	-		39,410
Addition to property, plant and equipment	-	49	1	-	-		50
Depreciation of property, plant and equipment	-	183	-	-	-		183
Depreciation of right-of-use assets	-	55	-	-	-		55
<b>Assets:</b>							
Segment assets	83,307	92,176	3,830	11,333	(83,002)		107,644
Other investment	742	-	-	-	-		742
Segment assets	<u>84,049</u>	<u>92,176</u>	<u>3,830</u>	<u>11,333</u>	<u>(83,002)</u>	<b>C</b>	<u>108,386</u>
<b>Liabilities:</b>							
Segment liabilities	50,232	51,110	4,879	54,366	(107,571)	<b>C</b>	53,016

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**29. Segment information (continued)**

**(a) Operating segment (continued)**

	<b>Investment holding RM'000</b>	<b>Manufacturing RM'000</b>	<b>Trading RM'000</b>	<b>Others RM'000</b>	<b>Adjustments and elimination RM'000</b>		<b>Note</b>	<b>Total RM'000</b>
					<b> </b>	<b> </b>		
<b>2024</b>								
<b>Revenue:</b>								
External sales	1,160	25,616	446	-	-			27,222
Inter-segment sales	-	6,739	2,463	-	(9,202)		<b>A</b>	-
Total revenue	<b>1,160</b>	<b>32,355</b>	<b>2,909</b>	<b>-</b>	<b>(9,202)</b>			<b>27,222</b>
<b>Results:</b>								
Segment results	315	(1,383)	723	(3,980)	3,282		<b>B</b>	(1,043)
Finance costs	(800)	(409)	-	-	-			(1,209)
Segment loss	(485)	(1,792)	723	(3,980)	3,282		<b>B</b>	(2,252)
Taxation	-	-	(250)	-	-			(250)
Loss for the financial year	<b>(485)</b>	<b>(1,792)</b>	<b>473</b>	<b>(3,980)</b>	<b>3,282</b>		<b>B</b>	<b>(2,502)</b>

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**29. Segment information (continued)**

**(a) Operating segment (continued)**

2024	Investment	Adjustments				Note	Total RM'000
	holding RM'000	Manufacturing RM'000	Trading RM'000	Others RM'000	elimination RM'000		
<b>Other information:</b>							
Investment properties	35,030	-	-	-	-		35,030
Addition to property, plant and equipment	-	1,553	-	-	-		1,553
Depreciation of property, plant and equipment	1	5	162	-	-		168
Depreciation of right-of-use assets	-	55	-	-	-		55
Amortisation of intangible assets	-	-	-	200	-		200
Impairment loss on intangible assets	-	-	-	150	-		150
<b>Assets:</b>							
Segment assets	78,083	62,917	36,480	11,602	(78,488)		110,594
Other investment	596	-	-	-	-		596
Segment assets	<u>78,679</u>	<u>62,917</u>	<u>36,480</u>	<u>11,602</u>	<u>(78,488)</u>	<b>C</b>	<u>111,190</u>
<b>Liabilities:</b>							
Segment liabilities	49,295	53,941	9,780	53,992	(103,059)	<b>C</b>	63,949

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Nature of elimination to arrive at amounts reported in the consolidated financial statements:

- A. Inter-segment revenues are eliminated on consolidation;
- B. Inter-segment revenues and expenses are eliminated on consolidation; and
- C. Inter-segment balances are eliminated on consolidation.

**(b) Geographical information**

The Group is principally operating in Malaysia and hence, no geographical segment is presented.

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

- (i) Financial assets measured at fair value through profit or loss ("FVTPL");
- (ii) Financial assets measured at amortised cost ("FAAC"); and
- (iii) Financial liabilities measured at amortised cost ("FLAC").

Group	Carrying amount RM'000	FVTPL RM'000	FAAC RM'000	FLAC RM'000
<b>2025</b>				
<b>Financial assets</b>				
Other				
investment	742	742	-	-
Trade				
receivables	608	-	608	-
Other				
receivables and deposits	6,184	-	6,184	-
Cash and bank balances	6,045	-	6,045	
	<b>13,579</b>	<b>742</b>	<b>12,837</b>	<b>-</b>
<b>Financial liabilities</b>				
Trade				
payables	(5,845)	-	-	(5,845)
Other				
payables, accruals and deposits	(9,710)	-	-	(9,710)
Borrowings	(30,581)	-	-	(30,581)
Lease liabilities	(19)	-	-	(19)
	<b>(46,155)</b>	<b>-</b>	<b>-</b>	<b>(46,155)</b>

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

Group	Carrying amount RM'000	FVTPL RM'000	FAAC RM'000	FLAC RM'000
<b>2024</b>				
<b>Financial assets</b>				
Other investment	596	596	-	-
Trade receivables	2,942	-	2,942	-
Other receivables and deposits	6,829	-	6,829	-
Cash and bank balances	6,147	-	6,147	-
	<b>16,514</b>	<b>596</b>	<b>15,918</b>	<b>-</b>
<b>Financial liabilities</b>				
Trade payables	(2,316)	-	-	(2,316)
Other payables, accruals and deposits	(12,107)	-	-	(12,107)
Borrowings	(33,292)	-	-	(33,292)
Lease liabilities	(80)	-	-	(80)
	<b>(47,795)</b>	<b>-</b>	<b>-</b>	<b>(47,795)</b>

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

Company	Carrying amount RM'000	FVTPL RM'000	FAAC RM'000	FLAC RM'000
<b>2025</b>				
<b>Financial assets</b>				
Other investment	742	742	-	-
Trade receivables	256	-	256	-
Other receivables and deposits	4,007	-	4,007	-
Amount due from subsidiaries	3,994	-	3,994	-
Cash and bank balances	10	-	10	-
	<u>9,009</u>	<u>742</u>	<u>8,267</u>	<u>-</u>
<b>Financial liabilities</b>				
Trade payables	(1,929)	-	-	(1,929)
Other payables, accruals and deposits	(7,725)	-	-	(7,725)
Amount due to subsidiaries	(37,404)	-	-	(37,404)
Borrowings	(3,173)	-	-	(3,173)
	<u>(50,231)</u>	<u>-</u>	<u>-</u>	<u>(50,231)</u>

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**30. Financial instruments (continued)**

**(a) Categories of financial instruments (continued)**

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

Company	Carrying amount RM'000	FVTPL RM'000	FAAC RM'000	FLAC RM'000
<b>2024</b>				
<b>Financial assets</b>				
Other investment	596	596	-	-
Trade receivables	661	-	661	-
Other receivables and deposits	3,797	-	3,797	-
Amount due from subsidiaries	2,956	-	2,956	-
Cash and bank balances	10	-	10	-
	<b>8,020</b>	<b>596</b>	<b>7,424</b>	<b>-</b>
<b>Financial liabilities</b>				
Trade payables	(82)	-	-	(82)
Other payables, accruals and deposits	(9,034)	-	-	(9,034)
Amount due to subsidiaries	(37,227)	-	-	(37,227)
Borrowings	(2,952)	-	-	(2,952)
	<b>(49,295)</b>	<b>-</b>	<b>-</b>	<b>(49,295)</b>

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	Group			Company		
	2025	2024		2025	2024	
	RM'000	RM'000		RM'000	RM'000	
<b>Financial assets</b>						
Net allowance for expected credit loss	(568)	-		(568)	-	
<b>Financial liabilities</b>						
Interest expense	(1,155)	(1,209)		(714)	(800)	

**(c) Financial risk management**

The Group and the Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity and cash flow risk
- Market risk
- Operational risk

**(i) 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 the individual characteristics of each customer. The Company's exposure to credit risk arises principally from loans and advances to subsidiary companies. There are no significant changes as compared to prior periods.

**Trade receivables*****Risk management objectives, policies and processes for managing the risk***

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit valuations are performed on customers requiring credit over a certain amount.

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

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*Risk management objectives, policies and processes for managing the risk*  
(continued)

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

There are no significant changes as compared to previous financial year.

***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 and contract assets are represented by the carrying amounts in the statement of financial position.

The trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements.

***Concentration of credit risk***

As at 30 September 2025, the Group and the Company have significant concentration of credit risk in the form of outstanding balance of approximately RM5,603,599 due from a trade receivable which represents 78% and 83% of the total trade receivables of the Group and the Company. However, the directors are of the opinion that these amount outstanding is fully recoverable. Credit risk and receivables are monitored on an ongoing basis. These procedures substantially mitigate credit risk of the Group and the Company.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are measured at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group and the Company. The Group and the Company use ageing analysis to monitor the credit quality of the receivables. Any past due receivables having significant balances, which are deemed to have higher credit risk, are monitored individually.

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The Group and the Company use an allowance matrix to measure the expected credit losses ("ECLs") of trade receivables and contract assets for all segments, which comprise a very large number of insignificant balances outstanding.

To measure the ECLs, trade receivables and contract assets have been grouped based on credit risk and days past due.

Where a receivable has a low credit risk, it is excluded from the allowance matrix and its ECL is assessed individually by considering historical payment trends and financial strength of the receivable.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 30 September 2025 which are grouped together as they are expected to have similar risk nature:

<b>2025</b>	<b>Loss</b>		
	<b>Gross</b> <b>RM'000</b>	<b>allowance</b> <b>RM'000</b>	<b>Net</b> <b>RM'000</b>
<b>Group</b>			
Not past due	157	-	157
1 – 30 days past due	108	-	108
31 – 60 days past due	37	-	37
> 120 days	6,840	(6,534)	306
	<b>7,142</b>	<b>(6,534)</b>	<b>608</b>
<b>Company</b>			
Not past due	65	-	65
1 – 30 days past due	38	-	38
31 – 60 days past due	29	-	29
> 120 days	6,658	(6,534)	124
	<b>6,790</b>	<b>(6,534)</b>	<b>256</b>

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The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 30 September 2024 which are grouped together as they are expected to have similar risk nature:

2024	Gross RM'000	Loss		Net RM'000
		allowance RM'000	RM'000	
<b>Group</b>				
Not past due	2,708	-	-	2,708
1 – 30 days past due	174	-	-	174
61 – 90 days past due	10	-	-	10
90 – 120 days past due	6	-	-	6
> 120 days	6,010	(5,966)	44	
	<hr/>	<hr/>	<hr/>	
	8,908	(5,966)	2,942	
<b>Company</b>				
Not past due	618	-	-	618
> 120 days	6,009	(5,966)	43	
	<hr/>	<hr/>	<hr/>	
	6,627	(5,966)	661	

The movements in the allowance for impairment in respect of trade receivables during the financial year are as follows:

	<b>Group and Company</b> <b>RM'000</b>
At 1 October 2024	5,966
Additional	568
At 30 September 2025	<hr/> 6,534
At 1 October 2023/30 September 2024	<hr/> 5,966

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The credit risk is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group's associations to business partners with high credit worthiness. The Group also has an internal credit review which is conducted if the credit risk is material. Other receivables are monitored on an ongoing basis via Group management reporting procedures.

There are no significant changes as compared to previous financial year.

***Exposure to credit risk, credit quality and collateral***

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

***Recognition and measurement of impairment losses***

As at the end of the reporting period, the Group and the Company have recognised allowance for impairment losses. The movements in the allowance for impairment in respect of other receivables during the financial year are as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
<b>2025</b>		
At 1 October 2024	668	65
Effect of foreign exchange differences	(15)	-
At 30 September 2025	<u>653</u>	<u>65</u>
<b>2024</b>		
At 1 October 2023	678	65
Effect of foreign exchange differences	(10)	-
At 30 September 2024	<u>668</u>	<u>65</u>

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025**

#### **30. Financial instruments (continued)**

##### **(c) Financial risk management (continued)**

###### **(i) Credit risk (continued)**

###### Inter-company loans and advances

###### *Risk management objectives, policies and processes for managing the risk*

The Company provides unsecured loans and advances to subsidiary companies. The Company monitors the ability of the subsidiary companies 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 statement 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 losses*

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

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

The Company determines the default rate for these loans and advances individually using internal information available.

As at the end of the reporting period, the Company did not recognise any additional allowance for impairment losses.

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The movements in the allowance for impairment in respect of amount due from subsidiary companies during the financial year are shown below:

	<b>Company RM'000</b>
At 1 October 2024/30 September 2025	<u>1,399</u>
At 1 October 2023/30 September 2024	<u>1,399</u>

**(ii) Liquidity and cash flow risk**

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

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

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

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

Group	Carrying amount RM'000	Interest rate %	Contractual cash flows RM'000	Under 1 year RM'000
<b>2025</b>				
<b>Non-derivative financial liabilities</b>				
Trade payables				
	5,845	-	5,845	5,845
Other payables, accruals and deposit				
	9,710	-	9,710	9,710
Borrowings				
	30,581	3.15 - 8.50	30,581	30,581
Lease liabilities				
	19	2.56	21	21
	<b>46,155</b>		<b>46,157</b>	<b>46,157</b>

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

Group	Carrying amount RM'000	Interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000
<b>2024</b>					
<b>Non-derivative financial liabilities</b>					
Trade payables					
	2,316	-	2,316	2,316	-
Other payables, accruals and deposit	12,107	-	12,107	12,107	-
Borrowings	33,292	3.15 – 8.22	33,512	32,079	1,433
Lease liabilities	80	2.56	84	84	-
	<b>47,795</b>		<b>48,019</b>	<b>46,586</b>	<b>1,433</b>

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

Company	Carrying amount RM'000	Interest rate %	Contractual cash flows RM'000	Under 1 year RM'000
<b>2025</b>				
<b>Non-derivative financial liabilities</b>				
Trade payables	1,929	-	1,929	1,929
Other payables, accruals and deposit	7,725	-	7,725	7,725
Borrowings	3,173	7.82	3,173	3,173
Amount due to subsidiaries				
- Non-interest bearing	37,404	-	37,404	37,404
	<u>50,231</u>		<u>50,231</u>	<u>50,231</u>
<b>2024</b>				
<b>Non-derivative financial liabilities</b>				
Trade payables	82	-	82	82
Other payables, accruals and deposit	9,034	-	9,034	9,034
Borrowings	2,952	7.82	2,952	2,952
Amount due to subsidiaries				
- Non-interest bearing	37,227	-	37,227	37,227
	<u>49,295</u>		<u>49,295</u>	<u>49,295</u>

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Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows. Other than foreign exchange rate risk and interest rates risk, the Group is not exposed to other prices risk.

**Currency risk**

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily US Dollar ("USD"), British Pound ("GBP"), Euro ("EURO"), and Singapore Dollar ("SGD").

***Risk management objectives, policies and processes for managing the risk***

The exposure to currency risk is monitored by the management and it is not expected to have a material impact on the financial performance of the Group.

***Exposure to foreign currency risk***

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

	<b>Group</b>	
	<b>2025</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>
Financial assets and liabilities not held in functional currency:		
<b><u>Cash and bank balances</u></b>		
- USD	-	7
- GBP	-	1
- SGD	-	3
- AUD	-	4
	<hr/>	<hr/>
	-	15

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

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Financial assets and liabilities not held in functional currency (continued):		
<u>Trade payables</u>		
- USD	(54)	(27)
- GBP	(19)	(28)
- SGD	(3)	(3)
- EUR	(287)	-
	<u>(363)</u>	<u>(58)</u>
<u>Trade receivables</u>		
- USD	57	-

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A 10% strengthening of RM against the following currencies at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonable possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted transactions.

Group	Profit after tax	Profit after tax
	Increase/(Decrease) RM'000	Increase/(Decrease) RM'000
	2025	2024
- USD	-	(2)
- GBP	(1)	(2)
- EUR	(22)	-
	<u>(23)</u>	<u>(4)</u>

A 10% of weakening of RM against the above foreign 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.

Interest rate risk

The Group's and the Company's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest/expense 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/expense rates. Short term investments such as deposits with licensed banks are not significantly exposed to interest rate risk.

*Risk management objectives, policies and processes for managing the risk*

The Group's and the Company's policy is to borrow principally on the floating rate basis but to retain a proportion of fixed rate debt. The objectives for the mix between fixed and floating rate borrowings are set to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall.

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

	2025 RM'000	Interest rate %	2024 RM'000	Interest rate %
<b>Group</b>				
<b><u>Fixed rate instruments</u></b>				
Lease liabilities	<u>19</u>	2.56	<u>80</u>	2.56
<b><u>Floating rate instruments</u></b>				
Project loan	20,396	8.22 – 8.50	21,544	8.22
Bank overdraft	9,625	7.97 - 8.20	10,025	7.97 - 8.20
Bankers' acceptance	-	3.15 - 4.15	420	3.15 - 4.15
Term loan	<u>560</u>	4.29	<u>1,303</u>	4.29
<b>Company</b>				
<b><u>Floating rate instruments</u></b>				
Bank overdraft	<u>3,173</u>	7.82	<u>2,952</u>	7.82

***Interest rate risk sensitivity analysis:******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. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

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At the reporting date, if interest rates had been 100 basis points lower/higher, with all other variables held constant, the Group's and the Company's profit net of tax would have been RM232,416 and RM24,112 (2024 – RM253,023 and RM22,435) respectively higher/lower, arising mainly as a result of lower/higher interest expense on floating rate borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

**(iv) Operational risk**

The operational risk arises from the daily activities of the Group and of the Company which includes legal, credit reputation and financing risk and other risks associated to daily running of its business operations.

Such risks are mitigated through proper authority levels of approval limits, clear reporting structure, segregation of duties, policies and procedures implemented and periodic management meetings.

In dealing with its stewardship, the directors recognise that effective risk management is an integral part of good business practice.

The directors will pursue an ongoing process of identifying, assessing and managing key business areas, overall operational and financial risks faced by the business units as well as regularly reviewing and enhancing risk mitigating strategies with its appointed and key management personnel.

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The carrying amounts of cash and cash equivalents, short term receivables and payables and short-term borrowings reasonably approximate their fair value due to the relatively short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near to the reporting date.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

	<b>Group and Company Level 1</b>	
	<b>2025</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>
<b>Financial asset at fair value</b>		
Other investment	742	596

**31. Capital management**

The Group and the Company manage their capital to ensure that the Group and the Company will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group and the Company may take adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as total borrowings from financial institutions divided by total equity.

	<b>2025</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>	<b>2025</b> <b>RM'000</b>	<b>2024</b> <b>RM'000</b>
Total borrowings	30,581	33,292	3,173	2,952
Total equity	55,370	47,241	33,818	29,385
Debt-to-equity ratio	0.55	0.70	0.09	0.10

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

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025**

#### **32. Material litigation**

##### **(a) Bellajade Sdn. Bhd. v CME Group Berhad**

On 12 May 2014, Bellajade Sdn. Bhd. (“Bellajade”) commenced a legal action against the Company (“CME”) arising from the disputes in relation to a Tenancy Agreement dated 21 February 2013 whereby CME agree to rent a premise for a rental of RM1,018,750 per month, commencing from 20 February 2013, for tenancy term of 3 years.

On 20 May 2015, the Kuala Lumpur High Court dismissed Bellajade’s claims of RM8,401,757 to CME and allowed CME’s counterclaim that the Tenancy Agreement for the sum of RM9,411,062 with interest of 4% on the pre-judgment sum and 5% on the post judgment sum, along with the cost of RM30,000 (“FC Order”).

On 3 June 2015, Bellajade filed the Notice of Appeal.

On 24 August 2016, the Court of Appeal allowed Bellajade’s appeal and set aside High Court Order dated 20 May 2015. The Court of Appeal awarded costs of RM50,000 (for the Appeal Court and High Court) to be paid to Bellajade. The Court of Appeal, however, stayed the Judgment granted in favour of Bellajade pending CME to file Motion for Leave to Appeal to the Federal Court (“COA Order”).

On 13 November 2017, the Federal Court allowed CME’s Motion for Leave to appeal to the Federal Court. The Federal Court also granted a stay of execution of the Judgment of the Court of Appeal dated 24 August 2016 (“CME’s FC Leave Order and Motion”).

On 25 September 2018, the Federal Court allowed CME’s appeal against Bellajade (“CME’s FC Appeal”) and set aside the COA Order. The Federal Court re-instated the FC Order which ordered that Bellajade’s claim against CME be dismissed, the tenancy agreement between Bellajade and CME as null and void and Bellajade to pay CME a sum of RM9,411,062, along with the cost of RM80,000 (“CME’s FC Appeal Order”).

On 4 October 2018, Bellajade filed in the Federal Court a Notice of Motion to review the CME’s FC Appeal Order and a Notice of Motion to stay the execution of CME’s FC Appeal. CME opposed both the Motions.

With the filling of Notice of Discontinuance of the Motion for stay of execution of Federal Court’s order dated 25 September 2018 by Bellajade on 14 November 2018, the file has been closed, and hearing date has been vacated.

On 14 February 2019, the Federal Court allowed Bellajade’s Review Motion dated 4 October 2018 to review the judgement delivered on 25 September 2018, setting aside the CME’s FC Appeal Order and the CME FC Appeal to be re-heard by a different panel of judges (“FC Review Order”).

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On 15 March 2019, CME applied to review the FC Review Order ("CME Review"). CME has also filed a Notice of Motion to stay the execution of FC Review Order and stay the hearing of CME's FC Appeal while pending the disposal of the CME's Review ("CME Stay Motion").

Pursuant to the Federal Court order dated 13 November 2017, the COA order was stayed pending final disposal of the CME's FC Appeal. CME's FC Appeal was fixed for case management, pending the disposal of the CME Review.

Bellajade has issued a notice dated 24 April 2019 demanding a sum of RM55,251,738, CME had on 30 April 2019 applied to Kuala Lumpur High Court to seek an injunction to restrain Bellajade from presenting a winding up petition against CME. On 14 May 2019, CME been granted an ad interim injunction in favour of CME with a condition that CME shall deposit a sum of RM10,969,933 into a joint stakeholder account held by solicitors of CME and Bellajade. The sum had been deposited by CME on 3 June 2019.

On 17 July 2019, Kuala Lumpur High Court allowed CME's application for Fortuna Injunction on the condition that the stakeholder sum of RM10,969,933 deposited remains in the stakeholder account pending the disposal of CME's FC Appeal or any other orders made by the Courts that state otherwise, whichever earlier.

On 24 July 2019, CME filed a Notice of Appeal to Court of Appeal against such part of decision by the Kuala Lumpur High Court dated 17 July 2019 to maintain the stakeholder sum in the stakeholder account ("CME's Appeal"). Case management was fixed on 15 November 2019.

On 15 August 2019, Bellajade filed a Notice of Appeal to Court of Appeal against such part of decision by the Kuala Lumpur High Court dated 14 May 2019 that an interim injunction be granted pending the final disposal of CME's FC Appeal ("Bellajade's Appeal"). Bellajade Appeal was fixed for hearing on 4 December 2020.

On 13 October 2020, the Federal Court dismissed CME's Notice of Motion dated 15 March 2019 to review the Federal Court's order dated 14 February 2019 which set aside the Federal Court's judgment delivered on 25 September 2018. CME's FC appeal is fixed for rehearing on 27 January 2021.

On 27 January 2021, CME announced that no decision date had been fixed by the Federal Court. The Fortuna Injunction granted to CME by the High Court on 17 July 2019 on the condition that the sum of RM10,969,933 to be kept in the joint solicitors account will subsist until Federal Court's disposal of CME's FC Appeal.

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On 30 September 2021, the Federal Court allowed CME's appeal in part, that the tenancy agreement was illegal but declined to order restitution of the rental sum of RM8,401,757 already paid as at 27 December 2013, with no order as to cost.

**Bellajade Sdn. Bhd. v CME Group Berhad (BA-28NCC-267-04/2022)**

On 27 April 2022, CME received a winding-up petition from solicitors acting on behalf of Bellajade pursuant to the Federal Court Judgement dated 30 September 2021.

The Petition is upon a debt arising pursuant to an agreement dated 21 February 2013 between CME and Bellajade. Bellajade is claiming for a sum of RM50,652,566.18 against CME.

On 16 March 2023, CME announced that Bellajade has served the Company's solicitors with a sealed application to intervene in the Creditors's Judicial Management proceedings as disclosed in Note 32(c) and Bellajade's application to intervene into the Creditor's Judicial Management proceedings was allowed.

On 28 March 2023, CME announced that Bellajade has applied to strike out the Creditor's Judicial Management.

In view of the judicial management application, the matter is fixed for Case Management on 10 April 2025 for parties to update court on the status of the application.

Bellajade is winding up the petition is currently staying pending of disposal of judicial management application by Desa Tiasa Sdn Bhd.

**(b) Gemgreen Resources Sdn. Bhd. v CME Group Berhad (BA-28NCC-252-04/2022)**

On 20 April 2022, a winding-up petition from Gemgreen Resources Sdn. Bhd. ("Gemgreen") was received to against CME arising from the outstanding sum of total RM1,582,357 due and owing to Gemgreen.

In view of the judicial management application, the matter is fixed for Case Management on 11 April 2025 for parties to update Court on the status of the application.

Gemgreen's winding up petition is currently pending for disposal of judicial management application by Desa Tiasa Sdn Bhd.

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025****32. Material litigation (continued)****(c) Desa Tiasa Sdn. Bhd. v CME Group Berhad (BA-28JM-6-08/2022)**

On 10 August 2022, CME was served with the sealed cause papers from an application by a creditor to place the Company under judicial management ("Creditor's JM Application") from Desa Tiasa Sdn. Bhd. ("Desa Tiasa"). Under the Companies Act 2016, all legal proceedings against the Company including winding-up petitions are stayed until the disposal of the Creditor's JM Application.

The suite arises from the outstanding sum of total RM2,038,016 due and owing to Desa Tiasa.

On 15 March 2023, Bellejade's Intervener Application was allowed by the High Court. Subsequently, Bellajade filed an application to strike out Desa Tiasa's JM Application ("Bellajade's Striking Out Application") whilst Desa Tiasa filed a notice to appeal against the High Court's decision to allow Bellajade's Intervener Application ("Desa Tiasa's Appeal") and applied to stay all proceedings pending their appeal ("Desa Tiasa's Stay Application").

On 22 March 2023, Bellajade filed an application to strike out the judicial management application on the basis that, pursuant to Section 403 of the Companies Act 2016, a judicial management application does not apply to a company which is subject to the Capital Markets and Services Act 2007.

On 2 May 2023, Desa Tiasa filed an application for stay of proceedings pending the appeal against the decision in allowing Bellajade to intervene. On 29 August 2024, the stay application was allowed by the Court wherein the judicial management and striking out application are now pending the disposal of the appeal.

On 4 December 2024, the appeal was allowed by the Court of Appeal and the High Court of Appeal in allowing Bellajade to intervene in Judicial Management was set aside. As Bellajade has informed the High Court that it will be applying leave to appeal to the Federal Court, the judicial management and striking out application are fixed for Case Management on 30 January 2026 to update court on the leave application.

In the event that the judicial management application is allowed or disallowed, CME Group Berhad may still be liable for the costs associated with the litigation, including the legal fees. The precise amount of these legal fees will be determined and confirmed at a later stage.

**CME GROUP BERHAD**

Registration No.: 197901007949 (52235-K) (Incorporated in Malaysia)

**AND ITS SUBSIDIARIES****NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025****33. General information**

CME Group Berhad is a public limited liability company, incorporated and domiciled in Malaysia and 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 : No. 22C, Jalan Gelugor, 41050 Klang, Selangor Darul Ehsan.

Principal place of business : Lot 19, Jalan Delima 1/1, Taman Perindustrian Teknologi Tinggi Subang, 47500 Subang Jaya, Selangor Darul Ehsan.

The consolidated financial statements of the Company as at and for the financial year ended 30 September 2025 comprise the Company and its subsidiary companies (together referred to as the "Group" and individually referred to as "Group entities"). The financial statements of the Company as at and for the financial year ended 30 September 2025 do not include other entities.

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiary companies are set out in Note 13 to the financial statements.

The financial statements were authorised for issue by the Board of Directors on 26 January 2026.

## LIST OF PROPERTIES

**Owned by:**  
**CME GROUP BERHAD**

<b>Location</b>	<b>Land Area</b>	<b>Date of Purchase/Revaluation</b>	<b>Tenure/ (Approximate Age of Building) Years</b>	<b>Description of Property (Exisiting Use)</b>	<b>Net Book Value As At 30 September RM</b>
<p>48 units of 3 storey Shoplot office:-</p> <p>H.S. (M) 22733 No. PT 23011 to H.S. (M) 22739 No. PT 23017</p> <p>H.S. (M) 22741 No. PT 23019 to H.S. (M) 22743 No. PT 23021</p> <p>H.S. (M) 22745 No. PT 23023 to H.S. (M) 22747 No. PT 23025</p> <p>H.S. (M) 22759 No. PT 23037</p> <p>H.S. (M) 22762 No. PT 23040 to H.S. (M) 22773 No. PT 23051</p> <p>H.S. (M) 22778 No. PT 23056 to H.S. (M) 22788 No. PT 23066</p> <p>H.S. (M) 22790 No. PT 23068</p> <p>H.S. (M) 22792 No. PT 23070 to H.S. (M) 22794 No. PT 23072</p> <p>H.S. (M) 22796 No. PT 23074 to H.S. (M) 22797 No. PT 23075</p> <p>H.S. (M) 22803 No. PT 23081</p> <p>H.S. (M) 22805 No. PT 23083 to H.S. (M) 22807 No. PT 23085</p> <p>H.S. (M) 22809 No. PT 23087</p>	20,145 Sq.m	22 April 2021	Leasehold 99 years expiring 25 April 2090	3 Storey	39,410 million

**Owned by:-****CME INDUSTRIES SDN BHD**

Location	Land Area	Date of Purchase/Revaluation	Tenure/ (Approximate Age of Building) Years	Description of Property (Exisiting Use)	Net Book Value As At 30 September RM
GRN 84205, Lot 38559, Pekan Country Height, District of Petaling, State of Selangor	7,321 sq.m	05 January 2023	Freehold 29 years	3 Storey Office cum Factory Building	28,606 million

**Owned by:-****CME PROPERTIES (AUSTRALIA) PTY LTD**

Location	Land Area	Date of Purchase/Revaluation	Tenure/ (Approximate Age of Building) Years	Description of Property (Exisiting Use)	Net Book Value As At 30 September RM
20 Henson Street, Local Government Area of City of Mandurah, Australia	11,786 sq.m	28 July 2019	Freehold	Property Development	8,412 million
170 Mandurah Terrace, Local Government Area of City of Mandurah, Australia	3,998 sq.m	28 July 2019	Freehold	Property Development	2,853 million

### Analysis of Shareholdings as at 21 January 2026

Authorised Share Capital :	RM1,000,000,000
Issued and Fully Paid Up :	RM102,142,961
Class of Shares :	Ordinary Shares

#### DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Share Capital
Less than 100	265	7.10	19,938	0.00
1 - 1,000	372	9.97	242,806	0.02
1,001 - 10,000	639	17.12	3,943,635	0.33
10,001 - 100,000	1,716	45.98	77,606,603	6.42
100,001 to less than 5% of issued shares	738	19.77	873,011,618	72.20
5% and above of issued shares	2	0.05	254,301,400	21.03
<b>Total</b>	<b>3,732</b>	<b>100.00</b>	<b>1,209,126,000</b>	<b>100.00</b>

#### DIRECTORS' SHAREHOLDINGS

No.	Name of Directors	No. of Shares		No. of Shares	
		Direct Interest	%	Deemed Interest	%
1	Y.M. Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin	0	0.00	174,449,400	14.43
2	Dato' Azmil Bin Zabadi	0	0.00	0	0.00
3	YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah	0	0.00	0	0.00
4	En. Azlan Omry Bin Omar	50,000	0.00	0	0.00
5	Miss Ong Suan Pin	7,666,000	0.63	0	0.00

#### SUBSTANTIAL SHAREHOLDERS

No.	Name of Substantial Shareholders	No. of Shares	%
1	Best Birdnest Sdn Bhd	174,449,400	14.43
2	RHB Nominee (Asing) Sdn Bhd Pledged Securities Account MAA Credit Bhd For Luteum Pty Ltd	79,852,000	6.60

**THIRTY (30) LARGEST SHAREHOLDERS**

No.	Name of Shareholders	No. of Shares	%
1	BEST BIRDSNEST SDN BHD	174,449,400	14.43
2	RHB NOMINEE (ASING) SDN BHD	79,852,000	6.60
	PLEDGED SECURITIES ACCOUNT MAA CREDIT BHD FOR LUTEUM PTY LTD		
3	RHB NOMINEE (ASING) SDN BHD	60,000,000	4.96
	PLEDGED SECURITIES ACCOUNT MAA CREDIT BHD FOR GRAND HOLDINGS PTY LTD		
4	NG YOKE HIN	48,741,300	4.03
5	RAMLI BIN ABDULLAH	46,960,313	3.88
6	CHUA KIM GUAN	20,700,000	1.71
7	KOK FUI HUN	20,000,000	1.65
8	CHAN HUAN LENG	17,500,000	1.45
9	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD	16,500,600	1.37
	PLEDGED SECURITIES ACCOUNT FOR TAN LIAN HONG(8092237)		
10	GOH LILY	16,414,080	1.36
11	WONG MON GIT	14,846,300	1.23
12	TAN SOH WAI	14,577,880	1.21
13	CHAI KIM FAH	14,111,200	1.17
14	CIMSEC NOMINEES (TEMPATAN) SDN BHD	12,000,000	0.99
	CIMB FOR KEE JU-HUN (PB)		
15	NG WAI SAM	11,698,500	0.97
16	LIEW CHA WEE	11,507,000	0.95
17	CGS-CIMB NOMINEES (ASING) SDN BHD	11,502,600	0.95
	PIONEER UNITED LIMITED (JS 803)		
18	TAN HOCK KIEN	10,295,500	0.85
19	TOH SAI ENG	10,000,000	0.83
20	SHABARUDIN BIN ABU BAKAR	9,426,600	0.78
21	ANG TAI ENG	9,180,000	0.76
22	TOH SU-N	8,280,000	0.69
23	NG WAI HONG	7,700,000	0.64
24	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD	7,666,000	0.63
	PLEDGED SECURITIES ACCOUNT FOR ONG SUAN PIN		
25	VOON SZE LIN	7,470,200	0.62
26	WONG MON GIT	7,400,000	0.61
27	MAYBANK NOMINEES (TEMPATAN) SDN BHD	7,340,000	0.61
	LIM SING HUA		
28	LIM POH FONG	7,061,900	0.58
29	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD	6,391,600	0.53
	PLEDGED SECURITIES ACCOUNT FOR TAN SOH WAI		
30	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD	6,000,000	0.49
	PLEDGED SECURITIES ACCOUNT FOR ANG YOOK CHU @ ANG YOKE FONG		
		695,572,973	57.53

### Analysis of Warrant Holdings as at 21 January 2026

No. of Warrant Issued : 123,783,023  
 No. of Warrant Unexercised : 47,750,623  
 Exercise Price : RM0.01  
 Issue Date : 14 May 2018  
 Expiry Date : 13 May 2028  
 No. of Warrant Holders : 247

#### DISTRIBUTION OF WARRANT HOLDINGS

Size of Warrant Holdings	No. of Warrant Holders	% of Warrant Holders	No. of Warrant Held	% of Issued Warrant
Less than 100	10	4.12	418	0.00
100 - 1,000	36	14.81	16,797	0.04
1,001 - 10,000	57	23.46	231,674	0.49
10,001 - 100,000	92	37.86	3,638,536	7.62
100,001 to less than 5% of issued shares	45	18.52	17,485,532	36.62
5% and above of issued shares	3	1.23	26,377,666	55.24
<b>Total</b>	<b>243</b>	<b>100.00</b>	<b>47,750,623</b>	<b>100.00</b>

#### DIRECTORS' WARRANT HOLDINGS

No.	Name of Directors	No. of Warrant		No. of Warrant	
		Direct Interest	%	Deemed Interest	%
1	Y.M. Tunku Nizamuddin Bin Tunku Dato' Seri Shahabuddin	0	0.00	17,144,700	35.91
2	Dato' Azmil Bin Mohd Zabidi	0	0.00	0	0.00
3	YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah	0	0.00	0	0.00
4	En. Azlan Omry Bin Omar	0	0.00	0	0.00
5	Miss Ong Suan Pin	75,000	0.16	0	0.00

#### SUBSTANTIAL WARRANT HOLDERS

No.	Name of Substantial Shareholders	No. of Warrant	%
1	Best Birdnest Sdn Bhd	17,144,700	35.91
2	Ramli bin Abdullah	5,660,266	11.85
3	Tan Soh Wai	3,572,700	7.48

**THIRTY (30) LARGEST WARRANT HOLDERS**

No.	Name of Warrant Holders	No. of Warrant	%
1	BEST BIRDSNEST SDN BHD	17,144,700	35.91
2	RAMLI BIN ABDULLAH	5,660,266	11.85
3	TAN SOH WAI	3,572,700	7.48
4	CHAI KIM FAH	1,974,650	4.14
5	CHAN BOON YOK	1,868,500	3.91
6	CHIN SWEE YOONG	675,000	1.41
7	GOH LILY	600,000	1.26
8	WONG KEN HEUNG	600,000	1.26
9	BOON KIM YU	580,000	1.22
10	YAW SOOK KEAN	570,000	1.19
11	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD	514,700	1.08
	PLEDGED SECURITIES ACCOUNT FOR YEO SEE HUEY		
12	NG HIANG CHEK	500,000	1.05
13	TEE WEI KEAT	500,000	1.05
14	LOONG FONG LIN	490,000	1.03
15	TAN LI TA	463,700	0.97
16	NG WAI HONG	460,000	0.96
17	SHAIFUL SHAM BIN MD ELAH @ MAZALAH	423,900	0.89
18	REZA BIN SHARIFFUDIN	423,750	0.89
19	HLIB NOMINEES (TEMPATAN) SDN BHD	400,000	0.84
	PLEDGED SECURITIES ACCOUNT FOR LOH KIM LAN (CCTS)		
20	CHAN HUAN CHAI	383,700	0.80
21	CHONG YONG LIN	375,000	0.78
22	TAN SOOK HONG	360,000	0.75
23	KOK FUI HUN	356,600	0.75
24	LEE CHOONG YAN	350,000	0.73
25	LEE CHEE KEONG	333,332	0.70
26	CHAN HUAN JOO	304,500	0.64
27	PUBLIC NOMINEES (TEMPATAN) SDN BHD	297,300	0.62
	PLEDGED SECURITIES ACCOUNT FOR FONG KONG SHING (E-TWU)		
28	MAYBANK NOMINEES (TEMPATAN) SDN BHD	262,800	0.55
	NG CHONG ANN		
29	I DE BUILDERS SDN BHD	250,000	0.52
30	LIM YUE THONG	250,000	0.52
		40,945,098	85.75

**CME GROUP BERHAD**(Registration No.: 197901007949 [52235-K])  
(Incorporated in Malaysia)

CDS Account No.

No. of shares held

**PROXY FORM**

I/We \_\_\_\_\_ Tel: \_\_\_\_\_

[Full name in block letters, NRIC / Passport / Registration No.]

of \_\_\_\_\_ being member(s)

of **CME GROUP BERHAD** ("the Company" or "CME"), hereby appoint:

Full Name (in block letters)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address:			

and

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:			
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 29<sup>th</sup> Annual General Meeting of the Company to be held at Dorsett Putrajaya, Precinct 3, Wilayah Persekutuan Bandar, 62000 Putrajaya on **Tuesday, 31 March 2026 at 10.30 a.m.** or at any adjournment thereof, and to vote as indicated below:

AGENDA			
No.	Resolution	For	Against
1.	To re-elect Ong Suan Pin as a Director of the Company	Ordinary Resolution 1	
2.	To re-elect Adam Lim Lian Hwee Bin Danial as a Director of the Company	Ordinary Resolution 2	
3.	To approve the payment of Directors' fees up to an amount of RM180,000 in total from the date of this Annual General Meeting until the conclusion of the next Annual General Meeting	Ordinary Resolution 3	
4.	To re-appoint PKF PLT as Auditors of the Company for the financial year ending 30 September 2026 and to authorise the Board of Directors to fix their remuneration	Ordinary Resolution 4	
5.	Waiver of statutory pre-emptive rights of the shareholders under Section 85 of the Companies Act 2016	Ordinary Resolution 5	
6.	To authorise the Directors to allot and issue shares pursuant to the Companies Act 2016	Ordinary Resolution 6	
7.	To retain YAM Tengku Besar Tengku Kamil Ismail Bin Tengku Idris Shah as an Independent Director of the Company	Ordinary Resolution 7	

Please indicate with an "X" in the appropriate space how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he/she thinks fit or at his/her discretion, abstain from voting.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

\_\_\_\_\_  
Signature / Common Seal of Shareholder(s)

Manner of execution:

- (a) *If you are an individual member, please sign where indicated.*
- (b) *If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.*
- (c) *If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:*
  - (i) *at least two (2) authorised officers, of whom one shall be a director; or*
  - (ii) *any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.*

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**NOTES TO PROXY FORM**

- 1. A member entitled to attend and vote at the 29<sup>th</sup> Annual General Meeting (“AGM”) is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- 2. The instrument appointing a proxy (“proxy form”) shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- 3. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“SICDA”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- 4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of Section 25A(1) of the SICDA.
- 5. Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- 6. The proxy form must be deposited at the Company’s Share Registrar’s office, **Boardroom Share Registrars Sdn. Bhd.** at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
- 7. Only members whose names appear in the Record of Depositors as at **23 March 2026** will be entitled to attend the meeting or appoint proxies to attend and/or vote on his/her behalf.
- 8. Please ensure **ALL** the particulars as required in the proxy form are completed and that the proxy form is signed and dated accordingly.
- 9. The last date and time for lodging the proxy form is **Sunday, 29 March 2026 at 10.30 a.m.**
- 10. For a corporate member who has appointed a representative instead of a proxy to participate in this 29<sup>th</sup> AGM, please deposit the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form if this has not been lodged with the Company’s Share Registrar earlier.
- 11. It is important that you read the Notification to Shareholders for the conduct of this 29<sup>th</sup> AGM.
- 12. Pursuant to Section 320(2) of the Companies Act 2016, a copy of this Notice together with the proxy form is available at the Company’s website at <https://www.cme.com.my>.
- 13. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 29<sup>th</sup> AGM will be put to vote by poll.

2. Fold this flap to seal

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AFFIX  
STAMP

The Share Registrar

**Boardroom Share Registrars Sdn. Bhd.**

(Registration No.: 199601006647 [378993-D])  
11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

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## CME GROUP BERHAD

(Company No. 52235-K) - Incorporated in Malaysia

Lot 19, Jalan Delima 1/1, Taman Perindustrian Teknologi Tinggi Subang,  
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia.

Tel: 03-5633 1188

**WWW.CME.COM.MY**

