



**ADVANCING SUSTAINABLE EXCELLENCE  
IN THE NATURAL RUBBER SUPPLY CHAIN**

推动天然橡胶供应链的永续发展，迈向卓越

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ANNUAL REPORT 2025



## ABOUT THE REPORT

The 2025 Annual Report covers the financial year 2025 (1 January to 31 December), encompasses the strategic and financial aspects of Halcyon Agri Corporation Limited's business, as well as detailing the developments and initiatives moving into 2026 and beyond.

We also would like to invite you to stay updated with Halcyon Agri's latest developments by subscribing to our corporate news alerts via our website: [www.halcyonagri.com](http://www.halcyonagri.com). Your privacy is important to us and the details you provide will be used solely for provision of corporate news updates. You may unsubscribe at any time.

Please contact [investor@halcyonagri.com](mailto:investor@halcyonagri.com) for any questions or feedback.

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# HALCYON AGRI AT A GLANCE

## A GLOBAL FRANCHISE



Halcyon Agri Corporation Limited (SGX: 5VJ) is a leading integrated natural rubber supply chain franchise. Headquartered in Singapore with over 12,000 employees in more than 100 locations, the Group leverages its extensive network of plantations, factories, warehouses, terminals, and sales offices around the world to distribute a wide range of natural rubber products to our customers.

We operate three major platforms:

### Halcyon Rubber Company (HRC Group)

A pre-eminent supplier of natural rubber to the global tyre fraternity, HRC Group owns and operates factories located across the key rubber origins, including Indonesia, Malaysia, China, Thailand and Ivory Coast. All our factories have been approved to supply tyre-grade rubber to tyre majors globally, most of which are also approved to supply EUDR-compliant natural rubber.

These factories and they have attained international standards of environmental performance under ISO 14001 and/or compliant with HeveaPro, an industry-leading manufacturing standard for sustainable natural rubber.

Being a mid-stream business, the key profitability driver for the factories is the processing margins, which is the selling price of the finished product, deducted against the procurement costs from smallholder farmers, and associated conversion costs and overheads.

HRC Group also owns a rubber plantation in Ivory Coast which supplies raw material into its own factories locally.

### CMC Plantations (CMCP)

CMCP is the owner of one of the largest commercially owned and operated rubber plantations located in Cameroon, and another smaller scale plantation in Malaysia. As CMCP progressively opens its immature areas for tapping, there are less than half of CMCP's planted areas that remain immature currently. The plantation business is a long-term investment as each planted rubber tree takes an average of five to seven years before they yield the first drop of latex, and will go on to be productive for the next 30 years.

As the plantation overheads are mostly fixed in nature, the progressive opening of immature areas and the yield ramp-up of

the young trees will drive the increase in production volume in near future, which will reduce overall unit cost. There is further upside profit potential when factoring in the cyclical recovery in rubber prices.

The natural rubber produced from our plantations are also EUDR compliant.

### CMC International (CMCI)

A leading provider of specialist polymers for industrial and non-tyre applications, CMCI operates a wide storefront in key consumption regions covering in-house plantation rubber and concentrated latex, as well as global procurement capability for third-party sourced natural and synthetic rubber, in both dry and liquid forms.

CMCI is also the sole distribution arm for our plantation outputs, which allows us to capture the whole supply chain margin from the tree all the way to the customers' destination. The distribution margins are used to support the development and maintenance costs of our plantations.

## CHIEF EXECUTIVE OFFICER'S REVIEW

### Dear Stakeholders,

I present to you the Annual Report of Halcyon Agri Corporation Limited ("Halcyon Agri" or the "Group") for the financial year ended 31 December 2025 ("FY2025").

FY2025 was a year marked by heightened macroeconomic uncertainty and significant shifts within the natural rubber industry. Global growth moderated, while trade tensions, particularly the introduction of new tariff measures, impacted demand across key markets. At the same time, the postponement of the European Union Deforestation Regulation ("EUDR") implementation disrupted the anticipated premium for sustainable rubber, and supply constraints in producing countries continued to keep raw material prices elevated.

Against this backdrop, the Group experienced a decline in sales volumes and a compression in processing margins, resulting in a more challenging financial performance for the year.

### FY2025 financial highlights

#### Financial performance overview

US\$ million	FY2025	FY2024
Revenue	2,961.5	2,941.0
Gross profit	112.7	190.9
Operating (loss)/profit	(30.3)	49.6
Net financing costs	(59.9)	(63.9)

The Group recorded revenue of approximately US\$3.0 billion in FY2025, broadly stable year-on-year despite a 10.9% decline in sales volume, supported by higher average selling prices. However, profitability was significantly impacted by margin compression, which was primarily caused by:

- Lower unit margins due to elevated raw material costs;
- Reduced EUDR related premiums following the regulation postponement; and
- Lower overall sales volumes amid softer global demand.

Despite these headwinds, the Group delivered stable revenue performance, supported by improved average selling prices, while maintaining strong discipline in working capital management and cost optimisation initiatives.

#### Sales volume and revenue

The Group's sales volume declined during the year, reflecting softer demand across key markets and ongoing macroeconomic uncertainties. Total sales volume decreased by approximately 10.9% year-on-year, driven by weaker consumption trends and trade disruptions.

Revenue increased marginally by 0.7% year-on-year to US\$3.0 billion, despite lower volumes, supported by an increase in average selling prices.

The improvement in price per tonne, driven by tighter raw material supply and elevated market prices, partially offset the decline in sales volume. This reflects the Group's ability to maintain pricing discipline despite challenging market conditions.

#### Gross profit

Gross profit declined by approximately 41% year-on-year to US\$112.7 million, primarily due to margin compression.

Key contributing factors include:

- Elevated raw material costs due to supply constraints;
- Reduction in EUDR-related premiums following the regulatory delay; and
- Lower operating leverage because of reduced sales volumes.

The decline in unit margins remains the key driver of the Group's reduced profitability in FY2025.

#### Operating (loss)/profit

The Group recorded an operating loss of US\$30.3 million, compared to an operating profit of US\$49.6 million in FY2024.

This was largely attributable to the significant decline in gross profit, partially mitigated by continued efforts in cost optimisation and operational efficiency improvements across the Group.

#### Net financing costs

The Group's net financing costs decreased by approximately US\$4.0 million year-on-year. The Group maintained disciplined financing and liquidity management despite a higher working capital intensity environment. Continued focus on funding efficiency and reduced cost of borrowing helped to contain financing costs amid a volatile interest rate environment.

#### Financial position overview

US\$ million	FY2025	FY2024
Net working capital assets	492.1	622.7
Cash and cash equivalents	58.7	83.7
Total net working capital employed	550.9	706.3
Working capital loans	651.1	535.6
<b>% Efficiency of working capital funding</b>	<b>118.2%</b>	<b>75.8%</b>
Operational long-term assets	1,058.5	1,022.8
Non-core assets	41.8	39.5
Other borrowings	115.6	141.3
<b>% Fixed asset gearing</b>	<b>10.5%</b>	<b>13.3%</b>
Shareholder loans	628.5	581.7
<b>Total equity/Net assets</b>	<b>256.0</b>	<b>510.1</b>
<b>Balance sheet metrics</b>		
Cash conversion days	70 days	60 days*
Accounts receivable days	19 days	14 days*
Inventory days	50 days	50 days*
Accounts payable days	7 days	6 days*

The Group's net assets decreased to approximately US\$256.0 million, primarily due to the net loss recorded during the year and the redemption of perpetual securities.

## CHIEF EXECUTIVE OFFICER'S REVIEW

Working capital levels were reduced as part of a deliberate effort to enhance liquidity and optimise capital allocation. Cash conversion days increased from 60 days in FY2024 to 70 days in FY2025 mainly from longer accounts receivable turnover.

### Cash flows

US\$ million	2025	2024
Operating cash flows before working capital changes	30.2	76.3
Changes in working capital	105.4	(155.9)
Interest received	2.8	2.9
Tax paid	(6.7)	(9.3)
<b>Net cash flow from operating activities</b>	<b>131.7</b>	<b>(85.9)</b>
<b>Net cash flow from investing activities</b>	<b>(7.2)</b>	<b>18.4</b>
<b>Net cash flow from financing activities</b>	<b>(151.9)</b>	<b>103.5</b>
<b>Net changes in cash and cash equivalents</b>	<b>(27.4)</b>	<b>35.9</b>

The Group remained operationally cash generative in FY2025.

- Net cash generated from operating activities was supported by improvements in working capital, particularly reductions in inventory and receivables.
- Investing activities remained disciplined, with controlled capital expenditure focused on essential operational needs.
- Financing cash outflows were primarily driven by the redemption of perpetual securities and servicing of borrowings.

Overall, the Group maintained a prudent liquidity position despite the challenging operating environment.

### Compliance and Governance

During FY2025, the Group strengthened its governance framework in response to evolving regulatory requirements.

The Company's controlling shareholder, China Hainan Rubber Industry Group Co., Ltd. is a listed company in the People's Republic of China (the "PRC"). In addition, the Company has subsidiaries established in the PRC and is therefore required to comply with the relevant regulatory requirements of the Chinese authorities. In response to the relevant compliance requirements of the Hainan Office of the China Securities Regulatory Commission (the "Hainan CSRC Office"), the Company conducted a review of certain trading business activities and, based on the outcome of such review, made corresponding adjustments to the relevant financial figures disclosed in its FY2024 Audited Financial Statements.

Management recognize the importance of adapting to evolving regulatory expectations. In response, the Group has strengthened its internal control framework, governance processes, and financial reporting protocols to ensure full compliance with applicable regulations.

These enhancements reinforce our commitment to strong corporate governance and provide a more robust foundation for sustainable growth.

### Outlook

Looking ahead, the operating environment is expected to remain challenging, with key uncertainties including:

- Global economic slowdown and demand volatility;
- Tariff developments in major markets;
- Continued supply constraints in natural rubber; and
- EUDR implementation timeline and compliance requirements.

However, the Group is well-positioned to navigate these challenges through:

#### 1. Strengthening core operations

Enhancing efficiency, cost discipline, and operational excellence across all business segments.

#### 2. Driving sustainable and traceable supply chains

Leveraging our capabilities to capture growing demand for EUDR-compliant products.

#### 3. Maintaining financial discipline

Optimising working capital, funding structure, and capital allocation.

#### 4. Enhancing governance and risk management

Building a robust control environment aligned with global regulatory expectations.

We remain confident that the current challenges are cyclical in nature and that the Group is structurally well-positioned to benefit from long-term demand growth in natural rubber.

### Concluding Thoughts

FY2025 has been a challenging year for the Group, reflecting external market pressures rather than structural weaknesses in our business.

We remain confident in the strength of our platform, our disciplined operating model, and our strategic direction.

On behalf of the Group, I would like to express my appreciation to our employees for their dedication, and to our Board, shareholders, customers, and business partners for your continued trust and support.

We will continue to focus on strengthening our fundamentals and positioning Halcyon Agri for sustainable long-term growth.

#### Sun Weiliang

Chief Executive Officer  
Halcyon Agri Corporation Limited

## CHIEF EXECUTIVE OFFICER'S REVIEW

### 各位：

我谨代表Halcyon Agri Corporation Limited (“合盛农业”)，向各位呈现本集团2025财年年度报告。

2025财年，全球宏观环境复杂多变，天然橡胶行业亦经历深刻调整。全球经济增长动能趋缓，贸易环境不确定性上升，特别是新增关税措施对多个主要市场需求带来扰动。与此同时，欧盟零毁林法案(“EUDR”)实施延期，影响了市场对可持续天然橡胶产品溢价的原有预期；主要产胶国产量仍受供应约束影响，原材料价格持续处于高位。在多重因素叠加影响下，行业整体经营环境承压，市场竞争进一步加剧。

在此背景下，公司销售量有所下降，加工利润空间同比收窄，全年经营业绩面临挑战。尽管如此，公司仍保持了营业收入的总体稳定，并持续推进营运资金优化、成本管控和经营效率提升，展现出较强的经营韧性和应对复杂环境的能力。

### 2025财年财务摘要

#### 财务业绩概览

项目 (百万美元)	2025财年	2024财年
营业收入	2,961.5	2,941.0
毛利	112.7	190.9
经营 (亏损)/利润	(30.3)	49.6
净融资成本	(59.9)	(63.9)

2025财年，集团实现营业收入约30亿美元，虽然销售量同比下降10.9%，但得益于平均销售价格的提升，整体收入同比基本保持稳定。然而，受利润空间收窄影响，盈利能力明显承压，盈利下滑主要受以下因素影响：

- 原材料成本高企，导致单位毛利下降；
- EUDR实施延期后，相关产品溢价回落；
- 全球需求偏弱背景下，整体销售量下降。

尽管面临上述挑战，集团仍依靠提升销售价格保持营业收入稳定，并持续强化营运资金管理和成本优化举措，保持了经营韧性。

#### 销售量及营业收入

集团本年度销量同比下降，主要反映出主要市场需求走弱以及宏观经济不确定性持续存在。受消费趋弱及贸易扰动影响，全年总销量同比下降约10.9%。

尽管销量下降，集团营业收入仍同比小幅增长0.7%至约30亿美元，主要受平均售价的提升，在一定程度上抵消了销量下滑带来的不利影响，也体现出公司在复杂市场环境仍具备较强的价格管理能力。

#### 毛利

2025财年，集团毛利同比下降约41%至1.127亿美元，主要由于利润空间收窄所致。单位毛利下降仍是本集团2025财年盈利能力走弱的核心原因。

#### 经营 (亏损)/利润

2025财年，由于销量及毛利的下降，集团录得经营亏损3,030万美元，2024财年为经营利润4,960万美元。但是，集团仍致力于持续推进成本优化及经营效率提升，在一定程度上对冲了部分压力。

#### 净融资成本

2025财年，集团净融资成本同比下降约400万美元。集团持续保持审慎的融资及流动性管理，通过提升资金使用效率及降低融资成本，在利率波动环境中有效控制了整体财务费用。

#### 财务状况概览

项目 (百万美元)	2025财年	2024财年
净运营资产	492.1	622.7
现金及现金等价物	58.7	83.7
运营资金总额	550.9	706.3
流动贷款	651.1	535.6
运营资金使用效率 (%)	118.2%	75.8%
长期运营资产	1,058.5	1,022.8
非核心资产	41.8	39.5
其他借款	115.6	141.3
固定资产杠杆率 (%)	10.5%	13.3%
股东借款	628.5	581.7
股东权益/净资产	256.0	510.1
资产负债表指标		
现金周转天数	70天	60天
应收账款周转天数	19天	14天
存货周转天数	50天	50天
应付账款周转天数	7天	6天

2025财年，集团净资产降至约2.56亿美元，主要由于永续债券赎回及经营性亏损所致。同时，集团主动压降营运资金水平，以提升流动性并优化资本配置。

现金周转天数由2024财年的60天上升至2025财年的70天，主要由于应收账款周转周期延长所致。

#### 现金流

项目 (百万美元)	2025财年	2024财年
营运现金流 (不含运营资金变化)	30.2	76.3
运营资金变动	105.4	(155.9)
利息收入	2.8	2.9
所得税支付	(6.7)	(9.3)
经营活动产生的现金净流量	131.7	(85.9)
投资活动产生的现金净流量	(7.2)	18.4
融资活动产生的现金净流量	(151.9)	103.5
现金及现金等价物变化	(27.4)	35.9

## CHIEF EXECUTIVE OFFICER'S REVIEW

2025财年，集团整体仍保持经营性现金净流入。

- 经营活动现金净流入主要得益于营运资金改善，特别是存货和应收账款规模下降；
- 投资活动继续保持审慎，资本开支重点围绕必要经营需求进行控制；
- 融资活动现金净流出主要源于永续债券赎回及借款偿付。

总体而言，尽管经营环境充满挑战，集团仍维持了稳健的流动性状况。

### 合规与治理

2025财年，公司根据不断变化的监管要求，持续完善公司治理。

公司的控股股东海南天然橡胶产业集团股份有限公司是一家中国的上市公司，同时公司在中国境内设立有子公司，需要满足中国监管机构的相关要求。本年度内，基于中国证券监督管理委员会海南监管局（“海南证监局”）有关合规要求，公司对开展的部分贸易业务进行了复核，并据此对2024年年度报告相关财务数据进行了对应调整。

管理层充分认识到，公司必须持续适应不断变化的监管要求。为此，本集团进一步强化了内部控制体系、治理流程及财务报告机制，确保全面适用监管机构的要求。

上述提升举措进一步巩固了我们对良好公司治理的承诺，也为集团实现可持续发展奠定了更为坚实的基础。

### 展望

展望未来，经营环境预计仍将充满挑战，主要不确定因素包括：

- 全球经济放缓及需求波动；
- 主要市场关税政策变化；
- 天然橡胶持续面临供应约束；
- EUDR实施时间表及合规要求的变化。

面对上述挑战，集团将重点从以下几个方面积极应对：

一是持续夯实核心经营。不断提升各业务板块的运营效率，严格落实成本管控，持续增强经营质量与执行能力。

二是加快建设可持续、可追溯供应链体系。充分发挥集团在产业链协同和合规管理方面的能力，积极把握EUDR合规产品需求增长带来的市场机遇。

三是强化财务管理，优化资源配置。持续优化营运资金、融资结构及资本配置效率，增强资金流动性与经营韧性。

四是进一步提升治理与风险管理水平。持续建设与国际监管要求相匹配的内控与风险管理体系，夯实长期稳健发展的制度基础。

我们坚信，当前所面临的挑战更多具有周期性特征，而从产业布局、经营基础和战略方向来看，本集团仍具备把握天然橡胶长期需求增长机遇的坚实基础。

### 结束语

2025年对集团而言是充满挑战的一年，我们对集团平台能力、审慎务实的经营模式以及清晰坚定的战略方向仍然充满信心。

在此，我谨代表本集团，向全体员工的辛勤付出致以诚挚感谢，向董事会、股东、客户及各业务合作伙伴长期以来的信任与支持表示衷心感谢。

未来，我们将继续聚焦夯实经营基本盘，不断提升核心竞争力，推动合盛农业实现可持续的高质量发展。

### 孙卫良

合盛农业有限公司  
首席执行官



## BOARD OF DIRECTORS



**EDDIE CHAN YEAN HOE**  
Independent Chairman

Mr Eddie Chan Yean Hoe was appointed as Independent Chairman of the Company on 27 January 2026. He was appointed to the Board in 2020 and serves as the Chairman of the Audit Committee and Remuneration Committee. He also sits on the Nominating Committee. He was an Executive Director and a Partner of Ernst & Young Malaysia with many years of experience in auditing, corporate restructuring, taxation and accounting, across several industries including rubber and oil palm plantations.

He also held several senior finance roles in a multinational oil and gas company until his retirement. He had served as a Director of Daiman Development Berhad, prior to his appointment to the Board.

Mr Eddie Chan is a Certified Public Accountant. He is a member of the Malaysian Institute of Certified Public Accountants and a chartered member of the Malaysian Institute of Accountants.



**WANG HONGXIANG**  
Non-Executive Director

Mr Wang Hongxiang was appointed to the Board in February 2025 as a Non-Executive Director. He is currently the Chairman of the Board of Directors of China Hainan Natural Rubber Industry Group Co., Ltd. Before joining China Hainan Natural Rubber Industry Group Co., Ltd, Mr Wang served as secretary, party committee member and deputy county mayor of Tunchang County, Hainan Province.

Mr Wang graduated from Hainan Normal University, holding a bachelor's degree in Chinese language.



**SUN WEILIANG**  
Executive Director, Chief Executive Officer

Mr Sun Weiliang is the Executive Director and Chief Executive Officer of Halcyon Agri Corporation Limited. He joined the Board as Non-Executive Director in April 2023 and was re-designated as the Executive Director and Chief Executive Officer in March 2024. As Chief Executive Officer, Mr Sun is in charge of formulating and executing the business strategy of the Group, and of overseeing its day-to-day management. Before joining Halcyon Agri, Mr Sun was the Chief Financial Officer of China Hainan Rubber Industry Group Co., Ltd, a position he held since 2021 until his appointment as the Chief Executive Officer of Halcyon Agri.

Mr Sun holds a Bachelor of Economics, Hangzhou Electronic Industrial College.



**HUANG XUHUA**  
Independent Director

Mr Huang Xuhua is an Independent Director appointed to the Board in 2021 and serves as the Chairman of the Nominating Committee. He also sits on the Audit Committee and Remuneration Committee. He has over 30 years of experience in corporate and commercial laws, and specialises in mergers and acquisitions, joint ventures, cross-border investments and private equity transactions.

Mr Huang has been based in Beijing, New York, Hong Kong and Singapore in the course of his legal career, and was a partner of one of the world's largest international law firms for 14 years.

He received his Bachelor of Laws from Renmin University of China in Beijing and his Master of Laws from Columbia University School of Law in New York.

## BOARD OF DIRECTORS



### LATHA EAPEN K. MATHEW

Independent Director

Ms Latha Eapen K. Mathew is an Independent Director appointed to the Board in 2022 and also sits on the Audit Committee. She was a Partner of Ernst & Young with over 35 years of experience in taxation, and specialized in Singapore and international corporate tax.

She had served as a Board Member of Singapore Chartered Tax Professionals, and non-profit initiatives including Treasurer and Board Member of Make A Wish Singapore. She is currently on the Board of Governance of Methodist Welfare Services.

Ms Eapen received Bachelor of Accountancy from the University of Singapore.



### XU XINGBIN

Non-Executive Director

Mr Xu Xingbin is a Non-Executive Director appointed to the Board in 2023. Mr Xu has been with Sinochem International Corporation for more than 10 years and is now its General Manager, Engineering Plastics Business Unit. He had held various senior positions including:

- General Manager, Strategy Development Department (Sinochem International)
- Vice General Manager, Strategy Development Department (Sinochem International)
- General Manager, Strategy Management Department (Sinochem International)
- Vice General Manager (Sinochem International Crop Care Company Limited)
- Vice General Manager (Sinochem Agro Co., Ltd)

Mr Xu received his Bachelor of Economics from Wuhan University and his Master of Business Administration from Shanghai Jiaotong University.



### FAN XIAOHONG

Non-Executive Director

Ms Fan Xiaohong was appointed to the Board in April 2024 as a Non-Executive Director. She is currently the General Manager of Operation and Risk Control Department of China Hainan Natural Rubber Industry Group Co., Ltd, overseeing the operational management as well as risk management framework of its subsidiaries.

Ms Fan graduated from Sichuan Agricultural University, holding a bachelor's degree and a master's degree.



### CHEN LEI

Non-Executive Director

Ms Chen Lei was appointed to the Board in September 2024 as a Non-Executive Director. She is currently the General Manager of Finance Management Department of Sinochem International Corporation, overseeing the accounting, tax, financing, budgeting and financial auditing functions. She is also serving as the General Manager of Sinochem Chemical Technology (Hainan) Co., Ltd, responsible for the operation and management of the company's business.

Ms Chen is a graduate of Shanghai Maritime University, holding a degree in Management.

## RISK MANAGEMENT

The Board as a whole is responsible for the governance of risk and overall internal controls framework. Through its Audit Committee, the Board devotes significant attention to maintain an effective system of risk management and internal controls, safeguard the Group's investments and that of our Shareholders, and ensure that risks are managed in the Group's best interests. Risks are proactively managed and embedded in the Group's planning and decision-making process as well as day-to-day operations.

Our Risk Register is reviewed regularly to ensure risk mitigation measures are symmetric with market environment and the Group's operations. The Audit Committee is apprised of any material changes as soon as they are identified or through the quarterly updates of the macro-environmental developments by the management that potentially has an impact to the following key risks of the Group.

RISK	CAUSE	IMPACT	MITIGATION MEASURES
<b>PRICE RISK</b> Fluctuations in the price of natural rubber and rubber products	<ul style="list-style-type: none"> <li>Weather, political and geopolitical changes, futures market activities and currency movements</li> <li>Overstocking of inventories</li> </ul>	<ul style="list-style-type: none"> <li>Price volatility directly impacts the Group's profitability/performance</li> </ul>	<ul style="list-style-type: none"> <li>Utilise forward physical contracts and/or derivatives to manage the Group's open positions</li> <li>Daily reports on market positioning and mark-to-market prices to facilitate the Group's decision making</li> </ul>
<b>CREDIT AND COUNTERPARTY RISK</b> Customers' default and counterparty's failure to meet contractual obligations	<ul style="list-style-type: none"> <li>Adverse market movements and volatile market price</li> <li>Inadequate screening of the customer and counterparty</li> <li>Inadequate monitoring of outstanding contracts and/or receivables</li> </ul>	<ul style="list-style-type: none"> <li>Customer defaults resulting in loss of revenue</li> <li>Breach of counterparty obligation resulting in additional costs</li> </ul>	<ul style="list-style-type: none"> <li>Transact only with credit-worthy customers or counterparties</li> <li>Periodic review of credit terms granted against collaterals obtained</li> <li>Periodic review of limit granted against the utilisation of credit limits and transaction limits</li> <li>Review the adequacy of credit insurance to protect against potential default</li> <li>Monitor Mark-to-Market positions of all open contracts</li> </ul>
<b>LIQUIDITY RISK</b> Insufficient liquidity to consistently meet obligations as well as to cater to changing business models	<ul style="list-style-type: none"> <li>Longer-than-expected working capital cycle</li> <li>Banks reduce or cancel banking facilities</li> <li>Mismatch between asset acquisitions with tenure of funding obtained</li> </ul>	<ul style="list-style-type: none"> <li>Insufficient working capital resulting in inability to meet obligations on time, disruptions to operations or even impacts ability of the Group to meet its business objectives</li> </ul>	<ul style="list-style-type: none"> <li>Manage liquidity by matching between sources of funds and intended purpose</li> <li>Maintain sufficient headroom on unutilised committed banking facilities at all times</li> <li>Monitor and continually optimise working capital cycle</li> </ul>
<b>INTEREST RATE RISK</b> Fluctuation in interest rate for loans and borrowings	<ul style="list-style-type: none"> <li>Macroeconomic outlook, currency movements, political and geopolitical disruptions</li> </ul>	<ul style="list-style-type: none"> <li>Interest rate hikes could increase the Group's financing costs and negatively impact the Group's results as well as liquidity</li> <li>Missing opportunities on securing financing at favourable interest rates</li> </ul>	<ul style="list-style-type: none"> <li>Align cash availability with repayment terms of facilities</li> <li>Actively monitor interest rate trends</li> <li>Monitor and continually optimise working capital cycle</li> <li>Cost of financing factored in the selling price</li> </ul>
<b>FOREIGN EXCHANGE RISK</b> Fluctuation in forex rates	<ul style="list-style-type: none"> <li>Macroeconomic outlook, political and geopolitical changes</li> </ul>	<ul style="list-style-type: none"> <li>Inadequate hedging and unfavourable movements in exchange rates resulting in forex losses</li> </ul>	<ul style="list-style-type: none"> <li>Monitor exchange rate movements and unhedged foreign currency exposure on an ongoing basis</li> <li>Employ hedging instruments to manage exposure</li> </ul>

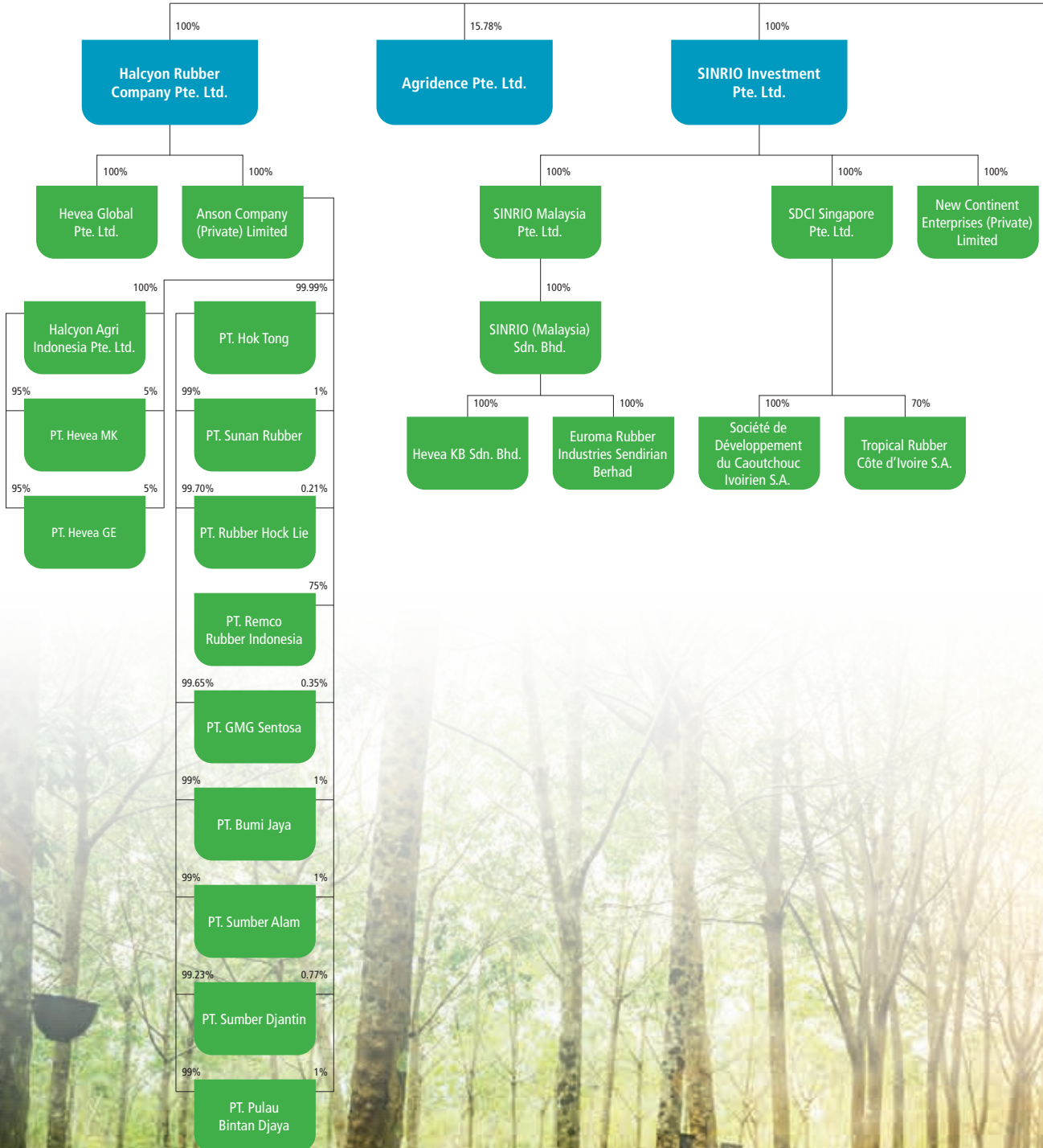
## RISK MANAGEMENT

RISK	CAUSE	IMPACT	MITIGATION MEASURES
<b>BIOLOGICAL ASSETS RISK</b> Suboptimal performance of biological assets	<ul style="list-style-type: none"> <li>Unpredictable planting/replanting conditions (e.g. soil and weather conditions, plant diseases and pests)</li> <li>Extreme weather conditions/animal intrusions causing damages to trees</li> </ul>	<ul style="list-style-type: none"> <li>Inefficient asset utilisation and loss of profits as the Group would have to procure from third party sources to make up for the suboptimal yield of existing trees</li> </ul>	<ul style="list-style-type: none"> <li>In-house team of experienced plantation team, supported by the services of qualified professionals as required for planting/replanting matters</li> <li>Periodic review of open positions between Sales Contracts and inventory levels</li> <li>Periodic review of actual versus budget yield from plantations</li> </ul>
<b>SOCIAL AND POLITICAL RISK</b> Risk of changes in socio-economic and political climate	<ul style="list-style-type: none"> <li>Socio-economic and political development (e.g. issues of labour laws, human rights, environmental protection) that have serious impact on local population</li> </ul>	<ul style="list-style-type: none"> <li>Improper management of such issues could negatively affect the Group's reputation</li> <li>Disruptions to operation resulting in deviations from expected financial performance</li> </ul>	<ul style="list-style-type: none"> <li>Leverage the expertise and knowledge of local management and consultants to actively monitor the social and political risks</li> <li>Diversify operations from different countries</li> <li>Sales contracts provide terms allowing substitution of similar products from other sources</li> </ul>
<b>LEGAL AND COMPLIANCE RISK</b> The Group operates in many different geographic locations with diverse cultures and local customs	<ul style="list-style-type: none"> <li>Not being updated with changes of legal and regulatory requirements in respective geographical locations</li> </ul>	<ul style="list-style-type: none"> <li>Failure to comply with local laws and regulations may result in the Group being involved in litigations pertaining to claims and disputes</li> <li>Penalties/fines, disruptions to operations or even cessation of business from revocation of licenses</li> <li>Negative impact of the Group's reputation</li> </ul>	<ul style="list-style-type: none"> <li>Maintain active communication with internal and external legal advisors</li> <li>Proactively engage in discussions with local governments, regulators and industry leaders</li> <li>Policies and procedures aligned with local regulations are in place and communicated to all employees for compliance</li> <li>Grievance procedure and whistleblowing policy in place to provide internal/external stakeholders avenue to report on compliance issues</li> </ul>
<b>TAX AND COMPLIANCE RISK</b> Risk in determination of our tax entitlement and obligation	<ul style="list-style-type: none"> <li>Uncertainty regarding the application and interpretation of tax laws; not updated with changes in tax rules given the size and vast geographic scope of our operations</li> </ul>	<ul style="list-style-type: none"> <li>Failure to comply with tax rules which result in additional taxes, interest and penalties payable</li> </ul>	<ul style="list-style-type: none"> <li>Deploy proper resources, either with employees of relevant technical expertise and with adequate local knowledge or engagement of external advisors or both where necessary</li> <li>In situations where there is inconsistent interpretation of tax laws, proactively engage with the relevant tax authorities to ensuring tax issues can be resolved as equitably in a timely and cost effective manner</li> </ul>

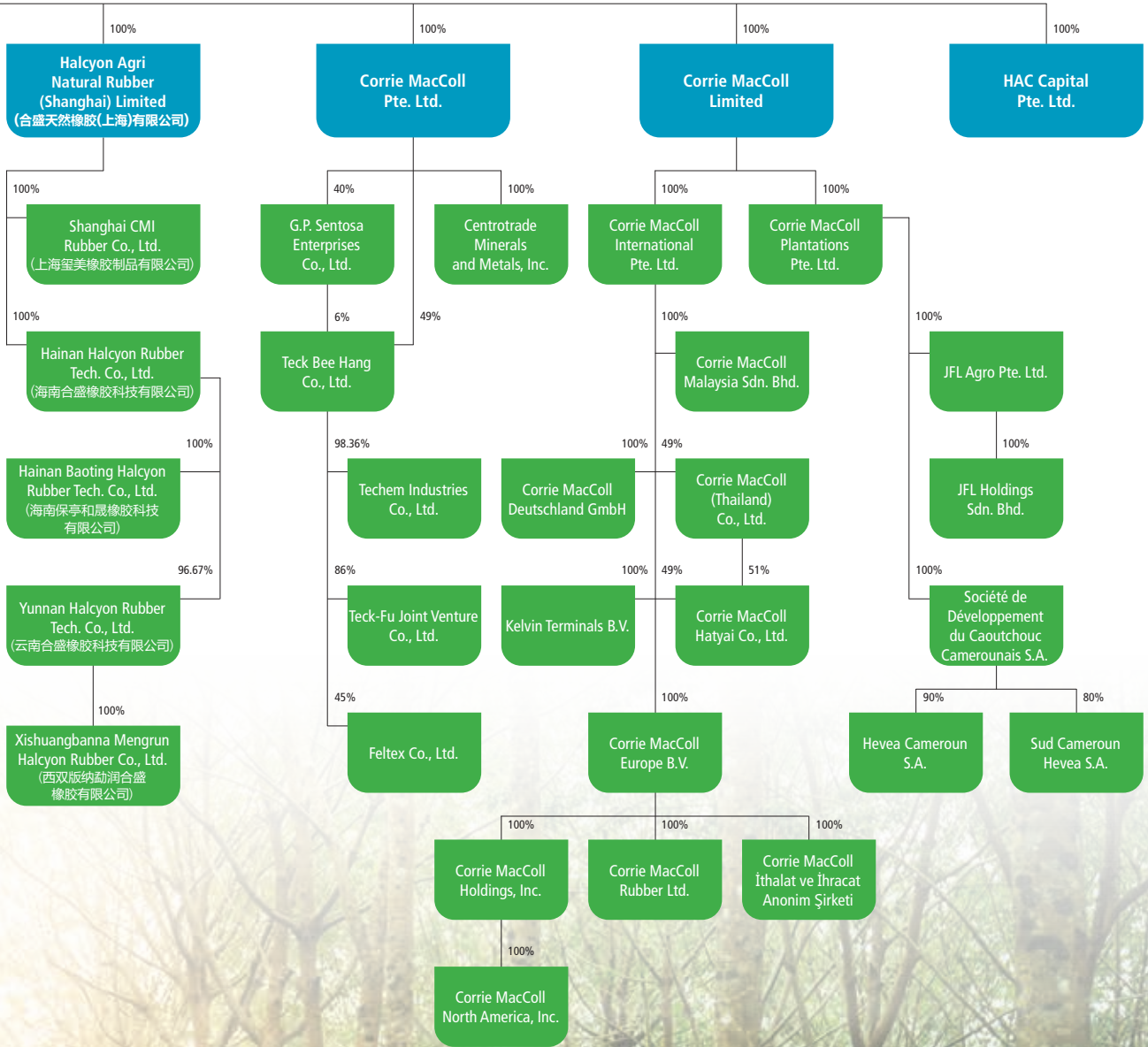
# CORPORATE STRUCTURE



Halcyon Agri Corporation Limited



# CORPORATE STRUCTURE



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Eddie Chan Yean Hoe** (*Independent Chairman*)  
**Wang Hongxiang** (*Non-Executive Director*)  
**Sun Weiliang** (*Executive Director and Chief Executive Officer*)  
**Huang Xuhua** (*Independent Director*)  
**Latha Eapen K. Mathew** (*Independent Director*)  
**Xu Xingbin** (*Non-Executive Director*)  
**Fan Xiaohong** (*Non-Executive Director*)  
**Chen Lei** (*Non-Executive Director*)

### AUDIT COMMITTEE

Eddie Chan Yean Hoe (*Chairman*)  
 Latha Eapen K. Mathew  
 Huang Xuhua  
 Fan Xiaohong  
 Chen Lei

### REMUNERATION COMMITTEE

Eddie Chan Yean Hoe (*Chairman*)  
 Huang Xuhua  
 Sun Weiliang

### NOMINATING COMMITTEE

Huang Xuhua (*Chairman*)  
 Eddie Chan Yean Hoe  
 Sun Weiliang

### COMPANY SECRETARY

Wong Teck Kow

### REGISTERED OFFICE AND CORPORATE HEADQUARTERS

180 Clemenceau Avenue  
 #05-02 Haw Par Centre  
 Singapore 239922  
 Tel: +65 6460 0200  
 Fax: +65 6460 0850

### INVESTOR RELATIONS

180 Clemenceau Avenue  
 #05-02 Haw Par Centre  
 Singapore 239922  
 Email: Investor@halcyonagri.com

### SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte Ltd  
 1 Harbourfront Avenue  
 Keppel Bay Tower #14-07  
 Singapore 098632  
 Tel: +65 6536 5355  
 Website: www.boardroomlimited.com

### AUDITORS

Ernst & Young LLP  
 One Raffles Quay  
 North Tower Level 18  
 Singapore 048583  
 Tel: +65 6535 7777  
 Audit Engagement Partner: Lee Lai Hiang  
 (Since financial year ended 31 December 2024)

### PRINCIPAL BANKERS

Export-Import Bank of China  
 China Development Bank  
 Industrial and Commercial Bank of China  
 China Everbright Bank Co., Ltd.  
 Bank of Communications Co., Ltd.  
 Bank of Shanghai Co., Ltd.  
 China Zheshang Bank Co., Ltd.  
 The Bank of East Asia Limited  
 PT Bank Central Asia Tbk  
 Afriland First Bank  
 Cooperatieve Rabobank U.A.  
 Deutsche Bank AG  
 Wells Fargo Bank NA  
 Société Générale S.A.  
 Bank of Jiangsu

## CORPORATE GOVERNANCE REPORT

Halcyon Agri Corporation Limited (the “Company” or “HAC” and together with its subsidiaries, the “Group”) firmly believes that high standards of corporate governance and sustainable business strategy are the core pillars that determine the Group’s success in creating long-term value for its stakeholders.

The Group has achieved a high level of business resilience through its robust corporate governance framework which focuses on effective leadership and oversight; transparency and accountability; inclusive and sustainable development; as well as continuous risk management, mitigation and control.

The Board of Directors (the “Board”) will continue to steer and further strengthen resilience to possible future shocks by focusing on driving sustainable business growth, business model innovation and embrace the key tenets of good governance.

The Company’s ongoing efforts to implement best practices in corporate governance in all aspects of the Group’s operations throughout the financial year ended 31 December 2025 (“FY2025”) are highlighted in this report and the Board Committee reports (the “Committee Reports”), embedded in and forming part of the Company’s annual report for FY2025 (the “Annual Report”). All the following Committee Reports form part of this report:

- Nominating Committee (“NC”) Report
- Remuneration Committee (“RC”) Report
- Audit Committee (“AC”) Report

### Compliance with the Code of Corporate Governance

The Company has applied the principles of the Code of Corporate Governance 2018 (the “Code”) to its corporate governance structure and practices as described in this report. The Board is pleased to report that the Group has adhered to all material principles and provisions of the Code, and wherever applicable, together with other applicable laws, rules and regulations, including the Listing Manual (the “Listing Manual”) of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The disclosure of our corporate governance framework and practices in this report has been approved by the Board.

## BOARD STRUCTURE

### Board Composition and Diversity Highlights

Board Member	Eddie Chan Yean Hoe	Wang Hongxiang	Sun Weiliang	Huang Xuhua	Latha Eapen	Xu Xingbin	Fan Xiaohong	Chen Lei	Total/ Average/ Proportion
<b>Tenure and Independence</b>									
Date of Appointment	28 July 2020	21 February 2025	26 April 2023	18 June 2021	12 August 2022	24 November 2023	1 April 2024	5 September 2024	
Last re-elected date (if applicable)	24 April 2024	28 April 2025	24 April 2024	28 April 2025	28 April 2025	24 April 2024	24 April 2024	28 April 2025	
Tenure as of 30 April 2026 <sup>(1)</sup>	5 years 9 months	1 year 2 months	3 years	4 year 10 months	3 year 8 months	2 year 5 months	2 years	1 year 8 months	3 years 1 month
Independence	√	X <sup>(2)</sup>	X <sup>(2)</sup>	√	√	X <sup>(2)</sup>	X <sup>(2)</sup>	X <sup>(2)</sup>	37.5%
Executive	X	X	√	X	X	X	X	X	12.5%
<b>Board Committees Membership</b>									
Audit Committee	√ Chairman			√	√		√	√	5
Nominating Committee	√		√	√ Chairman					3
Remuneration Committee	√ Chairman		√	√					3
<b>Expertise and Experience</b>									
Accounting/Financial	√		√		√	√	√	√	
International Business Exposure	√		√	√	√	√	√	√	
Leadership/Chief Executive	√	√	√	√	√	√	√	√	
Legal/Risk Management	√	√	√	√	√	√	√	√	
Mergers & Acquisitions	√		√	√	√	√		√	

## CORPORATE GOVERNANCE REPORT

Board Member	Eddie Chan Yean Hoe	Wang Hongxiang	Sun Weiliang	Huang Xuhua	Latha Eapen	Xu Xingbin	Fan Xiaohong	Chen Lei	Total/ Average/ Proportion
Rubber/Commodities Business	√	√	√	√	√		√		
Sustainability		√	√	√			√		
Present and past three (3) years Directorships in other listed companies (if any)	–	–	–	–	–	–	–	–	–
<b>Demographics</b>									
Age	70	53	58	61	70	50	43	43	56 years
Gender Identity	Male	Male	Male	Male	Female	Male	Female	Female	62.5% Male
Singapore Resident			√	√	√				37.5%

**Notes:**

- (1) For the purpose of Rule 210(5)(d)(iv) of the Listing Manual, the length of a director's tenure is from the date of his appointment until the date by which the Company's 2026 AGM is required by law to be held.
- (2) Affiliated with substantial shareholder.

The profile of each Director (including academic and professional qualifications) is presented in this Annual Report under the section "Board of Directors".

**Independent, Effective Board Oversight**

- Separation of the roles of Chairman and Chief Executive Officer ("CEO").
- Significant Independent Directors presence on the Board.
- No Independent Director who has served for more than nine (9) years.
- Regular board refreshment with Independent Directors' average tenure of 4.8 years.
- Non-executive Directors make up 87.5% of the Board.
- Chairmen of all mandatory board committees, being AC, NC and RC, are all Independent Directors.
- Gender diverse board with three female Directors made up 37.5% of the Board.
- Diversity of skills, knowledge and broad range of experience – the Board comprises members with political or geopolitical savvy, an experienced lawyer who is qualified in a number of jurisdictions, retired audit firm partners as well as Directors who have years of experience in formulating corporate strategy and have in-depth knowledge of the rubber business.
- Annual performance evaluation on the Board, Board Committees and individual Directors.
- None of the Directors hold more than six (6) directorships (without other executive roles) or four (4) directorships (with other executive roles) in listed companies.
- No alternate directors appointed.
- Each Director has been submitted for re-nomination and re-appointment at least once during the past three (3) years.

# CORPORATE GOVERNANCE REPORT

## BOARD MATTERS

### THE BOARD'S CONDUCT OF AFFAIRS

The Company is committed to upholding the highest ethical and corporate governance standards. It conducts business with integrity, fairness and transparency and will not tolerate any acts, attempted acts, or assistance with any form of bribery or corruption whether direct or indirect.

The Board continues to focus on value creation, innovation, sustainability and ethical business practices, and has embedded them in setting the strategic directions of the Company. It has put in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company.

**Duties of the Board.** The principal functions of the Board are to:

- (a) establish corporate values and ethical standards of conduct for the Group;
- (b) oversee the business performance and affairs of the Group and provide entrepreneurial leadership;
- (c) set strategic direction for the Group, maintain the policy and decision-making framework in which the strategy is implemented;
- (d) establish and maintain a sound risk management framework and adequate internal controls, setting risk appetite to achieve an appropriate balance between risk and the Group's performance;
- (e) supervise, monitor and review the function and performance of the Group's management and ensure that necessary resources are in place for the Company to meet its strategic objectives;
- (f) review and approve annual budgets, financial plans, major acquisitions and divestment plans, funding and investment proposals;
- (g) ensure transparency and accountability to key stakeholder groups including compliance with relevant laws and regulations as well as the financial reporting standards;
- (h) ascertain and ensure that the environmental, social and governance ("ESG") factors that are most material to the Company's long-term goals and viability are integrated into its overall business strategy;
- (i) review sustainability risks and ensure that the management of the material ESG factors is incorporated into the Company's enterprise risk management process;
- (j) review and approve the appointment of Directors and Key Management Personnel ("KMP"); and
- (k) instil an ethical corporate culture and promote sustainable development.

**Conflict of Interest.** Directors have a duty to act in the best interests of the Company and are required to take all reasonable steps to avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of the Company. The Policy on Director's Conflicts of Interest complements the Company's corporate governance practices, and serves to guide the Directors in recognising and handling conflict situations. This policy requires any member of the Board or Board Committees who has an interest in a matter to recuse himself from discussions and abstain from participating in the approval process involving the issue of conflict. The Directors are also obliged to make timely disclosure of their interests to avoid any possible conflicts of interest.

**Board Access to Information.** The Board has unrestricted access to the Company's records and information. Directors are furnished with complete, adequate and timely information, and they are promptly alerted of changes to the Group's business and financial condition, to assist the Board to make a balanced and informed assessment to decide on matters as and when they arise. The CEO and the senior management of the Group (collectively, the "Management") have been maintaining close coordination and open dialogue with the Board on the business risks and the workplace health and safety issues, to ensure that the Directors are fully cognisant of the decisions and actions of the Management.

Documents and adequate information relating to meeting agenda items, including background and explanatory notes, financial statements, budgets, forecasts and progress reports of the Group's business operations and internal audit reports are circulated at least one week prior to each Board and/or Board Committee meeting through the board portal, to allow sufficient time for Directors to comprehensively understand the issues to be deliberated upon and make informed decisions thereon. Senior management personnel who are able to provide additional insights into the matters at hand, if required, would be invited to attend the meetings to present the papers and address queries from the Directors.

## CORPORATE GOVERNANCE REPORT

Analysis report covering the Group's operational performance, financial results, market environment, treasury activities, corporate and business development as well as other relevant information are presented to the Board regularly. Such regular updates and timely reports allow the Board to monitor the Group's performance as well as Management's performance relating to the goals and objectives set by the Board. All information requested by the Directors was provided in a timely manner.

Directors have direct and independent access to Management and may, at any time, request for further explanation, briefings or informal discussions on any aspect regarding the Group that is required for the discharge of Directors' duties and responsibilities. The Directors also have separate and independent access to the Company Secretary at all times. The Company Secretary advises the Board on corporate and administrative matters, facilitates a Director's orientation and professional development, and ensures timely and good information flow within the Board and Board Committees, and between Management and the Independent Directors. The Company Secretary and/or his colleague attends all Board and Board Committee meetings to ensure that Board procedures are followed and that the applicable rules and regulations are complied with. The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole.

In furtherance of their duties, the Directors, individually or collectively, may also seek independent professional advice concerning any aspect of the Group's operations or undertakings, at the Company's expense.

**Delegation of Authority.** The Board embraces the principle of empowerment, and believes that governance and management are more effective and efficient when they are separated. The day-to-day management, operation and administration of the Group, including the implementation of the ESG strategy, are led by the Management team who are accountable to the Board for their performance in pursuing the long-term success of the Group. The Management collaborates closely with the non-executive Directors and provide insights on the Group's operations.

While the Board Committees and Management are tasked with certain responsibilities, all major decision-making remains the ultimate responsibility of the Board. A written Policy on Board Delegation of Authority (the "Delegation Policy"), which sets out the framework and mechanisms by which the Board delegates specific standing powers and limits of authority, had been adopted. The Delegation Policy aims to balance the need to empower and devolve decision-making to appropriate levels for operational efficiency and to ensure that proper systems of control are in place. It provides clear directions to Management on matters that are reserved for the Board's decision and approval, which includes the following:

- (a) overall Group business and budget strategies;
- (b) capital expenditures, investments or divestments exceeding certain material thresholds;
- (c) all capital-related matters including capital issuance and redemption;
- (d) significant policies governing the operations of the Company;
- (e) corporate strategic development and restructuring;
- (f) material interested person transactions which fall within the meaning of the Listing Manual; and
- (g) risk management strategies.

All material transactions are reserved for the Board's decision, without any individual or group of individuals exercising considerable concentration of power or influence, or being allowed to dominate the Board's decision making.

**Board Meetings.** The Board meets on a quarterly basis and additional meetings would be held as warranted. Four (4) meetings were scheduled and held in FY2025 to review, discuss and receive updates from Management on the Group's financial performance, annual budget, sustainability issues, corporate strategy, business plans, corporate actions, capital plans, risk management policies, appointment and re-appointment of Directors, executive remuneration, significant operational matters and corporate actions that took place during the year.

The Board believes that meetings between Independent Directors who have no relationship (whether familial, business, financial, employment, or otherwise) with the Company encourage and promote greater openness and facilitate provision of well-balanced viewpoints to the Board. Any Independent Director may summon a meeting without the presence of the non-independent directors and Management whenever he deemed fit. Any recommendations or suggestions arising from such meeting will be communicated to the Board or to the Management as appropriate.

The Chairman oversees the setting of Board meeting agendas, and the Directors are encouraged to propose any topic that is deemed appropriate to be discussed. Draft meeting agendas are circulated to the Chairmen of the Board and Board Committees in advance for comments, to make sure that all material topics are attended to.

## CORPORATE GOVERNANCE REPORT

To ensure meetings are held with maximum Directors' participation, all Board meetings are planned and scheduled in advance after consultation with Directors. In addition, Directors who are not able to be physically present in the Board meetings may participate in the Board and Board Committee meetings by telephone or video conference, as permitted by the Company's Constitution (the "Constitution"). The Constitution also provides that the Board may make decisions and grant approval by way of written resolutions. A list of written resolutions approved by the Board and Board Committees is compiled and circulated during Board and Board Committee meetings.

The record of Directors' attendance at the Board and Board Committee meetings for FY2025 is set out below:

	MEETING ATTENDANCE				
	Number of scheduled meetings held between 1 January to 31 December 2025				
DIRECTOR	AGM/EGM	Board	AC	NC	RC
Eddie Chan Yean Hoe	2	4	4	1	1
Huang Xuhua	2	4	4	1	1
Latha Eapen K. Mathew	1	3	3	–	–
Sun Weiliang	2	4	4 <sup>(1)</sup>	1	1
Xu Xingbin	1	4	–	–	–
Fan Xiaohong	2	3	3	–	–
Chen Lei	2	4	4	–	–
Wang Hongxiang	2	–	–	–	–
Attendance Rate (Exclude attendance by invitation)	87.5%	81.3%	90%	100%	100%
<b>Note:</b>					
(1) Including attendance by invitation					

### BOARD GOVERNANCE FRAMEWORK AND LEADERSHIP STRUCTURE

The Company's corporate governance framework is designed to ensure that the Board has the authority and practices in place to review and evaluate the Group's business operations and to make decisions independent of Management. In making determinations about the corporate leadership, the Board considers many factors, including the specific needs of the business and the best interests of the Company's stakeholders. The current leadership structure comprises of an Independent Chairman, a CEO and Board committees led primarily by Independent Directors. The Board believes that this structure provides an effective balance between strong leadership, appropriate safeguards and oversight by Independent Directors.

**Board Committees.** The Board oversees the Company's corporate governance practices, in part, through the work carried out by its three (3) Board Committees, namely, the AC, NC and RC (collectively, the "Board Committees"). Delegating certain functions and authority of the Board to the Board Committees enhances the governance framework, enables the Board to discharge its oversight function more effectively, and allows the Board to capitalise on and benefit from the expertise of the Independent Directors.

Each Board Committee functions within clearly defined terms of reference ("TOR") which have been approved by the Board. The TOR, committee structure and membership of each committee are reviewed by the Board from time to time.

All Board Committees are chaired by an Independent Director, to encourage independent oversight and enable the Board to discharge its obligations more effectively.

## CORPORATE GOVERNANCE REPORT

The primary responsibilities of each of the Board Committees together with their current membership are set forth below, with the detailed functions and involvement of the key Board Committees described in the respective Committee Reports.

Board Committee	Composition	Key Areas of Oversight Delegated to it by the Board (Not exhaustive)
Audit Committee ("AC")	<p><b>Five (5) members:</b></p> <ul style="list-style-type: none"> <li>■ Eddie Chan Yean Hoe (Chairman)</li> <li>■ Latha Eapen K. Mathew</li> <li>■ Huang Xuhua</li> <li>■ Fan Xiaohong</li> <li>■ Chen Lei</li> </ul> <p>Three (3) out of five (5) members are Independent Directors</p> <p>All members are Non-Executive Directors</p>	<ul style="list-style-type: none"> <li>■ Financial reporting</li> <li>■ Internal and external audit processes</li> <li>■ Interested person transactions</li> <li>■ Internal controls and risk management systems</li> <li>■ Whistleblowing arrangements</li> </ul>
Nominating Committee ("NC")	<p><b>Three (3) members:</b></p> <ul style="list-style-type: none"> <li>■ Huang Xuhua (Chairman)</li> <li>■ Eddie Chan Yean Hoe</li> <li>■ Sun Weiliang</li> </ul> <p>Two (2) out of three (3) members are Independent Directors</p> <p>Majority members are Non-Executive Directors</p>	<ul style="list-style-type: none"> <li>■ Board structure and composition</li> <li>■ Succession plans for Directors, in particular the appointment and/or replacement of the Chairman, Directors, the CEO and KMP</li> <li>■ Performance of the Board</li> <li>■ Board and Director independence</li> <li>■ Board orientation, training and development</li> </ul>
Remuneration Committee ("RC")	<p><b>Three (3) members:</b></p> <ul style="list-style-type: none"> <li>■ Eddie Chan Yean Hoe (Chairman)</li> <li>■ Huang Xuhua</li> <li>■ Sun Weiliang</li> </ul> <p>Two (2) out of three (3) members are Independent Directors</p> <p>Majority members are Non-Executive Directors</p>	<ul style="list-style-type: none"> <li>■ Remuneration policies and framework for the Directors</li> <li>■ Remuneration for the Board and KMP</li> <li>■ Specific remuneration packages for Executive Director and KMP</li> </ul>

**Board Leadership Structure.** There is a clear division of responsibilities between the leadership of the Board and the executive responsible for managing the Company's business. The roles of Chairman and the post of CEO are held by separate persons, to ensure an appropriate check and balance, increased accountability, and greater capacity of the Board for independent decision-making where no one individual has unfettered powers of decision-making. The two (2) key roles have fundamentally disparate responsibilities and functions, but complement each other in the overall objective of creating value for Shareholders, and play vital roles in providing the Group with strong leadership and vision.

The roles, duties and responsibilities of the Chairman, CEO and Directors of different classes (executive, non-executive and Independent Director) are detailed under a Memorandum on Director's Duties and Responsibilities which has been distributed to each Director upon his appointment, and accessible in the board portal.

### BOARD COMPOSITION AND PERFORMANCE EVALUATION

The Company's Board is effective, comprises professionals with a broad range of experience and industry expertise, who discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company.

The NC assists the Board in fulfilling its corporate governance responsibility with respect to board effectiveness. The NC determines and evaluates the size, structure, composition, requisite skills, performance of the Board and Board Committees, as well as the appointment, independence, development and competencies of the Directors. The NC makes and reviews recommendations to the Board on all nominations for appointments and re-appointments to the Board as well as the appointment of KMP. The NC functions within clearly written TOR approved by the Board and its principal activities are set out in the Nominating Committee Report.

**Board Appointment and Membership.** The Board regularly and continually reviews its structure, size and composition to identify the balance of skills, knowledge and experience required for the Board to discharge its responsibilities effectively. The Board has a formal and transparent process for the appointment and re-appointment of Directors. The search, nomination and evaluation process is delegated to the NC.

## CORPORATE GOVERNANCE REPORT

In line with the provisions under the Diversity Policy (as defined below) and to document the Company's formal processes for the appointment and re-appointment of Directors, the Board has formulated and adopted a Director Nomination Policy (the "Nomination Policy") which sets out a non-exhaustive list of criteria with due regard for the benefits of diversity as set out in the Diversity Policy, for the NC to assess suitability of a proposed appointment and re-appointment of Directors. The Nomination Policy aims to enhance Board diversity, while maintaining an appropriate balance between continuity of experience and Board refreshment.

To ensure that the Company has the opportunity to benefit from all available talent, the evaluation of a potential new Director is based on meritocracy and made in accordance with the Nomination Policy. The Nomination Policy provides that potential board candidate(s) will be considered against objective criteria, having due regard for the Diversity Objectives, the ability of prospective candidates to contribute to discussions, deliberations and activities of the Board as well as the balance of Independent Directors on the Board. The NC also has a formal and written guide to conduct due diligence checks to assess suitability of a candidate for appointment as a Director of the Company.

In its review of proposals for the appointment or re-appointment of each Director as well as KMP, the NC will also take into consideration the composition and progressive renewal of the Board, as well as each Director's competencies, principal commitment, contribution and performance (including attendance to meetings, preparedness, participation and candour), including, if applicable, his or her performance as an Independent Director. Such appointment or re-appointment which has been recommended by the NC will be deliberated by the Board, and the appointment is reserved for the Board's decision. The Constitution also spells out the procedures for the appointment of new Directors, along with the re-election and removal of Directors.

**Board Composition.** The Company's Board has eight (8) members with three (3) Independent Directors independent from management and business relationships with the Company, one (1) executive Director and four (4) non-independent non-executive Directors.

**Rotation and Re-election of Directors.** At each AGM, Directors constituting not less than one-third of the Board are required to retire from office by rotation, and a Director shall submit himself for re-nomination and re-election at regular intervals of at least once every three (3) years. These requirements are clearly stated in the Company's Constitution and each member of the Board has submitted himself for re-nomination and re-appointment at least once, during the past three (3) years.

At the recommendation of the NC and with the approval of the Board, resolutions for the re-election of Mr Eddie Chan Yean Hoe, Ms Fan Xiaohong and Mr Xu Xingbin as Directors of the Company will be tabled at the 2026 AGM for Shareholders' approval. They will, upon re-election as Directors, hold the same office in the Board and Board Committees immediately held before their re-election. Each of the Directors who is subject to re-election at the forthcoming AGM has abstained from making any recommendation and/or participating in any deliberation in respect of the assessment of his/her own re-election as a Director.

For information required under Rule 720(6) and Appendix 7.4.1 of the Listing Manual in respect of the Directors seeking re-election at the AGM, please refer to pages 55 to 58 of this Annual Report.

**Board Diversity.** The Company views diversity at the Board level as an essential element to build an open, inclusive and collaborative boardroom culture to support its strategic objectives and sustainable development. The Policy on Board Diversity (the "Diversity Policy") adopted by the Company since 2019 endorses the principle that a diverse Board should include and make good use of differences between the Directors in terms of professional experience, skills, knowledge, length of service, discipline, cultural and educational background, gender, age, ethnicity and other relevant factors including distinctions between directors such as cognitive and personal strengths (the "Diversity Objectives"). Different social constructs and diversity in thoughts allow the Board to consider issues more holistically and creatively during periods of uncertainty, which is important given the various emerging trends and business disruptions that may come up from time to time.

The Board recognises that gender as one of the key elements of diversity can widen the depth and breadth of its collective skills and perspectives, and it has appointed three female Directors.

## CORPORATE GOVERNANCE REPORT

The Company remains committed to promote gender diversity in the Board and to further improve the quality of its disclosures through policy development, representation, and transparency. Aligned with the regulator's efforts to work towards increasing the representation of females on boards, the Board has reviewed and updated its Diversity Policy to explicitly address gender diversity and place emphasis on core diversity characteristic/targets to ensure that the Board's Diversity Objectives are met. The target, timeline and progress towards achieving the Diversity Objectives are summarised below:

Core Diversity Characteristic	Target	Progress
(a) Demographic diversity including gender, age, ethnic/cultural group	<ul style="list-style-type: none"> <li>At least 10% female representation on the Board by 2023, and reach the ambitious target of 20% by 2025</li> </ul>	The Company has appointed three female Directors and has achieved its 2025 target
	<ul style="list-style-type: none"> <li>Average age of the Board should be less than the prevailing retirement age in Singapore, preferably represented by at least three (3) different age groups (defined by decades)</li> </ul>	Presently, the retirement age in Singapore is 63. The average age of the Board members is 55 years, with three (3) decades represented on Board
(b) Professional experience, talents, skills and knowledge	<ul style="list-style-type: none"> <li>Diverse range of academic qualifications or professional experience backgrounds, with at least two (2) Board members having accounting or related financial management expertise or experience</li> </ul>	The Board comprises members with political or geopolitical savvy, an experienced lawyer who is qualified in a number of jurisdictions, two (2) retired audit firm partners, as well as Directors who have years of experience in formulating corporate strategy and have in-depth knowledge of the rubber business
(c) Board refreshment	<ul style="list-style-type: none"> <li>Average tenure for Independent Directors as a group shall be less than 7 years</li> </ul>	Average tenure for Independent Directors as a group is 4.8 years

**Board Independence.** Having considered the scope and nature of the Group's operations, the composition of the Board as well as its governance framework, the Board concluded that it is well-constituted with the right structure. The current Board composition, consisting of eight (8) members, with three (3) Independent Directors and 87.5% of non-executive Directors, has a high level of independence. This enables the Board to function effectively at optimum levels during the year and exercise objective judgement on corporate affairs independently.

**Board Orientation, Training and Development.** The Board has adopted a set of best practice for Directors' training and development which is documented under the Policy on Induction, Training and Development for Directors (the "Training Policy"). The NC oversees and makes recommendations to the Board for training and professional development programs available to Directors, as well as induction for newly appointed Directors.

The Training Policy serves (i) to assist the new Director who is appointed to the Board for the first time to gain an understanding of his or her roles, duties, obligations and responsibilities as a Director of the Company, as well as the framework within which the Group operates; and (ii) to encourage all Directors to regularly review his or her training and professional development needs, to ensure that the Directors have appropriate competencies to effectively fulfill their responsibilities to the Company, Shareholders and other stakeholders. A formal letter of appointment setting out the roles of a Director and the time commitment required, as well as information about the Group, its operations, business, practices and governance systems, is issued to each newly appointed Director to ensure that the Director is aware of his or her duties and obligations.

The induction programme is tailored for each new Director (depending on his or her requirements, skills, qualifications and experience). As a mandatory requirement, a new Director who has no prior experience as a director of a listed company would attend a pre-requisite course for first-time appointees on boards of listed company, to familiarise himself or herself with the roles and responsibilities of a director of a public listed company. All the directors have completed the core Listed Entity Director (LED) Programme organised by the Singapore Institute of Directors ("SID") with the support of the SGX-ST.

To ensure that each Director fulfils the needed and desired competencies of the Board, and keep abreast of changes to the regulatory environment, Directors are encouraged to attend courses which are relevant to the Directors in discharging their roles and responsibilities, at the Company's expense. The list of available seminars and courses is circulated to Directors from time to time, through the board portal. Reading materials in connection with professional developments and applicable regulatory updates or amendments to relevant laws, rules and regulations are also disseminated to Directors through the board portal. Comprehensive and useful information covering the duties and obligations of a Director, TOR of Board Committees, the Group's business activities, strategic directions, policies and key areas of operations of the Group, are also provided in the resource centre under the board portal, and is accessible by all Directors. All Directors would be offered the opportunity to visit the Group's major operational sites and meet with any of the senior executives of the Group.

The Management regularly updates the Board and provides insights on business and strategic developments at meetings. The Group's external auditor, Ernst & Young LLP ("EY"), regularly briefs the AC members on changes to and new developments of accounting and reporting standards and/or regulatory environment.

## CORPORATE GOVERNANCE REPORT

**Board Succession.** The NC is also tasked to recommend and review succession plans for the Company's Directors and senior management, in particular for the Chairman, the CEO and the KMP, taking into account the challenges and opportunities facing the Group and the skills and experience needed in the future. The Company integrates executive development programs into CEO and KMP succession planning, and builds talent internally through training, so that the best internal candidates are identified early and flagged at the Board level. Where necessary or appropriate, the NC may tap on its networks and/or engage external professional executive recruitment agencies to assist with identifying and shortlisting candidates. The NC can also approach relevant institutions, such as the Singapore Institute of Directors, professional organisations or business federations, to source for suitable candidates.

**Commitment to the Board.** To ensure that each Director is able to devote sufficient time and attention to carrying out his/her role in accordance with his/her duties, the Board has determined that the maximum number of listed company board representations each Director of the Company is allowed to hold is as follows:

- (a) directorships without other executive roles – Six (6)
- (b) directorships with other executive roles – Four (4)

Directors of the Company are required to notify the Board of any new appointment of directorships to listed companies or other principal commitments, for the Board or NC to consider and to evaluate whether such Director is able to commit the time to adequately carried out his/her duties as a Director of the Company.

**Board Performance Evaluation.** The Board has a duty to ensure that its members possess the essential background, experience and knowledge in the business, and contribute an independent and objective perspective to enable sound, balanced and well-considered board decisions. The annual evaluation of the Board and of each Board Committee, as well as the contribution of each Director to the effectiveness of the Board, is led by the NC with the support of the Company Secretary.

The NC decides how the Board's performance may be evaluated to assess the effectiveness of the Board. The performance of the Board and each of the Board Committees is assessed by the NC on its overall effectiveness in accomplishing its goals and discharging its responsibilities based upon the following criteria:

- (a) Board size and composition;
- (b) Board governance processes;
- (c) Board information and accountability;
- (d) Board's performance in relation to discharging its principal functions;
- (e) where practical, financial references which include return on capital employed, return on equity, debt to equity ratio, dividend payout ratio, economic value added, earnings per share, and total shareholder return (i.e. dividend plus share price increase over the year); and
- (f) Board Committee performance, qualification and effectiveness in discharging their responsibilities set out in their respective TOR.

The evaluation of the individual Directors are evaluated based on his/her dedication and understanding of the role, preparedness and participation in the meetings, as well as quality of inputs to matters deliberated by the Board.

The assessment provides insights into the functioning of the Board, whilst identifying areas that might need strengthening and development. Directors are invited to provide their views and suggestions for any specific areas where improvements may be made to improve Board effectiveness. Every Director is also requested to complete an assessment of each Director's contributions, including himself, to the effectiveness of the Board, on an anonymous basis.

Following the review for FY2025, the NC and the Board are satisfied that each Director have contributed to the overall effectiveness of the Board and have demonstrated commitment to their roles on the Board, and that the Board and Board Committees operate effectively and have met their respective performance objectives. Notwithstanding that certain Directors have multiple board representations, these multiple directorships are not in conflict with the interests of the Company, and are within the maximum number of listed company board representations each Director of the Company is allowed to hold. No external facilitator was used in the evaluation process.

Taking into account the performance evaluation results, scope and nature of the Group's operations as well as its strategic direction, the Company and the Board are satisfied that the Board and Board Committees are of the right size for effective decision-making, have the appropriate balance and mix of skills, expertise, knowledge, experience and collectively possess the necessary core competencies in diverse areas that are relevant to the Company's strategy, governance and business. The collective skillset and global business experience of the Board have supported the Company and push forward into a new era of economic recovery and opportunity for the benefit of all stakeholders.

## CORPORATE GOVERNANCE REPORT

### REMUNERATION MATTERS

The Company has formal and transparent procedures for fixing the remuneration packages of individual Directors and KMP. Its remuneration policy seeks to ensure that the level and structure of remuneration are appropriate and proportionate to the sustained performance and value creation of the Group, taking into account the strategic objectives of the Group.

Reviewing and making recommendations to the Board on the framework of remuneration for the Board and KMP as well as the specific packages for each Director and the KMP, are the key functions of the RC. Information about the RC, including its work in FY2025, is set out in the RC Report.

**Remuneration Framework.** The Company's remuneration and incentive framework, policies and practices are appropriate to attract, retain and motivate Directors to provide good stewardship of the Company and KMP to successfully manage the Company for the long term. The RC may from time to time, and where necessary or required, seek advice from external consultants in framing its remuneration policy and determining the level and mix of remuneration for Directors and KMP.

Remuneration framework as well as the specific remuneration packages which are tailored to the specific role and circumstances of each Director and KMP, including the CEO, are reviewed and discussed in the RC meeting.

The Company currently does not impose contractual provisions to reclaim incentive components of remuneration paid in prior years in the service agreements or employment agreements of the KMP. Notwithstanding this, the Company is not precluded from exercising the right to reclaim such incentives in exceptional circumstances including for example, misstatement of financial results or of misconduct resulting in financial loss to the Group.

The remuneration of Directors and KMP as well as RC's consideration on the remuneration package of each Director and KMP in respect of FY2025 have been agreed and approved by the Board, and are explicitly disclosed on a named basis, in the RC Report.

**Overview on FY2026 Remuneration Programme.** The Group's remuneration policies are appropriate, effective, meet the commercial requirements to remain competitive, are sensitive to the time horizon of risk and allow flexibility in response to prevailing circumstances, and align with the long-term interests of the Group. Currently, there are no employee share schemes provided by the Company or the Group, and the Company does not have any long-term incentive plans. None of the Directors and KMP have received any termination, retirement and post-employment benefits. All Directors and the KMP are remunerated on an earned basis. There is no employee in the Group who is a substantial shareholder of the Company or an immediate family member of a Director, CEO or substantial shareholders.

The Board, having assessed the Company's resiliency, preparedness, and continued management of material ESG issues and risks both during and after the crisis, is of the view that the Management's responses and actions taken in managing and improving the financial and operational resilience, as well as mitigating the impact of the crisis on employees, the communities and business continuity are commendable. It recognises that the Group's business was not spared from the impact of economic downturn, and that the Management's relentless efforts have succeeded in maximising opportunities and minimising the downside of pandemic-related disruptions.

In light of the above, the Board believes that the Company's remuneration decision for FY2025 aligns with the long-term interests of Shareholders and other stakeholders, as well as the risk management policy of the Company. The Company did not engage any remuneration consultants or professional firms in FY2025.

### ACCOUNTABILITY AND AUDIT

The Board is accountable and answerable to the Shareholders for all aspects of the Company. It endeavours to ensure that Shareholders are furnished with timely information, full disclosure of material information and aims to present a balanced and understandable assessment of the Company's performance, position and prospects to the Shareholders. It is imperative that the Shareholders are kept informed of the Group's operating environment, performance as well as management of sustainability issues. Its function relating to overseeing both internal and external audits is delegated to the AC. The main responsibility and objective of the AC are to assist the Board in fulfilling its financial and other oversight responsibilities by serving as an independent and objective party to oversee, monitor and appraise the integrity of the Company's financial reporting process, the internal controls and risk management systems as well as the audits processes. Significant findings in the course of its reviews are reported to the Board.

The principal responsibility and activities of the AC are set out in the AC Report.

**Risk Management and Internal Controls.** The Board is responsible for the governance of risk and ensuring that an effective system of risk management and overall internal controls framework are in place. It determines the nature and extent of the significant risks which is appropriate for the Company in achieving its strategic objectives and creating value for the Shareholders. The Board oversees the design, implementation and monitoring of the risk management framework and policies, as well as the system of internal controls. It has significantly heightened vigilance on how the control environment is adapted to the new operating environment, including the information technology ("IT") controls related to telecommuting, workplace safety, alternate capacities and procedures for continued auditing work, and placed close scrutiny on high-risk areas.

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The Board reviews the effectiveness of internal controls and ensures that Management puts in place action plans to mitigate the risks identified, and undertake remedial actions to rectify any control lapses. It devotes significant attention to maintaining an effective system of risk management and internal controls, to safeguard the investment of the Company and its Shareholders, and to ensure that the risks are managed in the best interests of the Group. The principal risks facing the Company and the mitigation measures are described under the Risk Management section of this Annual Report.

In assessing the effectiveness of the Group's internal controls, the Board focuses on identifying control gaps in the business process, areas for improvement and areas where controls can be strengthened. This process assists in ensuring that primary key objectives are met, material assets are properly safeguarded, fraud or errors in the accounting records are prevented or detected, accounting records are accurate and complete, and reliable financial information is prepared in compliance with applicable internal policies, laws and regulations. The Company's internal audits supplement the Group's evaluation on all matters concerning internal controls, including the assessment of any issues identified in the course of internal audits as well as the administration and implementation of the Group's internal policies and procedures.

The Company has a dedicated team which is responsible for developing, monitoring and maintaining risk management controls and reporting any key issues to Management. The Group's Commercial team assesses and evaluates its commercial strategy and positions on a weekly basis. The Group Risk Management Policy, which imposes appropriate measures and limits to control commercial risk exposures, is reviewed regularly to ensure that it is symmetric with the market environment and the Group's operations.

The internal controls practice of each of the Group's functions are subject to annual review or periodically when circumstances warrant such review. The Management constantly reviews the control environment including the legal and regulatory developments as well as the Company's risk-mitigation policies and protocols, adjusts such protocols as necessary to conform to evolving regulatory circumstances, enhances the standard operating procedures and ensures that the business is fully compliant with the applicable regulations and the Group's policies.

**Financial Reporting.** The Company's financial results are prepared and presented in compliance with statutory requirements including applicable accounting standards and the Listing Manual. The Company announces its half-yearly and full year unaudited financial statements through SGXNet within the timeline stipulated under the Listing Manual, and also provides updates on major operational development to the Shareholders periodically. It continues to comply with its continuing disclosure obligations to keep the Shareholders updated when appropriate, should there be any material developments (financial or otherwise) relating to the Company or the Group.

Management continues to adopt a prudent and disciplined approach in its capital management strategy to monitor its cash flow and to ensure sufficient liquidity headroom. Management reports the Company's cash flow, status of upcoming maturities of outstanding indebtedness as well as compliance with financial covenants to the AC regularly.

**External Audits.** The scope and results of auditing by the Company's external auditor, EY, its cost effectiveness, as well as independence and objectivity are reviewed by the AC annually. The AC and the Board are satisfied that the aggregate amount of audit fees paid and/or payable to EY in connection with the audit as well as non-audit services for FY2025 is appropriate. Having considered the relevant provisions under the applicable regulations, the cooperation extended by the Management and the fact that the non-audit services were provided by a separate team from EY, AC is of the view that the independence or objectivity of EY is not impaired. For details of fees paid and/or payable to EY in respect of audit and non-audit services, please refer to Note 8 of the Notes to the Financial Statements. The appointment of the external auditors of the Group complies with Rules 712 and 715 of the Listing Manual.

**Internal audits.** The primary functions of the internal audit function are to:

- (a) formulate internal audit plan to identify specific areas or process that will be audited to ensure that the Company's risks are properly identified, assessed, and managed, and that the internal controls in place are effective and efficient;
- (b) assess the relevant risks related to the Group's business operations and evaluate if an adequate system of internal controls is in place to protect the funds and assets of the Group;
- (c) assess if the operations and business processes under review are conducted efficiently and effectively and to ensure control procedures are complied with; and
- (d) identify and recommend improvement to internal control procedures, where required.

The Board believes that outsourcing the internal audit function to a professional firm is beneficial as the professional service provider has a broad range of expertise, resources, and technological specialisation to undertake the internal audit of the Group, especially in view of the global presence of the Group's business.

Internal audits are performed according to the audit plan and scope agreed between CLA Global TS Risk Advisory Pte. Ltd. ("CLA") and the AC. CLA reviews, then evaluates and tests the effectiveness of the internal controls on material business processes including financial, operational, compliance, IT controls and the management of ESG-related risks that are in place in each of the Group's key operating units.

## CORPORATE GOVERNANCE REPORT

**Governance of Risk.** The Board has the overall responsibility for evaluating and determining the nature and extent of the risks (including ESG-related risks) to achieve the Group's strategic objectives, maintaining sound and effective risk management and internal control systems (including those for ESG-related risks) and reviewing their effectiveness to safeguard Shareholders' investment and the Group's assets. The AC is tasked to assist the Board to oversee the internal controls and risk management systems. This includes identifying weaknesses, assessing risks and recommending areas for improvement and additional risk mitigations, where necessary. The Management reviews the conditions of the industry and any factors or events that may affect the Group's operations, ensures that new risks and impacts from the crisis are appropriately detected and remediated, and presents its observation of the potential risks and mitigation actions to the AC during meetings. Any material changes to the key risks areas are also reported to the AC as soon as they are identified. The AC reports annually to the Board, its view on the effectiveness and adequacy of the Group's internal controls (including financial, operational, compliance and IT controls) and risk management systems.

**Anti-Corruption and Anti-bribery.** The Company is committed to conduct its business with integrity, fairness and transparency, actively preventing all forms of corruption. It takes a zero-tolerance stance on bribery and corruption in any form, direct or indirect and has procedures in place to comply with applicable anti-bribery laws and regulations.

Under the Company's Anti-Corruption and Bribery Policy which is reviewed by the AC periodically, the Directors, Management and employees of the Group must not, directly or indirectly, accept, offer, promise, agree to pay, authorise payment of, pay, give, accept or solicit anything of a significant value to or from any third party with the intention to secure or reward an improper benefit or improper performance of a function or activity. They should also avoid any conduct that creates even the appearance of improper activity or conduct.

The Company's whistleblower mechanism supplements its fraud and corruption control system to prevent, detect and respond to incidents of fraud, bribery and corruption. There was one incident of bribery or corruption filed against one of the Company's employees during FY2025. Management conducted an investigation and concluded that the allegations were unsubstantiated. The final report was submitted to the AC, which concurred with Management's findings.

**Whistleblowing Framework.** The Group embraces the best practices on whistleblowing and has put in place and published on the Company's website, its Whistleblowing Policy as well as a channel to raise concerns about any suspected improprieties since 2013. The Whistleblowing Policy sets out the procedures and provides a formal, confidential channel to enable whistleblower(s) (including employees and third-parties) to raise concerns about any misconduct or wrongdoing relating to the Company and its officers, without fear of harassment, and with an assurance that their reports will be taken seriously and investigated.

All whistleblowing matters come under the purview of the AC. Reports can be lodged through post, the online form provided under the Company's website or via email at [ac@halcyonagri.com](mailto:ac@halcyonagri.com) and all whistleblowing reports will be channelled to the AC directly. All concerns raised will be independently assessed (parties who are related to the subject of the complaint must recuse themselves) to ensure that they are fairly and properly considered. The AC is responsible for oversight and monitoring of whistleblowing, and ensuring that an independent investigation of the reported concern is conducted, appropriate follow up actions are taken and the issues raised are properly resolved by the Management or such parties as appropriate.

The Company is committed to take all reasonable steps to protect the confidentiality and identity of the whistleblower, and will not tolerate any harassment, retaliation, unfair treatment or victimisation of anyone reporting a genuine concern in good faith.

**Interested Person Transactions ("IPT").** The AC reviews IPTs (if any) at its quarterly meetings, to ensure that established procedures for monitoring the IPTs have been complied with. The AC is satisfied that the guidelines and review procedures established to review IPTs have been complied with in FY2025. Further information relating to the IPTs during FY2025 is provided under the section "Interested Person Transactions".

**Summary of the Board and AC's Observations for FY2025.** The Board is of the view that the AC comprises members with the requisite qualifications and sufficient financial management expertise to discharge the AC's functions competently. It has received assurances from the CEO and the Group Head of Finance that for FY2025:

- (a) the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) the Group's risk management and internal controls systems are adequate and effective in addressing the financial, operational, compliance and information technology risks of the Group.

With the assurances from the CEO together with the Group Head of Finance, and following its assessment on the following:

- (a) the reports of the internal auditor;
- (b) the crisis management capability as well as the internal controls established and maintained by the Group;
- (c) remedial actions taken by the Management according to the internal auditor's recommendations; and
- (d) the reports from EY,

## CORPORATE GOVERNANCE REPORT

the Board, with the concurrence of the AC, is of the opinion that the Group's present risk management and internal controls systems are adequate and effective in addressing the financial, operational, compliance and information technology risks of the Group. That said, the Board notes that the risk management and internal controls provide reasonable, but not absolute, assurance against material misstatements of loss, and include the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practice, and the identification and containment of business risk. The Board also notes that all internal control systems contain inherent limitations and no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error losses, fraud or other irregularities.

### SHAREHOLDER RIGHTS AND ENGAGEMENT

The Company's corporate governance practices promote fair and equitable treatment of all Shareholders. Shareholders, as the owners of the Company, are entitled to attend and vote at general meetings, to a share of the Company's profits and all other rights pursuant to the Companies Act 1967 (the "Companies Act") as well as the provisions of the Company's Constitution.

#### Shareholder Rights and Conduct of Shareholder Meetings

The Company's general meetings provide an opportune forum for Shareholders to meet the Board and senior management and to interact with them. It is the Company's principal forum for dialogue with Shareholders.

The Company's forthcoming annual general meeting ("AGM") for the financial year ended 31 December 2025 will be held physically. Please refer to the notice of the AGM for information.

Shareholders are invited to attend the AGM physically to communicate their views and ask the Directors and Management questions regarding matters affecting the Company.

General meetings are attended by all Directors whenever possible, and would normally be chaired by the Chairman of the Company. Chairman of the Board Committees are also available at the meetings to answer any questions relating to the operations of the Board Committees. The Company's external auditor is also present to address Shareholders' queries about the conduct of audit and the preparation and contents of the auditors' report. Wherever practicable, updates on the Company's performance are presented to the Shareholders in the general meetings, for the benefit of the Shareholders.

The Company notifies the Shareholders on the meeting schedule and the agenda of meeting at least 14 or 21 days (as the case may be) prior to the date appointed for the general meeting. The notice of general meeting issued to all Shareholders is advertised in newspapers (where applicable) and disseminated through SGXNet, as well as published on the Company's website.

Rules (including the appointment of proxy(ies) and voting procedures) that govern the attendance for general meetings are clearly set out in the notice of the general meeting as well as the proxy form. Pursuant to the Constitution, every Shareholder is entitled to attend and vote at the general meetings of the Company and is allowed to appoint not more than two (2) proxies to vote on his/her behalf at the general meetings during his/her absence. Specified intermediaries such as the CPF Board, banks and capital market services license holders which provide custodial services are allowed to appoint multiple proxies.

Sufficient and necessary information required for Shareholders to make informed decisions is provided or accompanied by the notice convening each general meeting. At general meetings, each issue is proposed as a separate resolution. The voting outcomes, including the number of votes cast for and against, will be validated by the polling agent at the AGM, and results of the poll will be announced at the meeting. The poll results of the general meetings were announced to the public through SGXNet in accordance with the format prescribed under the Listing Manual.

The proceedings of the 2025 AGM were properly recorded, and the minutes were published on SGXNet and on the Company's website within one (1) month after the meeting.

#### Dividend Policy

The Company's dividend policy is based on a payout ratio of up to 20% of its core PATMI<sup>1</sup>, barring unforeseen circumstances. Dividend payments are also affected by various factors such as level of earnings, the Company's development prospects, its financial position and funding needs, the overall macroeconomic situation and market conditions as well as other legal or contractual restrictions that may be applicable from time to time.

The Company's dividend policy ensures that its capital allocation is being decided in a way that delivers long-term, sustainable returns. In considering the level of dividend payments, the Board will consider all of the above factors and strive to ensure that capital allocation is being decided in a way that delivers long-term, sustainable returns.

The Board does not recommend payment of dividend for FY2025 as the Company was not profitable and it is appropriate to converse funds for the Group's business activities and working capital requirement.

<sup>1</sup> Core PATMI refers to profit attributable to owners of the Company, net of tax, excluding changes in fair value of biological assets as well as the extraordinary and exceptional items.

## CORPORATE GOVERNANCE REPORT

### Engagement with Shareholders

The Company recognises that effective communication with investors assists in the creation and maintenance of an informed market, and enhances corporate governance by encouraging a culture of transparency in relation to its corporate activities. The Company endeavours to give Shareholders a balanced and understandable assessment of its performance and prospects, and would inform Shareholders immediately of any major or material developments or events that have an impact on the Group or may influence their investment decisions. To facilitate Shareholders' rights and to ensure fair communication with the Shareholders, all information about the Company's new initiatives which would be likely to materially affect the price or value of the Company's shares are promptly disseminated to Shareholders through the following platforms:

- (a) SGXNet announcements and news release;
- (b) annual report and notice of general meetings issued to all Shareholders;
- (c) press releases on major developments of the Group;
- (d) the Company's general meetings; and
- (e) the corporate website (<http://www.halcyonagri.com>) maintained by the Company that allows all stakeholders to stay informed of material updates in a timely manner.

The Company has in place an Investor Relations Policy which allows for an exchange of views so as to actively engage and promote regular, effective and fair communication with Shareholders. The Company employs various platforms, including conducting briefings for analysts after the release of its financial results whenever practicable, and effectively engaging with the Shareholders and the investment community, with an emphasis on timely, accurate, fair and transparent disclosure of information. Shareholders or the public may ask questions relating to the Company through the online submission form under the Company's website.

Materials relating to the Group including the financial results, press releases, annual reports and various other investor-related information are also available on the corporate website.

### ENGAGEMENT WITH STAKEHOLDERS

Ethical and ecologically sustainable business practices are fundamental to the Company's strategy for long-term growth. Understanding stakeholder perspectives is critical to determining, assessing and managing key risks and issues. As such, the Company has arrangements in place to identify and engage with the material stakeholder groups, including employees and those working across the supply chain. It adopts an inclusive approach to balance the needs and interests of material stakeholders, as part of its overall responsibility to ensure the best interests of the Company are served. The Company is committed to operate as a responsible and sustainable business during these challenging times and continue to manage material ESG factors as a key focus to drive sustainable and resilient recovery.

Other information on the Group's corporate social responsibility initiatives and engagements with material stakeholder groups is set out under the Sustainability Report.

### DEALING IN SECURITIES

Trading of the Company shares is currently suspended and none of the Shareholders, Directors, officers and employees of the Group are allowed to deal in shares of the Company.

Directors, officers and employees were reminded of their obligation not to trade in the Company's securities at any time while in possession of unpublished price sensitive information, and to refrain from dealing in the Company's securities on short-term considerations. They are also advised to be mindful of the laws on insider trading at all times even when dealing in securities not within the prohibited trading period.

### INTERESTED PERSON TRANSACTIONS

The assessment of IPT is under the purview of the AC, to ensure that any transaction to be entered into with interested persons (as defined in the Listing Manual) will be assessed independently, and that the transaction is carried out on normal commercial terms and are not prejudicial to the interests of the Company or its minority Shareholders.

Any contract to be made with an interested person will not be proceeded with unless the pricing is determined in accordance with the Group's usual business practices and policies, consistent with the usual margin given or price received by the Group for the same or substantially similar type of transactions with unrelated parties, and that the terms are not more favourable to the interested person than those extended to or received from unrelated parties. Where it is impractical or not possible to compare against the terms of other transactions with unrelated third parties or in situations where the products or services may be purchased only from an interested person, such IPT must be reviewed and approved by the AC, and the AC member who is perceived to be related to the interested person is refrained from deliberating, reviewing and approving that particular transaction.

## CORPORATE GOVERNANCE REPORT

The following disclosures have been made in compliance with Rule 907 of the Listing Manual. The details of the IPT transacted by the Group during FY2025 (excluding transactions less than \$100,000) are as follows:

Name of interested person	Nature of relationship	Aggregate value of all IPT during FY2025 (US\$)	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (US\$)
Sinochem International (Overseas) Pte. Ltd. ("SIO")	Substantial shareholder who owns 29.2% stake in the Company	3,295,860	–
China Rubber Technology Group Company Limited ("CRTG")	Substantial shareholder who owns 68.1% stake in the Company	2,486,241	86,621,020
	Total	5,782,101	86,621,020

The Company has established procedures to ensure that all transactions with interested persons are reported on a timely manner to the AC and the transactions are carried out on normal commercial terms and will not be prejudicial to the interest of the Company or its minority shareholders.

### MATERIAL CONTRACT

Other than the service agreement entered into with the CEO and the IPTs as disclosed in this Annual Report, there were no material contracts (including loans) entered into by the Company or any of its subsidiaries involving the interest of the CEO, any Directors, or controlling shareholders which are either still subsisting at the end of FY2025 or if not then subsisting, entered into since the end of the previous financial year ended 31 December 2024.

## NOMINATING COMMITTEE REPORT

The Nominating Committee (“NC”) is delegated with the authority by the Board to review the Board’s composition and diversity, make recommendations to the Board on the appointment of Directors and members to the Board Committees, and assess Independent Director’s independence and commitment. The NC is also responsible for succession planning for Directors and KMPs, leadership training and development, and oversight of matters relating to corporate governance.

The NC comprises three (3) members and is chaired by an Independent Director, Mr Huang Xuhua. It functions within clearly written terms of reference approved by the Board.

### Summary of NC’s principal activities during FY2025

- Recommended the appointment of new Independent Chairman
- Reviewed the composition of the Board and Board Committees
- Nominated Directors for re-election by Shareholders at the 2026 AGM
- Managed the board performance evaluation process and reviewed the results of the evaluations
- Reviewed the independence of the Independent Directors
- Reviewed the time commitment of Directors for performance of their responsibilities
- Reviewed succession planning of the Board and the senior executives
- Reviewed the training and continued professional development of the Directors
- Endorsed the FY2025 Corporate Governance Report

### Changes in Directors during FY2025

The NC reviewed the structure, size, and diversity of the Board to ensure that its composition complies with the Code and reflects an appropriate mix of skills, experience, and diversity objectives that are relevant to the Company’s strategy, governance, businesses, and contributes to the Board’s effectiveness and efficiency.

#### Nomination for Re-election

Pursuant to the Company’s Constitution, three (3) Board members shall retire by rotation at the forthcoming AGM (“2026 AGM”).

The NC has identified that Mr Eddie Chan Yean Hoe, Ms Fan Xiaohong and Mr Xu Xingbin, being the Directors who have been longest in office since their last election, shall retire by rotation at the 2026 AGM.

Given the expertise and past experience of Mr Chan, Ms Fan and Mr Xu, who have offered themselves for re-election at the 2026 AGM, NC considered that their appointments would ensure the Board’s diversity and benefit the future development of the Company. Accordingly, the NC has nominated Mr Chan, Ms Fan and Mr Xu to the Board, for it to recommend to Shareholders for re-election at the 2026 AGM.

The nominations were made in accordance with the Nomination Policy and took into account the merits of the candidates including, among others, their experience, reputation for integrity, time commitment and the diversity aspects (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, and knowledge), with due regard for the benefits of diversity, as set out in the Diversity Policy.

#### Independence of Director

Non-executive Directors’ independence is assessed upon appointment, annually, and as and when circumstances warrant reconsideration. The NC reviews and determines whether a Director is independent. During the year, each of the Independent Directors has submitted a declaration form confirming that he is to be considered independent under the requirements of Rule 210(5)(d) of the Listing Manual as well as the provisions set out in the Code. Taking into consideration the declarations submitted by the Independent Directors, as well as the length that the Director has served on the Board, the NC affirmed that each of the Independent Directors is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers, and there has been no element that could interfere, or be reasonably perceived to interfere, with the exercise of the Director’s independent business judgement in the best interests of the Group.

It was also noted that none of the Independent Directors or their family members was employed by, or received significant payment from or provided material services to the Group in FY2025 or in any of the past three (3) financial years.

There is a strong independence element on the Board, with three (3) Independent Directors on the Board.

## NOMINATING COMMITTEE REPORT

### Board Performance Evaluation

Based on the assessment criteria determined by the NC<sup>1</sup>, the formal evaluation questionnaires were tabulated and circulated to all Directors via the board portal, for Directors to rate and provide feedback on the performance of the Board, the Board Committees and each Director for FY2025. The findings of the Board evaluation (including feedback and comments received from the Directors) have been analysed and discussed during the NC meeting, to identify areas for improvement and any training required to further enhance the effectiveness of the Board. The Board reviewed feedback from the NC collectively and will decide and agree on action plans, if required.

The FY2025 evaluation results indicated that the Board operates effectively, and the Board was satisfied with the operational effectiveness of the Board committees as well as the competencies of each Director.

<sup>1</sup> Evaluation criteria is described under the Corporate Governance Report.

## REMUNERATION COMMITTEE REPORT

The Remuneration Committee (“RC”) is delegated with the authority by the Board to establish, review, and make recommendations to the Board on the Group’s remuneration policy and practices. It ensures that the remuneration framework is in line with the Group’s business strategy, objectives, values and long-term sustainability of the business.

The RC is chaired by an Independent Chairman, Mr Eddie Chan Yean Hoe and comprises Mr Huang Xuhua and Mr Sun Weiliang. Two out of the three members of the RC are independent non-executive directors and none of the RC members is allowed to participate in the deliberation, and has to abstain from voting on any resolution, relating to his own remuneration or that of employees related to him.

The RC held one (1) meeting in FY2025. Members’ attendance records are disclosed in the Corporate Governance Report contained in this Annual Report.

### Summary of RC’s principal activities during FY2025

- Reviewed the Directors’ fees structure
- Reviewed and approved the performance of the CEO and KMP
- Reviewed and recommended to the Board, the remuneration of each Director
- Evaluated the performance of the CEO, and recommended their remuneration package to the Board
- Endorsed the FY2025 Corporate Governance Report

### Developing Group Remuneration Framework

In assessing the Group’s remuneration framework, the RC considers all aspects of remuneration (including directors’ fees, salaries, allowances, bonuses, benefits in kind and severance packages) and aims to be fair and avoid rewarding poor performance. It also reviews the Company’s obligations arising in the event of termination of the CEO’s and KMP’s contracts of service, to ensure that such contracts contain fair and reasonable termination clauses which are not overly generous. It may from time to time, and where necessary or required, seek advice from external consultants in framing its remuneration policy and determining the level and mix of remuneration for Directors and KMP.

In respect of long-term incentive schemes (if any, including share schemes as may be implemented), the RC is responsible for considering whether Directors should be eligible for benefits under such long-term incentive schemes. Any recommendation of the RC will be submitted to the Board for consideration and approval. The Board is ultimately accountable for all remuneration decisions.

Where applicable, the RC will also review annually the remuneration of employees related to the Directors, the CEO and substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. The RC will also review and approve any bonuses, pay increases and/or promotions for these employees, if any. There were no employees related to the Directors, the CEO and substantial shareholders in FY2025.

### Agreeing the Level and Mix of Remuneration

The key considerations of the RC in recommending the level and mix of remuneration are:

- (a) to link rewards with value creation and offer appropriate remuneration and employment conditions to build, motivate and retain Directors, KMP and talent;
- (b) to align the interests of Directors and KMP with the interests of Shareholders and other stakeholders; and
- (c) risk policies of the Company, such that the remuneration is symmetric with risk outcome and sensitive to the time horizon of risk; and
- (d) country-specific practices including the pay and employment conditions within the industry.

When it recommends the remuneration package to the Board, the RC takes into consideration the aforementioned factors, the strategic direction of the Group and industry practice, to ensure an appropriate remuneration level and mix that recognises the performance, potential and responsibilities of these individuals.

### Reviewing Non-Executive Directors’ Fees Structure

The remuneration for each non-executive Director, which comprise a basic fee and attendance fees (the “Directors’ Fees”), are appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities. Directors’ Fees are reviewed annually by the RC to benchmark such fees against the amounts paid by other listed companies of similar size.

## REMUNERATION COMMITTEE REPORT

The Directors' Fee structure which was adopted since 2017 is as follows:

Position	Basic Fee per annum (SGD)				Attendance Fee (SGD)
	Board	Audit Committee	Nominating Committee	Remuneration Committee	Board, Board Committees and General Meetings
Chairman	100,000	37,500	12,500	12,500	1,000 for each day of attending any Board, Board Committee or General meeting
Member	50,000	12,500	6,250	6,250	

The Company submits the quantum of Directors' Fees of each financial year, which is to be paid quarterly in arrears, to Shareholders for approval at its annual general meeting. Shareholders' approval will be sought at the 2026 AGM in respect of the proposed payment of Directors' fees of up to S\$600,000 (payable quarterly in arrears) for FY2026.

### Remuneration of Directors for FY2025

Name	Position Held	Directors' Fee/ Fixed Salary (S\$)	Variable Bonus/Other Compensation (S\$)	Total (S\$)
Eddie Chan Yean Hoe	Independent Director, Chairman of AC and RC and member of NC	113,250.00	–	113,250.00
Huang Xuhua	Independent Director, Chairman of NC and member of AC and RC	88,250.00	–	88,250.00
Latha Eapen K. Mathew	Independent Director, Member of AC	67,500.00	–	67,500.00
Xu Xingbin	Non-independent Non-executive Director	55,000.00	–	55,000.00
Fan Xiaohong	Non-independent Non-executive Director	–	–	–
Chen Lei	Non-independent Non-executive Director, Member of AC	69,500.00	–	69,500.00
Wang Hongxiang	Non-independent Non-executive Director	–	–	–
<b>Total Directors' Fees for Non-executive Directors</b>		<b>393,500.00</b>	<b>–</b>	<b>393,500.00</b>
Sun Weiliang	Executive Director and CEO	528,000.00	–	528,000.00
<b>Total Remuneration of Executive Directors</b>		<b>528,000.00</b>	<b>–</b>	<b>528,000.00</b>

#### Notes:

- (1) Non-executive Directors are not paid salary, allowance and bonus.
- (2) Executive Director is not paid Director's fee.
- (3) Ms Fan Xiaohong and Mr Wang Hongxiang have declined the payment of Director's fee in line with the policy of China Hainan Rubber Industry Group Co., Ltd.

The aggregate remuneration of S\$393,500 paid to the Non-executive Directors (the "Directors' Fees") for FY2025 is within the threshold limit of S\$600,000 approved by Shareholders on 28 April 2025.

Remuneration of the Executive Directors comprised the basic salary.

<sup>1</sup> Evaluation criteria is described under the Corporate Governance Report.

## REMUNERATION COMMITTEE REPORT

### Remuneration of KMP

As at the date of this report, there is no KMP (who is not a Director or the CEO) for the Company since the KMP resigned on 27 August 2025. Disclosure of the remuneration for FY2025 pursuant to the Code is as follows:

Name	Position Held	Salary (%)	Allowance/ Benefit (%)	Variable Bonus (%)	Remuneration Band
Loh Jui Hau	Chief Financial Officer	100	–	–	Band 1

**Note:**

Remuneration Bands are as follows:

*Band 1: up to S\$250,000*

### Remuneration Consideration for Executive Directors and KMP

Performance measures and remuneration packages of the executive Directors and KMP emphasise on value creation and are principally based on the achievement of the objectives of their functions as set out in the key performance indicators (“KPIs”) agreed by the individual. These KPIs take into consideration the performance of the Company, the Management’s performance, scope of work, overall organisational health, potential and responsibilities of these individuals, and leadership in the face of unexpected challenges. Qualitative evaluation, such as vocational competence, responsibility at work and activity in the workplace, as well as the quality of work in relation to the demands and goals of duties, has also been used to evaluate and assess the Management’s performance in FY2025.

RC is satisfied that the executive Director and KMP devoted the necessary time and energy to fulfilling their commitments, and have met the aforementioned performance conditions in FY2025.

Specific remuneration packages for the Executive Directors and KMP in respect of FY2025 have been reviewed by the RC and approved by the Board.

## AUDIT COMMITTEE REPORT

The Audit Committee ("AC") is delegated with the authority by the Board to provide independent oversight of the Group's financial reporting and internal control systems, and the adequacy of the external and internal audits. The AC is provided with sufficient resources and support to perform its duties, in examining all matters relating to the Group's adopted accounting principles and practices, and in reviewing all material financial, operational and compliance controls.

The AC is chaired by the Independent Chairman, Mr Eddie Chan Yean Hoe, and comprises only non-executive Directors, namely, Ms Latha Eapen K. Mathew, Mr Huang Xuhua, Ms Fan Xiaohong and Ms Chen Lei. The members of the AC are professionals who have extensive experience in senior management positions, including two (2) retired audit partners from Big Four accounting firms with extensive accounting and financial management expertise. The AC members are therefore appropriately qualified to discharge their responsibilities. None of the AC members were previous partners or directors of the Company's external audit firm within the last two (2) years and none of the AC members hold any financial interest in such external audit firm.

Pursuant to the written terms of reference ("TOR") endorsed by the Board, AC has the following key functions:

- (a) oversight of financial reporting, monitor integrity of the Group's financial statements and any public financial reporting;
- (b) review the assurance provided by the CEO and the CFO on the financial records and financial statements;
- (c) review and recommend to the Board, the appointment or re-appointment of the external auditor and matters relating to its removal, remuneration and terms of engagement;
- (d) review and evaluate at least annually the adequacy, effectiveness, independence, scope and results of internal and external audits;
- (e) review and report to the Board at least annually on the effectiveness and adequacy of the Company's internal controls and risk management systems;
- (f) review interested person transactions involving the Group in accordance with the Listing Manual;
- (g) review and approve future hedging policy, instruments used for hedging and foreign exchange policy and practice of the Group;
- (h) review whistleblowing policy arrangement, lead the independent investigations and ensure appropriate follow-up actions, if any; and
- (i) generally undertake such other functions and duties as may be required by the Listing Manual.

To ensure that it could discharge its functions properly, AC has the explicit authority to investigate any matters within its TOR and has full access to and the cooperation of Management. The AC has full discretion to invite any Director or executive officer to attend any AC meeting to answer questions which the AC may have. It also has direct access to the Company's external auditor and is conferred the authority to source external resources including obtaining legal or other professional advice and services. It may commission an independent audit on internal controls and risk management for its assurance, or where it is not satisfied with the systems of internal controls and risk management.

### Summary of AC's principal activities during FY2025

- Reviewed the Group's quarterly, half-yearly, and annual financial results
- Reviewed, with both the external auditor and management, the audit approach and methodology applied, in particular to the key audit matters ("KAMs") included in the Auditor's Report
- Approved the internal audit plan
- Reviewed significant internal and external audit findings and monitored Management's response to their recommendations
- Reviewed updates on legal and regulatory compliance matters, including anti-corruption matters and whistleblowing disclosures
- Reviewed the adequacy and effectiveness of the Group's risk management, internal control systems and its accounting, financial reporting, and internal audit functions
- Reviewed the interested person transactions
- Reviewed and monitored the external auditor's independence and reviewed the engagement to perform non-audit services
- Reviewed whistleblowing incidents
- Reviewed and recommended the re-appointment of external auditor
- Endorsed the FY2025 Corporate Governance Report

## AUDIT COMMITTEE REPORT

### Review of Financial Results

The AC safeguards the integrity in financial reporting and ensures that such reporting is in compliance with the requirements of the Singapore Financial Reporting Standards. It reviews all announcements relating to the Company's financial performance, and oversees significant financial reporting issues and assessments, in particular, the Group's application and consistency of financial and accounting policies, judgements and practices. The AC, when satisfied that the financial results and related announcements meet statutory requirements, would submit and recommend the release of the financial results and related announcements to the Board. Any significant issues considered and judgement applied by the AC in relation to the financial statements and the actions to address such concerns will also be reported to the Board.

The AC reviewed the FY2025 audited financial statements in conjunction with the external auditor. Based on this review and discussions with Management, the AC was satisfied that the financial statements were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the year ended 31 December 2025.

### Review of External Audits and Re-appointment of External Auditor

AC reviews the overall scope of the external audit prior to each audit process, to ensure material areas are covered and sufficient attention is dedicated to emerging and existential risks. During the course of review of the Company's financial statements for FY2025, the AC has reviewed and discussed each of the KAMs with the Management as well as the external auditor, Ernst & Young LLP ("EY"). The AC has assessed and considered the Management's approach, methodology and assumptions applied to each of the KAMs, and was satisfied with the appropriateness of the analyses performed by the Management. The AC agrees and concurs with the basis and conclusions included in EY's report with respect to the KAMs. For more information on the KAMs, please refer to page 39 of this Annual Report.

Taking into consideration all relevant factors (with reference to the audit quality indicators as published by the Accounting and Regulatory Authority) including the adequacy of resources, the experience of supervisory and professional staff to be assigned to the audit process, the quality of work carried out by EY, the size and complexity of the Group, its businesses and operations, AC was satisfied with EY's work, its independence and its objectivity, and recommended the re-appointment of EY (which has indicated its willingness to continue in office) as the Group's external auditor for Shareholders' approval at the 2026 AGM. The appointment of the external auditor of the Group complies with Rules 712 and 715 of the Listing Manual.

### Review of Internal Audit Functions

AC decides on the appointment, termination and remuneration of CLA, the Group's internal auditor since May 2013. To ensure that the review on internal controls is conducted effectively, CLA's primary reporting line is to the AC, and it is granted unfettered access to all the Company's documents, records, properties and personnel.

CLA presents the internal audit reports, which compiles the detailed findings relevant to the Group's key operating units that it had reviewed, to the AC during quarterly meetings. Any material non-compliance or failure in internal controls, recommendations for improvements and remedial actions taken by Management are reported to the AC. If action plans to mitigate the risks are required, the AC would instruct and ensure that Management undertakes follow-up actions.

The AC reviews the adequacy, effectiveness, independence and scope of the internal audit function annually, including the internal audit plans, activities, budget for internal audit and organisational structure of CLA. It is satisfied that the internal audit function is independent, effective and that the internal audit activity conducted by CLA for FY2025 had fulfilled professional standards, including those promulgated by The Institute of Internal Auditors. Given that there is a team of 19 members assigned to the Company's internal audits, led by Ms Pamela Chen who has 19 years of relevant experience, the AC believes that the internal audit function is adequately resourced and has appropriate standing within the Group during FY2025. It is also of the view that the quantum of fee paid or payable to CLA should not put its objectivity at risk.

### Review of Risk Management and Internal Control Systems

The AC is tasked to oversee the Group's overall risk management framework and to advise the Board on the Group's risk-related matters. It reviews the Group's risk policies and assesses the effectiveness of the Group's risk management and internal control systems. AC has reviewed the up-to-date risk register, the implementation and execution of standard operating procedures, as well as remedial actions recommended by the internal auditor and implemented by Management.

The AC had met with the internal and external auditors without the presence of Management during the year, to obtain feedback on the competency and adequacy of the finance function and to ascertain if there are any material weaknesses or control deficiencies in the Group's financial reporting and operational systems.

The AC is satisfied that the Group has adequate and effective risk management and internal control systems.

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## AUDIT COMMITTEE REPORT

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### **Review of Whistleblowing Framework**

The AC is responsible for the overall oversight and monitoring of the whistleblowing framework and its implementation. In particular, the AC considers all whistleblowing complaints and reviews them at its quarterly meetings to ensure that an independent and thorough investigation is conducted, with appropriate follow-up actions. The outcome of each investigation is reported to the AC. There was one incident of bribery or corruption filed against one of the Company's employees during FY2025. Management conducted an investigation and concluded that the allegations were unsubstantiated. The final report was submitted to the AC, which concurred with Management's findings.

The Whistleblowing Policy and its effectiveness will be reviewed by the AC periodically.

### **Review of Interested Person Transactions ("IPT")**

The AC reviews IPTs at its quarterly meetings, to ensure that established procedures for monitoring the IPTs have been complied with. The AC is satisfied that the guidelines and review procedures established to review IPTs have been complied with in FY2025. Further information relating to the IPTs during FY2025 is provided under the section "Interested Person Transactions".

## SUMMARY OF SUSTAINABILITY REPORT

In FY2025, Halcyon Agri strengthened its sustainability foundations amid rising regulatory expectations and demand for transparency, with three key highlights.

First, the Group advanced its readiness for the European Union Deforestation Regulation (EUDR) by centralising supplier data within an enhanced digital infrastructure. This improved traceability, data integrity, and reporting efficiency. At the same time, investments in in-house geospatial capabilities enabled stronger monitoring of deforestation and land-use risks, reinforcing the Group's commitment to responsible sourcing and regulatory preparedness.

Second, Halcyon Agri responded to increasing expectations for supply chain greenhouse gas (GHG) transparency by enhancing internal processes, data systems, and technical capabilities. Ongoing improvements in Scope 3 data management and a gradual shift towards primary data collection support more accurate and comprehensive emissions reporting, aligned with evolving ESG and customer requirements.

Finally, the Board continues to provide consistent oversight of sustainability matters. The Group's key ESG factors remain unchanged, reflecting their continued relevance and alignment with industry platforms such as GPSNR, and ensuring sustainability priorities remain embedded in long-term strategy.

The full FY2025 Sustainability Report is a standalone document issued alongside this Annual Report.

## DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited consolidated financial statements of Halcyon Agri Corporation Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statements of financial position and statements of changes in equity of the Company for the financial year ended 31 December 2025.

### 1. Opinion of the directors

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the statements of financial position and statements of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due as China Hainan Rubber Industry Group Co., Ltd. ("HRG"), the penultimate holding company, has agreed to provide continuing financial support to enable the Company to continue its business and to meet its liabilities as and when they fall due for the next twelve months from the date of the financial statements.

### 2. Directors

The directors of the Company in office at the date of this statement are:

Eddie Chan Yean Hoe  
 Wang Hongxiang (Appointed on 21 February 2025)  
 Sun Weiliang  
 Huang Xuhua  
 Latha Eapen K. Mathew  
 Xu Xingbin  
 Fan Xiaohong  
 Chen Lei

### 3. Arrangements to enable directors to acquire shares or debentures

Except as disclosed in this report, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

### 4. Directors' interest in shares or debentures

According to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

### 5. Share options

#### (a) *Options to take up unissued shares*

During the financial year, no option to take up unissued shares of the Company or any corporation in the Group were granted.

#### (b) *Options exercised*

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

#### (c) *Unissued shares under option*

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

## DIRECTORS' STATEMENT

### 6. Audit committee

The Company's audit committee ("AC") carried out its functions in accordance with Section 201B (5) of the Companies Act 1967, and it had performed the following core duties and activities (not exhaustive) during the financial year ended 31 December 2025:

- (a) Reviewed the audit plans, adequacy, effectiveness, scope of audit and reporting obligation of the internal and external auditors;
- (b) Reviewed the quarterly financial results, the half-yearly and full year financial statements as well as the auditor's report, before their submission to the board of directors (the "Board");
- (c) Assessed and concluded the key audit matters with external auditor;
- (d) Reviewed the effectiveness of the internal control systems, including financial, operational, compliance and information technology controls, as well as the risk management systems;
- (e) Held a private discussion with the internal and external auditors to discuss matters which would be more appropriately deliberated without the presence of the Company's management, such as the cooperation of and assistance given by the Company's management to the internal and external auditors;
- (f) Reviewed legal and regulatory matters that may have a material impact on the financial statements;
- (g) Reviewed and evaluated the services of external auditor including the amount of fees paid and/or payable to the external auditor as well as their independence and objectivity;
- (h) Reviewed the nature and extent of non-audit services provided by the external auditor;
- (i) Recommended the re-appointment of the external auditor to the Board;
- (j) Reported to the Board, the material matters deliberated by the AC with appropriate recommendations (as the case may be);
- (k) Reviewed the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- (l) Reviewed interested person transactions which fall under the scope of the Listing Manual of the Singapore Exchange Securities Trading Limited; and
- (m) Reviewed whistleblowing policy arrangement, lead the independent investigations and ensure appropriate follow-up actions.

During the year, four AC meetings were held. The AC, having reviewed all non-audit services provided by the external auditor, is satisfied that the nature and extent of such services would not affect the independence of the external auditor.

Further details regarding the AC are disclosed in the Corporate Governance Report.

### 7. Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors:

Eddie Chan Yean Hoe  
Director

Sun Weiliang  
Director

Singapore  
24 April 2026

# INDEPENDENT AUDITOR'S REPORT

to the members of Halcyon Agri Corporation Limited

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of Halcyon Agri Corporation Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 December 2025, the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group and the statements of changes in equity of the Group and the Company for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the statements of financial position and the statements of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year then ended on that date.

### Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSA"s). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audit of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 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 current period. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

#### 1. *Impairment of goodwill and process know-how*

As at 31 December 2025, the Group's goodwill and process know-how amounted to US\$286,379,000 and US\$10,000,000 respectively. These represent approximately 15% of the Group's total assets.

We focused on the impairment assessment of goodwill and process know-how because the impairment testing of the cash generating units ("CGUs") attributable to these intangibles rely on estimates of value-in-use ("VIU") based on the CGU's expected future cash flows. We considered audit of these cash flow projections to be a key audit matter as this involved significant management judgement and are based on assumptions that are affected by expected future market and economic conditions. In addition, judgement has also been exercised by management in identifying the appropriate CGUs for the impairment test.

The Group uses assumptions in respect of future market and economic conditions such as forecasted rubber price, forecasted sales volume and margin, discount rates and terminal growth rates. We assessed and tested the reasonableness of these assumptions by comparing them to historical performance of the CGU and considered the impact of the prevailing market and economic conditions on the underlying key assumptions. We engaged our valuation specialists to assist us with the audit of the reasonableness of management's valuation methodologies and certain assumptions used.

We also reviewed the Group's process in identifying changes to CGUs to which goodwill and/or intangible assets have been allocated to. We obtained and evaluated management's sensitivity analyses to ascertain the impact of reasonably possible changes in key assumptions and we performed our own independent sensitivity calculations to quantify the downside changes to management's models required to result in an impairment.

We also assessed the adequacy of the disclosures concerning those key assumptions to which the outcome of the impairment test is most sensitive. The disclosures on goodwill and process know-how and key assumptions are included in Note 10 to the financial statements.

# INDEPENDENT AUDITOR'S REPORT

to the members of Halcyon Agri Corporation Limited

## Key audit matters (cont'd)

### 2. *Measurement of biological assets*

As at 31 December 2025, biological assets of the Group amounted to US\$425,887,000. These represent approximately 22% of the Group's total assets. The Group's biological assets, which mainly comprised of latex and rubber trees, are fair valued by professional independent valuers engaged by the Group using industry/market accepted valuation methodology. Due to the measurement of fair value being inherently judgement and significance of the amount as at the year end, we have considered this to be a key audit matter.

We had obtained the valuation of biological assets prepared by independent valuers engaged by the management. The fair value reports are reviewed by us together with our valuation specialists for appropriateness of the fair value methodology used and reasonableness of the assumptions used which include forecast cash flows, discount rates and yield rates for the plantation and market prices of the latex and log. We assessed the competence, capability and objectivity of the independent valuers and assessed the reasonableness of their conclusions having regard to the key assumptions mentioned above. We also evaluated the key assumptions such as yield rates for the plantation by comparing these assumptions to historical trends and assessed the reasonableness of the market price of the latex and log used by comparing these against available external market data.

We have also assessed the adequacy of the disclosures in relation to biological assets included in Note 15 to the financial statements.

### 3. *Going concern assessment*

For the year ended 31 December 2025, the Group incurred loss after tax of US\$99,548,000. As at 31 December 2025, the Group's and Company's current liabilities exceeded its current assets by US\$521,905,000 and US\$402,613,000 respectively.

As stated in Note 2.1, the financial statements have been prepared on a going concern basis. Management's assessment of the Group's ability to generate sufficient cash flows, and availability of financial support from the major shareholder and the penultimate holding company are important considerations in the going concern assessment. As management's going concern assessment is a significant aspect of our audit, we have identified this as a key audit matter.

Our audit procedures included, amongst others:

- Discussion with management to obtain an understanding of their plans regarding operating and financing cash flows, including loan obligations;
- Assessed the reasonableness of the key assumptions used in the management's cash flow forecast prepared for the purpose of the going concern assessment, including:
  - o Comparing management's forecast of revenue and gross profit margin against historical sales and external data;
  - o Corroborate management forecasted financing cost with the latest borrowing interest rate and external published data;
  - o Evaluated and performed sensitivity analysis on the reasonableness of key assumptions used in the cash flow forecast, particularly on the rubber price and gross profit margin;
- Obtained and reviewed the letter of financial support received from HRG to assess the intent to provide the financial support and management's assessment on the ability of HRG to provide the financial support;
- Reviewed financing activities post-year end to get latest updates on management's actions.

We also reviewed the disclosure in Note 2.1 to the financial statements on the going concern assumption.

### 4. *Revenue recognition and presentation*

The Group recognised revenue of US\$2,961,538,000 and US\$2,941,049,000 for the financial years ended 31 December 2025 and 31 December 2024, respectively.

The Group's principal activities include the production and sale of natural rubber products, which are bulk commodities that also function as futures-traded instruments and exhibit agricultural, industrial, and financial characteristics. The Group undertakes a high volume of transactions. The appropriateness of revenue recognition depends on various considerations. Given the magnitude and volume of revenue transactions, and the diversity of trading arrangements, there is a risk that revenue may not be recognised or presented appropriately in accordance with SFRS(I) 15 Revenue from contracts with customers. Accordingly, we identified revenue recognition as a key audit matter.

# INDEPENDENT AUDITOR'S REPORT

to the members of Halcyon Agri Corporation Limited

## 4. Revenue recognition and presentation (cont'd)

Our audit procedures performed included, among others, the following:

- Obtained an understanding of the Group's revenue recognition processes, including the nature, purpose, and extent of trading activities.
- Reviewed supporting contractual documentation and transaction records to assess whether control of goods transferred to customers in accordance with the requirements of SFRS(I) 15.
- Evaluated whether the Group acted as principal or agent, including assessing indicators such as pricing discretion, inventory risk, and whether the Group had the ability to direct the use of the goods prior to transfer.
- Assess the commercial and economic substance of trading transactions and tested samples of transactions to confirm appropriate classification and presentation between revenue and net trading gains.
- Reviewed management's assessment and quantification of revenue presented on a net basis, including the restatement of prior year's revenue, as disclosed in Note 38 to the financial statements.

In addition, we reviewed the work of component auditors through site visits, meetings, conference calls with subsidiaries' management and component auditors, reviewed their reporting deliverables and related audit documentation. We further evaluated the adequacy of the related disclosures in Notes 4 and 38 to the financial statements.

### Other information

Management is responsible for other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

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

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

### Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs 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.

# INDEPENDENT AUDITOR'S REPORT

to the members of Halcyon Agri Corporation Limited

## 4. Revenue recognition and presentation (cont'd)

### Auditor's responsibilities for the audit of the financial statements (cont'd)

As part of an audit in accordance with SSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lee Lai Hiang.

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore  
24 April 2026

## CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000 Restated
<b>Revenue</b>	4	2,961,538	2,941,049
Cost of sales		(2,848,826)	(2,750,116)
<b>Gross profit</b>		112,712	190,933
Other income	5	6,081	4,489
Selling expenses		(54,467)	(56,256)
General and administrative expenses		(94,792)	(83,704)
General and administrative expenses – foreign exchange gain/(loss)		204	(5,812)
<b>Operating (loss)/profit</b>		(30,262)	49,650
Finance income	6(a)	2,797	2,927
Finance costs	6(b)	(62,687)	(66,800)
Share of result of associates		287	(496)
Loss before tax	8	(89,865)	(14,719)
Income tax expense	7	(9,683)	(16,190)
<b>Loss for the financial year</b>		(99,548)	(30,909)
<b>Loss attributable to:</b>			
Owners of the Company		(88,719)	(29,143)
Non-controlling interests		(10,829)	(1,766)
		(99,548)	(30,909)
<b>Loss per share ("LPS"):</b>			
Basic and diluted (US cents per share)	9	(6.04)	(2.30)

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

## — CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME —

For the financial year ended 31 December 2025

	<b>2025</b>	<b>2024</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>Loss for the financial year</b>	(99,548)	(30,909)
<b>Other comprehensive income/(loss)</b>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of foreign operations	53,744	(14,833)
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Actuarial (loss)/gain on retirement benefit obligation (net of tax)	(485)	449
<b>Other comprehensive income/(loss) for the financial year, net of tax</b>	<u>53,259</u>	<u>(14,384)</u>
<b>Total comprehensive loss for the financial year, net of tax</b>	<u>(46,289)</u>	<u>(45,293)</u>
<b>Attributable to:</b>		
– Owners of the Company	(37,470)	(42,344)
– Non-controlling interests	(8,819)	(2,949)
<b>Total comprehensive loss for the financial year, net of tax</b>	<u>(46,289)</u>	<u>(45,293)</u>

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

# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group		Company	
		2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets	10	297,231	297,581	–	–
Property, plant and equipment	11	206,530	211,040	2,321	1,545
Plantation and biological assets	15	591,561	551,895	–	–
Investment properties	12	41,799	39,536	–	–
Deferred tax assets	14	20,525	19,528	–	–
Deferred charges		1,193	1,162	–	–
Other assets		172	160	–	–
Loans and other receivables	18	1,793	1,607	–	–
Investment in subsidiaries	13(a)	–	–	970,188	955,464
Investment in associates	13(b)	1,686	2,287	–	896
Total non-current assets		1,162,490	1,124,796	972,509	957,905
<b>Current assets</b>					
Cash and bank balances	16	58,732	83,654	15,153	27,599
Trade receivables	17	178,481	195,683	–	–
Loans and other receivables	18	125,270	145,046	465,273	484,127
Tax receivables		3,094	5,461	–	–
Derivative financial instruments	19	12,725	31,211	6,754	10,003
Inventories	20	377,550	506,143	–	–
Consumable biological assets	15	65	38	–	–
		755,917	967,236	487,180	521,729
Assets classified as held for sale	21	–	1,132	–	–
Total current assets		755,917	968,368	487,180	521,729
<b>Total assets</b>		<b>1,918,407</b>	<b>2,093,164</b>	<b>1,459,689</b>	<b>1,479,634</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Derivative financial instruments	19	299	23,800	4,840	15,360
Trade payables	22	48,247	98,200	–	–
Other payables	23	152,754	133,287	167,410	149,589
Loan payables	24	1,071,221	1,144,945	715,492	752,649
Provision for taxation		3,748	6,730	1,305	300
Lease liabilities	29	1,553	2,045	746	792
Total current liabilities		1,277,822	1,409,007	889,793	918,690
<b>Net current liabilities</b>		<b>(521,905)</b>	<b>(440,639)</b>	<b>(402,613)</b>	<b>(396,961)</b>
<b>Non-current liabilities</b>					
Loan payables	24	314,919	106,047	240,702	–
Retirement benefit obligations	25	15,684	13,746	–	–
Deferred tax liabilities	14	38,936	41,595	626	363
Lease liabilities	29	7,496	5,513	499	53
Other payables	23	7,584	7,115	62,276	44,859
Total non-current liabilities		384,619	174,016	304,103	45,275
<b>Net assets</b>		<b>255,966</b>	<b>510,141</b>	<b>265,793</b>	<b>515,669</b>
<b>Capital and reserves</b>					
Share capital	26	603,874	603,874	603,874	603,874
Perpetual securities	27	–	192,640	–	192,640
Capital reserve	28(a)	4,939	4,937	–	–
Other reserves	28(b)	(8,877)	(1,517)	(8,670)	(1,310)
Accumulated losses		(365,436)	(268,647)	(329,411)	(279,535)
Foreign currency translation reserve	28(c)	11,358	(40,359)	–	–
<b>Equity attributable to owners of the Company</b>		<b>245,858</b>	<b>490,928</b>	<b>265,793</b>	<b>515,669</b>
Non-controlling interests		10,108	19,213	–	–
Total equity		255,966	510,141	265,793	515,669
<b>Total liabilities and equity</b>		<b>1,918,407</b>	<b>2,093,164</b>	<b>1,459,689</b>	<b>1,479,634</b>

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

## STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

Note	Attributable to owners of the Company								
	Share capital US\$'000	Perpetual securities US\$'000	Capital reserve US\$'000	Other reserves US\$'000	Accumulated losses US\$'000	Foreign currency translation reserve US\$'000	Total equity attributable to owners of the Company US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
<b>Group</b>									
<b>At 1 January 2025</b>	603,874	192,640	4,937	(1,517)	(268,647)	(40,359)	490,928	19,213	510,141
Loss for the year	-	-	-	-	(88,719)	-	(88,719)	(10,829)	(99,548)
Other comprehensive income	-	-	-	-	(468)	51,717	51,249	2,010	53,259
<b>Total comprehensive loss for the year</b>	-	-	-	-	(89,187)	51,717	(37,470)	(8,819)	(46,289)
<u>Contributions by and distributions to owners</u>									
Distribution to perpetual securities holders	27	-	-	-	(7,600)	-	(7,600)	-	(7,600)
Statutory reserve fund		-	2	-	(2)	-	-	-	-
Redemption of perpetual securities		(192,640)	-	(7,360)	-	-	(200,000)	-	(200,000)
Dividend declared to non-controlling interest		-	-	-	-	-	-	(286)	(286)
<b>Total contributions by and distributions to owners</b>		(192,640)	2	(7,360)	(7,602)	-	(207,600)	(286)	(207,886)
<b>At 31 December 2025</b>	603,874	-	4,939	(8,877)	(365,436)	11,358	245,858	10,108	255,966

Note	Attributable to owners of the Company								
	Share capital US\$'000	Perpetual securities US\$'000	Capital reserve US\$'000	Other reserves US\$'000	Accumulated losses US\$'000	Foreign currency translation reserve US\$'000	Total equity attributable to owners of the Company US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
<b>Group</b>									
<b>At 1 January 2024</b>	603,874	192,640	3,530	(1,517)	(230,971)	(26,684)	540,872	24,819	565,691
Loss for the year	-	-	-	-	(29,143)	-	(29,143)	(1,766)	(30,909)
Other comprehensive income	-	-	-	-	474	(13,675)	(13,201)	(1,183)	(14,384)
<b>Total comprehensive loss for the year</b>	-	-	-	-	(28,669)	(13,675)	(42,344)	(2,949)	(45,293)
<u>Contributions by and distributions to owners</u>									
Distribution to perpetual securities holders	27	-	-	-	(7,600)	-	(7,600)	-	(7,600)
Statutory reserve fund		-	1,498	-	(1,498)	-	-	-	-
Dividend declared to non-controlling interests		-	-	-	-	-	-	(2,657)	(2,657)
<b>Total contributions by and distributions to owners</b>		-	1,498	-	(9,098)	-	(7,600)	(2,657)	(10,257)
Changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-
Struck off of a subsidiary		-	(91)	-	91	-	-	-	-
<b>Total changes in ownership interests in subsidiaries</b>		-	(91)	-	91	-	-	-	-
<b>At 31 December 2024</b>	603,874	192,640	4,937	(1,517)	(268,647)	(40,359)	490,928	19,213	510,141

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

## STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

	Note	Share capital US\$'000	Perpetual securities US\$'000	Other reserves US\$'000	Accumulated losses US\$'000	Total equity US\$'000
<b>Company</b>						
<b>At 1 January 2025</b>		603,874	192,640	(1,310)	(279,535)	515,669
Loss for the year representing total comprehensive loss for the year		–	–	–	(42,276)	(42,276)
<u>Contributions by and distributions to owners</u>						
Distribution to perpetual securities holders	27	–	–	–	(7,600)	(7,600)
Redemption of perpetual securities		–	(192,640)	(7,360)	–	(200,000)
<b>Total transactions with owners in their capacity as owners</b>		–	(192,640)	(7,360)	(7,600)	(207,600)
<b>At 31 December 2025</b>		603,874	–	(8,670)	(329,411)	265,793
<b>At 1 January 2024</b>		603,874	192,640	(1,310)	(218,895)	576,309
Loss for the year representing total comprehensive loss for the year		–	–	–	(53,040)	(53,040)
<u>Contributions by and distributions to owners</u>						
Distribution to perpetual securities holders	27	–	–	–	(7,600)	(7,600)
<b>Total transactions with owners in their capacity as owners</b>		–	–	–	(7,600)	(7,600)
<b>At 31 December 2024</b>		603,874	192,640	(1,310)	(279,535)	515,669

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

# CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
<b>Operating activities</b>			
Loss before tax		(89,865)	(14,719)
Adjustments for:			
Depreciation expense	8	29,193	26,689
Amortisation of intangible assets	8	516	580
Amortisation of right-of-use assets	8	1,925	2,130
Retirement benefit expenses	8	3,754	1,371
Interest income	6	(2,797)	(2,927)
Interest expense	6	62,687	66,800
Unrealised fair value loss/(gain) on open forward commodities contracts and inventories	8	25,109	(15,581)
Fair value gain on investment properties	5	(1,187)	(415)
Fair value loss/(gain) on biological assets	5,8	10,888	(2,092)
(Gain)/loss on disposal of property, plant and equipment and plantation	5,8	(56)	25
Write off of property, plant and equipment and plantation	8	167	217
(Reversal of Impairment loss)/Impairment loss of property, plant and equipment and plantation	8	(1,093)	1,188
Impairment losses/(Reversal of impairment losses) on financial assets	8	507	(122)
Bad debts written off	8	12	–
Impairment loss on investment in an associate	8	896	3,207
Loss on disposal of asset held for sale	8	2	–
Share of result of associates		(287)	496
Unrealised foreign exchange (gain)/loss		(10,191)	9,483
<b>Operating cash flows before changes in working capital</b>		30,180	76,330
Trade and other receivables		58,674	(96,785)
Inventories		109,750	(48,909)
Trade and other payables		(63,020)	(10,194)
<b>Cash generated from/(used in) operations</b>		135,584	(79,558)
Interest received		2,797	2,927
Tax paid		(6,732)	(9,285)
<b>Net cash generated from/(used in) operating activities</b>		131,649	(85,916)
<b>Investing activities</b>			
Capital expenditure on property, plant and equipment, and intangible assets	10,11(a)	(4,646)	(16,497)
Capital expenditure on plantation and biological assets		(3,875)	(6,781)
Proceeds from disposal of property, plant and equipment, plantation, and investment properties		217	12
Proceeds from disposal of assets held for sale		1,106	–
Proceeds from repayment of loan to a third party		–	41,616
<b>Net cash (used in)/generated investing activities</b>		(7,198)	18,350
<b>Financing activities</b>			
Net proceeds of borrowings		111,103	164,527
Net (repayments)/proceeds of term loans		(37,783)	27,702
Net proceeds of other working capital loans		148,886	136,825
Repayments of obligation under lease arrangements	29	(2,438)	(2,477)
Interest paid		(49,921)	(48,184)
Dividend distributed to perpetual securities holders	27	(7,600)	(7,600)
Dividend paid to non-controlling interests		(2,315)	(353)
Guarantee fee paid in relation to issuance of perpetual securities		(720)	(2,400)
Repayment of perpetual securities	27	(200,000)	–
<b>Net cash (used in)/generated from financing activities</b>		(151,891)	103,513
<b>Net (decrease)/increase in cash and cash equivalents</b>		(27,440)	35,947
Cash and cash equivalents at the beginning of year		83,654	48,286
Effect of exchange rate changes on the balance of cash held in foreign currencies		2,518	(579)
<b>Cash and cash equivalents at the end of year</b>	16	58,732	83,654

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

## CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2025

Reconciliation of liabilities arising from financing activities:

	Group	
	Loan payables US\$'000 (Note 24)	Lease liabilities US\$'000 (Note 29)
At 1 January 2024	1,101,804	8,180
Net of proceeds/(repayment) of borrowings	164,527	(2,477)
Non-cash items:		
– Addition on right-of-use assets	–	1,669
– Foreign exchange movement	(15,777)	(234)
– Amortisation fee for loan	438	–
– Interest expense	–	420
Total non-cash items	(15,339)	1,855
At 31 December 2024 and 1 January 2025	1,250,992	7,558
Net of proceeds/(repayment) of borrowings	111,103	(2,438)
Non-cash items:		
– Addition on right-of-use assets	–	3,031
– Foreign exchange movement	23,617	579
– Amortisation fee for loan	428	–
– Interest expense	–	435
– Derecognition of lease liabilities	–	(116)
Total non-cash items	24,045	3,929
At 31 December 2025	1,386,140	9,049

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

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 1. Corporate information

Halcyon Agri Corporation Limited (the "Company") is a public limited liability company incorporated and domiciled in Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited.

The registered office of the Company is located at 180 Clemenceau Avenue, #05-02 Haw Par Centre, Singapore 239922.

As at 31 December 2025, the Company is 68.1% owned by China Rubber Technology Group Company Limited ("CRTG"), a company incorporated and domiciled in Hong Kong. The penultimate holding company is China Hainan Rubber Industry Group Co., Ltd. ("HRG"), a state-owned enterprise of the People's Republic of China, domiciled in the People's Republic of China and listed on the Shanghai Stock Exchange. HRG is directly owned by 海南省农垦投资控股集团有限公司 (also known as Hainan Province Agribusiness Investment Holding Group Co., Ltd., or the "ultimate holding company" or "HSF"), a state-owned enterprise of the People's Republic of China.

As at 31 December 2025, the Company is 29.2% owned by Sinochem International (Overseas) Pte. Ltd. ("SIO"), a company incorporated and domiciled in Singapore. The penultimate holding company was Sinochem International Corporation ("SIC"), which is domiciled in the People's Republic of China and listed on the Shanghai Stock Exchange. SIC is owned by Sinochem Holdings Corporation Ltd., a state-owned enterprise of the People's Republic of China.

As the total number and percentage of shares held by the public is approximately 2.7%, less than the requisite 10% threshold under Rule 723 of the Listing Manual, the Company has received a notification of delisting from the Singapore Exchange Regulation Pte Ltd on 26 August 2024 and is in the process of finalising the possible options and relevant terms in relation to the exit offer proposal.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries and associates are disclosed in Note 13(a) and Note 13(b) to the financial statements respectively.

## 2. Summary of material accounting policy information

### 2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I), except for the adoption of new and amended standards as set out in Note 2.2.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollar ("USD" or "US\$") and all values in the tables are rounded to the nearest thousand ("US\$'000") unless otherwise indicated.

### Going concern assumption

The financial statements of the Group have been prepared on a going concern basis notwithstanding the fact that:

- The Group incurred loss after tax of US\$99,548,000 (2024: US\$30,909,000) for the financial year ended 31 December 2025; and
- As at 31 December 2025, the Group's and Company's total borrowings amounted to \$1,386,140,000 and \$956,194,000 (2024: \$1,250,992,000 and \$752,649,000) of which \$1,071,221,000 and \$715,492,000 (2024: \$1,144,945,000 and \$752,649,000) were classified as current liabilities respectively; and
- As at 31 December 2025, the Group's and Company's current liabilities exceeded its current assets by US\$521,905,000 and US\$402,613,000 (2024: net current liabilities position of US\$440,639,000 and US\$396,961,000).

The Directors are of the view that the Group and Company is able to continue as a going concern and meet its liabilities as and when they fall due for the following reasons:

- HRG has provided a written undertaking to the Group via a letter of financial support to provide the necessary financial support for the period next 12 months from the date of these financial statements;
- There are unused banking facilities available to drawdown when needed;
- The maturity dates for the shareholder loans amounting to US\$536 million have been extended (Note 37);

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 2. Summary of material accounting policy information (cont'd)

### 2.1 Basis of preparation (cont'd)

#### Going concern assumption (cont'd)

- During January 2026, the Group secured a two-year working capital loan with a facility of US\$153 million, which has been partially utilised to repay existing loans (Note 37);
- The Group's key plans to address its payment obligations in the next 12 months are as follows:
  - (i) Continue to work closely with financiers and both major shareholders to restore the financing tenor and to further improve the Group's liquidity headroom; and
  - (ii) HRG and SIC have also provided their full support and commitment to the Group to complete its refinancing exercise and to meet its operational needs by supporting negotiations with the financiers.

Based on the above factors, the Directors are of the view that the Group is able to fulfil its short-term liabilities as and when they fall due and going concern assumptions in the preparation of the financial statement are appropriate.

### 2.2 Changes in accounting policies and disclosures

#### Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial years beginning on or after 1 January 2025. The adoption of these standards affects the Group's disclosures as listed below, but did not have any material effect on the financial performance of the Group, or the financial position of the Group and the Company.

### 2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 7 and SFRS(I) 9: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to SFRS(I) 7 and SFRS(I) 9: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Annual Improvements to SFRS(I)s – <i>Volume 11</i>	1 January 2026
SFRS(I) 18 <i>Presentation and disclosure in Financial Statements</i>	1 January 2027
SFRS(I) 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to SFRS(I) 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

Except for SFRS(I) 18 Presentation and Disclosure in Financial Statements, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of SFRS(I) 18 Presentation and Disclosure in Financial Statements is described below.

#### SFRS(I) 1-18 Presentation and Disclosure in Financial Statements

In April 2024, SFRS(I) 18, which replaces SFRS(I) 1-1 Presentation of Financial Statements. SFRS(I) 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals was issued. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements ("PFS") and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from "profit or loss" to "operating profit or loss" and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SFRS(I) 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. SFRS(I) 18 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 2. Summary of material accounting policy information (cont'd)

### 2.4 Basis of consolidation and business combinations

#### (a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interests;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

#### (b) Business combinations and goodwill

Where a business combination involves entities or businesses under common control, it is outside the scope of SFRS(I) 3 *Business Combinations* and may be accounted for using the pooling of interest method or the acquisition method. Acquisition method is applied when the transaction has substance from the perspective of the Group in accordance with SFRS(I) 3 *Business Combinations*.

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with SFRS(I) 1-39 *Financial Instruments: Recognition and Measurement* either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

The Group elects for each individual business combination, whether non-controlling interests in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 2.12(a). In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 2. Summary of material accounting policy information (cont'd)

### 2.5 *Transactions with non-controlling interests*

Non-controlling interests represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

When the proportion of equity held by the non-controlling interests change and the parent retain control of the subsidiary, the carrying amount originally recognised in non-controlling interests is adjusted to reflect the changes in the relative interests in the subsidiary.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### 2.6 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

When the Group loses control of a subsidiary, it shall:

- (a) Derecognise:
  - (i) The assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost; and
  - (ii) The carrying amount of any non-controlling interests in the former subsidiary at the date when control are lost (including any components of other comprehensive income attributable to them).
- (b) Recognise:
  - The fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of the control;
  - If the transaction, event or circumstances that resulted in the loss of control involves a distribution of shares of the subsidiary to owners in their capacity as owners, that distribution; and
  - Any investment retained in the former subsidiary at its fair value at the date when control is lost.

### 2.7 *Associates*

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group account for its investments in associates using the equity method from the date on which it becomes an associate. On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates are carried in the statements of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of the operations of the associate. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equal or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 2. Summary of material accounting policy information (cont'd)

#### 2.7 Associates (cont'd)

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

#### 2.8 Foreign currency

The financial statements are presented in United States Dollar ("USD"), which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

##### (a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling as at the statements of financial position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

##### (b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into USD at the rate of exchange ruling at the statements of financial position date and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

#### 2.9 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.19. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvements and renovation	– 10 years
Office equipment	– 2 years
Computers and software	– 1 to 10 years
Leasehold buildings	– 20 years
Plant and machinery	– 10 years
Vehicles	– 4 to 10 years
Leasehold land	– 20 to 95 years

Freehold land is not depreciated.

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 2. Summary of material accounting policy information (cont'd)

### 2.9 *Property, plant and equipment (cont'd)*

Plantation establishment costs, consisting of costs directly incurred during the period of plantation development, are not depreciated. The establishment costs will be transferred to plantation assets and will be subject to depreciation upon commencement of rubber tapping activities.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

### 2.10 *Land use rights*

Certain plantation lands in Cameroon were given land use rights by the State of Cameroon in 1996 for a period of 50 years plus 50 years, renewable at a nominal value to the Group. With the Group's continuing investment in replanting and extension on the plantation land, the Group is of the view that it is not likely that the land use rights will not be renewed at the expiring of its current term. The land use rights are depreciated over its remaining useful life of 72 years.

### 2.11 *Investment properties*

Investment properties are properties that are owned by the Group that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Properties held under operating leases are classified as investment properties when the definition of an investment property is met.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

### 2.12 *Intangible assets*

#### (a) *Goodwill*

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 2. Summary of material accounting policy information (cont'd)

#### 2.12 *Intangible assets (cont'd)*

##### (b) *Other intangible assets*

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

##### (i) Process know-how

The useful life of the process know-how was estimated to be indefinite because based on the current demand for rubber, management believes there is no foreseeable limit to the period over which the process know-how are expected to generate net cash inflows for the Group.

##### (ii) Customer relationship

Customer relationship acquired was initially recognised at cost and was subsequently carried at cost less accumulated amortization and accumulated impairment losses. These costs are amortised to the income statement using the straight-line method over 10 years.

##### (iii) Computer software

Acquired computer software licences are initially capitalised at cost and was subsequently carried at cost less accumulated amortization and accumulated impairment losses. These costs are amortised to the income statement using the straight-line method over 5 years.

#### 2.13 *Bearer plants and biological assets*

The classification of rubber trees as bearer plant or non-bearer plant depends on the business plan for respective rubber plantations, pertinent facts and circumstances surrounding the trees, plantation and relevant market or industry considerations. Rubber trees are not considered bearer plant when there is commercially viable plan to convert the rubber trees into products other than incidental scrap at the end of the rubber production life to an established market.

Bearer plants consist of the oil palm trees in the Malaysian plantation and rubber trees in Ivory Coast plantation. Cultivation of seedlings is stated at cost. The accumulated cost will be classified as immature plantations at the time of planting. Mature plantations are stated at cost less accumulated depreciation and impairment. The Group concluded that depreciating the mature plantations by the expected yield pattern of the bearer plants over their useful lives, estimated at 30 years, is more reflective of the pattern in which the assets' future benefit are expected to be consumed. The carrying value of bearer plants are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. A bearer plant is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the bearer plant is included in the profit or loss when the bearer plant is derecognised.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 2. Summary of material accounting policy information (cont'd)

### 2.13 *Bearer plants and biological assets (cont'd)*

Biological assets consist of rubber latex and rubber trees in the Malaysian and Cameroonian plantations, produce that grows on oil palm trees in the Malaysian plantations and rubber latex in Ivory Coast plantation. These are measured at fair value less estimate costs to sell. Gains or losses arising on initial recognition of plantations at fair value less estimated costs to sell and from the changes in fair value less estimated costs to sell of plantations at each reporting date are included in profit or loss for the period in which they arise.

The Group has assessed that there is an established commercial market for end-of-life rubber trees in Malaysia and Cameroon, and it is the Group's business plan to dispose the end-of-life rubber trees as an agricultural produce for more than an incidental scrap. As such, the classification of rubber plantations in Malaysia and Cameroon remains the same as preceding year.

Further details are disclosed in Note 3.1(a).

### 2.14 *Impairment of non-financial assets*

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously.

### 2.15 *Financial instruments*

#### (a) *Financial assets*

##### Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 2. Summary of material accounting policy information (cont'd)

### 2.15 Financial instruments (cont'd)

#### (a) Financial assets (cont'd)

##### Subsequent measurement

##### Debt instrument

##### (i) Amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

##### (ii) Fair value through other comprehensive income ("FVOCI")

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

##### (iii) Fair value through profit or loss ("FVPL")

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

##### Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

##### Derivatives

Derivatives are initially recognised at fair value on the date of derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

##### Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

#### (b) Financial liabilities

##### Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

##### Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 2. Summary of material accounting policy information (cont'd)

### 2.15 *Financial instruments (cont'd)*

#### (b) *Financial liabilities (cont'd)*

##### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

#### (c) *Gain/loss on commodity contracts*

Commodity contracts to buy and sell natural rubber commodities can be subject to net settlement if market conditions are favourable. Such commodity contracts and derivative financial instruments are marked to market at market rates prevailing at the end of the reporting period. Unrealised gains or losses are taken to profit or loss. Market value is generally based on listed market prices. If listed market prices are not available, market value is determined based on relevant factors, including trade price quotations, time value and volatility factors underlying the commodities and price quotations for similar commodities traded in different markets, including markets located in different geographical areas.

### 2.16 *Impairment of financial assets*

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that resulted from default events that are possible within the next 12 months (12-months ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposures, irrespective of timing of the default (an ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when the contractual payments are more than 90 days past due.

The Group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal and external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 2.17 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 2. Summary of material accounting policy information (cont'd)

### 2.18 *Inventories*

Inventories except consumables are carried at the fair market value at the end of each reporting period, whereby the resulting unrealised gain or loss is recognised in profit or loss. This is an alternative policy allowed by SFRS(I) 1-2 *Inventories* for commodity broker or trader, as this better reflect the performance of the Group. The Group's operating activities, including procurement of raw materials, selling of finished goods and entering into forward commodity (natural rubber) contracts are subject to movements in the market prices of natural rubber. The Group has two main types of sales contracts and purchase contracts; long term contracts ("LTCs") and spot contracts ("Spot"). The prices for LTCs are usually determined based on the average market price preceding the delivery months, whereas the prices for Spot contracts are usually agreed on the day the Spot contracts are entered. In addition to the management of the price risk between the sales and purchase activities, which is the key driver and contributor to the Group's profitability, the Group also provided other ancillary services such as processing and distribution. The profit for these ancillary services is recognised in the profit or loss only when these services are performed by the Group.

Consumables are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

### 2.19 *Borrowing costs*

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 2.20 *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 resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits 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 post-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 2.21 *Employee benefits*

#### (a) *Retirement benefit costs*

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statements of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Service costs which include current service cost, past service cost and gains or losses on non-routine settlement are recognised as expense in profit or loss. Net interest is calculated by applying the discount rate based on high quality long term bonds at the beginning of the period to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognised as expense or income in profit or loss.

Defined benefit costs are categorised as follows:

- Service cost;
- Net interest expense or income of the net retirement benefit obligation; and
- Re-measurements of net retirement benefit obligation.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 2. Summary of material accounting policy information (cont'd)

#### 2.21 *Employee benefits (cont'd)*

##### (a) *Retirement benefit costs (cont'd)*

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefit expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statements of financial position represents the actual deficit or surplus in the group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plan.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

##### (b) *Employee leave entitlement*

Employees' entitlement to annual leave is recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

#### 2.22 *Leases*

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### *Group as a lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### (i) *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.14.

##### (ii) *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 2. Summary of material accounting policy information (cont'd)

### 2.22 Leases (cont'd)

#### *Group as a lessee (cont'd)*

#### (iii) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### *Group as a lessor*

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### 2.23 **Non-current assets held-for-sale and discontinued operations**

Non-current assets and disposal groups classified as held-for-sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held-for-sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. A component of the Group is classified as a 'discontinued operation' when the criteria to be classified as held-for-sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Property, plant and equipment and intangible assets once classified as held-for-sale are not depreciated or amortised.

### 2.24 **Revenue**

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring promised goods or services to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

#### (a) *Sale of goods*

Revenue from sale arising from the physical delivery of rubber products is recognised when goods are delivered to the customer and all criteria for acceptance have been satisfied.

#### (b) *Net gain from trading activities*

Where the Group acts as agent on behalf of a third party to procure or market rubber commodity, any associated fee income is recognised but no purchase or sale is recorded.

Gains and losses arising from physically settled contracts entered into trading or optimisation purposes are presented on a net basis, together with those arising from financially settled derivative contracts within the line item "Net gain from trading activities" in revenue.

#### (c) *Interest income*

Interest income is recognised using the effective interest method.

#### (d) *Rental income*

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 2. Summary of material accounting policy information (cont'd)

#### 2.25 Taxes

##### (a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 2. Summary of material accounting policy information (cont'd)

#### 2.25 Taxes (cont'd)

##### (c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- When receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of other receivables or other payables in the statements of financial position.

#### 2.26 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

Fair valuation of shares is based on the prevailing market price as at the date of issuance.

#### 2.27 Perpetual securities

The perpetual securities do not have a maturity date and the Company is able to elect to defer any scheduled distribution perpetually subject to the terms and conditions of the securities issue. Accordingly, the Company is not considered to have a contractual obligation to make principal repayments or distributions in respect of its perpetual securities issue and the perpetual securities are presented within equity. Distributions are treated as dividends which will be directly debited from equity. Costs directly attributable to the issue of the perpetual securities are deducted against the proceeds from the issue.

On the election of the Company to redeem the perpetual securities, the perpetual securities will be reclassified as a financial liability. The financial liability is initially recognised at fair value and any difference between the carrying amount of the liability and the previously recognised equity instrument is recognised in equity.

No gain or loss is recognised in the profit or loss on the reclassification.

#### 2.28 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statements of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

#### 2.29 Segment reporting

For management purposes, the Group is organised into operating segments based on their business units. Management regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 33, including the factors used to identify the reportable segments and the measurement basis of segment information.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 2. Summary of material accounting policy information (cont'd)

### 2.30 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

### 2.31 Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the group due to both physical and transition risks. Climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements that has estimates and assumptions involved. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment – When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.
- Impairment of non-financial assets – The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Group's products. While the Group has determined that there is no single climate-related assumption that affects the impairment testing of goodwill and brands, the Group will continue to monitor if changes to legislation and regulations will impact future impairment assessments.
- Revenue from sales of low-carbon products – The sale of low-carbon products will continue to contribute to the Group's revenue in both existing and new markets.

In financial year 2025, there are no material expenses or costs that have been incurred by the Group associated with the key climate-related risks identified in our assessment.

## 3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

### 3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

#### *Classification of rubber trees as bearer plants or non-bearer plants*

The Group has rubber plantations in Malaysia and Cameroon.

The classification of rubber trees as bearer plant or non-bearer plant depends on the business plan for respective rubber plantations, pertinent facts and circumstances surrounding the trees, plantation and relevant market or industry considerations. Rubber trees are not considered bearer plant when there is commercially viable plan to sell the rubber trees as agricultural produce other than incidental scrap at the end of the rubber production life to an established market.

The Group has assessed that there is an established commercial market for end-of-life rubber trees in Malaysia and Cameroon, and it is the Group's business plan to convert the rubber trees into products other than incidental scrap at the end of the rubber production life. As such, the classification of rubber plantations in Malaysia and Cameroon remains the same as preceding year.

Further details are disclosed in Note 2.13.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 3. Significant accounting judgements and estimates (cont'd)

### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### (a) Impairment of goodwill and process know-how

Determining whether goodwill and process know-how is impaired requires an estimation of the value in use of the cash-generating-unit to which the goodwill and process know-how have been allocated.

The value in use calculation requires the Group to estimate the future cash flows that is expected to arise, the growth rate used for extrapolation purposes and a suitable discount rate in order to calculate present value. The key assumptions applied in the determination of the value in use including a sensitivity analysis are disclosed and further explained in Note 10 to the financial statements. The Group's carrying amount of goodwill and process know-how as at 31 December 2025 is US\$296,379,000 (2024: US\$296,379,000).

#### (b) Measurement of biological assets

The fair value of biological assets is estimated using the discounted cash flow model ("DCF") by independent professional valuers. This requires an estimate of the expected future cash flows from the biological assets to be made and a suitable discount rate to be chosen, in order to calculate the present value of future cash flows. The valuation of these biological assets is particularly sensitive to discount rates as disclosed in Note 34(d)(i).

#### (c) Direct and indirect taxes

Significant judgement is involved in determining the provision for direct and indirect taxes, and the recoverability of indirect tax receivables from the local government where the Group's subsidiaries operate in. Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future recoverable amount on the indirect tax receivables recognised as at year end. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

For provision of direct and indirect taxes, the Group recognises liabilities based on estimates of whether additional taxes will be due. In the event where the final income tax outcome is different from the amounts that were initially recognised, such differences will impact the income tax or general and administrative expenses in the year in which such decision is made by the taxation authority.

For recoverability of indirect tax receivables, the Group assessed the recoverability based on the expected future recoverable amounts.

The Group's carrying amount of tax receivable and provision for taxation as at 31 December 2025 amounted to US\$3,094,000 (2024: US\$5,461,000) and US\$3,748,000 (2024: US\$6,730,000) respectively. The carrying amount of indirect tax receivables and payables are disclosed in Notes 18 and 23 respectively.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 4. Revenue

	Group	
	2025 US\$'000	2024 US\$'000 Restated
Sale of goods	2,960,498	2,936,451
Net gain from trading activities	1,040	4,598
	2,961,538	2,941,049

Sales is recognised at point in time. Refer to Note 33 for disaggregation of revenue.

Details of the restatement are disclosed in Note 38.

Advances related to contracted sales (Note 23)	16,391	20,242
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Advances related to contracted sales are the Group's obligations to transfer goods to customers for which the Group have received advances collected from customers prior to the transfer of control of goods to the customers. These advances will be recognised as revenue when the Group satisfied the performance obligation under the contract. Revenue recognised during the year from advances related to contracted sales received in prior year amounting to US\$20,242,000 (2024: US\$42,991,000).

## 5. Other income

	Group	
	2025 US\$'000	2024 US\$'000
Gain on disposal of property, plant and equipment	56	–
Fair value gain on investment properties (Note 12)	1,187	415
Fair value gain on biological assets (Note 15)	–	2,092
Government grants	2,293	394
Insurance income	792	–
Others	1,753	1,588
	6,081	4,489

## 6. (a) Finance income

	Group	
	2025 US\$'000	2024 US\$'000
Interest income on:		
– Deposits	2,797	2,927

## (b) Finance costs

	Group	
	2025 US\$'000	2024 US\$'000
Interest expense on:		
– Term loans	16,337	16,608
– Working capital loans	54,210	61,890
– Lease liabilities (Note 29)	435	420
	70,982	78,918
Less: interest expense capitalised in:		
– Plantation and biological assets (Note 15)	(8,295)	(12,118)
	62,687	66,800

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 7. Income tax expense

	Group	
	2025 US\$'000	2024 US\$'000
<b>Consolidated income statement</b>		
<i>Current tax:</i>		
Current tax expense	(10,615)	(18,122)
Over/(Under) provision in respect of prior years	157	(559)
<i>Deferred tax:</i>		
Tax credit relating to the origination and reversal of temporary differences	775	1,055
Reversal of over provision in respect of prior years	–	1,436
Income tax expense recognised in consolidated income statement	<u>(9,683)</u>	<u>(16,190)</u>

### Relationship between tax expense and accounting loss

Reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 31 December 2025 and 2024 are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
Loss before tax	<u>(89,865)</u>	<u>(14,719)</u>
Tax at the domestic income tax rate of 17% (2024: 17%)	15,277	2,502
Effect of non-deductible expenses	(17,477)	(12,481)
Effect of non-taxable income	256	805
Effect of tax-exempt income	42	59
Effect of different tax rates of subsidiaries operating in other jurisdictions <sup>(1)</sup>	5,382	824
Deferred tax asset not recognised	(11,306)	(8,604)
Utilisation of previously unrecognised tax losses	–	209
Recognition of deferred tax assets not recognised in prior year	236	25
Effect of tax incentive at lower rate	(680)	1,491
Over provision in respect of prior years	157	877
Tax on revenue	(1,344)	(1,206)
Others	(226)	(691)
Income tax expense recognised in consolidated income statement	<u>(9,683)</u>	<u>(16,190)</u>

<sup>(1)</sup> The corporate income tax rates of the Group's foreign subsidiaries range from 20% to 33% (2024: 20% to 33%).

A subsidiary within the Group, Hevea Global Pte Ltd ("HG") were granted the Global Trader Programme ("GTP") Incentive subject to the fulfilment of certain conditions. HG's GTP was renewed from 1 January 2021 for a period of 5 years. The qualifying income of HG shall be taxed at the concessionary tax rate of 10%.

### Pillar Two taxes

The Organisation for Economic Co-operation and Development ("OECD")/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) addresses the tax challenges arising from the digitalisation of the global economy. The Global Anti-Base Erosion ("GloBE") Model Rules ("Pillar Two model rules") apply to multinational enterprises with annual consolidated revenue in excess of EUR 750m.

The Group is within the scope of the OECD Pillar Two model rules. In Singapore, the Pillar Two model rules, comprising a Multinational Top-up Tax (the equivalent of the Income Inclusion Rule) and Domestic Top-up Tax (the equivalent of a Qualified Domestic Minimum Top-up Tax), have been substantively enacted as at 31 December 2024 and effective for financial years beginning on or after 1 January 2025. At the same time, Pillar Two legislation has been enacted or substantively enacted in several other jurisdictions in which the Group operates effective for the financial year beginning 1 January 2025. Under the legislation in the respective jurisdictions, the Group may be liable to pay a top-up tax based on the difference between the GloBE effective tax rate for the jurisdiction and the 15% minimum rate.

The Group has performed an assessment of its potential exposure to Pillar Two income taxes based on the country-by-country reporting and financial information for the constituent entities in the Group. Based on this, the Group is expected to qualify for the Transitional Country-by-Country Reporting Safe Harbour for its material subsidiaries subject to the Pillar Two rules for financial year ended 31 December 2025. Accordingly, any top-up tax is not expected to have a material impact to the Group. The registration of Pillar Two in Singapore is required to be completed by 30 June 2026. The Group continues to follow Pillar Two model legislative developments and is working closely with the holding companies to further determine the impact on its consolidated statement of financial position and consolidated cash flow statement.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 8. Loss before tax

	Note	2025 US\$'000	Group 2024 US\$'000
(a) Loss before tax has been arrived at after charging/(crediting):			
Depreciation of property, plant and equipment, plantation and biological assets included in:			
– Cost of sales		23,262	21,254
– Selling expenses		53	55
– Administrative expenses		5,969	5,476
		<u>29,284</u>	<u>26,785</u>
Less: Depreciation of property, plant and equipment capitalised in plantation and biological assets	11(a)	(91)	(96)
		<u>29,193</u>	<u>26,689</u>
Foreign exchange (gain)/loss included in:			
– Cost of sales		58	517
– Administrative expenses		(204)	5,812
		<u>(146)</u>	<u>6,329</u>
Amortisation:			
– Intangible assets	10	516	580
– Right-of-use assets	11(b)	1,925	2,130
		<u>2,441</u>	<u>2,710</u>
Professional fees		6,703	5,773
Audit fees:			
– Paid/payable to auditors of the Company		550	440
– Paid/payable to other auditors – network firms		955	942
– Paid/payable to other auditors – non network firms		200	117
Non-audit fees:			
– Paid/payable to auditors of the Company		152	20
– Paid/payable to other auditors – network firms		13	13
Lease expenses on short-term leases and low-value assets		401	521
Fair value loss on biological assets	15	10,888	–
Loss on disposal of property, plant and equipment		–	25
Write off of property, plant and equipment	11(a)	167	217
(Reversal of Impairment loss)/Impairment loss of property, plant and equipment	11(a)	(1,093)	1,188
Impairment losses/(Reversal of impairment losses) on financial assets	17,18	507	(122)
Bad debts written off		12	–
Impairment loss on investment in an associate	13(b)	896	3,207
Loss on disposal of asset held for sale	21	2	–
Inventories recognised as an expense in cost of sales <sup>(1)</sup>		<u>2,848,826</u>	<u>2,750,116</u>
(b) Employee benefits expenses (including directors' remuneration):			
– Defined benefit plans		3,754	1,371
– Defined contribution plans		3,506	3,619
– Staff salaries		89,372	92,940
		<u>96,632</u>	<u>97,930</u>
Included in:			
– Cost of sales		55,654	53,106
– Selling expenses		4,432	5,557
– Administrative expenses		36,546	39,267
		<u>96,632</u>	<u>97,930</u>

<sup>(1)</sup> Included unrealised fair value loss on open forward commodity contracts and inventories of US\$25,109,000 (2024: fair value gain of US\$15,581,000).

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 9. Loss per share ("LPS")

	Group	
	2025 US\$'000	2024 US\$'000
Loss for the year attributable to owners of the Company	(88,719)	(29,143)
Dividend on perpetual securities	(7,600)	(7,600)
Adjusted loss for the year attributable to owners of the Company	<u>(96,319)</u>	<u>(36,743)</u>
	<b>Basic and diluted</b>	
Weighted average number of ordinary shares used to compute earnings per share ('000)	1,595,012	1,595,012
Loss per share (US cents)	<u>(6.04)</u>	<u>(2.30)</u>

### 10. Intangible assets

	Process know-how US\$'000	Goodwill US\$'000	Customer related intangibles US\$'000	Trademark US\$'000	Computer software US\$'000	Total US\$'000
<b>Group</b>						
<b>Cost:</b>						
At 1 January 2024	10,000	286,379	2,800	33	4,797	304,009
Additions	–	–	–	–	130	130
Transfer to property, plant, and equipment (Note 11)	–	–	–	–	(7)	(7)
Exchange difference	–	–	2	–	4	6
At 31 December 2024 and 1 January 2025	10,000	286,379	2,802	33	4,924	304,138
Additions	–	–	–	–	164	164
Write off	–	–	–	–	(129)	(129)
Exchange difference	–	–	1	–	21	22
At 31 December 2025	<u>10,000</u>	<u>286,379</u>	<u>2,803</u>	<u>33</u>	<u>4,980</u>	<u>304,195</u>
<b>Accumulated amortisation:</b>						
At 1 January 2024	–	–	1,872	33	4,058	5,963
Amortisation for the year (Note 8)	–	–	282	–	298	580
Exchange difference	–	–	4	–	10	14
As at 31 December 2024 and 1 January 2025	–	–	2,158	33	4,366	6,557
Amortisation for the year (Note 8)	–	–	231	–	285	516
Write off	–	–	–	–	(129)	(129)
Exchange difference	–	–	1	–	19	20
At 31 December 2025	<u>–</u>	<u>–</u>	<u>2,390</u>	<u>33</u>	<u>4,541</u>	<u>6,964</u>
<b>Net carrying amount:</b>						
At 31 December 2024	10,000	286,379	644	–	558	297,581
At 31 December 2025	<u>10,000</u>	<u>286,379</u>	<u>413</u>	<u>–</u>	<u>439</u>	<u>297,231</u>

The amortisation of customer related intangibles, and computer software is included in administrative expenses in the consolidated income statement.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 10. Intangible assets (cont'd)

	Computer software US\$'000
<b>Company</b>	
<b>Cost:</b>	
At 1 January 2024, 31 December 2024 and 31 December 2025	1,247
<b>Accumulated amortisation:</b>	
At 1 January 2024, 31 December 2024 and 31 December 2025	1,247
<b>Net carrying amount:</b>	
At 31 December 2024	—
At 31 December 2025	—

### **Process know-how**

Process know-how relates to the production of a certain grade of rubber and has been allocated to the HRC Group CGU. As explained in Note 2.12(b)(i), the intangible asset has been assessed as having indefinite life so long as there is a demand for such rubber. The Group expects continuance for such demand.

### **Goodwill**

Goodwill acquired through business combinations have been allocated to following cash-generating units ("CGU"), for impairment testing:

	Group	
	2025 US\$'000	2024 US\$'000
CGU within HRC Group	256,601	256,601
CGU within Corrie MacColl Group	29,778	29,778
	<u>286,379</u>	<u>286,379</u>

### **Customer related intangibles**

Customer related intangibles relate to non-contractual customer relationships acquired through business combination. The intangible asset has a remaining amortisation period of 1 to 3 years (2024: 1 to 4 years).

### **Computer software**

Computer software has a remaining amortisation period of 1 to 4 years (2024: 1 to 4 years).

### **Impairment testing of goodwill and process know-how with indefinite life**

The above goodwill and process know-how was tested for impairment as at 31 December 2025. No impairment loss was recognised as at 31 December 2025 as the recoverable amounts of the respective CGU to which goodwill and process know-how have been allocated to were in excess of their respective carrying values. The recoverable amount of the CGUs has been determined based on value in use calculations using 5 years cash flow projections from financial budgets approved by management and assumed a terminal growth rate thereafter.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 10. Intangible assets (cont'd)

#### *Impairment testing of goodwill and process know-how with indefinite life (cont'd)*

Key assumptions used in the value in use calculations

Cash generating units/intangible assets	Carrying amount as at 31 December 2025 US\$'000	Discount rate	Terminal growth rate
HRC Group:			
– Goodwill	256,601	11%	2%
– Process know-how	10,000	11%	2%
Corrie MacColl Group:			
– Goodwill	29,778	12%	2%
Total	296,379		

Cash generating units/intangible assets	Carrying amount as at 31 December 2024 US\$'000	Discount rate	Terminal growth rate
HRC Group:			
– Goodwill	256,601	12%	3%
– Process know-how	10,000	12%	3%
Corrie MacColl Group:			
– Goodwill	29,778	12%	2%
Total	296,379		

The calculations of value in use for the CGUs are most sensitive to the following assumptions:

*Pre-tax discount rates* – Discount rates represent the current market assessment of the risks specific to each CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates.

*Terminal growth rates* – The forecasted growth rates are based on published industry research and do not exceed the long-term average growth rate for the industries relevant to the CGUs.

*Sales volume and growth rates* – The forecasted sales volume and growth rates are determined based on management's knowledge and past experience of the businesses, taking into consideration the expected medium to long-term market outlook.

*Rubber price* – The forecasted rubber price is based on estimated rubber price published by an external industry report.

*Gross profit per metric tonne* – The forecasted gross profit is based on estimated gross profit per metric tonne for the future years.

#### **Sensitivity to changes in assumptions**

Changes to the above assumptions used by management to determine the recoverable amount can have significant impact on the results of the assessment. Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGU to materially exceed its recoverable amount.

### 11. Property, plant and equipment

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Property, plant and equipment (Note 11(a))	197,755	203,734	1,071	760
Right-of-use assets (Note 11(b))	8,775	7,306	1,250	785
	206,530	211,040	2,321	1,545

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 11. Property, plant and equipment (cont'd)

### (a) Property, plant and equipment

Group	Leasehold improvements and renovation US\$'000	Office equipment US\$'000	Computers and software US\$'000	Leasehold buildings US\$'000	Plant and machinery US\$'000	Vehicles US\$'000	Leasehold land US\$'000	Freehold land US\$'000	Assets under construction US\$'000	Total US\$'000
<b>Cost:</b>										
At 1 January 2024	6,922	21,636	3,248	158,971	112,794	7,939	65,990	8,635	6,189	392,324
Additions	118	483	144	1,028	6,166	528	—	—	7,900	16,367
Disposals	(231)	(160)	(38)	—	(514)	(25)	—	—	—	(968)
Write off	—	(168)	(52)	(2,088)	(2,763)	(198)	—	—	—	(5,269)
Reclassifications	(1,555)	(506)	540	2,736	5,852	461	309	283	(8,120)	—
Transfer from intangible assets (Note 10)	—	—	—	—	7	—	—	—	—	7
Exchange differences	(27)	(955)	(51)	(6,374)	(4,197)	(382)	(2,132)	34	(234)	(14,318)
At 31 December 2024 and 1 January 2025	5,227	20,330	3,791	154,273	117,345	8,323	64,167	8,952	5,735	388,143
Additions	337	165	181	387	563	179	—	—	2,670	4,482
Disposals	(105)	(79)	(55)	(420)	(1,733)	(764)	—	—	(6)	(3,162)
Write off	(19)	(176)	(17)	(704)	(2,570)	—	—	—	—	(3,486)
Reclassifications	99	57	1	1,415	1,913	—	14	—	(3,499)	—
Exchange differences	401	1,819	186	8,720	4,361	572	(46)	490	1,312	17,815
At 31 December 2025	5,940	22,116	4,087	163,671	119,879	8,310	64,135	9,442	6,212	403,792

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 11. Property, plant and equipment (cont'd)

### (a) Property, plant and equipment (cont'd)

Group	Leasehold improvements and renovation US\$'000	Office equipment US\$'000	Computers and software US\$'000	Leasehold buildings US\$'000	Plant and machinery US\$'000	Vehicles US\$'000	Leasehold land US\$'000	Freehold land US\$'000	Assets under construction US\$'000	Total US\$'000
<b>Accumulated depreciation and impairment:</b>										
At 1 January 2024	1,512	14,817	2,946	62,479	72,201	4,645	17,210	-	-	175,810
Disposals	(228)	(157)	(34)	(31)	(487)	(25)	-	-	-	(962)
Depreciation for the year	232	1,043	300	8,411	8,539	714	1,565	-	-	20,804
Write off	-	(152)	(47)	(1,978)	(2,637)	(238)	-	-	-	(5,052)
Reclassifications	1,135	(271)	349	(190)	(1,504)	482	(1)	-	-	-
Transfer to plantation related properties (Note 15)	-	7	1	62	8	18	-	-	-	96
Impairment loss	-	-	-	37	1,151	-	-	-	-	1,188
Exchange differences	130	(907)	(45)	(2,634)	(3,136)	(188)	(695)	-	-	(7,475)
At 31 December 2024 and 1 January 2025	2,781	14,380	3,470	66,156	74,135	5,408	18,079	-	-	184,409
Disposals	(104)	(77)	(48)	(408)	(1,600)	(764)	-	-	-	(3,001)
Depreciation for the year	291	1,051	301	9,249	8,619	623	1,635	-	-	21,769
Write off	(20)	(150)	(17)	(637)	(2,495)	-	-	-	-	(3,319)
Reclassifications	-	(248)	1	247	-	-	-	-	-	-
Transfer to plantation related properties (Note 15)	-	5	4	57	6	19	-	-	-	91
Reversal of impairment loss	-	-	-	-	(1,093)	-	-	-	-	(1,093)
Exchange differences	179	1,229	154	3,376	2,252	416	(425)	-	-	7,181
At 31 December 2025	3,127	16,190	3,865	78,040	79,824	5,702	19,289	-	-	206,037
<b>Net carrying amount:</b>										
At 31 December 2024	2,446	5,950	321	88,117	43,210	2,915	46,088	8,952	5,735	203,734
At 31 December 2025	2,813	5,926	222	85,631	40,055	2,608	44,846	9,442	6,212	197,755

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 11. Property, plant and equipment (cont'd)

### (a) Property, plant and equipment (cont'd)

Company	Renovation US\$'000	Computers US\$'000	Office equipment US\$'000	Assets under construction US\$'000	Total US\$'000
<b>Cost:</b>					
At 1 January 2024	298	552	51	362	1,263
Additions	–	1	8	358	367
Write-off	–	(9)	–	–	(9)
At 31 December 2024 and 1 January 2025	298	544	59	720	1,621
Additions	314	34	4	22	374
Disposal	(105)	(3)	(49)	–	(157)
Write-off	–	(2)	(1)	–	(3)
At 31 December 2025	507	573	13	742	1,835
<b>Accumulated depreciation:</b>					
At 1 January 2024	273	505	47	–	825
Depreciation for the year	14	26	4	–	44
Write-off	–	(8)	–	–	(8)
At 31 December 2024 and 1 January 2025	287	523	51	–	861
Depreciation for the year	45	15	1	–	61
Disposal	(104)	(2)	(49)	–	(155)
Write-off	–	(2)	(1)	–	(3)
At 31 December 2025	228	534	2	–	764
<b>Net carrying amount:</b>					
At 31 December 2024	11	21	8	720	760
At 31 December 2025	279	39	11	742	1,071

#### Assets pledged as security

In addition to assets held under lease obligation, the Group has pledged certain property, plant and equipment with carrying amount of US\$26,691,000 (2024: US\$43,279,000) to secure the Group's and the Company's loans and borrowings (Note 24).

#### Impairment testing

Management has observed indicators of impairment for the Cameroon CGU. Accordingly, an impairment assessment was performed to determine the value in use of the Cameroon CGU.

Key assumption used in value in use calculation of Cameroon CGU:

	Carrying amount of the CGU as at 31 December 2025 US\$'000	Carrying amount of the CGU as at 31 December 2024 US\$'000	Discount rate	Terminal growth rate
Cameroon CGU	558,229	520,853	13.60%	0%

#### Sensitivity to changes in assumptions

Changes to the above assumptions used by management to determine the recoverable amount can have significant impact on the results of the assessment.

Assuming an increase in pre-tax discount rate to 14.5% (2024: 15.7%) throughout the projection period, there will be an impairment loss of US\$4,100,000 (2024: US\$761,000) to the Cameroon CGU.

### (b) Right-of-use assets

The Group has lease contracts for land, office, vehicles and other equipment used in its operations with predominantly fixed payments over the lease terms. Some of these leases have terms of renewal but no purchase options or escalation clauses.

Leases of land and office generally have lease terms between 1 and 84 years (2024: between 1 and 85 years), machinery and other equipment generally have lease terms between 1 and 4 years (2024: between 1 and 3 years). Generally, the Group is restricted from assigning and subleasing the leased assets.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 11. Property, plant and equipment (cont'd)

#### (b) *Right-of-use assets (cont'd)*

The Group also has certain leases of office and other equipment with lease terms of 12 months or less and leases of other equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemption for these leases. The election of short-term lease and low-value-lease exemption is made on lease-by-lease basis.

Set out below are the carrying amount of right-of-use assets recognised and the movements during the period:

	Office equipment and motor vehicles		
	Land and office US\$'000	vehicles US\$'000	Total US\$'000
<b>Group</b>			
At 1 January 2024	7,591	353	7,944
Additions	1,359	310	1,669
Amortisation for the year	(1,896)	(234)	(2,130)
Exchange differences	(181)	4	(177)
At 31 December 2024 and 1 January 2025	6,873	433	7,306
Additions	2,767	269	3,036
Amortisation for the year	(1,698)	(227)	(1,925)
Termination	(257)	–	(257)
Exchange differences	576	39	615
At 31 December 2025	8,261	514	8,775
<b>Net carrying amount:</b>			
At 31 December 2024	6,873	433	7,306
At 31 December 2025	8,261	514	8,775

	Office equipment and motor vehicles		
	Land and office US\$'000	vehicles US\$'000	Total US\$'000
<b>Company</b>			
At 1 January 2024	1,640	114	1,754
Amortisation for the year	(938)	(31)	(969)
At 31 December 2024 and 1 January 2025	702	83	785
Addition	1,372	–	1,372
Amortisation for the year	(876)	(31)	(907)
At 31 December 2025	1,198	52	1,250
<b>Net carrying amount:</b>			
At 31 December 2024	702	83	785
At 31 December 2025	1,198	52	1,250

The following are the amounts recognised in the consolidated statement of comprehensive income:

	Group	
	2025 US\$'000	2024 US\$'000
Amortisation expense of right-of-use assets	1,925	2,130
Interest expense on liabilities	435	420
Expense relating to leases of low-value assets and short-term leases (included in general and administrative expenses)	401	521
	2,761	3,071

The Group had total cash outflows for leases of US\$2,839,000 (2024: US\$2,998,000).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 12. Investment properties

	Group	
	2025 US\$'000	2024 US\$'000
<b>Statements of financial position:</b>		
At 1 January	39,536	41,200
Fair value gain recognised in profit or loss (Note 5)	1,187	415
Reclassification to assets classified as held for sale (Note 21)	–	(1,132)
Exchange differences	1,076	(947)
At 31 December	41,799	39,536
<b>Income statement:</b>		
Rental income from investment properties:		
– Minimum lease payments	16	13

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

### Valuation of investment properties

Investment properties are stated at fair value, which has been determined based on valuations performed as at 31 December 2025 and 2024. The valuations were performed by independent valuers with recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued. Details of valuation techniques and inputs used are disclosed in Note 34(d).

The investment properties held by the Group as at 31 December 2025 are as follows:

Description and Location	Existing Use	Tenure	Unexpired lease term
Residential house in Palembang, Indonesia	Residential	Leasehold	14 years
Land in Palembang, Indonesia	Vacant land	Leasehold	6-18 years
Offices in Palembang, Indonesia	Offices	Leasehold	8-19 years
Shophouse in Jakarta, Indonesia	Shophouse	Leasehold	18 years
Residential house in Banjarmasin, Indonesia	Residential	Leasehold	4 years
Shophouse in Jambi, Indonesia	Shophouse	Leasehold	13 years
Land in Pontianak, Indonesia	Vacant land	Leasehold	11-27 years
Shophouse in Rantau Prapat, Indonesia	Shophouse	Leasehold	16 years
Land in Riau, Indonesia	Vacant land	Leasehold	16 years
Shophouse in Riau, Indonesia	Shophouse	Leasehold	2-9 years
Shophouses in Pontianak, Indonesia	Shophouses	Leasehold	17-21 years
Commercial offices in Hainan, China	Commercial offices	Leasehold	33 years
Land in Songkhla, Thailand	Vacant land	Freehold	–
Land in Pattani, Thailand	Vacant land	Freehold	–
Residential houses and offices in Pattani, Thailand	Houses and offices	Freehold	–
Land in Chantaburi, Thailand	Vacant land	Freehold	–
Factory buildings in Chantaburi, Thailand	Vacant factory	Freehold	–
Land in Nakornsri, Thailand	Vacant land	Freehold	–
Factory buildings in Nakornsri, Thailand	Vacant factory	Freehold	–
Land in Krabi, Thailand	Vacant land	Freehold	–
Land in Trang, Thailand	Vacant land	Freehold	–
Land in Yala, Thailand	Vacant land	Freehold	–
Land in Narathiwat, Thailand	Vacant land	Freehold	–
Residential houses and offices in Narathiwat, Thailand	Houses and offices	Freehold	–

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 13. Investment in subsidiaries and associates

#### (a) Investment in subsidiaries

	Company	
	2025 US\$'000	2024 US\$'000
Unquoted equity shares:		
At cost	522,210	502,547
Addition	–	19,663
Allowance for impairment in value	(160,287)	(160,287)
	361,923	361,923
Amount due from subsidiaries	608,265	593,541
	970,188	955,464

Amount due from subsidiaries are determined to be non-interest bearing, unsecured and have no repayment terms. Accordingly, amount due from subsidiaries are treated as capital contribution and are classified as investment in subsidiaries.

During the current financial year, management performed impairment testing for the Company's investments in certain subsidiaries as there were indicators of impairment. Based on the assessment of the recoverable amounts of these subsidiaries, no impairment allowance on investments in subsidiaries was recorded for the year (2024: US\$nil).

Details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	Proportion (%) of Group effective ownership interest	
			2025	2024
<b>Held by the Company</b>				
Halcyon Rubber Company Pte. Ltd. <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
Corrie MacColl Pte. Ltd. <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
SINRIO Investment Pte. Ltd. <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
HAC Capital Pte. Ltd. <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
Corrie MacColl Limited <sup>(6)</sup>	United Kingdom	Investment holding	100.00	100.00
Halcyon Agri Natural Rubber (Shanghai) Limited <sup>(4)</sup>	People's Republic of China	Natural rubber trading and distribution	100.00	100.00
<b>Subsidiaries of Halcyon Rubber Company Pte. Ltd.</b>				
Anson Company (Private) Limited <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
Hevea Global Pte. Ltd. <sup>(1)</sup>	Singapore	Natural rubber trading and distribution	100.00	100.00
<b>Subsidiaries of Anson Company (Private) Limited</b>				
Halcyon Agri Indonesia Pte. Ltd. <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
PT. Hok Tong <sup>(2)</sup>	Indonesia	Natural rubber processing	99.99	99.99
PT. Remco Rubber Indonesia <sup>(2)</sup>	Indonesia	Natural rubber processing	75.00	75.00
<b>Subsidiaries of Halcyon Agri Indonesia Pte. Ltd.</b>				
PT. Hevea MK <sup>(2)</sup>	Indonesia	Natural rubber processing	100.00	100.00
PT. Hevea GE <sup>(2)</sup>	Indonesia	Natural rubber processing	100.00	100.00

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 13. Investment in subsidiaries and associates (cont'd)

#### (a) Investment in subsidiaries (cont'd)

Name	Country of incorporation	Principal activities	Proportion (%) of Group effective ownership interest	
			2025	2024
<b>Subsidiaries of PT. Hok Tong</b>				
PT. Bumi Jaya <sup>(2)</sup>	Indonesia	Natural rubber processing	100.00	100.00
PT. Sunan Rubber <sup>(2)</sup>	Indonesia	Natural rubber processing	100.00	100.00
PT. Rubber Hock Lie <sup>(2)</sup>	Indonesia	Natural rubber processing	99.91	99.91
PT. GMG Sentosa <sup>(2)</sup>	Indonesia	Natural rubber processing	100.00	100.00
PT. Pulau Bintan Djaya <sup>(2)</sup>	Indonesia	Natural rubber processing	100.00	100.00
PT. Sumber Alam <sup>(2)</sup>	Indonesia	Natural rubber processing	100.00	100.00
PT. Sumber Djantin <sup>(2)</sup>	Indonesia	Natural rubber processing	100.00	100.00
<b>Subsidiaries of Corrie MacColl Pte. Ltd.</b>				
G.P. Sentosa Enterprises Co., Ltd. <sup>(2)</sup>	Thailand	Investment holding	100.00	100.00
Teck Bee Hang Co., Ltd. <sup>(2)</sup>	Thailand	Natural rubber processing	55.00	55.00
Centrottrade Minerals and Metals, Inc. <sup>(7)</sup>	United States	Dormant	100.00	100.00
<b>Subsidiaries of Teck Bee Hang Co., Ltd.</b>				
Techem Industries Co., Ltd. <sup>(3)</sup>	Thailand	Manufacture and distribution of plastic products	54.10	54.10
Teck-Fu Joint Venture Co., Ltd. <sup>(3)</sup>	Thailand	Natural rubber processing	47.30	47.30
<b>Subsidiaries of SINRIO Investment Pte. Ltd.</b>				
New Continent Enterprises (Private) Limited <sup>(1)</sup>	Singapore	Natural rubber trading and distribution	100.00	100.00
SINRIO Malaysia Pte. Ltd. <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
SDCI Singapore Pte. Ltd. <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
SINRIO Thailand Pte. Ltd. <sup>#</sup>	Singapore	Investment holding	–	100.00
<b>Subsidiary of SINRIO Malaysia Pte. Ltd.</b>				
SINRIO (Malaysia) Sdn. Bhd. <sup>(5)</sup>	Malaysia	Investment holding	100.00	100.00
<b>Subsidiaries of SINRIO (Malaysia) Sdn. Bhd.</b>				
Hevea KB Sdn. Bhd. <sup>(5)</sup>	Malaysia	Natural rubber processing	100.00	100.00
Euroma Rubber Industries Sendirian Berhad <sup>(5)</sup>	Malaysia	Natural rubber processing	100.00	100.00

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 13. Investment in subsidiaries and associates (cont'd)

#### (a) Investment in subsidiaries (cont'd)

Name	Country of incorporation	Principal activities	Proportion (%) of Group effective ownership interest	
			2025	2024
<b>Subsidiaries of SDCI Singapore Pte. Ltd.</b>				
Société de Développement du Caoutchouc Ivoirien S.A. <sup>(2)</sup>	Ivory Coast	Natural rubber processing	100.00	100.00
Tropical Rubber Côte d'Ivoire S.A. <sup>(2)</sup>	Ivory Coast	Natural rubber plantation	70.00	70.00
<b>Subsidiaries of Halcyon Agri Natural Rubber (Shanghai) Limited</b>				
Shanghai CMI Rubber Co., Ltd. <sup>(4)</sup>	People's Republic of China	Trading and distribution of natural rubber and rubber related products	100.00	100.00
Hainan Halcyon Rubber Tech. Co., Ltd. <sup>(4)</sup>	People's Republic of China	Natural rubber processing	100.00	100.00
<b>Subsidiaries of Hainan Halcyon Rubber Tech. Co., Ltd.</b>				
Yunnan Halcyon Rubber Tech. Co., Ltd. <sup>(4)</sup>	People's Republic of China	Natural rubber processing	96.67	96.67
Hainan Baoting Halcyon Rubber Tech. Co., Ltd. <sup>(4)</sup>	People's Republic of China	Natural rubber processing	100.00	100.00
<b>Subsidiary of Yunnan Halcyon Rubber Tech. Co., Ltd.</b>				
Xishuangbanna Mengrun Halcyon Rubber Co., Ltd. <sup>(4)(8)</sup>	People's Republic of China	Natural rubber processing	100.00	–
<b>Subsidiaries of Corrie MacColl Limited</b>				
Corrie MacColl International Pte. Ltd. <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
Corrie MacColl Plantations Pte. Ltd. <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
<b>Subsidiaries of Corrie MacColl International Pte. Ltd.</b>				
Corrie MacColl Deutschland GmbH <sup>(7)</sup>	Germany	Natural rubber trading and distribution	100.00	100.00
Corrie MacColl Malaysia Sdn. Bhd. <sup>(5)</sup>	Malaysia	Natural rubber trading and distribution	100.00	100.00
Corrie MacColl Europe B.V. <sup>(2)</sup>	The Netherlands	Investment holding, trading and distribution of natural rubber and latex	100.00	100.00
Kelvin Terminals B.V. <sup>(7)</sup>	The Netherlands	Storage and trading of natural rubber, latex and synthetic rubber	100.00	100.00
Corrie MacColl (Thailand) Co., Ltd. <sup>(3)</sup>	Thailand	Investment holding	49.00	49.00

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 13. Investment in subsidiaries and associates (cont'd)

#### (a) Investment in subsidiaries (cont'd)

Name	Country of incorporation	Principal activities	Proportion (%) of Group effective ownership interest	
			2025	2024
<b>Subsidiaries of Corrie MacColl Europe B.V.</b>				
Corrie MacColl Rubber Ltd. <sup>(3)</sup>	United Kingdom	Other business support service activities	100.00	100.00
Corrie MacColl Holdings, Inc. <sup>(2)</sup>	United States	Investment holding	100.00	100.00
Corrie MacColl ithalat ve ihracat Anonim Şirketi <sup>(7)</sup>	Republic of Turkey	Trading and distribution of natural rubber	100.00	100.00
<b>Subsidiaries of Corrie MacColl Holdings, Inc.</b>				
Corrie MacColl North America, Inc. <sup>(2)</sup>	United States	Trading and distribution of natural rubber, latex and synthetic rubber	100.00	100.00
<b>Subsidiary of Corrie MacColl (Thailand) Co., Ltd.</b>				
Corrie MacColl Hatyai Co., Ltd. <sup>(3)</sup>	Thailand	Trading and distribution of natural rubber, latex and synthetic rubber	100.00	100.00
<b>Subsidiaries of Corrie MacColl Plantations Pte. Ltd.</b>				
Société de Développement du Caoutchouc Camerounais S.A. <sup>(2)</sup>	Cameroon	Investment holding	100.00	100.00
JFL Agro Pte. Ltd. <sup>(1)</sup>	Singapore	Investment holding	100.00	100.00
<b>Subsidiaries of Société de Développement du Caoutchouc Camerounais S.A.</b>				
Hevea Cameroun S.A. <sup>(2)</sup>	Cameroon	Natural rubber plantation and processing	90.00	90.00
Sud Cameroun Hevea S.A. <sup>(2)</sup>	Cameroon	Natural rubber plantation and processing	80.00	80.00
<b>Subsidiary of JFL Agro Pte. Ltd.</b>				
JFL Holdings Sdn. Bhd. <sup>(5)</sup>	Malaysia	Natural rubber and oil palm plantation	100.00	100.00

<sup>(1)</sup> Audited by Ernst & Young LLP, Singapore.

<sup>(2)</sup> Audited by member firms of EY Global in the respective countries.

<sup>(3)</sup> Audited by other firms of Certified Public Accountants.

<sup>(4)</sup> Audited by Pan-China Certified Public Accountants (Special General Partnership) Chongqing Branch.

<sup>(5)</sup> Audited by Crowe Malaysia PLT.

<sup>(6)</sup> Audited by Rouse Audit LLP.

<sup>(7)</sup> No statutory audit required in the country of incorporation.

<sup>(8)</sup> Newly incorporated during the year.

# Struck off during the year.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 13. Investment in subsidiaries and associates (cont'd)

#### (a) *Investment in subsidiaries (cont'd)*

##### **Incorporation of a subsidiary**

During the current financial year, Xishuangbanna Mengrun Halcyon Rubber Co., Ltd. ("XMH") was incorporated in the People's Republic of China as a wholly owned subsidiary of Yunnan Halcyon Rubber Tech. Co., Ltd., an indirect 96.67%-owned subsidiary of the Company.

The registered capital of US\$3,642,000 was funded through an internal reorganisation within the Group.

#### (b) *Investment in associates*

The Group's investment in associates is summarised as below:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Feltex Co., Ltd.	1,686	1,391	–	–
Agridence Pte. Ltd.	–	896	–	896
	<u>1,686</u>	<u>2,287</u>	<u>–</u>	<u>896</u>

Name	Country of incorporation	Principal activities	Proportion (%) of ownership interest	
			2025	2024
<b><i>Held through a subsidiary</i></b>				
Feltex Co., Ltd. <sup>(1)</sup>	Thailand	Natural rubber processing	24.75	24.75
<b><i>Held by the Company</i></b>				
Agridence Pte. Ltd. <sup>(2)</sup>	Singapore	Natural rubber supply chain and trading platform	15.78 <sup>(3)</sup>	29.99

<sup>(1)</sup> Audited by other firms of Certified Public Accountants, and are not significant associates for the purpose of Listing Rule 715(2) of the Singapore Exchange Securities Trading Limited.

<sup>(2)</sup> Audited by Ernst & Young LLP, Singapore.

<sup>(3)</sup> Accounted as associate due to significant influence through board representation.

During the current financial year, the Group's equity interest in Agridence Pte. Ltd. was diluted from 29.9% to 15.78% as a result of the associate's issuance of additional shares to other shareholders. The Group did not subscribe to the new shares and its number of shares held remained unchanged.

Following the dilution and in view of identified indicators of impairment, management performed an impairment assessment on the investment in the associate. Based on this assessment, an impairment loss of US\$896,000 (2024: US\$3,207,000) was recognised, resulting in the carrying amount of the investment being fully written down to US\$nil as at 31 December 2025.

Financial information about the Group's investment in associates are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
Current assets	6,185	6,806
Non-current assets	618	2,705
Current liabilities	(2,266)	(3,233)
Non-current liabilities	–	(1)
Equity	<u>4,537</u>	<u>6,277</u>
Total comprehensive income/(loss), net of tax	<u>621</u>	<u>(1,243)</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 14. Deferred tax

Deferred tax as at 31 December relates to the following:

	Group				Company	
	Statements of financial position		Consolidated income statement		Statements of financial position	
	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Differences in depreciation for tax purposes	2,320	3,663	(942)	(1,323)	–	(1)
Tax losses carry forward	25,530	22,853	77	2,552	–	–
Retirement benefit liabilities	1,584	1,810	(125)	(275)	–	–
Fair value uplift of biological assets	(10,482)	(12,292)	1,810	(186)	–	–
Fair value uplift of investment properties	(4,354)	(4,829)	(140)	(93)	–	–
Fair value uplift of property, plant and equipment acquired in business combination	(17,776)	(17,964)	231	680	–	–
Unremitted foreign source income	(13,633)	(12,836)	(1,109)	1,069	(453)	(479)
Forward currency contracts	(1,509)	(2,513)	1,164	35	–	–
Right-of-use assets	(1,726)	(1,439)	–	–	(213)	(133)
Lease liabilities	1,780	1,491	–	–	212	144
Others	(145)	(11)	(191)	32	(172)	106
Tax credit			775	2,491		
Net deferred tax liabilities	(18,411)	(22,067)			(626)	(363)
<b>Reflected in the statements of financial position as follows:</b>						
Deferred tax assets	20,525	19,528			–	–
Deferred tax liabilities	(38,936)	(41,595)			(626)	(363)
Deferred tax liabilities, net	(18,411)	(22,067)			(626)	(363)

#### Reconciliation of deferred tax liabilities, net

	Group	
	2025 US\$'000	2024 US\$'000
At 1 January	(22,067)	(22,247)
Tax credit during the year recognised in profit or loss	775	2,491
Tax expense during the year recognised in other comprehensive income	20	19
Utilisation of deferred tax assets for Group tax relief	–	(3,487)
Exchange differences	2,861	1,157
At 31 December	(18,411)	(22,067)

#### Unrecognised tax losses and unabsorbed capital allowances

At the end of reporting period, the Group has unrecognised tax losses and unabsorbed capital allowances amounting to US\$115,709,000 and US\$29,843,000 (2024: US\$107,085,000 and US\$24,244,000) respectively that are available for offset against future taxable profits. Tax losses of US\$103,042,000 (2024: US\$94,299,000) will expire within 5 years and US\$5,641,000 (2023: US\$5,760,000) will expire in 5 to 10 years.

The related deferred tax benefits of US\$65,498,000 (2024: US\$52,269,000) were not recognised as the recoverability was considered not probable.

#### Unrecognised temporary differences relating to investments in subsidiaries

A deferred tax liability of US\$27,893,000 (2024: US\$27,220,000) that could arise upon the distribution of profit at certain subsidiaries has not been provided for as at 31 December 2025 as the distributable profits is within the Group's control and there is currently no intention for the profits to be remitted to Singapore.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 15. Plantation and biological assets

Group Cost	Plantation related properties									
	Leasehold land use rights US\$'000	Freehold land use rights US\$'000	Plantation US\$'000	Plantation establishment costs US\$'000	Other plantation related costs US\$'000	Total plantation related properties US\$'000	Non-current biological assets US\$'000	Total plantation and biological assets US\$'000	Consumable biological assets US\$'000	Total US\$'000
At 1 January 2024	82,863	58,108	7,828	6,623	14,640	170,062	416,806	586,868	24	586,892
Additions	-	-	-	163	24	187	18,712	18,899	-	18,899
Capitalisation of depreciation	-	-	-	99	219	318	-	318	-	318
Reclassification	-	-	2,971	(2,971)	-	-	-	-	-	-
Transfer from property, plant and equipment (Note 11)	-	-	-	-	-	-	96	96	-	96
Fair value adjustment (Note 5)	-	-	-	-	-	-	2,078	2,078	14	2,092
Write-off	-	-	-	-	-	-	(439)	(439)	-	(439)
Exchange differences	823	-	(358)	(30)	402	837	(23,256)	(22,419)	-	(22,419)
At 31 December 2024	83,686	58,108	10,441	3,884	15,285	171,404	413,997	585,401	38	585,439
At 1 January 2025	83,686	58,108	10,441	3,884	15,285	171,404	413,997	585,401	38	585,439
Additions	-	-	-	50	11	61	12,109	12,170	-	12,170
Capitalisation of depreciation	-	-	-	105	234	339	113	452	-	452
Reclassification	-	-	3,870	(3,890)	20	-	-	-	-	-
Transfer from property, plant and equipment (Note 11)	-	-	-	-	-	-	91	91	-	91
Fair value adjustment (Note 8)	3,179	-	-	-	-	-	(10,910)	(10,910)	22	(10,888)
Exchange differences	-	-	1,701	287	1,570	6,737	50,962	57,699	5	57,704
At 31 December 2025	86,865	58,108	16,012	436	17,120	178,541	466,362	644,903	65	644,968

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 15. Plantation and biological assets (cont'd)

	Plantation related properties									
	Leasehold land use rights US\$'000	Freehold land use rights US\$'000	Plantation establishment costs US\$'000	Other plantation related costs US\$'000	Total plantation related properties US\$'000	Non-current biological assets US\$'000	Total plantation and biological assets US\$'000	Consumable biological assets US\$'000	Total US\$'000	
<b>Accumulated depreciation</b>										
At 1 January 2024	6,438	-	1,515	124	8,077	20,445	28,522	-	28,522	
Depreciation for the year	980	-	400	250	1,630	4,573	6,203	-	6,203	
Transfer to inventory	-	-	-	-	-	2,650	2,650	-	2,650	
Write-off	-	-	-	-	-	(439)	(439)	-	(439)	
Exchange difference	92	-	(168)	9	(67)	(3,363)	(3,430)	-	(3,430)	
At 31 December 2024	7,510	-	1,747	383	9,640	23,866	33,506	-	33,506	
At 1 January 2025	7,510	-	1,747	383	9,640	23,866	33,506	-	33,506	
Depreciation for the year	1,003	-	605	618	2,226	5,650	7,876	-	7,876	
Transfer to inventory	-	-	-	-	-	3,309	3,309	-	3,309	
Exchange difference	376	-	490	70	936	7,715	8,651	-	8,651	
At 31 December 2025	8,889	-	2,842	1,071	12,802	40,540	53,342	-	53,342	
<b>Carrying amount</b>										
At 31 December 2024	76,176	58,108	8,694	14,902	161,764	390,131	551,895	38	551,933	
At 31 December 2025	77,976	58,108	13,170	16,049	165,739	425,822	591,561	65	591,626	

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 15. Plantation and biological assets (cont'd)

Details of the Group's plantation assets are summarised as follows:

Country	Malaysia	Cameroon	Cameroon	Ivory Coast
Type of ownership	Leasehold	Freehold	Land use rights	Land use rights
Total land area (hectares)	9,844	45,198	52,607	1,376

The Group's biological assets mainly consist of rubber trees in Malaysian and Cameroonian plantations and produce that grows on oil palm trees in Malaysian plantation, all of which are grown for commercial sales as part of normal business operations.

Interest expense amounting to US\$8,295,000 was capitalised in 2025 (2024: US\$12,118,000). The rate used to determine the amount of borrowing costs eligible for capitalisation was 6.00% – 7.50% (2024: 6.90% – 7.50%) per annum, which is the effective interest rate of borrowings.

The impairment assessment for the plantation in Cameroon is assessed at the Cameroon CGU level as disclosed in Note 11(a).

### 16. Cash and bank balances

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Cash at bank and on hand	55,940	66,366	15,053	13,731
Short term deposits	2,792	17,288	100	13,868
Cash and cash equivalents	<u>58,732</u>	<u>83,654</u>	<u>15,153</u>	<u>27,599</u>

Cash and bank balances comprise cash held by the Group and Company and short-term bank deposits. The carrying amounts of these assets approximate their fair value.

Short-term deposits are made for varying periods of between one day and three months depending on the cash requirements of the Group and the Company, and earn interests at the respective short-term deposit rates. The weighted average effective interest rate as at 31 December 2025 for the Group is 3.65% (2024: 4.21%) per annum.

Cash and bank balances of US\$nil (2024: US\$950,000) of the Group have been charged as security for the Group's general banking facilities (Note 24) and performance guarantee.

As at each reporting date, the carrying amounts of cash and bank balances denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
United States Dollar	6,808	9,438	–	–
Singapore Dollar	66	333	31	20
Euro	341	229	1	10
Pound Sterling	445	272	–	–

### 17. Trade receivables

	Group	
	2025 US\$'000	2024 US\$'000
External parties	<u>178,481</u>	<u>195,683</u>

Trade receivables are repayable within the normal trade credit terms of 2 days to 90 days.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 17. Trade receivables (cont'd)

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was granted up to the end of the reporting period.

Trade receivables of US\$21,654,000 (2024: US\$26,148,000) of the Group have been charged as security for the Group's banking facilities (Note 24).

As at each reporting date, the carrying amounts of trade receivables denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
United States Dollar	15,448	10,211
Euro	8,407	8,464
Pound Sterling	925	899

*Expected credit losses ("ECL")*

The movement in allowance for expected credit losses of trade receivables are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
At 1 January	819	649
Charge for the year	128	170
Exchange differences	16	–
At 31 December	963	819

### 18. Loans and other receivables

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<b>Current</b>				
<i>Financial assets</i>				
Loan to non-controlling interests of a subsidiary	1,793	1,584	–	–
Other receivables	22,076	16,475	29	193
Amount due from ultimate holding	3,000	–	3,000	–
Amount due from penultimate holding	850	848	850	848
Amounts due from subsidiaries	–	–	460,786	482,325
Deposits	31,811	29,843	215	456
	59,530	48,750	464,880	483,822

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 18. Loans and other receivables (cont'd)

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<i>Non-financial assets</i>				
Prepayments	33,383	63,958	307	124
Other tax receivables	32,357	32,338	86	181
	65,740	96,296	393	305
Total current loans and other receivables	125,270	145,046	465,273	484,127
<b>Non-current</b>				
Financial assets				
Loan to non-controlling interests of a subsidiary	1,792	1,584	–	–
Other receivables	1	23	–	–
Total non-current loans and other receivables	1,793	1,607	–	–

The loan to non-controlling interests of a subsidiary is secured, repayable in 2025 and earns interest at 5% (2024: 5%) per annum.

Included within other receivables is corporate social responsibility receivable ("CSR receivable") amounting to US\$10,837,000 (2024: US\$8,956,000). CSR receivable relates to receivable from a local government of a country where the Group's subsidiaries operate in. The receivable arose from the costs incurred by the Group in building community for its workforce, such as costs incurred in building hospital or school, which is co-funded by the local government.

Other receivables also comprise amount due from non-controlling interests of a subsidiary amounting to US\$938,000 (2024: US\$938,000), interest receivables amounting to US\$2,944,000 (2024: US\$2,971,000), staff advances amounting to US\$2,490,000 (2024: US\$1,657,000) and stamp duty recoverable from HRG amounting to US\$778,000 (2024: US\$778,000).

Included within deposits is a pledged collateral for bank facilities amounting to US\$3,146,000 (2024: US\$8,799,000).

As at 31 December 2025, amounts due from subsidiaries amounting to US\$160,936,000 (2024: US\$192,782,000) are unsecured, bears an average interest of 6.32% (2024: 7.25%) per annum, repayable on demand and are expected to be settled in cash. The remaining amounts are unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash.

#### *Expected credit losses ("ECL")*

The movement in allowance for expected credit losses of loans and other receivables are as follows:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
At 1 January	1,705	25,626	56	63
Charge/(Reversal) for the year	379	(292)	–	(7)
Write-off	–	(23,569)	–	–
Exchange difference	(86)	(60)	–	–
At 31 December	1,998	1,705	56	56

As at each reporting date, the carrying amounts of loans and other receivables denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
United States Dollar	288	462	–	–
Singapore Dollar	396	350	387	292
Euro	95	143	–	–
Japanese Yen	128	–	–	–

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 19. Derivative financial instruments

	2025		2024	
	Assets US\$'000	Liabilities US\$'000	Assets US\$'000	Liabilities US\$'000
<b>Group</b>				
Forward currency contracts	1,371	(171)	6,244	(7,586)
Forward contracts on commodity (natural rubber)	11,354	(128)	24,967	(16,214)
Total	12,725	(299)	31,211	(23,800)
<b>Company</b>				
Forward currency contracts	6,754	(4,840)	10,003	(15,360)

The Group utilises forward commodity (natural rubber) contracts and forward currency contracts to manage the fluctuations in natural rubber prices or exposure arising from foreign currencies.

At the end of the reporting period, the total notional amounts of derivative financial instruments to which the Group is committed to are as follows:

	Notional amount		Positive fair value		Negative fair value	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Forward contracts on commodity (natural rubber)	298,799	443,877	11,354	24,967	(128)	(16,214)
Forward currency contracts	1,112,027	552,664	1,371	6,244	(171)	(7,586)
			12,725	31,211	(299)	(23,800)

The maturity period for forward commodity (natural rubber) contracts ranges from one to twelve months (2024: one to twelve months).

### 20. Inventories

	Group	
	2025 US\$'000	2024 US\$'000
At cost:		
– Consumables	20,436	20,987
At fair value:		
– Raw materials	75,172	115,221
– Work-in-progress	22,155	27,553
– Finished goods held for sale	259,787	342,382
	357,114	485,156
	377,550	506,143

Inventories as at the end of the current reporting period included fair value gain of US\$9,511,000 (2024: fair value gain of US\$35,709,000).

Inventories with carrying amounts of US\$92,763,000 (2024: US\$101,740,000) have been pledged as security for a trade financing facility (Note 24).

### 21. Assets classified as held for sale

During 2025, the Group disposed its office properties in Indonesia with a carrying amount of US\$1,132,000, resulting in a loss on disposal of US\$2,000 (Note 8).

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 22. Trade payables

	Group	
	2025 US\$'000	2024 US\$'000
External parties	48,247	98,200

These amounts are non-interest bearing. Trade payables are normally settled on 60 days term.

As at each reporting date, the carrying amounts of trade payables denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
United States Dollar	3,029	3,130
Euro	4	697

### 23. Other payables

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<b>Current</b>				
<i>Financial liabilities</i>				
Other payables	27,681	27,605	561	857
Accrued operating expenses	34,252	33,275	5,494	4,353
Amount due to SIC	1,680	2,400	1,680	2,400
Accrued interest expense	64,590	43,012	62,751	44,058
Amounts due to subsidiaries	–	–	94,075	97,258
Amount due to HSF	2,048	–	2,048	–
	130,251	106,292	166,609	148,926
<i>Non-financial liabilities</i>				
Other indirect tax payables	6,112	6,753	801	663
Advances related to contracted sales	16,391	20,242	–	–
	22,503	26,995	801	663
Total current other payables	152,754	133,287	167,410	149,589
<b>Non-current</b>				
<i>Financial liabilities</i>				
Amounts due to subsidiaries	–	–	62,276	44,859
Other payables	6,172	5,550	–	–
	6,172	5,550	62,276	44,859
<i>Non-financial liabilities</i>				
Government grants	1,412	1,565	–	–
Total non-current other payables	7,584	7,115	62,276	44,859

Included within other payables is an amount related to asset divestment project payable to a local authority of a country where a subsidiary operates, amounting to US\$9,000,000 (2024: US\$7,900,000).

As at 31 December 2025, certain amounts due to subsidiaries amounting to US\$136,920,000 (2024: US\$109,891,000) bear an average interest of 5.84% (2024: 6.70%) per annum, are unsecured and repayable on demand. The remaining amount due to subsidiaries are non-interest bearing, unsecured and repayable on demand.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 23. Other payables (cont'd)

As at each reporting date, the carrying amounts of other payables denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
United States Dollar	121	2,146	–	–
Singapore Dollar	4	860	–	–
Euro	–	954	–	–

### 24. Loan payables

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<i>Current:</i>				
– Working capital loans	458,869	529,875	179,492	219,837
– Shareholders' loans	564,454	581,502	536,000	532,812
– Term loans	47,898	33,568	–	–
	1,071,221	1,144,945	715,492	752,649
<i>Non-current:</i>				
– Working capital loans	192,280	5,913	176,702	–
– Shareholders' loans	64,000	–	64,000	–
– Term loans	58,639	100,134	–	–
	314,919	106,047	240,702	–
Total loan payables	1,386,140	1,250,992	956,194	752,649

As at each reporting date, the carrying amounts of loan payables denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
United States Dollar	53,775	52,667	–	–
Japanese Yen	–	40,397	–	40,397
Chinese Yuan	178,693	100,400	178,693	100,400

Working capital loans bear average interest rates of 4.45% (2024: 5.74%) per annum. Certain loan payables amounting to US\$223,629,000 (2024: US\$261,205,000) are secured by a charge over certain of the Group's inventories (Note 20), property, plant and equipment (Note 11), certain cash and bank balances (Note 16), and certain trade receivables (Note 17).

During the year, the Group has received additional working capital loans of US\$240,000,000 (2024: US\$205,502,000) from the shareholder. The shareholder loans bear average interest rates of 5.13% (2024: 6.67%) per annum.

The Group continues to receive a corporate guarantee of US\$776,000,000 (2024: US\$776,000,000) from the shareholders to secure borrowings from various banks. The corporate guarantee utilised by the Group amounts to US\$356,000,000 (2024: US\$220,000,000).

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 24. Loan payables (cont'd)

The Group and the Company have the following term loans:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<i>Current</i>				
Loan A	224	2,310	–	–
Loan B	2,554	2,652	–	–
Loan D	33,247	12,988	–	–
Loan E	11,873	15,618	–	–
	<u>47,898</u>	<u>33,568</u>	<u>–</u>	<u>–</u>
<i>Non-current</i>				
Loan A	–	431	–	–
Loan B	639	3,315	–	–
Loan C	14,709	30,904	–	–
Loan D	43,291	65,419	–	–
Loan E	–	65	–	–
	<u>58,639</u>	<u>100,134</u>	<u>–</u>	<u>–</u>

Details of the term loans are as follow:

- Loan A bears an average effective interest of 6.00% (2024: 6.00%) per annum and repayable on monthly instalments until 2026. This loan is unsecured.
- Loan B bears an average effective interest rate of 7.25% (2024: 7.75%) per annum, repayable on monthly instalments until 2026. This loan is secured on certain property, plant and equipment and inventories.
- Loan C bears an average effective interest rate of 6.59% (2024: 6.35%) per annum and is repayable in 2029. The loan is secured on certain trade receivables and inventories.
- Loan D bears an average effective interest rate of 7.50% (2024: 7.50%) per annum, repayable on monthly instalments until 2027. This loan is secured by certain property, plant and equipment.
- Loan E bears an average effective interest rate of 4.85% (2024: 4.85%) per annum and is repayable on monthly instalments until 2026. This loan is secured by certain property, plant and equipment.

### 25. Retirement benefit obligations

The Group provides defined post-employment benefits for its qualifying employees in accordance with relevant labour laws and regulations in Indonesia, Thailand, Cameroon and Ivory Coast.

Changes in retirement benefit obligations are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
At 1 January	13,746	15,233
Benefit paid for the year	(2,973)	(1,633)
<i>Changes charged to profit or loss</i>		
– Current service costs	1,986	99
– Interest cost on benefit obligations	512	495
– Past service costs	573	(47)
– Net actuarial gain recognised during the year	594	(115)
– Provision of long-term employee benefit	89	(36)
– Excess benefit	–	975
<i>Re-measurement gains in other comprehensive income</i>		
– Actuarial changes arising from changes in demographic assumptions	–	(110)
– Actuarial changes arising from changes in financial assumptions	288	190
– Experience adjustments	107	(548)
– Exchange difference	762	(757)
At 31 December	<u>15,684</u>	<u>13,746</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 25. Retirement benefit obligations (cont'd)

The cost of providing post-employment benefits is calculated by independent actuaries. The actuarial valuation was carried out using the following key assumptions:

	Group	
	2025 %	2024 %
<u>Indonesia (Headcount: 2025 – 2,155, 2024 – 2,466)</u>		
Discount rate	6.10 – 6.80	7.10
Future salary increment rate	7.10 – 5.50	5.50
<u>Thailand (Headcount: 2025 – 1,054, 2024 – 1,080)</u>		
Discount rate	1.46	2.41
Future salary increment rate	1.00 – 4.00	1.00 – 4.00
<u>Cameroon (Headcount: 2025 – 6,716, 2024 – 6,498)</u>		
Discount rate	3.50	3.50 – 7.00
Future salary increment rate	1.00 – 4.00	1.00 – 4.00
<u>Ivory Coast (Headcount: 2025 – 1,036, 2024 – 1,035)</u>		
Discount rate	5.80 – 6.00	5.80 – 6.00
Future salary increment rate	2.00	2.00

The other assumptions such as mortality rate, disability rate, changes in bond yields, inflation risk and voluntary resignation rate are not significant assumptions for these plans as there are insignificant changes in retirement benefit obligations arising from them.

Sensitivity analysis to the principal assumptions used in determining employee benefits obligations are as follows:

Assumptions	Quantitative sensitivity analysis		
	Basis points Increase/(decrease)	(Decrease)/increase in aggregate current service and interest cost US\$'000	(Decrease)/increase in net employee benefits liabilities US\$'000
<u>31 December 2025</u>			
Annual discount rate	100/(100)	(4)/3	(27)/64
Future annual salary growth rate	100/(100)	941/(1,065)	1,056/(948)
<u>31 December 2024</u>			
Annual discount rate	100/(100)	(357)/33	(922)/1,039
Future annual salary growth rate	100/(100)	67/(404)	1,034/(931)

The above sensitivity analysis is based on a change in an assumption while holding other assumptions constant. Changes in some of the assumptions may be correlated. When calculating the sensitivity of the retirement benefit obligations to significant actuarial assumptions, the same method (present value of the retirement benefit obligations calculated with the Projected Unit Credit method at the end of the reporting period) has been applied as when calculating the retirement benefit obligations recognised within the statements of financial position.

The following payments are expected contributions to the employee benefits plan obligation in future years:

	Group	
	2025 US\$'000	2024 US\$'000
Less than 1 year	3,000	3,000
More than 1 year	12,684	10,746
Total expected payments	<u>15,684</u>	<u>13,746</u>

The weighted average duration of the retirement benefits obligation is 17 years (2024: 17 years).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 26. Share capital

	Group and Company			
	2025		2024	
	No. of shares '000	US\$'000	No. of shares '000	US\$'000
<b>Issued and fully paid ordinary shares</b>				
Balance at beginning and end of financial year	1,595,012	603,874	1,595,012	603,874

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. The ordinary shares of the Company have no par value.

## 27. Perpetual securities

In 2020, the Company issued guaranteed subordinated perpetual securities with principal amount of US\$200,000,000 bearing distribution rate of 3.80% per annum. The perpetual securities were unconditionally and irrevocably guaranteed by SIC. An amount of US\$192,640,000, net of issuance costs and guarantee fees, were recognised in equity.

The perpetual securities confer discretion to the Company to defer distributions indefinitely and do not contain any contractual obligation to repay principal or to pay distributions. Accordingly, the instrument is classified as equity, and distributions are recognised as dividends.

During the financial year ended 2025, distributions of US\$7,600,000 (2024: US\$7,600,000) were declared to holders of the perpetual securities.

On 19 November 2025, the Company fully redeemed the perpetual securities at their principal amount of US\$200,000,000. Accordingly, no perpetual securities remained outstanding as at year end.

## 28. Other reserves

### (a) Capital reserve

Capital reserve also includes funds arising from the Group's People's Republic of China ("PRC") subsidiaries which are required to transfer 10% of the net income to the reserve fund in accordance with PRC Articles of Association.

### (b) Other reserves

Other reserves mainly pertain to transaction cost on the issuance of perpetual securities and redemption of perpetual securities.

### (c) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

## 29. Lease liabilities

	Land and office US\$'000	Office equipment and motor vehicles US\$'000	Total US\$'000
<b>Group</b>			
At 1 January 2024	7,894	286	8,180
Additions	1,359	310	1,669
Interest expense (Note 6(b))	397	23	420
Lease payment	(2,260)	(217)	(2,477)
Exchange difference	(231)	(3)	(234)
At 31 December 2024 and 1 January 2025	7,159	399	7,558
Additions	2,763	268	3,031
Interest expense (Note 6(b))	407	28	435
Lease payment	(2,202)	(236)	(2,438)
Termination	(116)	–	(116)
Exchange difference	538	41	579
At 31 December 2025	8,549	500	9,049

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 29. Lease liabilities (cont'd)

Company	Land and office US\$'000	Office equipment US\$'000	Total US\$'000
At 1 January 2024	1,793	121	1,914
Interest expense	53	4	57
Lease payment	(1,052)	(29)	(1,081)
Exchange difference	(36)	(9)	(45)
At 31 December 2024 and 1 January 2025	758	87	845
Additions	1,366	–	1,366
Interest expense	27	2	29
Lease payment	(994)	(25)	(1,019)
Exchange difference	25	(1)	24
At 31 December 2025	1,182	63	1,245

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Current	1,553	2,045	746	792
Non-current	7,496	5,513	499	53
	9,049	7,558	1,245	845

As at 31 December 2025, the average incremental borrowing rate applied and average interest rate in the lease was 5.20% and 4.81% (2024: 5.20% and 5.58%) per annum respectively.

As at each reporting date, the carrying amounts of lease liabilities denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group and Company	
	2025 US\$'000	2024 US\$'000
Singapore Dollar	1,245	845

### 30. Commitments and contingencies

#### (a) *Commitment for sales, purchases and forward currency contracts*

The Group has committed sales, purchases and currency contracts that are entered into for the use of the Group. The contractual or notional amounts of the committed contracts with fixed pricing terms that was outstanding as at 31 December 2025 and 2024 are disclosed in Note 19.

#### (b) *Corporate guarantees*

The following are the corporate guarantees given by the Company for the credit facilities extended by banks to:

	Company	
	2025 US\$'000	2024 US\$'000
Subsidiaries	305,180	311,225

#### (c) *Commitment for property, plant and equipment*

Capital expenditures contracted for at the statements of financial position date but not recognised in the financial statements relating to purchase of the property, plant and equipment of US\$2,488,000 (2024: US\$3,255,000).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 31. Financial risks and management

### (a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Note	Group		Company	
		2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<b>Financial assets</b>					
<u>At amortised cost</u>					
Cash and bank balances	16	58,732	83,654	15,153	27,599
Trade receivables	17	178,481	195,683	–	–
Loans and other receivables	18	61,323	50,357	464,880	483,822
		<u>298,536</u>	<u>329,694</u>	<u>480,033</u>	<u>511,421</u>
<u>At fair value through profit or loss</u>					
Derivative financial instruments	19	12,725	31,211	6,754	10,003
		<u>311,261</u>	<u>360,905</u>	<u>486,787</u>	<u>521,424</u>
<b>Financial liabilities</b>					
<u>At amortised cost</u>					
Trade payables	22	48,247	98,200	–	–
Other payables	23	136,423	111,842	228,885	193,785
Loan payables	24	1,386,140	1,250,992	956,194	752,649
Lease liabilities	29	9,049	7,558	1,245	845
		<u>1,579,859</u>	<u>1,468,592</u>	<u>1,186,324</u>	<u>947,279</u>
<u>At fair value through profit or loss</u>					
Derivative financial instruments	19	299	23,800	4,840	15,360
		<u>1,580,158</u>	<u>1,492,392</u>	<u>1,191,164</u>	<u>962,639</u>

### (b) Financial risk management policies and objectives

The Group and the Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk, liquidity risk and commodity price risk. The Group has documented financial risk management policies. These policies set out the Group's overall business strategies and its risk management philosophy. The Group's overall financial risk management programme seeks to minimise potential adverse effects on the financial performance of the Group.

The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

#### (i) Foreign currency risk

As disclosed in Note 2.8 of the financial statements, the functional currency of the Company is the United States Dollar.

The Group faces foreign exchange risk as its borrowings, export sales and the costs of certain purchases are denominated in a currency other than the respective functional currencies of the Group entities, primarily Singapore Dollar, Euro, Indonesian Rupiah, Malaysian Ringgit, Chinese Yuan, CFA Franc and Thai Baht. The Group also holds cash and short-term deposits denominated in foreign currencies for working capital purposes.

The Group enters into foreign currency forward contracts to hedge the foreign currency exposure for some of its receivables.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 31. Financial risks and management (cont'd)

### (b) *Financial risk management policies and objectives (cont'd)*

#### (i) *Foreign currency risk (cont'd)*

##### Foreign currency sensitivity

The following table details the sensitivity to a 5% increase and decrease in the relevant foreign currencies against the functional currency of each Group entity. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where they gave rise to an impact on the Group's profit or loss and/or equity.

If the relevant foreign currency strengthens by 5% against the functional currencies of Group entities, loss before tax will (increase)/decrease by:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
United States Dollar	(1,719)	(1,892)	–	–
Singapore Dollar	(39)	(51)	(41)	(27)
Euro	442	359	–	1
Pound Sterling	66	37	–	–
Chinese Yuan <sup>(1)</sup>	(8,933)	158	(8,934)	155
Japanese Yen <sup>(1)</sup>	7	–	–	–

<sup>(1)</sup> Excludes the effect of foreign currency exposure that has been materially hedged.

#### (ii) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's primary interest rate risk arises from its loan payables.

The Group's exposures to interest rates are set out below.

##### Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's loss before tax for the financial year would increase/decrease by US\$3,528,000 (2024: US\$2,887,000). This is mainly attributable to the Group's exposure to interest rates on its balance due to the banks and financial institutions, and certain loan receivables.

#### (iii) *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are creditworthy entities.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statements of financial position.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 31. Financial risks and management (cont'd)

### (b) *Financial risk management policies and objectives (cont'd)*

#### (iii) *Credit risk (cont'd)*

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 365 days of when they fall due, which are derived based on the Group's historical information.

To assess whether there is significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligation;
- Actual or expected significant changes in the operating results of the borrower;
- Significant increases in credit risk on other financial instruments of the same borrower;
- Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements;
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- There is disappearance of an active market for the financial asset because of financial difficulty.

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 365 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and qualitative information about amount arising from expected credit losses ("ECL") for each class of financial assets.

#### (A) Trade receivables

The Group provides for ECL for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers which are:

- HRC Group
- Corrie MacColl Group

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 31. Financial risks and management (cont'd)

### (b) *Financial risk management policies and objectives (cont'd)*

#### (iii) *Credit risk (cont'd)*

##### (A) Trade receivables (cont'd)

The credit risk exposure on the Group's trade receivables is as follow:

	Days past due					Total US\$'000
	Current US\$'000	<30 days US\$'000	30-60 days US\$'000	61-90 days US\$'000	>91 days US\$'000	
<b>31 December 2025</b>						
ECL rate	0.25%	0.31%	0.51%	0.61%	50.30%	
Total trade receivables	145,233	30,765	1,961	493	992	179,444
ECL	356	95	10	3	499	963
	Days past due					
	Current US\$'000	<30 days US\$'000	30-60 days US\$'000	61-90 days US\$'000	>91 days US\$'000	Total US\$'000
<b>31 December 2024</b>						
ECL rate	0.25%	0.29%	0.36%	34.77%	99.22%	
Total trade receivables	149,843	43,315	2,772	400	172	196,502
ECL	376	126	10	137	170	819

Further details of credit risk on trade receivables are disclosed in Note 17 to the financial statements.

##### (B) Other receivables

The Group provides for ECL for all financial assets based on general approach of 12-months ECL either individual or collective basis.

#### *Credit risk concentration profile*

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade receivables (net of impairment loss on receivables) at the statements of financial position date is as follows:

	Group	
	2025 US\$'000	2024 US\$'000
<b>By country:</b>		
Asia (excluding Singapore and China)	27,378	46,253
China	79,056	79,677
Singapore	12,382	5,562
United States of America ("USA")/Canada	17,741	16,589
Europe	33,576	30,493
Others	8,348	17,109
	<b>178,481</b>	<b>195,683</b>

#### (iv) *Liquidity risk*

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group maintains sufficient liquidity at all times by efficient cash and working capital management.

#### Non-derivative financial instruments

The following tables detail the remaining contractual maturity for non-derivative financial instruments.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The adjustment column represents the possible future interest cash outflow attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial asset or liabilities on the statements of financial position.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

31. Financial risks and management (cont'd)  
 (b) Financial risk management policies and objectives (cont'd)

## (iv) Liquidity risk (cont'd)

## Non-derivative financial instruments (cont'd)

	2025					2024						
	Weighted average effective interest rate %	On demand or within one year US\$'000	One to three years US\$'000	Over three years US\$'000	Adjustment US\$'000	Total US\$'000	Weighted average effective interest rate %	On demand or within one year US\$'000	One to three years US\$'000	Over three years US\$'000	Adjustment US\$'000	Total US\$'000
<b>Group</b>												
<b>Financial assets:</b>												
Trade and other receivables	5.00	2,240	2,240	–	(895)	3,585	5.00	1,980	1,980	–	(792)	3,168
– interest bearing												
Trade and other receivables		236,219	–	–	–	236,219		242,849	23	–	–	242,872
– non-interest bearing		55,940	–	–	–	55,940		66,366	–	–	–	66,366
Cash at banks and in hand	3.65	2,894	–	–	(102)	2,792	4.21	18,015	–	–	(727)	17,288
Short term deposits												
Total undiscounted financial assets		297,293	2,240	–	(997)	298,536		329,210	2,003	–	(1,519)	329,694
<b>Financial liabilities:</b>												
Trade and other payables	4.95	178,490	–	4,897	–	183,387	4.95	–	–	1,600	(396)	1,204
– interest bearing												
Trade and other payables		–	–	1,600	(317)	1,283		204,493	–	4,345	–	208,838
– non-interest bearing	4.84	2,031	3,162	23,067	(19,211)	9,049	5.58	2,238	1,484	21,139	(17,303)	7,558
Lease liabilities	5.57	732,123	15,678	–	(39,431)	708,370	6.76	601,838	33,057	–	(40,193)	594,702
Loan payables – variable rate	4.45	396,907	310,990	–	(30,127)	677,770	5.08	614,256	82,406	4,577	(44,949)	656,290
Loan payables – fixed rate												
Total undiscounted financial liabilities		1,309,551	329,830	29,564	(89,086)	1,579,859		1,422,825	116,947	31,661	(102,841)	1,468,592

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 31. Financial risks and management (cont'd)

### (b) Financial risk management policies and objectives (cont'd)

#### (iv) Liquidity risk (cont'd)

#### Non-derivative financial instruments (cont'd)

	2025					2024				
	Weighted average interest rate %	On demand or within one year US\$'000	One to three years US\$'000	Over three years US\$'000	Total US\$'000	Weighted average interest rate %	On demand or within one year US\$'000	One to three years US\$'000	Over three years US\$'000	Total US\$'000
<b>Company</b>										
<b>Financial assets:</b>										
Trade and other receivables										
– non-interest bearing		303,944	–	–	303,944		291,040	–	–	291,040
Trade and other receivables										
– interest bearing	6.30	171,078	–	–	160,936	7.25	206,751	–	–	192,782
Cash at banks and in hand		15,053	–	–	15,053		13,731	–	–	13,731
Short term deposits	4.00	100	–	–	100	4.30	13,905	–	–	13,868
Total undiscounted financial assets		490,175	–	–	480,033		525,427	–	–	511,421
<b>Financial liabilities:</b>										
Trade and other payables										
– non-interest bearing		88,850	–	–	88,850		83,894	–	–	83,894
Trade and other payables										
– interest bearing	5.79	85,886	62,106	–	140,035	6.70	73,024	–	44,859	109,891
Lease liabilities	4.06	759	513	–	1,245	5.64	808	54	–	845
Loan payables – variable rate	5.52	711,755	–	–	674,500	6.74	588,175	–	–	551,061
Loan payables – fixed rate	3.23	49,284	241,514	–	281,694	3.94	209,524	–	–	201,588
Total undiscounted financial liabilities		936,534	304,133	–	1,186,324		955,425	54	44,859	947,279

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 31. Financial risks and management (cont'd)

### (b) *Financial risk management policies and objectives (cont'd)*

#### (iv) *Liquidity risk (cont'd)*

##### Derivative financial instruments

The liquidity analysis for derivative financial instruments has been drawn up based on the undiscounted net cash inflows/(outflows) on the derivative instrument that settle on a net basis and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the reporting period. Refer to Note 19 for more details.

#### (v) *Commodity price risk*

Due to the nature of the Group's operations, the Group is exposed to changes in agricultural commodity prices.

The Group managed the exposure on commodity price risk by utilising forward physical contracts and/or derivatives to manage the Group's open commodity positions. The Group also reviewed daily monitoring reports on market positioning to facilitate decision making process on the Group's exposure.

At the end of the reporting period, a 5% increase/decrease of the commodities price index, with all other variables held constant, would have increased/decreased loss before income tax by US\$3,435,000 (2024: US\$1,694,000) and decreased/increased equity by US\$3,435,000 (2024: US\$1,694,000).

## 32. Related party transactions

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements.

The Group entered into the following transactions with related parties:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Banking facilities jointly covered by letter of comfort from SIC and HRG	28,215	63,016
Banking facilities jointly covered by corporate guarantee from SIC and HRG	356,193	219,837
Fee charged by SIC for issuance of letter of comfort	437	1,362
Shareholder's loan from HRG	279,440	430,276
Shareholder's loan from CRTG	240,000	42,400
Shareholder's loan from HSF	64,000	63,812
Shareholder's loan from SIC	45,014	45,014
Interest charged by HRG	17,946	22,683
Interest charged by CRTG	3,527	4,499
Interest charged by HSF	4,777	2,731
Interest charged by SIC	2,624	3,022
Sales of rubber to subsidiaries of HRG	41,759	34,645
Purchase of rubber from subsidiaries of HRG	44,862	79,622

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 32. Related party transactions (cont'd)

#### *Compensation of directors and key management personnel*

The remuneration of directors and other members of key management personnel during the year were as follows:

	Group	
	2025 US\$'000	2024 US\$'000
Directors' fees	302	293
Short-term benefits		
– Director of the Company	405	666
– Other key management personnel	239	1,073
	946	2,032

### 33. Segment information

The Group is a global leader in natural rubber industry, supporting the world's growing mobility needs through the origination, production and distribution of natural rubber. The Group sources a broad range of grades from all major origins globally, operates 37 natural rubber processing facilities in Indonesia, Malaysia, Thailand, China, Cameroon and Ivory Coast, and distributes to an international customer base through its network of warehouses and sales offices in South-East Asia, China, the United States of America and Europe.

The key segments of the Group comprise the following:

- (a) CMC Plantation ("CMCP Group") – This business segment includes plantation and processing business in Cameroon and Malaysia.
- (b) CMC Distribution ("CMCI Group") – This business segment mainly covers the distribution business for industrial and non-tyre applications.
- (c) HRC Group – This business segment includes the Group processing factories in Indonesia, China, Malaysia, Thailand and Ivory Coast, and distribution business in Singapore and China, whose customers are predominantly top-tier global tyre makers.
- (d) Corporate segment – The business segment covers group strategic management, corporate finance, group administration and legal matters, treasury, and taxation.

Segmental performance is continuously monitored to optimise the allocation of resources between segments.

Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 33. Segment information (cont'd)

	CMCP Group		CMCI Group		HRC Group		Corporate		Elimination		Consolidated	
	FY 2025 US\$'000	FY 2024 US\$'000	FY 2025 US\$'000	FY 2024 US\$'000	FY 2025 US\$'000	FY 2024 US\$'000	FY 2025 US\$'000	FY 2024 US\$'000	FY 2025 US\$'000	FY 2024 US\$'000	FY 2025 US\$'000	FY 2024 US\$'000
Revenue to third party	2,231	1,462	460,002	531,853	2,499,305	2,407,734	–	–	–	–	2,961,538	2,941,049
Inter-segment revenue	53,453	48,862	5,446	15,803	27,717	36,472	11,128	11,639	(97,744)	(112,776)	–	–
Total revenue	55,684	50,324	465,448	547,656	2,527,022	2,444,206	11,128	11,639	(97,744)	(112,776)	2,961,538	2,941,049
Gross profit	(1,583)	5,689	60,845	59,490	53,660	125,924	11,128	11,639	(11,338)	(11,809)	112,712	190,933
Operating (loss)/profit	(35,817)	(13,752)	27,801	26,461	(17,433)	39,925	(4,371)	(3,379)	(442)	395	(30,262)	49,650
Operating (loss)/profit excluding management fee	(35,817)	(13,752)	28,118	26,750	(6,621)	51,275	(15,500)	(15,018)	(442)	395	(30,262)	49,650
Finance income											2,797	2,927
Finance costs											(62,687)	(66,800)
Share of result of associates											287	(496)
Loss before tax											(89,865)	(14,719)
Income tax expense											(9,683)	(16,190)
Loss for the financial year											(99,548)	(30,909)
Segment assets	805,273	781,407	629,383	628,633	1,109,968	1,276,436	1,459,767	1,460,067	(2,085,984)	(2,053,379)	1,918,407	2,093,164
Segment liabilities	333,629	326,617	316,798	338,946	666,887	823,347	1,194,124	944,530	(848,997)	(850,417)	1,662,441	1,583,023
Other information:												
Management fee expense/ (income)	–	–	317	289	10,812	11,350	(11,129)	(11,639)	–	–	–	–
Depreciation expense (include right-of-use assets)	11,200	9,786	1,082	1,251	17,136	16,290	967	1,011	733	481	31,118	28,819
Fair value gain on investment properties	–	–	–	–	(1,187)	(415)	–	–	–	–	(1,187)	(415)
Fair value loss/(gain) on biological assets	10,888	(2,092)	–	–	–	–	–	–	–	–	10,888	(2,092)
Unrealised fair value loss/ (gain) on open forward commodity contracts and inventories	1,857	(5,326)	138	3,522	23,114	(13,777)	–	–	–	–	25,109	(15,581)
Capital expenditure on property, plant and equipment and intangible assets	540	1,557	174	82	3,559	14,492	373	366	–	–	4,646	16,497
Capital expenditure on plantation and biological assets	3,875	6,781	–	–	–	–	–	–	–	–	3,875	6,781

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 33. Segment information (cont'd)

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:

- A. Inter-segment revenues are eliminated on consolidation.
- B. Management fee is eliminated on consolidation.
- C. Elimination on investment in subsidiaries and intercompany balances.
- D. Elimination on intercompany balances.

#### Geographical information

The Group's revenue from external customers and information about its segment assets (non-current assets including intangible assets, property, plant and equipment, plantation and biological assets, investment properties, deferred charges, other assets, loans and other receivables and investment in associates) by geographical location are detailed below:

	Group	
	2025 US\$'000	2024 US\$'000 Restated
<i>Sales of natural rubber</i>		
Singapore	115,271	57,465
Asia (excluding Singapore and China)	480,571	545,471
China	1,689,832	1,670,044
USA/Canada	281,701	302,526
Europe	314,145	303,489
Others	80,018	62,054
	2,961,538	2,941,049

The table above shows the Group's revenue by geographical locations based on the origin of the customers' ultimate parent company.

	Group	
	2025 US\$'000	2024 US\$'000
<i>Non-current assets</i>		
Singapore	63,133	17,259
Asia	481,890	481,918
Africa	561,838	571,268
Europe	23,717	23,784
Others	11,387	11,039
	1,141,965	1,105,268

Non-current assets presented above includes intangible assets, property, plant and equipment, plantation and biological assets, investment properties, deferred charges, other assets, loans and other receivables and investment in associates as presented in the consolidated statements of financial position.

### 34. Fair value of assets and liabilities

#### (a) Fair value hierarchies

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 34. Fair value of assets and liabilities (cont'd)

#### (b) *Assets and liabilities measured at fair value*

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Group 2025			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1) US\$'000	Significant observable inputs other than quoted prices (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000	Total US\$'000
<b>Assets measured at fair value</b>				
<b>Financial assets:</b>				
Derivative financial instruments	–	12,725	–	12,725
<b>Financial assets as at 31 December 2025</b>	–	12,725	–	12,725
<b>Non-financial assets:</b>				
Inventories	–	357,114	–	357,114
Biological assets	–	–	425,887	425,887
Investment properties	–	–	41,799	41,799
<b>Non-financial assets as at 31 December 2025</b>	–	357,114	467,686	824,800
<b>Liabilities measured at fair value</b>				
<b>Financial liabilities:</b>				
Derivative financial instruments	–	299	–	299
<b>Financial liabilities as at 31 December 2025</b>	–	299	–	299
	Group 2024			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1) US\$'000	Significant observable inputs other than quoted prices (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000	Total US\$'000
<b>Assets measured at fair value</b>				
<b>Financial assets:</b>				
Derivative financial instruments	–	31,211	–	31,211
<b>Financial assets as at 31 December 2024</b>	–	31,211	–	31,211
<b>Non-financial assets:</b>				
Inventories	–	485,156	–	485,156
Biological assets	–	–	390,169	390,169
Investment properties	–	–	39,536	39,536
<b>Non-financial assets as at 31 December 2024</b>	–	485,156	429,705	914,861
<b>Liabilities measured at fair value</b>				
<b>Financial liabilities:</b>				
Derivative financial instruments	–	23,800	–	23,800
<b>Financial liabilities as at 31 December 2024</b>	–	23,800	–	23,800

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 34. Fair value of assets and liabilities (cont'd)

#### (b) *Assets and liabilities measured at fair value (cont'd)*

	Company 2025			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1) US\$'000	Significant observable inputs other than quoted prices (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000	Total US\$'000
<b>Assets measured at fair value</b>				
<b>Financial assets:</b>				
Derivative financial instruments	–	6,754	–	6,754
<b>Financial assets as at 31 December 2025</b>	–	6,754	–	6,754
<b>Liabilities measured at fair value</b>				
<b>Financial liabilities:</b>				
Derivative financial instruments	–	4,840	–	4,840
<b>Financial liabilities as at 31 December 2025</b>	–	4,840	–	4,840
	2024			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1) US\$'000	Significant observable inputs other than quoted prices (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000	Total US\$'000
<b>Assets measured at fair value</b>				
<b>Financial assets:</b>				
Derivative financial instruments	–	10,003	–	10,003
<b>Financial assets as at 31 December 2024</b>	–	10,003	–	10,003
<b>Liabilities measured at fair value</b>				
<b>Financial liabilities:</b>				
Derivative financial instruments	–	15,360	–	15,360
<b>Financial liabilities as at 31 December 2024</b>	–	15,360	–	15,360

#### (c) *Level 2 fair value measurements*

The fair value of inventories (except consumables) is calculated using quoted prices in relevant commodity exchanges at the end of the reporting period, making adjustments according to the stage of production of the inventories, port of loading, and grades of products. Where such prices are not available, the Group uses valuation models to determine the fair values based on relevant factors, including trade price quotations, time value and volatility factors underlying the commodities and commodity exchange price quotations and dealer quotations for similar commodities traded in different markets and geographical areas, existing at the end of the reporting period.

The fair value of forward currency contract is calculated using quoted prices (adjusted) offered by the financial institutions at the end of reporting period.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

### 34. Fair value of assets and liabilities (cont'd)

#### (d) Level 3 fair value measurements

##### (i) Information about significant unobservable inputs used in Level 3 fair value measurements

###### Biological assets

The fair value of the Group's major biological assets has been determined based on valuations by an independent professional valuer using the discounted cash flow valuation method. The most significant inputs into the discounted cash flow valuation method are the average annual yield and discount rate. The fair value of biological assets is computed using the following:

	Group	
	2025	2024
<u>Malaysia</u>		
Average annual yield for rubber trees in Malaysian plantation (Metric tonne per hectare)	0.98	1.05
Discount rate for rubber trees in Malaysian plantation (%)	12.7	12.7
<u>Cameroon</u>		
Average annual yield for rubber trees in Cameroonian plantation (Metric tonne per hectare)	1.2 – 2.0	1.3 – 2.0
Discount rate for rubber trees in Cameroonian plantation (%)	14.3	15.7

An increase in average annual yield per hectare will result in an increase to the fair value of biological assets, while an increase in discount rate will result in a decrease of estimated fair value.

At the end of the reporting period, a 1.0% increase/decrease in average annual yield will increase/decrease the fair value of biological asset by US\$7,697,000 (2024: US\$7,474,000), and a 0.5% increase/decrease in discount rate will decrease/increase the fair value of biological asset by US\$20,033,000 (2024: US\$16,876,000) for Cameroonian plantations.

A 1.0% increase/decrease in average annual yield will increase/decrease the fair value of biological asset by US\$246,000 (2024: US\$223,000), and a 0.5% increase/decrease in discount rate will decrease/increase the fair value of biological asset by US\$1,232,000 (2024: US\$1,119,000) for Malaysian plantations.

###### Investment properties

The fair value of the Group's investment properties has been derived using the market comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property location, accessibility, topography, facilities and utilities, size and date of transaction.

If the market prices had been 5% higher or lower and all other variables were held constant, the Group's fair value of investment properties would increase or decrease by US\$2,090,000 (2024: US\$1,977,000).

##### (ii) Movements in Level 3 assets measured at fair value

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

	Biological assets US\$'000	2025 Investment properties US\$'000	Total US\$'000
<b>Group</b>			
Opening balance	390,169	39,536	429,705
Fair value gain recognised in profit or loss	(10,888)	1,187	(9,701)
Additions	12,109	–	12,109
Depreciation for the year	(5,650)	–	(5,650)
Reclassification	(3,105)	–	(3,105)
Exchange differences	43,252	1,076	44,328
Closing balance	425,887	41,799	467,686

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 34. Fair value of assets and liabilities (cont'd)

### (d) Level 3 fair value measurements (cont'd)

#### (ii) Movements in Level 3 assets measured at fair value (cont'd)

	Biological assets US\$'000	2024 Investment properties US\$'000	Total US\$'000
<b>Group</b>			
Opening balance	396,385	41,200	437,585
Fair value loss recognised in profit or loss	2,092	415	2,507
Additions	18,712	–	18,712
Depreciation for the year	(4,573)	–	(4,573)
Reclassification	(2,554)	(1,132)	(3,686)
Exchange differences	(19,893)	(947)	(20,840)
Closing balance	<u>390,169</u>	<u>39,536</u>	<u>429,705</u>

There has been no transfer from Level 1 and Level 2 to Level 3 for the financial years ended 31 December 2025 and 2024.

#### (iii) Valuation policies and procedures

It is the Group's policy to engage external valuation experts to perform the valuation of biological assets and investment properties. The management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 Fair Value Measurement guidance.

Management reviews the appropriateness of the valuation methodologies and assumptions adopted, and the reliability of the inputs used in the valuations.

### (e) Fair value of financial instruments not measured at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and bank balances (Note 16), trade receivables (Note 17), loans and other receivables (Note 18), trade payables (Note 22), other payables (Note 23), and loan payables (Note 24) approximate their respective fair values due to the relatively short-term maturity of these financial instruments or that they are floating rate instruments that are re-priced to market interest rates on or near the statements of financial position date.

## 35. Dividends on ordinary shares

The Group has not paid dividend on ordinary shares during the financial years 2025 and 2024.

## 36. Capital management

The Group reviews its capital structure at least annually to ensure that the Group will be able to continue as a going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group is required to comply with loan covenants imposed by the lenders, unless it is specifically waived by the lenders. This externally imposed requirement has been complied with by the Group in financial years ended 31 December 2025 and 2024, except the covenants for the following loans were breached as at year end ended 31 December 2025:

- (i) loan of US\$123,200,000 (current) and US\$600,000 (non-current) totalling US\$123,800,000 – the Group's subsidiary breached the current ratio covenant and waiver was obtained from the bank prior to year-end.
- (ii) US\$138,500,000 loan – the Company breached the total liabilities-to-total assets covenant, and the loan was classified as a current liability as at 31 December 2025. Subsequent to year end, the loan was fully repaid in January 2026.

The capital structure of the Group comprises only of issued capital and retained earnings. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2025 and 2024.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

## 36. Capital management (cont'd)

The Group is committed to a sustainable dividend policy that ensures its capital allocation is being decided in a way that delivers long-term, sustainable returns. In considering the level of dividend payments, the Board will consider all of the above factors and strive to ensure that its capital allocation is being decided in a way that delivers long-term, sustainable returns.

The Group monitors capital using a gearing ratio, which is net borrowing divided by total equity. The Group includes within net borrowing, loans and borrowings, lease liabilities, adjusted for working capital items.

	Group	
	2025 US\$'000	2024 US\$'000
Loan payables (Note 24)	1,386,140	1,250,992
Lease liabilities (Note 29)	9,049	7,558
Total borrowing	1,395,189	1,258,550
Adjust for: Working capital items		
– Trade receivables (Note 17)	(178,481)	(195,683)
– Inventories (Note 20)	(377,550)	(506,143)
– Cash and bank balances (Note 16)	(58,732)	(83,654)
– Trade payables (Note 22)	48,247	98,200
Adjusted net borrowing	828,673	571,270
Total equity	255,966	510,141
Adjusted gearing ratio	3.24	1.12

## 37. Events occurring after the reporting period

### Shareholders' loans

- (i) During April 2026, HRG and SIC granted extensions to the repayment period of the current loans amounting to US\$296,000,000, with the revised maturity date extended to February 2027.
- (ii) During April 2026, CRTG granted an extension to the repayment period of the current loans amounting to US\$240,000,000, with the revised maturity date extended to July 2027.

### New loan facilities

During January 2026, the Group secured a two-year working capital loan facility of RMB1,150,000,000 (approximately US\$153,000,000) and had drawn down the full amount to repay existing loans (Note 24).

## 38. Comparative financial information

On 27 March 2026, HRG received a Correction Order (the "Order") from the Hainan branch of the China Securities Regulatory Commission ("CSRC"). The Order stated that certain trading transactions carried out by HRG and its subsidiaries may not be recorded in accordance with the commercial substance of those transactions, and directed HRG to undertake a self-review and make necessary corrections to previously disclosed financial information.

As a subsidiary of HRG, the Company conducted a review of the Group's accounting practice for its trading transactions. Following the review, new information was uncovered and the Company determined that certain sales transactions of its China trading subsidiaries should be presented on a net basis instead of a gross basis in the profit or loss account to better reflect the substance and purpose of entering into these transactions.

Accordingly, the revenue and cost of sales for the financial year ended 31 December 2024 are restated to present these transactions on a net basis. The adjustments have no impact on the Group's gross profit, operating (loss)/profit and loss for the financial year ended 31 December 2024 and net assets as at 31 December 2024.

Financial year ended 31 December 2024	(Restated) US\$'000	Group Adjustments US\$'000	(Previously stated) US\$'000
Revenue	2,941,049	(836,074)	3,777,123
Cost of sales	(2,750,116)	836,074	(3,586,190)

## 39. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 24 April 2026.

## — SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION —

The information required under Rule 720(6) and Appendix 7.4.1 of the SGX-ST Listing Manual in respect of Directors seeking re-election at the Annual General Meeting on 22 May 2026 is set out below.

Name of Director	EDDIE CHAN YEAN HOE	FAN XIAOHONG	XU XINGBIN
1. <b>Date of appointment</b>	28 July 2020	1 April 2024	24 November 2023
2. <b>Date of last re-appointment</b>	24 April 2024	24 April 2024	24 April 2024
3. <b>Age</b>	70	43	50
4. <b>Country of principal residence</b>	Malaysia	China	China
5. <b>The Board's comments on this re-election</b>  (including rationale, selection criteria, board diversity considerations and the search and nomination process)	The Board, after reviewed the recommendation from the Nominating Committee and Mr Eddie Chan's professional expertise, work experience, attendance, participation and candour, is of the view that Mr Chan possesses the requisite experience, expertise, knowledge and skills to continue as the Independent Chairman of the Company.	The Board, after reviewed Ms Fan Xiaohong's professional expertise, work experience and candour, is of the view that Ms Fan possesses the requisite experience, expertise, knowledge and skills to continue as a Non-Executive Director of the Company.	The Board, after reviewed the recommendation from the Nominating Committee and Mr Xu Xingbin's professional expertise, work experience and candour, is of the view that Mr Xu possesses the requisite experience, expertise, knowledge and skills to continue as a Non-Executive Director of the Company.
6. <b>Whether appointment is executive, and if so, the area of responsibility</b>	Independent Non-Executive	Non-Independent Non-Executive	Non-Independent Non-Executive
7. <b>Job title (e.g. Lead ID, AC Chairman, AC Member etc.)</b>	Independent Chairman, the Chairman of Audit and Remuneration Committees and a member of Nominating Committee	Non-Executive Director, a member of Audit Committee	Non-Executive Director
8. <b>Professional qualifications</b>	Certified Public Accountant, member of Malaysian Institute of Certified Public Accountants, chartered member of the Malaysian Institute of Accountants	<ul style="list-style-type: none"> <li>• Bachelor Degree, Sichuan Agricultural University</li> <li>• Master Degree, Sichuan Agricultural University</li> </ul>	<ul style="list-style-type: none"> <li>• Bachelor of Economics, Wuhan University</li> <li>• Master of Business Administration, Shanghai Jiaotong University</li> </ul>
9. <b>Working experience and occupation(s) during the past 10 years</b>	<ul style="list-style-type: none"> <li>• 2016 to 2019: Independent Director, Chairman of the Risk Management Committee and member of the Audit and Remuneration Committees of Daiman Development Berhad</li> <li>• 2014 to 2016: Non-Executive Director and member of the Audit and Nomination Committee of Daiman Development Berhad</li> <li>• 2015: Adviser to CEO of Jurong Aromatics</li> <li>• 2011 to 2014: Executive Director of Daiman Development Berhad</li> </ul>	<ul style="list-style-type: none"> <li>• November 2022 to March 2024: General Manager, Trade Risk Control Department of China Hainan Rubber Industry Co., Ltd. ("HRG")</li> <li>• August 2021 to November 2022: Deputy General Manager, Trade Risk Control Department of HRG</li> <li>• January 2018 to August 2021: Deputy General Manager, Enterprise Development Department of HRG</li> <li>• April 2017 to December 2017: Executive Vice General Manager of Hainan Haijiao Agricultural Development Co., Ltd</li> <li>• January 2014 to March 2017: Deputy General Manager, Enterprise Development Department of HRG</li> </ul>	<ul style="list-style-type: none"> <li>• September 2017 to March 2026: General Manager, Strategy Development Department of Sinochem International Corporation ("SIC")</li> <li>• March 2017 to September 2017: Vice-General Manager, Strategy Development Department of SIC</li> <li>• March 2016 to March 2017: General Manager, Strategy Management Department of SIC</li> <li>• November 2015 to March 2016: Vice-General Manager of Sinochem International Crop Care Company Limited</li> <li>• April 2013 to November 2015: Vice-General Manager of Sinochem Agro Co., Ltd</li> </ul>
10. <b>Shareholding interest in the listed issuer and its subsidiaries</b>	Nil	Nil	Nil
11. <b>Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries</b>	Nil	Ms Fan does not have any familial relationship with any director and/or substantial shareholder of the Company. She is nominated by the Company's controlling shareholder, HRG, to be a Non-Independent Non-Executive Director of the Company	Mr Xu does not have any familial relationship with any director and/or substantial shareholder of the Company. He is nominated by the Company's substantial shareholder, Sinochem International (Overseas) Pte Ltd, a wholly-owned subsidiary of SIC, to be a Non-Independent Non-Executive Director of the Company
12. <b>Conflict of interests (including any competing business)</b>	Nil	Nil	Nil
13. <b>Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer</b>	Yes	Yes	Yes

— SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION —

Name of Director		EDDIE CHAN YEAN HOE	FAN XIAOHONG	XU XINGBIN
14.	<b>Other Principal Commitments including Directorships</b>			
(a)	<i>Past (for the last 5 years)</i>	None	Nil	<ul style="list-style-type: none"> <li>• Director of:               <ul style="list-style-type: none"> <li>– Sennics Co., Ltd.</li> <li>– Jiangsu Huaihe Chemicals Co., Ltd.</li> <li>– Nantong Xingchen Synthetic Materials Co., Ltd.</li> <li>– Jiangsu Yangnong Chemical Group Co., Ltd.</li> </ul> </li> </ul>
(b)	<i>Present</i>	None	<ul style="list-style-type: none"> <li>• General Manager, Operation and Risk Control Department of HRG</li> <li>• Director of:               <ul style="list-style-type: none"> <li>– Jiangsu Aidefu Latex Products Co., Ltd</li> <li>– Hainan Haiken Wangfujing Daily Duty Free Products Management Co., Ltd</li> <li>– Hainan Agricultural Reclamation Fruit and Vegetable Industry Group Co., Ltd</li> <li>– Yaji International Trade Private Limited</li> <li>– R1 International Pte Ltd</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Executive Director of Shanghai Zhanyuan New Materials Co., Ltd.</li> <li>• Director of Shanxi Yaxin New Technology Development Co., Ltd.</li> <li>• Director of ELIX POLYMERS, S.L.</li> <li>• General Manager, Engineering Plastics Business Unit of SIC</li> </ul>
15.	<b>Other declarations</b>			
(a)	<i>Was there at any time during the last 10 years an application or a petition under any bankruptcy laws of any jurisdiction filed against you, or against a partnership of which you were a partner at the time when you were a partner or at any time within 2 years from the date you ceased to be a partner?</i>	No	No	No
(b)	<i>Was there at any time during the last 10 years, an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which you were a director or an equivalent person or a key executive, at the time when you were a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date you ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?</i>	No	No	No
(c)	<i>Is there any unsatisfied judgment against you?</i>	No	No	No
(d)	<i>Have you been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or have been the subject of any criminal proceedings (including any pending criminal proceedings of which you are aware) for such purpose?</i>	No	No	No

— SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION —

Name of Director	EDDIE CHAN YEAN HOE	FAN XIAOHONG	XU XINGBIN
(e) <i>Have you been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere? Have you ever been the subject of any criminal proceedings (including any pending criminal proceedings of which you are aware) for such breach?</i>	No	No	No
(f) <i>Have you, at any time in the last 10 years, had any judgment entered against you in any civil proceedings, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere or a finding of fraud, misrepresentation or dishonesty on your part? Have you been the subject of any civil proceedings (including any pending civil proceedings of which you are aware) involving an allegation of fraud, misrepresentation or dishonesty on your part?</i>	No	No	No
(g) <i>Have you been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?</i>	No	No	No
(h) <i>Have you ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?</i>	No	No	No
(i) <i>Have you been the subject of any order, judgment or ruling of any court, tribunal or governmental body permanently or temporarily enjoining you from engaging in any type of business practice or activity?</i>	No	No	No
(j) <i>Have you ever, to your knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:</i>			
(i) <i>any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;</i>	No	No	No
(ii) <i>any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;</i>	No	No	No

## — SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION —

Name of Director		EDDIE CHAN YEAN HOE	FAN XIAOHONG	XU XINGBIN
	(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
	(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,  in connection with any matter occurring or arising during the period when you were so concerned with the entity or business trust?	No	No	No
(k)	Have you been the subject of any current or past investigation or disciplinary proceedings, or have been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, SGX-ST, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

## STATISTICS OF SHAREHOLDINGS

As at 17 April 2026

Issued and paid-up share capital	:	S\$952,655,008.46
Number of issued shares	:	1,595,011,941
Number of treasury shares	:	Nil
Number of subsidiary holdings	:	Nil
Voting rights on a poll	:	1 vote for each ordinary share

### DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	1,291	24.19	72,694	0.00
100 – 1,000	1,954	36.61	793,318	0.05
1,001 – 10,000	1,517	28.43	6,369,467	0.40
10,001 – 1,000,000	568	10.64	23,440,256	1.47
1,000,001 AND ABOVE	7	0.13	1,564,336,206	98.08
<b>TOTAL</b>	<b>5,337</b>	<b>100.00</b>	<b>1,595,011,941</b>	<b>100.00</b>

### TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	RAFFLES NOMINEES (PTE) LIMITED	1,087,332,251	68.17
2	SINOCHEM INTERNATIONAL (OVERSEAS) PTE LTD	465,716,356	29.20
3	GE JIANMING	3,550,347	0.22
4	DBS NOMINEES PTE LTD	2,760,977	0.17
5	OCBC SECURITIES PRIVATE LTD	1,949,833	0.12
6	CITIBANK NOMS SPORE PTE LTD	1,518,665	0.10
7	PHILLIP SECURITIES PTE LTD	1,507,777	0.09
8	SOH KOK HANG	401,000	0.03
9	LIE A SUN	373,320	0.02
10	SHAW CHAI CHUNG MARKHAM	343,500	0.02
11	WEE JOO YEOW	330,000	0.02
12	TIO SENG SOON	321,030	0.02
13	UOB KAY HIAN PTE LTD	307,473	0.02
14	NG KWEE SIONG (HUANG GUIXIANG)	306,216	0.02
15	DBS VICKERS SECURITIES (S) PTE LTD	288,340	0.02
16	LAU KIN HONG	279,995	0.02
17	ABN AMRO CLEARING BANK N.V.	272,000	0.02
18	MERRILL LYNCH (SPORE) PTE LTD	269,714	0.02
19	ESTATE OF TAY AH KIANG, DECEASED	221,285	0.01
20	ANG SWEE THYE	215,000	0.01
	<b>TOTAL</b>	<b>1,568,265,079</b>	<b>98.32</b>

### SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholder	Direct interest		Deemed interest	
	Number of shares	%	Number of shares	%
China Rubber Technology Group Company Limited ("CRTG")	1,086,256,025	68.10	–	–
China Hainan Rubber Industry Group Co., Ltd. <sup>(1)</sup> ("HRG")	–	–	1,086,256,025	68.10
Hainan Province Agribusiness Investment Holding Group Co., Ltd. <sup>(1)</sup>	–	–	1,086,256,025	68.10
Sinochem International (Overseas) Pte. Ltd. ("SIO")	465,716,356	29.20	–	–
Sinochem International Corporation Ltd. <sup>(2)</sup>	–	–	465,716,356	29.20
Sinochem Holdings Corporation Ltd. <sup>(2)</sup>	–	–	465,716,356	29.20

Notes:

(1) Each of HRG and Hainan Province Agribusiness Investment Holding Group Co., Ltd. is deemed interested in the shares held by CRTG, by virtue of its controlling interest in CRTG.

(2) Each of Sinochem International Corporation Ltd. and Sinochem Holdings Corporation Ltd. is deemed interested in the shares held by SIO, by virtue of its controlling interest in SIO.

### SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on the information available to the Company as at 17 April 2026, approximately 2.70% of the issued ordinary shares of the Company is held by the public.

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“**AGM**”) of Halcyon Agri Corporation Limited (the “**Company**”) will be held at Hope & Faith meeting room, Level 3, YWCA Fort Canning, 6 Fort Canning Road, Singapore 179494 on Friday, 22 May 2026 at 3.00 p.m. (Singapore time) for the purpose of transacting the following businesses:

### ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2025, the Directors’ Statement and the Independent Auditor’s Report thereon. **(Resolution 1)**
2. To re-elect Mr Eddie Chan Yean Hoe, the Director who will retire pursuant to Regulation 91 of the Constitution of the Company and, being eligible, has offered himself for re-election. **(Resolution 2)**
3. To re-elect Ms Fan Xiaohong, the Director who will retire pursuant to Regulation 91 of the Constitution of the Company and, being eligible, has offered herself for re-election. **(Resolution 3)**
4. To re-elect Mr Xu Xingbin, the Director who will retire pursuant to Regulation 91 of the Constitution of the Company and, being eligible, has offered himself for re-election. **(Resolution 4)**
5. To approve the sum of up to S\$600,000 to be paid quarterly in arrears, to the non-executive Directors as Directors’ fees for the financial year ending 31 December 2026. **(Resolution 5)**
6. To re-appoint Messrs Ernst & Young LLP as Auditor of the Company and to authorise the Directors to fix its remuneration. **(Resolution 6)**
7. To transact any other ordinary business which may be properly transacted at an AGM.

### SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as Ordinary Resolution, with or without modification(s):

8. Renewal of Interested Person Transaction(s) Mandate **(Resolution 7)**

THAT:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Chapter 9**”), for the Company and its subsidiaries that are considered to be “entities at risk” under Chapter 9, or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to Annual Report dated 7 May 2026 (the “**Appendix**”) with the interested persons described in the Appendix, provided that such transactions are (i) made on normal commercial terms and will not be prejudicial to the interest of the Company or its minority shareholders and (ii) in accordance with the review procedures for such interested person transactions as set out in the Appendix (the “**Proposed IPT General Mandate**”);
- (b) the Proposed IPT General Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier; and
- (c) the Directors of the Company and/or any one of them be and are hereby authorised to do all acts and things (including without limitation, execution of all such documents as may be required) as they or each of them may deem desirable, necessary or expedient in the interests of the Company to give effect to the Proposed IPT General Mandate.

By Order of the Board

Wong Teck Kow  
Company Secretary  
Singapore

7 May 2026

# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES

### (i) Resolutions 2 to 4: Re-election of Directors who cease to hold office pursuant to Regulation 91 of the Constitution of the Company

**Mr Eddie Chan Yean Hoe** will, upon re-election as a Director of the Company, remain as the Independent Chairman, the Chairman of the Audit and Remuneration Committees and a member of the Nominating Committee. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

**Ms Fan Xiaohong** will, upon re-election as a Director of the Company, remain as a Non-Independent Non-Executive Director and a member of the Audit Committee. Ms Fan is a nominee director of China Hainan Rubber Industry Group Co., Ltd. She is considered non-independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

**Mr Xu Xingbin** will, upon re-election as a Director of the Company, remain as a Non-Independent Non-Executive Director. Mr Xu is a nominee director of Sinochem International (Overseas) Pte. Ltd.

### (ii) Information of Directors seeking re-election under Resolutions 2 to 4

Please refer to the sections on 'Board of Directors', 'Corporate Governance Report' and 'Supplemental Information on Directors Seeking Re-election' in the Company's Annual Report in respect of the financial year ended 31 December 2025 (the "**Annual Report**"), for detailed information (including information as set out in Appendix 7.4.1 of the Listing Manual of the SGX-ST) of the Directors seeking re-election under Resolutions 2 to 4.

### (iii) Resolution 5: Approval of Directors' fees of up to S\$600,000

Resolution 5, if passed, will facilitate the payment of Directors' fees during the financial year ending 31 December 2026 in which the fees are incurred. Directors' fees of up to S\$600,000 are computed based on the anticipated number of Board and Board Committee meetings, assuming full attendance by all of the Non-Executive Directors. The amount also caters for any potential appointment of additional Directors, additional unscheduled Board meetings and/or the formation of additional Board Committee(s). Please refer to the section on 'Corporate Governance Report' in the Annual Report for further information on the Directors' fees.

### (iv) Resolution 7: Renewal of Interest Person Transaction(s) Mandate

Resolution 7, if passed, will empower the Directors of the Company to do all acts necessary to give effect to the Proposed IPT General Mandate as described in the Appendix. The authority shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the date that the next AGM of the Company is held or required by law to be held.

## IMPORTANT NOTES RELATING TO THE AGM

### (1) AGM, Annual Report and documents related to the AGM

Shareholders of the Company are invited to attend physically at the AGM. There will be no option for shareholders to participate in the Meeting virtually.

The Company's Annual Report and the documents which are relevant to the AGM, including the Appendix to Annual Report dated 7 May 2026 relating to the Renewal of IPT General Mandate (the "**Appendix**"), this Notice of AGM and the proxy form (the "**Proxy Form**") can be accessed at:

- (a) the **Company's website** at <https://www.halcyonagri.com/investors-media/agm-egm-announcements>; or
- (b) the **SGX website** at <https://www.sgx.com/securities/company-announcements>.

For your convenience, printed copies of this Notice of AGM and Proxy Form will be sent to shareholders by post. However, please note that no printed copies of the Annual Report including the Appendix will be despatched to the shareholders.

### (2) Arrangement for participation in the AGM physically

Shareholders (including CPF and SRS Investors (as defined below)) may participate in the AGM by:

- (a) attending the AGM in person;
- (b) submitting questions to the Chairman of the Meeting in advance of, or at, the AGM; and/or
- (c) voting at the AGM:
  - (i) themselves personally; or
  - (ii) through their duly appointed proxy/ies.

CPF and SRS Investors who wish to appoint the Chairman of the Meeting (and not third party proxy/ies) as proxy are to approach their respective CPF Agent Banks or SRS Operators to submit their votes. Please see item 5 below for details.

- (3) A shareholder of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM in his stead.
- (4) Pursuant to Section 181 of the Companies Act 1967, any shareholder who is a relevant intermediary is entitled to appoint one or more proxies to attend, speak and vote at the AGM. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.
- (5) An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the AGM in person. CPF Investors and SRS Investors (collectively "**CPF and SRS Investors**") who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees (as may be applicable) to appoint the Chairman of the Meeting to act as their proxy, in which case, the relevant CPF and SRS Investors shall be precluded from attending the AGM.
- (6) The completed and signed Proxy Form must be submitted to the Company in the following manner:
  - (a) **by post** and be lodged with the registered office of the Company at 180 Clemenceau Avenue #05-02, Haw Par Centre, Singapore 239922; or
  - (b) **by email** to [AGM@halcyonagri.com](mailto:AGM@halcyonagri.com) enclosing a clear scanned copy of the Proxy Form,

and must be received by the Company by 19 May 2026 at 3.00 p.m. (being 72 hours before the time appointed for the holding of the AGM). CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 13 May 2026 at 3.00 p.m. (Singapore time) (being seven (7) working days before the time appointed for the holding of the AGM).

**Shareholders are strongly encouraged to submit completed Proxy Forms electronically.**

# NOTICE OF ANNUAL GENERAL MEETING

## Submission of Questions in Advance

(1) Shareholders (including CPF or SRS investors) may submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted and received by the Company by 3.00 p.m. on 14 May 2026 in the following manner:

- (a) **by post** to the registered office of the Company at 180 Clemenceau Avenue #05-02, Haw Par Centre, Singapore 239922; or
- (b) **by email** to [AGM@halcyonagri.com](mailto:AGM@halcyonagri.com).

**Shareholders are strongly encouraged to submit completed questions electronically.**

(2) Shareholders (including CPF or SRS investors) will need to identify themselves when posing questions by email or by mail by providing the following details:

- (a) the shareholder's full name as it appears on his/her/its CDP/CPF/SRS/Scrip-based share records;
- (b) the shareholder's NRIC/Passport/UEN number;
- (c) the shareholder's contact number and email address; and
- (d) the manner in which the shareholder holds his/her/its Shares in the Company (e.g. via CDP, Scrip-based, CPF or SRS).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

(3) The Company will address substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM as received from shareholders either before or during the AGM. The responses to questions from shareholders will be posted on the SGXNET and the Company's website at least forty-eight (48) hours prior to the closing date and time for the lodgement of the Proxy Forms, or if answered during the AGM, to be included in the minutes of the AGM which will be published on the SGXNET and the Company's website within one (1) month after the date of the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

A "Relevant Intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Board, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

## GENERAL

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form. In addition, in the case of a shareholder whose shares are entered in the Depository Register, the Company may reject a Proxy Form if the shareholder, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

## PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, or by attending the AGM, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty. In addition, by attending the AGM and/or any adjournment thereof, a shareholder of the Company consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for any of the Purposes.

## PROXY FORM

### ANNUAL GENERAL MEETING

## HALCYON AGRI CORPORATION LIMITED

(Incorporated In the Republic of Singapore)  
(Registration No. 200504595D)

#### IMPORTANT:

1. Relevant intermediaries as defined in Section 181 of the Companies Act 1967 may appoint more than two proxies to attend, speak and vote at the Annual General Meeting ("AGM").
2. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the AGM in person. CPF and SRS Investors, who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the AGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

\*I/We, \_\_\_\_\_ (Name) \*NRIC/Passport/Co. Reg. No. \_\_\_\_\_

of \_\_\_\_\_ (address)

being a \*shareholder(s) of the abovenamed company, hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings	
			No. of Shares	(%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings	
			No. of Shares	(%)

or failing \*him/her, the Chairman of the Meeting, as \*my/our \*proxy/proxies, to attend and vote for \*me/us on \*my/our behalf at the AGM to be held at Hope & Faith meeting room, Level 3, YWCA Fort Canning, 6 Fort Canning Road, Singapore 179494 on Friday, 22 May 2026 at 3.00 p.m.

\*I/We direct \*my/our \*proxy/proxies to vote in the manner indicated below. **If no specific direction as to the manner of voting is given, \*my/our \*proxy/proxies may vote or abstain at his discretion.**

ORDINARY RESOLUTIONS		Number of Votes		
		For**	Against**	Abstain**
<b>Ordinary Business</b>				
Resolution 1	Adoption of Directors' Statement, Audited Financial Statements and Independent Auditor's Report			
Resolution 2	Re-election of Mr Eddie Chan Yean Hoe as Director			
Resolution 3	Re-election of Ms Fan Xiaohong as Director			
Resolution 4	Re-election of Mr Xu Xingbin as Director			
Resolution 5	Approval of Directors' fees of up to S\$600,000 for the financial year ending 31 December 2026			
Resolution 6	Re-appointment of Messrs Ernst & Young LLP as Auditor			
<b>Special Business</b>				
Resolution 7	Renewal of IPT General Mandate			

All resolutions put to vote at the AGM shall be decided by way of poll.

\* Delete accordingly

\*\* Please tick  or cross X or indicate the number of votes within the box set against each resolution to cast your votes "For" or "Against" in respect of that resolution. If you wish your proxy to Abstain from voting on a resolution, please tick  or cross X or indicate the number of votes in the "Abstain" box in respect of that resolution.

Dated this \_\_\_\_\_ day of May 2026

\_\_\_\_\_  
Signature(s) or Common Seal of shareholder(s)

Shares in:	Total No. of Shares Held
(a) CDP Register	
(b) Register of Members	
<b>Total</b>	

**IMPORTANT: PLEASE READ THE NOTES OVERLEAF which contain instructions on, *inter alia*, the appointment of the Chairman of the Meeting as a shareholder's proxy to attend, speak and vote on his/her/its behalf at the AGM.**



**Notes:**

1. Please insert the total number of shares in the share capital of the Company held by the shareholder. If the shareholder has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), he should insert that number of shares. If the shareholder has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the shareholder has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the number of shares entered against his name in the Depository Register and registered in his name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the shareholder.
2. A shareholder of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM in his stead.
3. Where a shareholder appoints more than one proxy, the shareholder must specify the proportion of shareholdings (expressed as a percentage of the whole) to be represented by each proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry one hundred per cent (100%) of the shareholdings of his/its appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.
4. In relation to a relevant intermediary who wishes to appoint more than two proxies, it should annex to the instrument appointing a proxy or proxies the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of shareholding (number of shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF investors as its proxies shall comply with this Note.
5. A proxy need not be a shareholder of the Company.
6. The instrument appointing the proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer(s).
7. Where an instrument appointing the proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof (failing previous registration with the Company) must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. The completed and signed proxy form must be submitted to the Company in the following manner:
  - (a) by post and be lodged with the registered office of the Company at 180 Clemenceau Avenue #05-02, Haw Par Centre, Singapore 239922; or
  - (b) by email to [AGM@halcyonagri.com](mailto:AGM@halcyonagri.com) enclosing a clear scanned copy of the proxy form,and must be received by the Company by 19 May 2026 at 3.00 p.m. (Singapore time) (being 72 hours before the time appointed for the holding of the AGM).

**Shareholders are strongly encouraged to submit completed proxy forms electronically.**

9. Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), including CPF and SRS investors, and who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 13 May 2026 at 3.00 p.m. (Singapore time).

**A "Relevant Intermediary" means:**

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Board, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

**General:**

The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the proxy form. In addition, in the case of a shareholder whose shares are entered in the Depository Register, the Company may reject a proxy form if the shareholder, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, or by attending the AGM, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty. In addition, by attending the AGM and/or any adjournment thereof, a shareholder of the Company consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for any of the Purposes.





# HALCYON

**HALCYON AGRI CORPORATION LIMITED**

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