

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE**DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF FARMIERA BERHAD ("FARMIERA" OR THE "COMPANY") DATED 21 OCTOBER 2025 ("PROSPECTUS").**

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in the Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

1. OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 21 OCTOBER 2025

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 30 OCTOBER 2025

Applications for our IPO Shares will open and close at the dates stated above.

Late applications will not be accepted. In the event there is any change to the dates stated above, we will advertise the notice of changes in a widely circulated English and Bahasa Malaysia newspaper in Malaysia, and make an announcement on Bursa Securities' website.

2. METHODS OF APPLICATIONS**2.1 Public Issue**

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that your Application will succeed. You agree to be bound by our Constitution.

Types of Application and category of investors	Application Method
Applications by our Eligible Persons	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

2.2 Placement

Types of Application	Application Method
Applications by: Bumiputera Investors approved by MITI	MITI will contact the Bumiputera Investors directly. They should follow MITI's instructions.
Selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.

Eligible persons and selected investors may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

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3. ELIGIBILITY

3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in Section 12 of this "Detailed Procedures for Application and Acceptance" accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. **Invalid, nominee or third party CDS Accounts** will not be accepted for the Applications.

In the case of an application by way of Application Form, you must state your CDS account number in the space provided in the Application Form.

In the case of an application by way of Electronic Share Application, you shall furnish your CDS account number to the Participating Financial Institution by way of keying in your CDS account number if the instructions on the ATM screen at which you enter your Electronic Share Application require you to do so. Only an individual can make an Electronic Share Application. A corporation or institution cannot apply for our Shares by way of Electronic Share Application.

In the case of an Application by way of Internet Share Application, you shall furnish your CDS account number to the Internet Participating Financial Institutions by keying your CDS account number into the online application form. Only an individual who has an existing account to their internet financial services with the Internet Participating Financial Institutions can make an Internet Share Application. A corporation or institution cannot apply for our Shares by way of Internet Share Application.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WISHING TO APPLY FOR IPO SHARES USING A JOINT BANK ACCOUNT SHOULD ENSURE THAT THEIR APPLICATION DETAILS MATCH THOSE OF THE CDS ACCOUNT INDICATED IN THE APPLICATION. ANY DISCREPANCY BETWEEN THE INFORMATION PROVIDED BY YOUR FINANCIAL INSTITUTION AND THE CDS ACCOUNT RECORD WILL RESULT IN APPLICATION REJECTION. TO AVOID ANY REJECTION, PLEASE CONTACT YOUR FINANCIAL INSTITUTION TO VERIFY THE DETAILS. PLEASE NOTE THAT OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE WILL NOT BE LIABLE FOR ANY ISSUES ARISING THEREAFTER.

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3.2 Application by the Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

- (i) you must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares with a Malaysian address; or
 - (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) you must not be a director or employee of our Issuing House or an immediate family member of a director or employee of our Issuing House; and
- (iii) you must submit Applications by using only one of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

3.3 Application by the Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation.

The Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, our Issuing House, Malacca Securities, participating organisations of Bursa Securities and members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

4. PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

Each application for our Shares must be made using the correct type of Application Form. The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The Malaysian Public must follow the following procedures in making their applications through the **White Application Form**:

- (i) obtain the relevant Application Form together with the Official "A" and "B" envelopes and our Prospectus.

The **White Application Form** together with our Prospectus, can be obtained subject to availability from Malacca Securities, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia or Malaysian Investment Banking Association, our Issuing House and our Company.

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- (ii) in accordance with Section 232(2) of the CMSA, the **White Application Form** is accompanied by our Prospectus. You are advised to read and understand our Prospectus before making your Application.
- (iii) complete the **White Application Form** legibly and **STRICTLY** in accordance with the notes and instructions printed on it and in our Prospectus, including:
 - (a) ensuring that your personal particulars submitted in your Application are identical with the records maintained by Bursa Depository. You are required to inform Bursa Depository promptly of any changes to your personal particulars as the notification letter of successful allocation will be sent to your registered or correspondence address last maintained with Bursa Depository;
 - (b) stating your CDS account number in the space provided in the **White Application Form**. Invalid or nominee or third party CDS accounts will **not** be accepted;
 - (c) stating the details of your payment in the appropriate boxes provided in the **White Application Form**; and
 - (d) stating the number of shares applied. Applications must be for at least 100 IPO Shares or multiples of 100 IPO Shares.
- (iv) prepare the appropriate form of payment in RM for the FULL amount payable based on the IPO Price of RM0.25 for each IPO Share.

Payment must be made out in favour of "**TIH SHARE ISSUE ACCOUNT NO. 812**" and crossed "**A/C PAYEE ONLY**" and endorsed on the reverse side with your name and address.

Only Banker's Draft or Cashier's Order drawn on a bank in Kuala Lumpur, Money or Postal Orders (for applicants from Sabah and Sarawak only) and Guaranteed Giro Order from Bank Simpanan Nasional Malaysia Berhad will be accepted.

We will not accept Applications with excess or insufficient remittances or inappropriate forms of payment. Remittances must be completed in the appropriate boxes provided in the **White Application Form**.

- (v) insert the **White Application Form** together with payment and a legible photocopy of your identification document (NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) for individual applicant; or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable)) into the Official "A" envelope and seal it. You must write your name and address on the outside of the Official "A" and "B" envelopes.

Affix RM1.50 stamp on the Official "A" envelope and insert the Official "A" envelope into the Official "B" envelope.

The name and address written must be identical to your name and address as in your NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) for individual applicant; or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable).

- (vi) each completed **White Application Form**, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

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- (a) despatch by **ORDINARY POST** in the official envelopes provided to the following address:

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

- (b) **DELIVERED BY HAND AND DEPOSIT** in the issuing house drop-in box provided at:

Unit G-3, Ground Floor
Vertical Podium,
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan

so as to arrive not later than 5.00 p.m. on 30 October 2025 or by such other time and date specified in any change to the date or time for closing. We will not accept late Applications.

We, together with our Issuing House, will not issue any acknowledgement of the receipt of your **White Application Form** or Application monies. Please direct all enquiries in respect of the **White Application Form** to our Issuing House.

5. PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

5.1 Participating Financial Institutions

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

The following processing fee for each Electronic Share Application will be charged by the respective Participating Financial Institutions (unless waived) as follows:

Participating Financial Institutions	Charges
Affin Bank Berhad	Free
Alliance Bank Malaysia Berhad	RM1.00
AmBank (M) Berhad	RM1.00
CIMB Bank Berhad	RM2.50
Malayan Banking Berhad	RM1.00
Public Bank Berhad	RM2.00
RHB Bank Berhad	RM2.50

Please note that these processing fees may be varied or waived from time to time at the discretion of the respective Participating Financial Institutions. Please contact the relevant Participating Financial Institutions for further enquiries.

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5.2 Procedures for Electronic Share Application

The exact procedures, terms and conditions for Electronic Share Application at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions.

PLEASE READ THE TERMS OF OUR PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR ELECTRONIC SHARES APPLICATIONS SET OUT BELOW AND AT THE RESPECTIVE ATM CAREFULLY PRIOR TOMAKING AN ELECTRONIC SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Participating Financial Institutions.

You must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for our IPO Shares at an ATM belonging to other Participating Financial Institutions.

You are to submit at least the following information through the ATM, where the instructions on the ATM screen require you to do so:

- Personal Identification Number ("**PIN**");
- **TIH Share Issue Account No. 812**;
- Your CDS account number;
- Number of IPO Shares applied for and the RM amount to be debited from the account; and
- Confirmation of several mandatory statements as set out in Section 5.3 below.

Upon the completion of your Electronic Share Application transaction at the ATM, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or our Issuing House. The Transaction Record is for your records and should not be submitted with any Application Form.

5.3 Terms and conditions for Electronic Share Application

You must have a CDS account to be eligible to use the Electronic Share Application. Invalid, nominee or third party CDS accounts will not be accepted.

YOU MUST ENSURE THAT YOU USE YOUR OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. IF YOU OPERATE A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION, YOU MUST ENSURE THAT YOU ENTER YOUR OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR OWN NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE ABOVE.

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below:

- (i) the Electronic Share Application shall be made in relation to and subject to the terms of our Prospectus and our Company's Constitution.
- (ii) you are required to confirm the following statements (by pressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given are true and correct:

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- (a) you are at least 18 years old as at the date of the application for our IPO Shares;
- (b) you are a Malaysian citizen residing in Malaysia;
- (c) you have read our Prospectus and understood and agreed with the terms and conditions of the Application;
- (d) the Electronic Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public; and
- (e) you give consent to the disclosure by the relevant Participating Financial Institutions and/or Bursa Depository, as the case may be, of your information, your Electronic Share Application or your account with the Participating Financial Institution and Bursa Depository, to our Issuing House and other relevant authorities.

Your Application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, it is considered that you have confirmed each of the above statements as well as given consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act, 2013 and Section 45 of SICDA) to the disclosure by the relevant Participating Financial Institutions and/or Bursa Depository, as the case may be, of your information to our Issuing House or any relevant authorities.

- (iii) you confirm that you are not applying for our IPO Shares offered to the Malaysian Public as a nominee of any other person and your Electronic Share Application is made in your name as the beneficial owner. You shall only make one Electronic Share Application and shall not make any other application for our IPO Shares offered to the Malaysian Public.
- (iv) you must have sufficient funds in your account with the relevant Participating Financial Institution at the time the Electronic Share Application, to cover and pay for our Shares and the relating processing fees, charges and expenses, if any, to be incurred, failing which your Electronic Share Application will not be deemed complete. Any Electronic Share Application which does not conform strictly to the instructions set out in our Prospectus or any instruction displayed on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.
- (v) you irrevocably agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated in the Transaction Record or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that we decide to allot or allocate a lesser number of such IPO Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation of the number of Shares applied for (by your action of pressing the designated keys or buttons on the ATM keyboard) shall be deemed to signify, and shall be treated as,
 - (a) your acceptance of the number of Shares that may be allotted or allocated to you in the event that your Electronic Share Application is successful or successful in part, as the case may be; and
 - (b) your agreement to be bound by our Constitution.

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- (vi) our Issuing House, on the authority of our Board, reserves the right to reject any Electronic Share Application or accept any Electronic Share Application in whole or in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating our IPO Shares to a reasonable number of Applicants with a view to establishing a liquid and adequate market for our Shares.
- (vii) you request and authorise us:
 - (a) to credit our IPO Shares allotted or allocated to you into your CDS account; and
 - (b) to issue share certificate(s) representing such IPO Shares or jumbo certificates which represent, amongst others, such IPO Shares, allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (viii) you acknowledge that your Electronic Share Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control or the control of our Issuing House, Bursa Depository or the Participating Financial Institution, and irrevocably agree that if:
 - (a) our Company or our Issuing House does not receive your Electronic Share Application and/or payment; or
 - (b) the data relating to your Electronic Share Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company or our Issuing House,

you shall be deemed not to have made an Electronic Share Application and shall not make any claim whatsoever against our Company, our Issuing House and/or the relevant Participating Financial Institution for our IPO Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.
- (ix) all of your particulars in the records of the relevant Participating Financial Institution at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, our Issuing House and the relevant Participating Financial Institution, and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information, shall be entitled to rely on their accuracy thereof.
- (x) you shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. Otherwise, your Electronic Share Application will be rejected. You must inform Bursa Depository promptly of any change in address, failing which the notification letter of successful allotment will be sent to your registered or correspondence address last maintained with Bursa Depository.
- (xi) by making and completing an Electronic Share Application, you agree that:
 - (a) in consideration of us agreeing to allow and accept the application for our IPO Shares through the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;

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- (b) we, the Participating Financial Institutions, Bursa Depository and our Issuing House shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond our or the control of any of them;
 - (c) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of your offer to subscribe for and purchase our IPO Shares for which the Electronic Share Application has been successfully completed shall be constituted by the issue of notices of allotment in respect of the said IPO Shares;
 - (d) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renouncee any instrument of transfer and other documents required for the issue or transfer of our IPO Shares allotted or allocated to you; and
 - (e) you agree that in relation to any legal action, proceedings or disputes arising out of or in relation to the contract between the parties and/or the Electronic Share Application and/or any terms of our Prospectus, all rights, obligations and liabilities of the parties shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies of Malaysia and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (xii) our Issuing House, acting on the authority of our Board, reserves the right to reject Applications which do not conform to these instructions.

6. APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS**6.1 Internet Participating Financial Institutions or Participating Securities Firms**

Applications for our Shares by the Malaysian Public individuals may be made through the internet financial services website of the Internet Participating Financial Institutions.

The following processing fee for each Internet Share Application will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) as follows:

YOU ARE ADVISED NOT TO APPLY FOR OUR IPO SHARES THROUGH ANY WEBSITE OTHER THAN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.

Internet Participating Financial Institution or Participating Securities Firm	Website address	Fees charged
Affin Bank Berhad	https://rib.affinalways.com	Free
Alliance Bank Malaysia Berhad	www.allianceonline.com.my	RM1.00
CGS International Securities Malaysia Sdn Bhd (<i>formerly known as CGS-CIMB Securities Sdn Bhd</i>)	https://eipo.cgsi.com.my/	RM2.00 for payment through CIMB Bank Berhad or Malayan Banking Berhad
Kenanga Investment Bank Berhad	https://kentrade.com.my/	Free

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Internet Participating Financial Institution or Participating Securities Firm	Website address	Fees charged
Malacca Securities Sdn Bhd	https://eipo.mplonline.com	Free
Malayan Banking Berhad	www.maybank2u.com.my	RM1.00
Moomoo Securities Malaysia Sdn Bhd	https://www.moomoo.com.my	Free
Public Bank Berhad	www.pbebank.com	RM2.00
RHB Bank Berhad	www.rhbgroup.com/index.html	RM2.50
TA Securities Holdings Berhad	https://eservices.tasecurities.com.my/auth/login	Free
UOB Kay Hian (M) Sdn Bhd (formerly known UOB Kay Hian Securities (M) Sdn Bhd)	https://eipo.utrade.com.my	Free

Please note that these fees may be varied or waived from time to time at the discretion of the respective Internet Participating Financial Institutions or Participating Securities Firms. Please contact the relevant Internet Participating Financial Institutions or Participating Securities Firms for further enquiries.

PLEASE READ THE TERMS OF OUR PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR INTERNET SHARE APPLICATIONS SET OUT BELOW AND AT THE INTERNET FINANCIAL SERVICES WEBSITE OF THE RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS CAREFULLY PRIOR TO MAKING AN INTERNET SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Internet Participating Financial Institutions or Participating Securities Firms.

6.2 Terms and conditions for Internet Share Application

PLEASE NOTE THAT THE ACTUAL TERMS AND CONDITIONS OUTLINED BELOW SUPPLEMENT THE ADDITIONAL TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.

An Internet Share Application shall be made on and subject to the following terms and conditions:

- (i) you can make an Internet Share Application if you fulfill all of the following:
 - (a) you are an individual with a CDS account and in the case of a joint account, an individual CDS account registered in your name which is to be used for the purpose of the application if you are making the application instead of a CDS account registered in the joint account holder's name;
 - (b) you have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institution or Participating Securities

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Firm. You must have your user identification ("**User ID**") and PIN/password for the relevant Internet financial services facilities; and

- (c) you are a Malaysian citizen and have a mailing address in Malaysia.

You are advised to note that a User ID and PIN/password issued by one of the Internet Participating Financial Institutions or Participating Securities Firms cannot be used to apply for our IPO Shares at Internet financial service websites of other Internet Participating Financial Institutions or Participating Securities Firms.

- (ii) an Internet Share Application shall be made on and subject to the terms of our Prospectus and our Company's Constitution.
- (iii) you are required to confirm the following statements (by selecting the designated hyperlink on the relevant screen of the Internet financial services website of the Internet Participating Financial Institution or Participating Securities Firm) and to undertake that the following information given are true and correct:
 - (a) you are at least 18 years old as at the date of the application for our IPO Shares;
 - (b) you are a Malaysian citizen residing in Malaysia;
 - (c) you have, prior to making your Internet Share Application, received and/or have had access to a printed/electronic copy of our Prospectus, the contents of which you have fully read and understood;
 - (d) you agree to all the terms and conditions of the Internet Share Application as set out in our Prospectus and have carefully considered the risk factors as well as all other information and statements set out in our Prospectus, before making your Internet Share Application;
 - (e) your Internet Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public;
 - (f) you authorise the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution to deduct the full amount payable for our IPO Shares from your account with the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution;
 - (g) you give express consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act, 2013 and Section 45 of SICDA) to the disclosure by the Internet Participating Financial Institution or Participating Securities Firm, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of your information, your Internet Share Application or your account with the Internet Participating Financial Institution or Participating Securities Firm, to our Issuing House and the Authorised Financial Institution, the SC and any other relevant authorities;
 - (h) you are not applying for our IPO Shares offered to the Malaysian Public as a nominee of any other person and your Internet Share Application is made in your own name, as the beneficial owner and subject to the risks referred to in our Prospectus;
 - (i) you authorise the Internet Participating Financial Institution or Participating Securities Firm to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company, Bursa Securities or other relevant parties in connection with our IPO, all information

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relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution or Participating Securities Firm, necessary for the provision of the Internet Application services or if such disclosure is requested or required in connection with our IPO. Further, the Internet Participating Financial Institution or Participating Securities Firm will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institution or Participating Securities Firm in connection with the use of the Internet Share Application services.

- (iv) your Application will not be successfully completed and cannot be recorded as a completed application unless you have paid for our IPO Shares through the website of the Authorised Financial Institution and completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen.

For the purposes of our Prospectus, "**Confirmation Screen**" shall mean the screen which appears or is displayed on the Internet financial services website, which confirms that your Internet Share Application has been completed and states the details of your Internet Share Application, including the number of IPO Shares applied for which you can print out for your records.

Upon the display of the Confirmation Screen, you will be deemed to have confirmed the truth of the statements set out in Section 6.2(iii) above. The Confirmation Screen is only a record of the completed transaction with an Internet Participating Financial Institution or Participating Securities Firm and not a record of the receipt of the Internet Share Application or any data relating to such an Internet Share Application by our Company or our Issuing House. The Confirmation Screen is for your record and should not be submitted with any Application Form.

- (v) you must have sufficient funds in your account with the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution at the time of making your Internet Share Application, to cover and pay for our IPO Shares and the related processing fees, charges and expenses, if any, to be incurred, failing which your Internet Share Application will not be deemed complete, notwithstanding the display of the Confirmation Screen. Any Internet Share Application which does not conform strictly to the instructions set out in our Prospectus or any instructions displayed on the screens of the Internet financial services website through which the Internet Share Application is made shall be rejected.
- (vi) you irrevocably agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated on the Confirmation Screen or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Internet Share Application. In the event that we decide to allot or allocate lesser number of such Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final.

In the course of completing your Internet Share Application on the website of the Internet Participating Financial Institution or the Authorised Financial Institution, your confirmation of the number of IPO Shares applied for (by way of your action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:

- (a) your acceptance of the number of IPO Shares that may be allotted or allocated to you in the event that your Internet Share Application is successful or successful in part, as the case may be; and
- (b) your agreement to be bound by the Constitution of our Company.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (vii) you are fully aware that multiple or suspected multiple Internet Share Applications for our IPO Shares will be rejected. **A PERSON WHO SUBMITS MULTIPLE INTERNET SHARE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.** Our Company reserves the right to reject any Internet Share Application or accept any Internet Share Application in whole or in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating our Shares to a reasonable number of Applicants with a view to establishing a liquid and adequate market for our Shares.
- (viii) an Internet Share Application is deemed to be received only upon its completion, which is when the Confirmation Screen is displayed on the internet financial services website. You are advised to print out and retain a copy of the Confirmation Screen for reference and record purposes. Late Internet Share Applications will not be accepted.
- (ix) you acknowledge that your Internet Share Application is subject to risk of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, and other events beyond our control or the control of the Internet Participating Financial Institution or Participating Securities Firm, the Authorised Financial Institution, our Issuing House and our Company and irrevocably agree that if:
 - (a) our Company, our Issuing House, the Internet Participating Financial Institution or Participating Securities Firm and/or the Authorised Financial Institution do not receive your Internet Share Application and/or payment; and
 - (b) any data relating to your Internet Share Application or the tape or any other devices containing such data and/or payment is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially, and for any reason whatsoever,

you will be deemed not to have made an Internet Share Application and you will not make any claim whatsoever against our Company, our Issuing House, the Internet Participating Financial Institution or Participating Securities Firm and/or the Authorised Financial Institution in relation to our IPO Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.
- (x) all of your particulars in the records of the relevant Internet Participating Financial Institution or Participating Securities Firm at the time of making your Internet Share Application shall be deemed to be true and correct, and we, our Issuing House, the relevant Internet Participating Financial Institutions or Participating Securities Firms, Authorised Financial Institutions and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information, shall be entitled to rely on the accuracy thereof.
- (xi) you must ensure that your personal particulars as recorded by both Bursa Depository and the Internet Participating Financial Institution or Participating Securities Firm and/or the Authorised Financial Institution are correct and identical. Otherwise, your Internet Share Application will be rejected. The notification letter on successful allotment will be sent to your last address maintained with Bursa Depository. It is your responsibility to notify the Internet Participating Financial Institution or Participating Securities Firm and Bursa Depository of any changes in your personal particulars that may occur from time to time.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**7. AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE**

Your Application will be selected in a manner to be determined by our Board. Due consideration will be given to the desirability of allotting and allocating our Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares. Our Issuing House, on the authority of our Board, reserves the right to:

- (i) reject Applications which:
 - (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful/partially successful Applicants) which would subsequently be refunded, where applicable (without interest) by:
 - (a) ordinary post through the self-addressed and stamped Official "A" envelope which you have provided to our Issuing House;
 - (b) crediting into your bank account for the purposes of cash dividend/distribution if you have provided such bank account information to Bursa Depository; or
 - (c) ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of our Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

8. OVER/UNDER-SUBSCRIPTION

In the event of over-subscription, the Issuing House, will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our Issue Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of our Issue Shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at <https://srmy.vistra.com> within 1 Market Day after the balloting date.

Pursuant to the Listing Requirements we are required to have a minimum of 25.00% of our Company's Shares to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation provisions as set out in Section 4.3.3 of this Prospectus, any of the abovementioned Issue Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

9. UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner:

9.1 For Applications by way of Application Forms

- (i) the Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) if your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the National Registration Identity Card or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) a number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by our Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) our Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

9.2 For applications by way of Electronic Share Application and Internet Share Application

- (i) Our Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited (without interest) into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from our Issuing House.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (ii) You may check your account on the 5th Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by our Issuing House by crediting into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from our Issuing House.

10. SUCCESSFUL APPLICANTS

If you are successful in your Application:

- (i) our IPO Shares allotted to you will be credited into your CDS account.
- (ii) a notice of allotment will be despatched to you at your registered or correspondence address last maintained with Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) in accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited in the CDS subject to the provision of the SICDA and the Rules of Bursa Depository. As such, our IPO Shares issued/offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) in accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

11. ENQUIRIES

Enquiries in respect of the Applications may be directed as follows:

Mode of Application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services Telephone at telephone no. +60 3 2783 9299
Electronic Share Application	The relevant Participating Financial Institutions
Internet Share Application	The relevant Internet Participating Financial Institutions or Participating Securities Firms and Authorised Financial Institutions

The results of the allocation of the IPO Shares derived from successful balloting will be made available to the public at the Issuing House's website at <https://srmy.vistra.com>, 1 Market Day after the balloting date.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

You may also check the status of your Application at the above website, 5 Market Days after the balloting date or by calling your respective ADAs during office hours at the telephone number as set out in Section 12 below or the Issuing House at the telephone no. +603-2783 9299.

12. LIST OF ADAS

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:

Name	Address and telephone number	Broker code
<u>KUALA LUMPUR</u>		
AFFIN HWANG INVESTMENT BANK BHD	2nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr Ismail 60000 Kuala Lumpur Tel No.: 03-7710 6688	068-009
AFFIN HWANG INVESTMENT BANK BHD	Mezzanine & 3rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-2143 8668	068-018
PHILIP CAPITAL SDN BHD <i>(formerly known as Alliance Investment Bank Berhad)</i>	B-18-6, Block B, Level 18 Megan Avenue II No. 12, Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel No.: 03-2783 0361	076-001
AMINVESTMENT BANK BERHAD	8-9, 11-18, 21-25th Floor Bagunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-2031 0102	086-001
BIMB SECURITIES SDN BHD	32nd Floor, Menara Multi-Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel No.: 03-2613 1600	024-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	3rd Floor, Lot 1511 & 1512 Jalan Mutiara Timur Satu Taman Mutiara Cheras 56100 Kuala Lumpur Tel No.: 03-9132 7424/7428/7429	065-001
FA SECURITIES SDN BHD	A-10-17 & A-10-1 Level 10, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1 59000 Kuala Lumpur Tel No.: 03-2288 1676	021-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
HONG LEONG INVESTMENT BANK BERHAD	Mezzanine Floor Level 3A, Block B, HP Towers No.12 Jalan Gelenggang 60000 Kuala Lumpur Tel No.: 03-2080 8777	066-002
HONG LEONG INVESTMENT BANK BERHAD	Level 27 & 28, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Tel No.: 03-2083 1800	066-008
INTER-PACIFIC SECURITIES SDN BHD	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel No.: 03-2117 1888	054-001
CIMB SECURITIES SDN BHD (formerly known as KAF EQUITIES SDN BHD)	11th-14th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-2171 0228	053-001
KENANGA INVESTMENT BANK BHD	Level 17, Kenanga Tower 237 Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-2172 2888	073-001
KENANGA INVESTMENT BANK BERHAD	Ground Floor, West Wing ECM Libra Building 8, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel No.: 03-2089 2888	073-021
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 The Boulevard, Bandar Mid Valley Lingkaran Syed Putra 59200 Kuala Lumpur Tel No.: 03-2282 1820	057-002
MALACCA SECURITIES SDN BHD	No. 76-1, Jalan Wangsa Maju Delima 6 Pusat Bandar Wangsa Maju (KLSC) 53300 Setapak, Kuala Lumpur Tel No.: 03-4144 2565	012-001
MALACCA SECURITIES SDN BHD	B-M-10, Block B Plaza Arkadia Jalan Intisari Perdana Desa Park City 52200 Kuala Lumpur Tel No.: 03-2733 9782	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	B01-A-13A Level 13A, Menara 2 No. 3 Jalan Bangsar KL ECO City 59200 Kuala Lumpur Tel No.: 03-2201 2100	012-001
MAYBANK INVESTMENT BANK BERHAD	Level 5, Tower C Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No.: 03-2297 888	098-001
MERCURY SECURITIES SDN BHD	L-7-2, No.2, Jalan Solaris Solaris Mont Kiara 50480 Kuala Lumpur Tel No.: 03-6203 7227	093-002
MOOMOO SECURITIES MALAYSIA SDN BHD <i>(formerly known as Futu Malaysia Sdn Bhd)</i>	Level 9, Menara Khuan Choo 75A Jalan Raja Chulan Bukit Bintang 50200 Kuala Lumpur Tel No.: 03-9212 0718	062-001
MIDF AMANAH INVESTMENT BANK BHD	9-12th Floor, Menara MIDF 82, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-2173 8888	026-001
NEWPARADIGM SECURITIES SDN BHD <i>(formerly known as PM SECURITIES SDN BHD)</i>	11th Floor, Menara Public Bank 2 No. 78, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-3368 3000	064-001
PUBLIC INVESTMENT BANK BHD	27th Floor, Bangunan Public Bank No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No.: 03-2268 3000	051-001
RHB INVESTMENT BANK BHD	Level 1, Tower 3 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-9280 2233	087-001
RHB INVESTMENT BANK BHD	Level 5, Tower One RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-9280 2453	087-001
RHB INVESTMENT BANK BHD	No. 62, 62-1 & 64, 64-1 Vista Magna Jalan Prima, Metro Prima 52100 Kepong Kuala Lumpur Tel No.: 03-6257 5869	087-028

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BHD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel No.: 03-4280 4798	087-054
RHB INVESTMENT BANK BHD	Ground Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No.: 03-9058 7222	087-058
TA SECURITIES HOLDINGS BERHAD	34th Floor, Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No.: 03-2072 1277	058-003
UOB KAY HIAN SECURITIES (M) SDN BHD	N3, Plaza Damas No. 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No.: 03-6205 6000	078-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 19th Floor Menara Keck Seng No. 203, Jalan Bukit Bintang 55100 Kuala Lumpur Tel No.: 03-2147 1888	078-010
<u>SELANGOR DARUL EHSAN</u>		
AFFIN HWANG INVESTMENT BANK BHD	Suite B3A1, East Wing 3A, Wisma Consplant 2 No. 7, Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5635 6688	068-010
AFFIN HWANG INVESTMENT BANK BHD	4th floors, Wisma Meru No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9999	068-019
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS 21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7710 6613	086-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
APEX SECURITIES BHD <i>(formerly known as JF Apex Securities Berhad)</i>	6th Floor, Menara Apex Off Jalan Semenyih, Bukit Mewah 43000 Kajang Selangor Darul Ehsan Tel No.: 03-8736 1118	079-001
APEX SECURITIES BHD <i>(formerly known as JF Apex Securities Berhad)</i>	16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7620 1118	079-002
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	Level 1 & 2 3 Damansara Office Tower No. 3, Jalan SS 20/27 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7717 3388	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	No. A-07-01 & A-07-02 Empire Office Tower Empire Subang Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5631 7934	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	2nd Floor (No. 26-2) Lorong Batu Nilam 4B Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No.: 03-3325 7105	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor (No. 11A) Jalan Kenari 1 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-5891 6852	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor, No.26A(F), 26A(M) & 26A(B), Jalan SJ6 Taman Selayang Jaya 68100 Batu Caves Selangor Darul Ehsan Tel No.: 03-5891 6852	065-001
KENANGA INVESTMENT BANK BHD	No. 55C, 2nd Floor Jalan USJ 10/1F 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8024 1773	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BHD	Level 1, East Wing Wisma Consplant 2 No. 7, Jalan SS16/1 47610 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5621 2118	073-001
KENANGA INVESTMENT BANK BHD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7725 9095	073-001
KENANGA INVESTMENT BANK BHD	No. 35, (Ground, 1st & 2nd Floor) Jalan Tiara 3 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3348 8080	073-001
MALACCA SECURITIES SDN BHD	No. 16, Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5636 1533	012-001
MALACCA SECURITIES SDN BHD	No. 54M, Mezzanine Floor Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7876 1533	012-001
MAYBANK INVESTMENT BANK BERHAD	Wisma Bently Music Level 1, No. 3, Jalan PJU 7/2 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7718 8888	098-004
MAYBANK INVESTMENT BANK BERHAD	Suite 8.02, Level 8, Menara Trend Intan Millennium Square No. 68, Jalan Batai Laut 4 Taman Intan 41300 Klang Selangor Darul Ehsan Tel No.: 03-3050 8888	098-003
NEWPARADIGM SECURITIES SDN BHD (formerly known as PM SECURITIES SDN BHD)	1st Floor, 157-A Jalan Kenari 23A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-8070 0773	064-003

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
NEWPARADIGM SECURITIES SDN BHD <i>(formerly known as PM SECURITIES SDN BHD)</i>	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3341 5300	064-007
RHB INVESTMENT BANK BHD	24, 24M, 24A, 26M, 28M, 28A & 30A Jalan SS2/63 47300 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7873 6366	087-011
RHB INVESTMENT BANK BHD	1st Floor 10 & 11, Jalan Maxwell 48000 Rawang Selangor Darul Ehsan Tel No.: 03-6092 8916	087-047
RHB INVESTMENT BANK BHD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1 ½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9180	087-048
RHB INVESTMENT BANK BHD	Unit 1B, 2B & 3B USJ 10/1J 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8022 1888	087-059
SJ SECURITIES SDN BHD	26, Jalan Pendaftar U1/54 Temasya Glenmarie 40150 Shah Alam Selangor Darul Ehsan Tel No.: 03-5567 3000	096-001
SJ SECURITIES SDN BHD	No. A-3-11, Block Alamanda 3rd Floor, 10 Boulevard Lebuhraya Sprint PJU 6A 47400 Damansara Selangor Darul Ehsan Tel No.: 03-7732 3862	096-005
TA SECURITIES HOLDINGS BERHAD	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8025 1880	058-005

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
TA SECURITIES HOLDINGS BERHAD	2nd Floor, Wisma TA No. 1A, Jalan SS 20/1 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7795 5713	058-007
<u>PERAK DARUL RIDZUAN</u>		
AFFIN HWANG INVESTMENT BANK BHD	Tingkat Bawah, 1, 2 & 3 21, Jalan Stesen 30400 Taiping Perak Darul Ridzuan Tel No.: 05-8066 688	068-003
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	Ground, 1st, 2nd & 3rd Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2088 688	065-001
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2530 888	066-003
KENANGA INVESTMENT BANK BHD	Ground, 1st, 2nd & 4th Floor No. 63, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2422 828	073-022
M & A SECURITIES SDN BHD	5th, 6th & Unit 8A M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No.: 05-2419 800	057-001
MALACCA SECURITIES SDN BHD	1st Floor No. 3, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2541 533	012-013
MAYBANK INVESTMENT BANK BERHAD	B-G-04 (Ground Floor), Level 1 & 2 No. 42, Persiaran Greentown 1 Pusat Dagangan Greentown 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2453 400	098-002

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BHD	Ground & 1st Floor No. 17, Jalan Intan 2, Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-6236 498	087-014
RHB INVESTMENT BANK BHD	Gound & 1st Floor No. 23 & 25, Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No.: 05-6921 228	087-016
RHB INVESTMENT BANK BHD	21-25, Jalan Seenivasagam Greentown 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2415 100	087-023
RHB INVESTMENT BANK BHD	Ground Floor No. 40, 42 & 44, Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No.: 05-8088 229	087-034
RHB INVESTMENT BANK BHD	No. 1 & 3, First Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel No.: 05-7170 888	087-033
TA SECURITIES HOLDINGS BERHAD	Ground, 1st & 2nd Floor Plaza Teh Teng Seng, No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel No.: 05-2531 313	058-001
UOB KAY HIAN SECURITIES (M) SDN BHD	153A, Jalan Raja Musa Aziz 30300 Ipoh Perak Darul Ridzuan Tel No.: 05-2411 290	078-002
<u>PENANG</u>		
AFFIN HWANG INVESTMENT BANK BHD	Level 2, 3, 4, 5, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Penang Tel No.: 04-2636 996	068-001
AFFIN HWANG INVESTMENT BANK BHD	No. 2 & 4, Jalan Perda Barat, Bandar Perda 14000 Penang Tel No.: 04-5372 882	068-006

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
AMINVESTMENT BANK BERHAD	Level 3, Menara Liang Court No. 37, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2261 818	086-001
APEX SECURITIES BERHAD <i>(formerly known as JF Apex Securities Berhad)</i>	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Penang Tel No.: 04-2289 118	079-005
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	Level 2, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2385 900	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	No. 20-1 & 20-2 Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Bayan Lepas Penang Tel No.: 04-6412 881	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor, Unit 1308 & 1309 Jalan Besar, Sungai Bakap 14200 Sungai Jawi Penang Tel No.: 04-582 1388	065-001
INTER-PACIFIC SECURITIES SDN BHD	Canton Square Level 2 & 3 No. 56 Cantonment Road 10250 Penang Tel No.: 04-2268 288	054-002
KENANGA INVESTMENT BANK BHD	7th, 8th & 16th Floor Menara Boustead 39, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2283 355	073-023
MALACCA SECURITIES SDN BHD	28, Lorong Tangling Indah 3 Taman Tangling Indah 14100 Simpang Ampat Penang Tel No.: 04-5060 967	012-001
MALACCA SECURITIES SDN BHD	No. 17, 1st Floor Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Penang Tel No.: 04-6421 533	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
MAYBANK INVESTMENT BANK BERHAD	Ground Floor Bangunan KWSP No. 38, Lot PT 8, Seksyen 14 Jalan Sultan Ahmad Shah 10050 Georgetown Penang Tel No.: 04-2196 888	098-006
MERCURY SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor JKP Business Centre Lorong Bagan Luar Dua 12000 Butterworth, Seberang Perai Penang Tel No.: 04-3322 123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor Standard Chartered Bank Chambers 2 Lebuhr Pantai 10300 Penang Tel No.: 04-2639 118	093-004
NEWPARADIGM SECURITIES SDN BHD (formerly known as PM SECURITIES SDN BHD)	56B, 1st Floor Jalan Perak, Perak Plaza 10150 Penang Tel No.: 04-2273 000	064-004
PHILIP CAPITAL SDN BHD (formerly known as Alliance Investment Bank Berhad)	29A, Ground Floor Beach Street 10300 Penang Tel No.: 04-2616 363	076-015
RHB INVESTMENT BANK BHD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Penang Tel No.: 04-3900 022	087-005
RHB INVESTMENT BANK BHD	Ground Floor – Tingkat 3 & Tingkat 5 – Tingkat 8 64 & 64-D Lebuhr Bishop 10200 Penang Tel No.: 04-2634 222	087-033
RHB INVESTMENT BANK BHD	Ground & 1st Floor No. 15-G-5, 15-G-6, 15-1-5, 15-1-6 Medan Kampung Relau (Bayan Point) 11950 Penang Tel No.: 04-6404 888	087-042
TA SECURITIES HOLDINGS BERHAD	3rd Floor, Bangunan Heng Guan 171, Jalan Burmah 10050 Penang Tel No.: 04-2272 339	058-010

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
UOB KAY HIAN SECURITIES (M) SDN BHD	1st and 2nd Floor Bangunan Heng Guan No. 171 Jalan Burmah 10050 Penang Tel No.: 04-2299 318	078-002
UOB KAY HIAN SECURITIES (M) SDN BHD	21 Jalan Bayu Mutiara 2 Taman Bayu Mutiara 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5047 313/316	078-003
<u>KEDAH DARUL AMAN</u>		
AFFIN HWANG INVESTMENT BANK BHD	No. 70A, B & C, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-4256 666	068-011
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	2nd Floor, No.102 Kompleks Persiaran Sultan Abdul Hamid Jalan Pegawai 05050 Alor Setar Kedah Darul Aman Tel No.: 04-7774 400	065-001
MALACCA SECURITIES SDN BHD	No. 9, Tingkat Satu Kompleks Perniagaan LITC Jalan Putra Mergong 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7300 299	012-001
PHILIP CAPITAL SDN BHD <i>(formerly known as Alliance Investment Bank Berhad)</i>	Lot T-30, 2nd Floor Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No.: 04-7317 088	076-004
RHB INVESTMENT BANK BHD	Ground & 1st Floor 214-A & 214-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7209 888	087-021
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 4, 4, & 5A, 1st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahaan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7322 111	078-007

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
<u>NEGERI SEMBILAN DARUL KHUSUS</u>		
AFFIN HWANG INVESTMENT BANK BHD	No. 29G, Jalan S2 B16 Pusat Dagangan Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-6037 408	068-007
AFFIN HWANG INVESTMENT BANK BHD	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553 188	068-013
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor, No.21 Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553 155	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	2nd Floor, Lot 3110 Jalan Besar, Lukut 71010 Port Dickson Negeri Sembilan Darul Khusus Tel No.: 06-6515 385	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	Level 2, Wisma Dewan Perniagaan Melayu Negeri Sembilan Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7614 651	065-001
KENANGA INVESTMENT BANK BHD	1C & 1D, 1st Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7655 998	073-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor, Wisma HM No. 43 Jalan Dr. Krishnan 70000, Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7669 555	098-005
NEWPARADIGM SECURITIES SDN BHD <i>(formerly known as PM SECURITIES SDN BHD)</i>	Ground, 1st, 2nd & 3rd Floor 19, 20 & 21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7623 131	064-002

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
NEWPARADIGM SECURITIES SDN BHD <i>(formerly known as PM SECURITIES SDN BHD)</i>	Ground & 1st Floor No. 3, Jalan Dato Abdullah 71200 Kuala Klawang Negeri Sembilan Darul Khusus Tel No.: 06-6137 767	064-002
RHB INVESTMENT BANK BHD	Ground, 1st & 2nd Floor No. 32 & 33 Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7641 641	087-024
<u>MELAKA</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	Ground, 1st & 2nd Floor No. 191 Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No.: 06-2898 897	065-001
KENANGA INVESTMENT BANK BHD	71 & 73 (Ground, A&B) Jalan Merdeka, Taman Melaka Raya 75000 Melaka Tel No.: 06-2881 720	073-001
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM 9 Plaza Pandan Malim (Business Park) Balai Panjang P.O Box 248 75250 Melaka Tel No.: 06-3371 533	012-001
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2921 898	093-003
NEWPARADIGM SECURITIES SDN BHD <i>(formerly known as PM SECURITIES SDN BHD)</i>	No. 6-1, Jalan Lagenda 2 Taman 1 Legenda 75400 Melaka Tel No.: 06-2866 008	064-006
RHB INVESTMENT BANK BHD	579, 580 & 581 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2825 211	087-026
TA SECURITIES HOLDINGS BERHAD	No. 59, 59A & 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2862 618	058-003

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
UOB KAY HIAN SECURITIES (M) SDN BHD	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel No.: 06-3352 511	078-014
<u>JOHOR DARUL TAKZIM</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2222 692	068-004
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4342 282	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	No. 73 Ground Floor No. 73A & 79A, First Floor Jalan Kuning Dua 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3405 888	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor, 101 Jalan Gambir 8 Bandar Baru Bukit Gambir 84800 Muar Johor Darul Takzim Tel No.: 07-9764 559	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor, No. 384A Jalan Simbang, Taman Perling 81200 Johor Bahru Johor Darul Takzim Tel No.: 07-2329 673	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	2nd Floor, 113 & 114 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No.: 07-9311 509	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor, No. 8A Jalan Dedap 20 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3537 669	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
INTER-PACIFIC SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2231 211	054-004
KENANGA INVESTMENT BANK BHD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3333 600	073-004
KENANGA INVESTMENT BANK BHD	No. 33 & 35 A & B, Ground Floor Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim Tel No.: 07-7771 161	073-001
KENANGA INVESTMENT BANK BHD	Ground Floor No. 4, Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel No.: 06-9782 292	073-001
KENANGA INVESTMENT BANK BHD	No. 24, 24A & 24B Jalan Penjaja 3 Kim Park Centre 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4326 963	073-001
KENANGA INVESTMENT BANK BHD	No. 57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9531 222	073-001
M & A SECURITIES SDN BHD	Suite 5.3A, Level 5 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3381 233	057-003
MALACCA SECURITIES SDN BHD	No. 74, Jalan Serampang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3351 533	012-001
MALACCA SECURITIES SDN BHD	Lot 880, Batu 3 ½ Jalan Salleh 84000 Muar Johor Darul Takzim Tel No.: 06-9536 948	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	Lot 880, 3 ½ Mile Jalan Salleh 84000 Muar Johor Darul Takzim Tel No.: 06-9536 948	012-001
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3316 992	093-005
NEWPARADIGM SECURITIES SDN BHD <i>(formerly known as PM SECURITIES SDN BHD)</i>	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4333 608	064-001
PHILIP CAPITAL SDN BHD <i>(formerly known as Alliance Investment Bank Berhad)</i>	No. 73, Ground & 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No.: 07-7717 922	076-006
RHB INVESTMENT BANK BHD	6th Floor, Wisma Tiong-Hua 8, Jalan Keris, Taman Sri tebrau 80050 Johor Bahru Johor Darul Takzim Tel No.: 07-2788 821	087-006
RHB INVESTMENT BANK BHD	53, 53-A & 53-B Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4380 288	087-009
RHB INVESTMENT BANK BHD	No. 33-1, 1st and 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9538 262	087-025
RHB INVESTMENT BANK BHD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No.: 07-5577 628	087-029

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BHD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No.: 07-9321 543	087-030
RHB INVESTMENT BANK BHD	Ground & 1st Floor No. 40, Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel No.: 07-7979 655	087-031
RHB INVESTMENT BANK BHD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No.: 07-6626 288	087-035
RHB INVESTMENT BANK BHD	Ground, 1st & 2nd Floor No. 21 & 23 Jalan Molek 1/30 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3522 293	087-043
TA SECURITIES HOLDINGS BERHAD	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel No.: 07-9435 278	058-009
TA SECURITIES HOLDINGS BERHAD	15, Jalan Molek 1/5A Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3647 388	058-011
TA SECURITIES HOLDINGS BERHAD	No. 29-03, Jalan Sri Pelangi Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3364 672	058-013
UOB KAY HIAN SECURITIES (M) SDN BHD	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel No.: 07-2197 575	078-001
UOB KAY HIAN SECURITIES (M) SDN BHD	No. 42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No.: 07-6637 398	078-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
<u>KELANTAN DARUL NAIM</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	Level 4, Wisma TCH (formerly known as Wisma Square Point) Jalan Pengkalan Chepa 15400 Kota Baru Kelantan Darul Naim Tel No.: 09-7419 050	065-001
RHB INVESTMENT BANK BHD	Ground & 1st Floor No. 3953-H Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No.: 09-7430 077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7433 388	058-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground Floor & 1st Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7473 906	078-004
<u>PAHANG DARUL MAKMUR</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	Ground 1st & 2nd Floor No. A-27, Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No.: 09-5057 800	065-001
KENANGA INVESTMENT BANK BHD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel No.: 09-5171 698	073-001
MALACCA SECURITIES SDN BHD	P11-3 Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel No.: 09-2220 993	012-001
PHILIP CAPITAL SDN BHD <i>(formerly known as Alliance Investment Bank Berhad)</i>	Ground, Mezzanine & 1st Floor B-400 Jalan Berserah 25300 Kuantan Pahang Darul Makmur Tel No.: 09-5660 800	076-002

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BHD	No. 12, Ground Floor 1st and 2nd Floor Jalan Putra Square 1 Putra Square 25300 Pahang Darul Makmur Tel No.: 09-5173 811	087-007
<u>TERENGGANU DARUL IMAN</u>		
PHILIP CAPITAL SDN BHD <i>(formerly known as Alliance Investment Bank Berhad)</i>	No. 46, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6317 922	076-009
RHB INVESTMENT BANK BHD	1st Floor No. 59, Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6261 816	087-055
UOB KAY HIAN SECURITIES (M) SDN BHD	No. 37-B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6224 766	078-016
<u>SABAH</u>		
AFFIN HWANG INVESTMENT BANK BHD	Suite 1-9-E1, 9th Floor CPS Tower Centre Point Sabah No. 1, Jalan Centre Point 88000 Kota Kinabalu Sabah Tel No.: 088-311 688	068-008
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st – 3rd Floor, Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No.: 088-328 878	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD <i>(formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)</i>	1st Floor, Lot 12 Block A3, Phase 2 Utama Place Mile 6, Northern Road 90000 Sandakan Sabah Tel No.: 089-215 578	065-001
KENANGA INVESTMENT BANK BHD	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-236 188	073-032

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BHD	2nd Floor No. 81 & 83 Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-269 788	087-010
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 177 & 178 Ground Floor, Block 17 Phase 2, Prima Square Mile 4, North Road 90000 Sandakan Sabah Tel No.: 089-218 681	078-012
<u>SARAWAK</u>		
AFFIN HWANG INVESTMENT BANK BHD	Ground Floor & 1st Floor No. 1, Jalan Pending 93450 Kuching Sarawak Tel No.: 082-341 999	068-005
AMINVESTMENT BANK BERHAD	No. 162, 164, 166 & 168 1st Floor Jalan Abell 93100 Kuching Sarawak Tel No.: 082-244 791	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibul Sarawak Tel No.: 084-367 700	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (formerly known as CGS-CIMB Securities Malaysia Sdn Bhd)	Level 1 (North), Wisma STA No. 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No.: 082-358 688	065-001
KENANGA INVESTMENT BANK BHD	Lot 1866, Jalan MS 2/5 Marina Square 2 Marina Parkcity 98000 Miri Sarawak Tel No.: 085-435 577	073-001
KENANGA INVESTMENT BANK BHD	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93400 Kuching Sarawak Tel No.: 082-338 000	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BHD	No. 11-12, (Ground & 1st Floor) Lorong Kampung Datu 3 96000 Sibu Sarawak Tel No.: 084-313 855	073-001
MERCURY SECURITIES SDN BHD	1st Floor No.16 Jalan Getah 96100 Sarikei Sarawak Tel No.: 084-659 019	093-001
RHB INVESTMENT BANK BHD	Yung Kong Abell Units No. 1-10, 2nd Floor Lot 365, Section 50 Jalan Abell 93100 Kuching Sarawak Tel No.: 082-250 888	087-008
RHB INVESTMENT BANK BERHAD	102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel No.: 084-329 100	087-008
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 221, Park City Commerce Square Phase III Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No.: 086-311 770	087-053
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No.: 084-319 998	058-002
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 1265, 1st Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel No.: 085-324 128	078-017
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground Floor & First Floor No. 16, Lorong Intan 6 96000 Sibu Sarawak Tel No.: 084-252 737	078-018

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF FARMIERA BERHAD ("FARMIERA" OR THE "COMPANY") DATED 21 OCTOBER 2025 ("ELECTRONIC PROSPECTUS")

(Unless otherwise indicated, specified or defined in this notice, the definitions in the Prospectus shall apply throughout this notice)

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad's ("Bursa Securities") website at www.bursamalaysia.com ("Website").

Availability and Location of Paper/Printed Prospectus

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, Malacca Securities Sdn Bhd ("Malacca Securities"), or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective investors should note that the Application Form is not available in electronic format.

Jurisdictional Disclaimer

This distribution of the Electronic Prospectus and the sale of the units are subject to Malaysian law. Bursa Securities, Malacca Securities and Farmiera take no responsibility for the distribution of the Electronic Prospectus and/or the sale of the units outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any units, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

Close of Application

Applications will be accepted from 10.00 a.m. on 21 October 2025 and will close at 5.00 p.m. on 30 October 2025.

In the event the Closing Date is extended, Farmiera will advertise the notice of the extension in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia prior to the original Closing Date, and make an announcement on the Website.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users' access to the Website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.



FARMIERA BERHAD

Registration No. 202401017267(1563117-V)
(Incorporated in Malaysia under the Companies Act, 2016)

B-3-1 Menara BBT One, North Tower, Lebuhraya Batu Nilam 1
Bandar Bukit Tinggi, 41200 Klang, Selangor

Tel (603) 3323 6828
Fax (603) 3323 3828
Email info@farmiera.com

www.farmiera.com

PROSPECTUS

THIS PROSPECTUS IS DATED 21 OCTOBER 2025



FARMIERA BERHAD

Registration No. 202401017267(1563117-V)
(Incorporated in Malaysia under the Companies Act, 2016)

INITIAL PUBLIC OFFERING ("IPO") IN CONJUNCTION WITH THE LISTING OF FARMIERA BERHAD ("FARMIERA" OR THE "COMPANY") ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") COMPRISING PUBLIC ISSUE OF 117,000,000 NEW ORDINARY SHARES IN THE FOLLOWING MANNER:

- (I) 22,500,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- (II) 9,000,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE ELIGIBLE KEY SENIOR MANAGEMENT, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF FARMIERA AND ITS SUBSIDIARIES;
- (III) 29,250,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS; AND
- (IV) 56,250,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY.

AT AN IPO PRICE OF RM0.25 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor, Underwriter and Placement Agent



Malacca Securities Sdn Bhd
(Registration No. 197301002760 (16121-H))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 297.

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER SIX (6) MONTHS FROM THE DATE OF THIS PROSPECTUS.

BURSA SECURITIES HAS APPROVED THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED ISSUED SHARE CAPITAL ON THE ACE MARKET OF BURSA SECURITIES. THIS PROSPECTUS HAS BEEN REGISTERED BY BURSA SECURITIES. THE APPROVAL OF OUR IPO AND REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE OFFERING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. BURSA SECURITIES HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE SHARES BEING OFFERED FOR INVESTMENT.

BURSA SECURITIES IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

THE ACE MARKET IS AN ALTERNATIVE MARKET DESIGNED PRIMARILY FOR EMERGING CORPORATIONS THAT MAY CARRY HIGHER INVESTMENT RISK WHEN COMPARED WITH LARGER OR MORE ESTABLISHED CORPORATIONS LISTED ON THE MAIN MARKET. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET. YOU SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION.

THE ISSUE, OFFER OR INVITATION FOR THE OFFERING IS A PROPOSAL NOT REQUIRING APPROVAL, AUTHORISATION OR RECOGNITION OF THE SECURITIES COMMISSION MALAYSIA ("SC") UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

All defined terms used in this Prospectus are defined under “Definitions” section commencing on page v and “Glossary of Technical Terms” commencing on page xiv of this Prospectus.

RESPONSIBILITY STATEMENTS

Our Directors and Promoters (as defined in this Prospectus) of Farmiera Berhad (“**Farmiera**” or the “**Company**”) have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in the Prospectus false or misleading.

Malacca Securities Sdn Bhd (“**Malacca Securities**”), being our Principal Adviser, Sponsor, Underwriter and Placement Agent, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the offering.

STATEMENTS OF DISCLAIMER

Approval has been granted by Bursa Securities for the listing of and quotation for the securities being offered. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of the offering, our Company or our Shares.

This Prospectus, together with the Application Forms, has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

OTHER STATEMENTS

You should note that you may seek recourse under Sections 248, 249 and 357 of the Capital Markets and Services Act 2007 (“**CMSA**”) for breaches of securities laws including any statement in the Prospectus that is false, misleading, or from which there is a material omission, or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Company.

Shares are offered to the public on the premise of full and accurate disclosure of all material information concerning the offering, for which any person set out in Section 236 of the CMSA, is responsible.

Our Shares are classified as Shariah compliant by the Shariah Advisory Council of the Securities Commission Malaysia (“**SAC**”). This classification remains valid from the date of issue of the Prospectus until the next Shariah compliance review undertaken by the SAC. The new status is released in the updated list of Shariah-compliant securities, on the last Friday of May and November.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith.

This Prospectus is prepared and published solely for our IPO in Malaysia under the laws of Malaysia. Our IPO shares are issued in Malaysia solely based on the contents of this Prospectus. Our Company, Directors, Promoters, Principal Adviser, Sponsor, Underwriter and Placement Agent take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. No action has been taken to permit a public offering of the securities of our Company based on this Prospectus or the distribution of this Prospectus outside Malaysia. Our Directors, Promoters, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide you with information which is not contained in this Prospectus.

It shall be your sole responsibility, if you are or may be subjected to the laws of any countries or jurisdictions other than Malaysia, to consult your professional advisers as to whether your application for our IPO would result in the contravention of any laws of such countries or jurisdictions. Neither we nor our Principal Adviser nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, voidable or void in any such country or jurisdiction.

Further, it shall be your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you had accepted our IPO in Malaysia and will be subjected only to the laws of Malaysia in connection therewith.

However, we reserve the right, in our absolute discretion, to treat any acceptances as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

ELECTRONIC PROSPECTUS

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus (as defined in this Prospectus) and the copy of this Prospectus registered by Bursa Securities are the same.

You are advised that the internet is not a fully secured medium, and that your Internet Share Application (as defined in this Prospectus) is subject to the risk of problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions (as defined in this Prospectus). These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt as to the validity or integrity of the Electronic Prospectus, you should immediately request from us, our Principal Adviser or our Issuing House (as defined in this Prospectus), a paper / printed copy of this Prospectus.

In the event of any discrepancies arising between the contents of the Electronic Prospectus and the contents of the paper / printed copy of this Prospectus for any reason whatsoever, the contents of the paper / printed copy of this Prospectus, which is identical to the copy of the Prospectus registered with Bursa Securities, shall prevail.

In relation to any reference in this Prospectus to third party internet sites ("**Third Party Internet Sites**"), whether by way of hyperlinks or by way of description of the Third-Party Internet Sites, you acknowledge and agree that:

- (i) we and our Principal Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;
- (ii) we and our Principal Adviser are not responsible for the quality of products or services in the Third Party Internet Sites or for fulfilling any of the terms of your agreements with the Third Party Internet Sites. We and our Principal Adviser are also not responsible for any loss, damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, information, files or other material provided by such parties; and

- (iii) any data, information, files or other material downloaded from the Third Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other material.

Where an electronic prospectus is hosted on the website of the Internet Participating Financial Institutions, you are advised that –

- (i) the Internet Participating Financial Institutions are liable in respect of the integrity of the contents of the Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions which may be viewed via your web browser or other relevant software;
- (ii) the Internet Participating Financial Institutions shall not be responsible in any way for the integrity of the contents of the Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions and thereafter communicated or disseminated in any manner to you or other parties; and
- (iii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

The Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or cost, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in the Electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and / or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

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INDICATIVE TIMETABLE

The following events are intended to take place on the following tentative dates:

Event(s)	Tentative Date(s)
Issuance of this Prospectus/Opening of application for our IPO Shares	10.00 a.m., 21 October 2025
Closing of application for our IPO Shares	5.00 p.m., 30 October 2025
Balloting of applications	3 November 2025
Allotment of our IPO Shares to successful applicants	10 November 2025
Listing on the ACE Market	12 November 2025

In the event there is any change to the indicative timetable above, we will advertise the notice of the changes in a widely circulated daily English and Bahasa Malaysia newspapers in Malaysia and make an announcement on Bursa Securities' website.

(The rest of this page has been intentionally left blank)

DEFINITIONS

The following definitions shall apply throughout this Prospectus unless the definitions are defined otherwise or the context requires otherwise:

COMPANIES WITHIN OUR GROUP

FARSB	: Farmiera Agro Resources Sdn Bhd (Registration No. 201301013629 (1043467-D))
FBFSB	: Farmiera Breeder Farm Sdn Bhd (Registration No. 201801023934 (1285954-P))
FCFSB	: Farmiera Contract Farming Sdn Bhd (Registration No. 201501035810 (1161130-U))
FHSB	: Farmiera Holdings Sdn Bhd (Registration No. 201901013811 (1323139-W))
FSSB	: Farmiera Sejati Sdn Bhd (Registration No. 201901008098 (1317426-V))
FVSB	: Farmiera Venture Sdn Bhd (Registration No. 201801004814 (1266828-W))
GBSB	: Gemilang Bestari Sdn Bhd (Registration No. 201601036947 (1207888-X))
Group or Farmiera Group	: Farmiera and its subsidiaries, namely FHSB, FARSB, FBFSB, FCFSB, FSSB, FVSB and GBSB
Farmiera or Company	: Farmiera Berhad (Registration No. 202401017267 (1563117-V))

GENERAL

ACE Market	: ACE Market of Bursa Securities
Act	: Companies Act 2016, as may be amended from time to time
ADA	: Authorised Depository Agent
AGM	: Annual General Meeting
AJSB	: Asas Juara Sdn Bhd (Registration No. 202401014490 (1560340-H))
Auditors or Reporting Accountants	: Baker Tilly Monteiro Heng PLT (Registration No. 201906000600 (LLP0019411-LCA) & AF0117)
Application(s)	: The application(s) for the IPO Shares by way of Application Form, Electronic Share Application and / or Internet Share Application
Application Form(s)	: The printed application form(s) for the application of the IPO Shares
ATM	: Automated Teller Machine
Board	: Board of Directors of Farmiera
BP	: Building Plan (Pelan Bangunan)
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))

DEFINITIONS (Cont'd)

Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CCC / CF	: Certificate of completion and compliance / Certificate of fitness for occupation
CDS	: Central Depository System
CDS Account(s)	: Account(s) established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and for dealings in such securities by the Depositor
CMSA	: Capital Markets and Services Act 2007
Constitution	: The constitution of Farmiera
COVID-19	: An infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
Depositor	: A holder of a CDS Account
Director(s)	: Director(s) of our Company and within the meaning given in Section 2 of the CMSA
DVS	: Department of Veterinary Services
Electronic Prospectus	: A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and / or an electronic storage medium, including but not limited to CD-ROMs (compact disc read-only memory)
Electronic Share Application	: An application for the IPO Shares through Participating Financial Institutions' ATM
Eligible Persons	: Eligible Key Senior Management, employees and persons who have contributed to the success of our Group
EPS	: Earnings per share
Financial Periods Under Review	: FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025, collectively
Financial Years Under Review	: FYE 2021, FYE 2022, FYE 2023 and FYE 2024, collectively
FHSB Vendors	: HHS Global, Keystone Capital, TCH Capital, SBESB, Himpunan Jaya and Kien Huat Fishery, collectively
FPE	: Financial period ended 30 June
FYE	: Financial year ended 31 December
Garis Panduan	: Garis Panduan Perancangan Ladang Penternakan Ayam issued by the Ministry of Housing and Local Government (formerly known as Ministry of Local Government Development) in 2023
Government	: Government of Malaysia
Himpunan Jaya	: Himpunan Jaya Sdn Bhd (Registration No. 202201040095 (1485792-U))

DEFINITIONS (Cont'd)

IFRSs	: International Financial Reporting Standards
HHS Global	: HHS Global Sdn Bhd (Registration No. 202201040092 (1485789-U))
IMR Report	: Independent Market Research Report dated 23 September 2025 prepared by Protégé as set out in Section 8 of this Prospectus
Independent Market Researcher or Protégé	: Protégé Associates Sdn Bhd (Registration No. 200401037256 (675767-H))
Internet Participating Financial Institution(s)	: Participating financial institution(s) for the Internet Share Application, as listed in Section 16 of this Prospectus
Internet Share Application	: Application for the IPO Shares through an online share application service provided by the Internet Participating Financial Institution(s)
IPO	: Initial public offering of the IPO Shares in conjunction with the Listing comprising the Public Issue
IPO Price	: The price of RM0.25 per IPO Share
IPO Shares	: 117,000,000 new Shares, representing 26.00% of our enlarged issued share capital, which are to be issued pursuant to the Public Issue and subject to the terms and conditions of this Prospectus
IRB	: Inland Revenue Board of Malaysia
Issuing House and Share Registrar	: Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))
JAKIM	: Jabatan Kemajuan Islam Malaysia (Department of Islamic Development Malaysia)
Key Senior Management	: The senior management team of our Group as set out in Section 5.2.6 of this Prospectus
Keystone Capital	: Keystone Capital Sdn Bhd (Registration No. 202201038456 (1484153-X))
Kien Huat Fishery	: Kien Huat Fishery Sdn Bhd (Registration No. 201601032504 (1203445-A))
KPDN	: Ministry of Domestic Trade and Costs of Living
KM	: Planning permission (Kebenaran Merancang)
KMTT	: Temporary planning permission (Kebenaran Merancang Tempoh Terhad)
Listing	: The admission of Farmiera to the Official List and the listing of and quotation for our entire enlarged issued share capital on the ACE Market
Listing Requirements	: ACE Market Listing Requirements of Bursa Securities
Listing Scheme	: Comprising the Public Issue and Listing, collectively
LPD	: 23 September 2025, being the latest practicable date prior to the issuance of this Prospectus

DEFINITIONS (Cont'd)

Malacca Securities or Principal Adviser or Sponsor or Underwriter or Placement Agent	: Malacca Securities Sdn Bhd (Registration No. 197301002760 (16121-H))
Malaysian Public	: Malaysian citizens and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Market Day(s)	: Any day(s) on which Bursa Securities is open for trading of securities
MBDK	: Majlis Bandaraya Diraja Klang (Klang Royal City Council)
MBI	: Majlis Bandaraya Ipoh (Ipoh City Council)
MBS	: Majlis Bandaraya Seremban (Seremban City Council)
MCO	: Movement control order issued by the Government under the Prevention and Control of Infectious Disease Act, 1988 and the Police Act, 1967 as a preventive measure to curb the spread of COVID-19 in Malaysia effective from 18 March 2020
MDKP	: Majlis Daerah Kuala Pilah (Kuala Pilah District Council)
MFRSs	: Malaysian Financial Reporting Standards, as issued by the Malaysian Accounting Standards Board
MITI	: Ministry of Investment, Trade and Industry
MOH	: Ministry of Health, Malaysia
MPHS	: Majlis Perbandaran Hulu Selangor (Hulu Selangor Municipal Council)
MPJ	: Majlis Perbandaran Jempol (Jempol District Council)
MPKL	: Majlis Perbandaran Kuala Langat (Kuala Langat Municipal Council)
MPKS	: Majlis Perbandaran Kuala Selangor (Kuala Selangor Municipal Council)
MPKP	: Majlis Daerah Kuala Pilah (Kuala Pilah District Council)
MPPD	: Majlis Perbandaran Port Dickson (Port Dickson Municipal Council)
NLC	: National Land Code (Revised 2020)
N/A	: Not applicable or not available
NA	: Net assets
NBV	: Net book value
Official List	: A list specifying all securities which have been admitted for listing on the ACE Market and not removed
Participating Financial Institution(s)	: Participating financial institution(s) for the Electronic Share Application, as listed in Section 16 of this Prospectus
PAT	: Profit after taxation
PBT	: Profit before taxation

DEFINITIONS (Cont'd)

PE Multiple	: Price earnings multiple
Pink Form Allocation(s)	: The allocation of 9,000,000 IPO Shares to the Eligible Persons
Poultry Farming Recalibration Program 2025	: Recalibration program introduced under the Garis Panduan, allowing existing poultry farms operating without KM/KMTT or BP/TBP to submit the relevant applications for approvals, of which will be subject to a proposed minimal level penalty during the moratorium period until the end of 2025
Pre-IPO Restructuring	: The pre-IPO restructuring exercise undertaken by the Group in preparation for the Listing, which includes the acquisition by Farmiera of the entire issued share capital of FHSB from FHSB Vendors for a purchase consideration of RM55,310,000, entirely satisfied by the issuance of 332,999,900 new Shares at an issue price of approximately RM0.166 each, which was completed on 14 August 2025.
Promoter(s)	: Hong How Seng, Tan Kok Cheong and Tan Chin Heng, collectively
Prospectus	: This Prospectus dated 21 October 2025 in relation to the IPO
Prospectus Guidelines	: Prospectus Guidelines issued by the SC
Public Issue	: Public issue of 117,000,000 new Shares at the IPO Price comprising: (a) 22,500,000 new Shares, representing 5.00% of our enlarged issued share capital, made available for application by the Malaysian Public through a balloting process; (b) 9,000,000 new Shares, representing 2.00% of our enlarged issued share capital, made available for application by the Eligible Persons; (c) 29,250,000 new Shares, representing 6.50% of our enlarged issued share capital, made available by way of private placement to selected investors; and (d) 56,250,000 new Shares, representing 12.50% of our enlarged issued share capital, made available by way of private placement to selected Bumiputera investors approved by the MITI.
Rules	: Rules of Bursa Depository
SC	: Securities Commission Malaysia
Share(s) or Farmiera Share(s)	: Ordinary shares in Farmiera
SDBA	: Street, Drainage and Building Act 1974
SICDA	: Securities Industry (Central Depositories) Act 1991
SBESB	: Small Boss Enterprise Sdn Bhd (Registration No. 202201026182 (1471879-P))
SOP(s)	: Standard operating procedure(s)
Specified Shareholder(s)	: AJSB, HHS Global, Keystone Capital, TCH Capital, SBESB (including its shareholder), Himpunan Jaya (including its shareholders), Kien Huat Fishery (including its shareholders) and the Promoters, collectively

DEFINITIONS (Cont'd)

Substantial Shareholders	: Collectively, AJSB, HHS Global, Keystone Capital, Hong How Seng and Tan Kok Cheong
TBP	: Temporary Building Permit (Permit Bangunan Sementara)
TCH Capital	: TCH Capital Sdn Bhd (Registration No. 202201040094 (1485791-U))
TCPA	: Town And Country Planning Act 1976
Underwriting Agreement	: The underwriting agreement dated 17 September 2025 entered into between our Company and Malacca Securities pursuant to our IPO

MAJOR CUSTOMERS AND SUPPLIERS

The identities of the following major customers and suppliers of our Group have not been disclosed in this Prospectus as these customers and suppliers have declined consent for their names to be disclosed in this Prospectus and has requested to remain anonymous in its business dealing with us.

Customer A	: Customer A include 2 companies as follows: (a) Company A, a private limited company incorporated in Malaysia and is principally involved in poultry farming. Company A purchases feed, broiler DOCs and live broilers from our Group on a purchase order basis. Company A's principal market is in Malaysia. Company A is not a subsidiary of a holding company listed on any stock exchange; and (b) Company B is a private limited company incorporated in Malaysia and is principally involved in processing and distribution of poultry products. Company B purchases feed, broiler DOCs and live broilers from our Group on a purchase order basis. Company B's principal market is in Malaysia. Company B is not a subsidiary of a holding company listed on any stock exchange.
Customer B	: Customer B is a private limited company incorporated in Malaysia and is principally involved in the operation of slaughterhouse and trading of agriculture and poultry products. Customer B purchases raw poultry products from our Group on a purchase order basis. Customer B is based in Malaysia and is not a subsidiary of a holding company listed on any stock exchange.
Supplier A	: Supplier A is a private limited company incorporated in Malaysia and is principally involved in vegetable oil refining and production of value-added products, grains and oilseeds distribution, sales of starches, sweeteners and texturisers as well as sales and marketing of cocoa and chocolate products. We purchase feed from Supplier A on a purchase order basis. Supplier A is not a subsidiary of a holding company listed on any stock exchange.
Supplier B	: Supplier B is a private limited company incorporated in Malaysia and is principally involved in poultry farming, broiler production, eggs supply and sales, poultry feed and paper egg tray manufacturing. We purchase broiler DOCs from Supplier B on a purchase order basis. Supplier B's principal market is in Malaysia. Supplier B is not a subsidiary of a holding company listed on any stock exchange.

DEFINITIONS (Cont'd)

- Supplier C** : Supplier C is a sole proprietorship in Malaysia and is involved in the business of trading frozen chicken parts. We purchase frozen chicken parts from Supplier C on a purchase order basis. Supplier C's principal market is in Malaysia.
- Supplier D** : Supplier D is a subsidiary of a public company listed on the Main Market of Bursa Securities and is involved in broiler farming, layer egg farming and breeding of DOCs which include manufacturing of feed, broiler, breeder and layer egg farming, poultry processing, and trading of raw material. We purchase live broilers from Supplier D on a purchase order basis. Supplier D's principal market is in Malaysia.

CURRENCY

RM and sen : Ringgit Malaysia and sen respectively

LIST OF THE GROUP'S BROILER FARMS

		<u>Total Built-up Area (sq ft)</u>
Farm A (Owned)	Title: GRN 339690, Lot no. 1410, Mukim Batu, District of Kuala Langat, State of Selangor Postal Address: Lot 1410, Jalan Batu 37, Kg Kundang, 42800 Tanjong Sepat, Selangor	57,600
Farm B (Owned)	Title: GM 1947, Lot no. 847, Mukim Batu, District of Kuala Langat, State of Selangor Postal address: Lot 847, Jalan Batu Bata, Kg Kundang, 42800 Tanjong Sepat, Selangor	57,240
Farm C (Owned)	Title: GRN 339691, Lot no. 1230, Mukim Batu, District of Kuala Langat, State of Selangor Postal address: Lot 1230, Jalan Ladang Bedford, Kg Kundang Layang, 42800 Tanjong Sepat, Selangor	53,350
Farm D (Owned)	Title: Geran 339692, Lot no. 1233, Mukim Batu, District of Kuala Langat, State of Selangor Postal address: Lot 1233, Jalan Ladang Bedford, Kg Kundang, 42800 Tanjong Sepat, Selangor	68,500
Farm E (Owned)	Title: H.S.(M) 4632, PT 52807, Darat Batu, Mukim Batu, District of Kuala Langat, State of Selangor Postal address: Lot 3168, Jalan Bawal Taman Mutiara, 42800 Tanjong Sepat, Selangor	96,000

DEFINITIONS (Cont'd)

Farm F (Owned)	Title: H.S.(M) 13186, PT 4281, Tempat Darat Batu, Mukim Batu, District of Kuala Langat, State of Selangor Postal address: Lot 3377, Jalan Ladang Tanjong Sepat, 42800 Tanjong Sepat, Selangor	101,880
Farm Linggi (Owned)	Title: GM 1108, Lot 3633, Batu 20 Air Hitam, Mukim Linggi, District of Port Dickson, State of Negeri Sembilan Postal address: Lot 3633, Kampung Air Hitam, 71150 Linggi, Negeri Sembilan	120,792
Farm Kuala Selangor (Owned)	Title: H.S.(M) 5510, PT 6581, Kramat Leban, Mukim Ujong Permatang, District of Kuala Selangor, State of Selangor Postal address: Lot 796, Ladang Mutiara Parit Serong, 45500 Tanjung Karang, Selangor	38,072
Farm Hulu Selangor B (Owned)	Title: Geran 37156, Lot 1021, Mukim Kerling, Daerah Ulu Selangor, Selangor Postal address: Lot 1021, Jalan Kolam Air Panas, Lembah Damai, 44100 Kerling, Selangor	98,218
Farm Pantai (Rented)	Title: H.S.(D) 5086, Lot 2168, Mukim of Pantai, Daerah Seremban, Negeri Sembilan Postal address: Lot 2168, Jalan Pantai, Batu 8 Pantai, 71770 Seremban, Negeri Sembilan	91,440
Farm Broga (Rented)	Title: Pajakan Negeri 47525, Lot 4226, Mukim Lenggeng, Daerah Seremban, Negeri Sembilan Postal address: Lot 1076, Jalan Kg Orang Asli, Kg Orang Asli Lumut, 71750 Lenggeng, Negeri Sembilan	164,968
Farm Labu (Rented)	Title: Pajakan Negeri 24304, Lot 15245, Mukim Labu, Daerah Seremban, Negeri Sembilan Postal address: Lot 15245, Jalan Utama Eka Matahari, Taman Eka Matahari, 71760 Bandar Enstek, Negeri Sembilan	67,580
Farm Batang Kali (Rented)	Titles: 1. Geran Mukim 1629, Lot 1606, Tempat Sungei Panas, Mukim Batang Kali, Daerah Ulu Selangor, Negeri Selangor 2. Geran Mukim 506, Lot 1607, Tempat S Panas S Kintal, Mukim Batang Kali, Daerah Ulu Selangor, Negeri Selangor Postal address: Lot 1607 Sg Penas, Jalan Hulu Rening, Batang Kali, Hulu Selangor, 44300, Selangor	88,686

DEFINITIONS (Cont'd)

Farm Hulu : Selangor (Rented)	Title: H.S.(M) 287, Lot No. PT 311, Tempat Ulu Gumut, Mukim Sungai Gumut, Daerah Ulu Selangor, Negeri Selangor Postal address: PT 311, Jalan Besar, Mukim Gumut Tambahan, 44100 Hulu Selangor, Selangor	97,996
Farm : Sendayan (Rented)	Title: Geran Mukim 1052, Lot No. 7422, Tempat RTP.BT 9 ½ Jalan Port, Mukim Labu, Daerah Seremban, Negeri Sembilan Postal address: 7422, Jalan Port Dickson, Batu 8 Mambau, 70300 Seremban, Negeri Sembilan	43,600

LIST OF THE GROUP'S PROCESSING PLANTS

		<u>Total Built-up Area (sq ft)</u>
Ipoh : Processing Plant (Rented)	509461 & 240625 Hala Industri Bercham 3, Kawasan Perindustrian Ringan Bercham, 31400 Ipoh, Perak	20,486
Lukut : Processing Plant (Rented)	No. 152 Jalan Perdana 3, Taman Perindustrian Perdana Lukut, Pekan Lukut, 71010 Port Dickson, Negeri Sembilan	29,779

LIST OF THE GROUP'S PARENT STOCK FARMS

PS Farm 1	: Titles: (1) Geran 67991, Lot 2433, Mukim Kepis, Daerah Kuala Pilah, Negeri Sembilan; (2) Geran 67993, Lot 2435, Mukim Kepis, Daerah Kuala Pilah, Negeri Sembilan; and (3) Geran 67994, Lot 2436, Mukim Kepis, Dearah Kuala Pilah, Negeri Sembilan. Postal address: Lot 2433,2435 & 2436, Mukim Kepis, Kg Malan, Kampung Baru Simpang Dangi, 73100 Johol, Negeri Sembilan
PS Farm 2	: New parent stock farm to be constructed on the vacant agriculture land held under Geran 9136, Lot 760, Mukim Pelangai, Dearah Bentong, Negeri Pahang.
PS Farm 3	: Titles: (1) Geran 51428, Lot 1216, Mukim Jelai, Daerah Jempol, Negeri Sembilan; and (2) Geran 163182, Lot 1998, Mukim Jelai, Daerah Jempol, Negeri Sembilan. Postal address: Lot 1216 & 1998, Mukim Jelai, Bahau, 72100 Bahau, Negeri Sembilan

GLOSSARY OF TECHNICAL TERMS

The following technical terms in this Prospectus bear the same meanings as set out below unless the terms are defined otherwise or the context requires otherwise:

All-in-all-out system	: A poultry farming operation system where broilers within the same broiler house are placed and harvested, facilitating systematic and scheduled production, as well as regular cleaning of broiler farm houses for effective disease control
Avian influenza	: Avian influenza is a viral infection found in domestic poultry and a wide range of other birds. It may cause respiratory issues as well as organ failure and death
Broiler	: Chicken bred and raised specifically for meat production
Broiler farm	: A farm where broilers are bred and raised
Broiler farm house	: A building structure within a broiler farm where broilers are housed and raised
Closed-house system	: A type of broiler housing arrangement for raising broilers. In a closed-house system, broilers are raised in enclosed structures with controlled environments. These broiler farm houses utilise artificial or microcomputer control equipment to adjust the internal environment, ensuring optimal growth conditions for the broilers. Well-closed houses are essentially sealed to prevent the introduction of diseases through natural means
DOC	: Day old chick, which refers to a newly hatched chick of one-day old
Full-grown broiler	: The broiler that is raised to reach a slaughter weight of 2.20 kg to 2.30 kg
Halal	: In the context of this Prospectus, food that is allowed or permitted by the Islamic laws to be consumed and is in accordance with laws set out by JAKIM
ha	: Hectares
kg	: Kilogram
MeSTI	: Makanan Selamat Tanggungjawab Industri, a certificate issued by the MOH. It is a food safety programme with the objective of establishing a system for the maintenance of food hygiene and process control which includes food safety assurance and food traceability
MyGAP	: Malaysian Good Agricultural Practice, a certification scheme by DVS
Open-house system	: A type of broiler housing arrangement for raising broilers. In an open-house system, broilers are raised in broiler farm houses that typically feature sidewalls with adjustable openings or curtains for controlling temperature and airflow. These broiler farm houses are naturally ventilated and lit, and the temperature and humidity inside vary substantially with the prevailing weather conditions
Parent stock	: Breeders used to produce the layers or broilers
sq ft	: Square feet
sq mt	: Square metre

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to “**our Company**” or “**the Company**” or “**Farmiera**” in this Prospectus mean Farmiera Berhad, while references to “**our Group**” or “**the Group**” or “**Farmiera Group**” means our Company and our subsidiaries. References to “**we**”, “**us**”, “**our**” and “**ourselves**” mean our Company or our Group or any member of our Group, as the context requires. Unless the context otherwise requires, references to “**management**” are to our Directors and Key Senior Management as disclosed in this Prospectus and statements as to our beliefs, expectations, estimates and opinions are those of our management.

In this Prospectus, the word “**approximately**” used in this Prospectus indicates that a number is not exact, but that number is usually rounded off to the nearest hundredth or 2 decimal places. Any discrepancies in the tables included in this Prospectus between the amounts listed and totals thereof are due to rounding. Other abbreviations used here are defined in the “**Definitions**” and “**Glossary of Technical Terms**” sections of this Prospectus. Words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include corporations.

Any reference to provisions of the statutes, rules, regulations, enactments or rules of stock exchange shall (*where the context admits*), be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (*as the case may be*) as modified by any written law or (*if applicable*) amendments or re-enactments to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

Any reference to a time or date shall be a reference to a time or date in Malaysia, unless otherwise stated.

This Prospectus includes statistical data provided by various third parties and us and cites third party projections regarding growth and performance of the industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is acknowledged in this Prospectus, provided that where no source is acknowledged, it can be assumed that the information originates from us. In particular, certain information in this Prospectus is extracted or derived from the report prepared by Protégé, an independent market researcher, for inclusion in this Prospectus.

We believe that the statistical data and projections cited in this Prospectus are useful in helping you understand the major trends in the market and industry in which we operate. Third party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. No assurances are or can be given that the estimated figures will be achieved, and you should not place undue reliance on the third-party projections cited in this Prospectus.

If there are discrepancies or inconsistencies between the English and Malay versions of this Prospectus, the English version shall prevail. The information on our website or any website, directly or indirectly, linked to our website does not form part of this Prospectus and you should not rely on it.

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FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Company for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance or achievements, or industry results, to be materially different from any future result, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we operate or will operate in the future. Such forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance.

Forward-looking statements can be identified by the use of forward-looking terminology such as the words “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “aim”, “plan”, “forecast” or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- our business strategies and potential growth opportunities;
- our plans and objectives for future operations;
- our future financial position and financial earnings, cash flows and liquidity;
- the general industry environment, including the supply and demand for our products and services, trends and competitive position;
- our ability to pay dividends; and
- the regulatory environment and the effects of future regulation.

Factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 9 of this Prospectus on “Risk factors” and Section 12 of this Prospectus on “Management’s Discussion and Analysis of Financial Condition, Results of Operations and Prospects”. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. These forward-looking statements are based on information available to us as at the LPD.

Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment of the IPO Shares, we will issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

You are deemed to have read and understood the descriptions of the assumptions and uncertainties underlying the forward-looking statements that are contained in this Prospectus.

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1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Designation	Address	Nationality / Gender
Tang Yuen Kin	Independent Non-Executive Chairman	No.8, Jalan Kemuning Palma 33/39C, Kemuning Utama, 40400 Shah Alam, Selangor	Malaysian / Male
Hong How Seng	Managing Director and Chief Executive Officer	No.10, Jalan Setia Tropika U13/20b, Setia Eco Park, Seksyen U13, 40170 Shah Alam, Selangor	Malaysian / Male
Tan Kok Cheong	Executive Director and Deputy Chief Executive Officer	No.3, Jalan Setia Tropika U13/18l, Setia Eco Park, Seksyen U13, 40170 Shah Alam, Selangor	Malaysian / Male
Adrian Chair Yong Huang	Independent Non-Executive Director	162D, Jalan Limau Gedong, Off Jalan Meru, 41050 Klang, Selangor	Malaysian / Male
Koo Woon Kan	Independent Non-Executive Director	No.16, Jalan Rebung 3, Bandar Botanic, 41200 Klang, Selangor	Malaysian / Female
Nor Syahirah Binti Abu Baker	Independent Non-Executive Director	204, Jalan Pesona 1, Taman Pelangi Indah, 81800 Johor Bahru, Johor	Malaysian / Female

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Nor Syahirah Binti Abu Baker	Chairperson	Independent Non-Executive Director
Koo Woon Kan	Member	Independent Non-Executive Director
Adrian Chair Yong Huang	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Adrian Chair Yong Huang	Chairperson	Independent Non-Executive Director
Nor Syahirah Binti Abu Baker	Member	Independent Non-Executive Director
Koo Woon Kan	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Koo Woon Kan	Chairperson	Independent Non-Executive Director
Adrian Chair Yong Huang	Member	Independent Non-Executive Director
Nor Syahirah Binti Abu Baker	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY (Cont'd)

COMPANY SECRETARY : Wong Youn Kim

Telephone No. : (60)13 366 5803

SSM Practicing : 201908000410
Certificate No.

Professional : Chartered Secretary, Fellow Member of the
Qualification Institute of Chartered Secretaries and
Administrators (UK) and Malaysian Institute
of Chartered Secretaries and Administrators

Synergy Professionals Group Sdn Bhd
Unit No. EL-11-01,
Amcorp Business Suite,
Menara Melawangi,
Pusat Perdagangan Amcorp,
No.18, Jalan Persiaran Barat,
46050 Petaling Jaya, Selangor

Telephone No. : (60)17 622 9303

REGISTERED OFFICE : Unit No. EL-11-01,
Amcorp Business Suite,
Menara Melawangi,
Pusat Perdagangan Amcorp,
No. 18, Jalan Persiaran Barat,
46050 Petaling Jaya, Selangor

Telephone No. : (60)17 622 9303

HEAD OFFICE : B-3-1 Menara BBT One, North Tower
Lebuh Batu Nilam 1
Bandar Bukit Tinggi
41200 Klang, Selangor

Telephone No. : (03) 3323 6828
Email : info@farmiera.com
Website : <https://www.farmiera.com>

**PRINCIPAL ADVISER,
SPONSOR, UNDERWRITER
AND PLACEMENT AGENT** : Malacca Securities Sdn Bhd
(Registration No. 197301002760 (16121-H))
BO1-A-13A, Level 13A, Menara 2
3, Jalan Bangsar
KL Eco City
59200 Kuala Lumpur

Telephone No. : (03) 2201 2100

1. CORPORATE DIRECTORY (Cont'd)

AUDITORS AND REPORTING ACCOUNTANTS : Baker Tilly Monteiro Heng PLT (Registration No. 201906000600 (LLP0019411-LCA) & AF0117)

Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur

Telephone No. : (03) 2297 1000

Partner-in-charge : Paul Tan Hong
Approval No. : 03459/11/2025 J
Professional : Chartered Accountant of Malaysian Institute of Accountants and Fellow Member of the Association of Chartered Certified Accountants
(MIA Membership No.: 40209)

SOLICITORS

Mah-Kamariyah & Philip Koh
3A07 Block B, Phileo Damansara II
15 Jalan 16/11, Off Jalan Damansara
46350 Petaling Jaya, Selangor

Telephone No. : (03) 7956 8686

INDEPENDENT MARKET RESEARCHER

: Protégé Associates Sdn Bhd
(Registration No. 200401037256 (675767-H))
Suite C-11-12 Plaza Mont' Kiara,
2 Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur

Telephone No. : (03) 6201 9301
Person-in-charge : Seow Cheow Seng
Qualification : Master in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia

ISSUING HOUSE AND SHARE REGISTRAR

: Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No.8, Jalan Kerinchi
59200 Kuala Lumpur

Telephone No. : (03) 2783 9299

LISTING SOUGHT

: ACE Market of Bursa Securities

SHARIAH STATUS

: Approved by the Shariah Advisory Council of the SC

2. APPROVALS AND CONDITIONS

2.1 APPROVALS FROM RELEVANT AUTHORITIES

2.1.1 Bursa Securities

Bursa Securities had, vide its letter dated 24 July 2025, approved the admission of our Company to the Official List and the listing of and quotation for our entire enlarged issued share capital comprising 450,000,000 Shares on the ACE Market.

The conditions imposed by Bursa Securities on our Company and/or our Principal Adviser and the status of compliance with these conditions are as follows:

Details of conditions imposed	Status of compliance
1. Submission of the following information in respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository: (a) Name of shareholders; (b) Number of shares; and (c) Date of expiry of the moratorium for each block of shares.	To be complied
2. Approvals from other relevant authorities have been obtained for implementation of the listing proposal.	Complied
3. The Bumiputera equity requirements for public listed companies as approved/exempted by the SC including any conditions imposed thereon.	To be complied
4. Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements.	To be complied
5. Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire enlarged issued share capital of the Farmiera on the first day of listing.	To be complied
6. In relation to the public offering to be undertaken by Farmiera, to announce at least 2 Market Days prior to the date of our Listing, the result of the offering including the following: (a) Level of subscription of public balloting and placement; (b) Basis of allotment/ allocation; (c) A table showing the distribution for placement tranche as per the format prescribed by Bursa Securities; and (d) Disclosure of placees who become substantial shareholders of the Farmiera arising from the public offering, if any. Malacca Securities must ensure that the overall distribution of Farmiera's securities is properly carried out to mitigate any disorderly trading in the secondary market.	To be complied
7. Farmiera/ Malacca Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of the Farmiera to the Official List of the ACE Market.	To be complied

2. APPROVALS AND CONDITIONS (Cont'd)

2.1.2 SC

Our Listing is an exempt transaction under Section 212(8) of the CMA and is therefore not subject to the approval of the SC.

The SC had, vide its letter dated 31 July 2025, approved the application of our Company pursuant to our Listing under the Bumiputera equity requirements for public listed companies.

The conditions imposed by the SC and the status of compliance with these conditions are as follows:

Details of conditions imposed	Status of compliance
1. Farmiera to allocate Shares equivalent to 12.5% of its enlarged number of issued Shares upon listing to Bumiputera investors to be approved by the MITI.	To be complied
2. Farmiera is to make available at least 50% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors.	To be complied

2.1.3 MITI

The MITI had, vide its letter dated 28 July 2025, stated that it has agreed to our Listing, involving 450,000,000 Shares and that our Company has complied with the Bumiputera equity requirement for the purpose of our Listing with allocation of 56,250,000 Shares representing 12.50% of our enlarged issued share capital to Bumiputera investors recognised by the MITI.

2.2 MORATORIUM ON OUR SHARES

2.2.1 Moratorium on Specified Shareholders' Shares

In compliance with the Rule 3.19(1) of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of the Shares held by our Specified Shareholders as follows:

- (a) the moratorium applies to our Specified Shareholders' entire shareholdings for a period of 6 months from the date of our admission to the Official List ("**First 6-Month Moratorium**");
- (b) upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45% of our total number of issued Shares (adjusted for any bonus issue or subdivision of shares) remain under moratorium for a further 6 months ("**Second 6-Month Moratorium**"); and
- (c) upon the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of one-third per annum (on a straight-line basis) of those Shares held under moratorium ("**Subsequent Moratorium Period**").

(collectively, referred to as "**Moratorium Period**")

2. APPROVALS AND CONDITIONS (Cont'd)

Details of our Shares which will be subject to moratorium are as set out in the table below:

Specified Shareholders	Year 1 after Listing				Year 2 after Listing	
	Shares under the First 6-Month Moratorium		Shares under the Second 6-Month Moratorium		Shares under the Subsequent Moratorium Period	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
AJSB	333,000,000	74.00	202,500,000	45.00	135,000,000	30.00
Total	333,000,000	74.00	202,500,000	45.00	135,000,000	30.00

Specified Shareholders	Year 3 after Listing	
	Shares under the Subsequent Moratorium Period	
	No. of Shares	% ⁽¹⁾
AJSB	67,500,000	15.00
Total	67,500,000	15.00

Note:

(1) Based on our enlarged issued share capital of 450,000,000 Shares after our IPO.

AJSB has provided a written undertaking to Bursa Securities that it will comply with the moratorium conditions as set out in Rule 3.19(1) of the Listing Requirements.

The moratorium restriction, which is fully acknowledged by our Specified Shareholders, will be specifically endorsed on our share certificates representing its shareholdings which are under moratorium to ensure that our Share Registrar will not register any sale, transfer or assignment that is not in compliance with the aforesaid restriction.

In addition, in accordance with Rule 3.19(2) of the Listing Requirements, where the specified shareholder is an unlisted corporation, all shareholders of the unlisted corporation must give undertakings to Bursa Securities that they will not sell, transfer or assign their shares in the unlisted corporation for the moratorium period. Accordingly, the following shareholders have also provided written undertakings to Bursa Securities that they will not sell, transfer or assign their shareholdings in the respective corporations for the duration of the Moratorium Period:

- (a) HHS Global, being the shareholder of AJSB and Hong How Seng, being the sole shareholder of HHS Global;
- (b) Keystone Capital, being the shareholder of AJSB and Tan Kok Cheong, being the sole shareholder of Keystone Capital;
- (c) TCH Capital, being the shareholder of AJSB and Tan Chin Heng, being the sole shareholder of TCH Capital;
- (d) SBESB, being the shareholder of AJSB and Lim Kian Hoe, being the sole shareholder of SBESB;
- (e) Himpunan Jaya, being the shareholder of AJSB and Lim Kim Leng and Ong Chin Loong, being the shareholders of Himpunan Jaya; and
- (f) Kien Huat Fishery, being the shareholder of AJSB and Tang Wu Kian and Loi Heng Poh, being the shareholders of Kien Huat Fishery.

3. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.

3.1 PRINCIPAL DETAILS OF OUR IPO

The following details relating to our IPO are derived from the full text of this Prospectus and should be read in conjunction with that text:

Number of Shares to be issued under the Public Issue	117,000,000
- Malaysian Public	
- Bumiputera	11,250,000
- Non-Bumiputera	11,250,000
- Eligible Persons	9,000,000
- Private placement to selected investors	29,250,000
- Private placement to selected Bumiputera investors approved by the MITI	56,250,000
Enlarged issued share capital upon Listing	RM84,560,000 comprising 450,000,000 Shares
IPO Price	RM0.25
Market capitalisation upon Listing (based on the IPO Price and our enlarged issued share capital after our IPO)	RM112,500,000

Please refer to Section 4 of this Prospectus for further details of our IPO.

The shareholdings in our Company held by our Specified Shareholders after our IPO are subject to moratorium. Further details of the moratorium on our Shares held by our Specified Shareholders are set out in Section 2.2 of this Prospectus.

3.2 BACKGROUND INFORMATION OF OUR GROUP AND OPERATIONAL HIGHLIGHTS

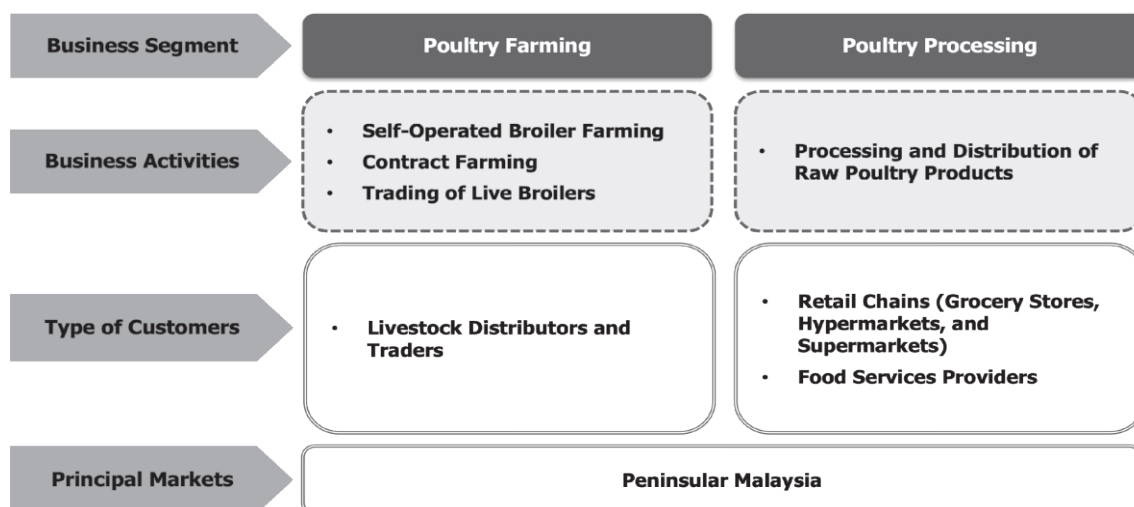
Our Company was incorporated in Malaysia under the Act on 2 May 2024 as a public limited company under the name of Farmiera Berhad.

Our Group is principally involved in poultry farming and poultry processing activities. Our business activities can be segmented into the following:

- (a) Poultry farming – self-operated farms and contract farms, where live broilers (including broiler DOCs, feed, vaccines and medicines) are sold and trading of live broilers sourced from third-party suppliers; and
- (b) Poultry processing – which comprises the processing and distribution of Halal certified raw poultry products.

3. PROSPECTUS SUMMARY (Cont'd)

Our business model can be illustrated as follows:



Each poultry farm of our Group, whether self-operated or contract, follows a scheduled cycle for the intake of broiler DOCs on a weekly basis and rears them into full-grown broilers, ensuring a consistent supply of broiler chickens for both the live broiler trading business and poultry processing activities. We sell live broilers, particularly the production output from our poultry farms on an outright trading basis to livestock distributors and traders. However, we may also source live broilers from third-party suppliers during periods when our broilers experience slower growth, particularly if the broilers' weight has not reached the ideal full-grown size required to meet customer demands.

Depending on the customer's location, the full-grown broilers are either sold to livestock distributors and traders or transported to our poultry processing plants for the production of raw poultry products. These raw poultry products are then delivered to customers across Peninsular Malaysia.

The table below sets out details of the poultry farms and poultry processing plants we operate and the number of contract farmers we engage, by states:

	As at the LPD		
	Poultry Farming		Poultry processing
	Self-operated farms	Contract farms	Processing plants
Selangor	10 ⁽¹⁾	11	-
Negeri Sembilan	5 ⁽²⁾	4	1
Perak	-	21	1
Pahang	-	6	-
Melaka	-	2	-
Total:	15	44⁽³⁾	2

Notes:

- (1) Of the 10 farms, 2 farms are rented by our Group.
 (2) Of the 5 farms, 4 farms are rented by our Group.
 (3) Operated by 38 contract farmers.

3. PROSPECTUS SUMMARY (Cont'd)

The following table sets out our revenue contribution by business segments for the Financial Periods Under Review:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<u>Poultry farming</u>										
Self-operated farms	36,505	13.93	41,803	9.89	69,823	13.03	90,038	16.05	48,823	15.71
Contract farms ⁽¹⁾	121,097	46.23	171,079	40.48	187,444	34.98	168,523	30.04	103,215	33.21
Trading of live broilers	13,943	5.32	4,165	0.99	9,521	1.78	10,220	1.82	4,160	1.34
	171,545	65.48	217,047	51.36	266,788	49.79	268,781	47.91	156,198	50.26
<u>Poultry processing</u>										
Lukut Processing Plant	90,423	34.52	125,094	29.60	136,351	25.45	148,154	26.40	79,931	25.71
Ipoh Processing Plant	-(2)	-	80,483	19.04	132,709	24.76	144,130	25.69	74,706	24.03
	90,423	34.52	205,577	48.64	269,060	50.21	292,284	52.09	154,637	49.74
Total	261,968	100.00	422,624	100.00	535,848	100.00	561,065	100.00	310,835	100.00

Notes:

- (1) The revenue from the sales to contract farmers is not expected to be profit-generating as these are cost and expenses in relation to the farming of broilers by contract farmers, which include broiler DOCs, feed and vaccines and medicines, which the broilers will be subsequently repurchased back by our Group.
- (2) The Ipoh Processing Plant was set up in FYE 2022.

The poultry farming segment accounted for 65.48% (RM171.55 million), 51.36% (RM217.05 million), 49.79% (RM266.79 million), 47.91% (RM268.78 million) and 50.26% (RM156.20 million) of our Group's total revenue for Financial Periods Under Review. The revenue generated from poultry farming segment is derived from the (i) sales of live broilers from own farms to livestock distributors and traders, (ii) sales of live broilers from contract farmers to livestock distributors and traders, supplying broiler DOCs, feed, vaccines and medicines to contract farmers for broilers rearing, and to customers who are not contract farmers engaged by our Group, and (iii) trading of live broilers. However, the revenue from the sales to contract farmers is not expected to be profit-generating as these are costs and expenses incurred by contract farmers in farming of broilers that will be subsequently repurchased back by our Group. The broilers are repurchased by the Group at a price derived from factors including prevailing market price of broilers, aforesaid costs and the profit margin of the contract farmers.

The poultry processing segment accounted for 34.52% (RM90.42 million), 48.64% (RM205.58 million), 50.21% (RM269.06 million), 52.09% (RM292.28 million) and 49.74% (RM154.64 million) of our Group's total revenue for Financial Periods Under Review.

Please refer to Sections 6 and 7 of this Prospectus for further information on our Group and business overview, respectively.

3. PROSPECTUS SUMMARY (Cont'd)

3.3 COMPETITIVE STRENGTHS

A summary of our Group's competitive strengths is set out below:

(i) Compliance with food safety and quality standards

In compliance with various standards, our poultry processing operations have been assessed and accredited with several certifications from the relevant regulatory authorities in Malaysia, which includes MeSTI certificate from the MOH, and Halal certification from JAKIM. The said certifications serve as testimonies of our Group's commitment to high product quality and safety, which are key concerns for food products.

(ii) We have an experience management team

Our Group has a highly competent management team headed by our Managing Director and Chief Executive Officer, Hong How Seng, who has been in the local poultry industry for 12 years. He is assisted by our Executive Director and Deputy Chief Executive Officer, Tan Kok Cheong, with over 12 years of experience in the poultry industry. They are supported by a team of experienced and dedicated Key Senior Management.

(iii) Stable supply and reliable suppliers

We have the ability to source broiler DOCs and feed from local suppliers for our poultry farming, which provides us with greater control over the supply chain, ensuring a stable and reliable supply. This also supports the efficiency of our operations, contribute to the overall stability and allows us to manage operational costs more effectively. As part of our efforts to ensure continuous supply of broilers for our overall poultry production, in addition to our self-operated broiler farms, we also engage the services of 38 contract farmers that operate a total of 44 contract farms, located in Perak, Selangor, Negeri Sembilan, Pahang and Melaka, as at the LPD. By engaging the services of contract farmers, our Group is able to ensure stable supply of broilers without incurring capital expenditure for additional farms as well as the maintenance and running costs associated with them.

(iv) Established long-term business relationship with our customers

Having an established reputation with our customers is utmost important in the industry we operate in. Our Group has successfully built and maintained long-term business relationship with local supermarket/hypermarket chains. Timely and reliable product delivery is crucial in the retail industry, and our ability to meet and fulfil customer expectations is evident in our enduring relationships with past and present customers.

Further details on our Group's competitive strengths are set out in Section 7.20 of this Prospectus.

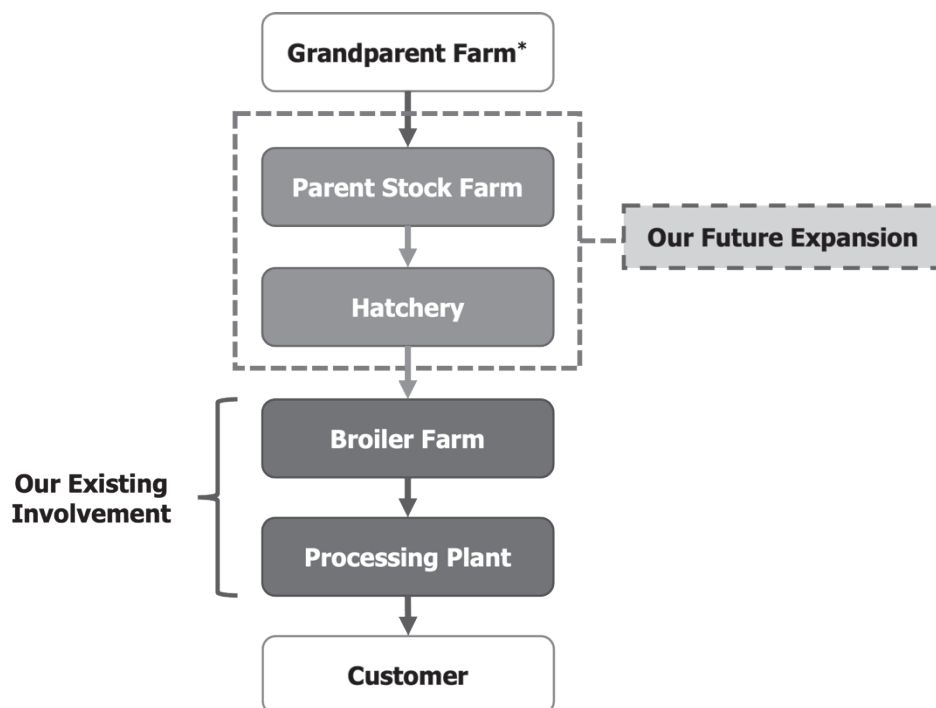
3.4 BUSINESS STRATEGIES AND FUTURE PLANS

Our business objectives are to maintain a sustainable growth rate in our business and create long term shareholders value.

As part of our expansion plan, we are in the early stage of venturing into the upstream sector of the poultry industry, by specifically engaging in broiler breeding and hatchery operations, to supply broiler DOCs to our poultry farming operations. The upstream vertical integration allows us to enhance our controls over the breeding and hatchery processes, while also improving our ability to manage the costs and the quality of the broiler DOCs.

3. PROSPECTUS SUMMARY (Cont'd)

The general broiler breeding operation is depicted in diagram below:



- A grandparent farm, also known as a grandparent stock farm, refers to the production of day-old chicks for use in parent stock farms

Further details on our Group's business strategies and future plans are set out in Section 7.21 of this Prospectus.

3.5 SUMMARY OF KEY RISK FACTORS

(i) We are exposed to outbreak of livestock-related diseases such as Avian influenza virus

The outbreak of livestock-related diseases, such as the avian influenza virus, at our poultry farms and/or contracted farms could have a material adverse effect on our operations, financial performance and prospects. Avian influenza A virus, commonly known as bird flu, is a highly infectious viral disease among live birds and can cause illness or death in domesticated birds.

In the event of an outbreak of livestock-related diseases at our broiler farms and/or our contract broiler farms, we would be required to shut down our farm operations for quarantine inspections and cull all our flocks under the jurisdiction of the Malaysian Government. If a regional or large-scale outbreak occurs, the government may impose certain restrictions on the movement and/or sale of live broilers and poultry products, with the possibility of no compensation or insufficient compensation being paid by the government. Additionally, our poultry farming operations may also be exposed to the risk of shortage and supply disruptions of broiler DOCs due to outbreaks of livestock-related diseases at the breeder (parent stocks) farms. Consequently, these possible events could adversely affect our business operations and financial performance. Since the commencement of our business, there have been no reported cases of Avian influenza virus infection in our broiler farms or our contract broiler farms.

3. PROSPECTUS SUMMARY (Cont'd)**(ii) We may not be able to obtain, renew or maintain our major licences, permits and/or approvals required to operate our business operations**

We depend on certain licences, permits and/or approvals issued by various government authorities and/ or regulatory agencies. Our major licences, permits and/or approvals are generally subject to periodic renewals and a variety of conditions. These conditions are either stipulated within the licences, permits and approvals themselves, or under the relevant legislations and/or regulations governing the issuing authorities. For instance, we are required to maintain poultry farming licences issued by the state DVS, pursuant to the respective state's Poultry Farming Enactment (i.e. legislation enacted by state that outline the compliance requirements for poultry farming activities) for the operation of our broiler farms.

As laws and regulations become increasingly stringent, there is no assurance that we will be able to renew such licences, permits and/or approvals from relevant authorities particularly if any new terms and conditions are imposed in the future.

(iii) We face uncertainty in respect of our application to obtain requisite approvals for change in express conditions and/or occupation of building

Our operations are required to comply with land use conditions particularly when the express conditions imposed on the land titles do not explicitly permit poultry farming. Additionally, a CCC/CF is required for the occupation of buildings or any part thereof pursuant to the SDBA. According to the Garis Panduan, the obtainment of a CCC/CF in respect of a broiler farm house is not required as the issuance of a CCC/CF is preceded by the issuance of a KM/KMTT and BP/TBP approval, both of which are required pursuant to the Garis Panduan.

Any adverse changes in such policies, guidelines, or directions taken by the local councils and/or land authorities in exercising their discretion on matters requiring their approvals, which we cannot anticipate and are beyond our control, may result in various outcomes. This includes failure to obtain approval, leading to the disruption of our operations as well as the need to incur additional costs in seeking alternatives or replacements for the affected broiler farms, which in turn, could materially adversely affect our business operation and financial performance.

(iv) Our poultry farming is subject to fluctuation in prices of feed

We source the feed that are used for our poultry farming from selected reliable and established local feed suppliers. However, the major raw materials for feed production, such as soybean meal, corn meal, and wheat grain are commodities items and are mainly sourced by import. As such, the selling price of feed is subject to fluctuations due to various factors, which includes, weather, volume of harvest, global demand and supply conditions, governmental agriculture policies, and currency exchange rates. Therefore, any significant increase in the cost of feed production resulting from rising raw material prices will lead to higher purchase costs for us.

(v) Dependency on reliable broiler DOCs supply and livestock-related disease management for our broiler quality

Quality broilers form the core competitive strengths of both our poultry farming and poultry processing business segments. Therefore, the quality of our Group's broilers depends significantly on the consistent and reliable supply of quality broiler DOCs as well as the effective administration of vaccinations and medications throughout our poultry farming. Any disruption in the supply of these inputs could have material adverse effects to the health and growth of our broilers. In the event that we are unable to source adequate supply of quality broiler DOCs, whether due to supplier issues, transportation problems, or any other unforeseen circumstances beyond our prediction and control, it could materially pose an adverse impact on our broiler production. A shortage of quality broiler DOCs may

3. PROSPECTUS SUMMARY (Cont'd)

in turn, affect the overall scale of our broiler production output and cause delays in our production cycle, thereby affecting our ability to meet market demand and subsequent processing.

(vi) Our continued success is dependent on our key management team

Our continued success is dependent on the experience, industry knowledge, efforts and business network of our management team.

We depend on the leadership of our Managing Director and Chief Executive Officer, Hong How Seng and Executive Director and Deputy Chief Executive Officer, Tan Kok Cheong to spearhead our Group and to drive the business development and growth of our Group. They are supported by a team of qualified key senior management of the Farm Operation Department, who have over the years gained a vast amount of experience, capability and knowledge in their respective roles which are essential to our business operations to support the growth of our Group. In particular, our Senior General Manager, Tan Chin Heng and our Chief Financial Officer, Chin Chien Hwi will/are responsible for our Group's expansion vertically into the broiler breeding and hatchery segments and will oversee activities related to the expansion, which include overall development, financial planning, and budgeting for the expansion.

Further details and the full list of risk factors which should be considered before investing in our Shares are set out in Section 9 of this Prospectus.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and Key Senior Management are as follows:

Name	Designation
<u>Directors</u>	
Tang Yuen Kin (M)	Independent Non-Executive Chairman
Hong How Seng (M)	Managing Director / Chief Executive Officer
Tan Kok Cheong (M)	Executive Director / Deputy Chief Executive Officer
Adrian Chair Yong Huang (M)	Independent Non-Executive Director
Nor Syahirah Binti Abu Baker (F)	Independent Non-Executive Director
Koo Woon Kan (F)	Independent Non-Executive Director
<u>Key Senior Management</u>	
Hong How Seng (M)	Managing Director / Chief Executive Officer
Tan Kok Cheong (M)	Executive Director / Deputy Chief Executive Officer
Chin Chien Hwi (M)	Chief Financial Officer
Tan Chin Heng (M)	Senior General Manager, Farm Operation

Further details on our Directors and Key Senior Management are set out in Section 5 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.7 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The details of our Promoters and/or Substantial Shareholders and their respective shareholdings in our Company before and after our IPO are as follows:

Name	Nationality/ Country of incorporation	Before the IPO				After the IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
<u>Substantial Shareholders</u>									
AJSB	Malaysia	333,000,000	100.00	-	-	333,000,000	74.00	-	-
HHS Global	Malaysia	-	-	(3)333,000,000	100.00	-	-	(3)333,000,000	74.00
Keystone Capital	Malaysia	-	-	(3)333,000,000	100.00	-	-	(3)333,000,000	74.00
<u>Promoters, Substantial Shareholders and Directors</u>									
Hong How Seng	Malaysian	-	-	(4)333,000,000	100.00	-	-	(4)333,000,000	74.00
Tan Kok Cheong	Malaysian	-	-	(5)333,000,000	100.00	-	-	(5)333,000,000	74.00
<u>Promoter</u>									
Tan Chin Heng	Malaysian	-	-	-	-	(6)-	(6)-	(6)-	(6)-

Notes:

- (1) Based on the total number of 333,000,000 Shares before our IPO.
- (2) Based on the enlarged total number of 450,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of their interests in AJSB pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his interest in AJSB via HSS Global pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his interest in AJSB via Keystone Capital pursuant to Section 8 of the Act.
- (6) Not deemed interested by virtue of his interests in AJSB via TCH Capital as TCH Capital holds less than 20.00% (i.e.12.50%) in AJSB pursuant to Section 8 of the Act

Further details on our Promoters and/or Substantial Shareholders and their shareholdings in our Company set out in Section 5.1 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)**3.8 UTILISATION OF PROCEEDS**

The total gross proceeds of RM29.25 million from our Public Issue will be utilised by our Group in the following manner:

Purposes	RM'000	%	Estimated time frame for use (from the Listing date)
Capital expenditure			
- Parent stock farms	12,548	42.90	Within 9 months
- Hatchery	9,600	32.82	Within 18 months
Working capital	2,802	9.58	Within 12 months
Estimated listing expenses	4,300	14.70	Within 1 month
Total	29,250	100.00	

Please refer to Section 4.5 of this Prospectus for further details on the utilisation of proceeds.

3.9 FINANCIAL HIGHLIGHTS

The following table sets out a summary of our Group's audited combined financial statements for the Financial Periods Under Review:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	261,968	422,624	535,848	561,065	310,835
GP	13,631	13,743	14,920	45,680	30,391
PBT	2,058	10,448	10,096	11,797	7,751
Profit attributable to the Owners of the Group	1,275	7,360	5,455	7,002	4,536
GP margin (%) ⁽¹⁾	5.20	3.25	2.78	8.14	9.78
PBT margin (%) ⁽²⁾	0.79	2.47	1.88	2.10	2.49
PAT margin (%) ⁽²⁾	0.59	1.90	1.20	1.25	1.46
Trade receivables turnover (days) ⁽³⁾	17	13	14	15	15
Trade payables turnover (days) ⁽⁴⁾	22	18	20	23	22
Inventory turnover (days) ⁽⁵⁾	1	1	2	2	2
Current ratio (times) ⁽⁶⁾	0.80	1.10	0.87	0.96	0.94
Gearing ratio (times) ⁽⁷⁾	0.69	0.98	0.63	1.24	1.39

Notes:

- (1) GP margin is computed based on GP divided by revenue.
- (2) PBT and PAT margin is computed based on PBT and PAT divided by revenue.
- (3) Computed based on average trade receivables multiplied by 365 days, 366 days, 182 days and 181 days for the respective financial year / period and divided by total revenue.
- (4) Computed based on average trade payables multiplied by 365 days, 366 days, 182 days and 181 days for the respective financial year/ period and divided by cost of sales.
- (5) Computed based on average opening and closing inventory over cost of sales for the respective financial year/ period multiplied by 365 days, 366 days, 182 days and 181 days for the respective financial years/ periods.
- (6) Computed based on current assets over current liabilities for the respective financial year/ period.

3. PROSPECTUS SUMMARY (Cont'd)

- (7) Computed based on total borrowings (excluding lease liabilities) over total equity for the respective financial year/ period.

For illustration purpose, the following table sets out the PAT of our Group for the Financial Periods Under Review adjusting to exclude profits or losses generated from non-recurring items or by activities or events outside the ordinary and usual course of business.

	FYE 2021 RM'000	FYE 2022 RM'000	Audited FYE 2023 RM'000	FYE 2024 RM'000	FPE 2025 RM'000
PAT attributable to owners of the Group	1,275	7,360	5,455	7,002	4,536
Adjusted for the following:					
Government subsidy ⁽¹⁾	-	⁽²⁾ (16,078)	⁽²⁾ (20,875)	⁽²⁾ (2,839)	-
Gain on disposal of combined entity	-	-	(484)	-	-
Gain on early termination of lease	(54)	(10)	(130)	(18)	(6)
Gain on lease modification	-	-	-	-	(482)
Loss/(Gain) on disposal of property, plant and equipment	⁽²⁾ 465	(115)	⁽³⁾ (2)62	⁽²⁾ (65)	97
Bad debts written off	111	852	⁽²⁾ 281	⁽⁴⁾ 306	-
Deposits written off	-	⁽²⁾ 113	-	-	-
Property, plant and equipment written off	-	-	-	137	-
Waiver of debts	-	-	⁽²⁾ (3)	-	-
Total adjustment	522	(15,238)	(21,149)	(2,479)	(391)
Taxation impact on the adjustment ⁽²⁾	(112)	3,832	4,892	675	1
Adjusted PAT/(LAT)	1,685	(4,046)	(10,802)	5,198	4,146

Notes:

- (1) Government subsidy in relation to the price control initiative introduced on 5 February 2022 to control the poultry price due to escalating raw material costs which was uplifted on 1 November 2023.
- (2) Computed by applying the Malaysian corporate tax rate of 24% on the relevant adjustments for the financial year. Save for those indicated as note (2), other non-recurring items outside the ordinary course of business were not subject to taxation.
- (3) Includes the gain and loss on disposals of which only the loss on disposal amounting to approximately RM215,000 is taxable.
- (4) Only RM27,500 that is related to the write-off of amount owing by shareholders is subject to taxation.

Further details of our Group's financial information are set out in Section 12 of this Prospectus.

3.10 DIVIDEND POLICY

Our Company presently does not have any formal dividend policy. As our Company is an investment holding company, our income and therefore our ability to pay dividends is dependent upon the dividends we receive from our subsidiaries, present or future.

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividends for the year are subject to shareholders' approval. It is our intention to pay dividends to shareholders in the future. However, such payments will depend upon a number of factors, including our Group's financial performance, capital expenditure requirements, general financial condition and any other factors considered relevant by our Board. Notwithstanding, our Group currently has no intention to declare any dividends prior to the Listing.

Further details on our Group's dividend policy are set out in Section 12.16 of this Prospectus.

4. DETAILS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The period for Application will open at 10.00 a.m. on 21 October 2025 and will remain open until 5.00 p.m. on 30 October 2025.

LATE APPLICATIONS WILL NOT BE ACCEPTED.

4.2 PARTICULARS OF OUR IPO

4.2.1 Our IPO

The Public Issue of 117,000,000 new Shares, representing 26.00% of our enlarged issued share capital at the IPO Price will be made available for Application in the following manner:

(a) Malaysian Public (*via balloting*)

22,500,000 IPO Shares, representing 5.00% of our enlarged issued share capital, will be made available for application by the Malaysian Public, to be allocated via balloting process as follows:

- (i) 11,250,000 IPO Shares made available to public investors; and
- (ii) 11,250,000 IPO Shares made available to Bumiputera public investors.

(b) Eligible Persons

9,000,000 IPO Shares, representing 2.00% of our enlarged issued share capital, will be made available for application by the Eligible Persons under the Pink Form Allocation.

The IPO Shares will be allocated to eligible employees of our Group based on the following criteria as approved by our Board:

- (i) the eligible employee must be a full time and confirmed employee of our Group;
- (ii) the eligible employee must be on our Group's payroll;
- (iii) the eligible employee is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
- (iv) the eligible employee's seniority, position, length of service; past performance and respective contribution made to our Group, as well as other factors deemed relevant to our Group; and
- (v) the eligible employee must be at least 18 years of age.

Our Directors are not participating in the Pink Form Allocation.

The number of IPO Shares to be allocated to our Key Senior Management are as set out below:

	<u>Designation</u>	<u>Number of IPO Shares allocated</u>
Chin Chien Hwi	Chief Financial Officer	667,000

4. DETAILS OF OUR IPO (Cont'd)

Details of the Pink Form Allocation to the Eligible Persons are as follows:

	Number of Eligible Persons as at the LPD	Number of IPO Shares allocated
Key Senior Management	1	667,000
Eligible employees of our Group ⁽¹⁾	33	4,815,000
Persons who have contributed to the success of Farmiera ⁽²⁾	8	3,518,000
Total	42	9,000,000

Notes:

- (1) Including allocation to our Specified Shareholders namely, Lim Kim Leng and Ong Chin Loong who are employees of the Group. The Pink Form Allocation to Lim Kim Leng and Ong Chin Loong amount to 667,000 IPO Shares each.
- (2) The number of Pink Form Allocations to persons who have contributed to our success comprising, amongst others, our customers, suppliers and business associates shall be based on their length of business relationship with our Group as well as other factors deemed relevant by our Board.

(c) Private Placement to selected investors

29,250,000 IPO Shares, representing 6.50% of our enlarged issued share capital, will be made available by way of private placement to selected investors.

(d) Private Placement to selected Bumiputera investors approved by the MITI

56,250,000 IPO Shares, representing 12.50% of our enlarged issued share capital, will be made available by way of private placement to selected Bumiputera investors approved by the MITI.

As at the LPD, save as disclosed above, to the extent known to our Company:

- (i) there are no Substantial Shareholders, Directors or Key Senior Management who have indicated to us that they intend to subscribe for the IPO Shares; and
- (ii) there are no person(s) who have indicated to us that they intend to subscribe for more than 5.0% of the IPO Shares.

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4. DETAILS OF OUR IPO (Cont'd)**4.2.2 Summary of IPO Shares to be allocated and underwritten**

In summary, our IPO Shares will be allocated (subject to clawback and reallocation provisions set out in Section 4.2.3 of this Prospectus) in the following manner:

	No. of IPO Shares	(1)%
Malaysian Public (via balloting)		
• Bumiputera	11,250,000	2.50
• Non-Bumiputera	11,250,000	2.50
Eligible Persons	9,000,000	2.00
Private Placement		
• Selected Investors	29,250,000	6.50
• Selected Bumiputera Investors approved by the MITI	56,250,000	12.50
Total	117,000,000	26.00

Note:

(1) Based on our enlarged issued share capital of 450,000,000 Shares after our IPO.

All 22,500,000 IPO Shares made available to the Malaysian Public (via balloting) and the 9,000,000 Pink Form Shares made available to the Eligible Persons under Sections 4.2.1(a) and 4.2.1(b) have been fully underwritten by our Underwriter.

All the 29,250,000 IPO Shares made available to selected investors by way of private placement and the 56,250,000 IPO Shares made available to selected Bumiputera investors approved by the MITI by way of private placement under Section 4.2.1(c) and Section 4.2.1(d) are not underwritten. Irrevocable undertakings will be obtained from the selected investors respectively to subscribe for our IPO Shares made available under the private placement.

4.2.3 Clawback and reallocation of IPO Shares

Our IPO Shares shall be subject to the following clawback and reallocation provisions:

(a) Malaysian Public

If our IPO Shares allocated to the Bumiputera Malaysian Public are under-subscribed, such IPO Shares will be made available to the other Malaysian Public. Likewise, in the event that any IPO Shares allocated to the other Malaysian Public are under-subscribed, such IPO Shares will be made available to the Bumiputera Malaysian Public. In the event that there are IPO Shares which are not subscribed by the Malaysian Public, the remaining portion unsubscribed will be made available for application and offered to the selected investors. Any further IPO Shares which are not subscribed after being allocated and offered to the selected investors shall be underwritten by our Underwriter in accordance with the salient terms of the Underwriting Agreement as set out in Section 4.7 of this Prospectus.

(b) Eligible Persons

Any IPO Shares under Pink Form Allocations which are not subscribed by any of the Eligible Persons shall be re-offered to our Group's other Eligible Persons before being reallocated to the Malaysian Public and/or to the selected investors by way of private placement.

4. DETAILS OF OUR IPO (Cont'd)

Thereafter, any remaining IPO Shares under the Pink Form Allocations which are not subscribed for shall be underwritten by our Underwriter in accordance with the terms of the Underwriting Agreement as set out in Section 4.7 of this Prospectus.

(c) Private placement to selected investors

In the event of under-subscription of the IPO Shares in respect of the allocation by way of private placement to the selected investors, the remaining unsubscribed portion will be clawed back and reallocated to the Malaysian Public and/or offered to the Eligible Persons.

The clawback and reallocation provisions will not apply in the event there is an over-subscription in all of the allocations of our IPO Shares at the closing date of our IPO.

(d) Private placement to selected Bumiputera investors approved by the MITI

In the event of under-subscription of the IPO Shares in respect of the allocation by way of private placement to the selected Bumiputera investors approved by the MITI ("**MITI Tranche**"), the unsubscribed IPO Shares under the MITI Tranche shall firstly be reallocated to the Bumiputera Malaysian Public. Any unsubscribed portion after the reallocation shall be allocated firstly to Malaysian institutional investors under the private placement and thereafter to other selected investors. Any remaining unsubscribed portion thereafter shall be allocated to non-Bumiputera Malaysian Public.

The allocation of our IPO Shares shall be in a fair and equitable manner and shall take into consideration the desirability of distributing our IPO Shares to a reasonable number of applicants with a view of broadening our Company's shareholding base to meet the public shareholding spread requirements of Bursa Securities and to establish a liquid market for our Shares. The number of IPO Shares offered under the Public Issue will not be increased via any over-allotment of "greenshoe" option.

4.2.4 Share capital

As at the LPD, the issued share capital of our Company is RM55,310,100 comprising 333,000,000 Shares. Upon completion of our IPO, the enlarged issued share capital of our Company will be RM84,560,000 comprising 450,000,000 Shares as follows:

Details	No. of Shares	RM'000
Issued share capital as at the LPD	333,000,000	55,310
New Shares to be issued pursuant to the IPO	117,000,000	(1)29,250
Enlarged issued share capital upon Listing	450,000,000	84,560

Note:

(1) Computed based on IPO share price of RM0.25 per Share.

4.2.5 Classes of shares and ranking

As at the date of this Prospectus and upon the completion of our IPO, we have only one class of shares, namely ordinary shares in our Company.

Our IPO Shares will, upon allotment and issuance, rank equally in all respects with our existing issued shares in the share capital of our Company including voting rights and rights to all dividends and distributions that may be declared, made or paid subsequent to the date of allotment of our IPO Shares, subject to any applicable Rules.

4. DETAILS OF OUR IPO (Cont'd)

Subject to any special rights attached to any Shares which we may issue in the future, our shareholders will, in proportion to the amount paid up on the Shares held by them, be entitled to share the profits paid out by us as dividends or other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution, after the satisfaction of any preferential payments in accordance with the Act, our Constitution and our liabilities.

At every general meeting of our Company, each of our shareholder shall be entitled to vote in person, by proxy, by attorney or by duly authorised representative.

On a show of hands, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote for each Share held or represented. A proxy may but need not be a member of our Company and there shall be no restriction as to the qualification of the proxy.

4.2.6 Minimum level of subscription

There is no minimum subscription level in terms of proceeds to be raised by us from our IPO. However, in order to comply with the public spread requirement of Bursa Securities, the minimum subscription level in terms of number of Shares will be the number of Shares required to be held by public shareholders in order to comply with the minimum public spread requirement under the Listing Requirements or as approved by Bursa Securities.

Pursuant to the Listing Requirements, a minimum of 25% of our enlarged issued share capital are required to be held by a minimum number of 200 public shareholders holding not less than 100 Shares at the point of our Listing.

In the event that the public spread requirement is not met, our Company may not be permitted to proceed with the Listing. In such event, monies paid in respect of all applications will be returned in full (*without interest or any share of revenue or benefit arising therefrom*) and if such monies are not returned in full within 14 days after our Company becomes liable to do so, the provision of section 243(2) of the CMSA shall apply accordingly.

4.3 BASIS OF ARRIVING AT THE IPO PRICE

Our Directors and Promoters, together with Malacca Securities have determined and agreed on the IPO Price per IPO Share after considering the following factors:

- (i) Based on the historical audited combined statements of profit and loss and other comprehensive income of our Group for the FYE 2024, we recorded a PAT of RM7.00 million, representing an EPS of 1.56 sen based on the enlarged issued share capital of 450,000,000 Shares upon Listing, resulting in a PE Multiple of 16.07 times;
- (ii) our detailed operating and financial performance as outlined in Section 12 of this Prospectus, respectively;
- (iii) our competitive advantages and strengths as set out in Section 7.20 of this Prospectus;
- (iv) our future plans and strategies as set out in Section 7.21 of this Prospectus; and
- (v) The pro forma combined NA per Share as at 30 June 2025 of RM0.20 based on the enlarged issued share capital of 450,000,000 Shares in our Company upon Listing and after use of proceeds.

Based on the IPO Price, the total market capitalisation of our Company will be RM112.50 million upon Listing.

4. DETAILS OF OUR IPO (Cont'd)

However, you should also note that the market price of the Shares upon Listing is subject to the uncertainties of market forces and other factors, which may affect the price of the Shares being traded. You should form your own views on the valuation of the IPO Shares before deciding to invest in our Shares. You are reminded to carefully consider the risk factors as set out in Section 9 of this Prospectus.

4.4 DILUTION

Dilution is the amount by which the IPO Price to be paid by investors for our IPO Shares exceeds our pro forma NA per Share after our IPO as illustrated below:

	(RM)
IPO Price	0.25
Pro forma combined NA per Share as at 30 June 2025 after the Pre-IPO Restructuring but before our Public Issue	0.19
Pro forma combined NA per Share after the Public Issue and use of proceeds	0.20
Increase in NA per Share attributable to existing shareholders	0.01
Dilution in NA per Share to our new investors	0.05
Dilution in NA per Share to our new investors as a percentage of the IPO Price	20.00%

The following table summarises the acquisition of our Shares by our Promoters, Directors, Key Senior Management, Substantial Shareholders and persons connected with them from the date of our incorporation up to the LPD, the total consideration paid by them and the average effective cash cost per Share to them and the IPO Shares subscribed by the new investors pursuant to our IPO. Save as disclosed below, there has been no other equity transaction and/or right to acquire any of our Shares by our Promoters, Directors, Key Senior Management and/or Substantial Shareholders and persons connected with them:

	No. of Shares held before IPO⁽¹⁾	No. of Shares held from IPO	Total consideration RM	Effective cash cost per Share RM
Substantial Shareholder				
AJSB	333,000,000	-	55,310,000	⁽²⁾ 0.17
Specified Shareholders				
Lim Kim Leng	-	⁽³⁾ 667,000	166,750	0.25
Ong Chin Loong	-	⁽³⁾ 667,000	166,750	0.25
Key Senior Management				
Chin Chien Hwi	-	⁽³⁾ 667,000	166,750	0.25

Notes:

- (1) After the completion of the Pre-IPO Restructuring.
- (2) Rounded from RM0.166.
- (3) Assuming that the mentioned Eligible Person fully subscribe for his entitlement under the Pink Form Allocations.

4. DETAILS OF OUR IPO (Cont'd)

As at the date of this Prospectus, save for the Pink Form Allocation, there is no outstanding right granted to anyone to acquire our Shares. The Pink Form Allocation is based on our IPO Price.

4.5 UTILISATION OF PROCEEDS FROM OUR IPO

The total gross proceeds from the Public Issue will amount to RM29.25 million based on the IPO Price. We expect the proceeds to be used in the following manner:

Purposes	RM'000	%	Estimated time frame for use (from the Listing date)
Capital expenditure			
- Parent stock farms	12,548	42.90	Within 9 months
- Hatchery	9,600	32.82	Within 18 months
Working capital	2,802	9.58	Within 12 months
Estimated listing expenses	4,300	14.70	Within 1 month
Total	29,250	100.00	

There is no minimum subscription to be raised from our IPO.

Pending the eventual use of proceeds raised from our IPO, the proceeds will be placed in interest-bearing short-term deposits or money market instruments with licensed financial institutions. The interest income derived from such short-term deposits or gains from money market instruments will be used as additional working capital for our Group.

4.5.1 Capital expenditure for setting up parent stock farms (PS Farm 2 and PS Farm 3) and hatchery

To complement our Group's broiler farms' supply of DOCs, we intend to enhance the supply chain of our poultry farming and poultry processing business by expanding vertically upstream to build new parent stock farms and a new hatchery for our future DOCs breeding operation.

Currently, the DOCs we used in our poultry farming are sourced from local parent stocks farms. With the upstream vertical integration, we will be able to control the breeding and hatchery processes more efficiently as well as being able to better manage the costs and quality of the DOCs. This will then improve the operation margins of our poultry farming segment. Please refer to Section 7.21 of this Prospectus for details on the DOCs breeding operation.

As at the LPD, the construction of PS Farm 1 and PS Farm 3 have been completed and have commenced operation. Details of PS Farm 1 and PS Farm 3 are as follows:

Parent Stock Farms	Location (State)	Land size (acres)	Capacity (Broiler DOCs per annum)
PS Farm 1 ⁽¹⁾	Negeri Sembilan	20.94	3.50 million
PS Farm 3 ⁽¹⁾	Negeri Sembilan	14.70	3.50 million
Total		35.64	7.00 million

Note:

- (1) Consists of 4 breeder houses and is constructed under the closed-house system for each parent stock farm

4. DETAILS OF OUR IPO (Cont'd)

Proceeds amounting to approximately RM22.15 million will be utilised for the construction of 2 parent stock farms (i.e. PS Farm 2 and PS Farm 3) and 1 hatchery farm on existing lands owned by the Group. As at the LPD, the construction of PS Farm 3 has been completed. For the avoidance of doubt, approximately RM7.45 million from the IPO proceeds will be used to replenish the capital expenditure incurred for the completion of the construction and installation of PS Farm 3 as well as the capital investment incurred prior to the commencement of the construction of PS Farm 2.

(a) Parent stock farms

The 2 parent stock farms (i.e. PS Farm 2 and PS Farm 3) will consist of 8 breeder houses (4 breeder houses each in 1 parent stock farm). The parent stock farms will be in 2 different locations within Peninsular Malaysia where each location will include the construction of breeder houses under the closed-house system, together with the installation of breeding equipment/infrastructure as well auxiliary structure for the breeding of DOCs.

Details of the parent stock farms are as follows:

Parent Stock Farms	Location (State)	Land size (acres)	Capacity (Broiler DOCs per annum)
PS Farm 2	Pahang	19.64	3.50 million
PS Farm 3	Negeri Sembilan	14.70	3.50 million
Total		34.34	7.00 million

The construction and installation cost of PS Farm 3 is approximately RM13.35 million while the estimated construction and installation costs of PS Farm 2 is approximately RM12.94 million, where the breakdown of the total costs and the source of fundings are as follows:

	⁽¹⁾ Bank borrowings and internally generated funds of the Company (RM'000)	⁽²⁾ Proceeds from the IPO (RM'000)	Total (RM'000)
Construction of parent stock farms ⁽³⁾			
- PS Farm 2	5,164	4,821	9,985
- PS Farm 3	5,164	4,821	9,985
	10,328	9,642	19,970
Installation of breeding equipment and infrastructure system ⁽³⁾			
- PS Farm 2	1,509	1,453	2,962
- PS Farm 3	1,909	1,453	3,362
	3,418	2,906	6,324
Total	13,746	12,548	* 26,294

4. DETAILS OF OUR IPO (Cont'd)**Notes:**

- * Approximately RM7.45 million from the IPO proceeds will be used to replenish the capital expenditure incurred for the completion of the construction and installation of PS Farm 3 as well as the capital investment incurred prior to the commencement of the construction of PS Farm 2. The breakdown of which is set out below:

	Construction of parents stock farms (RM)	Installation of breeding equipment and infrastructure system (RM)	Total (RM)
PS Farm 2	62	1,110	1,172
PS Farm 3	4,821	1,453	6,274
Total	4,883	2,563	7,446

- (1) We will utilise bank borrowings of up to approximately RM13.75 million, where the balance (if any) will be financed through our internally generated funds, the exact mix of which has not been determined at this juncture. Our Group has obtained sufficient bank borrowings available for immediate drawdown or for reimbursement to our Group for prior payment to contractors or suppliers. We will assess the appropriate time to utilise such bank borrowings taking into consideration our gearing position and interest cost impact.
- (2) Any surplus funds not utilised will be channelled for working capital purpose in relation to the operation of the parent stock farms.
- (3) Further breakdown on the construction of the parent stock farms are as follows:

	⁽ⁱ⁾Estimated timeframe (Months)	(RM'000)⁽ⁱⁱ⁾
<u>Construction of parent stock farms⁽ⁱⁱⁱ⁾</u>		
(a) Preliminary works (e.g. planning permission/licence application, site clearance, drainage, landscape works and earthworks etc)	2	1,857
(b) Construction of breeder houses	1	15,113
(c) Construction of other structures (workers quarters and biosecurity area)	1	3,000
<u>Installation of breeding equipment and infrastructure system⁽ⁱⁱⁱ⁾</u>		
(d) Installation of breeding equipment (i.e. ventilation system, cooling pads, partitions etc)	1	5,037
(e) Installation of mechanical and electrical system (i.e. power supply, wiring, control system etc)	2	1,287
Total		26,294

Notes:

- (i) The stages of the main construction of each parent stock farm will be constructed progressively. As the construction of the parent stock farms will be conducted in stages, the estimated timeframe is based on the period required to construct each parent stock farm.
- (ii) The construction and installation costs are based on quotations obtained from contractors and suppliers, as well as our own estimates.
- (iii) The construction of other structures and the installation of breeding equipment and infrastructure system (item (d) and (e)) will commence concurrently after completion of the main construction of the parent stock farm (item (a) to (c)).

The construction of PS Farm 2 will take approximately 6 months from the LPD to complete.

4. DETAILS OF OUR IPO (Cont'd)

As at the LPD, approximately RM9.98 million⁽¹⁾ have been incurred for the purpose of the construction and setting up of the parent stock farms, the breakdown is as follows:

	Total (RM'000)
Construction of parent stock farms	
- PS Farm 2	62
- PS Farm 3	5,642
	<u>5,704</u>
Installation of breeding equipment and infrastructure system	
- PS Farm 2	1,110
- PS Farm 3	3,165
	<u>4,275</u>
Total	<u>9,979</u>

Note:

- (1) As at the LPD, the capital expenditure amounting to approximately RM9.98 million is based on invoices received, with the balance to be recognised progressively upon receipt of the relevant invoices in respect to the estimated construction and installation cost of the parent stock farms as set out above.

Please refer to Section 7.21.1 of the Prospectus for the construction progress of the parent stock farms.

(b) Hatchery

Our vertical upstream expansion will also consist of the construction of 1 new hatchery together with its auxiliary structure, located in Negeri Sembilan. The main premise of the hatchery will include incubators with a built-up area of approximately 36,000 sq ft which have an estimated maximum capacity of producing approximately 22.60 million eggs per annum at this juncture.

The estimated construction cost of the hatchery is approximately RM32.05 million which breakdown and the source of fundings are as follows:

	⁽¹⁾ Bank borrowings and internally generated funds of the Company (RM'000)	⁽²⁾ Proceeds from the IPO (RM'000)	Total (RM'000)
Construction of hatchery ⁽³⁾	5,110	4,140	9,250
Installation of hatchery equipment and infrastructure system ⁽³⁾	17,340	5,460	22,800
Total	<u>22,450</u>	<u>9,600</u>	<u>32,050</u>

4. DETAILS OF OUR IPO (Cont'd)**Notes:**

- (1) We will utilise bank borrowings of up to approximately RM22.45 million, where the balance will be financed through our internally generated funds, the exact mix of which has not been determined at this juncture. Our Group has obtained sufficient bank borrowings available for immediate drawdown or for reimbursement to our Group for prior payment to contractors or suppliers. We will assess the appropriate time to utilise such bank borrowings taking into consideration our gearing position and interest cost impact.
- (2) Any surplus funds not utilised will be channelled for working capital purpose in relation to the operation of the hatchery
- (3) Further breakdown on the construction of the hatchery are as follows:

	⁽ⁱ⁾ Estimated timeframe (Months)	(RM'000)⁽ⁱⁱⁱ⁾
<u>Construction of hatchery⁽ⁱⁱⁱ⁾</u>		
(a) Preliminary works (e.g. planning permission/licence application, site clearance, drainage, landscape works and earthworks etc)	8 to 9	950
(b) Construction of the hatchery	5 to 6	6,500
(c) Construction of other structures (workers quarters and biosecurity area)	4	1,800
<u>Installation of hatchery equipment and infrastructure system⁽ⁱⁱⁱ⁾</u>		
(d) Installation of incubators and hatchers	5	18,800
(e) Installation of mechanical and electrical system (i.e. power supply, wiring, control system etc)	5	4,000
Total		32,050

Notes:

- (i) The main construction of the hatchery will be constructed in stages.
- (ii) The construction and installation costs are based on quotations obtained from contractors and suppliers, as well as our own estimates.
- (iii) The construction of other structures, installation of hatchery equipment and infrastructure system (item (d) and (e)) will commence concurrently after completion of the main construction of the hatchery (item (a) to (c)).

The construction of the hatchery farm will take approximately 18 months to complete and is expected to commence during the 2nd quarter of 2026 after the commencement of operation of PS Farm 2. This timeline allows our Group to efficiently manage the financing and operation costs in respect of our expansion, as the construction of PS Farm 2 is progressive.

Our hatchery is expected to achieve efficient operating capacity taking into consideration the aggregate quantity of hatching eggs to be produced from our PS Farm 1, PS Farm 2 and PS Farm 3.

As at the LPD, no amount has been incurred towards the construction of the hatchery. The estimated timeframe for the completion of the hatchery is expected to be longer than the parent stock farms. As such, prior to the completion of the hatchery, we intend to engage third party service provider for the hatching of eggs for the initial stage of our future breeding operation.

4. DETAILS OF OUR IPO (Cont'd)

The cost for the PS Farm 2, PS Farm 3 and the hatchery are set out as follows:

	Parent Stock Farms (RM'000)	Hatchery (RM'000)	Total (RM'000)
Total Capital expenditure	26,294	32,050	58,344
Less: Capital expenditure incurred	(9,979)	-	(9,979)
Balance capital expenditure to be incurred	16,315	32,050	48,365

In the event that any of the above capital expenditure has been incurred before the receipt from the Public Issue, the IPO proceeds will be used to replenish any internally generated funds or repay bank borrowing drawn down for the purpose of the said capital expenditure.

4.5.2 Working capital

Our Group's working capital requirement is expected to increase in tandem with our existing business as well as our vertical upstream expansion. In this regard, we intend to allocate the balance proceeds of approximately RM2.80 million for working capital utilised for our day-to-day operation which include but not limited to purchasing of livestock feeds and DOCs, staff costs, staff salaries, statutory payments, selling and marketing expenses, and other operating and administrative expenses.

While the breakdown of such use cannot be determined at this juncture as it depends on working capital for the operations of our Group at the relevant point of time, on a best estimate basis, the allocation of proceeds for such use are as follows:

Description	Amount (RM'000)
Purchase of DOCs, feed and vaccines	1,646
Staff cost which include payment of salaries and benefits	547
Selling and marketing expenses	159
General administrative expenses such as utility charges, office upkeep and maintenance	450
Total	2,802

4.5.3 Estimated listing expenses

Our listing expenses are estimated to be RM4.30 million, details of which are as follows:

Description	Amount (RM'000)
Professional fees ⁽¹⁾	2,873
Fees to authorities	126
Estimated underwriting, placement and brokerage fees	810
Other expenses ⁽²⁾	491
Total	4,300

Notes:

- (1) Includes professional and advisory fees for, among others, Principal Adviser, Solicitors, Reporting Accountants and Independent Market Researcher.
- (2) Other incidental or related expenses in connection with the IPO, which include translators, media related expenses and IPO event expenses.

4. DETAILS OF OUR IPO (Cont'd)

If the actual listing expenses are higher than budgeted, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual listing expenses are lower than budgeted, the excess will be used for working capital purposes as set out above.

The financial impact of the use of proceeds from our Public Issue is illustrated in the Pro Forma Combined Statements of Financial Position as at 30 June 2025 set out in Section 13 of this Prospectus.

4.6 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.6.1 Brokerage fee

We will bear the brokerage fees to be incurred on the issue of the 31,500,000 IPO Shares pursuant to our IPO under Sections 4.2.1(a) and 4.2.1(b) of this Prospectus at the rate of 1.00% of the IPO Price in respect of successful Applications which bear the stamp of Malacca Securities, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

4.6.2 Underwriting commission

Malacca Securities, as our Underwriter has agreed to underwrite 31,500,000 IPO Shares as set out in Sections 4.2.1(a) and 4.2.1(b) of this Prospectus. We will pay our Underwriter an underwriting commission at the rate of 2.50% of the total value of the Shares underwritten at the IPO Price.

4.6.3 Placement fee

Malacca Securities, as our Placement Agent has agreed to place out the following IPO Shares:

- (i) 29,250,000 IPO Shares to selected investors available under the placement as set out in Section 4.2.1(c) of this Prospectus; and
- (ii) 56,250,000 IPO Shares to selected Bumiputera investors approved by the MITI available under the placement as set out in Section 4.2.1(d) of this Prospectus,

at the rate of up to 2.50% of the IPO Price for each IPO Share to be placed out by our Placement Agent.

4.7 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

On 17 September 2025, we have entered into the Underwriting Agreement with the Underwriter to underwrite 31,500,000 IPO Shares ("**Underwritten Shares**"), upon the terms and subject to the conditions as set out in the Underwriting Agreement.

The salient terms of the Underwriting Agreement are as follows:

- (i) The obligations of the Underwriter under the Underwriting Agreement shall be subject to the following conditions ("**Conditions Precedent**") being fulfilled within within three (3) months from the date of the Underwriting Agreement ("**Condition Period**"):
 - (a) The Underwriting Agreement being signed by the relevant authorised signatories (as approved by our Board to sign on behalf of our Company) to the Underwriting Agreement and stamped within the statutory time frame and has not been terminated or rescinded pursuant to the provisions in the Underwriting Agreement and that the Underwriting Agreement remaining in full force and effect and no breach in respect of the Underwriting Agreement has occurred;

4. DETAILS OF OUR IPO (Cont'd)

- (b) The registration of this Prospectus and such other documents in relation to the IPO with Bursa Securities and its lodgement of the same with the Registrar of Companies of Malaysia ("**ROC**") in accordance with the CMSA, the Act and the Listing Requirements;
- (c) The issuance of this Prospectus;
- (d) The Underwriter receiving a copy duly certified by a Director or company secretary of our Company to be a true and accurate copy and in full force and effect, of a resolution of the Directors:
 - (1) approving this Prospectus and the application forms for the application of the IPO Shares ("**Offer Documents**") including this Prospectus for registration with Bursa Securities and lodgement of the same with the ROC (including a confirmation that the Directors, collectively and individually, accept full responsibility for the accuracy of all information stated in this Prospectus), the Underwriting Agreement and the transactions contemplated by it;
 - (2) authorising the issuance of the Offer Documents including the date of issuance of this Prospectus ("**Issue Date**") and the last day and time for the acceptance of and payment for the retail offering ("**Closing Date**");
 - (3) approving the appointment of the Underwriter;
 - (4) authorising at least two (2) Directors to sign and execute the Underwriting Agreement on behalf of our Company;
 - (5) approving the IPO and the Listing and the transactions contemplated by each of the same; and
 - (6) approving the allotment and issuance and/or transfer of the IPO Shares under the IPO to successful Malaysian Public applicants, Eligible Persons, placees selected by the Placement Agent and Bumiputera investors approved by the MITI.
- (e) The IPO and/or the Listing not being prohibited or impeded by any statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia and all consents, approvals, authorisations or other orders required by our Company under such laws for or in connection with the IPO and/or the Listing have been obtained and are in force up to and including the date of registration of this Prospectus;
- (f) There being no occurrence of any specified event which would have rendered any of the representations, warranties and undertakings of our Company and/or the Underwriter being untrue or inaccurate in any material respect as provided in the Underwriting Agreement up to and including the date of registration of this Prospectus;
- (g) There not having occurred on or prior to the date of registration of this Prospectus any breach of warranties or representations and/or failure to perform any of the undertakings by our Company contained in the Underwriting Agreement;
- (h) The delivery to the Underwriter of such reports and confirmations from the Directors of our Company as the Underwriter may reasonably require to ascertain that there is no material change since the date of the Underwriting Agreement that will adversely affect the performance or financial position of our Company and our Group up to the date of registration of this Prospectus; and

4. DETAILS OF OUR IPO (Cont'd)

- (i) The Underwriter receiving a copy of our Company's Constitution and the latest notification forms lodged with the ROC pursuant to Section 78, Section 46(3) and Section 58 of the Act, all of which are certified as true copy by our Company's company secretary.
- (ii) In the event any of the Conditions Precedent set forth is not satisfied on or upon the expiry of the Condition Period or such later date as consented to in writing by the Underwriter, the Underwriter shall be entitled to terminate the Underwriting Agreement by notice in writing to our Company and upon such termination, the Underwriter and our Company will be released and discharged from their respective obligations under the Underwriting Agreement. The Underwriting Agreement shall then become null and void and of no further force and effect and neither the Underwriter nor our Company shall have a claim against the other save for any antecedent breaches provided always that our Company shall be liable to pay the Underwriting Commission to the Underwriter in the event the non-fulfilment of the relevant Conditions Precedent is attributable to the wilful default by our Company.
- (iii) Subject to the terms and conditions as provided in the Underwriting Agreement, the Underwriter may at their sole and absolute discretion terminate the Underwriting Agreement and/or withdraw its commitment to underwrite the Underwritten Shares as stated in Section 4.6.2 of this Prospectus by notice in writing to our Company upon the occurrence of any of the following:
 - (a) there is any breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement or in any certificate, statement or notice under or in connection with the Underwriting Agreement; or
 - (b) there is failure on the part of our Company to perform any of its obligations contained in the Underwriting Agreement which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Underwriter within such number of days as stipulated by the Underwriter to our Company in writing or as stipulated in the notice informing our Company of such breach or by the Listing date, whichever is earlier; or
 - (c) there is withholding of information from the Underwriter which is required to be disclosed by our Company pursuant to the Underwriting Agreement which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the financial performance, cash flows and financial condition, business or operations or prospects of our Group, the success of the IPO, or the distribution or sale of the IPO Shares;
 - (d) there shall have occurred, or happened any event(s) which is expected to have a material adverse effect which has not been disclosed to the Underwriter prior to the date of the Underwriting Agreement and/or in this Prospectus;
 - (e) the Closing Date for the application and subscription of the IPO Shares does not occur within one (1) month from the Issue Date, or such other extended date as may be agreed in writing by the Underwriter in consultation with Bursa Securities and/or the SC, where applicable; or
 - (f) the occurrence of any force majeure event as defined in the Underwriting Agreement or any event or series of events beyond the reasonable control of the Underwriter or our Company which would have or can reasonably be expected to have a material adverse effect or which has or is likely to have the effect of making any obligation under the Underwriting Agreement incapable of performance with its terms or which prevents the processing of applications and/or payments pursuant to the IPO or pursuant to the underwriting of the Underwritten Shares; or

4. DETAILS OF OUR IPO (Cont'd)

- (g) any imposition of moratorium, suspension or material restriction on trading of securities on Bursa Securities for at least three (3) consecutive Market Days; or
 - (h) any government requisition or occurrence of any other nature which would have or is likely to have a material adverse effect on the business, operations and/or financial performance, financial position or prospects of our Group or the success of the IPO or the Listing; or
 - (i) the IPO is stopped or delayed by our Company or Bursa Securities or the SC or any relevant authorities for any reason whatsoever (unless such delay has been approved by the Underwriter); or
 - (j) any commencement of legal proceedings or action against any member of our Group or any of our directors and Promoters which in the opinion of the Underwriter, would have or is likely to have a material adverse effect or make it impracticable to market the IPO or to enforce contracts to allot, issue and/or transfer the IPO Shares; or
 - (k) any one of the Offer Documents (i) having been terminated or rescinded in accordance with its terms; (ii) ceased to have any effect whatsoever, or (iii) varied or supplemented upon terms and such variation or supplementation would have or likely to have a material adverse effect; or
 - (l) any of the resolutions or approvals referred to in the Underwriting Agreement is revoked, suspended or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have or is likely to have a material adverse effect; or
 - (m) if Bursa Securities, the SC (if applicable) or any other relevant authority issues an order pursuant to any Malaysian law such as to make it impracticable to market the IPO or to issue and allot and/or transfer the IPO Shares and/or the application and subscription of the IPO Shares by the Malaysian Public, Eligible Persons, selected investors, and selected Bumiputera investors approved by MITI; or
 - (n) any other event in which a material adverse effect has occurred or which in the opinion of the Underwriter is likely to occur; or
 - (o) if the obligations of the Underwriter to subscribe for and/or procure subscriptions for the Underwritten Shares is or becomes prohibited by any statute, order, rule, directive or regulation amended, supplemented or introduced after the date of the Underwriting Agreement by any legislative, executive or regulatory body or authority of any jurisdiction; or
 - (p) in the event that this Prospectus is not issued or the IPO does not take place in accordance with the period as stated in the Underwriting Agreement or such extended period as agreed in writing by the Underwriter in consultation with Bursa Securities and/or the SC, where applicable; or
 - (q) the Listing has not occurred within one (1) month from the Closing Date or such other extended date as may be agreed in writing by the Underwriter in consultation with Bursa Securities and/or the SC, where applicable, as provided for in clause 13 of the Underwriting Agreement.
- (iv) The term “material adverse effect” is defined in the Underwriting Agreement as any event, development or occurrence or series of events, development or occurrences, which in the opinion of the Underwriter, have or could be expected to have a prospective material adverse effect and/or change, whether individually or in the aggregate, and whether or not arising in the ordinary course of business on any of the following:

4. DETAILS OF OUR IPO (Cont'd)

- (a) the condition (financial, operational or otherwise), contractual commitments, general affairs, Board, management, business, assets, liquidity, liabilities, prospects, earnings, shareholders' equity, business undertakings, properties or results or cash flows of operations of our Company and/or our Group;
 - (b) the ability of our Company to perform in any respect of its obligations under or with respect to, or to consummate the transactions contemplated by this Prospectus or the Underwriting Agreement;
 - (c) the ability of our Company and/or our Group to conduct its business and to own or lease its assets and properties as described in this Prospectus; or
 - (d) the IPO including but not limited to the success of the IPO or the distribution or the sale of the IPO Shares pursuant to the IPO.
- (v) Upon the notice being given in accordance with the Underwriting Agreement, the Underwriter shall be released and discharged of its obligation without prejudice to its rights under the Underwriting Agreement, and where the Underwriter has terminated the Underwriting Agreement or withdrawn its commitment to underwrite the Underwritten Shares pursuant to the Underwriting Agreement, the Underwriting Agreement shall be of no further force or effect and no party shall be under any liability to any other parties in respect of the Underwriting Agreement, except that the Company shall pay the Underwriting Commission and the costs and expenses in accordance with the terms and conditions of the Underwriting Agreement.
- (vi) In the event that the Underwriter is notified to carry out their obligations under the Underwriting Agreement, and upon the Underwriter having performed such obligations and the Listing has not occurred within one (1) month from the Closing Date or such other extended date as may be agreed in writing by the Underwriter in consultation with Bursa Securities and/or the SC, where applicable, the Underwriter is entitled to terminate the Underwriting Agreement by notifying our Company in writing and upon receipt of such notification from the Underwriter, our Company shall refund to the Underwriter any and all subscription monies remitted by the Underwriter for the application in respect of such Underwritten Shares not subscribed and paid for in full by applicants on the Closing Date ("Unsubscribed Shares") as stipulated in the underwriting notice in the form as per schedule 1 of the Underwriting Agreement within a period of five (5) Market Days from the date of such notification by the Underwriter. The Underwriter shall within three (3) Market Days from the date of receipt of the refund of the subscription monies by our Company, transfer the Unsubscribed Shares and/or procure the transfer of the Unsubscribed Shares by its nominee(s), to a securities account(s) as may be instructed or informed by our Company. In such event, the full underwriting commission shall remain payable by our Company to the Underwriter including costs and expenses.
- (vii) Under the Underwriting Agreement, the occurrence of any of the followings will be an event of force majeure if the Underwriter and/or our Company is unable to perform its obligations stipulated herein resulting in the termination of the IPO and/or Listing:
 - (a) any new law, regulation, directive, policy or ruling or any material change in any law, regulation, directive, policy or ruling in any jurisdiction or any change in the interpretation or application thereof by any court or other competent authority which would materially prejudice or affect the market conditions or which has or is likely to have the effect of making the Underwriting Agreement incapable of performance in accordance with its terms;
 - (b) any event or series of events beyond the reasonable control of the Underwriter or events beyond the reasonable control of our Company which seriously affects or will seriously affect the business of our Group or our ability to proceed with the IPO and/or the Listing;

4. DETAILS OF OUR IPO (Cont'd)

- (c) any act or acts of God, national disorder, armed conflict or serious threat of the same, hostilities, embargo, detention, revolution, riot, looting or other labour disputes, any unavailability of transportation or severe economic dislocation, natural catastrophe, earthquake, typhoon, acts of warfare, sabotages, outbreak of war, outbreak of disease, epidemics, pandemic, the imposition of lockdowns or similar measures to control the spread of any epidemic, acts of terrorism or the declaration of a state of national emergency;
- (d) any material adverse change or development involving a prospective change in national or international monetary, financial, political or economic conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia or overseas) or currency exchange rates or the occurrence of any combination of any of the foregoing which adversely affects or could have been reasonably expected to affect:
 - (1) the business of our Group; or
 - (2) the success of the Listing;
- (e) the FTSE Bursa Malaysia Kuala Lumpur Composite Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (1) on or after the date of the Underwriting Agreement; and
 - (2) prior to the Closing Date,

lower than 80% of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to such date and remains at or below that level for three (3) consecutive Market Days.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

5.1 PROMOTERS AND/OR SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and Substantial Shareholders' shareholdings

The details of our Promoters and Substantial Shareholders and their respective shareholdings in our Company before and after our IPO are as follows:

Name	Nationality/ Country of incorporation	Before the IPO				After the IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
<u>Substantial Shareholders</u>									
AJSB	Malaysia	333,000,000	100.00	-	-	333,000,000	74.00	-	-
HHS Global	Malaysia	-	-	(3)333,000,000	100.00	-	-	(3)333,000,000	74.00
Keystone Capital	Malaysia	-	-	(3)333,000,000	100.00	-	-	(3)333,000,000	74.00
<u>Promoters, Substantial Shareholders and Directors</u>									
Hong How Seng	Malaysian	-	-	(4)333,000,000	100.00	-	-	(4)333,000,000	74.00
Tan Kok Cheong	Malaysian	-	-	(5)333,000,000	100.00	-	-	(5)333,000,000	74.00
<u>Promoter</u>									
Tan Chin Heng	Malavsian	-	-	(6)-	(6)-	-	-	(6)-	(6)-

Notes:

- (1) Based on the total number of 333,000,000 Shares before our IPO.
- (2) Based on the enlarged total number of 450,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of their interests in AJSB pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his interest in AJSB via HHS Global pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his interest in AJSB via Keystone Capital pursuant to Section 8 of the Act.
- (6) Not deemed interested by virtue of his interest in AJSB via TCH Capital as TCH Capital holds less than 20.00% (i.e.12.50%) in AJSB pursuant to Section 8 of the Act.

The Shares held by our Promoters and our Substantial Shareholders do not have different voting rights from our other shareholders. Save for our Promoters and Substantial Shareholders above, there are no other persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, there is no arrangement between our Company and our Promoters and our Substantial Shareholders, with any third party of which may result in a change in control of our Company at a date subsequent to our IPO and our Listing.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.1.2 Profile of Promoters and/or Substantial Shareholders

(i) **Hong How Seng**

Promoter, Substantial Shareholder, Managing Director and Chief Executive Officer

Hong How Seng, a Malaysian aged 48, is our Promoter, Substantial Shareholder, Managing Director and Chief Executive Officer. He was appointed to our Board on 2 May 2024. He completed his secondary education up to Form 3 in 1992. He has more than 12 years of experience in the poultry industry, including poultry farming and poultry processing.

He began his career in 1994 by establishing a food store in Meru, Klang. In 1998, he closed his food store and went to Betong, Thailand to explore the prospects of the food and beverage industry in Thailand, where he was actively involved in managing the daily operations of a food store. He subsequently returned to Malaysia in 2000 and joined TB Motor, a sole proprietorship involved in the dealing of used cars, established by Tan Kok Cheong (our Promoter, Substantial Shareholder, Executive Director and Deputy Chief Executive Officer), where he was responsible for sourcing and acquiring used cars. TB Motor ceased its business operations in 2012. In the same year, Hong How Seng, together with Tan Kok Cheong and Tan Cheng Loke, co-founded Greater Wealth Management Sdn Bhd, which is involved in the business of property investment holdings.

In 2013, Hong How Seng, together with Tan Kok Cheong, co-founded FARSB to venture into the contract broiler farming industry. FARSB commenced operations with four broiler farms located at Tanjung Sepat, Selangor. After discontinuing the provision of contract broiler farming activities in 2015, they established FCFSB to venture into the business of self-operated poultry farming and trading of live broilers. Subsequently in 2018, they further expanded their business to include the processing and distribution of Halal certified raw poultry products, with the aim of providing high-quality poultry products to meet the growing demands of the Halal food market.

As our Group continues to grow and expand, Hong How Seng has taken on a pivotal role in our Group's strategic planning. He has set the strategic directions necessary to propel our Group's continued expansion and has made key decisions that align with our growth goals. He has also evaluated market trends, identified opportunities for further expansion and assessed potential risks to maintain the Group's competitive edge in the industry. His leadership also extends to talent recruitment, where he has successfully fostered a culture of teamwork and collaboration within the Group to drive the Group's sales and enhance its overall performance. Moving forward, it is expected that he will continue to oversee the day-to-day operations of our Group and shape our business directions and strategies.

Further details of his present directorships and involvements in principal business activities outside our Group are as set out in Section 5.2.4 of this Prospectus.

(ii) **Tan Kok Cheong**

Promoter, Substantial Shareholder, Executive Director and Deputy Chief Executive Officer

Tan Kok Cheong, a Malaysian aged 50, is our Promoter, Substantial Shareholder, Executive Director and Deputy Chief Executive Officer. He was appointed to our Board on 2 May 2024. He completed his secondary education up to year-long transition class (commonly known as remove class) in 1989. He has more than 12 years of experience in the poultry industry, including poultry farming and poultry processing.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

He began his career in 1989 at a food store located in Meru, Klang, where he was actively involved in the daily operations of the food store. In 1991, he joined Sung Lei Engineering Sdn Bhd ("**Sung Lei Engineering**"), a company involved in manufacturing and installation of pneumatic and hydraulic system, as a welding technician to perform welding operations. In 1994, he left Sung Lei Engineering and joined NB Motor, a sole proprietorship involved in the dealing of used cars, as a sales assistant where he was responsible for selling used cars and negotiating sales contracts. He was then promoted in 1996 to the position of sales manager, where he was responsible for managing a team of sales representatives and implementing sales strategies to achieve sales target. He left NB Motor in 1998 and established TB Motor, a sole proprietorship that was involved in the dealing of used cars in 1999. His job responsibilities at TB Motor are similar to those undertaken by him at NB Motor. TB Motor ceased its business operations in 2012.

In the same year, Tan Kok Cheong, together with Hong How Seng and Tan Cheng Loke, co-founded Greater Wealth Management Sdn Bhd, which is involved in the business of property investment holdings.

In 2013, Tan Kok Cheong, together with Hong How Seng, co-founded FARSB to venture into the contract broiler farming industry. FARSB commenced operations with four broiler farms located at Tanjung Sepat, Selangor. After discontinuing the provision of contract broiler farming activities in 2015, they established FCFSB to venture into the business of self-operated poultry farming and trading of live broilers. Subsequently in 2018, they further expanded their business to include the processing and distribution of Halal certified raw poultry products, with the aim of providing high-quality poultry products to meet the growing demands of the Halal food market.

As our Group continues to grow and expand, Tan Kok Cheong has been instrumental in executing the Group's strategic visions, goals and initiatives over the years. He is primarily responsible for monitoring the Group's organisational performance to ensure that the Group remains on track for success and growth. His main responsibilities include overseeing operational implementation, liaising with business partners and customers, engagement with stakeholders and identifying, assessing and mitigating risks that may impact the operations and financial performance of the Group. Moving forward, it is expected that he will continue to assume similar roles in executing the Group's future business directions.

Further details of his present directorships and involvements in principal business activities outside our Group are as set out in Section 5.2.4 of this Prospectus.

(iii) **Tan Chin Heng**

Promoter and Senior General Manager, Farm Operation

Tan Chin Heng, a Malaysian aged 59, is our Senior General Manager of the Farm Operation Department. He completed Malaysian Higher School Certificate (STPM) qualifications from Melaka High School in 1986. He has approximately 37 years of experience in poultry farming activities.

He began his career as a Farm Supervisor at Leong Hup Holdings Berhad (a public company listed on the Main Market of Bursa Securities) ("**Leong Hup Holdings**") in October 1987, where his main responsibilities included supervising and managing the daily operations of 5 breeder farms in Johor, including the care and management of parent stocks, ensuring optimal fertility and hatchability rates, overseeing mating programs, and monitoring the collection, selection, and storage of hatching eggs for delivery to hatcheries. In October 1990, he was promoted to Farm Manager, where his responsibilities was expanded to include managing breeder farms, overseeing production planning, farm worker recruitment and operations in the Johor region. From 1996 to 1997, he assisted Leong Hup Holdings in settling up new breeder farms operation in Indonesia where his key responsibilities included strategic planning, establishing farm operations and training local staff, which has contributed to the successful expansion of Leong Hup Holdings' operation in the region.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

After successfully establishing the operations in Indonesia, he was assigned to manage broiler farms in 1998. He was responsible for overseeing farm operations of Leong Hup's owned farms, ensuring production efficiency and maintaining quality control through effective feeding, lighting, and environmental management, monitoring poultry health and mortality rates, and enforcing strict biosecurity protocols to prevent disease outbreaks, further enhancing his expertise in large-scale poultry farming. In February 2002, he was appointed as the director of Leong Hup Broiler Farm Sdn Bhd, a wholly owned subsidiary of Leong Hup Holding principally involved in the provision of farming-related services and investment holding. His responsibilities included strategic planning, team leadership, and ensuring business objectives were met, where he played a pivotal role in scaling operations and maintaining high standards of production efficiency and quality control. He held this position for 19 years until his resignation in January 2021.

He joined our Group in February 2021 as Senior General Manager of the Farm Operation Department where he is primarily responsible for managing the day-to-day operations of our farms. His main responsibilities include implementing production and costing initiatives, monitoring farm performance to ensure that our Group is on track for success and growth and identifying, assessing and mitigating risks that may impact the operations and financial performance of the Group.

In his current role, he has been instrumental in assisting our Group with the overall management and optimisation of our farms' operations, developing and executing production strategies and optimal farm capacity initiatives as well as providing recommendations to enhance the utilisation and efficiency of our farms' capacity. His deep expertise in poultry farming and strong leadership skills have enabled him to provide valuable guidance to our Group in streamlining operations, improving productivity and maintaining cost efficiency. In addition, he also plays a significant role in advising our Group on future vertical expansion plans for breeder farm operations, ensuring sustainable growth and alignment with business goals.

Further details of his present directorship and involvement in principal business activities outside our Group are as set out in Section 5.2.9 of this Prospectus.

(iv) AJSB

Specified Shareholder and Substantial Shareholder

AJSB was incorporated in Malaysia under the Act on 12 April 2024 as a private limited company under its present name. AJSB is principally involved in investment holding as at the LPD.

As at the LPD, the issued share capital of AJSB is RM10,000 comprising 10,000 ordinary shares.

As at the LPD, the directors of AJSB are Hong How Seng and Tan Kok Cheong.

The table below sets out the shareholders of AJSB and their respective shareholding in AJSB as at the LPD:

Shareholders	Nationality / Country of Incorporation	Direct		Indirect	
		No. of shares	(1)%	No. of shares	(1)%
HHS Global	Malaysia	5,100	51.00	-	-
Keystone Capital	Malaysia	2,559	25.59	-	-
TCH Capital	Malaysia	1,258	12.58	-	-
SBESB	Malaysia	500	5.00	-	-
Himpunan Jaya	Malaysia	383	3.83	-	-
Kien Huat Fishery	Malaysia	200	2.00	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Shareholders	Nationality / Country of Incorporation	Direct		Indirect	
		No. of shares	(1)%	No. of shares	(1)%
Hong How Seng	Malaysian	-	-	⁽²⁾ 5,100	51.00
Tan Kok Cheong	Malaysian	-	-	⁽³⁾ 2,559	25.59
Tan Chin Heng	Malaysian	-	-	⁽⁴⁾ 1,258	12.58
Lim Kian Hoe	Malaysian	-	-	⁽⁵⁾ 500	5.00
Lim Kim Leng	Malaysian	-	-	⁽⁶⁾ 383	3.83
Ong Chin Loong	Malaysian	-	-	⁽⁶⁾ 383	3.83
Tang Wu Kian	Malaysian	-	-	⁽⁷⁾ 200	2.00
Loi Heng Poh	Malaysian	-	-	⁽⁷⁾ 200	2.00

Notes:

- (1) Based on the total number of 10,000 ordinary shares in AJSB.
- (2) Deemed interested by virtue of his interest in HSS Global pursuant to Section 8 of the Act.
- (3) Deemed interested by virtue of his interest in Keystone Capital pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his interest in TCH Capital pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his interest in SBESB pursuant to Section 8 of the Act.
- (6) Deemed interested by virtue of their interests in Himpunan Jaya pursuant to Section 8 of the Act.
- (7) Deemed interested by virtue of their interests in Kien Huat Fishery pursuant to Section 8 of the Act.

(v) HHS Global

Substantial Shareholder

HHS Global was incorporated in Malaysia under the Act on 28 October 2022 as a private limited company. HHS Global is principally involved in investment holding as at the LPD.

As at the LPD, the issued share capital of HHS Global is RM1,000 comprising 1,000 ordinary shares.

As at the LPD, the sole shareholder and director of HHS Global is Hong How Seng.

(vi) Keystone Capital

Substantial Shareholder

Keystone Capital was incorporated in Malaysia under the Act on 17 October 2022 as a private limited company. Keystone Capital is principally involved in investment holding as at the LPD.

As at the LPD, the issued share capital of Keystone Capital is RM1,000 comprising 1,000 ordinary shares.

As at the LPD, the sole shareholder and director of Keystone Capital is Tan Kok Cheong.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.1.3 Changes in our Promoters' and Substantial Shareholders' shareholdings

The changes in our Promoters' and Substantial Shareholders' shareholdings in our Company since incorporation up to the LPD are as follows:

Name	As at 2 May 2024 (Date of incorporation)				As at the LPD			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
<u>Substantial Shareholders</u>								
AJSB	-	-	-	-	333,000,000	100.00	-	-
HHS Global	-	-	-	-	-	-	⁽⁴⁾ 333,000,000	100.00
Keystone Capital	-	-	-	-	-	-	⁽⁴⁾ 333,000,000	100.00
<u>Promoters and Substantial Shareholders</u>								
Hong How Seng ⁽³⁾	26	26.00	-	-	-	-	⁽⁵⁾ 333,000,000	100.00
Tan Kok Cheong ⁽³⁾	25	25.00	-	-	-	-	⁽⁶⁾ 333,000,000	100.00
Ng Hock Tiam ⁽³⁾	49	49.00	-	-	-	-	-	-
<u>Promoter</u>								
Tan Chin Heng	-	-	(7)	(7)	-	-	(7)	(7)

Notes:

- (1) Based on the total number of 100 Shares as at the date of incorporation of our Company.
- (2) Based on the total number of 333,000,000 Shares before our IPO.
- (3) Being the subscriber shareholder in Farmiera.
- (4) Deemed interested by virtue of their interests in AJSB pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his interest in AJSB via HSS Global pursuant to Section 8 of the Act.
- (6) Deemed interested by virtue of his interest in AJSB via Keystone Capital pursuant to Section 8 of the Act.
- (7) Not deemed interested by virtue of his interest in AJSB via TCH Capital as TCH Capital holds less than 20.00% (i.e.12.50%) in AJSB pursuant to Section 8 of the Act.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.1.4 Persons exercising control over the corporation

Save as disclosed in Section 5.1.1 of this Prospectus, there is no other person who are able to, directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, our Promoters and Substantial Shareholders have the same voting rights as the other shareholders of our Company and there is no arrangement between our Company and our shareholders with any third parties which may, at a subsequent date, result in the change in control of our Company.

5.1.5 Benefits paid or intended to be paid

Save for the Directors' and Key Senior Management's remuneration and material benefits-in-kind as disclosed in Section 5.4.1 and Section 5.4.2 of this Prospectus respectively, there is no amount, benefit and dividends that has been or is intended to be paid or given to our Promoters, Directors, Substantial Shareholders and/or Key Senior Management by our Group within the two years preceding the date of this Prospectus.

5.2 DIRECTORS AND KEY SENIOR MANAGEMENT

5.2.1 Directors

Our Board comprises the following members:

Name	Age	Nationality	Date of appointment	Designation
Tang Yuen Kin (M)	54	Malaysian	3 March 2025	Independent Non-Executive Chairman
Hong How Seng (M)	48	Malaysian	2 May 2024	Managing Director / Chief Executive Officer
Tan Kok Cheong (M)	50	Malaysian	2 May 2024	Executive Director / Deputy Chief Executive Officer
Adrian Chair Yong Huang (M)	52	Malaysian	3 March 2025	Independent Non-Executive Director
Koo Woon Kan (F)	49	Malaysian	3 March 2025	Independent Non-Executive Director
Nor Syahirah Binti Abu Baker (F)	43	Malaysian	3 March 2025	Independent Non-Executive Director

Notes:

(M) Male
(F) Female

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.2 Profile of Directors

In addition to the profiles of Hong How Seng and Tan Kok Cheong as set out in Section 5.1.2 of this Prospectus, the profiles of our other Directors are as set out below:

(i) **Tang Yuen Kin**
Independent Non-Executive Chairman

Tang Yuen Kin, a Malaysian aged 54, is our Independent Non-Executive Chairman. He was appointed to the Board on 3 March 2025. He graduated with a Bachelor of Accounting (First Class Honours) degree from the University of Malaya, Malaysia in August 1995. He obtained his Master of Business Administration (Banking & Finance) ("**MBA**") from Nanyang Technological University, Singapore ("**NTU**") in August 2000. He also obtained his Master of Law Executive (Business Law) from International Islamic University Malaysia in August 2006. He has been a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants since July 2000 and May 2015, respectively. He has more than 26 years of experience in the areas of audit, accounting and finance, corporate finance and corporate planning.

He began his career in May 1995 as an Audit Assistant with Price Waterhouse (now known as PricewaterhouseCoopers PLT) ("**PW**") where he was involved in audit works mainly for public listed and multi-national companies. He was promoted to the position of Audit Senior in January 1997. He then left PW in October 1997 and joined the SC in November 1997 as an Executive Officer in the Securities Issues Department. During his tenure with the SC, he was involved in evaluating and assessing corporate proposals, such as initial public offerings, restructurings, rights issues and other fund-raising proposals undertaken by public companies. He was also involved in compliance monitoring.

He took a sabbatical leave from the SC in October 1998 to pursue his MBA at NTU and re-joined the SC in March 2000. He then left the SC in November 2004 as a Senior Executive Officer and joined KPMG Corporate Services Sdn Bhd as a Principal Consultant in the same month where he was involved in providing clients with corporate finance advisory services in areas such as valuations, financial modelling, mergers and acquisitions, initial public offerings and other corporate exercises. In September 2005, he was transferred to KPMG Corporate Advisory Sdn Bhd and was subsequently promoted to the position of Director, Corporate Finance in 2006.

In January 2008, he left KPMG Corporate Advisory Sdn Bhd and co-founded MainStreet Advisers Sdn Bhd ("**MainStreet Advisers**"). As an Executive Director of MainStreet Advisers, he provided corporate finance advisory services to clients mainly in the areas of initial public offerings and restructuring. Subsequently, he joined AmInvestment Bank Berhad ("**AmInvestment Bank**") in January 2010 as an Associate Director in its Corporate Finance Department. During his tenure with AmInvestment Bank, he was involved in providing advisory services to clients mainly for initial public offerings, in areas such as structuring, project management, co-ordination, execution and implementation of listing proposals. He then left AmInvestment Bank in September 2011.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

In January 2012, he joined ZJ Advisory Sdn Bhd as a Director, where he continued to provide corporate finance advisory services to clients. Thereafter, he joined Alliance Investment Bank Berhad ("**Alliance Investment Bank**") in May 2012 as Vice President in its Capital Market – Origination Department. During his tenure with Alliance Investment Bank, he was re-designated to the position of Vice President, Head in the Capital Market – Equity Execution Department in April 2013 and then promoted to the position of Senior Vice President, Head in the same department in October 2013. In these roles, he administered and managed the running of the Capital Market – Equity Execution Department, comprising the overall management and execution of corporate finance mandates for, among others, initial public offerings, independent advice and listing sponsorships. He was also in charge of the department's risk management, liaising with clients and regulators on the execution of secured mandates, staff management and development and overall office administration.

In August 2014, he left his tenure in corporate finance / investment banking advisory services and joined Sasbadi Holdings Berhad (a public company listed on the Main Market of Bursa Securities) ("**SHB**"), an education solutions provider as a Group Chief Financial Officer ("**CFO**") in November 2014. As the Group CFO of SHB, he was responsible for overseeing financial, accounting and tax management and reporting functions, risk management and internal control system, corporate planning, legal matters and investor relations activities of SHB and its group of companies. He left SHB in April 2018 and joined Artius Dental Sdn Bhd ("**Artius Dental**"), a company providing dental care and other related services, in May 2018 as a Group CFO for a short period of time. He then left to join Dancomech Holdings Berhad (a public company listed on the Main Market of Bursa Securities), a company principally involved in the trading and distribution of process control equipment, measurement instruments and industrial pumps, as its Group CFO in November 2018. In his present position with Dancomech Holdings Berhad, his job responsibilities are similar to those undertaken by him in SHB.

He has also been appointed as an Independent Non-Executive Chairman of Powerwell Holdings Berhad (a public company listed on the ACE Market of Bursa Securities), Independent Non-Executive Director of SHB (a public company listed on the Main Market of Bursa Securities) and an Independent Non-Executive Director of Wellspire Holdings Berhad (a public company listed on the ACE Market of Bursa Securities) since January 2019, May 2021 and March 2022 respectively.

Further details of his present directorships and involvements in principal business activities outside our Group are as set out in Section 5.2.4 of this Prospectus.

(ii) **Adrian Chair Yong Huang** *Independent Non-Executive Director*

Adrian Chair Yong Huang, a Malaysian aged 52, is our Independent Non-Executive Director. He was appointed to the Board on 3 March 2025. He obtained his Bachelor of Law (Honours) from University of Leicester, United Kingdom in 1995 under full scholarship as a recipient of the British High Commissioner's Chevening Awards. He was a Barrister-at-Law of Gray's Inn in 1996 and was called to the Bar of England and Wales in the same year. He was subsequently called to the Malaysian Bar as an Advocate & Solicitor in 1997.

He began his legal career in 1996 as Pupil-In-Chamber at Messrs Skrine ("**Skrine**") and was retained as Legal Associate in 1997. In 2000, he left Skrine and joined GO2020.com Sdn Bhd ("**GO2020.com**") as Group Legal and Secretarial Manager. In 2001, he left GO2020.com and joined Messrs Zul Rafique & Partners ("**Zul Rafique & Partners**") as Senior Associate. He subsequently left Zul Rafique & Partners in March 2002 and joined Messrs Kadir Andri & Partners ("**Kadir Andri & Partners**") in April 2002 as Senior Legal Associate. He was made a partner in April 2004. He left Kadir Andri & Partners in August 2015 and co-founded Messrs Putri Norlisa Chair ("**PNC LAW**") in September 2015, serving as Managing Partner.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

In September 2018, PNC LAW merged with Messrs Adnan Sundra & Low (“**ASL**”), where he assumed the role of Partner until March 2022. Subsequently, in April 2022, he retired from his position as Partner and currently serves as a consultant at ASL.

Over the years, he has been focusing on the practice areas of energy, infrastructure and construction, telecommunications, multimedia and technology, corporate and commercial, mergers and acquisitions and project finance. He has provided legal advice on energy and utility work, infrastructure, oil and gas, petrochemicals, telecommunications, rail, aviation, media, theme parks, satellite, logistics, healthcare, education, technology, mining and fast-moving consumer good work, and led complex cross border transactions involving multiple jurisdictions.

In November 2014, he was appointed as an Independent Non-Executive Director of BM GreenTech Berhad (*formerly known as Boilermach Holdings Berhad*), a public company listed on the Main Market of Bursa Securities and retired in November 2023.

Presently, he does not hold any directorship in any public listed companies and private companies in Malaysia. Further details of his past and present directorships and involvements in principal business activities outside our Group are as set out in Section 5.2.4 of this Prospectus.

(iii) **Koo Woon Kan** *Independent Non-Executive Director*

Koo Woon Kan, a Malaysian aged 49, is our Independent Non-Executive Director. She was appointed to the Board on 3 March 2025. She is a qualified affiliate of the Association of Chartered Certified Accountants (“**ACCA**”) since 1999. Since July 2013, she is also a qualified member of ACCA and also a Chartered Accountant of the Malaysian Institute of Accountants since September 2019. She has more than 26 years of experience in the field of accounting and finance.

She began her career in November 1999, as an Assistant Accountant with Guardian Security Consultants Sdn Bhd (part of HLI-Hume Management Co. Sdn Bhd’s (“**HLI-Hume**”) group of companies) up to January 2001. From January 2001 to June 2006, she continued her career as an Audit Executive with HLI-Hume. In June 2006, she left HLI-Hume as a Senior Internal Auditor where she was primarily responsible for ensuring the company’s compliance to its group operational and financial policies, reviewing the business processes and operational performance and identifying risks applicable to the company.

Between June 2006 and January 2008, she was an Accountant with Mobile Distribution (M) Sdn Bhd, where she was primarily tasked with overseeing the year-end audits and reviewing the company’s month-end financial reports. After taking a career break from February 2008 to September 2008, she joined Puma Sports Goods Sdn Bhd from October 2008 to July 2009 as Head of Account Department primarily responsible in overseeing the overall reporting of the financial statements and audit functions of the company.

From mid-July 2009 to May 2011, she was the Senior Accountant at Scope International (M) Sdn Bhd, mainly responsible for monitoring the receivables, resolving long outstanding invoices and ensuring all recharges were billed on a timely basis.

She founded Eco Circle Sdn Bhd, Rightway Management Sdn Bhd and Rightway Corporate Advisory Sdn Bhd in May 2011, October 2016 and November 2022, respectively, and has since been overseeing the management and operations of these companies which are principally involved in property investment and trading activities, in the provision of accounting services and in the provision of secretarial support services respectively.

She has been appointed as the Financial Controller of Chi Yuan Industrial (M) Sdn Bhd, a company involved in the manufacturing of polyethylene terephthalate (PET) and poly-vinyl-chloride (PVC) since December 2014.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

She has also been appointed as an Independent Non-Executive Director of Pappajack Berhad (a public company listed on the Main Market of Bursa Securities) and a Senior Independent Non-Executive Director of RichTech Digital Berhad (a public company listed on the ACE Market of Bursa Securities) since May 2021 and December 2023 respectively.

Save as disclosed above, she does not hold any directorship in any public listed companies and private companies in Malaysia. Further details of her past and present directorships and involvements in principal business activities outside our Group are as set out in Section 5.2.4 of this Prospectus.

(iv) Nor Syahirah Binti Abu Baker
Independent Non-Executive Director

Nor Syahirah Binti Abu Baker, a Malaysian aged 43, is our Independent Non-Executive Director. She was appointed to the Board on 3 March 2025. She obtained her Bachelor of Honours in Accounting and Finance from Dublin Business School – Liverpool John Moores University in 2004.

She began her career with KPMG Malaysia in September 2005 as an Audit Associate and was subsequently promoted to an Audit Assistant Manager in January 2010. During her tenure with KPMG Malaysia, she was involved in various statutory and audit assignments across a wide spectrum of industries, as well as special engagements relating to acquisitions and takeovers. She left KPMG Malaysia in May 2012.

She then joined SCS Global Consulting (IDR) Sdn Bhd as a Senior Manager in June 2012 and was later appointed as a director in October 2012, the directorship of which she is still presently holding. She is primarily tasked with determining and driving the company's strategic objectives and policies, and providing guidance to the management team on the execution and implementation of the set goals. She also provides dedicated leadership across the finance and human resource team while overseeing the financial reporting requirements and talent management of the company.

She has also been appointed as an Independent Non-Executive Director of Aco Group Berhad (a public company listed on the ACE Market of Bursa Securities) since October 2022.

Save as disclosed above, she does not hold any directorship in any public listed companies and private companies in Malaysia. Further details of her past and present directorships and involvements in principal business activities outside our Group are as set out in Section 5.2.4 of this Prospectus.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.3 Directors' shareholdings

The direct and indirect shareholdings of our Directors as at the LPD and after the IPO are as follows:

Directors	Designation	As at the LPD				After the IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Tang Yuen Kin	Independent Non-Executive Chairman	-	-	-	-	-	-	-	-
Hong How Seng	Managing Director / Chief Executive Officer	-	-	⁽³⁾ 333,000,000	100.00	-	-	⁽³⁾ 333,000,000	74.00
Tan Kok Cheong	Executive Director / Deputy Chief Executive Officer	-	-	⁽⁴⁾ 333,000,000	100.00	-	-	⁽⁴⁾ 333,000,000	74.00
Adrian Chair Yong Huang	Independent Non-Executive Director	-	-	-	-	-	-	-	-
Koo Woon Kan	Independent Non-Executive Director	-	-	-	-	-	-	-	-
Nor Syahirah Binti Abu Baker	Independent Non-Executive Director	-	-	-	-	-	-	-	-

Notes:

- (1) Based on the total number of 333,000,000 Shares before our IPO.
- (2) Based on the enlarged total number of 450,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his interest in AJSB via HSS Global pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his interest in AJSB via Keystone Capital pursuant to Section 8 of the Act.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.4 Principal business activities and directorships in other corporations outside of our Group for the past 5 years

Save as disclosed below, none of our Directors have any principal business activities and directorships in any other corporations outside of our Group, at the present and in the past 5 years preceding the LPD:

(i) Tang Yuen Kin

Company	Position held	Date of appointment	Date of resignation	Equity interest (%)		Principal activities
				Direct	Indirect	
<u>Present Directorships</u>						
Wellspire Holdings Berhad (Listed on ACE Market of Bursa Securities)	Independent Non-Executive Director	15 March 2022	-	-	-	Investment holding company where its subsidiaries are principally involved in (i) distribution of consumer packaged food and (ii) online retailer of consumer packaged foods
Sasbadi Holdings Berhad (Listed on Main Market of Bursa Securities)	Independent Non-Executive Director ⁽¹⁾	3 May 2021	-	-	-	Investment holding company where its subsidiaries are principally involved in the publishing and distribution of printed and digital education material and related activities
Newexus Engineering Sdn Bhd	Director	10 August 2020	-	-	-	Manufacturing and repairing of moulds
MTL Engineering Sdn Bhd	Director	3 August 2020	-	-	-	Metal stamping, tools and die makers and manufacturer of replacement parts

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

<u>Company</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest (%)</u>		<u>Principal activities</u>
				<u>Direct</u>	<u>Indirect</u>	
Powerwell Holdings Berhad (List on ACE Market of Bursa Securities)	Independent Non-Executive Chairman and shareholder	7 January 2019	-	0.02	-	Investment holding company where its subsidiaries are principally involved in the design, manufacturing and trading of electrical power distribution products, property investment and management

Previous Directorship

Nil

Other business involvement outside our Group

Madeleine Patisserie Sdn Bhd	Shareholder	-	-	17.86	-	Cafe food and beverage business
Cake Crisis Central Sdn Bhd	Shareholder	-	-	15.00	-	Wholesale and retail bakers, confectioners, biscuit manufacturers and deal in all kinds and description of cooked food

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(ii) Hong How Seng

Company	Position held	Date of appointment	Date of resignation	Equity interest (%)		Principal activities
				Direct	Indirect	
<u>Present Directorships</u>						
Greater Wealth Management Sdn Bhd	Director and shareholder	17 July 2012	-	40.00	-	Investment holding ⁽²⁾
Saudagar Utama Sdn Bhd	Director and shareholder	28 March 2019	-	80.00	-	Activities of holding companies ⁽³⁾ ; wholesale of a variety of goods without any particular specialisation not elsewhere classified (“N.E.C.”)
Glorious Agro Sdn Bhd	Director and shareholder	20 September 2022	-	50.00	-	Investment holding ⁽⁴⁾
HHS Global	Director and shareholder	28 October 2022	-	100.00	-	Activities of holding companies ⁽⁵⁾
AJSB	Director and shareholder	8 May 2024	-	-	51.00	Investment holdings ⁽⁶⁾
<u>Previous Directorships</u>						
Prosperous Oriental Sdn Bhd	Director	5 May 2021	15 June 2022	-	-	Property development
Casey Poultry Trading Sdn Bhd (“Casey Poultry”)	Director ⁽⁷⁾	29 March 2022	1 June 2023	-	-	Poultry slaughtering and processing
Ladang Sinar Sdn Bhd (formerly known as	Director ⁽⁸⁾	28 April 2022	19 December 2023	-	-	Breeding and trading of poultry and related business activities

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

<u>Company</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest (%)</u>		<u>Principal activities</u>
				<u>Direct</u>	<u>Indirect</u>	
Farmiera Logistic Sdn Bhd) (“ Ladang Sinar ”)						
Sinar Gemilang Processing Sdn Bhd	Director	10 June 2022	5 June 2023	-	-	Processing and preserving of poultry and poultry products

Other business involvement outside our Group

Nil

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(iii) Tan Kok Cheong

Company	Position held	Date of appointment	Date of resignation	Equity interest (%)		Principal activities
				Direct	Indirect	
<u>Present Directorships</u>						
Greater Wealth Management Sdn Bhd	Director and shareholder	17 July 2012	-	40.00	-	Investment holding ⁽²⁾
Glorious Agro Sdn Bhd	Director and shareholder	20 September 2022	-	50.00	-	Investment holding ⁽⁴⁾
Keystone Capital	Director and shareholder	17 October 2022	-	100.00	-	Activities of holding companies ⁽⁹⁾
AJSB	Director and shareholder	10 March 2025	-	-	25.59	Investment holdings ⁽⁶⁾
<u>Previous Directorships</u>						
Casey Poultry	Director ⁽⁷⁾	29 March 2022	1 June 2023	-	-	Poultry slaughtering and processing
Ladang Sinar	Director ⁽⁸⁾	28 April 2022	19 December 2023	-	-	Breeding and trading of poultry and related business activities
Sinar Gemilang Processing Sdn Bhd	Director	10 June 2022	5 June 2023	-	-	Processing and preserving of poultry and poultry products
Selera Ilham Sdn Bhd	Director	7 October 2003	-	-	-	Struck off on 5 August 2019

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

	Company	Position held	Date of appointment	Date of resignation	Equity interest (%)		Principal activities
					Direct	Indirect	
(iv)	<u>Other business involvement outside our Group</u>						
	Nil						
	Adrian Chair Yong Huang						
	Company	Position held	Date of appointment	Date of resignation	Equity interest (%)		Principal activities
					Direct	Indirect	
	<u>Present Directorship</u>						
	Nil						
	<u>Previous Directorship</u>						
	BM Greentech Berhad (Listed on Main Market of Bursa Securities)	Independent Non-Executive Director	20 November 2014	17 November 2023	-	-	Investment holding company where its subsidiaries are principally involved in providing innovative and cost effective Bio-Energy, water treatment and solar energy solutions
	<u>Other business involvement outside our Group</u>						
	Excel Management System Sdn Bhd	Shareholder	-	-	50.00	-	Advisors and consultants to include management of third-party premises

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(v) Koo Woon Kan

Company	Position held	Date of appointment	Date of resignation	Equity interest (%)		Principal activities
				Direct	Indirect	
<u>Present Directorships</u>						
Richtech Digital Berhad (Listed on ACE Market of Bursa Securities)	Senior Independent Non-Executive Director	31 December 2023	-	-	-	Investment holding where its subsidiaries are principally involved in the distribution of electronic reloads as well as the provision of bill payment services
Rightway Corporate Advisory Sdn Bhd	Director and shareholder	24 November 2022	-	100.00	-	Secretarial support services
Pappajack Berhad (Listed on Main Market of Bursa Securities)	Independent Non-Executive Director	3 May 2021	-	-	-	Investment holding company where its subsidiaries are principally involved in the provision of pawnbroking services through a network of pawnbroking outlets in Malaysia
Rightway Management Sdn Bhd	Director and shareholder	4 October 2016	-	100.00	-	To provide management, bookkeeping and accounting services to any corporation, firm, person and company of all description such as industry, financial and trading houses, transportation and manufacturer

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

<u>Company</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest (%)</u>		<u>Principal activities</u>
				<u>Direct</u>	<u>Indirect</u>	
Eco Circle Sdn Bhd	Director and shareholder	16 May 2011	-	100.00	-	To carry on business of trading of clothing, custom tailoring and handicraft item, property investment ⁽¹⁰⁾ , to provide management, bookkeeping and accounting services

Previous Directorship

Nil

Other business involvement outside our Group

Dua Sentral Signature Facility Berhad	Shareholder	-	-	0.49	-	Buying, selling, renting and operating of self-owned or leased real estate – residential buildings; other service activities N.E.C.
Alpha Strategy International Sdn Bhd	Shareholder	-	-	100.00	-	To carry on the business by providing a comprehensive range of services including engineering, architectural and related technical services, property development (including non-residential buildings), electrical wiring and fittings, as well as retail sales of various products in non-specialised stores

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(vi) Nor Syahirah Binti Abu Baker

Company	Position held	Date of appointment	Date of resignation	Equity interest (%)		Principal activities
				Direct	Indirect	
<u>Present Directorships</u>						
Aco Group Berhad (Listed on ACE Market of Bursa Securities)	Independent Non-Executive Director	3 October 2022	-	-	-	Investment holding company where its subsidiaries are principally involved in the distribution of a wide range of electrical products and accessories, specializing in cables, wires and accessories; electrical distribution, protection and control devices; as well as electrical appliances and accessories.
SCS Global Consulting (IDR) Sdn Bhd	Director	1 October 2012	-	-	-	Outsourcing, ancillary consulting services and other related services
<u>Previous Directorship</u>						
Nil						
<u>Other business involvement outside our Group</u>						
MShot Enterprise	Partner	-	-	-	-	Registration expired on 9 February 2022

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Notes:

- (1) He was the group CFO of Sasbadi Holdings Berhad from 10 November 2014 to 30 April 2018 and was first appointed as an Independent Non-Executive Director of Sasbadi Holdings Berhad on 30 July 2020. Subsequently, he retired at the conclusion of the annual general meeting held on 4 February 2021 as he was unable to meet the enhanced definition of 'independent director' pursuant to Paragraph 1.01 of the Main Market Listing Requirements of Bursa Securities which was effective on 1 October 2020. Thereafter, he was re-appointed as an Independent Non-Executive Director of Sasbadi Holdings Berhad on 3 May 2021 after satisfying the definition of 'independent director'.
- (2) As at the LPD, Greater Wealth Management Sdn Bhd is holding a piece of land located in the area of Batu Gajah, Perak measuring approximately 15.00 acres.
- (3) Saudagar Utama Sdn Bhd does not hold any shares in any company and is holding a unit of 4-storey shop lot located at Batu Caves, Selangor.
- (4) Glorious Agro Sdn Bhd has been dormant since its incorporation.
- (5) As at the LPD, HHS Global does not have any subsidiary companies and is holding shares in AJSB.
- (6) As at the LPD, AJSB does not have any subsidiary companies, save for via its shareholding in our Company.
- (7) He was a shareholder of Casey Poultry, holding 50% of the issued shares, which were subsequently disposed of on 27 May 2019.
- (8) He was an indirect shareholder of Ladang Sinar by virtue of his interests held in FHSB, which were subsequently disposed of by FHSB on 19 December 2023.
- (9) As at the LPD, Keystone Capital does not have any subsidiary companies and is holding shares in AJSB.
- (10) As at the LPD, Eco Circle Sdn Bhd does not hold any shares in any company and is holding several commercial properties and residential properties.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.5 Involvement of our Directors in other businesses or corporations

Save as disclosed in Section 5.2.4 of this Prospectus, our Directors are not involved in other businesses or corporations. The involvement of our Directors in those business activities outside our Group will not affect their commitment and responsibilities to our Group in their respective roles as our Directors, as:

- (i) our Non-Executive Directors are not involved in the day-to-day operations of our Group, and their involvement in other business activities outside Group will not affect their contributions to our Group; and
- (ii) our Executive Directors are not involved in the management or day-to-day operations of those businesses outside our Group as those business activities are primarily limited to property investment holding and investment holding companies, which do not carry out any active business operations. Furthermore, their involvement in these external entities is minimal, being limited to attending board meetings in their capacity as directors.

5.2.6 Key Senior Management

Our Key Senior Management comprises the following:

Name	Age	Nationality	Designation
Hong How Seng	48	Malaysian	Managing Director / Chief Executive Officer
Tan Kok Cheong	50	Malaysian	Executive Director / Deputy Chief Executive Officer
Chin Chien Hwi	40	Malaysian	Chief Financial Officer
Tan Chin Heng	59	Malaysian	Senior General Manager, Farm Operation

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.7 Key Senior Management's shareholdings

The direct and indirect shareholdings of our Key Senior Management in our Company as at the LPD and after our IPO are as follows:

Key Senior Management	Designation	Before the IPO				After the IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Hong How Seng	Managing Director / Chief Executive Officer	-	-	⁽³⁾ 333,000,000	100.00	-	-	⁽³⁾ 333,000,000	74.00
Tan Kok Cheong	Executive Director / Deputy Chief Executive Officer	-	-	⁽⁴⁾ 333,000,000	100.00	-	-	⁽⁴⁾ 333,000,000	74.00
Chin Chien Hwi	Chief Financial Officer	-	-	-	-	⁽⁵⁾ 667,000	0.15	-	-
Tan Chin Heng	Senior General Manager, Farm Operation	-	-	⁽⁶⁾ -	⁽⁶⁾ -	-	-	⁽⁶⁾ -	⁽⁶⁾ -

Notes:

- (1) Based on the total number of 333,000,000 Shares before our IPO.
- (2) Based on the enlarged total number of 450,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of his interest in AJSB via HSS Global pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his interest in AJSB via Keystone Capital pursuant to Section 8 of the Act.
- (5) Assuming that he fully subscribes for his entitlement under the Pink Form Allocations.
- (6) Not deemed interested by virtue of his interest in AJSB via TCH Capital as TCH Capital holds less than 20.00% (i.e. 12.50%) in AJSB pursuant to Section 8 of the Act

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.8 Profile of Key Senior Management

Save for Hong How Seng, our Managing Director and Chief Executive Officer, Tan Kok Cheong, our Executive Director and Deputy Chief Executive Officer and Tan Chin Heng, our Senior General Manager, Farm Operation whose profiles have been set out in Section 5.1.2 of this Prospectus, the profile of our Key Senior Management of our Group are as follows:

(i) **Chin Chien Hwi**
Chief Financial Officer

Chin Chien Hwi, a Malaysian aged 40, is our Chief Financial Officer. He obtained a Bachelor of Commerce (Honours) in Accounting from University Tunku Abdul Rahman in 2007. He has approximately 16 years of experience in the field of finance and accounting, out of which over 10 years of his accounting and finance experience are in poultry farming industry.

He began his career in KPMG as an Audit Associate in June 2007, where he was involved in various financial audit matters, analysing financial data and conducting statutory audits. He left KPMG in mid-December 2009. He then joined Deloitte & Touche LLP in Singapore as an Audit Associate in end-December 2009, where he was mainly involved in conducting statutory audits for companies across various industries and was subsequently promoted to Audit Senior Associate in July 2010, responsible for leading and supervising an audit team of the firm. He then left Deloitte & Touche LLP and joined PricewaterhouseCoopers LLP Singapore ("**PwC**") in October 2010 as Senior Associate, where he assumed similar responsibilities as an Audit Senior Associate.

He left PwC and returned to Malaysia in December 2011 where he took a short break from December 2011 to March 2012 before joining Lucky Poultry (M) Sdn Bhd (now known as Kee Song Food (M) Sdn Bhd), a company primarily involved in processing and marketing of poultry and related products, as an Assistant Manager (Finance & Accounts) in April 2012. During his tenure with the company, he was responsible for ensuring the efficiency, accuracy and control of the company's financial operations, establishing robust financial management procedures to ensure compliance with all regulatory requirement, and enhancing the company's overall profitability. He was subsequently promoted to Assistant General Manager in June 2014, where he drove the company's strategic direction, expanded into new markets, secured better pricing through supplier negotiations and managed budget planning.

He left Lucky Poultry (M) Sdn Bhd in February 2015 and joined Kee Song Agriculture (M) Sdn Bhd ("**Kee Song**"), a new subsidiary of Kee Song's group primarily involved in poultry farming activities, as a Consultant in July 2015, where his primary responsibilities involved aligning the company's work culture with the Kee Song's group and standardise operational documents. He was subsequently appointed as a Corporate Representative in January 2016, where he was responsible for financial strategy planning including borrowing, expense monitoring and developing of standard operating procedures for financial related matters. In April 2021, he was promoted to the position of Assistant General Manager of the broiler farming department, where he was responsible for overseeing the broiler farming operations and financial related matters across southern, central and east coast regions. He was subsequently promoted to General Manager of the broiler farming department in July 2021 with added responsibilities to include group-level responsibilities. He then left the Kee Song in June 2023 and joined our Group in August 2023 in his current position.

As the Chief Financial Officer of our Group, his main responsibilities are overseeing and managing our Group's financial operations, such as financial planning, review and reporting. He leads our finance department and provides strategic guidance to our Board regarding financial performance, treasury management and financial management. He is also our Group's compliance officer, responsible to oversee compliance matters within our Group which includes ensuring effective implementation of the established compliance management procedures, instilling compliance awareness culture as well as monitoring our Group's adherence to the relevant laws, regulations and standards.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Presently, he does not hold any directorship in any public listed companies and private companies in Malaysia. Further details of his past and present directorships and involvements in principal business activities outside our Group are as set out in Section 5.2.9 of this Prospectus.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.9 Involvement of our Key Senior Management in other businesses / corporations

Save as disclosed below and in Section 5.2.4 of this Prospectus, none of our Key Senior Management and key technical personnel has any principal business activities and directorships in any other corporation outside of our Group, at the present and in the past 5 years preceding the LPD:

(i) Chin Chien Hwi

Company	Position held	Date of appointment	Date of resignation	Equity interest (%)		Principal activities
				Direct	Indirect	
<u>Present Directorship</u>						
Nil						
<u>Previous Directorship</u>						
Enrich Artlife & Interior Design Sdn Bhd	Director	17 September 2015	27 December 2021	-	-	Renovation contractors and suppliers, interior decorators and designer, consultants and planners of the arrangement
<u>Other business involvement outside our Group</u>						
CH Enrich Management	Sole proprietor	24 June 2019	-	-	-	Registration expired on 11 August 2022

(ii) Tan Chin Heng

Company	Position held	Date of appointment	Date of resignation	Equity interest (%)		Principal activities
				Direct	Indirect	
<u>Present Directorship</u>						
TCH Capital	Director and shareholder	28 October 2022	-	100.00	-	Activities of holding companies ⁽¹⁾

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Position held	Date of appointment	Date of resignation	Equity interest (%)		Principal activities
				Direct	Indirect	
<u>Previous Directorship</u>						
Leong Hup Broiler Farm Sdn Bhd	Director	25 February 2002	21 January 2021	-	-	Provision of farming related services and investment holding ⁽²⁾
<u>Other business involvement outside our Group</u>						
AJSB	Shareholder	-	-	-	12.58%	Investment holdings ⁽³⁾

Notes:

- (1) As at the LPD, TCH Capital does not have any subsidiary companies and is holding shares in AJSB.
- (2) As Tan Chin Heng has resigned as director of Leong Hup Broiler Farm Sdn Bhd on 21 January 2021, we do not have information on the investment that are currently being held by this company as at the LPD.
- (3) As at the LPD, AJSB does not have any subsidiary companies, save for via its shareholding in our Company.

The involvement of the abovementioned Key Senior Management in other business activities outside our Group will not affect their contributions to our Group and would not be expected to affect the operations of our Group as the abovementioned Key Senior Management's involvement in other business activities does not require their involvement on a day-to-day basis. Further, this does not give rise to any conflict of interest with our business. They have and will continue to ensure that they would be able to fulfil and discharge their respective duties and responsibilities in our Group effectively.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.3 BOARD PRACTICES

Our Board acknowledges and takes cognisance of the Malaysian Code on Corporate Governance (“MCCG”) which contains best practices and guidance for listed companies to improve upon or to enhance their corporate governance as it forms an integral part of their business operations and culture. Our Board believes that our current Board composition provides an appropriate balance in terms of skills, knowledge and experience to promote the interest of all shareholders and to govern our Group effectively. Our Company has adopted the recommendations under the MCCG to have at least half of the Board comprising Independent Non-Executive Directors, that our chairperson of the Board should not be a member of our Audit and Risk Management Committee, Nomination Committee or Remuneration Committee, and to have at least 30% women directors on our Board.

5.3.1 Directorship

As at the LPD, the details of the date of expiration of the current term of office for each of the Directors and the period for which the Directors have served in that office are as follows:

Name	Designation	Date of expiration of the current term of office	No. of years in office
Tang Yuen Kin (M)	Independent Non-Executive Chairman	Subject to retirement at our first AGM	Less than 1 year
Hong How Seng (M)	Managing Director / Chief Executive Officer	Subject to retirement at our first AGM	1 year 4 months
Tan Kok Cheong (M)	Executive Director / Deputy Chief Executive Officer	Subject to retirement at our first AGM	1 year 4 months
Adrian Chair Yong Huang (M)	Independent Non-Executive Director	Subject to retirement at our first AGM	Less than 1 year
Koo Woon Kan (F)	Independent Non-Executive Director	Subject to retirement at our first AGM	Less than 1 year
Nor Syahirah Binti Abu Baker (F)	Independent Non-Executive Director	Subject to retirement at our first AGM	Less than 1 year

Notes:

(M) Male
(F) Female

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.3.2 Audit and Risk Management Committee

Our Audit and Risk Management Committee was established on 3 March 2025 and its members are appointed by our Board. Our Audit and Risk Management Committee comprises the following members:

Name	Designation	Directorship
Nor Syahirah Binti Abu Baker	Chairperson	Independent Non-Executive Director
Koo Woon Kan	Member	Independent Non-Executive Director
Adrian Chair Yong Huang	Member	Independent Non-Executive Director

The main functions of the Audit and Risk Management Committee of our Company fall within the ambit of the Listing Requirements, which include:

- (a) To review the Group's quarterly results and year-end financial statements before submission to the Board, focusing particularly on the following:
 - (i) Changes in or implementation of major accounting policy changes.
 - (ii) Significant matters highlighted including financial reporting issues, significant judgments made by the management, significant and unusual events or transactions, and how these matters are addressed.
 - (iii) Significant adjustments arising from the audit.
 - (iv) Compliance with accounting standards and other legal requirements.
 - (v) The going concern assumption.
- (b) To conduct the following in respect of external audit:
 - (i) To consider the nomination and appointment of external auditors after taking into consideration the adequacy of experience and resources of the external auditors, the persons assigned to the audit, the external auditors' audit engagements, the size and complexity of the Group being audited, the number and experience of supervisory and professional staff assigned to the particular audit and the audit fee.
 - (ii) To review any letter of resignation from the external auditors and any questions of resignation or dismissal, and report the same to the Board.
 - (iii) To discuss with the external auditors, prior to the commencement of audit, the audit plan which states the nature and scope of audit.
 - (iv) To review major audit findings arising from the interim and final external audits, the audit report and the assistance given by the Group's employees to the external auditors.
 - (v) To review with the external auditors, their evaluation of the system of internal controls, their management letter and management's responses.
 - (vi) To review whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment, and report the same to the Board.
 - (vii) Discuss and review the contracts for the provision of non-audit services which can be entered into and procedures that must be followed by the external auditors. The contracts that cannot be entered into should include management consulting, policy and standard operating procedures documentation, strategic decision and internal audit.
 - (viii) To conduct an annual assessment on the suitability, objectivity and independence of the external audit firm to safeguard the quality and reliability of audited financial statements.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (c) To review with the external auditors on the following and report the same to the Board:
 - (i) Audit plan.
 - (ii) Audit report.
 - (iii) Evaluations of the system of internal controls.
 - (iv) The assistance given by the employees to the external auditor.
 - (v) External auditors' management letter and management's response thereto.
 - (vi) Any significant audit findings, reservations, difficulties encountered or material weaknesses reported by the external auditor.
- (d) To review the following in respect of internal audit:
 - (i) Mandate the internal audit function to report directly to the Audit and Risk Management Committee.
 - (ii) The adequacy of scope, functions and resources of the firm of internal auditors (that was engaged to undertake the internal audit function) and that it has the necessary authority to carry out its work.
 - (iii) The internal audit plan, processes, the results of the internal audit assessments, investigation undertaken and ensure that appropriate actions are taken on the recommendations of the Audit and Risk Management Committee.
 - (iv) The major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function.
 - (v) Review and approve any appointment, termination or resignation of the firm of internal auditors.
- (e) To review with the internal auditors on the following and report the same to the Board:
 - (i) The annual audit plan which is risk-based and focused on significant risk areas to ensure adequate scope and comprehensive coverage over the activities of the Group and that it has the necessary authority to carry out its work.
 - (ii) Effectiveness of the internal audit processes as well as the adequacy of the resource requirements, competency and the budget of the internal audit function.
 - (iii) The internal audit report containing the internal audit findings, commentaries and recommendations and to follow-up on remedial actions.
 - (iv) Effectiveness of the internal control systems and risk management systems and have them considered if necessary.
 - (v) External auditors' report of deficiencies in internal control and management's response.
- (f) To review the following and report the same to the Board:-
 - (i) The annual statement of risk management and internal control to be published in the annual report.
 - (ii) Any related party transactions and conflict of interest situations that arose, persist or may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity, as well as the measures taken to resolve, eliminate, or mitigate such conflicts.
- (g) To assess processes and procedures to ensure compliance with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies.
- (h) To oversee the sustainability management and reporting and the anti-bribery management of the Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (i) To appoint a compliance officer or the chairman of the Audit and Risk Management Committee to serve as a reporting channel role for whistleblowers who are concerned about speaking or by email of his/her concern. This includes reviewing policy the Group has implemented to address made by whistleblower allegation and ensure proportionate and independent investigation of such allegations and that appropriate follow-up action is taken, where necessary.
- (j) To carry out any other function that may be mutually agreed upon by the Audit and Risk Management Committee and the Board;
- (k) To carry out the following in relation to risk management:
 - (i) To review and oversee the adequacy of Group's risk management framework and assess the resources and knowledge of the management and employee involved in the risk management process.
 - (ii) To review the effectiveness of internal control systems deployed by the management to address those risks.
 - (iii) To review and recommend corrective measures undertaken to remedy failings and/or weaknesses.
 - (iv) To review and further monitor principal risks that may affect the Group directly or indirectly that if deemed necessary, recommend additional course of action to mitigate such risks.
 - (v) To monitor and communicate the risk assessment results to the Board.
 - (vi) To highlight actual and potential impact of any failing or weakness, particularly those related to financial performance or conditions affecting the Group.
- (l) To carry out the following in relation to share issuance scheme:
 - (i) To disclose to employees the criteria for the allocation of options pursuant to a share issuance scheme.
 - (ii) To ensure that the allocation of options pursuant to a scheme is verified by the Audit and Risk Management Committee, as being in compliance with the criteria referred to in sub-rule (i) above, at the end of each financial year.

5.3.3 Nomination Committee

Our Nomination Committee was established on 3 March 2025 and its members are appointed by our Board. Our Nomination Committee comprises the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Adrian Chair Yong Huang	Chairperson	Independent Non-Executive Director
Nor Syahirah Binti Abu Baker	Member	Independent Non-Executive Director
Koo Woon Kan	Member	Independent Non-Executive Director

The main functions of our Nomination Committee include among others:

- (1) to recommend to the Board suitable candidates for directorships on the Board, taking into consideration the following aspects when considering new appointments on the Board:
 - (a) the candidates' skills, qualifications, knowledge, expertise, experience, professionalism and integrity;
 - (b) in the case of candidates for the position of Independent Non-Executive Directors, the ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors; and

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (c) the Board's diversity in terms of skills, experience, age, gender and culture;
- (2) to evaluate, review and recommend on an annual basis to the Board the appropriate size, structure, balance and composition of the Board, required mix of skills, experience and other qualities, including core competencies to function effectively and efficiently which Non-Executive Director shall bring to the Board to ensure that they are in line with our Group and the Group's requirements and is in compliance with the Listing Requirements;
- (3) to assess the effectiveness of the Board, the committees of the Board and the contributions of each individual Director, including the independence of Independent Non-Executive Directors, based on the process and procedures laid out by the Board and to provide the necessary feedback to directors in respect of their performance;
- (4) to ensure appropriate actions are taken based on the results of the annual assessments, to continuously enhance the Board's overall performance and identify opportunities for improvement;
- (5) to ensure that there is a formal, rigorous and transparent process for the appointment of directors (including reappointments) and Key Senior Management. The candidate selection process should be guided by clear criteria of fit and proper policy as required under the Listing Requirements and the MCGG;
- (6) to ensure that every Director, including the Executive Directors, shall be subject to retirement at least once every three (3) years. A retiring Director shall be eligible for re-election. Recommend Director(s) who are retiring (by casual vacancy and by rotation) for re-election at the Company's Annual General Meeting in accordance with the fit and proper policy and the Company's Constitution; and
- (7) to require the Directors to attend training courses, where necessary.

5.3.4 Remuneration Committee

Our Remuneration Committee was established on 3 March 2025 and its members are appointed by our Board. Our Remuneration Committee comprises the following members:

Name	Designation	Directorship
Koo Woon Kan	Chairperson	Independent Non-Executive Director
Adrian Chair Yong Huang	Member	Independent Non-Executive Director
Nor Syahirah Binti Abu Baker	Member	Independent Non-Executive Director

The main functions of our Remuneration Committee include among others:

- (1) to review, and recommend to our Board the appropriate remuneration packages for all Directors, with or without professional advice;
- (2) to review and recommend fees and benefits payable to the Directors;
- (3) to assist our Board in formulating policies and guidelines for the composition of various components of remuneration such as basic salary, bonus, and other benefits for Directors and Key Senior Management of our Company;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (4) to ensure that remuneration packages and benefits for Directors and Key Senior Management of our Company align with our Company's business strategies, long-term objectives, and remuneration policy, as well as comply with all laws, rules, regulations, and guidelines set by relevant authorities and our Board;
- (5) to develop and administer a fair and transparent procedure for setting policy on the remuneration of Directors and Key Senior Management of our Company, which considers the demands, complexities, and performance of our Company, as well as the skills and experience required;
- (6) to implement our Board's remuneration policy and procedures in a transparent process, including reviewing and recommending matters related to the remuneration of our Board and Key Senior Management;
- (7) to ensure that the level of remuneration packages is fair and appropriate according to the industry, general market sentiments, or conditions, and our Company's operating results, as well as our Directors or Key Senior Management's merit, qualification, competence, and individual performance;
- (8) to ensure that appropriate rewards, benefits, compensation, and remuneration are offered to retain Directors, and structuring remuneration packages to link rewards to individual performance; and
- (9) to carry out any other functions delegated by our Board that would benefit our Company and ensure the effective discharge of the Remuneration Committee's duties and responsibilities.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.4 REMUNERATION OF DIRECTORS AND KEY SENIOR MANAGEMENT

5.4.1 Directors' Remuneration and material benefits in-kind

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid and proposed to be paid to our Directors for services rendered in all capacities to our Company for FYE 2024 and FYE 2025 are as follows:

<u>Paid for FYE 2024</u>	<u>Director's fees</u>	<u>Salaries</u>	<u>Bonuses</u>	<u>EPF and SOCSO</u>	<u>Allowances</u>	<u>Benefits-in-kind</u>	<u>Total</u>
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Non-Executive Directors							
Tang Yuen Kin	-	-	-	-	-	-	-
Adrian Chair Yong Huang	-	-	-	-	-	-	-
Koo Woon Kan	-	-	-	-	-	-	-
Nor Syahirah Binti Abu Baker	-	-	-	-	-	-	-
Executive Directors							
Hong How Seng	-	714	208	102	7	28	1,059
Tan Kok Cheong	-	434	159	65	-	-	658

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Proposed for FYE 2025	Director's fees	Salaries	Bonuses	EPF and SOC SO	Allowances	Benefits-in-kind	Total
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Non-Executive Directors							
Tang Yuen Kin	40	-	-	-	1	-	41
Adrian Chair Yong Huang	30	-	-	-	2	-	32
Koo Woon Kan	30	-	-	-	2	-	32
Nor Syahirah Binti Abu Baker	30	-	-	-	2	-	32
Executive Director							
Hong How Seng	-	781	186	107	-	28	1,102
Tan Kok Cheong	-	504	120	69	-	-	693

The remuneration of our Directors includes salaries, bonuses, fees and allowances as well as other benefits. As set out in our Constitution, any change in our Directors' fees must be approved by our shareholders pursuant to a resolution passed at a general meeting where notice of any proposed increase shall be given in the notice convening the meeting. The remuneration for each of our Directors is subject to annual review by our Remuneration Committee and subsequently approved by our Board.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

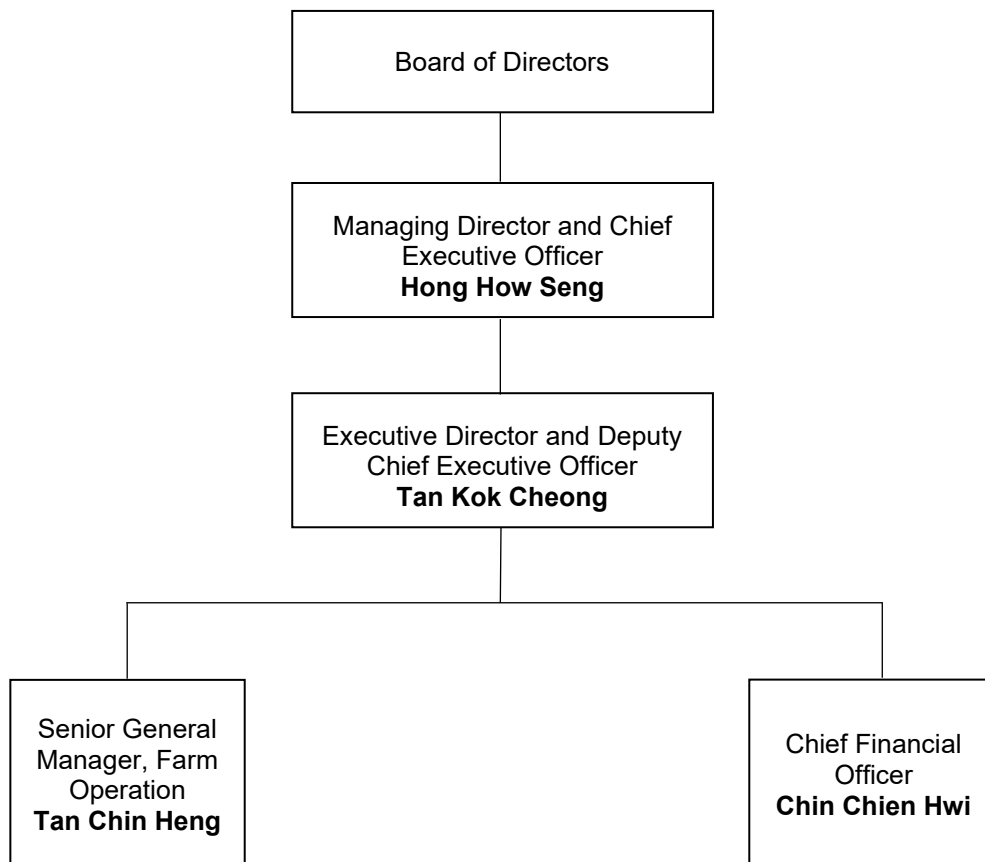
5.4.2 Key Senior Management's remuneration and material benefits in-kind

The aggregate remuneration and material benefits in-kind of our Managing Director / Chief Executive Officer, Hong How Seng and Executive Director / Deputy Chief Executive Officer, Tan Kok Cheong are set out in Section 5.4.1 of this Prospectus. The aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid and proposed to be paid to our Key Senior Management for services rendered in all capacities to our Company for FYE 2024 and estimated for FYE 2025 are as follows:

Name	Remuneration Band	
	FYE 2024 Remuneration Band (Actual) (RM'000)	FYE 2025 Remuneration Band (Estimate) (RM'000)
Chin Chien Hwi	350 – 400	400 – 450
Tan Chin Heng	350 – 400	600 – 650

5.5 MANAGEMENT REPORTING STRUCTURE

The management reporting structure of our Group is as follows:



5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.6 DECLARATIONS BY PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

None of our Promoters, Directors and Key Senior Management is or was involved in any of the following events, whether within or outside Malaysia:

- (i) in the last 10 years, a petition under any bankruptcy or insolvency law was filed (and not struck out) against such person or any partnership in which he was a partner, or any corporation of which he was a director or member of Key Senior Management;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) in the last 10 years, charged or convicted in a criminal proceeding, or is a named subject of a pending criminal proceeding;
- (iv) in the last 10 years, any judgment was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (v) in the last 10 years, the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his part that relates to the capital market;
- (vi) being the subject of any order, judgment or ruling of any court, government, or regulatory authority or body, temporarily enjoining him from engaging in any type of business practice or activity;
- (vii) in the last 10 years, such person has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and
- (viii) has any unsatisfied judgment against such person.

5.7 FAMILY RELATIONSHIPS AND ASSOCIATIONS BETWEEN PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

There are no family relationships and associations among our Promoters, Substantial Shareholders, Directors and Key Senior Management as at the LPD.

5.8 EXISTING OR PROPOSED SERVICE CONTRACTS

As at the LPD, there are no existing or proposed service contracts entered into or to be entered into by our Directors and / or Key Senior Management with our Group which provide for benefits upon termination of employment.

6. INFORMATION ON OUR GROUP (Cont'd)

6.1 INFORMATION ON OUR COMPANY

6.1.1 Our Company

Our Company was incorporated in Malaysia under the Act on 2 May 2024 as a public limited company under the name of Farmiera Berhad.

Our Company is an investment holding company to facilitate our Listing. Through our subsidiaries, our Group is principally involved in poultry farming for the production of broilers, processing of raw poultry products and trading of poultry products.

Please refer to Section 7 of this Prospectus for further details of our Group's business.

6.1.2 Pre-IPO Restructuring

To facilitate the Proposed Listing, we have entered into a conditional share sale agreement with the FHSB Vendors on 3 March 2025 for the acquisition of the entire equity interest in FHSB, comprising 16,500,000 ordinary shares in FHSB for a purchase consideration of RM55.31 million ("**Purchase Consideration**").

The Purchase Consideration of RM55.31 million was arrived at on a willing-buyer willing-seller basis, after taking into consideration the audited net assets of FHSB as at 30 September 2024 of approximately RM55.31 million.

The Purchase Consideration was satisfied via the issuance and allotment of 332,999,900 new Shares at an issue price of approximately RM0.166 per Share, which were allotted to AJSB, being the nominee appointed by the FHSB Vendors to receive such Shares in the following manner:

FHSB Vendors	Shareholdings in FHSB		No. of Shares allotted to AJSB
	No. of shares	% of share capital	
HHS Global	8,415,000	51.00	169,829,949
Keystone Capital	4,221,360	25.59	85,194,695
TCH Capital	2,076,195	12.58	41,901,377
SBESB	825,000	5.00	16,649,995
Himpunan Jaya	632,445	3.83	12,763,886
Kien Huat Fishery	330,000	2.00	6,659,998
Total	16,500,000	100.00	332,999,900

The acquisition of the entire equity interest in FHSB was completed on 14 August 2025. Thereafter, FHSB and its subsidiaries became our wholly-owned subsidiaries, as set out in our group structure in Section 6.2.

6.1.3 Share capital

As at the LPD, our issued share capital is RM55,310,100, comprising 333,000,000 Shares. Our Company does not have any treasury shares as at the LPD.

The changes in our issued share capital from date of incorporation and up to the LPD are as follows:

Date of allotment	No. of Shares allotted	Consideration	No of cumulative Shares	Cumulative issued share capital
				RM
2 May 2024	2	Cash	2	2
2 May 2024	98	Cash	100	100
14 August 2025	332,999,900	Otherwise than cash ⁽¹⁾	333,000,000	53,310,100

6. INFORMATION ON OUR GROUP (Cont'd)

Note:

- (1) Allotment made in consideration of the transfer of shares in FHSB to our Company pursuant to the Pre-IPO Restructuring.

There were no discounts, special terms or instalment payment terms given in consideration of the above allotment.

As at the LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital.

Upon the completion of our Listing, our enlarged issue share capital will increase to RM84,560,000, comprising 450,000,000 Shares.

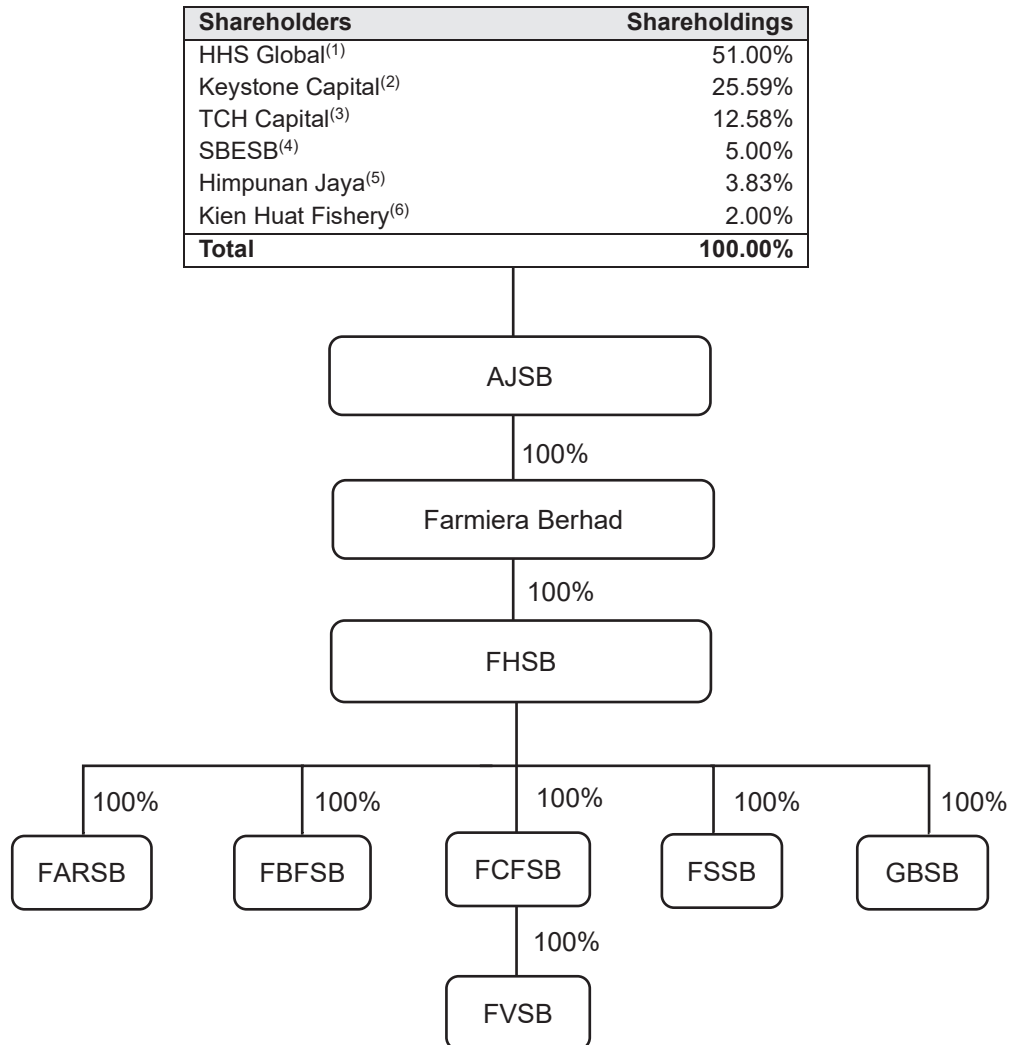
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6. INFORMATION ON OUR GROUP (Cont'd)

6.2 OUR GROUP STRUCTURE

Our shareholding structures before and after our IPO are set out below:

Before our IPO



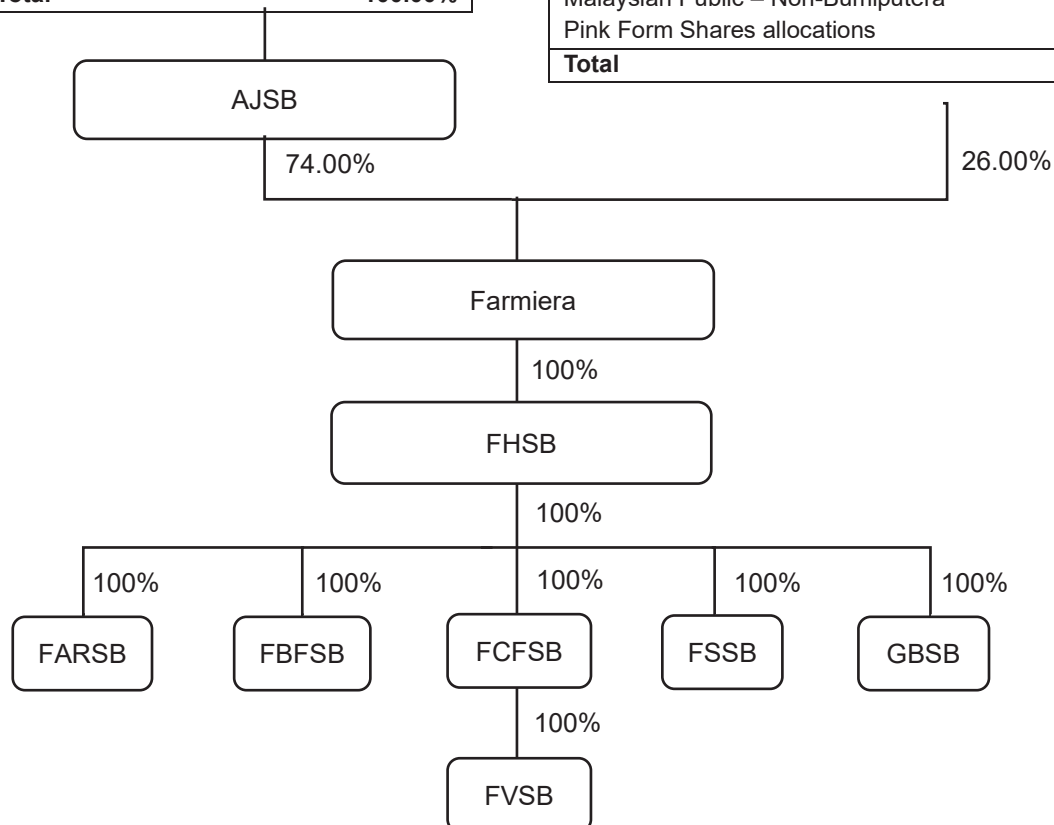
Restructuring of our Group's structure⁽⁷⁾:

- On 1 June 2023, FHSB and Loi Heng Poh disposed the entire equity interests in Casey Poultry, formerly known as Farmiera Processing Sdn Bhd, for a consideration of RM1,500,000 to Casey Lim Chin Joo, to streamline its business operation, which was completed on 2 June 2023.
- On 19 December 2023, FHSB disposed its entire equity interests, amounting to 60% in Ladang Sinar, formerly known as Farmiera Logistic Sdn Bhd, for a consideration of RM180,000 to Yap Kock Chong, to streamline its business operation, which was completed on even date.
- On 20 December 2023, FCFSB has acquired the remaining 30.00% equity interests of FVSB from Lau Ah Lee for a cash consideration of RM30 to streamline its business operation by consolidating its ownership in FVSB, which was completed on even date.

6. INFORMATION ON OUR GROUP (Cont'd)**After our IPO**

Shareholders	Shareholdings
HHS Global ⁽¹⁾	51.00%
Keystone Capital ⁽²⁾	25.59%
TCH Capital ⁽³⁾	12.58%
SBESB ⁽⁴⁾	5.00%
Himpunan Jaya ⁽⁵⁾	3.83%
Kien Huat Fishery ⁽⁶⁾	2.00%
Total	100.00%

Other Shareholders	Shareholdings
Placement to selected Bumiputera investors Approved by the MITI	12.50%
Placement to institutional/ selected investors	6.50%
Malaysian Public - Bumiputera	2.50%
Malaysian Public – Non-Bumiputera	2.50%
Pink Form Shares allocations	2.00%
Total	26.00%

**Notes:**

- (1) As at the LPD, Hong How Seng, being the sole shareholder of HHS Global, holds 100% equity interest in HHS Global.
- (2) As at the LPD, Tan Kok Cheong, being the sole shareholder of Keystone Capital, holds 100% equity interest in Keystone Capital.
- (3) As at the LPD, Tan Chin Heng, being the sole shareholder of TCH Capital, holds 100% equity interest in TCH Capital.
- (4) As at the LPD, Lim Kian Hoe, being the sole shareholder of SBESB, holds 100% equity interest in SBESB.
- (5) As at the LPD, Ong Chin Loong and Lim Kim Leng each holds 78.3% and 21.7% equity interest in Himpunan Jaya, respectively.
- (6) As at the LPD, Loi Heng Poh and Tang Wu Kian each holds 75% and 25% equity interest in Kien Huat Fishery, respectively. Additionally, a total of 4,500,000 cumulative redeemable preference shares are held by Lim Chang Run.

6. INFORMATION ON OUR GROUP (Cont'd)

(7) None of the vendor and purchasers under the restructuring exercise are related parties to the Group. The purpose of the restructuring exercises undertaken in 2023 are as follows:

- (i) The disposal of Casey Poultry is to strategically transfer the operations of its Lukut Processing Plant to GBSB, thereby consolidating both the Lukut Processing Plant and Ipoh Processing Plant under GBSB's unified management structure. This strategic move is to enhance operational efficiency by streamlining cost management, financial reporting and administrative processes of both the processing plants under one company ("**Disposal of Casey Poultry**");
- (ii) The disposal of Ladang Sinar is to allow the Group to streamline and focus its business operations on the poultry business and to remove logistics operations ("**Disposal of Ladang Sinar**"); and
- (iii) The acquisition of FVSB is to consolidate ownership and in turn exercise full control to streamline and integrate its business operations with the Group ("**Acquisition of FVSB**").

The purchase or disposal consideration of each of the restructuring exercise are as follows:

	Basis of disposal / acquisition consideration
Disposal of Casey Poultry	Agreed upon a willing-buyer willing-seller basis for a disposal consideration of RM1,500,000 being a premium of 85.60% to the net assets of Casey Poultry of RM808,168 as at 31 May 2023.
Disposal of Ladang Sinar	Agreed upon a willing-buyer willing-seller basis for a disposal consideration of RM180,000 being a discount of 2.29% to the net assets of Ladang Sinar of RM184,211 as at 30 November 2023.
Acquisition of FVSB	Agreed upon a willing-buyer willing-seller basis for a nominal purchase consideration of RM30 to consolidate its entire ownership in FVSB.

6.3 OUR SUBSIDIARIES

As at the LPD, we have 7 subsidiaries and we do not have any associate company. The details of our subsidiaries are set out below:

Name and registration number	Date and place of incorporation	Share capital (RM)	Effective equity interest (%)	Principal activities
FHSB 201901013811 (1323139-W)	18 April 2019 Malaysia	16,500,000	100	To purchase or otherwise acquire for investment including shares, stocks, loan stocks, bonds, debentures, warrants and other securities or any interest therein; investment holding; and management services

Wholly-owned subsidiaries of FHSB

FARSB 201301013629 (1043467-D)	22 April 2013 Malaysia	7,500,000	100	Breeding and trading of poultry and related businesses
FBFSB 201801023934 (1285954-P)	4 July 2018 Malaysia	3,000,000	100	Breeding and trading of poultry and related business activities

6. INFORMATION ON OUR GROUP (Cont'd)

Name and registration number	Date and place of incorporation	Share capital (RM)	Effective equity interest (%)	Principal activities
FCFSB 201501035810 (1161130-U)	5 October 2015 Malaysia	3,000,000	100	Broiler contract farming ⁽¹⁾
FSSB 201901008098 (1317426-V)	8 March 2019 Malaysia	3,000,000	100	Manufacture of prepared animal feeds and its related activities and investment holding ⁽²⁾
GBSB 201601036947 (1207888-X)	4 November 2016 Malaysia	1,000,000	100	Poultry processing and supply and distribution of poultry products.
Wholly-owned subsidiary of FCFSB				
FVSB 201801004814 (1266828-W)	2 February 2018 Malaysia	100	100	Trading of poultry and poultry products; raising, breeding and production of chicken broiler ⁽³⁾

Notes:

- (1) FCFSB was previously engaged in contract farming operations. FCFSB has not carried out any business activities since January 2023 up to the LPD as a result of the streamlining of our Group's business operations into FARSB. Our Group does not have any future plans for FCFSB at this juncture.
- (2) As at the LPD and since its incorporation, FSSB does not carry out any business activities. Our Group intends to utilise FSSB for our future business operations.
- (3) FVSB was previously engaged in the business of trading of poultry and poultry products; raising, breeding and production of chicken broiler. FVSB has not carried out any business activities since December 2022 up to the LPD as a result of the streamlining of our Group's business operations into FARSB. Our Group does not have any future plans for FVSB at this juncture.

None of our shares and share capital in our subsidiaries were issued and allotted at a discount or have any special terms or any instalment payment terms. Our issued Shares and the issued shares of our subsidiaries are fully paid-up.

As at the LPD, neither our Company nor our subsidiaries are involved in any bankruptcy, receivership or similar proceedings.

6.3.1 FHSB**(i) Background and history**

FHSB was incorporated on 18 April 2019 in Malaysia under the Act as a private limited company, under the name of Farmiera Holdings Sdn Bhd.

(ii) Principal place of business

The principal place of business of FHSB is at B-3-1, Menara BBT One, North Tower, Lebuhraya Batu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor.

(iii) Principal activities

FHSB is principally involved in the activities of purchase or otherwise acquire for investment including shares, stocks, loan stocks, bonds, debentures, warrants and other securities or any interest therein; investment holding; and management services.

6. INFORMATION ON OUR GROUP (Cont'd)

(iv) Share capital

As at the LPD, the issued share capital of FHSB is RM16,500,000 comprising 16,500,000 ordinary shares. FHSB does not have any outstanding warrants, options, convertible securities or uncalled capital.

The changes in FHSB's issued share capital from date of incorporation and up to the LPD are as follows:

Date of allotment / conversion	No. of shares allotted / converted	Consideration	No of cumulative shares	Cumulative issued share capital
				RM
18 April 2019	1 ordinary share	Cash	1 ordinary share	1
3 December 2020	2,000,100 ordinary shares	Otherwise than cash ⁽¹⁾	2,000,101 ordinary shares	2,000,101
15 July 2022	999,899 ordinary shares and 3,000,000 preference shares	Otherwise than cash ⁽²⁾	3,000,000 ordinary shares and 3,000,000 preference shares	6,000,000
23 December 2022	10,500,000 preference shares	Otherwise than cash ⁽³⁾	3,000,000 ordinary shares and 13,500,000 preference shares	16,500,000
28 November 2023	Conversion of 13,500,000 preference shares to ordinary shares	-	16,500,000 ordinary shares	16,500,000

Notes:

- (1) Allotment made in consideration of the transfer of shares in FCFSB held by Hong How Seng, Tan Kok Cheong, Tan Chin Heng, Lim Kian Hoe, Ong Chin Loong and Lim Kim Leng to FHSB.
- (2) Allotment made pursuant to the capitalisation of the amount owing by FHSB to Hong How Seng, Tan Kok Cheong, Tan Chin Heng, Lim Kian Hoe, Lim Kim Leng and Ong Chin Loong.
- (3) Allotment made pursuant to the capitalisation of the amount owing by FHSB to HHS Global, Keystone Capital, SBESB, TCH Capital and Himpunan Jaya.

(v) Shareholder

As at the LPD, FHSB is our wholly-owned subsidiary.

(vi) Directors

As at the LPD, the directors of FHSB are Hong How Seng and Tan Kok Cheong.

6. INFORMATION ON OUR GROUP (Cont'd)**(vii) Subsidiary, joint venture or associated company**

As at the LPD, FHSB does not have any joint venture or associated company. The subsidiaries of FHSB are FARSB, FBFSB, FCFSB, FSSB, GBSB and FVSB (by virtue of FCFSB's interest in FVSB).

6.3.2 FARSB**(i) Background and history**

FARSB was incorporated on 22 April 2013 in Malaysia under the Companies Act 1965 as a private limited company under the name of Farmiera Sdn Bhd and is deemed registered under the Act. It subsequently changed its name to Farmiera Agro Resources Sdn Bhd on 5 April 2019.

(ii) Principal place of business

The principal place of business of FARSB is at B-3-1, Menara BBT One, North Tower, Lebuhraya Batu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor.

(iii) Principal activities

FARSB is principally involved in breeding and trading of poultry and related businesses.

(iv) Share Capital

As at the LPD, the issued share capital of FARSB is RM7,500,000 comprising 7,500,000 ordinary shares. FARSB does not have any outstanding warrants, options, convertible securities or uncalled capital.

The changes in FARSB's issued share capital from date of incorporation and up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	No of cumulative shares	Cumulative issued share capital
				RM
22 April 2013	2 ordinary shares	Cash	2 ordinary shares	2
8 October 2013	200,000 ordinary shares	Cash	200,000 ordinary shares	200,002
31 March 2017	799,988 ordinary shares	Cash	799,988 ordinary shares	1,000,000
15 March 2018	3,000,000 ordinary shares	Otherwise than cash ⁽¹⁾	4,000,000 ordinary shares	4,000,000
15 December 2022	3,500,000 ordinary shares	Cash	7,500,000 ordinary shares	7,500,000

Note:

- (1) Allotment made pursuant to the capitalisation of the amount owing by FARSB to Hong How Seng, Tan Kok Cheong, Tan Chin Heng and Lim Kian Hoe.

6. INFORMATION ON OUR GROUP (Cont'd)

(v) Shareholder

FARSB is a wholly-owned subsidiary of FHSB.

(vi) Directors

As at the LPD, the directors of FARSB are Hong How Seng and Tan Kok Cheong.

(vii) Subsidiary, joint venture or associated company

As at the LPD, FARSB does not have any subsidiary, joint venture or associated company.

6.3.3 FBFSB

(i) Background and History

FBFSB was incorporated on 4 July 2018 in Malaysia under the Act as a private limited company under the name of Farmiera Breeder Farm Sdn Bhd.

(ii) Principal place of business

The principal place of business of FBFSB is at B-3-1 Menara BBT One, North Tower, Lebuhratu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor.

(iii) Principal activities

FBFSB is principally involved in business of breeding and trading of poultry and related business activities.

(iv) Share Capital

As at the LPD, the issued share capital of FBFSB is RM3,000,000 comprising 3,000,000 ordinary shares. FBFSB does not have any outstanding warrants, options, convertible securities or uncalled capital.

The changes in FBFSB's issued share capital from date of incorporation and up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	No of cumulative shares	Cumulative issued share capital
				RM
4 July 2018	1 ordinary share	Cash	1 ordinary share	1
2 December 2022	2,999,999 ordinary shares	Otherwise than cash ⁽¹⁾	3,000,000 ordinary shares	3,000,000

Note:

- (1) The aforesaid 2,999,999 ordinary shares have been allotted to FHSB pursuant to the capitalisation of the amount owing by FBFSB to Hong How Seng.

(v) Shareholder

FBFSB is a wholly-owned subsidiary of FHSB.

6. INFORMATION ON OUR GROUP (Cont'd)

(vi) Directors

As at the LPD, the directors of FBFSB are Hong How Seng and Tan Kok Cheong.

(vii) Subsidiary, joint venture or associated company

As at the LPD, FBFSB does not have any subsidiary, joint venture or associated company.

6.3.4 FCFSB

(i) Background and History

FCFSB was incorporated on 5 October 2015 in Malaysia under the Companies Act 1965 as a private limited company under the name of Farmiera Contract Farming Sdn Bhd.

(ii) Principal place of business

The principal place of business of FCFSB is at B-3-1 Menara BBT One, North Tower, Lebuhraya Batu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor.

(iii) Principal activities

FCFSB was previously engaged in the business of broiler contract farming. As at the LPD, FCFSB is dormant and does not carry out any business activities since January 2023 as a result of the streamlining of our Group's business operations into FARSB.

(iv) Share Capital

As at the LPD, the issued share capital of FCFSB is RM3,000,000 comprising 3,000,000 ordinary shares. FCFSB does not have any outstanding warrants, options, convertible securities or uncalled capital.

The changes in FCFSB's issued share capital from date of incorporation and up to the LPD are as follows:

Date allotment	of	No. of shares allotted	Consideration	No of cumulative shares	Cumulative issued share capital
					RM
5 October 2015		100 ordinary shares	Cash	100 ordinary shares	100
18 December 2015		2,000,000 ordinary shares	Cash	2,000,100 ordinary shares	2,000,100
8 July 2022		999,900 ordinary shares	Cash	3,000,000 ordinary shares	3,000,000

(v) Shareholder

FCFSB is a wholly-owned subsidiary of FHSB.

(vi) Directors

As at the LPD, the directors of FCFSB are Hong How Seng and Tan Kok Cheong.

6. INFORMATION ON OUR GROUP (Cont'd)**(vii) Subsidiary, joint venture or associated company**

As at the LPD, FCFSB does not have any subsidiary, joint venture or associated company save for FVSB, which is a wholly-owned subsidiary of FCFSB.

6.3.5 FSSB**(i) Background and History**

FSSB was incorporated on 8 March 2019 in Malaysia under the Act as a private limited company under the name of Farmiera Feedmill Sdn Bhd. It subsequently changed its name to Farmiera Sejati Sdn Bhd on 17 October 2023.

(ii) Principal place of business

The principal place of business of FSSB is at B-3-1, Menara BBT One, North Tower, Lebuhraya Batu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor.

(iii) Principal activities

FSSB is principally involved in manufacture of prepared animal feeds and its related activities and investment holding. As at the LPD and since its incorporation, FSSB is dormant and does not carry out any business activities.

(iv) Share Capital

As at the LPD, the issued share capital of FSSB is RM3,000,000 comprising 3,000,000 ordinary shares. FSSB does not have any outstanding warrants, options, convertible securities or uncalled capital.

The changes in FSSB's issued share capital from date of incorporation and up to the LPD are as follows:

Date allotment	of	No. of shares allotted	Consideration	No of cumulative shares	Cumulative issued share capital
					RM
8 March 2019		1 ordinary share	Cash	1 ordinary share	1
8 July 2022		2,999,999 ordinary shares	Cash	3,000,000 ordinary shares	3,000,000

(v) Shareholder

FSSB is a wholly-owned subsidiary of FHSB.

(vi) Directors

As at the LPD, the directors of FSSB are Hong How Seng and Tan Kok Cheong.

(vii) Subsidiary, joint venture or associated company

As at the LPD, FSSB does not have any subsidiary, joint venture or associated company.

6. INFORMATION ON OUR GROUP (Cont'd)**6.3.6 GBSB****(i) Background and History**

GBSB was incorporated on 4 November 2016 in Malaysia under the Companies Act 1965 as a private limited company under the name of Farmiera Broiler Farm Sdn Bhd and is deemed registered under the Act. It subsequently changed its name to Gemilang Bestari Sdn Bhd on 23 December 2021.

(ii) Principal place of business

The principal places of business of GBSB are located at 509461 & 240625 Hala Industri Bercham 3, Kawasan Perindustrian Ringan Bercham, 31400 Ipoh, Perak and No. 152 Jalan Perdana 3, Taman Perindustrian Perdana Lukut, Pekan Lukut, 71010 Port Dickson, Negeri Sembilan.

(iii) Principal activities

As at the LPD, GBSB is principally involved in poultry processing and supply and distribution of poultry products.

(iv) Share Capital

As at the LPD, the issued share capital of GBSB is RM1,000,000 comprising 1,000,000 ordinary shares. GBSB does not have any outstanding warrants, options, convertible securities or uncalled capital.

The changes in GBSB's issued share capital from date of incorporation and up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	No of cumulative shares	Cumulative issued share capital
				RM
4 November 2016	2 ordinary shares	Cash	2 ordinary shares	2
11 March 2022	8 ordinary shares	Cash	10 ordinary shares	10
20 July 2022	99,990 ordinary shares	Cash	100,000 ordinary shares	100,000
7 June 2023	770,000 ordinary shares	Cash	870,000 ordinary shares	870,000
23 August 2023	130,000 ordinary shares	Cash	1,000,000 ordinary shares	1,000,000

(v) Shareholder

GBSB is a wholly-owned subsidiary of FHSB.

(vi) Directors

As at the LPD, the directors of GBSB are Hong How Seng and Tan Kok Cheong.

6. INFORMATION ON OUR GROUP (Cont'd)

(vii) **Subsidiary, joint venture or associated company**

As at the LPD, GBSB does not have any subsidiary, joint venture or associated company.

6.3.7 FVSB

(i) **Background and History**

FVSB was incorporated on 2 February 2018 in Malaysia under the Act as a private limited company under the name of Farmiera Venture Sdn Bhd.

(ii) **Principal place of business**

The principal place of business of FVSB at B-3-1, Menara BBT One, North Tower, Lebuhraya Batu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor.

(iii) **Principal activities**

FVSB was previously engaged in the business of trading of poultry and poultry products; raising, breeding and production of chicken broiler. As at the LPD, FVSB is dormant and does not carry out any business activities since December 2022 as a result of the streamlining of our Group's business operations into FARSB.

(iv) **Share Capital**

As at the LPD, the issued share capital of FVSB is RM100 comprising 100 ordinary shares. FVSB does not have any outstanding warrants, options, convertible securities or uncalled capital.

There has been no change in the issued share capital of FVSB from date of incorporation and up to the LPD.

(v) **Shareholder**

FVSB is a wholly-owned subsidiary of FCFSB.

(vi) **Directors**

As at the LPD, the directors of FVSB are Hong How Seng and Tan Kok Cheong.

(vii) **Subsidiary, joint venture or associated company**

As at the LPD, FVSB does not have any subsidiary, joint venture or associated company.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.4 INFORMATION ON OUR MATERIAL INVESTMENTS AND MATERIAL DIVESTITURES

(a) Material investment

During the Financial Periods Under Review and up to the LPD, we have acquired the following lands (including plants and equipment) for our broiler farms, vertical expansion into the broiler breeding and hatchery business segments and future expansions:

Material investments	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025	From 1 July 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold lands ⁽¹⁾	-	2,455	7,753	10,446	3,995	-
Leasehold lands	-	-	1,018	-	-	-
Material investments in progress	-	-	-	⁽²⁾ 2,303	⁽³⁾ 5,800	-
Others	-	-	-	⁽⁴⁾ 6,046	-	-
Total	-	2,455	8,771	18,795	9,795	-

Notes:

- (1) Material investments of freehold lands for our broiler farms, parent stock farms and hatchery located in the state of Negeri Sembilan, Johor, Selangor and Pahang:
 - (i) For FYE 2023, the amount includes amongst others, RM1.78 million, RM2.42 million and RM1.69 million that relates to the acquisition of freehold agricultural lands for PS Farm 1, PS Farm 2 and PS Farm 3, respectively; and
 - (ii) For FYE 2024, the amount includes amongst others, RM1.20 million that relates to the acquisition of Farm Hulu Selangor B.
- (2) The material investment is for acquisition of a freehold agriculture land held under Geran Mukim 848, Lot 1113, Mukim Jimah, Daerah Port Dickson, State of Negeri Sembilan. The sale and purchase agreement in relation thereto is dated 17 April 2024, and has yet to be completed in accordance with its terms as at the LPD.
- (3) The material investment is in relation to the acquisition of Ipoh Processing Plant and comprises the following:
 - (i) a leasehold industrial land held under PN369084, Lot 509461, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak together with one unit of factory building erected thereon, for a cash consideration of RM1.92 million;
 - (ii) a leasehold industrial land held under PN369085, Lot 509462, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak together with one unit of factory building erected thereon, for a cash consideration of RM2.08 million; and

6. INFORMATION ON OUR GROUP (Cont'd)

- (iii) all the fixtures and machineries at the Ipoh Processing Plant listed in the sale and purchase agreement, for a cash consideration of RM1.80 million.

The sale and purchase agreements of the above are dated 1 May 2025, and have yet to be completed in accordance with their terms as at the LPD.

- (4) The other material investments comprise the following:

- (i) purchases of farming equipment amounting to RM5.60 million; and
(ii) acquisition of existing plantation situated on the freehold agriculture land held under the title Geran Mukim 837, lot 1112, Mukim Jimah, Daerah Port Dickson, State of Negeri Sembilan that were acquired together with the said land by our Group, for RM0.45 million. We intend to utilise the land for future expansions.

The above material investments were located within Malaysia and were funded via a combination of our borrowings and internally generated funds.

Save as disclosed above, we do not have any material investments during the Financial Periods Under Review and up to the LPD.

(b) Material divestitures

During the Financial Periods Under Review and up to the LPD, our Group's material divestitures within Malaysia are as follows:

Material divestment	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025	From 1 July 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold lands ⁽¹⁾	-	636	978	1,091	2,256	-
Equity interest in subsidiary	-	-	⁽²⁾ 1,500	-	-	-
Material divestures in progress	-	-	-	-	-	-
Total	-	636	2,478	1,091	2,256	-

Notes:

- (1) Divestment of freehold lands located in the state of Negeri Sembilan and Johor.
(2) The material divestiture of RM1.50 million is in relation to the disposal of entire equity interests in Casey Poultry by FHSB and Loi Heng Poh, to Casey Lim Chin Joo, which was completed on 2 June 2023.

6. INFORMATION ON OUR GROUP (Cont'd)

6.5 INFORMATION ON OUR MATERIAL COMMITMENTS

Save for the proposed utilisation of proceeds from our Public Issue and our material capital commitments as disclosed in Sections 4.5 and 12.6 of this Prospectus, we do not have any other material commitments during the Financial Periods Under Review and up to the LPD.

6.6 PUBLIC TAKE-OVER OFFERS

During the last financial year and the current financial periods up to the LPD, there were no:

- (a) public take-over offers by third parties in respect of our Shares; and
- (b) public take-over offers by our Company in respect of any other company's securities.

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7. BUSINESS OVERVIEW

7.1 HISTORY OF OUR GROUP

7.1.1 Business and Expansion

Our Group's history can be traced back to 2013, when the founders, Hong How Seng and Tan Kok Cheong, established FARSB (formerly known as Farmiera Sdn Bhd), which was involved in providing contract broiler farming services. On 18 April 2019, FHSB was incorporated as an investment holding company, with Hong How Seng serving as the director. As at the LPD, we are principally involved in poultry farming for the production of broilers and processing of raw poultry products.

The table below sets out the key events and milestones in the history and development of our business:

Year	Milestones
2013	We started from providing contract broiler farming services to a customer involved in poultry farming industry. We operated 4 broiler farms located at Tanjung Sepat, Selangor. These farms had a total of 13 broiler farm houses, with a rearing capacity of approximately 0.27 million broilers during the year.
2016	- We discontinued our contract broiler farming services and started our own self-operated poultry farming operation. In the same year, we also ventured into the trading of live broilers. - As part of our efforts to increase the output of our broilers production, we engaged a total of 16 contract farmers. These contract farmers provided us with approximately 0.42 million full-grown broilers, giving us an increased total broiler output of approximately 0.78 million broilers from 0.36 million broilers during the year. - We established our fifth broiler farm in Kuala Selangor, Selangor. This farm has 4 broiler farm houses with a rearing capacity of approximately 60,000 broilers during the year. Between 2013 and 2015, the rearing capacity of our self-operated farms was approximately 0.27 million broilers. With the addition of the fifth farm, the total rearing capacity of our self-operated farms increased to approximately 0.36 million broilers. - As our business continued to grow, we have established working relationships with 11 livestock distributors for our live broilers trading business.
2017	- As part of our poultry farming expansion, we engaged a total of 22 contract farmers to support our business growth in the poultry farming segment. - For our poultry farming, our total broiler output reached approximately 5.81 million broilers during the year. - Our live broiler trading business continued to grow as we secure additional sales as well as new customers.

7. BUSINESS OVERVIEW (Cont'd)

Year	Milestones
2018	• Due to urbanisation of the country's population, consumers prefer to buy poultry products from supermarkets and hypermarkets over traditional wet markets due to hygiene concerns. In response to this shift, we initiated the development of our poultry processing operations. This strategic move did not only allow us to venture into a new business segment but also aimed to provide the consumer market with our raw poultry products. • We rented a Halal certified processing plant located at Semenyih, equipped with slaughtering and poultry processing facilities. These facilities allowed us to process approximately 1,800 broilers per day. • We successfully secured Segi Marine Enterprise Sdn Bhd, a company involved in the retail and wholesale supermarket chain as our customer and has remained as our customer to-date. • For our poultry farming, our total broiler output reached approximately 7.82 million broilers during the year.
2019	• We relocated our processing plant to Lukut, Negeri Sembilan, with a built-up area of approximately 29,800 sq ft. The relocation primarily stems from the need to move to a nearby area in close proximity to our broiler farms. This facility enables us to process approximately 21,000 broilers per day during the year. • For our poultry farming, our total broiler output reached approximately 8.74 million broilers during the year.
2020	• For our poultry farming, our total broiler output reached approximately 10.13 million broilers during the year. • We successfully secured My Hero Hypermarket Sdn Bhd, a company involved in the retail chain under the brand HeroMarket, as our customer. • We embarked on a rebranding exercise and introduced our new trademarked corporate logo to better identify the diversity of our offerings to customers.
	
2021	• For our poultry farming, our total broiler output reached approximately 11.41 million broilers during the year.
2022	• We established our second Halal certified poultry processing plant (with built-up area of approximately 20,486 sq ft) in Ipoh, Perak. This new facility allowed us to process approximately 24,000 broilers per day. • We obtained the Halal certification for our Lukut Processing Plant and Ipoh Processing Plant from JAKIM. • For our poultry farming, our total broiler output reached approximately 15.47 million broilers during the year.
2023	• For our poultry farming, our total broiler output reached approximately 19.19 million broilers during the year. • For our poultry processing, we have the capacity to process approximately 45,000 broilers per day.

7. BUSINESS OVERVIEW (Cont'd)

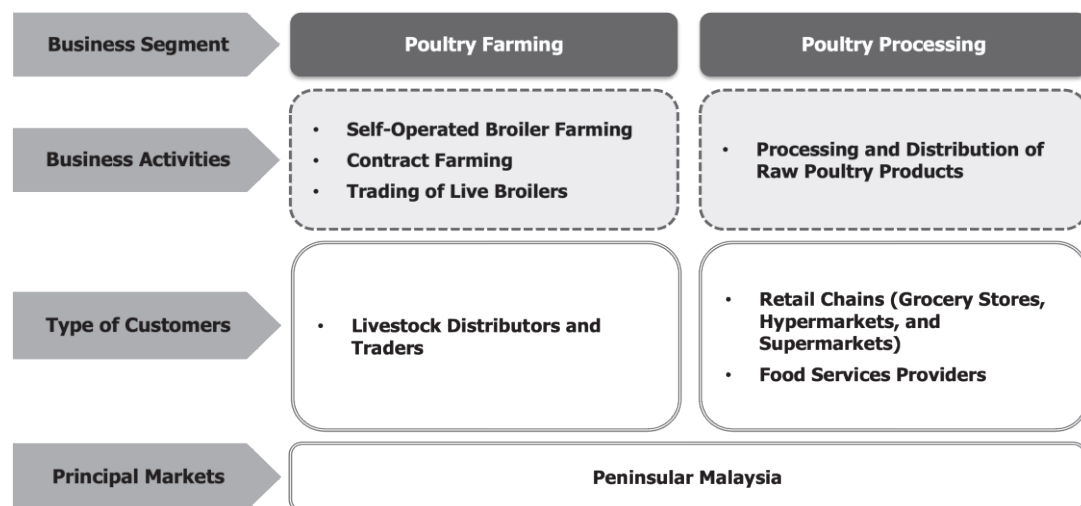
Year	Milestones
2024	Our Lukut Processing Plant and Ipoh Processing Plant obtained the MeSTI certification from MOH
2025	Won the award for Outstanding Emerging Livestock Industry in the Malaysian Livestock Industry Award 2025

7.2 DESCRIPTION OF OUR BUSINESS

Our Group is principally involved in poultry farming and poultry processing activities. Our business activities can be segmented into the following:

- Poultry farming – self-operated farms and contract farms, where live broilers (including broiler DOCs, feed, vaccines and medicines) are sold and trading of live broilers sourced from third-party suppliers; and
- Poultry processing – which comprises the processing and distribution of Halal certified raw poultry products.

Our business model can be illustrated as follows:



Each poultry farm of our Group, whether self-operated or contract farms, follows a scheduled cycle for the intake of broiler DOCs on a weekly basis and rears them into full-grown broilers, ensuring a consistent supply of broiler chickens for both the live broiler trading business and poultry processing activities. We sell live broilers, particularly the production output from our poultry farms on an outright trading basis to livestock distributors and traders. However, we may also source live broilers from third-party suppliers during periods when our broilers experience slower growth, particularly if the broilers' weight has not reached the ideal full-grown size required to meet customer demands.

Depending on the customer's location, the full-grown broilers are either sold to livestock distributors and traders or transported to our poultry processing plants for the production of raw poultry products. These raw poultry products are then delivered to customers across Peninsular Malaysia.

7. BUSINESS OVERVIEW (Cont'd)

In FYE 2024 and FPE 2025, approximately 52.09% and 49.75% of our revenue are derived from poultry processing segment, while the remaining was generated from our poultry farming segment.

The table below sets out details of the poultry farms and poultry processing plants we operate and the number of contract farmers we engage, by state:

As at the LPD			
	Poultry Farming		Poultry processing
	Self-operated farms	Contract farms	Processing plants
Selangor	10 ⁽¹⁾	11	-
Negeri Sembilan	5 ⁽²⁾	4	1
Perak	-	21	1
Pahang	-	6	-
Melaka	-	2	-
Total:	15	44 ⁽³⁾	2

Notes:

- (1) Of the 10 farms, 2 farms are rented by our Group.
(2) Of the 5 farms, 4 farms are rented by our Group.
(3) Operated by 38 contract farmers

The table below sets out the production capacity of the Group's self-operated broiler farms (both owned and rented) and processing plants for the Financial Periods Under Review and up to LPD:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025	1 July 2025 up to LPD
Owned broiler farms						
Approximate built-up area (sq ft)	593,434	593,434	593,434	691,652	691,652	691,652
Rearing capacity (broilers) ⁽¹⁾	4,724	5,712	5,889	6,844	3,331	1,513
Approximate rearing capacity ⁽²⁾ ('000 broilers per cycle ⁽¹⁾)	770	⁽⁵⁾ 880	880	1,005	1,005	1,005
Number of cycle per year (approximate)	6	7	7	7	4	2

7. BUSINESS OVERVIEW (Cont'd)

	<u>FYE 2021</u>	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2025</u>	<u>1 July 2025 up to LPD</u>
Rented broiler farms						
Approximate built-up area (sq ft)	67,580	199,866	462,830	554,270	554,270	554,270
Rearing capacity (broilers) ⁽¹⁾	816	1,470	2,799	5,908	2,923	1,069
Approximate rearing capacity ⁽²⁾ ('000 broilers per cycle ⁽¹⁾)	100	300	630	830	830	830
Number of cycle per year (approximate)	8	5	4	7	4	2

Total capacity

Approximate built-up area (sq ft)	661,014	793,300	1,056,264	1,245,922	1,245,922	1,245,922
Approximate rearing capacity ⁽²⁾ ('000 broilers per cycle ⁽¹⁾)	870	1,180	1,510	1,835	1,835	1,835

	<u>FYE 2021</u>	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2025</u>	<u>1 July 2025 up to LPD</u>
Lukut Processing Plant						
Approximate built-up area (sq ft)	29,779	29,779	29,779	29,779	29,779	29,779
Approximate production capacity per year ⁽³⁾ ('000 broilers)	7,560	7,560	7,560	7,560	3,780	1,743
Ipoh Processing Plant						
Approximate built-up area (sq ft)	-(4)	20,486	20,486	20,486	20,486	20,486
Approximate production capacity per year ⁽³⁾ ('000 broilers)	-	8,640	8,640	8,640	4,320	1,992

7. BUSINESS OVERVIEW (Cont'd)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025	1 July 2025 up to LPD
Total capacity						
Approximate built-up area (sq ft)	29,779	50,265	50,265	50,265	50,265	50,265
Approximate production capacity ('000 broilers per year ⁽³⁾)	7,560	16,200	16,200	16,200	8,100	3,735

Notes:

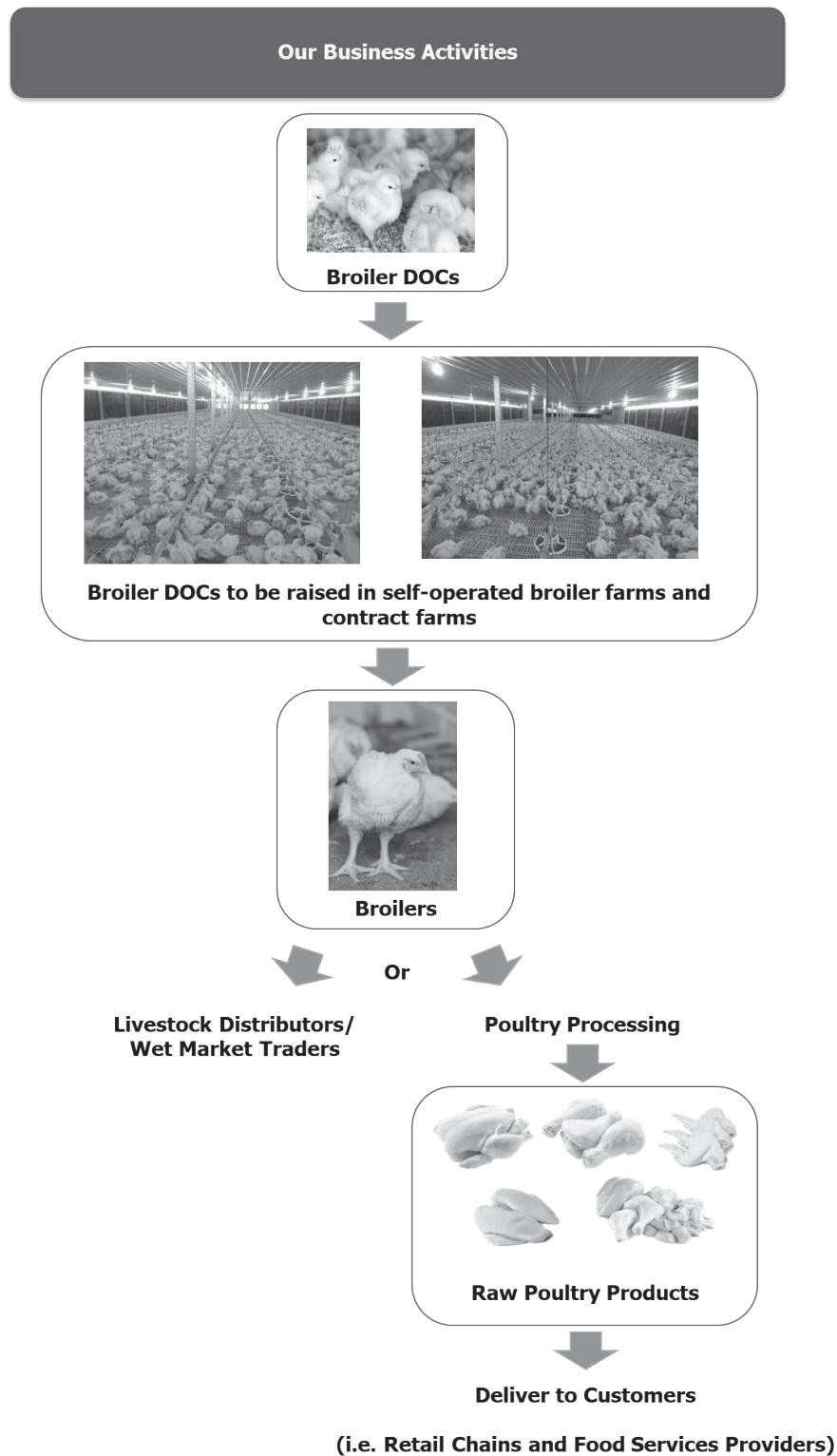
- (1) Refers to the approximate maximum number of broilers that could be raised on our own broiler farms and rented broiler farms based on the available broiler farm houses during the Financial Periods Under Review. The maximum number of broilers increased during the Financial Periods Under Review, is primarily due to the increased number of broiler farm houses, and the increased number of rented farms. The rearing capacity of broilers is determined by the number of DOCs intake during the respective year. Our Group generally achieves 6 to 7 production cycles per year.
- (2) Refers to the period required to raise broilers from broiler DOCs to fully grown broilers which represent the cumulative approximate maximum number of broiler DOC intake by each broiler house for our self-operated and rented farms.
- (3) Based on 1 shift (8 hours) per day, 360 days of operation per year.
- (4) The Ipoh Processing Plant was set up in FYE 2022.
- (5) The increase in rearing capacity in FYE 2022 was due to the full utilisation of the broiler farm houses at Farm A (only partial of the broiler farm houses were utilised in FYE 2021), as well as the full utilisation of broiler farm houses at Farm F (only partial of the broiler farm houses were utilised in FYE 2021).

In terms of our customer base, we supply our live broilers to livestock distributors and traders. While our Halal certified raw poultry products are offered to customers which includes retail chains such as grocery stores, hypermarkets, supermarkets and food services providers.

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7. **BUSINESS OVERVIEW (Cont'd)**

The following diagram illustrates our business activities:



7. BUSINESS OVERVIEW (Cont'd)

7.2.1 Poultry Farming

Our poultry farming raises broilers primarily for the processing of raw poultry products and trading of live broilers.

We use the Ross and Cobb breeds for our farming operations. The operations of our poultry farming are described below:

Purchase of broiler DOCs

We purchase the broiler DOCs from 6 local parent stock farms, where 2 different breeds are purchased, namely Ross and Cobb so that we are not reliant on any single breed. For the Financial Periods Under Review, we purchased approximately 12.29 million, 17.18 million, 20.07 million, 24.04 million, 17.88 million and 13.51 million broiler DOCs, respectively.

Rearing of broiler DOCs

The broiler DOCs are either sent to our self-operated broiler farms or our contract farms. Broiler DOCs of the same age and flock source are placed in a single broiler farm house, and this provides an “all-in-all-out” farming system that aims to prevent the possible transmission of diseases between broilers of different ages and flocks, and facilitates easy management.

The provision of clean water is critical in broiler rearing operations. Both feed content and intake impact the rate of water consumption in broilers. Factors such as changes in diet, feed quality, or environmental conditions (i.e. lighting and temperature) can indirectly influence the broilers' water intake. When feed consumption decreases due to the aforementioned factors, broilers may also reduce their water intake accordingly. In terms of feed management, feed distribution and the proximity of the feeders to the broilers are also crucial to achieve the optimal feed consumption rate. Thus, insufficient water intake and feed consumption would ultimately depress the growth of the broilers.

The broiler DOCs grow for approximately 30 to 35 days to achieve full-grown size, following which we either sell them to livestock distributors and traders, or transport them to our poultry processing plants.

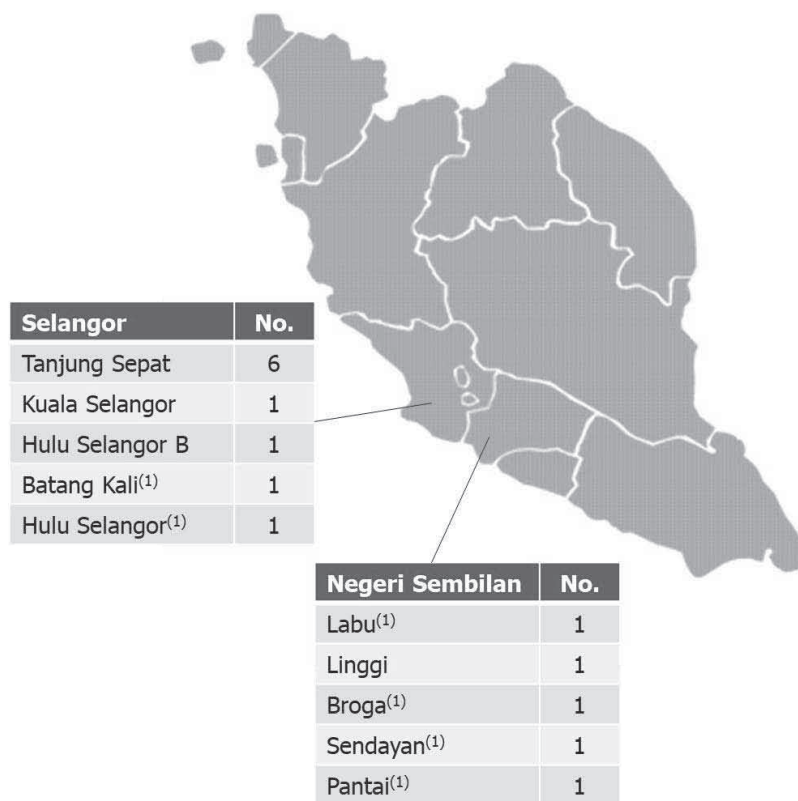
(a) Self-operated broiler farming

As at the LPD, we currently own 9 self-operated broiler farms, of which 8 are located in Selangor, and 1 located in Negeri Sembilan. In addition to our own broiler farms, we also rent 6 additional farms located in Selangor (i.e. Batang Kali and Hulu Selangor) and Negeri Sembilan (i.e. Labu, Sendayan, Broga and Pantai), respectively. These rented farms expand our current setup, increasing our overall capacity to raise broilers and improving the efficiency of the operations of our self-operated poultry in terms of production output. All of these 15 farms have a combined production output of approximately 11.38 million and 5.86 million broilers, for the FYE 2024 and FPE 2025, respectively.

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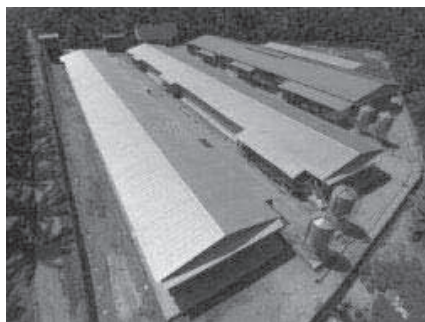
7. BUSINESS OVERVIEW (Cont'd)

The following depicts the number of our self-operated broiler farms according to locations:



Note:

(1) Refers to our 6 rented farms.



Examples of the exterior appearance of one of our closed-house broiler farms



Examples of the interior appearance of our closed-house broiler farms

7. BUSINESS OVERVIEW (Cont'd)

The table below sets out the production output of our self-operated broiler farms (both owned and rented) and our contract farms for the Financial Periods Under Review and up to the LPD:

Farms	FYE				FPE 2025	1 July 2025 up to the LPD
	2021	2022	2023	2024		
	('000 broilers)					
Self-operated broiler farms						
Owned	3,941	4,520	5,743	6,112	2,938	1,666
Rented	672	1,248	2,315	5,272	2,918	1,170
	4,613	5,768	8,058	11,384	5,856	2,836
Contract farms	6,794	9,704	11,132	10,942	6,743	3,180
Total	11,407	15,472	19,190	22,326	12,599	6,016

Our self-operated broiler farming involved a closed-house system with biosecurity measures in order to minimise the exposure of our broilers to bacteria and other viruses that may be introduced to our broiler farm. *(Please see Section 7.6 of the Prospectus for the details of biosecurity measures imposed by our Group).*

As compared to open-house farms, closed-house system allows a more hygienic environment as the broilers are reared in an enclosed building with controlled ventilation, creating an optimal environment to broilers. The environment within the broiler farm house is primarily regulated through manual or automated controls, creating an artificial climate. This intentional adjustment ensures a stable environment within the broiler farm house, making it less susceptible to extreme natural conditions such as high temperatures, extreme cold, and high humidity, which are effectively managed through these control measures. As a result, the controlled and stable environment within the broiler farm house contributes to optimal conditions for the well-being and growth of the broilers. This system also helps to reduce contamination as it keeps out predators and other wild birds which may be disease-carriers.

(b) Contract farming

We engage the service of contract farmers where they are responsible for rearing the broiler DOCs into full-grown broilers according to our requirements, such as feed schedule and weight management. Generally, the contract farmers engaged by our Group are not engaged by others when contract farming services are provided to us, as most of their capacity in the farms is utilised by us.

Contract farmers are selected based on the proximity of their farms to our processing plants to ensure logistics efficiency, and their compliance with all laws and regulations applicable to the broiler farming operations. This arrangement is pursuant to the respective contract farmers agreements and is valid for a 12-months term. These contract farmers employ their own farms, equipment, and labour for the farming operations. The contract farmers will buy broilers DOCs, feed, vaccines and medicines from us and we will provide technical guidance and support to these contract farmers. We also supply broiler DOCs and feed to customers who are not contract farmers engaged by our Group and such arrangements will be undertaken on a case-by-case basis upon request from our customers. We have a dedicated technical team with the know-how who regularly monitors and visits contract farmers to provide technical advice. Additionally, we also

7. BUSINESS OVERVIEW (Cont'd)

conduct training sessions for our contract farmers to facilitate the exchange of farming experience so as to continuously enhance their farming knowledge.

The key terms of our agreement with contract farmers are as follows:

- Contract term** : The term of the contract is one year from the date of the agreement.
- Duties of the contract farmer** : The contract farmer shall be responsible, amongst others, for the duties with respect to growing broilers at the facilities located at the contract farm ("**Facilities**") in accordance with the MyGAP requirement and to comply with all laws and regulations applicable to the broiler farming operations including broiler farming, waste management and licensing requirement for carrying out broiler farming activities.
- Termination** : Either party who wishes to terminate contract, shall write in a formal letter or termination notice informing the intention to terminate the agreement with at least two batch's prior notice.
- Insurance** : The contract farmer shall ensure that the Facilities are insured against all applicable risks, including but not limited to fire damage. The insurance coverage shall be maintained in full force and effect throughout the duration of the agreement. The contract farmer shall indemnify and hold harmless our Group from any losses, claims, damages or liabilities arising from fire or other covered events at the Facilities, which shall include, but not limited to, any costs incurred by our Group to source for new contract farm so as to prevent production disruption.
- Poultry farming licence** : The contract farmer shall at all time hold and maintain a valid poultry farming licence issued by the DVS, as well as a business premise licence (if applicable) from the local authority. Should there be any situations that may lead to the revocation or cancellation of the contract farmer's poultry farming licence, the contract farmer shall immediately notify our Group upon the occurrence of such event.
- Indemnity against third-party claims** : The contract farmer shall be responsible for any claims, damages or injuries to third parties caused by its management of the Facilities and shall indemnifies and holds our Group harmless from any such claims, damages or injuries, except where such claims, damages or injuries arise from the negligence of our Group.

7. BUSINESS OVERVIEW (Cont'd)

Our Group will then purchase the full-grown broilers back from the contract farmers at such price which is subject to periodic review that reflect the market price. These broilers are then to be processed into Halal certified raw poultry products in our poultry processing plants or sold as live broilers to livestock distributors and traders. As at the LPD, we have engaged 38 contract farmers that operates a total of 44 contract farms, located in Perak (21), Selangor (11), Negeri Sembilan (4), Pahang (6) and Melaka (2). The contract farming arrangement allows us to continuously expand our production scale without incurring additional investment in setting up our own broiler farms. The contract farmers we engaged operate in both open-house and closed-house farms. However, the majority of them operate closed-house farms. As at the LPD, 4 out of 44 contract farms operate under an open-house system. The open-house system farms have a combined rearing capacity of approximately 100,000 broiler DOCs per cycle, whilst the closed-house system farms have a combined rearing capacity of approximately 2,538,500 broiler DOCs per cycle.

As stipulated in the contract farming agreement, the contract farmers engaged by us are required to comply with all laws and regulations applicable to broiler farming operations. The responsibility to comply with such laws and regulations in relation to the contract farms lies with the contract farmers and in the event of a breach of the provision in relation to compliance with all laws and regulations applicable to broiler farming operations, the contract farmers shall indemnify and hold harmless our Group from any claim, losses or damages arising thereof.

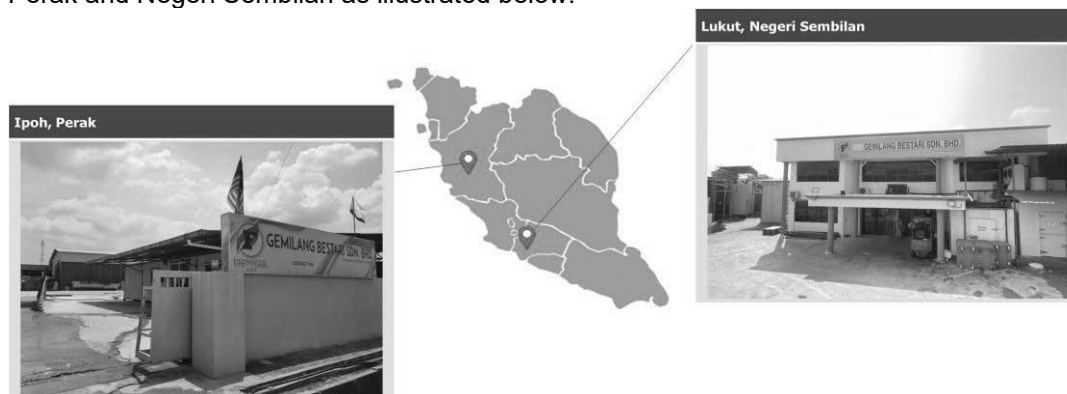
As at the LPD, we have not experienced any disruptions to our supply of broilers from our contract farmers due to non-compliance of any laws and regulations in relation to contract farms.

Based on our contracts with contract farmers, we require at least two batch's prior notice for termination of their services. Such requirement will mitigate the risk of supply disruptions by allowing our Group sufficient time to make alternative arrangements, such as engaging new contract farmers or adjusting production plans. While this notice period helps manage continuity risks, our Group also maintains a diversified base of contract farmers to ensure a stable supply of live broilers.

7.2.2 Poultry Processing

Broilers produced from our self-operated broiler farms and contract farms are used to produce Halal certified raw poultry products. We engage a qualified Halal consultant to oversee the compliance of Halal procedures in our poultry processing operations. These Halal certified raw poultry products are mainly offered to retail chains, and food services providers.

We currently operate our poultry processing operations at 2 processing plants located in Perak and Negeri Sembilan as illustrated below:



7. BUSINESS OVERVIEW (Cont'd)

Our Halal certified raw poultry products are offered in various cut-ups, including whole chicken (whole bird), whole bird cut-up, and other different cuts products as shown in the table below:

(a) Whole bird and whole bird cut-up

 Whole chicken	 Whole chicken without head, neck, feet, and giblets
 9 pieces cut whole chicken	 24 pieces cut whole chicken
 Front quarters	 Back quarters
 Half cut	

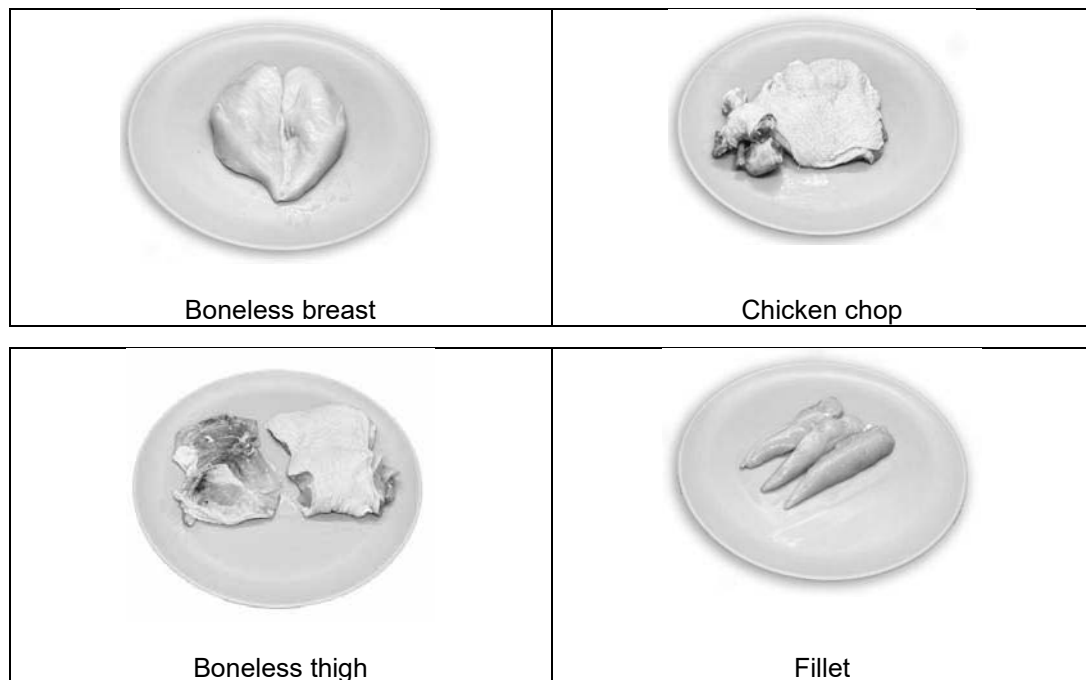
7. BUSINESS OVERVIEW (Cont'd)

(b) Cut-up

 Whole wing	 Whole leg
 Drumette	 Drumstick
 2-joint wing	 Thigh
 Keel	 Rib cut

7. BUSINESS OVERVIEW (Cont'd)

(c) Boneless and skinless products



Whenever there is a need to meet additional short-term demand and ensure sufficient output volume for our raw poultry product market, we will then source frozen chicken parts, including boneless breast, wing, drumstick and whole leg from third parties through local trading houses.

7.3 PRINCIPAL MARKETS

During the Financial Periods Under Review, the revenue of our Group was derived from our poultry farming and poultry processing segments, with the principal market being the Peninsular Malaysia.

7.4 REVENUE CONTRIBUTION BY BUSINESS SEGMENTS

Our Group's revenue for the Financial Periods Under Review was derived from 2 business segments:

- (a) poultry farming involves:
 - (i) self-operated farms, which involve sales of live broilers from own farms to livestock distributors and traders;
 - (ii) contract farms, which involve sales of live broilers from contract farmers to livestock distributors and traders; sales of broiler DOCs, feed, vaccines and medicines to contract farmers for broilers rearing; and to customers who are not contract farmers engaged by the Group; and
 - (iii) trading of live broilers, which involves the outright sale of live broilers sourced from third-party suppliers.
- (b) poultry processing, which involves the processing and distribution of Halal-certified raw poultry products through our Lukut Processing Plant and Ipoh Processing Plant.

7. BUSINESS OVERVIEW (Cont'd)

The following table sets out our revenue contribution by business segments for the Financial Periods Under Review:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Poultry farming										
Self-operated farms	36,505	13.93	41,803	9.89	69,823	13.03	90,038	16.05	48,823	15.71
Contract farms ⁽¹⁾	121,097	46.23	171,079	40.48	187,444	34.98	168,523	30.04	103,215	33.21
Trading of live broilers	13,943	5.32	4,165	0.99	9,521	1.78	10,220	1.82	4,160	1.34
	171,545	65.48	217,047	51.36	266,788	49.79	268,781	47.91	156,198	50.26
Poultry processing⁽²⁾										
Lukut Processing Plant	90,423	34.52	125,094	29.60	136,351	25.45	148,154	26.40	79,931	25.71
Ipoh Processing Plant	-(3)	-	80,483	19.04	132,709	24.76	144,130	25.69	74,706	24.03
	90,423	34.52	205,577	48.64	269,060	50.21	292,284	52.09	154,637	49.74
Total	261,968	100.00	422,624	100.00	535,848	100.00	561,065	100.00	310,835	100.00

Notes:

- (1) The revenue from the sales to contract farmers is not expected to be profit-generating as these are cost and expenses in relation to the farming of broilers by contract farmers, which include broiler DOCs, feed and vaccines and medicines, which the broilers will be subsequently repurchased back by our Group.

The breakdown of the revenue generated from contract farms is as below:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Sales of broiler DOCs, feed and vaccines and medicines ^(a)	71,799	27.41	112,929	26.72	126,423	23.59	121,131	21.59	60,674	21.36	74,438	23.95
Sales of live broilers from contract farmers to livestock distributors and traders	49,298	18.82	58,150	13.76	61,021	11.39	47,392	8.45	23,394	8.24	28,777	9.26
Total	121,097	46.23	171,079	40.48	187,444	34.98	168,523	30.04	84,068	29.60	103,215	33.21

7. BUSINESS OVERVIEW (Cont'd)

(a) Inclusive of revenue generated from sales of broiler DOCs and feed to customers who are not contract farmers engaged by our Group and such arrangements will be undertaken on a case-by-case basis upon request from our customers, which cumulatively amounted to approximately RM6.97 million (5.76%), RM3.30 million (1.93%), and RM1.58 million (0.84%) for the FYE 2021 to 2023, respectively, and approximately RM0.19 million (0.19%) for FPE 2025.

(2) The breakdown of the revenue generated from the poultry processing segment is as below:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Sale to retail chains	90,423	34.52	203,634	48.18	263,629	49.20	273,666	48.77	137,816	44.33
Sale to food services providers	-	0.00	1,943	0.46	5,431	1.01	18,618	3.32	16,821	5.41
Total	90,423	34.52	205,577	48.64	269,060	50.21	292,284	52.09	154,637	49.74

(3) The Ipoh Processing Plant was set up in FYE 2022.

The poultry farming segment accounted for 65.48% (RM171.55 million), 51.36% (RM217.05 million), 49.79% (RM266.79 million), 47.91% (RM268.78 million) and 50.26% (RM156.20 million) of our Group's total revenue for Financial Periods Under Review. The revenue generated from poultry farming segment is derived from the (i) sales of live broilers from own farms to livestock distributors and traders, (ii) sales of live broilers from contract farmers to livestock distributors and traders, sales of broiler DOCs, feed, vaccines and medicines to contract farmers for broilers rearing, and to customers who are not contract farmers engaged by our Group, and (iii) trading of live broilers. However, the revenue from the sales to contract farmers is not expected to be profit-generating as these are costs and expenses incurred by contract farmers in farming of broilers that will be subsequently repurchased back by our Group. The broilers are repurchased by the Group at a price derived from factors including prevailing market price of broilers, aforesaid costs and the profit margin of the contract farmers.

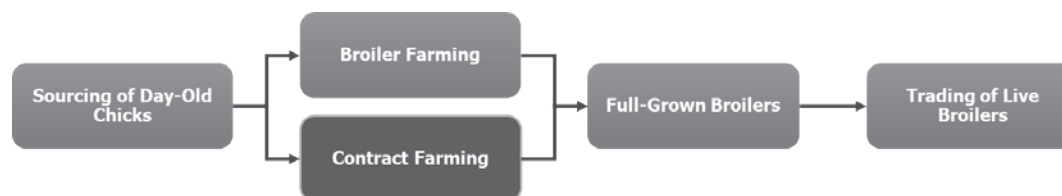
The poultry processing segment accounted for 34.52% (RM90.42 million), 48.64% (RM205.58 million), 50.21% (RM269.06 million), 52.09% (RM292.28 million) and 49.74% (RM154.64 million) of our Group's total revenue for Financial Periods Under Review.

7. BUSINESS OVERVIEW (Cont'd)

7.5 BUSINESS PROCESSES

7.5.1 Poultry Farming

The key stages of our poultry farming are as follows:



Sourcing of broiler DOCs

Our poultry farming starts with sourcing the broiler DOCs from local parent stock farms. The DOCs are then sent to our self-operated broiler farms and/or sold to our Group's contract farmers at such price which is subject to periodic review to reflect the market price.

We estimate overall future demand and plan our production (i.e. broiler DOCs intake) in poultry farming operations.

Self-operated Broiler farming

We adopt closed-house system for our self-operated broiler farming, where the broiler farm houses are installed with environment control, and lighting, creating the optimal living environment for our broilers.

At the broiler farms, broiler DOCs are typically raised for 30 to 35 days for them to reach the full-grown size. This is achieved through the adoption of different feeding methods for broilers at different growth stages to maximise their production performance. During the poultry farming process, we implement biosecurity measures (*Please see Section 7.6 of the Prospectus*) and administer vaccinations to our broilers. Additionally, our farm workers will check and remove the carcass on a daily basis, and the disposal of carcass will be handled in accordance with all relevant regulations of the respective authorities.

We adopt an "all-in-all-out" farming system, where an entire broiler farm house is populated by broilers of the same age and flock, and no new broilers will be added to the existing flock. This is to prevent the possible transmission of diseases between broilers of different ages and flocks.

When a particular broiler farm house or an entire broiler farm is de-populated, we generally allocate 1 to 3 weeks for cleaning and disinfection procedures in the vacant broiler farm house/ broiler farm before transferring a new batch of broiler DOCs. During the decontamination period, broiler farm house or an entire broiler farm will be kept in an environment free of chickens.

Contract farming

In order to achieve stable and sufficient broiler production and supply, we also engage the service of contract farmers who are responsible for rearing the broiler DOCs into full-grown broilers according to our requirements, such as feeding program and weight management. Under the contract farming agreements, our contract farmers will buy broiler DOCs, feed, vaccines and medicines from us at a price subject to periodic review that reflect the market price. Additionally, we will also provide technical guidance and support to our contract farmers, ensuring the product quality of our broilers. We will also perform quality checks at key stages of the rearing period at the respective contract farms.

7. BUSINESS OVERVIEW (Cont'd)

Full-grown broilers

Once the broilers reach the ideal age (i.e. 30 to 35 days) and weight (i.e. 2.20kg to 2.30kg), they will either be sent to our processing plant for slaughtering or sold as live broilers to livestock distributors and traders. Broilers from contract farmers will be purchased at prices subject to periodic review that reflect the market price and to be delivered to the processing plant and/or for trading of live broilers.

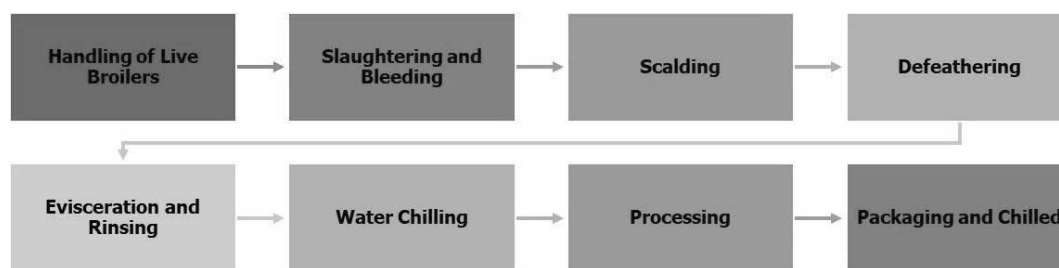
In the event of a shortfall of actual production outcome or an unexpected surge in demand beyond forecasted levels, we will supplement the supply by sourcing from third-party suppliers to meet the demands.

Trading of live broilers

For our live broiler trading business, we will supply the full-grown broilers to livestock distributors and traders.

7.5.2 Poultry Processing

The key stages of our poultry processing are as follows:



Handling of live broilers

Broilers are delivered to our processing plants from our self-operated broiler farms, contract farms and/ or third-party suppliers. Prior to arriving at the processing plant, the broilers designated for slaughter are maintained in a clean and dry condition to minimise the risk of carcass contamination.

Slaughtering and bleeding

At the processing plant, the production workers will conduct a general check on the broilers, ensuring they are in good health and have not incurred any injuries during transportation, before mounting them to shackles attached to an automated conveyor belt. The broilers are then stunned (at 70 to 90 volts) for a period of 2 seconds before they are sent to be slaughtered and bled which will take approximately 3 to 5 minutes. To comply with the relevant Halal guidelines, the slaughtering process is performed by certified Halal slaughtermen. As part of our safety policy, our slaughtering workers, which include workers who assist in preparatory tasks such as hanging and arranging the broilers onto the conveyor belt prior to slaughter process, are trained and are equipped with personal protective equipment ("PPE") as a precautionary measure to avoid being splashed by broiler's blood. They are also required to wash their hands frequently to reduce the risk of contracting bacterial infection.

7. BUSINESS OVERVIEW (Cont'd)

Scalding

Subsequently, the carcass is then scalded in hot water of approximately 58 to 62 degrees celsius. This process helps to loosen the feathers from the skin, facilitating the plucking process. Under the scalding process, if a carcass is under-scalded, it will be challenging for the feathers to be plucked. Conversely, an over-scalded carcass may result in torn skin or cooked flesh and will be disposed for quality assurance.

Defeathering (feather plucking)

The carcasses are placed in an automatic plucker machine. The drum-form plucking machine is lined with rubber fingers, and when it spins, the feathers are rubbed off by the rubber fingers.

Evisceration and Rinsing

After the defeathering process, the bird carcasses are eviscerated. The carcasses are rinsed prior to and after evisceration. The internal organs such as intestines, oesophagus, pancreas, and cecum are removed (and later sold to animal feed manufacturers), while the gizzard, liver and heart are harvested at the evisceration stage, where they are kept and re-placed inside the carcass prior to sending it for packaging.

Water chilling

Bird carcasses are then transferred to the spin chiller, with water temperature controlled at 2 degrees celsius. The process takes approximately 1 hour. The quality and temperature of the water used in the chilling process are critical factors in determining the quality of carcasses in terms of prolonging the shelf life of the poultry products.

Processing

The carcasses are then processed for deboning, skin removal, and/or cutting into various different cuts products comprising whole bird cut-up, cut-up parts (which include whole wing, whole leg, drumette, drumstick, 2-joint wing, thigh, keel and rib cut) and boneless and skinless products. Depending on customers' requirements, the cut-up parts will then be processed and packed to meet the customers' requirements.

Packaging and chilled

All raw poultry products are packed and immediately chilled at a temperature between 0 to 4 degrees celsius before being delivered to customers.

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7. BUSINESS OVERVIEW (Cont'd)

7.5.3 Trading and Distribution Process

The trading and distribution processes of our poultry products, namely live broilers and Halal certified raw poultry products are as follows:



Receiving Customer Orders

We will handle all new customers enquiries and orders and will check the new customer's details, locations, order requirement and timing for delivery. We will also run a background and financial check on the customer before proceeding to confirm the customer order. For recurring customers, the sales person handling the customer's account will check order requirements and timing for delivery requested by the customers.

Inventory Checking

We will then pass the purchase orders received from our customers to our production team for order fulfilment.

(1) Poultry farming

We will check the available full-grown broilers from our self-operated broiler farms, contract farms and/or third-party suppliers to determine the required quantity for order fulfilment.

(2) Poultry processing

Once customer sales orders are confirmed, the quantity of broilers required for processing will be delivered to our processing plant for processing.

Order Processing and Delivery

We will then conduct a final check on the live broiler quantity and Halal certified raw poultry products based on the sales order received by our sales and marketing team. Subsequently, the Halal certified raw poultry products are delivered to our customers, either by our own logistics, engaged third-party logistics services, or the customers' own logistics.

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7. BUSINESS OVERVIEW (Cont'd)

7.6 QUALITY CONTROL AND BIOSECURITY

Quality excellence forms an important part of our Group's continuous commitment in providing quality and safe poultry products to our customers. Therefore, we have implemented a biosecurity system and a quality control system for both our poultry farming and poultry processing operations as detailed below:

- Supply of broiler DOCs:

We source broiler DOCs from local parent stock farms. During the Financial Periods Under Review and up to the LPD, we sourced our broiler DOCs from 9 local parent stock farms. Our suppliers are selected based on criteria such as the quality of DOCs, reputation, pricing, reliability, punctuality in services, response time, and business scale. All of our selected broiler DOCs suppliers are required to obtain a valid poultry farming licence issued by the DVS.

- Closed-house system and "all-in-all-out" practice:

All of our self-operated broiler farms are built with a closed-house system, which creates an optimal controlled environment that effectively limits external exposures and minimises the risk of viral disease transmission between wild birds and our broilers. A closed-house system allows us to maintain a controlled environment of optimal temperature and humidity for the growth of our broilers.

In addition, we adopt an 'all-in-all-out' practice, where broilers within the same broiler farm house are transferred in and harvested entirely. Upon clearance, thorough cleaning and disinfection are conducted for effective disease control before the next batch of broiler DOCs is transferred to the vacated house. This process helps prevent the possible transmission of disease between flocks of different ages.

- Disease and mortality rate monitoring:

Efficient farm management measures is the key for our poultry farming. Our qualified veterinarians will monitor the growth and mortality of broilers at each of our farms, and we maintain records on the broilers' health conditions throughout their lifespan for each batch. Such records include feed and water consumption, mortality, average weight, as well as medication and vaccinations.

Caretakers are stationed at each of our broiler farms, with only authorised staff permitted to enter. All vehicles entering our broiler farms are required to undergo a disinfection process.

- Halal integrity:

We received Halal certification for both of our processing plants from JAKIM, acknowledging that our poultry processing operations are Halal compliant. We are committed in ensuring our Halal status is maintained for the Muslim community market.

- Hygiene:

We have put in place in-house hygiene standards at different stages and segments of our poultry operations to ensure that employee welfare and safety are taken into account, while maintaining conducive hygiene working environment.

7. BUSINESS OVERVIEW (Cont'd)

Before and after entering the broiler farm houses and/or processing facilities, the workers are required to wear clean PPE and then go through a chemical disinfectant for both the footwear and hands. This is to prevent contamination from workers to the broiler or poultry products and vice versa. It is particularly important for the workers in processing plant as they stand a greater risk of being affected by the diseases spread from poultry to human, such as bacterial, viral, fungal and parasitic diseases.

Additionally, we have obtained the MeSTI certification from MOH. MeSTI certification by the MOH, serves as a minimum Food Safety Assurance Programme to regulate processing operations in food manufacturing premises.

7.7 SALES AND MARKETING STRATEGIES

Our marketing approach and strategies are formulated to promote our Group and product offerings to potential customers as a means to sustain and grow our business.

The sales and marketing strategies initiated by our Group include the following:

(a) Direct sales to retail customers with a wide retailing network

Our sales and marketing team approaches retail customers with a wide retailing network directly to carry our raw poultry products. These include retail chains with nationwide presence, including HeroMarket (by My Hero Hypermarket Sdn Bhd), Go Fresh Market (by TRU MNS Resources Sdn Bhd), NSK (NSK Grocer (KL) Sdn Bhd) and Checkers Hypermarket (by Checkers Hypermarket Sdn Bhd).

(b) Corporate website

Our corporate website, www.farmiera.com, as a platform to provide information on our Group along with the poultry products offered to our potential customers. Our corporate website serves as a source of information enables us to enhance our potential market reach and exposure.

(c) Promotional activities

We promote our poultry product offerings by offering discount to our customer during festive season.

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7. BUSINESS OVERVIEW (Cont'd)

7.8 MAJOR LICENCES AND PERMITS

Details of our major approvals, licences and permits for our operations as at the LPD are as follows:

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
1.	FARSB	DVS, Selangor	Licence for broiler farming at Farm A	Licence no.: 04046	Date of issuance: 31 December 2024 Validity: Valid until 31 December 2025	(a) Licence is not transferable. (b) FARSB shall – (1) ensure that the grass and all plants on the farm do not exceed 15cm in height; (2) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (3) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds; (4) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area;	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(5) provide a full secured perimeter fence around the farm; and (6) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	
2.	FARSB	DVS, Selangor	Licence for broiler farming at Farm B	Licence no.: 04045	Date of issuance: 31 December 2024 Validity: Valid until 31 December 2025	(a) Licence is not transferable. (b) FARSB shall – (1) ensure that the grass and all plants on the farm do not exceed 15cm in height; (2) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (3) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds;	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
3.	FARSB	DVS, Selangor	Licence for broiler farming at Farm C	Licence no.: 04048	Date of issuance: 31 December 2024 Validity: Valid until 31 December 2025	(4) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (5) provide a full secured perimeter fence around the farm; and (6) provide sanitation facilities such as vehicle disinfection sprays and foot baths. (a) Licence is not transferable. (b) FARSB shall – (1) ensure that the grass and all plants on the farm do not exceed 15cm in height; (2) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (3) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds; (4) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (5) provide a full secured perimeter fence around the farm; and (6) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	
4.	FARSB	DVS, Selangor	Licence for broiler farming at Farm D	Licence no.: 03151	Date of issuance: 31 December 2024 Validity: Valid until 31 December 2025	(a) Licence is not transferable. (b) FARSB shall – (1) ensure that the grass and all plants on the farm do not exceed 15cm in height; (2) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (3) ensure that infestation levels are minimal and	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						controlled within the farm. The index level must be less than 10 which shall be achieved by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds; (4) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (5) provide a full secured perimeter fence around the farm; and (6) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	
5.	FARSB	DVS, Selangor	Licence for broiler farming at Farm E	Licence no.: 04049	Date of issuance: 31 December 2024 Validity: Valid until 31 December 2025	(a) Licence is not transferable. (b) FARSB shall – (1) ensure that the grass and all plants on the farm do not exceed 15cm in height; (2) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						the expiry of the licence expiry date; (3) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds; (4) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (5) provide a full secured perimeter fence around the farm; and (6) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	
6.	FARSB	DVS, Selangor	Licence for broiler farming at Farm F	Licence no.: 03152	Date of issuance: 31 December 2024 Validity:	(a) Licence is not transferable. (b) FARSB shall – (1) ensure that the grass and all plants on the farm do not exceed 15cm in height;	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
					Valid until 31 December 2025	(2) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (3) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds; (4) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (5) provide a full secured perimeter fence around the farm; and (6) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	
7.	FARSB	DVS, Selangor	Licence for broiler farming at Farm Kuala Selangor	Licence no.:	Date of issuance:	(a) Licence is not transferable. (b) FARSB shall –	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
				03210	31 December 2024 Validity: Valid until 31 December 2025	(1) ensure that the grass and all plants on the farm do not exceed 15cm in height; (2) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (3) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds; (4) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (5) provide a full secured perimeter fence around the farm; and (6) provide sanitation facilities such as	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						vehicle disinfection sprays and foot baths.	
8.	FARSB	DVS, Selangor	Licence for broiler farming at Farm Batang Kali	Licence no.: 03083	Date of issuance: 17 December 2024 Validity: Valid until 31 December 2025	(a) Licence is not transferable. (b) FARSB shall – (1) ensure that the grass and all plants on the farm do not exceed 15cm in height; (2) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (3) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds; (4) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area;	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(5) provide a full secured perimeter fence around the farm; and (6) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	
9.	FARSB	DVS, Selangor	Licence for broiler farming at Farm Hulu Selangor	Licence no.: 03061	Date of issuance: 17 December 2024 Validity: Valid until 31 December 2025	(a) Licence is not transferable. (b) FARSB shall – (1) ensure that the grass and all plants on the farm do not exceed 15cm in height; (2) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (3) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds;	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(4) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (5) provide a full secured perimeter fence around the farm; and (6) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	
10.	FARSB	DVS, Selangor	Licence for broiler farming at Farm Hulu Selangor B	Licence no.: 03082	Date of issuance: 17 December 2024 Validity: Valid until 31 December 2025	(a) Licence is not transferable. (b) FARSB shall – (1) ensure that the grass and all plants on the farm do not exceed 15cm in height; (2) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (3) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds; (4) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (5) provide a full secured perimeter fence around the farm; and (6) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	
11.	FARSB	DVS, Negeri Sembilan	Licence for broiler farming at Farm Sendayan	Licence no.: 1896	Date of issuance: 20 March 2025 Validity: Valid until 31 December 2025	(a) Licence is not transferable. (b) Licence is subject to the following conditions: (1) To use effective microorganisms or equivalent chemical substances to prevent odour and breeding of flies. (2) To ensure there is no accumulation of waste (faeces) on the farm that could cause odour and flies disturbance to the nearby residents.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(3) To ensure there is no complaints received during the operation of the farm on flies and odour disturbances from the public. Should DVS receive such complaint, the licence may be revoked. (4) To allow the DVS to conduct or assist in sampling for any disease, if necessary	
12.	FARSB	DVS, Negeri Sembilan	Licence for broiler farming at Farm Broga	Licence no.: 1897	Date of issuance: 20 March 2025 Validity: Valid until 31 December 2025	(a) Licence is not transferable. (b) Licence is subject to the following conditions: (1) To use effective microorganisms or equivalent chemical substances to prevent breeding of flies and odour. (2) To ensure there is no accumulation of waste (faeces) on the farm that could cause odour and flies disturbance to the nearby residents. To ensure there is no complaints received during the operation of the farm on flies	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						and odours disturbances from the public. Should DVS receive such complaint, the licence may be revoked. (3) To allow the DVS to conduct or assist in sampling for any disease, if necessary	
13.	FARSB	DVS, Negeri Sembilan	Licence for broiler farming at Farm Labu	Licence no.: 1839	Date of issuance: 7 January 2025 Validity: Valid until 31 December 2025	(a) Licence is not transferable. (b) Licence is subject to the following conditions: (1) To use effective microorganisms or equivalent chemical substances to prevent breeding of flies and odour. (2) To ensure there is no accumulation of waste (faeces) on the farm that could cause odour and flies disturbance to the nearby residents. (3) To ensure there is no complaints received during the operation of the farm on flies and odour disturbances from the public. Should	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						DVS receive such complaint, the licence may be revoked. (4) To allow the DVS to conduct or assist in sampling for any disease, if necessary.	
14.	FARSB	DVS, Negeri Sembilan	Licence for broiler farming at Farm Linggi	Licence no.: 1832	Date of issuance: 20 November 2024 Validity: Valid until 31 December 2025	(a) This licence is not transferable. (b) This licence is subject to the following conditions: (1) To use effective microorganisms or equivalent chemical substances to prevent breeding of flies and odour. (2) To ensure there is no accumulation of waste (faeces) on the farm that could cause odour and flies to nearby residents. (3) To ensure there is no complaints received during the operation of the farm on flies and odour disturbances from the public. Should	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						DVS receive such complaint, the licence may be revoked. (4) To allow the DVS to conduct or assist in sampling for any disease, if necessary.	
15.	FARSB	DVS, Negeri Sembilan	Licence for broiler farming at Farm Pantai	Licence no.: 1840	Date of issuance: 7 January 2025 Validity: Valid until 31 December 2025	(a) This licence is not transferable. (b) This licence is subject to the following conditions: (1) To use effective microorganisms or equivalent chemical substances to prevent breeding of flies and odour. (2) To ensure there is no accumulation of waste (faeces) on the farm that could cause odour and flies disturbance to the nearby residents. (3) To ensure there is no complaints received during the operation of the farm on flies and odour disturbances from the public. Should	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						DVS receive such complaint, the licence may be revoked. (4) To allow the DVS to conduct or assist in sampling for any disease, if necessary.	
16.	FBFSB	DVS, Negeri Sembilan	Licence for breeder poultry farming at PS Farm 1	Licence no.: 1917	Date of issuance: 24 July 2025 Validity: Valid until 31 December 2025	(a) This licence is not transferable. (b) This licence is subject to the following conditions: (1) To use effective microorganisms or equivalent chemical substances to prevent breeding of flies and odour. (2) To ensure there is no accumulation of waste (faeces) on the farm that could cause odour and flies disturbance to the nearby residents. (3) To ensure there is no complaints received during the operation of the farm on flies and odour disturbances from the public. Should DVS receive such	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						complaint, the licence may be revoked. (4) To allow the DVS to conduct or assist in sampling for any disease, if necessary.	
17.	FARSB	KPDN	Licence to sell chicken on a wholesale basis at the premises located at B-3-1, Menara BBT One, North Tower, Lebuhr Batu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor	Licence no.: CB10000039 CSA serial no.: 00139	Date of issuance: 26 December 2024 Validity: 23 January 2025 – 22 January 2026	(a) FARSB shall store the controlled goods (chicken) at the locations stipulated in the licence only; (b) FARSB must refer to and obtain approval from KPDN before increasing the price of chickens at any stage. (c) This licence is not transferrable.	Complied
18.	GBSB	KPDN	Licence to sell chicken on a wholesale basis at the Ipoh Processing Plant	Licence no.: CB08000030 CSA serial no.: 187375	Date of issuance: 17 November 2022 Validity: 17 November 2022 – 16 November 2025	(a) GBSB shall store the controlled goods (chicken) at the locations stipulated in the licence only; (b) GBSB must refer to and obtain approval from KPDN before increasing the price of chickens at any stage. (c) This licence is not transferrable.	Complied
19.	GBSB	KPDN	Licence to sell chicken on a wholesale basis at the	Licence no.: CB05000017	Date of issuance: 29 July 2024	(a) GBSB shall store the controlled goods (chicken)	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
			premises located at the Lukut Processing Plant	CSA Serial no.: 262691	Validity: 7 September 2024 – 6 September 2027	at the locations stipulated in the licence only; (b) GBSB shall refer and obtain the approval of KPDN before increasing the price of the controlled goods. (c) This licence is not transferrable.	
20.	FARSB	KPDN	Permit to buy and store non-subsidised diesel (Euro 5) of up to 700 litres at Farm E	Permit no.: PBKB/2025/P/B-000366	Validity: 8 March 2025 – 7 March 2026	(a) FARSB is required to – (1) comply with the description of the controlled items as set out in the permit; (2) store the controlled item at the locations as stipulated in the permit; (3) store the controlled goods within the quantity as prescribed in the permit; (4) maintain a record of purchase (including, the name and address of the suppliers, date of purchaser, the price of the controlled goods and quantity of purchase) and keep a copy of the invoices, receipts in respect of the purchase;	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(5) to label the skid tank which is used to store diesel with details such as reference permit reference number, type of controlled goods, name, address and contact details of FARSB. (b) The purchase of the controlled goods is solely for personal use and not for purposes of trading. (c) This permit is not transferrable.	
21.	GBSB	MITI	Manufacture licence for the manufacturing of processed chicken at the Ipoh Processing Plant	Serial No. A 042648 Licence No. A 025763	Validity: 8 June 2024 / Valid until it is revoked or surrendered	(a) Any sale of the company's shares must be notified to the MITI and MIDA. (b) GBSB must train Malaysians to promote the transfer of technology and expertise at all levels of positions. (c) GBSB must comply with the capital investment per employee ratio requirement of at least RM140,000. (d) GBSB shall furnish information regarding the performance of investments and the implementation of	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						projects under the ICA and the Malaysian Industrial Development Authority (Incorporation) Act 1965 when requested by MIDA. (e) GBSB should implement its project as approved in accordance with the laws and regulations of Malaysia.	
22.	GBSB	MITI	Manufacture licence for the manufacturing of processed chicken at the Lukut Processing Plant	Serial No.: A 042677 Licence No.: A 025785	Validity: 8 June 2024 / Valid until it is revoked or surrendered	(a) Any sale of the company's shares must be notified to the MITI and MIDA. (b) GBSB must train Malaysians to promote the transfer of technology and expertise at all levels of positions. (c) GBSB must comply with the capital investment per employee ratio requirement of at least RM140,000. (d) GBSB shall furnish information regarding the performance of investments and the implementation of projects under the ICA and the Malaysian Industrial Development Authority (Incorporation) Act 1965 when requested by MIDA.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(e) GBSB should implement its project as approved in accordance with the laws and regulations of Malaysia.	
23.	Hong How Seng (on behalf of GBSB)	MOH	Certificate of registration for food premise in respect of the Ipoh Processing Plant	Registration no.: FSSM042200258-0	Date of issuance: 6 January 2025 Validity: 4 April 2025 – 4 April 2028	(a) This certificate of registration is non-transferable. (b) This certificate of registration shall be displayed in the premises.	Complied
24.	Hong How Seng (on behalf of GBSB)	MOH	Certificate of registration for food premise in respect of the Lukut Processing Plant	Registration no.: FSSM072302318-0	Date of issuance: 24 July 2023 Validity: 24 July 2023 – 24 July 2026	(a) This certificate of registration is non-transferable. (b) This certificate of registration shall be displayed in the premises.	Complied
25.	GBSB	JAKIM	Certificate to certify that the chicken slaughterhouse managed by GBSB located at the Ipoh Processing Plant has complied with Islamic Law and Malaysian Halal Standard and approved by Halal Certification Panel of	Reference no.: JAKIM.700-2/3/7 031-05/2022 Serial No.: A254519	Date of issuance: 1 May 2025 Validity: 1 May 2025 – 30 April 2026	(a) This certificate and logo shall not be traded, transferred nor shall its content be altered. (b) The use of the certificate is subject to the laws and regulations that are currently in force.	Noted

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
			Jabatan Agama Islam Negeri Perak.			(c) Any subsequent changes to the particulars of the name or company, factory or premises, brands, ingredients, suppliers or anything related thereto shall be informed to JAKIM and/or the State Islamic Religious Affairs Council/ State Department of Islamic Religious Affairs for further action. (d) This certificate may be suspended or withdrawn at any time by JAKIM, JAIN/MAIN if there is doubt of Islamic Law or violation of any laws or regulations that are currently in force. (e) GBSB shall exhibit the logo on the product/premise/services as stated in the certificate. (f) This certificate shall be signed by the certificate holder and shall be submitted to competent authorities in charge of the certification application. (g) This certificate shall be exhibited only at the address as stated in certificate.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(h) The use of the logo on the approved product/premise/service shall be accompanied by the reference number and standard number as stated in the certificate for such product/premise/ service. (i) Renewal application shall be submitted at the earliest 6 months or no later than 3 months before the expiry of the halal certificate.	
26.	GBSB	JAKIM	Certificate to certify that the chicken slaughterhouse managed by GBSB located at Lukut Processing Plant has complied with Islamic Law and Malaysian Halal Standard and approved by Halal Certification Panel of Jabatan Agama Islam Negeri Sembilan.	Reference no.: JAKIM.700-2/3/7 031-05/2022 Serial No.: E04322	Date of issuance: 16 August 2025 Validity: 16 August 2025 – 15 August 2026	(a) This certificate and logo shall not be traded, transferred nor shall its content be altered. (b) The use of this certificate is subject to the laws and regulations that are currently in force. (c) Any subsequent changes to the particulars of the name or company, factory or premises, brands, ingredients, suppliers or anything related thereto shall be informed to JAKIM and/or the State Islamic Religious Affairs Council/ State Department of Islamic	Noted

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						Religious Affairs for further action. (d) This certificate may be suspended or withdrawn at any time by JAKIM, JAIN/MAIN if there is doubt of Islamic Law or violation of any laws or regulations that are currently in force. (e) GBSB shall exhibit the logo on the product/premise/services as stated in the certificate. (f) This certificate shall be signed by the certificate holder and shall be submitted to competent authorities in charge of the certification application. (g) This certificate shall be exhibited only at the address as stated in certificate. (h) The use of the logo on the approved product/premise/service shall be accompanied by the reference number and standard number as stated in the certificate for such product/premise/ service. (i) Renewal application shall be submitted at the earliest 6	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						months or no later than 3 months before the expiry of the halal certificate.	
27.	GBSB	JAKIM	Certificate to certify that the following poultry products distributed by GBSB located at the Ipoh Processing Plant and manufactured by GBSB at the Lukut Processing Plant have complied with Islamic Law and Malaysian Halal Standard and approved by Halal Certification Panel of Jabatan Agama Islam Negeri Sembilan: (1) 2 joint wing (2) Bishop nose (3) Bone (4) Boneless breast (5) Boneless breast cube (6) Boneless breast trimming (7) Boneless leg (8) Boneless leg cube (9) Boneless leg trimming (10) Carcass (11) Chicken chop (12) Drummet (13) Drumstick	Reference no.: JAKIM.700-2/3/1 031-05/2022 Serial Nos.: E04334, E04335, E04336, E04337, E04338	Date of issuance: 16 June 2025 Validity: 16 June 2025 – 15 June 2027	(a) The certificate and logo shall not be traded, transferred nor shall its content be altered. (b) The use of the certificate is subject to the laws and regulations that are currently in force. (c) Any subsequent changes to the particulars of the name or company, factory or premises, brands, ingredients, suppliers or anything related thereto shall be informed to JAKIM and/or the State Islamic Religious Affairs Council/ State Department of Islamic Religious Affairs for further action. (d) The certificate may be suspended or withdrawn at any time by JAKIM, JAIN/MAIN if there is doubt of Islamic Law or violation of any laws or regulations that are currently in force.	Noted

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
			(14) Farm chicken			(e) The certificate holder shall exhibit the logo on the product/premise/services as stated in the certificate.	
			(15) Fat			(f) The certificate shall be signed by the certificate holder and shall be submitted to competent authorities in charge of the certification application.	
			(16) Feet			(g) The certificate shall be exhibited only at the address as stated in certificate.	
			(17) Fillet			(h) The use of the logo on the approved product/premise/service shall be accompanied by the reference number and standard number as stated in the certificate for such product/premise/ service.	
			(18) Gizzard			(i) Renewal application shall be submitted at the earliest 6 months or no later than 3 months before the expiry of the halal certificate.	
			(19) Half breast				
			(20) Half carcass				
			(21) Head				
			(22) Keel				
			(23) Layer chicken				
			(24) Liver				
			(25) Mince meat				
			(26) Neck				
			(27) Rib				
			(28) Rib cube				
			(29) Rib keel				
			(30) Skin				
			(31) Skin neck				
			(32) Skinless boneless breast				
			(33) Skinless boneless breast cube				
			(34) Skinless boneless breast trimming				
			(35) Skinless boneless leg				
			(36) Skinless boneless leg cube				
			(37) Skinless boneless leg trimming				
			(38) Skinless rib keels				
			(39) Thigh				
			(40) Thigh cube				

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
			(41) Whole chicken Standard (42) Whole leg (43) Wing				
28.	GBSB	JAKIM	Certificate to certify that the following poultry products distributed by GBSB located at the Ipoh Processing Plant and manufactured by GBSB at the Lukut Processing Plant have complied with Islamic Law and Malaysian Halal Standard and approved by Halal Certification Panel of Jabatan Agama Islam Negeri Sembilan: (1) Boneless breast cube (2) Boneless leg cube (3) Rib cube (4) Ribs keel (5) Skinless boneless breast (6) Skinless boneless breast cube (7) Skinless boneless leg cube (8) Skinless rib keel (9) Thigh cube	Reference no.: JAKIM.700-2/3/1 031-05/2022 Serial Nos.: A222535	Date of issuance: 16 February 2024 Validity: 16 February 2024 – 15 February 2026	(a) The certificate and logo shall not be traded, transferred nor shall its content be altered. (b) The use of the certificate is subject to the laws and regulations that are currently in force. (c) Any subsequent changes to the particulars of the name or company, factory or premises, brands, ingredients, suppliers or anything related thereto shall be informed to JAKIM and/or the State Islamic Religious Affairs Council/ State Department of Islamic Religious Affairs for further action. (d) The certificate may be suspended or withdrawn at any time by JAKIM, JAIN/MAIN if there is doubt of Islamic Law or violation of any laws or regulations that are currently in force.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(e) The certificate holder shall exhibit the logo on the product/premise/services as stated in the certificate. (f) The certificate shall be signed by the certificate holder and shall be submitted to competent authorities in charge of the certification application. (g) The certificate shall be exhibited only at the address as stated in certificate. (h) The use of the logo on the approved product/premise/service shall be accompanied by the reference number and standard number as stated in the certificate for such product/premise/ service. (i) Renewal application shall be submitted at the earliest 6 months or no later than 3 months before the expiry of the halal certificate.	
29.	FARSB	Lembaga Urus Air Selangor ("LUAS")	Licence for discharge of return water at Lot 1606 of Farm Batang Kali	Registration no.: LUAS.600-13/4/3 (2025AK2516)	Validity: 19 August 2025 –18 August 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
				Licence no.: (P1) LAK 000012		surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a monthly report on the quantity of return water discharged to LUAS. (e) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (f) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						approval has been obtained from LUAS. (h) FARSB must specify the final discharge point to LUAS. (i) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
30.	FARSB	LUAS	Licence for discharge of return water at Lot 1607 of Farm Batang Kali	Registration no.: LUAS.600-13/4/7 (2024AK0394) Licence no.: (B) LAK 000169	Validity: 25 October 2024 – 25 October 2025	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a monthly report on the quantity of return water discharged to LUAS. (e) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (f) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(h) FARSB must specify the final discharge point to LUAS. (i) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
31.	FARSB	LUAS	Licence for discharge of return water at Farm Hulu Selangor	Registration no.: LUAS.600-13/4/2 (2025AK2517) Licence no.: (P1) LAK 000011	Validity: 19 August 2025 – 18 August 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a monthly report on the quantity of return water discharged to LUAS. (e) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (f) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (h) FARSB must specify the final discharge point to LUAS.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(i) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
32.	FARSB	LUAS	Licence for discharge of return water at Farm Hulu Selangor B	Registration no.: LUAS.600-13/4/1 (2025AK2518) Licence no.: (B) LAK 000010	Validity: 19 August 2025 – 18 August 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						for activities related to poultry farming. (d) FARSB must submit a monthly report on the quantity of return water discharged to LUAS. (e) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (f) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (h) FARSB must specify the final discharge point to LUAS. (i) Any intention to cease or terminate any activity involving the entry or	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
33.	FARSB	LUAS	Licence for discharge of return water at Farm Kuala Selangor	Registration no.: LUAS.600-13/4/30 (2025AK0482) Licence no.: (B) LAK 001033	Validity: 5 May 2025 – 4 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The discharge of return water is only permitted for activities related to poultry farming. (d) FARSB must submit a monthly report on the	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						quantity of return water discharged to LUAS. (e) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (f) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (h) FARSB must specify the final discharge point to LUAS. (i) Any intention to cease or terminate any activity involving the discharge of return water shall be reported to LUAS to prevent disruption to the water	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						source area and its surrounding areas. (j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the discharge of return water. FARSB shall take necessary actions to address any such issues.	
34.	FARSB	LUAS	Licence for discharge of return water at Farm A	Registration no.: LUAS.600-13/5/2 (2025AK0472) Licence no.: (B) LAK 001029	Validity: 5 May 2025 – 4 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The discharge of return water is only permitted for activities related to poultry farming. (d) FARSB must submit a monthly report on the quantity of return water discharged to LUAS.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(e) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (f) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (h) FARSB must specify the final discharge point to LUAS. (i) Any intention to cease or terminate any activity involving the discharge of return water shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
35.	FARSB	LUAS	Licence for discharge of return water at Farm B	Registration no.: LUAS.600-13/5/3 (2025AK0473) Licence no.: (B) LAK 001030	Validity: 5 May 2025 – 4 May 2026	(j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the discharge of return water. FARSB shall take necessary actions to address any such issues. (a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The discharge of return water is only permitted for activities related to poultry farming. (d) FARSB must submit a monthly report on the quantity of return water discharged to LUAS. (e) FARSB shall provide approved equipment to measure and record the quantity and quality of the	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						discharged water as directed by LUAS. (f) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (h) FARSB must specify the final discharge point to LUAS. (i) Any intention to cease or terminate any activity involving the discharge of return water shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						sources used for the discharge of return water. FARSB shall take necessary actions to address any such issues.	
36.	FARSB	LUAS	Licence for discharge of return water at Farm C	Registration no.: LUAS.600-13/5/4 (2025AK0474) Licence no.: (B) LAK 002999	Validity: 30 June 2025 – 29 June 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The discharge of return water is only permitted for activities related to poultry farming. (d) FARSB must submit a monthly report on the quantity of return water discharged to LUAS. (e) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(f) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (h) FARSB must specify the final discharge point to LUAS. (i) Any intention to cease or terminate any activity involving the discharge of return water shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the discharge of return water.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						FARSB shall take necessary actions to address any such issues.	
37.	FARSB	LUAS	Licence for discharge of return water at Farm D	Registration no.: LUAS.600-13/5/5 (2025AK0475) Licence no.: (B) LAK 001031	Validity: 5 May 2025 – 4 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The discharge of return water is only permitted for activities related to poultry farming. (d) FARSB must submit a monthly report on the quantity of return water discharged to LUAS. (e) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (f) FARSB is not allowed to divert and/or obstruct the natural flow of water within	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						or outside the licensed area except with the consent of LUAS. (g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (h) FARSB must specify the final discharge point to LUAS. (i) Any intention to cease or terminate any activity involving the discharge of return water shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the discharge of return water. FARSB shall take necessary actions to address any such issues.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
38.	FARSB	LUAS	Licence for discharge of return water at Farm E	Registration no.: LUAS.600-13/5/6 (2025AK0480) Licence no.: (B) LAK 001032	Validity: 5 May 2025 – 4 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The discharge of return water is only permitted for activities related to poultry farming. (d) FARSB must submit a monthly report on the quantity of return water discharged to LUAS. (e) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (f) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS.	Complied

7. BUSINESS OVERVIEW (Cont'd)

<u>No.</u>	<u>Holder of licence/ certificate</u>	<u>Approving authority/ Issuer</u>	<u>Type of approval/ licence/ permit</u>	<u>Licence/Permit/ Registration no.</u>	<u>Date of Issuance/ Validity</u>	<u>Major conditions imposed</u>	<u>Status of compliance</u>
						(g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (h) FARSB must specify the final discharge point to LUAS. (i) Any intention to cease or terminate any activity involving the discharge of return water shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the discharge of return water. FARSB shall take necessary actions to address any such issues.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
39.	FARSB	LUAS	Licence for discharge of return water at Farm F	Registration no.: LUAS.600-13/5/7 (2025AK0481) Licence no.: (B) LAK 001095	Validity: 29 May 2025 – 28 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The discharge of return water is only permitted for activities related to poultry farming. (d) FARSB must submit a monthly report on the quantity of return water discharged to LUAS. (e) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (f) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(g) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (h) FARSB must specify the final discharge point to LUAS. (i) Any intention to cease or terminate any activity involving the discharge of return water shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (j) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the discharge of return water. FARSB shall take necessary actions to address any such issues.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
40.	FARSB	LUAS	Licence for entry or discharge of waste and pollutants at Farm Hulu Selangor B	Registration no.: LUAS.600-8/20/2 (2025BP0380) Licence no.: (B) LBP 002047	Validity: 27 March 2025 – 26 March 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a report on the quantity of pollutants to LUAS every 3 month. (e) The permitted standard parameter limits for the entry or discharge of pollutants are 5 mg/L for Ammonia Nitrogen (AN), 50 mg/L for Biochemical Oxygen Demand (BOD), 250 mg/L for Chemical Oxygen Demand (COD), and 50 mg/L for Total Suspended Solids (TSS). (f) FARSB shall provide approved equipment to measure and record the quantity and quality of the	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						discharged water as directed by LUAS. (g) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (h) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (i) FARSB must specify the final discharge point to LUAS. (j) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (k) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/Validity	Major conditions imposed	Status of compliance
						sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
41.	FARSB	LUAS	Licence for entry or discharge of waste and pollutants at Farm Hulu Selangor	Registration no.: LUAS.600-8/20/1 (2025BP0358) Licence no.: (B) LBP 002049	Validity: 27 March 2025 – 26 March 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a report on the quantity of pollutants to LUAS every 3 month. (e) The permitted standard parameter limits for the entry or discharge of pollutants are 5 mg/L for Ammonia Nitrogen (AN), 50 mg/L for Biochemical Oxygen Demand (BOD), 250 mg/L for Chemical Oxygen	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						Demand (COD), and 50 mg/L for Total Suspended Solids (TSS). (f) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (g) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (h) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (i) FARSB must specify the final discharge point to LUAS. (j) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						water source area and its surrounding areas. (k) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
42.	FARSB	LUAS	Licence for entry or discharge of waste and pollutants at Farm Batang Kali	Registration no.: LUAS.600-8/20/3 (2025BP0381) Licence no.: (B) LBP 002048	Validity: 27 March 2025 – 26 March 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a report on the quantity of pollutants to LUAS every 3 month.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(e) The permitted standard parameter limits for the entry or discharge of pollutants are 5 mg/L for Ammonia Nitrogen (AN), 50 mg/L for Biochemical Oxygen Demand (BOD), 250 mg/L for Chemical Oxygen Demand (COD), and 50 mg/L for Total Suspended Solids (TSS). (f) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (g) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (h) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(i) FARSB must specify the final discharge point to LUAS. (j) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (k) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
43.	FARSB	LUAS	Licence for entry and discharge of waste and pollutants at Farm A	Registration no.: LUAS.600-8/21/1 (2025BP0475) Licence no.: (B) LBP 002108	Validity: 15 May 2025 – 14 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a report on the quantity of pollutants to LUAS every 3 month. (e) The permitted standard parameter limits for the entry or discharge of pollutants are 5 mg/L for Ammonia Nitrogen (AN), 50 mg/L for Biochemical Oxygen Demand (BOD), 250 mg/L for Chemical Oxygen Demand (COD), and 50 mg/L for Total Suspended Solids (TSS). (f) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (g) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(h) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (i) FARSB must specify the final discharge point to LUAS. (j) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (k) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
44.	FARSB	LUAS	Licence for entry and discharge of waste and pollutants at Farm B	Registration no.: LUAS.600-8/21/2 (2025BP0476) Licence no.: (B) LBP 002109	Validity: 15 May 2025 – 14 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a report on the quantity of pollutants to LUAS every 3 month. (e) The permitted standard parameter limits for the entry or discharge of pollutants are 5 mg/L for Ammonia Nitrogen (AN), 50 mg/L for Biochemical Oxygen Demand (BOD), 250 mg/L for Chemical Oxygen Demand (COD), and 50 mg/L for Total Suspended Solids (TSS). (f) FARSB shall provide approved equipment to measure and record the quantity and quality of the	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						discharged water as directed by LUAS. (g) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (h) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (i) FARSB must specify the final discharge point to LUAS. (j) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (k) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
45.	FARSB	LUAS	Licence for entry or discharge of waste and pollutants at Farm C	Registration no.: LUAS.600-8/21/3 (2025BP0477) Licence no.: (B) LBP 002176	Validity: 30 June 2025 – 29 June 2026	of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues. (a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a report on the quantity of pollutants to LUAS every 3 month. (e) The permitted standard parameter limits for the entry or discharge of pollutants are 5 mg/L for Ammonia Nitrogen (AN), 50 mg/L for Biochemical Oxygen Demand (BOD), 250 mg/L for Chemical Oxygen	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						Demand (COD), and 50 mg/L for Total Suspended Solids (TSS). (f) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (g) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (h) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (i) FARSB must specify the final discharge point to LUAS. (j) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						water source area and its surrounding areas. (k) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
46.	FARSB	LUAS	Licence for entry or discharge of waste and pollutants at Farm E	Registration no.: LUAS.600-8/21/5 (2025BP0479) Licence no.: (B) LBP 002110	Validity: 15 May 2025 – 14 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a report on the quantity of pollutants to LUAS every 3 month.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(e) The permitted standard parameter limits for the entry or discharge of pollutants are 5 mg/L for Ammonia Nitrogen (AN), 50 mg/L for Biochemical Oxygen Demand (BOD), 250 mg/L for Chemical Oxygen Demand (COD), and 50 mg/L for Total Suspended Solids (TSS). (f) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (g) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (h) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(i) FARSB must specify the final discharge point to LUAS. (j) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (k) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
47.	FARSB	LUAS	Licence for entry and discharge of waste and pollutants at Farm F	Registration no.: LUAS.600-8/21/6 (2025BP0480) Licence no.: (B) LBP 002107	Validity: 15 May 2025 – 14 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a report on the quantity of pollutants to LUAS every 3 month. (e) The permitted standard parameter limits for the entry or discharge of pollutants are 5 mg/L for Ammonia Nitrogen (AN), 50 mg/L for Biochemical Oxygen Demand (BOD), 250 mg/L for Chemical Oxygen Demand (COD), and 50 mg/L for Total Suspended Solids (TSS). (f) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (g) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						except with the consent of LUAS. (h) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (i) FARSB must specify the final discharge point to LUAS. (j) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (k) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
48.	FARSB	LUAS	Licence for entry or discharge of waste and pollutants at Farm Kuala Selangor	Registration no.: LUAS.600-8/20/4 (2025BP0481) Licence no.: (B) LBP 002111	Validity: 15 May 2025 – 14 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a report on the quantity of pollutants to LUAS every 3 month. (e) The permitted standard parameter limits for the entry or discharge of pollutants are 5 mg/L for Ammonia Nitrogen (AN), 50 mg/L for Biochemical Oxygen Demand (BOD), 250 mg/L for Chemical Oxygen Demand (COD), and 50 mg/L for Total Suspended Solids (TSS). (f) FARSB shall provide approved equipment to	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						measure and record the quantity and quality of the discharged water as directed by LUAS. (g) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (h) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (i) FARSB must specify the final discharge point to LUAS. (j) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (k) FARSB shall be responsible for ensuring	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
49.	FARSB	LUAS	Licence for entry or discharge of waste and pollutants at Farm D	Registration no.: LUAS.600-8/21/4 (2025BP0478) Licence no.: (B) LBP 002125	Validity: 29 May 2025 – 28 May 2026	(a) FARSB must report to the authority any incidents or accidents that may negatively impact the surrounding area or environment as directed. (b) This licence should be displayed at the business premise or at place that is easily visible to the public. (c) The entry or discharge of pollutants is only permitted for activities related to poultry farming. (d) FARSB must submit a report on the quantity of pollutants to LUAS every 3 month. (e) The permitted standard parameter limits for the entry or discharge of pollutants are 5 mg/L for	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						Ammonia Nitrogen (AN), 50 mg/L for Biochemical Oxygen Demand (BOD), 250 mg/L for Chemical Oxygen Demand (COD), and 50 mg/L for Total Suspended Solids (TSS). (f) FARSB shall provide approved equipment to measure and record the quantity and quality of the discharged water as directed by LUAS. (g) FARSB is not allowed to divert and/or obstruct the natural flow of water within or outside the licensed area except with the consent of LUAS. (h) FARSB is not allowed to alter or disturb, or cause or permit any alteration or disturbance to the river banks, stream, watercourse, or water source unless prior approval has been obtained from LUAS. (i) FARSB must specify the final discharge point to LUAS.	

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(j) Any intention to cease or terminate any activity involving the entry or discharge of pollutants shall be reported to LUAS to prevent disruption to the water source area and its surrounding areas. (k) FARSB shall be responsible for ensuring that all activities carried out by it do not pollute or disturb the natural flow and quality of water sources used for the entry or discharge of pollutants. FARSB shall take necessary actions to address any such issues.	
50.	GBSB	MBI	Business and advertisement licence to operate a food factory at the premises located at the Ipoh Processing Plant	Account no.: L0113574-01 Reference no.: G8/B/1/43/26/18	Validity: 30 May 2025 – 29 May 2026	Nil	N/A
51.	GBSB	MPPD	Business licence to – (a) operate a poultry processing factory; (b) operate a business office; and	Bill no.: 2025/0017740 Account no.: L00017740	Date of issuance: 6 January 2025	Nil	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/Registration no.	Date of Issuance/Validity	Major conditions imposed	Status of compliance
			(c) display a unit of advertisement board, at the Lukut Processing Plant	Reference no.: JPL.232/1/1/2011 K47	Validity: 1 January 2025 – 31 December 2025		
52.	FHSB	MBDK	Business licence to operate a business management office at B-3-3A Menara BBT One, North Tower, Lebuah Batu Nilam 1, Bandar Bukit Tinggi, 41200, Klang, Selangor	Receipt no.: P250213864791 0559117 Account no.: 00720240510559 17	Date of issuance: 13 February 2025 Validity period: 1 January 2025 – 31 December 2025	Nil	N/A
53.	FHSB	MBDK	Business licence to operate a business management office at B-3-1 Menara BBT One, North Tower, Lebuah Batu Nilam 1, Bandar Bukit Tinggi, 41200, Klang, Selangor	Receipt no.: P250213864641 0479238 Account no.: 00720240510479 27	Date of issuance: 13 February 2025 Validity period: 1 January 2025 – 31 December 2025	Nil	N/A
54.	FARSB	MBDK	Business licence to operate a business management office at B-3-1 Menara BBT One, North Tower, Lebuah Batu Nilam	Receipt no.: P241223697141 1049946	Date of issuance: 4 February 2025 Validity period: 1 January 2025 – 31 December 2025	Nil	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
			1, Bandar Bukit Tinggi, 41200, Klang, Selangor	Account no.: 0072024071104998			
55.	FARSB	MPKL	Temporary business premise licence to operate – (a) broiler farming business; (b) employee's hostel (3 rooms); and (c) storeroom; and (d) water tanks (4 units) at Farm A	File no.: MPKL/JPL/L1400 (TS) Receipt no.: 202599012930	Validity: 11 July 2025 – 10 January 2026	FARSB shall – (a) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (b) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds; (c) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (d) provide a full secured perimeter fence around the farm; and (e) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
56.	FARSB	MPKL	Temporary business premise licence to operate – (a) broiler farming business; (b) employee's hostel (3 rooms); and (c) storeroom; and (d) water tanks (6 units) at Farm B	File no.: MPKL/JPL/L1399 (TS) Receipt no.: 202599012936	Validity: 11 July 2025 – 10 January 2026	FARSB shall – (a) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (b) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved by using the scudder fly grill, measuring 24 inches x 24 inches for 30 seconds; (c) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (d) provide a full secured perimeter fence around the farm; and (e) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	Complied
57.	FARSB	MPKL	Temporary business premise licence to operate – (a) broiler farming business;	File no.: MPKL/JPL/L1399 (TS) Receipt no.:	Validity: 11 July 2025 – 10 January 2026	FARSB shall – (a) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
			(b) employee's hostel (4 rooms); and (c) storeroom; and (d) water tanks (3 units) at Farm C	202599012942		before the expiry of the licence expiry date; (b) ensure that infestation levels are minimal and controlled within the farm. The index level must be less than 10 which shall be achieved by using the Scudder Fly Grill, measuring 24 inches x 24 inches for 30 seconds; (c) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (d) provide a full secured perimeter fence around the farm; and (e) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	
58.	FARSB	MPKL	Temporary business premise licence to operate – (a) broiler farming business; (b) employee's hostel (3 rooms); and (c) storeroom; and (d) water tanks (3 units) at Farm D	File no.: MPKL/JPL/L1398 (TS) Receipt no.: 202599012933	Validity: 11 July 2025 – 10 January 2026	FARSB shall – (a) ensure that the broiler farming licence issued by DVS for the following year is applied for at least 3 months before the expiry of the licence expiry date; (b) ensure that infestation levels are minimal and controlled within the farm. The index	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						level must be less than 10 which shall be achieved by using the Scudder Fly Grill, measuring 24 inches x 24 inches for 30 seconds; (c) ensure that any poultry waste is always kept dry to prevent larvae from developing in the farm area; (d) provide a full secured perimeter fence around the farm; and (e) provide sanitation facilities such as vehicle disinfection sprays and foot baths.	
59.	FARSB	MPHS	Temporary business premise licence for – (a) Operation of a management office (b) Sale or provision of poultry farming services (c) Poultry farm (d) Wholesale/ storage of poultry farm products (e) Sale or provision of organic fertilizer services (f) Wholesale or storage for organic fertilizers	Account no.: 09030000000000 5 File no.: 03/L/0362 Licence no.: A 01336	Validity: 20 June 2025 – 31 December 2025	(a) The business must be conducted solely by FARSB and ownership transfer is not allowed except with the consent of MHPS. (b) FARSB shall – (1) provide fire prevention equipment approved by the Fire Department with proof of approval (such as receipt); (2) maintain the cleanliness of the business premise at all times; and	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
			(g) Sale of meat products including chicken and duck at Farm Hulu Selangor B			(3) adhere to all additional conditions based on the type of business as approved by the council. (c) This licence must be displayed at the business premises at all times.	
60.	FARSB	MPHS	Temporary business premise licence for – (a) Operation of a management office (b) Sale or provision of poultry farming services (c) Poultry farm (d) Wholesale/ storage of poultry farm products (e) Sale or provision of organic fertilizer services (f) Wholesale or storage for organic fertilizers (g) Sale of meat products including chicken and duck at Lot 1606 of Farm Batang Kali	Account no.: 09060000000004 6 File no.: 06/L/2417 Licence no.: A 01338	Validity: 20 June 2025 – 31 December 2025	(a) The business must be conducted solely by FARSB and ownership transfer is not allowed except with the consent of MPHS. (b) FARSB shall – (1) provide fire prevention equipment approved by the Fire Department with proof of approval (such as receipt); (2) maintain the cleanliness of the business premise at all times; and (3) adhere to all additional conditions based on the type of business as approved by the council.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
						(c) This licence must be displayed at the business premises at all times.	
61.	FARSB	MPHS	Temporary business premise licence for – (a) Operation of a management office (b) Sale or provision of poultry farming services (c) Poultry farm (d) Wholesale/ storage of poultry farm products (e) Sale or provision of organic fertilizer services (f) Wholesale or storage for organic fertilizers (g) Sale of meat products including chicken and duck at Lot 1607 of Farm Batang Kali	Account no.: 09060000000004 5 File no.: 06/L/2411 Licence no.: A 01337	Validity: 20 June 2025 – 31 December 2025	(a) The business must be conducted solely by FARSB and ownership transfer is not allowed except with the consent of MHPS. (b) FARSB shall – (1) provide fire prevention equipment approved by the Fire Department with proof of approval (such as receipt); (2) maintain the cleanliness of the business premise at all times; and (3) adhere to all additional conditions based on the type of business as approved by the council. (c) This licence must be displayed at the business premises at all times.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
62.	FARSB	MPHS	Temporary business premise licence for – (a) Operation of a management office (b) Sale or provision of poultry farming services (c) Poultry farm (d) Wholesale/ storage of poultry farm products (e) Sale or provision of organic fertilizer services (f) Wholesale or storage for organic fertilizers (g) Sale of meat products including chicken and duck at Farm Hulu Selangor	Account no.: 09022200000000 3 File no.: 02/L/0584 Licence no.: A 01335	Validity: 20 June 2025 – 31 December 2025	(a) The business must be conducted solely by FARSB and ownership transfer is not allowed except with the consent of MHPS. (b) FARSB shall – (1) provide fire prevention equipment approved by the Fire Department with proof of approval (such as receipt). (2) maintain the cleanliness of the business premise at all times. (3) adhere to all additional conditions based on the type of business as approved by the council. (c) This licence must be displayed at the business premises at all times.	Complied
63.	FARSB	MBS	Temporary business premise licence for poultry (chicken) farming business and sale of chicken at Farm Broga	Account no.: 02020934032025 Reference No.: 02010644042024 Serial No.:	Validity: 1 August 2025 – 31 October 2025	(a) This licence is not transferable. (b) FARSB is only allowed to operate the type of business specified on the licence. (c) No structures of any kind are allowed to be erected.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
				7855		(d) The business must not obstruct public walkways.	
64.	FARSB	MBS	Business premise licence and non-illuminated advertisement licence for poultry (chicken) farming business and sale of chicken at Farm Labu	Account no.: 02020091082025 Reference No.: 02010641042024 Serial No.: 07144	Validity: Valid until 28 July 2026	(a) This licence is not transferable. (b) FARSB is only allowed to operate the type of business specified on the licence. (c) No structures of any kind are allowed to be erected. (d) The business must not obstruct public walkways.	Complied
65.	FARSB	MBS	Temporary business premise licence for poultry (chicken) farming business and sale of chicken at Farm Pantai	Account no.: 02P0954072025 Reference No.: 0P010773072025 Serial No.: 12877	Validity: 1 August 2025 – 31 October 2025	(a) This licence is not transferable. (b) FARSB is only allowed to operate the type of business specified on the licence. (c) No structures of any kind are allowed to be erected. (d) The business must not obstruct public walkways.	Complied
66.	FARSB	MBS	Temporary business premise licence for poultry (chicken) farming business and sale of chicken at Farm Sendayan	Account no.: 02P0953072025 Reference No.: 0P010772072025 Serial No.:	Validity: 1 August 2025 – 31 October 2025	(a) This licence is not transferable. (b) FARSB is only allowed to operate the type of business specified on the licence. (c) No structures of any kind are allowed to be erected.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
				12876		(d) The business must not obstruct public walkways.	
67.	FARSB	MBKS	Business premise licence and non-illuminated advertisement licence for poultry (chicken) farm at Farm Kuala Selangor	Account no.: L0022435-6 Reference No.: 100.8/LR02/2025/06 Serial No.: 01730	Validity: 3 June 2025 – 31 December 2025	(a) This licence is not transferable. (b) This licence must be renewed 3 months prior to the expiry date.	Complied
68.	FBFSB	MPKP	Business premise licence and advertisement licence for breeder farming business at PS Farm 1	Account no.: L-0010939-05 Bill No.: 01020341	Validity: 1 January 2025 – 31 December 2025	(a) This licence is not transferable. (b) This licence must be renewed 3 months prior to the expiry date.	
69.	FBFSB	MDKP	Business premise licence and advertisement licence for breeder farming business at PS Farm 3	Account no.: L-0014876-04 Bill No.: 01041123	Validity: 1 January 2025 – 31 December 2025	(a) This licence is not transferable. This licence must be renewed 3 months prior to the expiry date.	
70.	FARSB	Department of Labour Peninsular Malaysia, Ministry of	Certification for accommodation for workers' accommodation located at Farm A	Certificate No.: AC/11002/2025/0514	Validity: 28 February 2025 – 28 February 2028	(a) FARSB shall place no more than 9 employees in the accommodation. (b) FARSB shall display the certificate for	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/certificate	Approving authority/Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
		Human Resources				accommodation on the outer wall of the accommodation that is visible.	
71.	FARSB	Department of Labour Peninsular Malaysia, Ministry of Human Resources	Certification for accommodation for workers' accommodation located at Farm B	Certificate No.: AC/11002/2025/0513	Validity: 28 February 2025 – 28 February 2028	(a) FARSB shall place no more than 9 employees in the accommodation. (b) FARSB shall display the certificate for accommodation on the outer wall of the accommodation that is visible.	Complied
72.	FARSB	Department of Labour Peninsular Malaysia, Ministry of Human Resources	Certification for accommodation for workers' accommodation located at Farm C	Certificate No.: AC/11002/2025/0511	Validity: 28 February 2025 – 28 February 2028	(a) FARSB shall place no more than 9 employees in the accommodation. (b) FARSB shall display the certificate for accommodation on the outer wall of the accommodation that is visible.	Complied
73.	FARSB	Department of Labour Peninsular Malaysia, Ministry of Human Resources	Certification for accommodation for workers' accommodation located at Farm D	Certificate No.: AC/11002/2025/0512	Validity: 28 February 2025 to 28 February 2028	(a) FARSB shall place no more than 9 employees in the accommodation. (b) FARSB shall display the certificate for accommodation on the outer wall of the accommodation that is visible.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
74.	FARSB	Energy Commission (EC)	Certificate of registration for genset installation at Farm A	Serial no.: 000973/2025 Installation no.: ST(TKL)P/S/SG R/09851	Date of issuance: 31 January 2025 Validity period: 31 January 2025 – 30 January 2027	Nil	N/A
75.	FARSB	EC	Certificate of registration for genset installation at Farm B	Serial no.: 000974/2025 Installation no.: ST(TKL)P/S/SG R/09852	Date of issuance: 31 January 2025 Validity period: 31 January 2025 – 30 January 2027	Nil	N/A
76.	FARSB	EC	Certificate of registration for genset installation at Farm C.	Serial no.: 000975/2025 Installation no.: ST(TKL)P/S/SG R/09853	Date of issuance: 31 January 2025 Validity period: 31 January 2025 – 30 January 2027	Nil	N/A
77.	FARSB	EC	Certificate of registration for genset installation at Farm D	Serial no.: 000976/2025 Installation no.: ST(TKL)P/S/SG R/09854	Date of issuance: 31 January 2025 Validity period: 31 January 2025 – 30 January 2027	Nil	N/A
78.	FARSB	EC	Certificate of registration for genset installation at Farm E	Serial no.: 000977/2025	Date of issuance: 31 January 2025	Nil	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
				Installation no.: ST(TKL)P/S/SG R/09855	Validity period: 31 January 2025 – 30 January 2027		
79.	FARSB	EC	Certificate of registration for genset installation at Farm F	Serial no.: 000978/2025	Date of issuance: 31 January 2025	Nil	N/A
				Installation no.: ST(TKL)P/S/SG R/09856	Validity period: 31 January 2025 – 30 January 2027		
80.	FARSB	EC	Certificate of registration for genset installation at Lot 1606 of Farm Batang Kali	Serial no.: 000979/2025	Date of issuance: 31 January 2025	Nil	N/A
				Installation no.: ST(TKL)P/S/SG R/09857	Validity period: 31 January 2025 – 30 January 2027		
81.	FARSB	EC	Certificate of registration for genset installation at Farm Kuala Selangor	Serial no.: 000980/2025	Date of issuance: 31 January 2025	Nil	N/A
				Installation no.: ST(TKL)P/S/SG R/09858	Validity period: 31 January 2025 – 30 January 2027		
82.	FARSB	EC	Certificate of registration for genset installation at Farm Hulu Selangor	Serial no.: 000981/2025	Date of issuance: 31 January 2025	Nil	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
				Installation no.: ST(TKL)P/S/SG R/09859	Validity period: 31 January 2025 – 30 January 2027		
83.	FARSB	EC	Certificate of registration for genset installation at Farm Hulu Selangor B	Serial no.: 000982/2025	Date of issuance: 31 January 2025	Nil	N/A
				Installation no.: ST(TKL)P/S/SG R/09860	Validity period: 31 January 2025 – 30 January 2027		
84.	FARSB	EC	Certificate of registration for genset installation at Farm Broga	Serial no.: 004000/2025	Date of issuance: 15 May 2025	Nil	N/A
				Installation no.: ST(MLK)P/S/NS/ 01380	Validity period: 15 May 2025 – 14 May 2027		
85.	FARSB	EC	Certificate of registration for genset installation at Farm Labu	Serial no.: 004003/2025	Date of issuance: 15 May 2025	Nil	N/A
				Installation no.: ST(MLK)P/S/NS/ 01383	Validity period: 15 May 2025 – 14 May 2027		

7. BUSINESS OVERVIEW (Cont'd)

No.	Holder of licence/ certificate	Approving authority/ Issuer	Type of approval/ licence/ permit	Licence/Permit/ Registration no.	Date of Issuance/ Validity	Major conditions imposed	Status of compliance
86.	FARSB	EC	Certificate of registration for genset installation at Farm Pantai	Serial no.: 004004/2025 Installation no.: ST(MLK)P/S/NS/01393	Date of issuance: 15 May 2025 Validity period: 15 May 2025 – 14 May 2027	Nil	N/A
87.	FARSB	EC	Certificate of registration for genset installation at Farm Linggi	Serial no.: 004002/2025 Installation no.: ST(MLK)P/S/NS/01382	Date of issuance: 15 May 2025 Validity period: 15 May 2025 – 14 May 2027	Nil	N/A
88.	FARSB	EC	Certificate of registration for genset installation at Farm Sendayan	Serial no.: 004001/2025 Installation no.: ST(MLK)P/S/NS/01381	Date of issuance: 15 May 2025 Validity period: 15 May 2025 – 14 May 2027	Nil	N/A

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7. BUSINESS OVERVIEW (Cont'd)

7.9 BRAND NAME, TRADEMARK, PATENTS AND OTHER INTELLECTUAL PROPERTY RIGHTS

Save as disclosed below, as at the LPD, we do not have any other registered brand names, trademarks patents and other intellectual property rights in Malaysia:

Trademark	Registered proprietor/ Registration no.	Issuing authority	Validity period	Class / Description	Status
	FHSB / TM2020013520	MyIPO	7 July 2020 – 7 July 2030	Class 31 / Animal foodstuffs; livestock fattening preparations; live animals; preparations for egg laying poultry; eggs for hatching, fertilised; live poultry	Registered

7.10 DEPENDENCY ON CONTRACTS, AGREEMENTS, DOCUMENTS OR OTHER ARRANGEMENTS

As at the LPD, our Group is not materially dependent on any contracts, agreements, documents or other arrangements or any matters that could affect our business and profitability.

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7. BUSINESS OVERVIEW (Cont'd)

7.11 PROPERTY, PLANT AND EQUIPMENT

7.11.1 Properties Owned by Our Group

The summary of the material properties owned by our Group as at the LPD are set out below:

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
1.	Title: GRN 339690, Lot no. 1410, Mukim Batu, District of Kuala Langat, State of Selangor Postal Address: Farm A, Lot 1410, Jalan Batu 37, Kg Kundang, 42800 Tanjung Sepat, Selangor	FARSB	Description: A piece of agricultural land with 4 units of single storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler Farm	Express condition: Land livestock Category of land use: Agriculture Restrictions in interest: Nil Encumbrances/ Endorsement : (a) Private caveat in favour of Ambank (M) Berhad vide presentation no. 00B82427/2024 on 22 November 2024 (b) Charge to Ambank (M) Berhad vide presentation no. 00SC46097/2025 on 24 March 2025	Land area: 2.0538 ha Built-up area: 57,600 sq. ft.	Freehold	Nil ⁽¹⁾	1,803

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
2.	Title: GM 1947, Lot no. 847, Mukim Batu, District of Kuala Langat, State of Selangor Postal address: Farm B, Lot 847, Jalan Batu Bata, Kg Kundang, 42800 Tanjung Sepat, Selangor	FARSB	Description: A piece of agricultural land with 4 units of single storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler Farm	Express condition: General land livestock Category of land use: Agriculture Restrictions in interest: Nil Encumbrances/ Endorsement : (a) Private caveat in favour of Ambank (M) Berhad vide presentation no. 02B3946/2024 on 22 November 2024. (b) Charge to Ambank (M) Berhad vide presentation no. 02SC1374/2025 on 26 March 2025	Land area: 2.0234 ha Built-up area: 57,240 sq. ft.	Freehold	Nil ⁽¹⁾	1,777
3.	Title: GRN 339691, Lot no. 1230, Mukim Batu, District of	FARSB	Description: A piece of agricultural land with 4 units of single storey closed	Express condition: Land livestock Category of land use: Agriculture	Land area: 2.0234 ha Built-up area: 53,350 sq. ft.	Freehold	Nil ⁽¹⁾	1,758

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
4.	Kuala Langat, State of Selangor Postal address: Farm C, Lot 1230, Jalan Ladang Bedford, Kg Kundang Layang, 42800 Tanjung Sepat, Selangor Title: Geran 339692, Lot no. 1233, Mukim Batu, District of Kuala Langat, State of Selangor Postal address:	FARSB	farm house together with the relevant facilities erected thereon Existing use: Broiler Farm Description: A piece of agricultural land with 4 units of single storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler Farm	Restrictions in interest: Nil Encumbrances/Endorsement : (a) Private caveat in favour of Ambank (M) Berhad vide presentation no. 00B82462/2024 on 22 November 2024. (b) Charge to Ambank (M) Berhad vide presentation no. 00SC46372/2025 on 24 March 2025 Express condition: Land livestock Category of land use: Agriculture Restrictions in interest: Nil Encumbrances/Endorsement : (a) Private caveat in favour of Ambank (M) Berhad vide presentation no.	2.0234 ha Built-up area: 68,500 sq. ft.	Freehold	Nil ⁽¹⁾	1,780

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
5.	Farm D, Lot 1233, Jalan Ladang Bedford, Kg Kundang, 42800 Tanjung Sepat, Selangor Title: H.S.(M) 4632, PT 52807, Darat Batu, Mukim Batu, District of Kuala Langat, State of Selangor Postal address: Farm E, Lot 3168, Jalan Bawal Taman Mutiarra, 42800 Tanjung	FARSB	Description: A piece of agricultural land with 2 units of double storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler Farm	00B82429/2024 on 22 November 2024. (b) Charge to Ambank (M) Berhad vide presentation no. 00SC46112/2025 on 24 March 2025 Express condition: General land livestock Category of land use: Agriculture Restrictions in interest: This land shall not be transferred, leased or charged without the consent of the state authority Encumbrances/ Endorsement : (a) Private caveat in favour of Ambank (M) Berhad vide presentation no. 02B3945/2024 on 22 November 2024.	Land area: 1.1476 ha Built-up area: 96,000 sq. ft.	Leasehold for 99 years expiring on 21 April 2121	Nil ⁽¹⁾	496

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
	Sepat, Selangor			(b) Charge to Ambank (M) Berhad vide 02SC1772/2025 on 24 April 2025.				
6.	Title: PM 5799, Lot 18933, Darat Batu, Mukim Batu, District of Kuala Langat, State of Selangor Postal address: Farm F, Lot 3377, Jalan Ladang Tanjung Sepat, 42800 Tanjung Sepat, Selangor	FARSB	Description: A piece of agricultural land with 3 units of double storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler Farm	Express condition: Land livestock Category of land use: Agriculture Restrictions in interest: The land shall not be transferred, leased or charged without the consent of the state authority Encumbrances/ Endorsement : (a) Private caveat in favour of AmBank (M) Berhad vide presentation no. 02B3947/2024 on 22 November 2024. (b) Charge to Ambank (M) Berhad vide presentation no.	Land area: 1.571 ha Built-up area: 101,880 sq. ft.	Leasehold of 99 years expiring on 21 March 2087	Nil ⁽¹⁾	699

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
				02SC1378/2025 on 26 March 2025.				
7.	Title: GM 1108, Lot 3633, Batu 20 Air Hitam, Mukim Linggi, District of Port Dickson, State of Negeri Sembilan Postal address: Farm Linggi, Lot 3633, Kampung Air Hitami, 71150 Linggi, Negeri Sembilan	FARSB	Description: A piece of agricultural land with 3 units of double storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler Farm	Express condition: This land shall be used for long-term oil palm plantation only ⁽²⁾ Category of land use: Agriculture Restrictions in interest: This land shall not be transferred, leased or charged without the written consent of the Land Administrator of Port Dickson Encumbrances/ Endorsement : Nil	Land area: 1.44 ha Built-up area: 120,792 sq. ft.	Freehold	Nil ⁽¹⁾	822
8.	Title: H.S.(M) 5510, PT	FARSB	Description: A piece of agricultural	Express condition: Livestock (Chicken)	Land area: 1.0005 ha	Freehold	Nil ⁽¹⁾	808

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
	6581, Kramat Leban, Mukim Ujong Permatang, District of Kuala Selangor, State of Selangor Postal address: Farm Kuala Selangor, Lot 796, Ladang Mutiara Parit Serong, 45500 Tanjung Karang, Selangor		land with 4 units of single storey farm house together with the relevant facilities erected thereon Existing use: Broiler Farm	Category of land use: Agriculture Restrictions in interest: Nil Encumbrances/ Endorsement : Nil	Built-up area: 38,072 sq. ft.			
9.	Title: Geran 37156, Lot 1021, Mukim Kerling,	FARSB	Description: A piece of agricultural land with 2 units of double storey closed	Express condition: Nil Category of land use: Agriculture	Land area: 2.5242 ha Built-up area: 98,218 sq. ft.	Freehold	Nil ⁽¹⁾	1,217

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
	Daerah Ulu Selangor, State of Selangor Postal address: Farm Hulu Selangor B, Lot 1021, Jalan Kolam Air Panas, Lembah Damai, 44100 Kerling, Selangor		farm house together with the relevant facilities erected thereon Existing use: Broiler farm	Restrictions in interest: Nil Encumbrances/ Endorsement: Charge to Alliance Bank Malaysia Berhad vide presentation no. 00SC36698/2024 on 29 February 2024				
10.	Title: PN31999, Lot no. 8093, Pekan Mahsan, District of Jempol, State of Negeri Sembilan ⁽³⁾ Postal address:	FBFSB	Description: A piece of vacant industrial land Existing use: Vacant ⁽⁴⁾	Express condition: This land is for industrial use only ⁽⁵⁾ Category of land use: Industrial Restrictions in interest: This land shall not be transferred, leased or charged without the consent of the state authority.	Land area: 2,943 sq. mt. Built-up area: N/A	Leasehold of 99 years, expiring on 9 October 2094	Nil ⁽⁶⁾	266

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
	Nil			Encumbrances/ Endorsement: Charge to Maybank Islamic Berhad vide presentation no. 2232/2024 on 30 January 2024.				
11.	Title: PN31998, Lot no. 8094, Pekan Mahsan, District of Jempol, State of Negeri Sembilan ⁽⁷⁾ Postal address: Nil	FBFSB	Description: A piece of vacant industrial land Existing use: Vacant ⁽⁴⁾	Express condition: This land is for industrial use only ⁽⁵⁾ Category of land use: Industrial Restrictions in interest: This land shall not be transferred, leased or charged without the consent of the state authority. Encumbrances/ Endorsement: Charge to Maybank Islamic Berhad vide presentation no. 2232/2024 on 30 January 2024.	Land area: 2,720 sq. mt. Built-up area: N/A	Leasehold of 99 years, expiring on 9 October 2094	Nil ⁽⁶⁾	246

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
12.	Title: PN31996, Lot No. 8097, Pekan Mahsan, District of Jempol, State of Negeri Sembilan ⁽⁸⁾ Postal address: Nil	FBFSB	Description: A piece of vacant industrial land Existing use: Vacant ⁽⁴⁾	Express condition: This land is for industrial use only ⁽⁵⁾ Category of land use: Industrial Restrictions in interest: This land shall not be transferred, leased or charged without the consent of the state authority Encumbrances/ Endorsement: Charge to Maybank Islamic Berhad vide presentation no. 2232/2024 on 30 January 2024.	Land area: 4,100 sq. mt. Built-up area: N/A	Leasehold of 99 years, expiring on 9 October 2094	Nil ⁽⁶⁾	384
13.	Title: GRN 67991, Lot no. 2433, Mukim Kepis, District of Kuala Pilah, State of	FBFSB	Description: A piece of vacant land Existing use: Parent stock farm	Express condition: Nil Category of land use: Nil Restrictions in interest: Nil	Land area: 2.1651 ha Built-up area: N/A	Freehold	Nil ⁽⁶⁾	1,032

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
	Negeri Sembilan Postal address: Nil			Encumbrances/ Endorsement: Charge to Maybank Islamic Berhad vide presentation no. 2890/2024 on 5 February 2024				
14.	Title: GRN 67993, Lot No. 2435, Mukim Kepis, District of Kuala Pilah, State of Negeri Sembilan Postal address: Nil	FBFSB	Description: A piece of vacant agricultural land Existing use: Parent stock farm	Express condition: This land shall be used for long-term rubber plantation only ⁽⁵⁾ Category of land use: Agriculture Restrictions in interest: Nil Encumbrances/ Endorsement: Charge to Maybank Islamic Berhad vide presentation no. 2890/2024 on 5 February 2024	Land area: 3.1515 ha Built-up area: N/A	Freehold	Nil ⁽⁶⁾	1,247

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
15.	Title: Geran 67994, Lot no. 2436, Mukim Kepis, District of Kuala Pilah, State of Negeri Sembilan Postal address: Nil	FBFSB	Description: A piece of vacant land Existing use: Parent stock farm	Express condition: Nil Category of land use: Nil Restrictions in interest: Nil Encumbrances/ Endorsement: Charge to Maybank Islamic Berhad vide presentation no. 2890/2024 on 5 February 2024	Land area: 3.1565 ha Built-up area: N/A	Freehold	Nil ⁽⁶⁾	1,249
16.	Title: Geran 9136, Lot no. 760, Pelangai, Mukim Pelangai, District of Bentong, State of Pahang Postal address:	FBFSB	Description: A piece of vacant agricultural land Existing use: Vacant ⁽⁹⁾	Express condition: This land shall be used for rubber plantation only ⁽⁵⁾ Category of land use: Agriculture Restrictions in interest: Nil	Land area: 7.947 ha Built-up area: N/A	Freehold	Nil ⁽⁶⁾	2,564

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
	Nil			Encumbrances/ Endorsement: Charged to Maybank Islamic Berhad vide presentation no. 872/2024 on 24 January 2024				
17.	Title: Geran 51428, Lot no. 1216, Mukim Jelai, District of Jempol, State of Negeri Sembilan Postal address: Nil	FBFSB	Description: A piece of vacant agricultural land Existing use: Parent stock farm	Express condition: This land is for agricultural use only Category of land use: Agriculture Restrictions in interest: Nil Encumbrances/ Endorsement: Charge to Maybank Islamic Berhad vide presentation no. 2724/2024 on 2 February 2024	Land area: 4.0165 ha Built-up area: N/A	Freehold	Nil ⁽⁶⁾	1,315
18.	Title: Geran 163182, Lot no. 1998,	FBFSB	Description: A piece of vacant	Express condition: Nil Category of land use:	Land area: 1.93 ha Built-up area:	Freehold	Nil ⁽⁶⁾	624

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
	Mukim Jelai, District of Jempol, State of Negeri Sembilan Postal address: Nil		agricultural land Existing use: Parent stock farm	Agriculture Restrictions in interest: Nil Encumbrances/ Endorsement: Charge to Maybank Islamic Berhad vide presentation no. 2724/2024 on 4 February 2024	N/A			
19.	Title: Geran 66830, Lot no. 6359, Mukim Johol, District of Kuala Pilah, State of Negeri Sembilan Postal address: Nil	FBFSB	Description: A piece of vacant agricultural land Existing use: Vacant ⁽⁹⁾	Express condition: This land shall be used for long-term rubber plantation only ⁽⁵⁾ Category of land use: Agriculture Restrictions in interest: Nil Encumbrances/ Endorsement: (a) Charge to Maybank Islamic Berhad vide presentation no.	Land area: 4.4541 ha Built-up area: N/A	Freehold	Nil ⁽⁶⁾	1,403

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
20.	Title: Geran 66832, Lot no. 6360, Mukim Johol, District of Kuala Pilah, State of Negeri Sembilan Postal address: Nil	FBFSB	Description: A piece of vacant agricultural land Existing use: Vacant ⁽⁹⁾	Express condition: Nil Category of land use: Nil Restrictions in interest: Nil Encumbrances/ Endorsement: (a) Charge to Maybank Islamic Berhad vide presentation no. 8368/2025 on 8 April 2025 (b) Charge to Maybank Islamic Berhad vide presentation no. 8369/2025 on 8 April 2025	Land area: 4.0443 ha Built-up area: N/A	Freehold	Nil ⁽⁶⁾	1,191

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
21.	Title: Geran 74705, Lot 1232, Mukim Jelai, Daerah Jempol, State of Negeri Sembilan Postal address: Nil	FBFSB	Description: A piece of vacant agricultural land Existing use: Vacant ⁽⁹⁾	Express condition: Nil Category of land use: Nil Restrictions in interest: Nil Encumbrances/ Endorsement: (a) Charge to Maybank Islamic Berhad vide presentation no. 8362/2025 on 8 April 2025 (b) Charge to Maybank Islamic Berhad vide presentation no. 8363/2025 on 8 April 2025	Land area: 2.638 ha Built-up area: Nil	Freehold	Nil ⁽⁶⁾	1,207
22.	Title: Geran 74706, Lot 1233, Mukim Jelai, Daerah Jempol, State of	FBFSB	Description: A piece of vacant agricultural land Existing use: Vacant ⁽⁹⁾	Express condition: Nil Category of land use: Nil Restrictions in interest:	Land area: 2.638 ha Built-up area: Nil	Freehold	Nil ⁽⁶⁾	1,207

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
	Negeri Sembilan			Nil				
	Postal address: Nil			Encumbrances/ Endorsement: (a) Charge to Maybank Islamic Berhad vide presentation no. 8362/2025 on 8 April 2025 (b) Charge to Maybank Islamic Berhad vide presentation no. 8363/2025 on 8 April 2025				
23.	Title: Geran 37157, Lot 1022, Mukim Kerling, Daerah Ulu Selangor, State of Selangor	FARSB	Description: A piece of vacant agricultural land Existing use: Vacant ⁽¹⁰⁾	Express condition: Nil Category of land use: Agriculture Restrictions in interest: Nil Encumbrances/ Endorsement: Charge to Alliance Bank Malaysia Berhad vide presentation no. 00SC36972/2024 on 1 March 2024	Land area: 2.5268 ha Built-up area: Nil	Freehold	Nil	1,217

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
24.	Title: PM 322, Lot No. 2986, Fermanang h, Mukim Sepang, District of Sepang, State of Selangor	FARSB	Description: A piece of vacant agricultural land Existing use: Vacant ⁽¹⁰⁾	Express condition: Permanent crops cultivation (industry) ⁽¹¹⁾ Category of land use: Agriculture Restrictions in interest: Nil Encumbrances/ Endorsement: Nil	Land area: 2.0614 ha Built-up area: Nil	Leasehold of 99 years, expiring on 21 January 2063	Nil	1,000
25.	Title: H.S.(D) 42115, PT 4077, Mukim Batu, District of Kuala Langat, State of Selangor	FARSB	Description: A piece of vacant agricultural land Existing use: Vacant ⁽¹⁰⁾	Express condition: Agriculture Category of land use: Agriculture Restrictions in interest: Nil Encumbrances/ Endorsement: Nil	Land area: 1.7784 ha Built-up area: Nil	Freehold	Nil	1,359
26.	Title:	FARSB	Description:	Express condition: Nil	Land area: 2.0234 ha	Freehold	Nil	575

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
	Geran 72922, Lot No. 1765, Mukim Pedas, District of Rembau, State of Negeri Sembilan		A piece of vacant land Existing use: Vacant ⁽¹⁰⁾	Category of land use: Nil Restrictions in interest: Nil Encumbrances/ Endorsement: Nil	Built-up area: Nil			
27.	Title: GRN 72921, Lot No. 1764, Mukim Pedas, District of Rembau, State of Negeri Sembilan	FARSB	Description: A piece of vacant land Existing use: Vacant ⁽¹⁰⁾	Express condition: Nil Category of land use: Nil Restrictions in interest: Nil Encumbrances/ Endorsement: Nil	Land area: 1.2166 ha Built-up area: Nil	Freehold	Nil	349
28.	Title: GM 837, Lot 1112, Sg. Nipah Dalam, Mukim Jimah,	GBSB	Description: A piece of vacant agriculture land Existing use: Vacant ⁽¹⁰⁾	Express condition: This land shall be used for long-term oil palm plantation only ⁽¹¹⁾ Category of land use:	Land area: 1.204 ha Built-up area: Nil	Freehold	Nil	1,593

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
	District of Port Dickson, State of Negeri Sembilan			Agriculture Restrictions in interest: This land shall not be transferred, leased or charged without the consent of the Land Administrator of Port Dickson. Encumbrances/ Endorsement: Charge to Alliance Bank Malaysia Berhad vide presentation no. 1526/2024 on 22 October 2024				
29.	Title: GM 839, Lot 1114, Sg. Nipah Dalam, Mukim Jimah, District of Port Dickson, State of Negeri Sembilan	GBSB	Description: A piece of agricultural vacant land Existing use: Vacant⁽¹⁰⁾	Express condition: This land shall be used for long-term oil palm plantation only⁽¹¹⁾ Category of land use: Agriculture Restrictions in interest: This land shall not be transferred, leased or charged without the consent of the Land	Land area: 1.146 ha Built-up area: Nil	Freehold	Nil	1,399

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
				Administrator of Port Dickson.				
				Encumbrances/ Endorsement: Charge to Alliance Bank Malaysia Berhad vide presentation no. 1528/2024 on 22 October 2024				
30.	Title: GM 931, Lot 443, Titip, Mukim Batu, District of Kuala Langat, State of Selangor ⁽¹²⁾	FSSB	Description: A piece of industrial vacant land Existing use: Vacant ⁽¹⁰⁾	Express condition: Medium Industries ⁽¹¹⁾ Category of land use: Industrial Restrictions in interest: Nil Encumbrances/ Endorsement: Registrar's caveat for the payment of premium chargeable for change of express condition pursuant to section 124(1)(c) of the NLC vide presentation no. 021B285/2023 on 2 February 2023	Land area: 2.0234 ha Built-up area: Nil	Freehold	Nil	4,000

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
31.	Title: Geran 65082, Lot 3878, Mukim Juasseh, District of Kuala Pilah, State of Negeri Sembilan.	FBFSB	Description: A piece of vacant land Existing use: Vacant ⁽⁹⁾	Express condition: Nil Restrictions in interest: Nil Encumbrances/ Endorsement: (a) Charge to Maybank Islamic Berhad vide presentation no. 7200/2025 on 25 March 2025 (b) Charge to Maybank Islamic Berhad vide presentation no. 7201/2025 on 25 March 2025	Land area: 1.7983 ha Built-up area: N/A	Freehold	Nil	1,034
32.	Title: Geran 65083, Lot 3879, Mukim Juasseh, District of Kuala Pilah, State of Negeri Sembilan.	FBFSB	Description: A piece of vacant land Existing use: Vacant ⁽⁹⁾	Express condition: Nil Restrictions in interest: Nil Encumbrances/ Endorsement: (a) Charge to Maybank Islamic Berhad vide presentation no.	Land area: 1.7958 ha Built-up area: N/A	Freehold	Nil	1,033

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
				7200/2025 on 25 March 2025 (b) Charge to Maybank Islamic Berhad vide presentation no. 7201/2025 on 25 March 2025				
33.	Title: Geran 65086, Lot 3880, Mukim Juasseh, District of Kuala Pilah, State of Negeri Sembilan.	FBFSB	Description: A piece of vacant land Existing use: Vacant ⁽⁹⁾	Express condition: Nil Restrictions in interest: Nil Encumbrances/ Endorsement: (a) Charge to Maybank Islamic Berhad vide presentation no. 7200/2025 on 25 March 2025 (b) Charge to Maybank Islamic Berhad vide presentation no. 7201/2025 on 25 March 2025	Land area: 1.8084 ha Built-up area: N/A	Freehold	Nil	1,040

7. BUSINESS OVERVIEW (Cont'd)

No.	Title / Postal address	Registered / Beneficial owner	Description/ Existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate)	Tenure	Date of issuance of CCC	Audited NBV as at FPE 2025 RM'000
34.	Title: Geran 65089, Lot 3881, Mukim Juasseh, District of Kuala Pilah, State of Negeri Sembilan.	FBFSB	Description: A piece of vacant land Existing use: Vacant ⁽⁹⁾	Express condition: Nil Restrictions in interest: Nil Encumbrances/ Endorsement: (a) Charge to Maybank Islamic Berhad vide presentation no. 7200/2025 on 25 March 2025 (b) Charge to Maybank Islamic Berhad vide presentation no. 7201/2025 on 25 March 2025	Land area: 1.8059 hectares Built-up area: N/A	Freehold	Nil	1,039

Notes:

- (1) As at the LPD, we do not possess a valid CCC/CF in respect of our broiler farms. We have been operating our broiler farms without obtaining a requisite CCC/CF and in the past, we have not experienced any imposition of sanctions to obtain certifications or permits in relation to the safety and fitness of buildings for occupation. Based on the Garis Panduan, the obtainment of a CCC/CF in respect of a broiler farm is not required. The issuance of a CCC/CF is preceded by the issuance of a KM and BP approval, both of which are required pursuant to the Garis Panduan. As at the LPD, we have obtained valid KM for all of our owned and self-operated broiler farms as set out in items (1) to (9) above and obtained BP/TBP approval for 7 of our self-operated owned broiler farms as set out in items (1) to (5), (7) and (9). Please refer to Section 7.22(B)(ii) of this Prospectus for further details on the status of the BP/TBP application for the remaining affected self-operated owned broiler farms.

7. BUSINESS OVERVIEW (Cont'd)

- (2) Pursuant to a letter issued by the Department of Town and Country Planning of Negeri Sembilan dated 12 October 2020, the existing express conditions of land use will be maintained for poultry farming activities in Negeri Sembilan if a KMTT is being obtained and the application to change the express condition of land use for any existing chicken farming operations within the areas of MPPD and MBS is not permitted. However, poultry farming operations in remote agricultural zones are authorised to continue until the year 2040. As at the LPD, our Group has obtained KMTT for Farm Linggi, Farm Labu, Farm Broga and Farm Sendayan, where the change of express condition is not required. Therefore, a change to the express condition of land use for this land is not required. Please refer to Section 7.23 (B)(iii) of the Prospectus for further details on the Group's past non-compliance on breach of express condition endorsed in the land titles.
- (3) The acquisition of this land was completed on 28 February 2021.
- (4) These lands are intended for the future construction of our hatchery farm.
- (5) These lands are earmarked for our Group's future vertical expansion into the broiler breeding and hatchery business segments. As such, our Group is currently in the process of obtaining all relevant approvals, including the necessary changes to the express conditions of land use to align with its intended use for broiler breeding and hatchery business.
- (6) As at the LPD, we have obtained valid KM and BP approvals for PS Farm 1 and PS Farm 2 and are in the process of applying for the necessary KM and BP approvals for the future construction of parent stock farms and hatchery farm on the lands set out in items (10) to (12), (16), (19) to (22) and (31) to (34).
- (7) The acquisition of this land was completed on 25 January 2021.
- (8) The acquisition of this land was completed on 12 September 2019.
- (9) These lands are intended for the future construction of our new parent stock farms.
- (10) These lands are intended for the future business operations.
- (11) These lands are currently vacant and reserved for future business operations. At present, no immediate change of express condition is required. However, the Group will ensure compliance with the existing express land-use conditions and will undertake the necessary applications for change of express condition.
- (12) The acquisition of this land was completed on 8 July 2019.

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7. BUSINESS OVERVIEW (Cont'd)

7.11.2 Properties Rented by Our Group

The summary of the material properties rented by our Group as at the LPD are set out below. All our properties are rented from non-related parties.

No.	Landlord	Tenant / Sub-Tenant	Postal address	Description/ Existing use	Built-up area (approximate)	Date of issuance of CCC	Tenure of Tenancy	Rental per annum (RM)
1.	Moh Kee Property Sdn Bhd	GBSB	PT No. 240624 & 240625, Hala Industri Bercham 3, Kawasan Perindustrian Ringan Bercham, 31400 Ipoh, Perak	Description: A unit of 2 storey factory with office Existing use: Poultry processing plant and chicken slaughtering house	20,486 sq. ft	9 May 2024	2 years commencing from 1 July 2023 and expiring on 30 June 2025 with an automatic extension for a further terms of one year until 30 June 2026	600,000
2.	Mah Touw Keow	GBSB ⁽¹⁾	No. 152, Jalan Perdana 3, Taman Perindustrian, Perdana Lukut Port Dickson, 71010 Lukut, Negeri Sembilan	Description: A unit of 1 ½ storey factory with office Existing use: Poultry processing plant and chicken slaughtering house	29,779 sq. ft	18 August 2004	3 years commencing from 11 March 2025 and expiring on 10 March 2028	112,200

7. BUSINESS OVERVIEW (Cont'd)

No.	Landlord	Tenant / Sub-Tenant	Postal address	Description/ Existing use	Built-up area (approximate)	Date of issuance of CCC	Tenure of Tenancy	Rental per annum (RM)
3.	Pritanis Sdn Bhd	FARSB	Farm Pantai bearing the postal address of Lot 2168, Jalan Pantai, Batu 8 Pantai, 71770 Seremban, Negeri Sembilan	Description: A piece of agricultural land with 2 units of double storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler Farm	91,440 sq. ft.	Nil ⁽²⁾	3 years commencing from 1 January 2024 and expiring on 31 December 2026	480,000
4.	Norman Bin Wanman and Nor Daniel Bin Wanman	FARSB	Farm Broga bearing the postal address of Lot 1076, Jalan Kg Orang Asli, Kg Orang Asli Lumut, 71750 Lenggeng, Negeri Sembilan	Description: A piece of agricultural land with 4 units of double storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler Farm	164,968 sq. ft	Nil ⁽²⁾	3 years commencing from 4 July 2023 and expiring on 3 July 2026	468,000

7. BUSINESS OVERVIEW (Cont'd)

No.	Landlord	Tenant / Sub-Tenant	Postal address	Description/ Existing use	Built-up area (approximate)	Date of issuance of CCC	Tenure of Tenancy	Rental per annum (RM)
5.	Jendela Megajuta Sdn Bhd	FARSB	Farm Labu bearing the postal address of Lot 15245, Jalan Utama Eka Matahari, Taman Eka Matahari, 71760 Bandar Enstek, Negeri Sembilan	Description: A piece of agricultural land with 4 units of single storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler farm	67,580 sq. ft.	Nil ⁽²⁾	3 years Commencing from 1 August 2024 and expiring on 31 July 2027	<i>Rental varies depending on the number of DOCs intake.</i>
6.	Azri Bin Azmi and Nor'ain Binti Mohamed Nordin	FARSB	Part of Farm Batang Kali bearing the postal address of Lot 1607 Sg Penas, Jalan Hulu Rening, Batang Kali, 44300 Hulu Selangor, Selangor	Description: A piece of agricultural land with 2 unit of double storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler Farm	60,462 sq. ft.	Nil ⁽²⁾	3 years commencing from 1 February 2025 and expiring on 31 January 2028	240,000

7. BUSINESS OVERVIEW (Cont'd)

No.	Landlord	Tenant / Sub-Tenant	Postal address	Description/ Existing use	Built-up area (approximate)	Date of issuance of CCC	Tenure of Tenancy	Rental per annum (RM)
7.	Md Yusof Bin Abu Bakar	FARSB	Farm Hulu Selangor bearing the postal address of PT 311, Jalan Besar, Mukim Gumut Tambahan, 44100 Hulu Selangor, Selangor	Description: A piece of agricultural land with 2 unit of double storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler farm	97,996 sq. ft.	Nil ⁽²⁾	3 years commencing from 1 November 2023 and expiring on 31 October 2026	360,000
8.	Malayan Kantha	A/L FARSB	Farm Sendayan bearing the postal address of Lot 7422, Jalan Port Dickson, Batu 8 Mambau, 70300 Seremban, Negeri Sembilan	Description: A piece of agriculture land with 3 units of double storey closed farm house together with the relevant facilities erected thereon Existing use: Broiler farm	43,600 sq. ft.	Nil ⁽²⁾	3 years commencing from 1 October 2023 and expiring on 30 September 2026	120,000

7. BUSINESS OVERVIEW (Cont'd)

No.	Landlord	Tenant / Sub-Tenant	Postal address	Description/ Existing use	Built-up area (approximate)	Date of issuance of CCC	Tenure of Tenancy	Rental per annum (RM)
9.	Tay Geok Peng and Teoh Chin Keong	FHSB	No. 16-1, Jalan Kasuarina 10, Bandar Botanic, 41200 Klang, Selangor	Description: First floor of a double storey shop office Existing use: Storage	1,760 sq. ft.	23 May 2008	2 years commencing from 15 April 2024 and expiring on 14 April 2026	26,400
10.	SSC Shipping Sdn Bhd	FHSB	B-3-3A, 3rd Floor, North Tower (Tower B) BBT One The Towers, Lebuhraya Batu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor	Description: An office unit in an office tower Existing use: Office	1,304 sq. ft.	7 November 2008	3 years commencing from 1 May 2024 expiring on 30 April 2027	46,944
11.	Labur Bina Sdn Bhd	FHSB	B-3-1, 3rd Floor, North Tower (Tower B), BBT One The Towers, Lebuhraya Batu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor Darul Ehsan	Description: An office unit in an office tower Existing use: Office	5,941 sq. ft.	7 November 2008	3 years commencing from 1 July 2024 expiring on 30 June 2027	206,746.80

7. BUSINESS OVERVIEW (Cont'd)

No.	Landlord	Tenant / Sub-Tenant	Postal address	Description/ Existing use	Built-up area (approximate)	Date of issuance of CCC	Tenure of Tenancy	Rental per annum (RM)
12.	MBJ Resources Sdn Bhd	GBSB	Lodge Residence Nilai, Persiaran Kolej Bbn, 71800 Bandar Baru Nilai, Negeri Sembilan	Description: 18 room units in an apartment Existing use: Employees' Hostel ⁽³⁾	3,042 sq. ft.	30 April 2015	6 months commencing from 1 April 2025 and expiring on 30 September 2025	195,360* <i>*Note: Rental varies depending on the number of employees residing at the property. The month rental is RM220 per employee.</i>
13.	MBJ Resources Sdn Bhd	FARSB	Lodge Residence Nilai, Persiaran Kolej Bbn, 71800 Bandar Baru Nilai, Negeri Sembilan	Description: 7 room units in an apartment Existing use: Employees' Hostel ⁽³⁾	1,183 sq. ft.	30 April 2015	6 months commencing from 1 April 2025 and expiring on 30 September 2025	73,920* <i>*Note: Rental varies depending on the number of employees residing at the property. The month rental is RM220 per employee.</i>

7. BUSINESS OVERVIEW (Cont'd)

No.	Landlord	Tenant / Sub-Tenant	Postal address	Description/ Existing use	Built-up area (approximate)	Date of issuance of CCC	Tenure of Tenancy	Rental per annum (RM)
14.	Ento Bioplus Sdn Bhd	GBSB	No. 15, Ground Floor, Jalan Lang Indah A/5, Pusat Perniagaan Lang Indah, 30010 Ipoh, Perak	Description: Ground floor of a three-storey shop Existing use: Employees' Hostel ⁽³⁾	1,500 sq. ft.	26 April 2018	3 years commencing from 15 April 2024 and expiring on 14 April 2027	38,880
15.	Ento Bioplus Sdn Bhd	GBSB	No.15, 1st and 2nd floor, Jalan Lang Indah A/5 Pusat Perniagaan Lang Indah, 30010 Ipoh, Perak.	Description: First and second floor of a three-storey shop Existing use: Employees' Hostel ⁽³⁾	3,480 sq. ft.	26 April 2018	3 years commencing from 1 March 2024 and expiring on 28 February 2027	86,400
16.	Casa Hijau Sdn Bhd	FARSB	B-6-7 & B-6-8, Pangsapuri Villamas, Jalan Muhibbah/KU3, Kampung Sungai Pinang, 41200 Klang, Selangor	Description: Two units of service apartment Existing use: Employees' Hostel ⁽³⁾	1,600 sq. ft.	January 2015 ⁽⁴⁾	2 years commencing from 1 May 2024 and expiring on 30 April 2026	36,000

Notes:

- (1) In view of the disposal of Casey Poultry which was completed on 2 June 2023, Casey Poultry had on 1 June 2023 entered into a novation agreement with GBSB to assign all its rights, interests and benefits and transfers all its obligation under the tenancy agreement dated 11 March 2022 entered into between Mah Touw Keow (as landlord) and Casey Poultry (as tenant) for the renting of the said premise.

7. BUSINESS OVERVIEW (Cont'd)

- (2) As at the LPD, we do not possess a valid CCC/CF in respect of our self-operated rented broiler farm houses. We have been operating our self-operated rented broiler farm houses without obtaining a requisite CCC/CF and in the past, we have not experienced any imposition of sanctions to obtain certifications or permits in relation to the safety and fitness of buildings for occupation. Based on the Garis Panduan, the obtainment of a CCC/CF in respect of a broiler farm is not required. The issuance of a CCC/CF is preceded by the issuance of a KM and building plan approval, both of which are required pursuant to the Poultry Farm Guidelines. As at the LPD, we have obtained valid KM for all of our self-operated rented broiler farm houses set out in items (3) to (9) and obtained BP/TBP approval for our self-operated rented broiler farms as set out in items (5), (6) and (8). Please refer to Section 7.23(A)(i) of this Prospectus for further details on the status of the BP/TBP application for the remaining affected self-operated rented broiler farms.
- (3) As at the LPD, all of our rented properties designated as employees' hostel have been issued with valid certification for accommodation by the Department of Labour Peninsular Malaysia, Ministry of Human Resources.
- (4) The date of the CCC for this rented property cannot be traced as it is not visible in the CCC provided by the landlord.

7.11.3 Material Machinery and Equipment

As at FPE 2025, our material machinery and equipment are as follows:

Machinery and equipment	Functions	No. of units	Average useful lifespan (years)	Approximate age (years)	NBV as at FPE 2025 (RM'000)
ViperTouch system	A climate computer system that can be used to control the entire broiler farm house environment	50	10	1	355
TempTron system	A climate controller system designed especially for poultry raising	12	10	2	10

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7. BUSINESS OVERVIEW (Cont'd)

7.11.4 Operating Capacities and Utilisation Rate

The following table sets out the rearing capacity and utilisation rate of our own broiler farms and rented broiler farms for the Financial Periods Under Review and up to the LPD:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025	1 July 2025 up to the LPD
	('000)					
Owned broiler farms						
Rearing capacity (broilers) ⁽¹⁾	4,724	5,712	5,889	6,844	3,331	1,513
Actual stock volume (broilers) ⁽²⁾	4,214	5,311	5,858	6,706	3,268	1,459
Utilisation rate (%) ⁽³⁾	89.20	92.98	99.47	97.98	98.11	96.43
Rented broiler farms						
Rearing capacity (broilers) ⁽¹⁾	816	1,470	2,799	5,908	2,923	1,069
Actual stock volume (broilers) ⁽²⁾	712	1,460	2,603	5,752	2,795	1,054
Utilisation rate (%) ⁽³⁾	87.25	99.32	93.00	97.36	95.62	98.60
Total						
Rearing capacity (broilers) ⁽¹⁾	5,540	7,182	8,688	12,752	6,254	2,582
Actual stock volume (broilers) ⁽²⁾	4,926	6,771	8,461	12,458	6,063	2,513
Utilisation rate (%) ⁽³⁾	88.92	94.28	97.39	97.69	96.95	97.33

Notes:

- (1) Represent the approximate maximum number of broilers that could be raised on our own broiler farms and rented broiler farms based on the available broiler farm houses. The maximum number of broilers increased during the Financial Periods Under Review, is primarily due to the increased number of broiler farm houses, and the increased number of rented farms. The rearing capacity of broilers is determined by the number of DOCs intake during the respective year.
- (2) Represent the actual DOCs placement, i.e. the optimised number of broiler DOCs that the broiler farm can manage and accommodate properly, excluding mortality.
- (3) Utilisation rate is calculated by dividing the actual stock volume of broilers by the rearing capacity of broiler.

We have engaged the services of contract farmers, located in Perak, Selangor, Negeri Sembilan, Pahang and Melaka. They collectively were capable of supplying us with approximately 6.79 million broilers, 9.70 million broilers, and 11.13 million broilers, 10.94 million, and 6.74 million broilers during the Financial Periods Under Review, respectively.

In terms of our poultry processing plants, namely Ipoh Processing Plant and Lukut Processing Plant, each plant has the production output of processing 45,000 broilers a day.

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7. BUSINESS OVERVIEW (Cont'd)

The table below sets out the utilisation rate of our processing plants during the Financial Periods Under Review:

	<u>FYE 2021</u>	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2025</u>	<u>1 July 2025 up to the LPD</u>
	(‘000 broilers)					
Actual production capacity						
Lukut Processing Plant	4,968	7,128	7,776	9,266	4,946	2,129
Ipoh Processing Plant	-	5,832	6,372	7,690	4,379	2,448
Production capacity ⁽¹⁾						
Lukut Processing Plant	7,560	7,560	7,560	7,560	3,780	1,743
Ipoh Processing Plant	-	8,640	8,640	8,640	4,320	1,992
Utilisation rate (%)						
Lukut Processing Plant	65.71	94.29	102.86 ⁽²⁾	122.57 ⁽²⁾	130.86 ⁽²⁾	122.16 ⁽²⁾
Ipoh Processing Plant	-	67.50	73.75	89.00	101.38 ⁽²⁾	122.89 ⁽²⁾

Notes:

(1) Based on 1 shift (8 hours) per day, 360 days of operation per year.

(2) The utilisation rate of Lukut Processing Plant and Ipoh Processing Plant exceeded plants' expected capacity as a result of increased number of shifts for slaughtering and processing to meet increased market demand on raw poultry products, during the financial year/period and as at the LPD.

7.12 TECHNOLOGY USED

We utilise the following technology in our business operations:

<u>Technology</u>	<u>Description</u>
ViperTouch system	A climate computer system that can be used to control the entire broiler farm house environment
TempTron system	A climate controller system designed especially for poultry raising

7. BUSINESS OVERVIEW (Cont'd)**7.13 SEASONALITY AND CYCLICALITY**

Our Group generally records higher sales demand during the festive season, such as the Hari Raya, Chinese New Year, Deepavali and Christmas.

7.14 INTERRUPTIONS IN BUSINESS

Our Group has not experienced any interruption in business for the past 12 months that had a significant effect on our operations during the period prior to the date of this Prospectus.

7.15 RESEARCH AND DEVELOPMENT

We do not carry out any material research and development activities as it is not relevant to the nature of our business.

7.16 EMPLOYEES

As at the LPD, we have a total workforce of 457 employees, of which 453 are permanent employees, while 4 are contractual employees. The following sets out the number of employees in our Group according to the business function and department as at the LPD:

Category of employees	Number of Employees					As at the LPD
	FYE 2021 ⁽²⁾	FYE 2022 ⁽²⁾	FYE 2023	FYE 2024	FPE 2025	
Executive Director	2	2	2	2	2	2
Finance	5	8	10	13	19	19
Purchasing and project development	5	8	7	10	11	14
Sales and business development	4	6	7	8	12	13
Human resources and general affairs	8	10	13	19	17	19
Farm operation	33	54	81	90	92	166
Technical	14	16	21	20	19	22
Poultry processing	36	66	224	200	194	202
Local	82	127	142	168	181	206
⁽¹⁾ Foreign	25	43	223	194	185	251
Total	107	170	365 ⁽³⁾	362	366	457

Notes:

- (1) All of our foreign workers are involved in both broiler farming and poultry products production. As at the LPD, 216 foreign workers employed by our Group have been issued with valid pass under the name of our Group. Please refer to Section 7.23(C)(iii) of this Prospectus for further details on our Group's non-compliance issue on employing foreign workers who do not process valid working permit.

7. BUSINESS OVERVIEW (Cont'd)

- (2) Our Group did not engage any subcontracted workers in FYE 2021. In FYE 2022, our Group engaged 165 subcontracted workers, who are not considered as employees of the Group.
- (3) The significant increase in the number of employees in FYE 2023, was primarily attributable to the intake of foreign workers as employees to replace 165 subcontracted workers, who are not considered as employees of the Group, who had ceased working with the Group in FYE 2023. These subcontracted workers were employed by the Group in FYE 2022 to work in our processing plants and were primarily involved in cutting, deboning, hanging and cleaning process.

As at the LPD, none of our employees are member of any union nor has there been any major industrial dispute in the past.

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7. BUSINESS OVERVIEW (Cont'd)

7.17 MAJOR CUSTOMERS

Our top 5 customers according to their revenue contribution for the Financial Periods Under Review are as follows:

No.	Name	Country of operations	Type of customers/ Principal activities	Revenue		Main products provided	(2)Length of relationship as at end of FYE/ FPE
				RM'000	%		Years
FYE 2021							
1.	Segi Marine Enterprise Sdn Bhd	Malaysia	Retail chains/ Trading of groceries and foodstuffs	59,114	22.56	Raw poultry products	3
2.	Customer A ⁽¹⁾	Malaysia	Livestock distributor/ Poultry farming	17,204	6.57	Live broilers, broiler DOCs & feed	4
3.	Ayam AA Enterprise Sdn Bhd	Malaysia	Livestock distributor/ Processing and trading of chicken	14,749	5.63	Live broilers	5
4.	Lapangan Kenanga Sdn Bhd	Malaysia	Livestock distributor/ Poultry farming	12,082	4.61	Broiler DOCs & feed	2
5.	One Station Fresh Chicken	Malaysia	Retail chains/ Retail sales of food products	9,950	3.80	Live broilers	1
				113,099	43.17		

7. BUSINESS OVERVIEW (Cont'd)

No.	Name	Country of operations	Type of customers/ Principal activities	Revenue		Main products provided	(2)Length of relationship as at end of FYE/ FPE
				RM'000	%		Years
FYE 2022							
1.	Segi Marine Enterprise Sdn Bhd	Malaysia	Retail chains/ Trading of groceries and foodstuffs	92,270	21.83	Raw poultry products	4
2.	My Hero Hypermarket Sdn Bhd	Malaysia	Retail chains/ Retailing	31,722	7.51	Raw poultry products	2
3.	Customer A ⁽¹⁾	Malaysia	Livestock distributor/ Poultry farming	18,207	4.31	Live broilers, broiler DOCs & feed and raw poultry products	5
4.	Mohamed Akbar Bin Wazir Mohamed	Malaysia	Livestock distributor/ Wholesale of livestock	16,815	3.98	Live broilers	6
5.	Sri Raj De Sdn Bhd	Malaysia	Livestock distributor/ Wholesale of livestock	15,107	3.57	Live broilers	6
				174,121	41.20		

7. BUSINESS OVERVIEW (Cont'd)

No.	Name	Country of operations	Type of customers/ Principal activities	Revenue		Main products provided	(2)Length of relationship as at end of FYE/ FPE
				RM'000	%		Years
FYE 2023							
1.	Segi Marine Enterprise Sdn Bhd	Malaysia	Retail chains/ Trading of groceries and foodstuffs	95,013	17.73	Raw poultry products	5
2.	My Hero Hypermarket Sdn Bhd	Malaysia	Retail chains/ Retailing	34,272	6.40	Raw poultry products	3
3.	Customer B ⁽¹⁾	Malaysia	Operation of slaughterhouse and retail chains/ Wholesale of poultry and agricultural products	33,438	6.24	Raw poultry products	2
4.	Mohamed Akbar Bin Wazir Mohamed	Malaysia	Livestock distributor/ Wholesale of livestock	23,600	4.40	Live broilers	7
5.	Customer A ⁽¹⁾	Malaysia	Livestock distributor/ Poultry farming	18,738	3.50	Live broilers, broiler DOCs & feed and raw poultry products	6
				205,061	38.27		

7. BUSINESS OVERVIEW (Cont'd)

No.	Name	Country of operations	Type of customers/ Principal activities	Revenue		Main products provided	(2)Length of relationship as at end of FYE/ FPE
				RM'000	%		Years
FYE 2024							
1.	Segi Marine Enterprise Sdn Bhd	Malaysia	Retail chains/ Trading of groceries and foodstuffs	93,226	16.62	Raw poultry products	6
2.	Customer B ⁽¹⁾	Malaysia	Operation of slaughterhouse and retail chains/ Wholesale of poultry and agricultural products	36,677	6.54	Raw poultry products	3
3.	My Hero Hypermarket Sdn Bhd	Malaysia	Retail chains/ <u>Retailing</u>	32,769	5.84	Raw poultry products	4
4.	Customer A ⁽¹⁾	Malaysia	Livestock distributor/ <u>Poultry farming</u>	25,371	4.52	Raw poultry products	3
5.	Rawang Processing (M) Sdn Bhd <i>(formerly known as Mohamed Akbar Bin Wazir Mohamed)</i>	Malaysia	Livestock distributor/ Wholesale of livestock	23,552	4.20	Live broilers, broiler DOCs & feed	8
				211,595	37.72		

7. BUSINESS OVERVIEW (Cont'd)

No.	Name	Country of operations	Type of customers/ Principal activities	Revenue		Main products provided	⁽²⁾ Length of relationship as at end of FYE/ FPE
				RM'000	%		Years
FPE 2025							
1.	Segi Marine Enterprise Sdn Bhd	Malaysia	Retail chains/ Trading of groceries and foodstuffs	48,014	15.45	Raw poultry products	7
2.	Customer A ⁽¹⁾	Malaysia	Livestock distributor/ Poultry farming	18,751	6.03	Live broilers, broiler DOCs & feed and raw poultry products	4
3.	Customer B ⁽¹⁾	Malaysia	Operation of slaughterhouse and retail chains/ Wholesale of poultry and agricultural products	17,183	5.53	Raw poultry products	4
4.	My Hero Hypermarket Sdn Bhd	Malaysia	Retail chains/ Retailing	16,147	5.19	Raw poultry products	5
5.	Rawang Processing (M) Sdn Bhd <i>(formerly known as Mohamed Akbar Bin Wazir Mohamed)</i>	Malaysia	Livestock distributor/ Wholesale of livestock	12,180	3.92	Live broilers, broiler DOCs & feed	9
				112,275	36.12		

7. BUSINESS OVERVIEW (Cont'd)

Notes:

- (1) We are unable to disclose the identity of Customer A and B as they do not consent to be named in this Prospectus and requested to remain anonymous in its business dealing with us.
- (2) Calculated based on the respective financial years/period.

For the Financial Periods Under Review, our top 5 customers mainly comprised wholesalers and retailer, and livestock distributors. Collectively, our top 5 customers contributed approximately 43.17%, 41.20%, 38.27%, 37.72% and 36.12% to our revenue.

In particular, our largest customer during the Financial Periods Under Review was Segi Marine Enterprise Sdn Bhd, contributing approximately 22.56%, 21.83%, 17.73%, 16.62% and 15.45% of our Group's revenue, respectively. Our Group is dependent on Segi Marine Enterprise Sdn Bhd who has consistently been our top major customer. Despite being dependent on Segi Marine Enterprise Sdn Bhd, as part of our efforts to reduce this dependency, we have expanded our customer base, particularly, our retail customer base which grew from 43 in FYE 2021 to 193 in FPE 2025. In addition, our livestock distributor customer base remained consistently stable throughout the Financial Periods Under Review, ranging from 25 to 40 customers. Going forward, we aim to continue our efforts to secure new retail customers and more orders from both existing customers.

We do not enter into any contract with our customers. However, we have established good business relationships with our top 5 customers, and there has been no dispute with these customers over time which has significantly affected our operations or financial performance. Majority of our top 5 customers for the FPE 2025 have been in dealings with us for 4 years and above. Moving forward, we expect our major customers to continue contributing to our revenue and we have not encountered any major problems in our past dealings with them.

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7. BUSINESS OVERVIEW (Cont'd)

7.18 MAJOR SUPPLIERS

Our Group's top 5 suppliers according to total purchases for the Financial Periods Under Review are as follows:

Our Group's top 5 suppliers accounting for total purchases for the Financial Period Under Review are as follows:						(2)Length of relationship as at end of FYE/ FPE
No.	Name	Country of operations	Purchase value		Main products/ services sourced	Years
			RM'000	%		
FYE 2021						
1.	PK Agro-Industrial Products (M) Sdn Bhd	Malaysia	62,912	26.43	Feed & broiler DOCs	6
2.	Supplier A ⁽¹⁾	Malaysia	18,786	7.89	Feed	5
3.	Lapangan Kenanga Sdn Bhd	Malaysia	15,071	6.33	Live broilers	2
4.	Ayam AA Enterprise Sdn Bhd	Malaysia	14,508	6.09	Raw poultry products	3
5.	Hong Yeow Trading Sdn Bhd	Malaysia	12,109	5.09	Live broilers	1
			123,386	51.83		
FYE 2022						
1.	PK Agro-Industrial Products (M) Sdn Bhd	Malaysia	101,992	26.32	Feed & broiler DOCs	7
2.	Supplier A ⁽¹⁾	Malaysia	38,126	9.84	Feed	6
3.	Hong Yeow Trading Sdn Bhd	Malaysia	31,460	8.12	Live broilers	2
4.	Lapangan Kenanga Sdn Bhd	Malaysia	17,398	4.49	Live broilers	3
5.	Supplier B ⁽¹⁾	Malaysia	11,487	2.96	Broiler DOCs	4
			200,463	51.73		

7. BUSINESS OVERVIEW (Cont'd)

No.	Name	Country of operations	Purchase value		Main products/ services sourced	⁽²⁾ Length of relationship as at end of FYE/ FPE
			RM'000	%		Years
FYE 2023						
1.	PK Agro-Industrial Products (M) Sdn Bhd	Malaysia	118,325	24.28	Feed & broiler DOCs	8
2.	Supplier A ⁽¹⁾	Malaysia	56,325	11.55	Feed	7
3.	Supplier C ⁽¹⁾	Malaysia	34,636	7.11	Frozen chicken parts	2
4.	Hong Yeow Trading Sdn Bhd	Malaysia	22,801	4.68	Live broilers	3
5.	Supplier D ⁽¹⁾	Malaysia	19,262	3.95	Live broilers	3
			251,349	51.57		
FYE 2024						
1.	PK Agro-Industrial Products (M) Sdn Bhd	Malaysia	137,700	28.91	Feed & broiler DOCs	9
2.	Supplier A ⁽¹⁾	Malaysia	49,302	10.35	Feed	8
3.	Supplier C ⁽¹⁾	Malaysia	34,039	7.15	Frozen chicken parts	3
4.	Supplier D ⁽¹⁾	Malaysia	25,076	5.26	Live broilers	4
5.	Supplier B ⁽¹⁾	Malaysia	13,442	2.82	Broiler DOCs	6
			259,559	54.49		

7. BUSINESS OVERVIEW (Cont'd)

No.	Name	Country of operations	Purchase value		Main products/ services sourced	⁽²⁾ Length of relationship as at end of FYE/ FPE
			RM'000	%		Years
FPE 2025						
1.	PK Agro-Industrial Products (M) Sdn Bhd	Malaysia	72,032	23.17	Feed & broiler DOCs	10
2.	Supplier A ⁽¹⁾	Malaysia	29,391	9.46	Feed	9
3.	Supplier C ⁽¹⁾	Malaysia	11,931	3.84	Frozen chicken parts	4
4.	Supplier D ⁽¹⁾	Malaysia	11,805	3.80	Live broilers	5
5.	Supplier B ⁽¹⁾	Malaysia	5,774	1.86	Broiler DOCs	6
			130,933	42.13		

Notes:

- (1) We are unable to disclose the identity of Supplier A, B, C and D as they do not consent to be named in this Prospectus and request to remain anonymous in its business dealing with us.
- (2) Calculated based on the respective financial years/period.

Our main purchases are broiler DOCs and feed, as well as live broilers from contract farmers, for our poultry farming segment. During the Financial Periods Under Review, we sourced our broiler DOCs from up to 10 suppliers. Similarly, for feed, we engaged from up to 6 suppliers. We select our suppliers based on pricing, reliability, ability to meet our quality requirements and response time. Although the purchases made from PK Agro-Industrial Products (M) Sdn Bhd and Supplier A collectively contributed 34.32%, 36.16%, 35.83%, 39.26% and 32.63% to our Group's total purchases for the Financial Periods Under Review, our Group is not dependent on them. These suppliers are chosen by our Group not only for their competitive pricing but also for their product quality, reliable supply, and timely delivery. As such, we are not dependent on any major suppliers as we are able to source from other reliable suppliers. In the event that any of these suppliers were to cease selling to us, we could easily source similar supplies from other suppliers in the market.

7. BUSINESS OVERVIEW (Cont'd)

For FYE 2021 and FYE 2022, our major customers, namely Ayam AA Enterprise Sdn Bhd and Lapangan Kenanga Sdn Bhd, were also our major suppliers. Our Group primarily sold live broilers to Ayam AA Enterprise Sdn Bhd and we purchased processed whole chicken from Ayam AA Enterprise Sdn Bhd. However, the business relationship with Ayam AA Enterprise Sdn Bhd ended in 2021 as Ayam AA Enterprise Sdn Bhd was wound up. Lapangan Kenanga Sdn Bhd was a contract farmer of our Group, with sales derived from broiler DOCs, feed, vaccines and medicine. The purchases were made up from purchase of full-grown broilers back from Lapangan Kenanga Sdn Bhd. Lapangan Kenanga Sdn Bhd ceased to be a contract farmer of our Group in 2023.

For the Financial Periods Under Review, our top 5 suppliers contributed approximately 51.83%, 51.73%, 51.57%, 54.49% and 42.13%, to our Group's total purchases. Purchases from our top 5 suppliers are conducted on a purchase order basis. We do not normally enter into any binding agreements with our suppliers for the purchases. This allows us the flexibility to purchase these supplies from other suppliers at competitive pricing terms. Although we do not enter any supply agreements or arrangements with our major suppliers, our Group have maintained good working relationship with our major suppliers. There has been no dispute with our suppliers, and we have not experienced difficulty in sourcing our supplies during the Financial Periods Under Review.

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7. BUSINESS OVERVIEW (Cont'd)

7.19 TYPES, SOURCES AND AVAILABILITY OF INPUT

The table below sets out our major purchases for the Financial Periods Under Review:

Cost components	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Live broilers ⁽¹⁾	102,870	43.21	190,721	49.22	218,282	44.79	208,931	43.88	115,426	45.27
Feed ⁽²⁾	86,397	36.29	134,734	34.77	166,188	34.10	164,131	34.47	86,576	33.95
Broiler DOCs ⁽³⁾	26,440	11.11	42,449	10.95	59,118	12.13	50,745	10.66	31,851	12.49
Raw poultry products ⁽⁴⁾	21,051	8.84	17,654	4.56	41,045	8.42	47,397	9.95	17,075	6.70
Vaccines & Medicines ⁽⁵⁾	1,302	0.55	1,953	0.50	2,763	0.56	4,931	1.04	3,127	1.23
Parent stocks	-	-	-	-	-	-	-	-	⁽⁶⁾ 918	0.36
Total purchases	238,060	100.00	387,511	100.00	487,396	100.00	476,135	100.00	254,973	100.00

Notes:

- (1) Comprises the purchase of live broilers from both the contract farmers and third-party suppliers for the trading of live broilers to livestock distributors and traders, and the processing and distribution of raw poultry products business segments.

7. BUSINESS OVERVIEW (Cont'd)

The breakdown of live broilers sourced from contract farmers and third-party suppliers are as below:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	(RM'000)				
Contract farmers	73,031	125,922	146,411	140,495	84,775
Third-party suppliers	29,839	64,799	71,871	68,436	30,651

- (2) Purchase of feed for use in the poultry farming segment during the rearing period to support the growth of the broilers.
- (3) Purchase of broiler DOCs for use in the poultry farming segment to produce fully grown broilers.
- (4) Purchase of frozen chicken parts (including boneless breast, wing, drumstick and whole leg) for use in the poultry processing segment to meet market demand.
- (5) Purchase of vaccines and medicines for use in the poultry farming segment to maintain flock health, as well as to prevent and treat diseases.
- (6) Purchase of parent stock as we commenced the breeder breeding operation in May 2025.

For the Financial Periods Under Review, our major purchases mainly included live broilers, feed, broiler DOCs and raw poultry products, which collectively contributed to 98.96% and 98.41% to our Group's total purchases during FYE 2024 and FPE 2025, respectively. These major inputs, which we use for both our poultry farming and poultry processing business segments are readily available and can be sourced from local suppliers. We generally take into account our suppliers' pricing, product quality, supply reliability and delivery lead time. We have not experienced any major interruptions in supply and sourcing of these major inputs during the Financial Periods Under Review.

7.20 COMPETITIVE STRENGTHS**7.20.1 Compliance with Food Safety and Quality Standards**

Our Group aims to consistently meet or exceed the expectations of the customers in achieving customer satisfaction and loyalty. As such, quality excellence forms an important part of our Group's continuous commitment to provide quality and safe food products to our customers and end-consumers.

Among our self-operated broiler farms, Farm A has undergone assessment and received MyGAP certification from the DVS. This certification further demonstrates our commitment to adopting good agricultural practices with an environmentally friendly approach, safeguarding the welfare and safety of our workers in producing quality, safe, and edible products. Meanwhile, we are in the process of applying for certification and awaiting approval for our other farms. Our poultry farming adopts the closed-house system and "all-in-all-out" practice with high biosecurity. Closed-house system allows for a more hygienic environment as the broilers is reared in an enclosed building with controlled ventilation, creating an optimal environment to broilers. This system also helps minimising contamination as it keeps out predators and other wild birds which may be disease-carriers. Additionally, when the broilers reached the age of 30 to 35 days old, the broilers are transferred out and harvested. The broiler farm house and all the equipment within the particular broiler farm house will then be cleaned and disinfected thoroughly, and left vacant for a period of 1 to 3 weeks before the next rearing batch.

7. BUSINESS OVERVIEW (Cont'd)

In compliance with various standards, our poultry processing operations have been assessed and accredited with several certifications from the relevant regulatory authorities in Malaysia, which includes MeSTI certificate from the MOH, and Halal certification from JAKIM. The said certifications serve as testimonies of our Group's commitment to high product quality and safety, which are key concerns for food products.

7.20.2 We Have an Experienced Management Team

Our Group's highly competent management team and our unique combination of individuals give us a strong and competitive strength over the competitors. Our Group is led by our Managing Director and Chief Executive Officer, Hong How Seng, who has been in the local poultry industry for over 12 years. Hong How Seng is primarily responsible for setting strategic directions necessary to propel our Group's continued expansion, evaluates market trends, identifies opportunities for further expansion and assesses potential risks to maintain our Group's competitive edge in the industry. He is assisted by our Executive Director and Deputy Chief Executive Officer, Tan Kok Cheong, with over 12 years of experience in the poultry industry, who also play pivotal roles in developing and executing our Group's strategic visions, goals and initiatives, as well as involved in monitoring organisational performance against established goals and objectives to ensure that our Group remains on track for success and growth, and to identify, assess and mitigate risks that may impact the operations and financial performance of our Group.

They are supported by a team of experienced and dedicated Key Senior Management who possess extensive experience in the poultry farming industry and across various business activities, including farm operations, technical aspects, finance, and sales and marketing. Please refer to Section 5 of the Prospectus for the profiles of our Key Senior Management.

7.20.3 Stable Supply and Reliable Suppliers

We have the ability to source broiler DOCs and feed from local suppliers for our poultry farming, which provides us with greater control over the supply chain, ensuring a stable and reliable supply. This also supports the efficiency of our operations, contribute to the overall stability and allows us to manage operational costs more effectively.

As part of our efforts to ensure continuous supply of broilers for our overall poultry production, in addition to our self-operated broiler farms, we also engage the services of 38 contract farmers that operate a total of 44 contract farms, located in Perak, Selangor, Negeri Sembilan, Pahang and Melaka, as at the LPD. By engaging the services of contract farmers, our Group is able to ensure stable supply of broilers without incurring capital expenditure for additional farms as well as the maintenance and running costs associated with them.

7.20.4 Established Long-term Business Relationship with our Customers

Having an established reputation with our customers is utmost important in the industry we operate in. Our Group has successfully built and maintained long-term business relationship with local supermarket/hypermarket chains. Timely and reliable product delivery is crucial in the retail industry, and our ability to meet and fulfil customer expectations is evident in our enduring relationships with past and present customers. Notably, we have maintained a long-term business relationship with Segi Marine Enterprise Sdn Bhd since 2018.

7. BUSINESS OVERVIEW (Cont'd)

7.21 BUSINESS STRATEGIES AND FUTURE PLANS

Our business objectives are to maintain a sustainable growth rate in our business and to create long-term shareholder value. To achieve our business objectives, we will implement the following business strategies and future plans over the period of 36 months from the date of our Listing: -

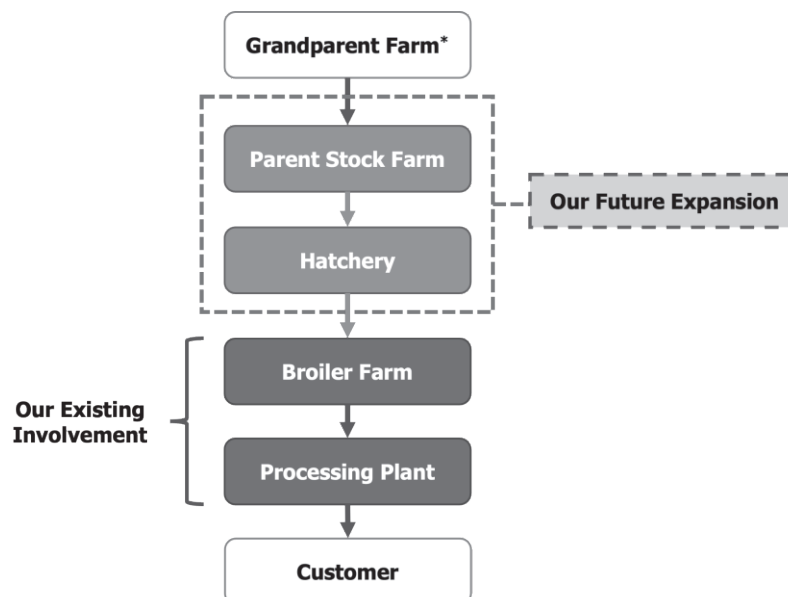
7.21.1 Vertical Expansion into the Broiler Breeding and Hatchery Business Segments

For the Financial Periods Under Review and up to the LPD, we sourced our broiler DOCs from 9 local parent stock farms. As part of our expansion plan, we are in the early stage of venturing into the upstream sector of the poultry industry, by specifically engaging in broiler breeding and hatchery operations, to supply broiler DOCs to our poultry farming operations.

As at the LPD, construction of PS Farm 1 and PS Farm 3 have been completed and have commenced operation, whilst construction of the hatchery is expected to commence during the 2nd quarter of 2026 after the commencement of operation of PS Farm 2.

The upstream vertical integration allows us to enhance our controls over the breeding and hatchery processes, while also improving our ability to manage the costs and the quality of the broiler DOCs. This will then improve the operation margins of our poultry farming segment. We will utilise proceeds from the IPO, bank borrowings and internally generated funds for the construction of the parent stock farms and hatchery. The expected profit to be derived from our expansion will mitigate the interests cost impact arising from additional borrowings utilised for the construction of the parent stock farms and hatchery.

The general broiler breeding operation is depicted in diagram below:



- A grandparent farm, also known as a grandparent stock farm, refers to the production of day-old chicks for use in parent stock farms

7. BUSINESS OVERVIEW (Cont'd)

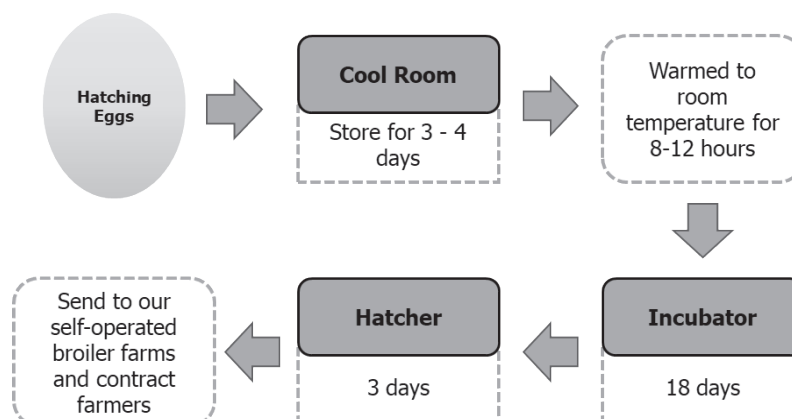
Broiler breeding, also known as parent stock farming, involves the operation of rearing parent stocks (i.e. breeder hens and cockerels) to produce hatching eggs. These eggs will be incubated to hatch broiler DOCs. Subsequently, these DOCs will either be sent to our self-operated broiler farms or sold to our contract farmers and raised as broilers for meat production. As parent stock farms are often tied with hatcheries, we will also construct our own hatchery as part of our vertical expansion plan.

We intend to use the Ross and Cobb breeds as parent stock where we will source it locally for our broiler breeding operations. Our group has identified the supplier for the parent stock and has initiated the procurement process to secure supplies from the grandparent stock farm. However, we are not entering into any procurement agreement with the selected grandparent stock farm at this time, and therefore, no purchase requirements have been established. Once the order has been made, parent stocks will be kept at our newly constructed PS Farm 1 and PS Farm 3. Parent stocks are reared in the farm for 24 weeks. Breeder hens start laying eggs from 25th week up to 64th week. After the 64th week, the breeder hens will be delivered for slaughtering and sold as dressed chicken, commonly referred to as “old layer” in the market.

Eggs are collected around 3 to 4 times a day and kept in a cool room for 3 to 4 days before being set in the incubator at our to-be-constructed hatchery. The incubation process takes a total of 21 days, where 18 days in the incubators and 3 days in the hatcher to hatch the eggs.

For the eggs to hatch successfully, the quality of the eggs is crucial. Eggs with conditions such as cracks, misshapes, thin shells, and double yolks will be removed before incubating, as these eggs hatch very poorly. The eggs are also normally sanitised prior to setting. The common methods used include using formaldehyde fumigation, dipping in ammonium solutions, ultraviolet rays and ozone. As part of disease control measures, it is crucial to thoroughly clean and disinfect the incubator and hatcher before each use. During the incubation period, eggs are turned mechanically several times daily to prevent the embryos from sticking to the shell membranes, until three days before hatching as the embryos are moving into hatching position and need no turning. Once hatched, the broiler DOCs are then sent to our own self-operated broiler farms or sold to our contract farmers.

The general hatchery operation is depicted in diagram below:



This expansion plan will be supported by a team of employees with the relevant skill set (anticipating a total of 114 employees, for both office and farm operations), led by Tan Chin Heng who possess extensive experience in the poultry farming industry. In line with this expansion plan, we intend to commence expansion of our facilities, which includes construction of our parent stock farms and hatchery facilities and outlined as follows:

7. BUSINESS OVERVIEW (Cont'd)**a) Construction of parent stock farms**

The 3 parent stock farms will include a total of 12 breeder houses (i.e. 4 breeder houses each in 1 parent stock farm, of which 4 breeder houses will be in Pahang and 8 breeder houses will be in Negeri Sembilan). Each breeder house is designed to accommodate approximately 10,000 breeder hens, bringing the total capacity of each parent stock farm to approximately 40,000 breeder hens. We strategically locate our parent stock farms across 2 different locations to facilitate the effective implementation of the all-in-all-out system in breeder operations and to ensure a consistent supply of DOCs. This geographic diversification also helps mitigate the risk of disease outbreaks, as compared to operating from a single consolidated location.

Similar to our poultry farming, we will adopt a closed-house system for all our parent stock farming operation. Upon completion, the aggregate size of the 3 parent stock farms will be approximately 55.27 acres of agricultural land which has an estimated maximum capacity of producing approximately 10.50 million broiler DOCs per annum. However, it is expected that our intake of broiler DOCs for our poultry farming operations will exceed the estimated average output of broiler DOCs from our own production upon commencement of the 3 parent stock farms, and as such we will continue to rely on external sources to supplement the shortfall and ensure uninterrupted supply.

As at the LPD, construction of PS Farm 1 and PS Farm 3 have been completed and has commenced operations.

Proceeds raised from the IPO will be utilised for the construction of 1 remaining parent stock farm (i.e. PS Farm 2) and to replenish the capital expenditure incurred for the completion of the construction of PS Farm 3 as well as the capital investment incurred prior to the commencement of the construction of PS Farm 2.

The indicative timeline for the construction of our new parent stock farms is as follows:

Milestones	Estimated commencement time/ Completion time		
	PS Farm 1	PS Farm 2	PS Farm 3
• Finalise the layout plan of all the parent stock farms	Completed	Completed	Completed
• Submission of building plan to the authorities	Completed	Completed	Completed
• Receipt of approved building plan for the commencement of the construction of parent stock farms	Completed	Completed	Completed
• Commence the construction of parent stock farms	Completed	4 th quarter of 2025	Completed
• Completion of construction of parent stock farms	Completed	1 st quarter of 2026	Completed
• Installation of equipment, and mechanical and electrical systems	Completed	1 st quarter of 2026	Completed
• Commencement of broiler breeding operations	Completed	2 nd quarter of 2026	Completed

7. BUSINESS OVERVIEW (Cont'd)**Note:**

- (1) PS Farm 2 is subject to additional approval requirements due to its proximity to a river, which may result in a longer approval process. Our Group has obtained the KM for PS Farm 2 and is awaiting for the approval and receipt of approved building plan to commence construction.

b) Construction of hatchery

We intend to set up 1 hatchery facility together with its auxiliary structures, with a built-up area of approximately 36,000 sq ft located at Mahsan, Negeri Sembilan on the following parcels of land owned by the Group:

- PN31999, Lot no. 8093, Pekan Mahsan, District of Jempol, State of Negeri Sembilan;
- PN31998, Lot no. 8094, Pekan Mahsan, District of Jempol, State of Negeri Sembilan; and
- PN31996, Lot No. 8097, Pekan Mahsan, District of Jempol, State of Negeri Sembilan.

This hatchery facility will be equipped with 12 incubators with an estimated maximum capacity of producing approximately 22.60 million eggs per annum, taking into consideration of the hatching eggs produced from PS Farm 1, PS Farm 2 and PS Farm 3 and future parent stock farms expansions.

The indicative timeline for the construction of our new hatchery facility is as follows:

Details	Estimated commencement time/ Completion time
• Finalise the layout plan of hatchery facility • Submission of building plan to the authorities	3rd quarter of 2025 3rd quarter of 2025
• Receipt of approved building plan • Commence the construction of hatchery facility	2nd quarter of 2026 2nd quarter of 2026
• Completion of construction of hatchery facility • Installation of incubators, equipment, and mechanical and electrical systems	4th quarter of 2026 4th quarter of 2026
• Commencement of hatchery operations	1st quarter of 2027

However, the estimated timeframe for the construction of the hatchery is expected to be longer than that of the parent stock farms. Therefore, prior to the completion of the hatchery, our Group intends to engage a third-party service provider for the hatching of eggs to support the initial stage of our future breeding operation.

7. BUSINESS OVERVIEW (Cont'd)

7.22 GOVERNING LAWS AND REGULATIONS

Our Group is subject to the following laws and regulations which are material to our business operations in Malaysia:

(A) LAWS AND REGULATIONS RELATING TO OUR BUSINESS OPERATION
(i) Poultry Farming Enactments

The Poultry Farming Enactments were enacted by the respective states in Malaysia to control poultry farming in the states.

The enactments aim to regulate poultry farming and its related activities such as the processing of poultry, poultry waste and poultry farm by-products. The Poultry Enactments require poultry farms to be licensed and for operators of poultry farms to comply with the conditions imposed on the licences issued. Applications for such licences may be refused if the relevant state authorities are of the opinion that the poultry farms pose a health hazard to the public or public property or is likely to pollute the environment surrounding the site of the proposed poultry farm.

Any person who operates or carries on any poultry farming without a valid licence commits an offence and shall on conviction be liable to a fine not exceeding RM10,000 but not less than RM5,000 or to imprisonment for a term not exceeding 2 years or to both. On the other hand, any breach or contravention of the condition imposed by the DVS in the licence commits an offence and shall, on conviction, be liable to a fine not exceeding RM5,000 or to imprisonment for a term not exceeding 6 months to both, depending on the relevant State Poultry Farming Enactment. Further, the poultry licence may also be revoked by the relevant state DVS.

The enactments render it an offence to discharge poultry waste and/or by-products into rivers, streams, creeks or other ungazetted waste disposal sites. The emission of unpleasant odours, and/or fumes, the breeding of flies, insects or pests which is a health hazard or public nuisance are offences under the enactments. The enactments also prohibit poultry farms from using banned drugs or any drugs which may pose a hazard to the public.

As our Group operates farm in the states of Selangor and Negeri Sembilan, we are required to obtain the poultry farming licence from the DVS of Selangor and Negeri Sembilan for each of our broiler farms.

As at the LPD, we have obtained valid poultry farming licences for each of our broiler farms from the DVS of Selangor and Negeri Sembilan, which is renewable annually. To ensure our compliance with the aforesaid Poultry Farming Enactments, we will renew the poultry farming licences annually and continue to maintain the conditions imposed in the respective poultry farming licences issued by the DVS in accordance with the respective state's Poultry Farming Enactment for the operation of our broiler farms.

7. BUSINESS OVERVIEW (Cont'd)

(ii) Local Government Act 1976

The Local Government Act 1976 empowers every local authority to, amongst others, grant licence or permit for any trade, occupation or premise through by-laws. Every licence or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor. As our Group's activities are carried out in Klang, Hulu Selangor, Kuala Selangor, Kuala Langat, Lukut, Port Dickson, Seremban and Ipoh, we fall under the jurisdiction of the following local councils. The following sets out the relevant by-laws governing the conduct of our business:

(a) Licensing of Trades, Business and Industries (Klang Municipal Council) By-Laws 2007 ("MPK Licensing By-Laws")

The MPK Licensing By-Laws provides that no person shall operate any activity of trade, business and industry or use any place or premise in the local area of MPK for any activity of trade, business and industry without a licence issued by MPK. Any person who contravenes any of the provision of the MPK Licensing By-Laws commits an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

(b) Licensing of Trades, Businesses and Industries (Ipoh City Council) By-Laws 2017 ("MBI Licensing By-Laws")

The MBI Licensing By-Laws provides that no person shall operate any activity of trade, business and industry or use any place or premise in the local area of MBI for any activity of trade, business and industry without a licence issued by the MBI. Any person without first having obtained a valid licence operates or cause to be operated in his premise upon which he had control over it either as the registered owner, tenant, occupant or worker of that premise or by way of omission allows a trade, business or industrial activity to be carried out in that premise shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding on year or to both, and in the case of continuing offence, to a fine not exceeding RM200 or part thereof for each day during which the offence is continued after conviction.

(c) Licensing of Trades, Businesses and Industries (Hulu Selangor District Council) By-Laws 2007 ("MPHS Licensing By-Laws")

The MPHS Licensing By-Laws provides that no person shall operate any activity of trade, business and industry or use any place or premise in the local area of the MPHS for any activity of trade, business and industry without a licence issued by MPHS. Any person who contravenes any of the provision of the MPHS Licensing By-Laws commits an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

7. BUSINESS OVERVIEW (Cont'd)

- (d) Licensing of Trades, Businesses and Industries (Kuala Langat District Council) By-Laws 2007 ("MPKL Licensing By-Laws")

The MPKL Licensing By-Laws provides that no person shall operate any activity of trade, business and industry or use any place or premise in the local area of the Kuala Langat District Council ("MPKL") for any activity of trade, business and industry without a licence issued by the MPKL. Any person who contravenes any of the provision of the MPKL Licensing By-Laws commits an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

- (e) Licensing of Trades, Businesses and Industries (Kuala Selangor District Council) By-Laws 2007 ("MPKS Licensing By-Laws")

The MPKS Licensing By-Laws provides that no person shall operate any activity of trade, business and industry or use any place or premise in the local area of the MPKS for any activity of trade, business and industry without a licence issued by the MPKS. Any person who contravenes any of the provision of the MPKS Licensing By-Laws commits an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

- (f) The Trades, Businesses and Industries (District Council of Seremban) By-Laws 1999 ("MBS By-Laws")

The MBS By-Laws provides that no person shall deal in any form of trade, business or industry in any place or premise within the MBS area unless he is licensed to do so by MBS. Any person who contravenes any of the provision of the MBS By-Laws commits an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

- (g) The Licensing of Trades, Businesses and Industries and Other Professions (Port Dickson District Council) By-Laws 1983 ("MPPD Licensing By-Laws")

The MPPD By-Laws provides that no place within the MPPD shall unless licensed be used for any trade, business, industry or profession for which fees have been prescribed in the MPPD Licensing By-Laws. Any person who without a licence establishes or uses any premises or permits the same to be established or used for any of the purposes set out in the MPPD Licensing By-Laws shall be guilty of offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

7. BUSINESS OVERVIEW (Cont'd)

Save as disclosed in Section 7.23A(i) of this Prospectus, we possess valid business premise and advertisement licences (where applicable) for all of our business premises.

(iii) Industrial Co-ordination Act 1975 ("ICA")

The ICA provides the co-ordination and orderly development of manufacturing activities in Malaysia. Manufacturing companies with shareholders' funds of RM2.50 million and above or engaging 75 or more full-time paid employees are required to apply for a manufacturing licence from the MITI.

Any failure to observe and adhere to the licensing requirements under the ICA constitutes an offence which is liable on conviction to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding six (6) months and to a further fine not exceeding RM1,000 for every day during which such non-compliance continues.

Save for the past non-compliance as disclosed in Section 7.23(B)(i) of this Prospectus, we maintain valid manufacturing licence issued by MITI for our poultry processing business.

(iv) Control of Supplies Act 1961 ("CSA") and Control of Supplies (Chicken) Regulations 1996 ("Control of Supplies Chicken Regulations")

The CSA governs the law on controlled article in Malaysia. Under the Control of Supplies Chicken Regulations which was issued pursuant to the CSA, chicken is a controlled article whereby the dealing in chicken in the wholesale or retail and breeding of chicken in the manner or by the method specified therein, requires a licence. Specifically, a separate licence is required for each and every such place of business of such persons.

The offences under the CSA include the sale of any controlled goods without a licence, the sale by person of any controlled goods in excess of the quantity which may be lawfully acquired by the purchaser, the concealment and destruction of any controlled goods in order to withhold the article from the market and false denial of being in possession of, or refusal to sell controlled goods.

Any person who sells by wholesale or retail any controlled article without a licence or any holder of licence who sells any controlled articles in any premises or at a place other than the premises or place specified in the licence, or who so sells any controlled article contrary to any conditions specified in the licence, shall commit an offence under the CSA. Upon conviction, any body corporate shall be liable to a fine not exceeding RM2,000,000 and for a second or subsequent offence, to a fine not exceeding RM5,000,000. The director or officer of such body corporate may also be liable to a fine not exceeding RM1,000,000 or to imprisonment for a term not exceeding 3 years or to both, and for second or subsequent offence, to a fine not exceeding RM3,000,000 or to imprisonment for a term not exceeding 5 years or to both.

As at the LPD, our Group holds and maintains valid wholesaler licences to sell chicken on a wholesale basis required for the purpose of our business operation.

7. BUSINESS OVERVIEW (Cont'd)**(v) Price Control and Anti-Profiteering Act 2011 ("PCAPA") and Price Control and Anti-Profiteering (Mechanism to Determine Unreasonably High Profit) Regulations 2018 ("PCAP Regulations")**

The PCAPA sets out provisions to control prices of goods and services and to prohibit profiteering. The PCAPA empowers the KPDN to determine the maximum, minimum or fixed price for the manufacturing, producing, wholesaling or retaining of goods ("**Price-controlled Goods**").

Any person who, in the course of trade or business make unreasonably high profit in selling or offering to sell or supplying or offering to supply goods also commits an offence under the PCAPA. The mechanism to determine whether profit is unreasonably high is determined by the KPDN using a formula prescribed in the PCAP Regulations.

Any person who sells or offers to sell any Price-controlled Goods not in accordance with the prices determined by KPDN commits an offence under the PCAPA.

(vi) Food Act 1983 ("Food Act"), Food Regulations 1985 ("Food Regulations") and Food Hygiene Regulations 2009 ("Food Hygiene Regulations")

The Food Act and the Food Regulations aim to protect the public against health hazards and fraud in the preparation, sale and use of food and for other related matters. Both the Food Act and the Food Regulations regulate various aspects of food safety and quality control, including food compositional standards, food additives, nutrient supplements, contaminants, food labelling, advertisement, procedure for taking samples and provisions for food not standardised under the Food Regulations.

Further, the Food Hygiene Regulations governs and controls the hygiene and safety of food sold in Malaysia. No person shall use any food premise involved in manufacturing of food or in connection with the preparation, preservation, packaging, storage, conveyance, distribution or sale of any food except where such premise is registered under the Food Hygiene Regulations. Any person who uses any food premises for the prescribed purposes without a valid certificate of registration commits an offence and shall, upon conviction, be liable to a fine not exceeding RM10,000 or to imprisonment for a term not exceeding 2 years.

In general, the Food Hygiene Regulations regulates, amongst others:

- (a) the duty of proprietor, owner or occupier of food premises;
- (b) general and specific requirements pertaining to food premises which include requirements as to the cleanliness, pest control, floor, wall surfaces, lighting and ventilation of food premises;
- (c) the training, medical examination, health condition, clothing and personal hygiene of the food handler (i.e. any person who is involved directly in the food preparation); and
- (d) the protection of food from contamination throughout the various stages and processes in relating to food including the use and condition of food appliances and containers and preparation, packing and storage of food.

7. BUSINESS OVERVIEW (Cont'd)

We will ensure continued compliance with the with the Food Act, Food Regulations and Food Hygiene Regulations to ensure that our products are safe for human consumption and meet the relevant standards and conducts applicable to our products. In ensuring that our food production meet the standard of cleanliness and hygiene and the food assurance system required under Malaysian food-related laws, we are duly certified by the independent certification bodies with a number of requirements and standards in respect of food safety management system such as the good agricultural practices and quality management system.

(vii) Trade Descriptions Act 2011 (“TDA”), Trade Descriptions (Definition of Halal) Order 2011 (“TDDH”) and Trade Descriptions (Certification and Marking of Halal) Order 2011 (“TDCMH”)

The purposes of the TDA are to, amongst others, promote good trade practices by prohibiting false trade descriptions and false or misleading statements, conduct and practices in relation to the supply of goods and services and to provide for connected and incidental matters.

Pursuant to Section 5 of the TDA, any person who:

- (a) applies a false trade description to any goods;
- (b) supplies or offers to supply any goods to which a false trade description is applied; or
- (c) exposes for supply or has in his possession, custody or control for supply any goods to which a false trade description is applied,

commits an offence and shall, on conviction, be liable, if such person is a body corporate, to a fine not exceeding RM250,000, and for a second or subsequent offence, to a fine not exceeding RM500,000.

The TDDH and the TDCMH are issued under the TDA to protect traders and consumers from unethical trade practices in the supply of Halal products and services. Generally for food or goods to be described as halal or can be consumed or used by Muslims, it shall be certified as halal by a competent authority and marked with the logo specified in the first schedule to the TDCMH, by affixing, annexing or in any other manner incorporating it with the food or goods themselves or anything in, on or with which the food or goods are supplied. JAKIM and the State Islamic Religious Council have been appointed as the competent authorities to provide Halal certification. Definitions of halal and other related expression are, on the other hand, contained in the TDDH.

Under Order 8 of the TDCMH, any person who supplies or offers to supply any food or goods in contravention of TDCMH commits an offence and shall, on conviction, be liable, if such person is a body corporate, to a fine not exceeding RM200,000, and for a second or subsequent offence, to a fine not exceeding RM500,000. Besides, it shall also be an offence for any body corporate that supplies or offers to supply any food or goods which are described as Halal or are described in any other expression in contravention of the TDDH and shall, on conviction, be liable to a fine not exceeding RM5,000,000 and for a second or subsequent offence to a fine not exceeding RM10,000,000.

7. BUSINESS OVERVIEW (Cont'd)

We will continue to practice good trade practices and to ensure in particular that trade descriptions of the goods and services supplied by us are not false or misleading. Our Group shall continue to comply with the TTDH and the TDCMH and shall ensure that the preparation, processing and storage of our Halal certified poultry products comply with the definition of “Halal”, before such products are marketed as Halal products.

(viii) Environmental Quality Act 1974 (“EQA”), Environmental Quality (Industrial Effluent) Regulations 2009 (“Industrial Effluent Regulations”)

The EQA sets out provisions in respect of the prevention, abatement, control of pollution and enhancement of the environment. In general, the EQA restricts pollution of the atmosphere, noise pollution, pollution of the soil, pollution of inland waters without a licence, prohibits the discharge of oil into Malaysian waters without a licence, discharge of wastes into Malaysian waters without a licence and prohibits open burning.

The EQA also empowers the Minister charged with responsibility for environment protection may by regulations to specify the acceptable conditions for the emission, discharge or deposit of environmentally hazardous substances, pollutants or wastes or the emission of noise into any area, segment or element of the environment and may set aside any area, segment or element of the environment within which the emission, discharge or deposit is prohibited or restricted.

The Industrial Effluent Regulations, a subsidiary legislation issued pursuant to the EQA, was enacted to regulates the discharge or release of industrial or mixed effluents onto or into any soil, or into inland waters or Malaysia waters. The Industrial Effluent Regulations specified the requirements for the design and construct of an industrial effect treatment system to collect and treat industrial effluents generated within such premises. Any person who contravenes the Industrial Effluent Regulations will be guilty of an offence and will, on conviction, be liable to a fine not exceeding RM100,000 or to a term of imprisonment for a period not exceeding 5 years or to both and to a further fine not exceeding RM1,000 a day for every day that the offence is continue.

Save as disclosed in Section 7.23(B)(ii) of this Prospectus, our Group is in compliance with the EQA and Industrial Effluent Regulations and we will ensure continued compliance with the applicable EQA and Industrial Effluent Regulations provisions.

(ix) Feed Act 2009 (“FA 2009”)

The FA 2009 sets out provisions in respect of the importation, manufacture, sales and uses of the feed and feed additive. The objectives of the FA 2009 are to assure that the feed satisfied the nutritional requirement of animals, not harmful to animals and is not contaminated so that animals and animal products are safe for human consumption.

7. BUSINESS OVERVIEW (Cont'd)

The FA 2009 provides that no person shall incorporate any antibiotics, hormone or other chemicals into feed or introduce any antibiotics, hormone or other chemicals directly or through a medium into animals, unless in accordance with the prescribed manner and at the prescribed level. In addition, the FA 2009 also provides that no person shall possess any feed or feed additive which contains antibiotics, hormones or other chemicals the addition of which are not permitted under FA 2009 or any regulation made thereunder. Any person who contravenes these provisions under the FA 2009 commits an offence and shall on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 2 years or to both, and for a second or subsequent offence, to a fine not exceeding RM200,000 or to imprisonment for a term not exceeding 4 years or to both.

We will ensure continued compliance with the with the FA 2009 and adhere to all applicable requirements governing the use of feed and antibiotics.

(x) Animals Act 1953 ("AA 1953")

The AA 1953 governs the prevention of spreading diseases of animals and birds into Peninsular Malaysia, the licensing requirement of importation and exportation of animals and birds into or from Peninsular Malaysia, and the control of slaughter of animals and birds

We will ensure continued compliance with the AA 1953 and adhere to all applicable requirements under the AA 1953.

(B) LAWS AND REGULATIONS RELATING TO OUR PROPERTIES AND MACHINERIES**(i) Street, Drainage and Building Act 1974 ("SDBA")**

The SDBA provides uniformity of law and policy to make laws with regard to local government matters relating to street, drainage and buildings in Peninsular Malaysia. It provides for the requirement to have a CF or CCC to ensure that the building is safe and fit for occupation.

In exercise of the powers conferred by Section 133 of the SDBA, the Uniform Building By-Laws 1984 ("**UBBL**") has been put into force. Under the UBBL, a CF or CCC in respect of a building shall be issued upon satisfaction of amongst others, the following requirements:

- (a) The qualified persons (i.e. the architect, registered building draughtsman or engineer) ("**Qualified Persons**") have certified that they have supervised the erection of the building during the course of the work;
- (b) The building has been constructed in accordance with the UBBL and any conditions imposed by the local authority have been satisfied;
- (c) The Qualified Persons accept full responsibility for those portions which they are respectively concerned with; and
- (d) All essential services have been provided.

7. BUSINESS OVERVIEW (Cont'd)

Pursuant to Section 70(27)(f) of the SDBA, no person shall occupy or permit to be occupied any building or any part thereof unless a CF or CCC has been issued and any failure to comply shall be liable on conviction to a fine of up to RM250,000 or to imprisonment for a term not exceeding 10 years or to both.

Sections 79 of the SDBA provides that prior written permission of the local authority is required among others for any partition, compartment, gallery, loft, roof, ceiling or other structures built in a building. Any failure to obtain the local authorities' prior written permission for the above may subject the person in breach to a fine not exceeding RM500, if convicted and a further fine not exceeding RM100 for every day during which the offence is continued after conviction.

Section 80 of the SDBA further provides that any person who erects or causes or permits to be erected, keeps or permits to be kept on his land or the land which he occupies any movable shed or movable structure intended to act as a roof without prior written permission of the local authority shall be guilty of an offence and shall on conviction be liable to a fine of RM1,000 and the Magistrate Court shall on application of the local authority, make a mandatory order requiring such person to remove such movable shed or structure.

Section 70 of the SDBA further provides that no person shall erect any building without the prior written permission of the local authority and any person who intends to erect any building shall cause to be submitted to the local authority or relevant authorities such plan and specification as may be required by any by-laws made under the SDBA or any other written law.

Any person who erects a building in contravention of the SDBA or any of the relevant by-laws made thereunder commit an offence and shall on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 3 years or to both, and shall be liable to a further fine of RM1,000 for every day during which the offence is continues after conviction.

Save for the on-going non-compliance matters and past non-compliance matters disclosed in Sections 7.23(A)(ii), 7.23 (B)(iii) and 7.23(B)(iv) of this Prospectus, all premises used for our business operations are complied with the SDBA. Moving forward, we will ensure continue compliance with the applicable SDBA provisions.

(ii) Town and Country Planning Act 1976 ("TCPA")

The TCPA govern the proper control and regulation of town and country planning in Peninsular Malaysia and regulates, amongst other, modification to KM and building plan approval issued by local authorities.

Section 19 of the TCPA provides that no person, other than a local authority, shall commence, undertake, or carry out any development without a valid KM. Pursuant to Section 26(1)(b) of the TCPA, a person, who, whether at his own instance or at the instance of another person commences, undertakes, or carries out, or permits to be commenced, undertaken, or carried out, any development in contravention of Section 19 commits an offence and shall on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 2 years or to both and, in the case of a continuing offence, to a further fine which may extend to RM5,000 for each day during which the offence continues after the first conviction for the offence.

7. BUSINESS OVERVIEW (Cont'd)

Save for the on-going non-compliance matters and past non-compliance matters disclosed in Sections 7.23(A) and 7.23 (B) of this Prospectus, all premises used for our business operations are complied with the TCPA. Moving forward, we will ensure continue compliance with the applicable TCPA provisions.

(iii) Factories and Machinery Act 1967 (“FMA”)

The FMA governs the control of factories with respect to matters relating to the safety, health and welfare of person therein, the registration and inspection of machinery and for matters connected therewith.

Section 19(1) of the FMA provides that no person shall operate or cause or permit to be operated any machinery in respect of which a certificate is prescribed, unless a valid certificate of fitness under the FMA has been issued. In the case of any contravention of Section 19(1) of the FMA, an inspector of factories and machineries appointed under the FMA shall serve upon the person a notice in writing prohibiting the operation of the machinery or may render the machinery inoperative until such time as a valid certificate of fitness is issued.

Any person who contravenes Section 19(1) of the FMA 1967 shall be guilty of an offence and shall on conviction, be liable to a fine not exceeding RM150,000 or to imprisonment for a term not exceeding 3 years or to both.

Our Group will ensure continued compliance with the applicable FMA provisions.

(iv) National Land Code (Revised 2020)

The NLC governs land matters within Peninsular Malaysia and Labuan, where the lands of our Group are situated.

Pursuant to the NLC, the state authority may alienate land subject to such express conditions and restrictions in interest which shall be determined by the state authority at the time when the land is approved for alienation and every condition or restriction in interest imposed under this section shall be endorsed on or referred to in the document of title to the land.

In the event of breach of conditions, the land administrator has the right to either (1) impose a fine under Section 127 of the NLC after serving a notice on and requesting the proprietor to attend a hearing to show cause to the satisfaction of the land administrator, the reason that a fine should not be imposed in respect of such breach, failing which, the proprietor may be liable to pay a fine of not less than RM500 (and in the case of a continuing breach, a further fine of not less than RM100 for each day of the continuing breach); (2) request the proprietor to remedy the breach within the time stipulated in the notice served by the land administrator under Section 128 of the NLC, failing which, the land administrator may take action to enforce forfeiture of the land under Section 129 of NLC; or (3) hold an enquiry to forfeit the land under Section 129 of the NLC.

Save for the past non-compliance issued disclosed in Section 7.23(B)(ii) of this Prospectus, all of our self-operated owned broiler farms have complied with the express condition(s) endorsed on their respective land titles and we will continue to ensure compliance with the applicable NLC provisions.

7. BUSINESS OVERVIEW (Cont'd)**(C) LAWS AND REGULATIONS RELATING TO SOCIAL WELFARE****(i) Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("EMSA") and Employee's Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020 ("EMSA Regulations")**

The EMSA and the EMSA Regulations prescribe the minimum standards of housing for employees, requiring employers to provide health, hospital, medical and social amenities and matters incidental thereto to its employees. Part IIIA of the EMSA imposes the duty and responsibility on employers to, among other things, ensure that:

- (a) no accommodation shall be provided to an employee unless certified with a certificate for accommodation. Pursuant to Section 24D(3) of the EMSA, an employer who fails to obtain a certificate for accommodation commits an offence and shall on conviction be liable to a fine not exceeding RM50,000;
- (b) the employer shall within 30 days from the date an accommodation is occupied by his employee, inform the Director General of such occupation. Pursuant to Section 24(E)(2) of the EMSA, any employer who fails to notify the Director General of such occupation commits an offence and shall on conviction be liable to a fine not exceeding RM10,000;
- (c) every accommodation provided for employees complies with the minimum standards required under the EMSA or any regulations made thereunder;
- (d) every accommodation provided for employees shall with decent and adequate amenities in accordance with the EMSA or any regulations made thereunder;
- (e) necessary preventive measures are taken to ensure employees' safety and well-being;
- (f) the employees receive the necessary medical assistance; and
- (g) preventive measures are taken to contain the spread of infectious diseases as ordered by the registered medical practitioner in accordance with the relevant laws and the employer shall, at his own expense, make arrangements as ordered by the medical practitioner so that all or any of the employees be given immunization against any infectious disease.

7. BUSINESS OVERVIEW (Cont'd)

Further, pursuant to Section 29A of the EMSA, a person who at the time of the commission of the offence was a director, compliance officer, partner, manager, secretary or other similar officer of the company, or was purporting to act in the capacity or was in any manner or to any extent responsible for the management of any of the affairs of the company or was assisting in its management may be charged severally or jointly in the same proceedings with the company and if the company is found guilty of the offence, shall be deemed to be guilty of that offence and shall be liable to the same punishment or penalty as an individual unless, having regard to the nature of his functions in that capacity and to all circumstances, he proves that the offence was committed without his knowledge, or that the offence was committed without his consent or connivance and that he had taken all reasonable precautions and exercised due diligence to prevent the commission of the offence.

The employees' accommodations that our Group provided to our employees were issued with the Certification for Accommodation. We will ensure continued compliance with the EMSA and the EMSA Regulations.

(ii) Occupational Safety and Health Act, 1994 ("OSHA")

Under the OSHA, employers and every self-employed person must as far as is practicable, ensure the safety, health and welfare at work of all their employees by (including but without limitation) –

- (a) the provision and maintenance of plant and systems of work that are, so far as is practicable, safe and without risks to health;
- (b) the making of arrangements for ensuring, so far as is practicable, safety and absence of risks to health in connection with the use or operation, handling, storage and transport of plant and substances;
- (c) the provision of such information, instruction, training and supervision as is necessary to ensure, so far as is practicable, the safety and health at work of its employees;
- (d) so far as is practicable, as regards any place of work under the control of the employer or self-employed person, the maintenance of it in a condition that is safe and without risks to health and the provision and maintenance of the means of access to and egress from it that are safe and without such risks; and
- (e) the provision and maintenance of a working environment for its employees that is, so far as is practicable, safe, without risks to health, and adequate as regards facilities for their welfare at work.

Any person who contravenes the above shall be guilty of an offence and shall on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 2 years or to both.

We will ensure continued compliance with the applicable OSHA provisions.

(iii) Immigration Act, 1959/63 ("Immigration Act")

The Immigration Act regulates various aspects of immigration into Malaysia, including the entry of foreign workers into Malaysia.

7. BUSINESS OVERVIEW (Cont'd)

Any person who employs one or more persons, other than a citizen or a holder of an entry permit who is not in possession of a valid pass to enter Malaysia shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000 but not more than RM50,000 or to imprisonment for a term not exceeding 12 months or to both for each of such employee.

A pass lawfully issued to any person shall cease to be a valid pass when any of its terms and conditions is contravened. Where the pass has been issued for temporary employment, any changes in the employment for which it is issued must be with the written consent of the Controller of Immigration.

If it is proved to the satisfaction of the court that a person has at the same time employed more than 5 employees who are not in possession of a valid pass, that person shall, on conviction be liable to imprisonment for a term of not less than 6 months but not more than 5 years and shall also be liable to whipping of not more than 6 strokes.

Where the offender is a body corporate, any person who at the time the offence was committed, was a member of the board of directors, a manager, a secretary or a person holding an office or a position similar to that of a manager or secretary of the body corporate, shall be guilty of that offence and shall be liable to the same punishment as mentioned above.

Save as disclosed in Section 7.23(A)(iii) of this Prospectus, all of the foreign workers employed by our Group possess valid passes and we will ensure continued compliance with the Immigration Act.

7.23 NON-COMPLIANCE WITH THE RELEVANT LAWS, REGULATIONS, RULES AND REQUIREMENTS GOVERNING THE OPERATIONS OF OUR GROUP

Save for the non-compliances as disclosed below, our Group is in compliance with the relevant laws, regulations, rules and requirements governing the conduct of the business of our Group as at the date of this Prospectus:

(A) ON-GOING NON-COMPLIANCE**(i) Operation of broiler farm houses without business premise licence**

As at the LPD, our Group has obtained and maintained valid DVS Licences for the operation of all of our 15 self-operated owned and rented broiler farms. The DVS Licence is the principal licence required for farms to commence poultry farming activities.

Pursuant to the relevant by-laws of the respective local councils, a business premise licence is required to operate any activity of trade, business and industry in the respective areas where our Group's broiler farms are located.

As the application of a permanent business premise licence is premised on the obtainment of a CCC/CF, the Company has proceeded to apply for temporary business premise licences in relation to the broiler farms. A temporary business premise licence can be renewed yearly and there is no time restriction imposed by the relevant local councils on when a temporary business premise licences need to be converted into a permanent business premise licences. Based on the Garis Panduan, the obtainment of a CCC/CF in respect of a broiler farm is not required. The issuance of a CCC/CF is preceded by the issuance of a KM and BP approval.

7. BUSINESS OVERVIEW (Cont'd)

The status of obtainment of temporary business premise licence for each of our Group's broiler farms as at the LPD are as follows:

No.	Farm	Status of Business Premise Licence Application/Obtainment
1	Farm A	Obtained temporary business premise licence on 1 October 2024
2	Farm B	Obtained temporary business premise licence on 1 October 2024
3	Farm C	Obtained temporary business premise licence on 1 October 2024
4	Farm D	Obtained temporary business premise licence on 1 October 2024
5	Farm E	Temporary business premise licence application submitted on 4 July 2025
6	Farm F	Application to be submitted, pending obtainment of BP approval ⁽¹⁾
7	Farm Kuala Selangor	Obtained business premise licence on 3 June 2025
8	Farm Linggi	Business premise licence is not required ⁽²⁾
9	Farm Labu	Obtained business premise licence on 2 July 2024
10	Farm Hulu Selangor B	Obtained temporary business premise licence on 24 July 2024
11	Farm Sendayan	Obtained temporary business premise licence on 1 July 2024
12	Farm Batang Kali	Obtained temporary business premise licence on 24 July 2024
13	Farm Hulu Selangor	Obtained temporary business premise licence on 24 July 2024
14	Farm Pantai	Obtained temporary business premise licence on 1 July 2024
15	Farm Broga	Obtained temporary business premise licence on 2 July 2024

Notes:

- (1) The temporary business premise licence application for Farm F will be submitted after obtaining the BP approval, which is a pre-requisite for a temporary business premise licence application. As at the LPD, our Group has submitted the application for BP approval for Farm F and is currently awaiting approval. Please refer to Section 7.23(A)(ii) of this Prospectus for further details on the status of the BP applications.
- (2) Upon clarification with the officer of MPPD, our Group has been informed that the obtainment of a business premise licence is not required for poultry farms that are solely engaged in broiler farming activities, as long as no trading, processing, slaughtering, storage or sales activities are conducted on-site. For information purpose, Farm Linggi is the only broiler farm operated by our Group that is under the jurisdiction of MPPD.

7. BUSINESS OVERVIEW (Cont'd)

As at the LPD, our Group has obtained business premise licences / temporary business premise licences for 12 of its broiler farms, while the obtainment of business premise licence is not required for Farm Linggi. As for the remaining 2 farms located in the district of Kuala Langat, the temporary business premise licence application for Farm F will be submitted after obtaining the BP approval from MPKL while the temporary business premise licence application for Farm E is currently pending approval from MPKL.

There was no penalty imposed by the local councils for the period of past non-compliance up to the LPD. In any event, the potential penalty which may be imposed in connection with the aforesaid non-compliance issues will not result in a material adverse impact on the overall business operations and / or financial condition of our Group.

(ii) Absence of BP/TBP approval as required under SDBA in relation to our farm operations

Section 70(1) of the SDBA further provides that no person shall erect any building without the prior written permission of the local authority and any person who intends to erect any building shall cause to be submitted to the local authority or relevant authorities such plan and specification as may be required by any by-laws made under the SDBA or any other written law.

Any person who erects a building in contravention of the SDBA or any of the relevant by-laws made thereunder commit an offence and shall on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 3 years or to both, and shall be liable to a further fine of RM1,000 for every day during which the offence is continues after conviction.

To ensure its compliance with the regulatory requirements, where permissible, our Group had made the relevant applications for BP/TBP approvals for all 7 broiler farms which were not issued with BP/TBP approvals to the relevant local councils and is awaiting approvals.

As at the LPD, the status of applications for BP/TBP approval for each of our self-operated broiler farms are as follows:

No.	Farm	Status of BP/TBP approval application
1	Farm A	BP approval obtained on 3 September 2024
2	Farm B	BP approval obtained on 6 September 2024
3	Farm C	BP approval obtained on 3 September 2024
4	Farm D	BP approval obtained on 6 September 2024
5	Farm E	BP approval obtained on 6 June 2025
6	Farm F	BP application submitted on 9 October 2024 ⁽¹⁾
7	Farm Kuala Selangor	BP application re-submitted online on 2 July 2025 ⁽²⁾
8	Farm Linggi	TBP approval obtained on 16 June 2025
9	Farm Labu	TBP approval obtained on 29 May 2025
10	Farm Hulu Selangor B	BP approval obtained on 5 July 2025
11	Farm Sendayan	TBP approval obtained on 17 July 2025
12	Farm Batang Kali	TBP approval obtained on 5 June 2025
13	Farm Hulu Selangor	BP application re-submitted on 16 June 2025 ⁽³⁾

7. BUSINESS OVERVIEW (Cont'd)

No.	Farm	Status of BP/TBP approval application
14	Farm Pantai	TBP application submitted online on 19 March 2025 ⁽⁴⁾
15	Farm Broga	TBP application submitted on 3 December 2024 ⁽⁵⁾

Notes:

- (1) Pursuant to the letter dated 18 November 2024 issued by MPKL, it is noted that the BP application for Farm F has been principally approved during the One Stop Center (“**OSC**”) meeting held on 5 November 2024, subject to our Group fulfilling the conditions and requirements specified in the letter such as revision of plans, submission of supporting documents, payment of additional processing fee and settlement of fines of RM141,939 for erecting structures (chicken houses) without prior BP approval, before the issuance of BP approval. Our Group is in the process of fulfilling the conditions and requirements and is currently appealing for a reduction of the fines payable.
- (2) Following the online submission of the BP application on 27 March 2025, our Group has received feedback from MPKS. The application was subsequently revised to address the feedback received from MPKS and resubmitted online on 2 July 2025.
- (3) Pursuant to the letter dated 7 August 2025 issued by MPHS, it is noted that the BP application for Farm Hulu Selangor has been principally approved during the OSC meeting held on 7 August 2025, subject to our Group fulfilling the conditions and requirements specified in the letter such as revision of plans and submission of supporting documents obtained from the relevant authorities. Our Group has fulfilled the conditions and requirements and is currently awaiting the issuance of the final BP approval from MPHS.
- (4) Pursuant to the letter dated 12 September 2025 issued by MBS, it is noted that the TBP application for Farm Pantai has been principally approved during the OSC meeting held on 12 September 2025, subject to our Group fulfilling the conditions and requirements specified in the letter such as revision of plans and submission of supporting documents obtained from the relevant authorities. Our Group is in the process of fulfilling the conditions and requirements specified in the letter.
- (5) Pursuant to the letter dated 7 January 2025 issued by MBS, it is noted that the TBP application for Farm Broga has been principally approved during the OSC meeting held on 6 January 2025, subject to our Group fulfilling the conditions and requirements specified in the letter including the payment of fines of RM233,195 for erecting a building without prior approval from MBS, submission of supporting documents, revision of the site plan and obtainment of approvals from relevant authorities, before the issuance of the TBP approval. Our Group has settled the discounted fines of RM58,298.75 on 26 August 2025 and fulfilled all stipulated conditions and requirements. Our Group is currently awaiting the issuance of the final TBP approval from MPS.

As at the LPD, we have fully complied with all the conditions and requirements specified in the KM/KMTT approval letters for the farms whose applications for BP/TBP approval are pending submission or approval.

It is estimated that it would take up to 24 months after submission to obtain the BP/TBP approval for each of the aforesaid farms.

7. BUSINESS OVERVIEW (Cont'd)

For information purpose, save as disclosed above, there was no penalty imposed by the local authorities for the period of past non-compliance up to the LPD. In any event, the potential penalty which may be imposed in connection with this non-compliance is RM250,000, assuming a fine of RM50,000 per farm without BP/TBP approval. Nevertheless, such potential penalty is expected to be lowered as we are qualified for minimal level of penalty under the Poultry Farming Recalibration Program 2025 as long as they apply for the approval of BP/ TBP by the end of 2025.

As such, the potential penalty may be lower than the maximum potential penalty which is not expected to have a material adverse impact on our Group's business operations and financial results.

(iii) Non-transfer of working pass of foreign workers under our Group's name

Section 55B(1) of the Immigration Act 1959/63 provides that any person who employs one or more persons, other than a citizen or a holder of an entry permit, who is not in possession of a valid pass shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000 but no more than RM50,000 or to imprisonment for a term not exceeding 12 months or to both for each such employee.

Section 55B(2) of the Immigration Act 1959/63 further provides that a pass lawfully issued to any person shall cease to be a valid pass when any of its terms and conditions is contravened. The notes of Form 12 of the Second Schedule of the Immigration Regulations 1963 prescribe that where the pass has been issued for temporary employment, any changes in the employment for which it is issued must be with the written consent of the Controller of Immigration.

As part of our Group's initiative to streamline our business operation, we had on 2 June 2023 undertake the disposal of Casey Poultry and the business operations of Casey Poultry was subsequently transferred to our subsidiary, GBSB. Accordingly, the 70 valid working passes of the foreign workers under Casey Poultry are to be transferred to the Group. The application for such transfer was submitted on 8 April 2024 and are pending approval by the Ministry of Home Affairs ("MOHA")⁽¹⁾.

As at 30 June 2025, our Group has a total of 251 foreign workers, of which:

- (a) 216 foreign workers have been issued with valid pass under the name of our Group, including 30 workers whose transfer to our Group were approved by MOHA on 25 February 2025 and issued with new working passes under the name our Group by the Immigration Department of Malaysia;
- (b) 35 foreign workers are undergoing transfer registration of working pass which are pending the approval by the MOHA to be transferred to our Group.

7. BUSINESS OVERVIEW (Cont'd)

As at the LPD, our Group had not received any penalties arising from such non-compliance. We may be liable to a maximum fine of up to approximately RM1.75 million (based on 35 foreign workers which are awaiting approval by the MOHA and pending issuance of new passes by the Immigration Department Malaysia under our group and with a maximum fine of RM50,000 per worker) or imprisonment for a term not exceeding 5 years, or to both, pursuant to Section 55B(1) and 55B(3) of the Immigration Act.

The maximum fine of up to RM1.75 million, if imposed, may have a material impact on our Group's financial condition as it represent approximately 25.00% of our Group's PAT for the FYE 2024. Notwithstanding this, the likelihood of the penalty being imposed is remote as we have not received any objection or any enforcement action from the MOHA in respect of the ongoing transfer of the foreign worker applications arising from Disposal of Casey Poultry. As such, the potential penalty may be lower than the maximum potential penalty which may not have a material adverse impact on our Group's business operations and financial results.

Note:

- (1) The MOHA has announced that all matters related to the management of foreign workers previously handled by the Bahagian Pengurusan Pekerja Migran (BPPM) under the Ministry of Human Resources will be transferred to the one stop centre of MOHA with effect from 10 June 2024.

Notwithstanding that the abovementioned outstanding non-compliances may remain unresolved at the time of our Listing, we will continue to make the necessary applications and/or engage with the relevant authorities even after our Listing to resolve and address the outstanding non-compliance incidents in accordance with the directions of the relevant authorities. Our Group's compliance officer, Chin Chien Hwi and management are following up closely and liaising with relevant authorities to resolve the said non-compliances in the best interest of our Company. We will update our shareholders on the status of the outstanding non-compliance incidents in our annual reports.

(B) PAST NON-COMPLIANCE

- (i) Operation of our processing plants without a manufacturing licence as required under the ICA

As our Group is involved in the provision of manufacturing of processed poultry, we are required to obtain manufacturing licence issued by the MITI once we meet the licensing requirement stipulated above.

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7. BUSINESS OVERVIEW (Cont'd)

Our subsidiary, GBSB, had been operating both Ipoh Processing Plant and Lukut Processing Plant without a manufacturing licence issued by the MITI pursuant to Section 3 of the ICA up to 7 June 2024. During the period from incorporation of GBSB in year 2016 until the completion of the Disposal of Casey Poultry on 2 June 2023, GBSB was not required to apply for a manufacturing licence as GBSB's shareholders' funds did not exceed RM2.50 million and it did not employ more than 75 full-time employees. In the course of reviewing its licensing requirement, GBSB realised that it had met the licensing requirements since FYE 2023 but had not obtained the requisite manufacturing licence. Hence, GBSB began the process of applying to MITI to obtain the requisite manufacturing licence in May 2024. The cost incurred for the rectification to obtain the manufacturing licence was RM600, which was the application fee payable to MITI. GBSB had on 8 June 2024 obtained the manufacturing licence issued by MITI for manufacturing of processed chicken at both our processing plants.

For information purpose, there was no penalty imposed by the MITI for the period of past non-compliance up to the date of the issuance of the manufacturing licence. In any event, the potential penalty which may be imposed in connection with the aforesaid non-compliance issues will not result in a material adverse impact on the overall business operations and / or financial condition of our Group.

(ii) Failure to comply with Environmental Quality Regulations

Our Lukut Processing Plant, which was then operated by Casey Poultry, had on 28 June 2023 received a summons issued by the Session Court charging –

- (a) that the Lukut Processing Plant, was found to have discharged industrial effluent into inland waters exceeding the prescribed limits, i.e., Standard B as specified in the Fifth Schedule of the Industrial Effluent Regulations. Consequently, Casey Poultry had contravened Regulation 11(1)(b) of the Industrial Effluent Regulations and has committed an offence under the Regulation 32 of the Industrial Effluent Regulations which shall, upon conviction, be liable to a fine not exceeding RM100,000 or to a term of imprisonment for a period not exceeding 5 years or to both, and to a further fine not exceeding RM1,000 every day for which the offence is continued; and
- (b) that the Lukut Processing Plant was found to have discharged industrial effluent containing chemical oxygen demand at concentrations greater than the prescribed limits under Regulation 12(b) of the Industrial Effluent. As a result thereof, Casey Poultry has committed an offence under Regulation 32 of the Industrial Effluent.

On 2 August 2023, Casey Poultry was found guilty as charged and was fined by the Session Court of Seremban for a total amount of RM35,000. Casey Poultry had subsequently on 9 August 2023 settled the fines imposed by the Session Court of Seremban.

7. BUSINESS OVERVIEW (Cont'd)

Following GBSB's takeover of the Lukut Processing Plant operations from Casey Poultry on 1 June 2023, GBSB has been rectifying its non-compliance in accordance with the standards and requirement of the DOE. The implemented rectification measures include upgrading the wastewater treatment plant's capacity. This upgrade is designed to overcome the limitations of the existing system and effectively manage the processing volume. Furthermore, the treatment process has been enhanced from a solely physical-chemical method to a hybrid system that includes biological treatment. This new approach increases the efficiency and effectiveness of effluent treatment, ensuring compliance with regulatory discharge standards. Additionally, we conduct daily tests to ensure that the effluent discharge meets quality standards. This allows for regular analysis and immediate response to any deviations, ensuring consistent compliance. The daily tests is conducted by competent personnel who are trained to effectively uphold these standards.

On 4 April 2024 GBSB notified the DOE of Negeri Sembilan, the receipt of which is acknowledged by the DOE on 5 April 2024, on the upgrading of its existing industrial effluent treatment system at the Lukut Processing Plant in accordance with Regulation 4(1)(d) of the Industrial Effluent Regulations.

(iii) Breach of express condition endorsed in the land titles

Sections 127(1) and 127(1A) of the NLC provide that upon any breach arising of any condition to which any alienated land is for the time being subject, the land administrator has the right to either:

- (1) impose a fine under Section 127 of the NLC after serving a notice on and requesting the proprietor to attend a hearing to show cause to the satisfaction of the land administrator, the reason that a fine should not be imposed in respect of such breach, failing which, the proprietor may be liable to pay a fine of not less than RM500 (and in the case of a continuing breach, a further fine of not less than RM100 for each day of the continuing breach);
- (2) request the proprietor to remedy the breach within the time stipulated in the notice served by the land administrator under Section 128 of the NLC, failing which, the land administrator may take action to enforce forfeiture of the land under Section 129 of NLC; or
- (3) hold an enquiry to forfeit the land under Section 129 of the NLC.

Previously, the following lands owned and rented by our subsidiary, FARSB which are used as poultry farms were previously subject to the following express conditions:

No.	Property	Ownership	Express condition	Notes
1	Farm F	Owned Property	Rubber plantation	(1)
2	Farm Kuala Selangor	Owned Property	Oil palm plantation	(2)
3	Farm Linggi	Owned Property	Oil palm plantation	(3)
4	Farm Labu	Tenanted Property	Long-term crop plantation	(3)

7. BUSINESS OVERVIEW (Cont'd)

No.	Property	Ownership	Express condition	Notes
5	Farm Broga	Tenanted Property	Ostrich Farming and Agro-tourism	(3)
6	Farm Sendayan	Tenanted Property	Long-term rubber plantation	(3)
7	Farm Batang Kali	Tenanted Property	Rubber plantation	(4)

Notes:

- (1) The land office of Kuala Langat had on 13 September 2023 approved the change of the express condition of Farm F to the use of poultry farming activities and the endorsement of the approved express condition on the issue documents of title was obtained 16 June 2024.
- (2) The land offices of Kuala Selangor had on 9 January 2024 approved the change of the express condition of Farm Kuala Selangor to the use of poultry farming activities and the endorsement of the approved express condition on the issue documents of title was obtained on 25 November 2024.
- (3) Pursuant to a letter issued by the Department of Town and Country Planning of Negeri Sembilan dated 12 October 2020, the existing express conditions of land use will be maintained for poultry farming activities in Negeri Sembilan if a KMTT is being obtained and the application to change the express condition of land use for any existing chicken farming operations within the areas of MPPD and MBS is not permitted. However, poultry farming operations in remote agricultural zones are authorised to continue until the year 2040. As at the LPD, our Group has obtained KMTT for Farm Linggi, Farm Labu, Farm Broga and Farm Sendayan, where the change of express condition is not required.
- (4) With among others, the no objection confirmation from the land office of the District of Hulu Selangor, the Group had on 6 August 2024 obtained KMTT approval from MPHS which is valid for 3 years up to 6 August 2027. In view that the KMTT is temporary in nature, the existing express conditions of land use (i.e. rubber plantation) is not required to be changed and will be maintained for the 3 years periods.

Our Group has resolved the above issue in relation to the non-compliance with the stipulated land use conditions and there was no penalty imposed by the state authorities for the period of past non-compliance up to the LPD. In any event, the potential penalty which may be imposed in connection with the aforesaid non-compliance issues will not result in a material adverse impact on the overall business operations and / or financial condition of our Group.

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7. BUSINESS OVERVIEW (Cont'd)

- (iv) Failure to comply with SDBA, TCPA, UBBL and Planning Control (General) Rules 2004 in relation to our farms' operation

Failure to obtain permit for the construction of extension/awnings/water treatment plant at our Lukut Processing Plant

On 2 August 2023, Casey Poultry was fined by the Session Court of Seremban having discharged industrial effluent into inland waters exceeding the prescribed limits (please refer to Section 7.23(B)(ii) for further details on our Group's past non-compliance on discharge of industrial effluent). Following GBSB's takeover of the Lukut Processing Plant operations from Casey Poultry on 1 June 2023 and having verified that the discharged industrial effluent exceeds the prescribed limits, our Group had proceeded to upgrade its existing water treatment plant together with other ancillary renovations including awning installations and extensions at the Lukut Processing Plant to ensure minimal delay in rectifying the discharge of industrial effluent issue, without obtaining a permit from the MPPD for the construction of the said water treatment plant and extension/awnings at the Lukut Processing Plant.

We had on 23 April 2024 made the necessary application to the MPPD to obtain the permit for the construction of the said water treatment plant and extension/awnings at the Lukut Processing Plant. MPPD had on 1 August 2024 issued a letter setting out the conditions for an approval to be granted in respect of the Upgrade Works. Our Group has complied with the conditions set out thereof which includes the payment of fines amounting to RM5,784 and had obtained the temporary building plan permit on 29 August 2024.

Absence of KM/KMTT as required under TCPA

In selecting strategic farms, our Group has always prioritised land falling under the suitable category of land use (i.e. agricultural) before acquiring or renting them so as to ensure that such lands can be utilised for broiler farms, subject to obtaining valid KM or KMTT (where applicable), BP or TBP approval and changing of express conditions of the lands (if required). However, to ensure that our Group's supply of broiler meets the growing demand, the Group had previously commenced operation of its broiler farms prior to obtaining valid KM or KMTT.

As at the LPD, the Group has obtained KM or KMTT for all of its 15 farms.

Fines imposed by relevant authority for failure to comply with SDBA, TCPA, UBBL and Planning Control (General) Rules in relation to our business operations

Save as disclosed below, the Group has not experienced any fines or penalties imposed by the local councils arising from this past non-compliance:

- (1) On 17 November 2021, our subsidiary, FARSB was fined RM44,505 by MBS pursuant to Section 27(3) and 28(3) of the TCPA and Rule 4 of the Planning Control (General) Rules 2004 for constructing a closed chicken house, worker quarters, water tanks and other ancillary facilities at Farm Labu without KM or BP approval.

7. BUSINESS OVERVIEW (Cont'd)

- (2) On 5 January 2023, FARSB was fined RM10,000 by MPKL pursuant to Section 70(13)(C) of the SDBA for constructing chicken houses without consent of MPKL at Farm A, B, C and D. FARSB was subsequently fined by MPKL pursuant to Section 70(14) of the SDBA and Paragraph 17 of Schedule 17 of the Uniform Building By-Laws Selangor 1986 on 7 June 2023, (in respect of Farm E) and 7 November 2023 respectively, for constructing chicken houses without KM or BP approval at the following locations:

	Farms	Fines Imposed (RM)
1	Farm A	98,918
2	Farm B	95,644
3	Farm C	98,288
4	Farm D	109,689.50
5	Farm E	75,370.70
Total		477,910.20

- (3) On 22 March 2024, FARSB was fined RM37,500 by MPHS for making any alteration to building and constructing building structure without prior approval pursuant to Sections 70(11) and 70(13)(c) of the SDBA at Farm Batang Kali. The fine was subsequently reduced by MBS to RM15,000 upon FARSB's appeal.
- (4) On 8 May 2024 and 9 May 2024, GBSB was fined RM27,256 and RM18,264 respectively by MBI for commencing the erection of its Ipoh Processing Plant without an approved plan. MBI had on 15 May 2024 reduced the fine to RM13,628 and RM9,132 respectively.
- (5) On 15 July 2024 and 16 July 2024, FARSB was fined RM20,000 per farm by MBS pursuant to Sections 27(3) and 28(3) of the TCPA and Rule 4 of the Planning Control (General) Rules 2004 for constructing chicken houses at Farm Broga and Farm Sendayan respectively, without KM or an approved building plan.
- (6) On 23 May 2024 and 20 September 2024, FARSB was fined RM600 and RM20,000 by MBS pursuant to Sections 27(3) and 28(3) of the TCPA and Rule 4 of the Planning Control (General) Rules 2004 for commencing construction work at Farm Pantai without prior approval. Subsequently, FARSB had on 24 September 2024 and 4 October 2024 respectively submitted appeals to MBS for a reduction of the fine imposed on 20 September 2024. MBS had on 20 November 2024 reduced the RM20,000 fine to RM5,000.
- (7) On 30 September 2024, FARSB was fined 115,360 by MBS for constructing building at Farm Labu without prior approval. Subsequently FARSB had on 18 October 2024 submitted appeals to MBS for a reduction of the fine imposed on 30 September 2024. MBS had on 5 February 2025 reduced the RM115,360 fine to RM57,680.

7. BUSINESS OVERVIEW (Cont'd)

- (8) On 11 October 2024, FBFSB received a fine dated 27 September 2024 amounting to RM253,609.20 by MBJ for commencing building construction without BP approval⁽¹⁾. Subsequently, FBFSB had on 14 October 2024 and 6 November 2024 respectively submitted appeals to MBJ to waive the fine. MBJ had on 19 November 2024 reduced the fine by 50% to RM126,804.60.
- (9) On 20 December 2024, FARSB was fined RM25,500 by MPHS for constructing building structure without prior approval pursuant to Section 70(13)(c) of the SDBA at Farm Hulu Selangor B. The fine was subsequently reduced by MBS to RM18,000 upon FARSB's appeal.
- (10) On 24 December 2024, FARSB was fined by MPHS an additional processing fee of RM68,625 in respect of its BP application for Farm Hulu Selangor B.
- (11) On 7 January 2025, FARSB was fined RM233,195 by MBS for erecting structures (chicken houses) without prior approval. The fine was subsequently reduced by MBS to RM58,298.75 upon FARSB's appeal.
- (12) On 9 January 2025, FARSB was fined RM25,500.00 by MPHS for constructing building structure without prior approval pursuant to Section 70(13)(c) of the SDBA and an additional processing fee of RM68,188.55 in respect of its BP application for Farm Hulu Selangor. The fine was subsequently reduced by MPHS to RM18,000 upon FARSB's appeal.
- (13) On 21 January 2025, FARSB was fined by MPHS an additional processing fee of RM59,079.10 in respect of its BP application for Farm Batang Kali.
- (14) On 21 January 2025, FARSB was fined RM35,460.80 by MBS for erecting structures (chicken houses) without prior approval.

On 15 April 2025, FARSB was fined by MPPD for RM178,157 in respect of its TBP application. Subsequently FARSB had on 21 April 2025 submitted appeals to MPPD for a reduction of the fine imposed on 15 April 2025. MPPD had on 4 June 2025 reduced RM178,157 fine to RM100,000.

FARSB had on 16 November 2022, 11 April 2023, 26 December 2023, 4 February 2024, 15 May 2024, 31 July 2024, 21 August 2024, 22 August 2024, 21 November 2024, 26 November 2024, 17 January 2025, 25 February 2025, 6 March 2025, 24 March 2025, 6 June 2025 and 26 August 2025 respectively settled the compounds issued by the respective local councils.

Note:

- (i) For information, the fine was in relation to preliminary groundwork undertaken by the Group on the land measuring approximately 35 square meter, in preparation for the construction of the electricity sub-station by Tenaga Nasional Berhad.

7. BUSINESS OVERVIEW (Cont'd)

- (v) Failure to comply with Poultry Farming (State of Selangor) Enactment 2007 and Poultry Farming (State of Selangor) Regulation 2008

On 14 July 2022, FARSB was fined RM2,000 by the Kuala Langat District Veterinary Services Office pursuant to Section 9 of the Poultry Farming Enactment for operating a poultry farm at Farm F without a poultry farming licence.

FARSB had obtained a poultry farm licence for Farm F and had on 14 June 2022 settled the fines imposed by Kuala Langat District Veterinary Services Office.

7.24 ENVIRONMENT, SOCIAL AND GOVERNANCE PRACTICES OF OUR GROUP

Sustainability reporting has gained significance in corporate disclosure, driven by the growing emphasis on climate related risk and opportunities.

An appointed environmental, social, and governance (“ESG”) consultant (“ESG Consultant”) has carried out an assessment (which includes Scope 1-Direct Emission (“Scope 1”) and Scope 2-Indirect Emission (“Scope 2”)) in computing the greenhouse gases (“GHG”) emission of our Group. Based on the total emissions intensity (tCO₂e per RM1 million revenue) of our Group, our Group is not classified as a high emission company.

Furthermore, poultry farming activities is not amongst the high-emitting or priority sectors identified in Bank Negara Malaysia’s Climate Change Principle-based Taxonomy (CCPT) which are Agriculture, Construction, Energy, Manufacturing, Transportation and Waste Management. Poultry farming is not listed under the subsector of the Agriculture sector.

Notwithstanding the above, In line with the National Sustainability Reporting Framework, the Group is preparing its sustainability roadmap to meet the phased requirements outline under the framework. These include:

- Commencement of climate-first sustainability reporting by 2027;
- Full adoption of IFRS S1 and S2 sustainability and climate related risk and opportunities disclosures by 2030;
- Mandatory reporting requirement for Scope 3 Greenhouse Gas (“GHG”) emissions by 2030; and
- Attain reasonable assurance on Scope 1 and Scope 2 emissions by 2029, to enhance credibility of reported data.

The Group is currently assessing its internal readiness and is in the process of developing a phased implementation plan to ensure timely compliance.

In tandem with a growing emphasis on adopting ESG practices, include promoting environmental responsibility in farming and processing operations, fostering supportive work environments for employees, and upholding strong corporate governance standards. Our attention will be directed towards the following overarching categories:

(A) RESPONSIBLE OPERATIONS

The Group operates two (2) poultry processing plants located in Ipoh and Lukut. Each plant includes a slaughterhouse, cutting room, cold room, chiller room, and flake ice maker. The slaughterhouses are equipped with comprehensive facilities to conduct various processes including slaughtering, dressing, cleaning, chilling, cutting, and deboning.

7. BUSINESS OVERVIEW (Cont'd)

(i) Food safety and quality practices

Our Group is committed to upholding the highest standards of product quality and safety across our operations. As at the LPD, our plants adhere to food safety and quality practices such as the Makanan Selamat Tanggungjawab Industri Certification (“**MeSTI**”) and ISO 22001:2018 Food Safety Management System. Additionally, we have obtained HALAL certification from Jabatan Kemajuan Islam Malaysia (“**JAKIM**”), ensuring that our products are processed in compliance with HALAL principles.

Furthermore, we have been awarded with veterinary licence issued by the Department of Veterinary Services (“**DVS**”) for all our fifteen (15) self-operated farms. This certification signify that our products are safe for consumption and meet the requirements for international trade.

(ii) Biosecurity

Biosecurity and disease control is an important element in our operation. This begins with sourcing of quality broiler DOCs, followed by meticulous vetting process in our contract farms and self-operating farms. Comprehensive risk assessments were performed to determine optimal farm locations. A farm with good environmental conditions helps to maintain the health and well-being of the broilers, making them less susceptible to infections.

Moreover, we implement robust rodent control strategies, closed-house system and all-in-all-out practice to mitigate risks posed by predators to our livestock. Ensuring the well-being of our broilers, caretakers administer the growth, health condition and vaccinations to day-old chicks. The antibiotic usage is also carefully managed under the guidance of veterinary experts. In addition, all our operation staff exercises good hygiene practice by wearing Personal Protective Equipment (“**PPE**”) and chemically disinfect footwear and hands.

(B) ENVIRONMENTAL

Our Group acknowledges the direct and indirect effects of our business operations on the broader environment including climate change, and is dedicated to minimising our environmental and carbon footprint. To achieve this goal, we have initiated the collection of data on energy consumption, greenhouse gas emissions, water usage, and waste generation from chicken manure and wastewater from FYE 2025 onwards. With this consumption data, we aim to implement initiatives that optimise energy consumption, reduce emissions, and manage waste more effectively. The following practices represent measures that have been implemented or are currently being implemented:

(i) Energy and Emission Management

In our effort to reduce energy consumption and greenhouse gas emissions, we have installed the ViperTouch system at all of our broiler farm locations as a measure to monitor and optimises temperature, humidity, ventilation, and air quality using real-time sensor data. ViperTouch automatically adjusts ventilation, heating, cooling systems, air mixers, and emergency openings based on ambient conditions and predefined thresholds. This enables precise

7. BUSINESS OVERVIEW (Cont'd)

regulation of temperature and airflow volume per bird, while also minimising the energy-intensive cycling of fans and heating elements.

The system is equipped with built-in alarm and alert functions, which promptly notify operational teams of any deviations in climate parameters or equipment performance, thereby supporting timely interventions to maintain flock welfare. In addition, ViperTouch is compatible with DOL sensors, allowing for integrated monitoring of critical gases such as carbon dioxide (CO₂) and ammonia (NH₃) within the poultry house environment.

In our offices, we utilise light-emitting diodes ("**LEDs**") for general illumination that uses up to 90% less energy compared to traditional incandescent bulbs. We also practice energy conservation throughout our operations by encouraging our employees to adopt ERRR ("Eliminate, Reduce, Re-use, Recycle") practices such as turning off computer devices and lighting when not in use, as well as reducing paper printing. This is aimed at reducing our carbon footprint in the operations of our business.

(ii) Waste Management

We work with licensed scheduled waste collectors to collect and treat the production waste generated by our business activities. The Group generates both dry and wet chicken manure, which are recovered and sold to local farmers from Cameron Highlands and Rawang in Selangor as agricultural by-products, supporting circular economy practices while reducing organic waste from farm operations.

(iii) Water and Effluent Management

Water is a critical resource in the Group's operations, particularly in our poultry processing plant. The Group obtains its water supply from Pengurusan Air Selangor Sdn Bhd or relevant state-level water utility providers, thereby ensuring that operational water usage does not originate from water-stressed regions. The Group undertakes initiatives to ensure water is used effectively and wastewater is minimised at all of our business units.

Additionally, we have installed the wastewater treatment system at both poultry processing plants, which is specifically designed to treat the wastewater produced from our poultry processing activities. The installation adheres to the regulations outlined by the Department of Environment ("**DOE**"). To maintain compliance and transparency, we diligently record the quality of the treated wastewater discharged for ongoing monitoring and evaluation.

7. BUSINESS OVERVIEW (Cont'd)

(C) SOCIAL

We acknowledge the role played by our employees in attaining our operational, strategic, and financial goals. Therefore, we strive to provide a safe and conducive workplace for our employees and to develop skilled talent through the following practices:

(i) Employee Health and Safety

We have appointed a qualified and competent individual to oversee and manage our Health and Safety matters, including assessing risks, implementing action plans and measures, and ensuring compliance with the Group's Health and Safety policies and local regulations. We provide a safe and conducive workplace for our employees, prioritise worker safety through comprehensive safety and health training programs, safety protocols and inspection. We provide serene environment by eliminating improper conduct and practices such as workplace bullying, sexual harassment and discrimination.

Our processing facility and machinery undergo regular maintenance to prevent workplace injuries resulting from faulty equipment. In addition, we equip our general workers with appropriate personal protective equipment (PPE), such as cut-resistant gloves and safety boots. For the FYEs under review and up to LPD, the Group has zero lost time injury and work-related fatalities.

(ii) Labour Management

The Group is committed to create a sustainable future through ethical sourcing, ensuring fair labour practices such as equitable wages, prohibiting discrimination, and upholding labour rights. The accommodation that we provide to our foreign workers are in compliance with the minimum requirement set out under the Workers' Minimum Standard of Housing and Amenities (Amendment) Act 2019 and has obtained the Certificate of Accommodation issued by the Department of Labour of Peninsular Malaysia. For the FYEs under review and up to LPD, the Group has not received any complaints related to human rights violations.

(iii) Career development

We recognise the potential of our employees and the need to support their career development through the provision of continuous training and development. For the FYEs Under Review and up to the LPD, we recorded an average of thirteen (13) training hours per employee for 398 employees. By doing so, we are enhancing their performance and productivity while supporting our employees' career development. We also conduct talent readiness review every 3 to 5 years to identify the competency gap.

7. BUSINESS OVERVIEW (Cont'd)

(iv) Workforce Diversity

Our Group is committed to cultivate a workplace where mutual respect has prevailed throughout the organisation. We adopt a policy of equal opportunity and local hiring method that encourage diversity and fair employment practice. In addition, we provide equal opportunities to all employees to enhance their job satisfaction and motivate them to perform at their best.

(v) Work-life balance and Social Activities

We are committed to make our Group appealing to local talents by enhancing the working environment, employee welfare, and emphasizing work-life balance while eliminating all types of discrimination in the workplace. We organized various activities such as festival celebrations like Christmas, Chinese New Year, Hari Raya, and Deepavali. Additionally, we actively engage in Corporate Social Responsibility (“**CSR**”) initiatives, including donations and sponsorships to schools, non-profit organizations, temples, and other local communities.

(D) GOVERNANCE

Our Group recognizes the importance of maintaining relevant governance practices to protect the interests of and foster trust with our stakeholders. As at the LPD, our Board has progressively adopted the principles and practices as promulgated in the Malaysian Code on Corporate Governance (“**MCCG**”) issued by the Securities Commission Malaysia (“**SC**”). In our commitment to upholding good corporate governance, we have implemented the following group policies:

(i) Ethical Business Practices

We have established Code of Conduct policy covering the management of conflicts of interest, prevention of money laundering, bribery, corruption, and insider trading.

(ii) Enterprise Risk Management Framework

Enterprise Risk Management (“**ERM**”) framework is in place to outline the risk governance and structure, risk policies, risk assessment process and integration of risk management into significant activities and functions. The ERM framework is guided by the principles set out in ISO31000:2018 Risk Management, which is an internationally recognised risk management framework.

(iii) Anti-Bribery and Corruption

Our procedures ensure compliance with relevant anti-bribery and corruption laws and regulations, including the Malaysian Anti-Corruption Commission (“**MACC**”) Act 2009;

7. BUSINESS OVERVIEW (Cont'd)

(iv) Whistle-blowing

In compliance with the Whistleblowing Protection Act 2010, we have implemented a whistle-blowing policy enabling stakeholders, including customers, employees, contract farmer, suppliers, and the local community, to report any genuine suspicions or accusations of fraud, unethical actions, or inappropriate business practices conducted by our employees or external parties in business relations with us;

(v) Data Privacy

Our Personal Data Protection Act Policy provides guidance for processing personal data in commercial transactions and employment, in compliance with the Personal Data Protection Act 2010.

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8. INDEPENDENT MARKET RESEARCH REPORT

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41200 Klang,
Selangor

Date: 20 August 2025

Dear Sirs/Madams,

Independent Market Research Report on the Poultry and Poultry Products Industry In Malaysia ("IMR Report")

Protégé Associates Sdn Bhd ("**Protégé Associates**") has prepared this IMR Report for inclusion in the Prospectus of Farmiera Berhad ("**Farmiera**" or the "**Company**") in relation to its listing on ACE Market of Bursa Malaysia Securities Berhad.

We have been engaged to provide an independent market research of the abovementioned industry in which Farmiera and its subsidiaries ("**Farmiera Group**", or the "**Group**") operate in. The market research process undertaken involved secondary research as well as detailed primary research when required, which involves interviews with the relevant stakeholders of the industry to discuss the state of the industry. Quantitative market information could be sourced from such interviews and therefore, the information is subject to fluctuations due to changes in business, industry, and economic conditions.

We have prepared this IMR Report in an independent and objective manner and have taken adequate care to ensure the accuracy and completeness of the report. We believe that this IMR Report presents a balanced view of the industry within the boundaries and limitations of secondary statistics, primary research, and continued industry movements. Our research has been conducted to present an overall view of the industry and may not necessarily reflect the performance of individual companies in this industry. Protégé Associates is not responsible for the decisions and/ or actions of the readers of this report. This report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in this report.

Thank you.

Yours sincerely,



Seow Cheow Seng
Managing Director

About Protégé Associates Sdn Bhd

Protégé Associates is an independent market research and business consulting company. Our market research reports provide an in-depth industry and business assessment for companies raising capital and funding in the financial markets; covering their respective market dynamics such as market size, key competitive landscape, demand and supply conditions, government regulations, industry trends and the outlook of the industry.

Profile of signing partner, Seow Cheow Seng

Seow Cheow Seng is the Managing Director of Protégé Associates. He has 25 years of experience in market research, having started his career at Frost & Sullivan where he spent 7 years. He has a Master in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



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The research for this IMR Report was completed in August 2025

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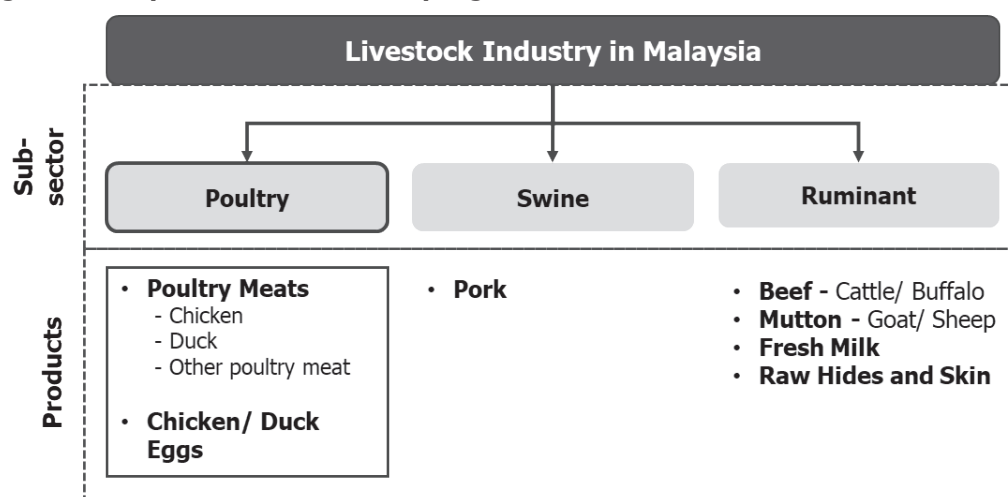
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8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

1.0 Livestock Industry in Malaysia

The Malaysian livestock industry is an important component of the country's agriculture sector as it contributes directly towards the production of food commodities and is critical in ensuring national food security and self-sufficiency. The livestock industry can be categorised according to the types of livestock as follows:

Figure 1: Malaysian Livestock Industry Segmentation

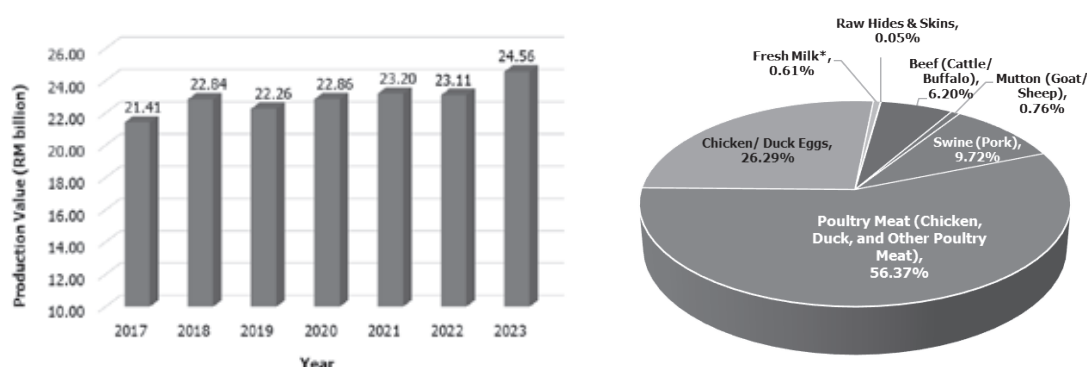


Source: Protégé Associates

The production value of livestock in Malaysia has been growing on an upward trajectory at a compound annual growth rate ("CAGR") of 2.3% from 2018 to 2023 (*base year of 2017*). The main factors supporting the steady growth of the livestock industry in Malaysia includes the suitable climate and availability of land that promote production efficiency, the growing size and affluence of the population and desire for food variety contributing to a growing local consumption, and the Malaysian Government's continuous support of the livestock industry and the agriculture sector as a whole.

In terms of the production value of livestock in Malaysia, the poultry sub-sector (which includes poultry meat and chicken/ duck eggs) is the largest sub-sector representing 82.7% of total value in 2023, followed by the swine (pork) sub-sector and ruminant sub-sector (which includes fresh milk, beef and mutton), with 9.7% and 7.6% of total production value, respectively.

Figure 2: Production Value of Livestock in Malaysia, 2017 – 2023



Notes:

The sum of individual livestock percentage share may not add up to 100.0% due to rounding error.

*Fresh milk does not include other dairy products.

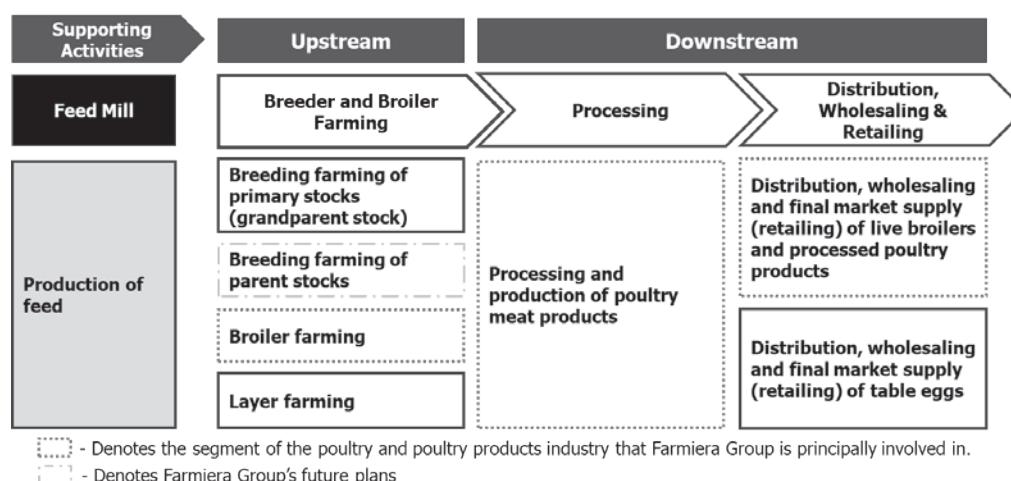
Source: Department of Veterinary Services, Malaysia ("DVS"), Protégé Associates

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

2.0 Overview of the Poultry and Poultry Products Industry in Malaysia

Poultry is often referred to as domesticated birds that are kept by humans for the eggs they produce, as well as for their meat and feathers. The most common poultry include chickens, turkeys, ducks, geese and quails. Poultry products on the other hand, include among others, fresh, chilled or frozen meat in carcass, cuts and individual parts; dried or smoked poultry; and further processed poultry meat products including sausages and nuggets. These poultry products are offered in a variety of choices and contribute to human nutrition by providing high-quality protein and other essential nutrients such as iron and zinc.

In 2022, poultry farming was the main contributor to gross output value in the livestock sector with a contribution of RM17.9 billion or 88.7% of total value of gross output. In terms of value added, the poultry farming generated RM5.3 billion or 87.8% of total value added within the livestock sector in 2022. Value added represents the added value of goods and services by economic activity and refers to the difference between output (i.e. value of goods and services produced) and the input (i.e. value of the goods and services consumed).

Figure 3: Poultry and Poultry Products Industry Value Chain

Source: Protégé Associates

The poultry and poultry products industry in Malaysia is primarily segmented into the upstream and downstream sectors. The upstream sector in the poultry and poultry products industry mainly involves the breeding, production and raising of poultry, as well as production of feed. The downstream sector mainly involves meat processing, and the distribution of the processed parts and products within the poultry and poultry products industry value chain. These segments are all interlinked and many a time is owned by the same company. This kind of establishment structure is called vertical integration. This style of business allows maximum control on the products produced. It also enables the poultry industry to develop products efficiently and produce products of high quality.

The upstream segment begins with the primary (grandparent stock) farm operators, which involves the production of day-old chicks for use in parent stock farms. The next stage of activities involve the operation of parent stock (multiplication) farms. Grandparent stocks generally refer to birds that possess strong genetics (for traits such as growth, egg production and disease resistance) and are bred to produce the next generation, namely parent stock birds. Parent stocks on the other hand are bred to produce the commercial poultry (poultry that are raised for meat or eggs). The parent stock farms are often tied with hatcheries, where the day-old chicks ("DOCs") are sold back to multiplication farms or sold to broiler farms or layer farms.

As of February 2025, there were 4 companies that operate grandparent stock farms for broilers that supply a large majority of the parent stock chicks needed by the parent stock farm in Malaysia. These 4 grandparent stock farm operators include Cabin Premier GPS Farm Sdn Bhd (a subsidiary of CAB Cakaran Corporation Berhad), Avian Farm (Malaysia) Sdn Bhd (a subsidiary of Charoen Pokphand Foods Public Co. Ltd, which is listed on the Thailand Stock Exchange), Huat Lai (G.P.S.) Farm Sdn Bhd and Leong Hup International Berhad. All four companies are owned and operated by integrators in the poultry industry. Integrators refer to poultry operators that are at the same time involved in various upstream and downstream activities.

Moving down the supply chain, there were 36 companies that operate broiler parent stock farms in Peninsular Malaysia as of February 2025. Most of these parent stock companies are owned by integrators such as CAB

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

Cakaran Corporation Berhad, Huat Lai Resources Berhad, Leong Hup International Berhad, PWF Corporation Bhd, Dindings Poultry Development Centre Sdn Bhd and Charoen Pokphand Jaya Farm (M) Sdn Bhd. These parent stock chicken produce day-old chicks and are supplied to other poultry farmers.

Broiler farms and layer farms then grow the day-old chicks before they are sent to the slaughterhouse or to markets, and in the case of layers chicken, are ready to produce eggs. The most crucial aspect in broiler and layer growing operations is the provision of an environment without temperature fluctuations. While this may be hard to achieve in village operations, commercial systems are able to do so through several methods such as whole-house brooding or partial-house brooding to conserve or stipulate heat. For broiler chickens, it normally takes 35 days for the birds to reach market weight. In the case of layer chicken, pullets (young hens) are moved to cages in the laying area at the age of 16 weeks before the onset of sexual maturity. The larger the body weight of the hen at maturity, the larger her eggs will be for her entire life. According to the latest publicly available information from the Federation of Livestock Farmers' Association of Malaysia ("FLFAM"), there were approximately 2,600 broiler farms and 200 layers farms in 2019.

In 2023, Malaysia had a total of 309.8 million chickens, with broiler chickens accounting for the highest number at 206.5 million, followed by layer chickens (71.1 million), breeder chickens (19.0 million), and local fowl (also known as kampung chickens) (13.2 million). At the same time, there were a total of 9.4 million ducks in the country in 2023. The top 5 states that had the highest number of chickens were Johor (53.2 million), Sarawak (51.7 million), Perak (41.1 million), Melaka (33.3 million) and Negeri Sembilan (29.7 million). The states with highest number of ducks were Perak (6.9 million) and Johor (1.0 million). The ex-farm value of poultry meat (includes chicken meat and duck meat) was valued at RM13.85 billion in 2023 with output reaching 1.63 million tonnes during the year (chicken meat: 1.56 million tonnes, duck meat: 0.07 million tonnes). (Note: the Ex-farm value/price refers to the value at farm gate of the seller. It reflects the actual production cost before additional supply chain markups as it does not include cost of transport to buyer premise)

Figure 4: Ex-Farm Value of Poultry Meat (includes chicken meat and duck meat), 2018 – 2023

Year	Ex-Farm Value
	(RM million)
2018	11,694.3
2019	11,684.5
2020	11,841.9
2021	12,473.5
2022	13,031.2
2023	13,845.7

Source: Department of Veterinary Services ("DVS")

Figure 5: Production, Export and Import of Chicken Meat, 2018 – 2023

Year	Production	Export	Import
	(Tonnes)		
2018	1,587,539.2	95,497.6	71,182.9
2019	1,589,080.8	94,820.8	72,431.8
2020	1,628,609.3	95,107.3	68,243.7
2021	1,583,219.5	94,744.9	96,587.8
2022	1,543,425.3	64,751.9	176,191.1
2023	1,564,606.2	67,532.3	237,628.7

Source: DVS

Of all the livestock sold in Malaysia, poultry meat, in particular chicken, constitutes the most consumed due to cultural and religious reasons. Malaysia experienced a supply shortage and price hikes for key food items including chicken and eggs in early 2022, partly due to the war between Ukraine and Russia disrupting global shipments of wheat and corn, both ingredients of chicken feed. The local supply of chicken had also been affected by disease infection amongst the chicken population as well as erratic weather conditions, both leading to reduced production. In response, the Malaysian Government had put in place a price ceiling for chicken (set at RM8.90 per kilogram ("kg")) and eggs (Grade A: RM0.43 per egg, Grade B: RM0.41 per egg, and Grade C: RM0.39 per egg) initially since February 2022 to help stabilise prices in the country. A revision was made in July 2022, where the price ceiling was revised upwards to RM9.40 per kg for chicken while the ceiling prices

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for Grade A, B, and C eggs were set at RM0.45, RM0.43 and RM0.41 per egg respectively. At the same time, the Malaysian Government also introduced subsidies for poultry farmers amid rising production costs. The initial subsidies provided were RM0.60 per kg of chicken and RM0.05 per egg for Grades A, B, and C in February 2022. The subsidies for chicken and eggs were later increased to RM0.80 per kg and RM0.08 per egg respectively in October 2022 and to RM0.10 per egg in November 2022 (no further subsidy increases for chicken meat).

Malaysia became a net importer of chicken meat in 2022. As the price control has disincentivised increased production due to rising cost of feed, the Malaysian Government lifted price controls for chicken on 1 November 2023 while price control for eggs remained. Although chicken meat production has recovered slightly in 2023, imports continue to rise as consumption growth continued to outpace production. It is expected that the lifting of price control beginning 1 November 2023 will help local chicken supply. Poultry prices had remained relatively stable in 2024, with broiler chicken ex-farm prices hovering between an average of RM5.09 per kg and RM6.77 per kg during the year.

Poultry meat serves as the most important source of animal protein in the diet of the Malaysian populations. The per capita consumption of chicken meat in Malaysia had expanded from 45.7 kilogram per year ("kg/yr") in 2019 to 49.3kg/yr in 2023, reflecting the growing demand for poultry products in the country.

The continuing growth of the poultry and poultry products industry is promising but has been marred by the rising prices. The increase in prices can be attributed to ongoing cost changes at the ex-farm stage of the supply chain, with the bulk of these changes arising from high feed and input cost inflation. Moreover, in Budget 2024, the Malaysian Government's recent decision to remove price controls on chicken and eggs may result in higher prices for chicken moving forward. The decision made is in line with allowing the local market to function freely to ensure an adequate supply of chicken and eggs in the market.

Figure 6: Ex-Farm Price of Selected Poultry in Malaysia, 2018 – 2023

Year	Broiler Chicken ¹ (Live)	Kampung Chicken ²	Culled Chicken ³
	RM/kilogram		
2018	5.30	8.95	5.55
2019	5.05	8.35	5.35
2020	5.00	8.10	5.60
2021	5.85	8.40	5.60
2022	6.25	11.65	6.70
2023	6.38	11.50	7.64

Notes:

¹ Broiler chicken generally refer to chicken raised for their meat. They generally take less time to mature and are often given growth-promoting additives to expedite development.

² Kampung chicken refer to a breed of chicken native to countries like Malaysia and Indonesia. They take longer to mature and are generally smaller but more expensive than broiler chickens.

³ Culled chicken refer to slaughtered chickens found in wet markets and supermarkets, etc.

Source: DVS

In terms of the major governing laws and regulations in the poultry and poultry products industry in Malaysia, broiler farming operators are required to be licensed and governed under specific and relevant regulations, including but not limited to the following:

- Animals Act 1953**, a regulation to control the import and export of animals and birds; to prevent the spreading of diseases; to prevent cruelty to animals; to control the movement or slaughter of livestock; and to conserve and improve the general welfare of animals);
- Feed Act 2009**, an act to establish the Feed Board, to regulate feed quality by controlling the importation, manufacture, sale and use of feed and feed additive, to ensure that feed satisfies nutritional requirement of animals, is not harmful to animals and is not contaminated so that animals and animal products are safe for human consumption and other usage, and for other matters incidental thereto; and
- Food Hygiene Regulation 2009**, provide an infrastructure to control the hygiene and safety of food sold in Malaysia

2.1 Historical Market Performance and Growth Forecast

The historical performance and growth forecast of the poultry and poultry products industry in Malaysia is based on a combination of resources, including official historical statistics on the ex-farm value of livestock

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products (namely poultry meat and chicken/duck eggs) from DVS. Financial reports from listed poultry players and data cross-checking were also conducted with stakeholders within the poultry and poultry products industry in Malaysia to determine the market size of the industry. Further discussions were also held with stakeholders within the industry to understand the condition of the industry to provide a growth forecast.

The size of the poultry and poultry products industry (based on ex-farm value) in Malaysia was valued at RM20.30 billion in 2023, which was an increase of 7.6% from the previous year. The growth in value of the industry was mainly due to an increase in consumption of poultry products supported by higher prices of other livestock such as beef and pork, which has led to the population consuming more of the cheaper priced poultry products.

Figure 7: Historical Size and Growth Forecast for the Poultry and Poultry Products Industry in Malaysia, 2022-2029

Year	Market Size (RM billion)	Growth Rate (%)
2022	18.86	-
2023	20.30	7.6
2024 ^e	20.75	2.2
2025 ^f	21.62	4.2
2026 ^f	22.53	4.2
2027 ^f	23.49	4.3
2028 ^f	24.61	4.8
2029 ^f	25.78	4.8

Compounded annual growth rate ("CAGR") (2025-2029) (base year of 2024): 4.4%

Note: ^e denotes estimate; ^f denotes forecast

Source: Protégé Associates

In 2024, the poultry and poultry products industry continued to experience growth at a slower pace, building on its expansionary trend after the increase in the previous year. Additionally, the lifting of price control of chicken by the Malaysian Government since 1 November 2023 is likely to have a positive impact on local chicken production as poultry operators can adjust prices according to market conditions. The poultry and poultry products industry was estimated at RM20.75 billion in 2024. Going forward, the industry is projected to grow at a CAGR of 4.4% from RM21.62 billion in 2025 to RM25.78 billion in 2029.

3.0 Competitive Analysis

Farmiera Group is involved in the poultry farming and production of poultry products. Within the poultry and poultry products industry in Malaysia, the barriers to entry are considered relatively high, with prospective entrants facing various challenges. One of the notable barriers lies with the high capital outlay required to set up poultry farms (for both broiler and layer chickens) as well as processing facilities along with related machineries and equipment. As poultry farming is highly vulnerable to diseases, maintaining biosecurity protocols such as controlled farm access, vaccination programs, and regular testing requires expertise and additional ongoing costs and might deter the entrance of new players. Compliance with regulations and food and hygiene standards related to the industry also pose as deterrents to potential market entrants. Lastly, competition within the industry can also make it difficult for new players to gain a foothold in the poultry and poultry products industry in Malaysia.

For the financial year ended ("FYE") ended 31 December 2024, Farmiera Group registered revenue of RM561.1 million.

Protégé Associates has identified several key industry players that are comparable based on the following criteria:

- A market player registered in Malaysia and is involved in the poultry and poultry products industry; and
- A market player that is involved in at least 2 of the following business activities namely 1) Hatchery/breeder farming; 2) Broiler farming; and 3) Processing of poultry products.

After taking into consideration the above criteria, Protégé Associates has selected the following industry players as comparable companies with Farmiera Group. It needs to be highlighted that the list of market players used for comparison purpose is not exhaustive and only serves as a reference for readers.

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Figure 8: Comparison between Farmiera Group and Selected Market Players in the Poultry and Poultry Products Industry in Malaysia

Company	FYE	Business Activities			Revenue (RM)	Gross Profit (RM)	Profit After Tax (RM)	Gross Profit Margin ¹ (%)	Profit After Tax Margin ² (%)
		Hatchery/ Breeder Farming	Broiler Farming	Processing					
Market Players with Revenue Above RM1 billion									
CAB Cakaran Corporation Berhad ³	30-09-2024	√	√	√	2,297,090,103	233,285,421	93,188,331	10.2	4.1
Dindings Tyson Sdn Bhd ⁴	31-12-2024	√	√	√	1,079,823,000	110,091,000	3,105,000	10.2	0.3
Leong Hup International Berhad ⁵	31-12-2024	√	√	√	9,309,452,000	n/a	630,810,000	n/a	6.8
Market Players with Revenue Below RM1 billion									
Farmiera Group ⁶	31-12-2024	√	√	√	561,065,482	45,680,110	7,001,711	8.1	1.2
Aqina Farming Sdn Bhd	31-03-2023		√	√	87,265,130	9,397,173	930,736	10.8	1.1
Ayamas Integrated Poultry Industry Sdn Bhd ⁷	31-12-2024	√	√	√	205,512,468	10,507,711	(38,494,411)	5.1	(18.7)
Kee Song Agriculture (M) Sdn Bhd ⁸	31-12-2023	√	√		203,626,130	24,209,331	22,634,456	11.9	11.1
Kee Song Food (M) Sdn Bhd ⁸	31-12-2023			√	18,166,061	3,839,908	(106,724)	21.1	(0.6)
PWF Corporation Berhad ⁹ ("PWF")	31-12-2024	√	√	√	523,631,277	88,552,148	29,521,131	16.9	5.6
Syarikat Sin Long Heng Breeding Farm Sdn Bhd	31-03-2024	√	√		22,248,122	2,830,894	609,847	12.7	2.7

Notes:

The above figures (which are based on the latest available audited financial information) only provide an indication and are not considered directly comparable as the companies may not carry out activities which are completely similar to each other or in the same geographical area.

¹ Gross Profit Margin = Gross Profit / Revenue

² Profit after Tax Margin = Profit after Tax / Revenue

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³ CAB Cakaran Corporation Berhad is listed on the Main Market of Bursa Malaysia Securities Berhad. CAB Cakaran Corporation Berhad is principally involved in investment holding and provision of management services while activities of its subsidiaries include breeding of grandparent stocks to produce breeder chicks, breeding of parent stocks to produce broiler eggs and chicks, poultry hatcheries, contract farming, poultry processing, marketing and distribution of poultry products, breeding of broiler chicken and trading of broiler chicken, poultry feeds and other farm consumables, wholesaler of poultry of poultry feed, animal feed nutrition, supplements and feed additives for poultry, trading and retailing supermarket products, fast-food franchising business, and fast food restaurant operators. CAB Cakaran Corporation Berhad also has operations in Singapore in addition to its Malaysia operations. CAB Cakaran Corporation Berhad's revenue from its Integrated Poultry Division stood at RM2.17 billion for the FYE 31 December 2024. Revenue from its Retailing Division and Drone Division stood at RM148.6 million and RM0.5 million respectively. Farm's Best Food Industries Sdn Bhd, which is a subsidiary of CAB Cakaran Corporation Berhad, is involved in hatchery/ breeder farming, broiler farming, and processing business activities. For the FYE 31 December 2024, the revenue of Farm's Best Food Industries Sdn Bhd's stood at RM647.9 million

⁴ Dindings Tyson Sdn Bhd is a joint venture company of Malayan Flour Mills Berhad, which is listed on the Main Market of Bursa Malaysia Securities Berhad. Malayan Flour Mills Berhad is principally involved in the business of milling and selling wheat flour and trading in grain and other allied products, while the activities of its subsidiaries include manufacture and sale of animal feeds and sale of related raw materials, trading in corn, soybean meal and other feed ingredients. Malayan Flour Mills Berhad's integrated poultry business is held through Dindings Tyson Sdn Bhd (a 51% held joint venture). Dindings Tyson Sdn Bhd is the ultimate holding company of Dindings Poultry Development Centre Sdn Bhd and Dindings Poultry Processing Sdn Bhd. Dindings Poultry Development Sdn Bhd is involved in hatchery/ breeder farming, and broiler farming business activities while Dindings Poultry Processing Sdn Bhd is involved in processing business activities. For the FYE 31 December 2024, the revenue of Dindings Poultry Development Centre Sdn Bhd and Dindings Poultry Processing Sdn Bhd revenue stood at RM819.0 million and RM777.3 million respectively

⁵ Leong Hup International Berhad is listed on the Main Market of Bursa Malaysia Securities Berhad. Leong Hup International Berhad is principally involved in investment holding while activities of its subsidiaries include production and distribution of breeder and broiler DOC, broiler chicken, animal feeds and consumer food products and operating of food, beverage and bakery retail outlets, manufacturing, trading and distribution of food products, and funding vehicle, investment advisory services, other financial services except insurance/takaful and pension funding. Leong Hup International Berhad also has operations in Singapore, the Philippines, Myanmar, Vietnam, Indonesia and Cambodia in addition to its Malaysia operations. Leong Hup International Berhad's revenue from its Livestock and poultry related products segment stood at RM5.40 billion for the FYE 31 December 2024 while revenue from its feedmill segment stood at RM3.90 billion. Heng Kai Hock Farms Sdn Bhd and Prestige Fortune Sdn Bhd which are subsidiaries of Leong Hup International Berhad, are involved in hatchery/ breeder farming, broiler farming, and processing business activities. For the FYE 31 December 2023, the revenue of Heng Kai Hock Farms Sdn Bhd and Prestige Fortune Sdn Bhd stood at RM102.8 million and RM105.3 million respectively

⁶ Farmiera Group's revenue for the FYE 31 December 2023 consists of its Poultry Farming segment (RM266.8 million) and Poultry Processing segment (RM269.1 million)

⁷ Other principal activities of Ayamas Integrated Poultry Industry Sdn Bhd in addition to hatchery, breeder and broiler farms include investment holding and operations of feedmill

⁸ Kee Song Agriculture (M) Sdn Bhd and Kee Song Food (M) Sdn Bhd are part of the Kee Song Group, which is based in Singapore. Other companies under the Group include Kee Song Food Corporation (S) Pte Ltd and Meng Kee Poultry (M) Sdn Bhd.

⁹ PWF Corporation Berhad is listed on the Main Market of Bursa Malaysia Securities Berhad. PWF Corporation Berhad is principally involved in investment holding and provision of management services while activities of its subsidiaries include broiler farming, layer egg farming, breeding of DOC, processing and distributing of poultry products, and manufacturing and selling of poultry feeds and pet food

Sources: Farmiera Group, annual reports of PWF, SSM and Protégé Associates

3.1 Farmiera Group's Market Share Analysis

The revenue generated by Farmiera Group in its financial year ended 31 December 2024 was RM561.1 million, which is equivalent to 2.7% of the poultry and poultry products industry in Malaysia in 2024. The market share is derived based on the revenue of Farmiera Group over the market size of the poultry and poultry products industry in Malaysia in 2024 of RM20.75 billion.

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**4.0 Demand Conditions****Figure 9: Demand Conditions Affecting the Poultry and Poultry Products Industry, 2025 - 2029**

<i>Impact</i>	<i>Demand Conditions</i>	<i>Short-Term</i>	<i>Medium-Term</i>	<i>Long-Term</i>
		2025-2026	2027-2028	2029
+	Growing Demand for Poultry Products	High	High	High
+	Growing Demand for Convenient Meals due to Changing Consumer Lifestyle	High	High	Medium
+	Growing Population in Malaysia	Medium	Low	Low
+	The Malaysian Government's Initiatives to Develop the Local Food-Related Industries	High	Medium	Low
-	Avian Influenza and Other Poultry-related Diseases	Low	Low	Low

*Source: Protégé Associates***Growing Demand for Poultry Products**

In Malaysia, one of the most significant changes in food consumption patterns comes from the growing preference towards meat products. This change in behaviour has impacted the agri-food industry. Along with economic advancements in the country, Malaysians have shown a tendency to consume more meat than staple and grain food. This means that the ratio for meat products in a person's dietary basket becomes larger while other grain commodities shrink. This has resulted in higher meat consumption as opposed to other types of food in the average Malaysian's diet.

Poultry meat, in particular chicken, serves as the most important source of animal protein in the diet of the population. Between 2019 to 2023, the per capita consumption of chicken meat in Malaysia expanded from 45.7kg/yr to 49.3kg/yr. This can be attributed to two main factors, namely chicken meat being the main type of meat that is consumed by the various cultures and religions, as well as government subsidies and ceiling price control on poultry products making it an affordable source of protein. However, the government had removed the price ceiling on chicken on 1 November 2023 to allow the local market to function freely, and to ensure a sufficient supply of chicken. This decision may result in higher prices for chicken and its related products moving forward. However, chicken meat is still expected to remain cheaper than other livestock such as beef and pork. On 1 May 2025, the Malaysian Government removed the price control on eggs while reducing subsidies for eggs from RM0.10 to RM0.05 per egg. The subsidies for eggs will be removed starting 1 August 2025. The Agriculture and Food Security Ministry had also announced plans to increase the production of cheaper special grade chicken eggs following the Malaysian Government's to end egg subsidies on 1 August 2025. Malaysia has been relatively self-sufficient in poultry production, thus feeding the growth in demand for poultry products. Malaysia had a chicken meat self-sufficiency rate of 90.2% in 2023.

Growing Demand for Convenient Meals due to Changing Consumer Lifestyle

Along with the urbanisation trend in the country, Malaysians have been adopting fast-paced lifestyles characterized by a continuous pursuit to improve their quality of life limited by time constraints. This shift had fuelled a growing demand for convenient meal options, reshaping consumer expectations and food preferences. Consequently, consumers are increasingly moving towards more convenient meal choices, such as ready-to-serve foods and frozen or vacuum-packed ready-to-cook options. The availability and convenience of such processed foods, including processed poultry products, have made them a popular choice in the Malaysian market, particularly among busy urbanites.

At the same time, demand for frozen processed poultry products such as chicken sausages, chicken nuggets, chicken meatballs and breaded chicken drumsticks has remain strong in the country, driven by convenience of preparation as well as preference for these kind of food by the population, especially among children and teenagers. This change in consumer behaviour favours the poultry products market with poultry products readily accessible in grocery stores and supermarkets, often offered in ready-to-eat and ready-to-cook options. This provides a convenient solution for consumers seeking quick and convenient meal options. In response to this trend, the poultry and poultry products industry stands to benefit from shifts in consumer habits and preferences, transitioning from traditional home-cooked meals that required hours of preparation to quicker meal solutions utilising pre-cook and/or pre-packed processed ingredients.

Growing Population in Malaysia

In 2024, the population in Malaysia was estimated at 34.1 million compared to 32.7 million in 2022. The population is expected to reach 41.5 million in 2040. The demand for poultry and poultry products is positively

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correlated to the growth in population as a higher population will lead to demand for food as a basic need. The economic advancement in Malaysia has also led to a shift in the population's dietary intake, whereby there is a growing preference for meat products (including poultry) to other staple or grain food. This is likely to drive the poultry and poultry products industry as more poultry and poultry products need to be produced to meet the demands of the population as well as ensuring sufficient food for the population.

The Malaysian Government's Initiatives to Develop the Local Food-Related Industries

Positive policy support from the Malaysian Government has accelerated the development of local food processing industry. The National Food Security Action Plan ("DSMN") 2021-2025 rolled out by the Ministry of Agriculture and Food Industries has highlighted various initiatives towards a sustainable food system. The DSMN focuses on several key areas, which includes enhancing local food production, improving food safety and quality, and promoting sustainable agriculture practices in order to strengthen the resilience of the food security system and improve access to affordable and nutritious food. This development is expected to bode well for the growth of the poultry and poultry products industry which is also a key stakeholder in the local food-related industries.

Avian Influenza and Other Poultry-related Diseases

The occurrence of poultry-related diseases such as the avian influenza (commonly known as bird flu) can negatively affect the demand for poultry and poultry products. Consumers may refrain from eating the affected poultry meat altogether, even those sourced from healthy animal farms due to fear of risking their health. Such developments are detrimental to the sales of the poultry products and can hurt the poultry and poultry products industry.

5.0 Supply Conditions

Figure 10: Supply Conditions Affecting the Poultry and Poultry Products Industry, 2025 - 2029

Impact	Supply Conditions	Short-Term	Medium-Term	Long-Term
		2025-2026	2027-2028	2029
+	Advancement of Technology	High	Medium	Medium
+	Food Safety Standards and other Requirements	Medium	Low	Low
-	Rising Cost of Production in the Ex-Farm Segments	High	Medium	Medium
-	Avian Influenza and Other Poultry-related Diseases	Low	Low	Low

Source: Protégé Associates

Advancement of Technology

The poultry and poultry products industry in Malaysia has benefited from the widespread adoption of technology, which reflects the industry's commitment to improve production efficiency. Additionally, the enhancement of broiler growing operations which involves the usage of a closed-house system where all aspects of the rearing environment can be controlled manually or through an automatic environment controller has enabled the creation of an optimal environment for broilers. This serves to ensure the production of broilers that meet the desired quality and safety standards. This integration of innovative practices has contributed to the industry's overall growth and success.

Within the downstream processing sector, the adoption of machinery and automation in poultry processing have served to reduce or replace the need for manual labour. The availability of modern technology has also helped improve efficiency in the production of poultry products, whereby increasing production rate and speed while maintaining the consistency of production quality. This allows poultry product processors to compete in terms of speed and capacity to deliver poultry products to the market.

Food Safety Standards and Other Requirements

Contamination may occur from poor broiler farming practices. As such, food quality, hygiene and safety are of paramount importance to consumers when purchasing poultry products. Malaysia continues to face food safety issue and challenges in term of food contamination, including foodborne bacteria such as Salmonella. In Malaysia, food safety standards are governed by the Food Act 1983, Food Regulations 1985 and Food Hygiene Regulation 2009, which are administered by the Ministry of Health. Food processors are required to comply with these regulations to ensure that food products are safe for consumption. To ensure compliance, the Ministry of Health conducts regular inspections and audits on food production facilities. Food processors who are found to be in violation of the regulations can face penalties, including fines and suspension of their operations. Furthermore, other food safety standards such as the International Food Standard ("IFS"), Good

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Manufacturing Practice ("GMP") and Hazard Analysis and Critical Control Points System ("HACCP") have also been put in place to help establish an effective regulatory food control system.

Rising Cost of Production in the Ex-Farm Segments

According to the Department of Statistics Malaysia, the average cost per kilogram ("kg") of producing chicken in Malaysia was RM6.53 as of September 2022. The production cost for chicken broilers comprised 98.6% of direct cost (which comprises of feeds, day-old chicks, utilities, salaries and wages, vaccines/ vitamins and coop-related expenses) and 1.4% of indirect cost (which comprises of fees and taxes, insurance fees, license fees and others).

Chicken feed accounts for the largest cost component in broiler production, representing 65% to 75% of total production cost. In Malaysia, a huge portion of the ingredients used in the production of poultry feed is imported, including corn, soybean meal and additives. Due to this reliance, shortages and price volatilities related to the imported ingredients can have a significant bearing on the performance and profitability of local poultry production. While cost of feed had risen in 2022 due to the ongoing conflict between Russia and Ukraine, prices of key ingredients such as corn and soybean have been steadily falling since early 2024.

The second-largest component comes from the cost of day-old chicks, which is also vulnerable to changes in cost and accounts for 16.0% of the total cost. Additionally, due to the varying size of farming activities, the cost of production may differ according to farm size. Generally, the larger the farm, the lower the cost of production will be.

Vaccines is another major component accounting for 2.9% of total cost. While there are local companies that produce vaccines for the livestock industry, some integrators in the industry prefer imported vaccines. Additionally, chicks with superior genetics are sometimes imported to cross-breed with local chickens to enhance meat or egg production capabilities.

Avian Influenza and Other Poultry-related Diseases

The poultry and poultry products industry is vulnerable to the outbreak of animal diseases. Disease outbreaks can necessitate the massive culling of poultry in the affected poultry farms resulting in supply disruption.

Avian influenza is a highly contagious viral disease that significantly impacts poultry production. When an outbreak occurs, the standard industry practice is to eliminate all poultry, regardless of their health status, in order to prevent the spread of avian influenza. Industry players, in particular, owners of poultry farms will adopt industry best practices to mitigate any potential risk of disease outbreak and continue to keep a close check on the health of their poultry.

6.0 Prospects and Outlook of the Poultry and Poultry Products Industry in Malaysia

Overall prospects for poultry and poultry products industry in Malaysia look promising as it is supported by increasing local demand. Malaysian consumers are generally attaining greater affluence as a result of broad economic growth seen for the country over the past half-century. The economic advancement of the country has also brought along a change in dietary intake, whereby the population favours meat products over staple and grain commodities. The per capita consumption of chicken meat in Malaysia had expanded from 45.7kg/yr in 2019 to 49.3kg/yr in 2023, reflecting the growing demand for poultry products in the country. Poultry meat is relatively self-sufficient in Malaysia, mainly due to the active participation of the private sector. The adequate production of poultry has made it one of the cheapest and most affordable protein sources in the country. The industry is also likely to be boosted by consumers' changes in consumption habit and preferences from traditional home-cooked meals which required hours of preparation to the convenience of preparing quicker meals using processed, pre-cooked or ready-to-serve poultry products. In addition, the increasing population in Malaysia is also expected to boost demand for poultry and poultry products.

Animal health management is a major concern in the industry as it significantly influences the overall performance of the poultry and poultry products industry. As such, the utilisation of technology within the industry is likely to contribute to greater and better quality poultry production. In addition, the food safety standard practices in Malaysia is expected to boost consumer confidence on the safety of poultry products, thus leading to increase demand going forward.

On the flip side, the industry may be impacted by outbreaks of avian influenza and other poultry-related diseases, which not only affects production but also consumer confidence in poultry products. Additionally, rising production costs, including feed costs, DOCs costs, and vaccination costs, are likely to impact the profitability and viability of participants in the industry. These factors pose a negative impact on the growth of the poultry and poultry products industry in Malaysia. Nonetheless, the Malaysian poultry and poultry products is estimated to reach RM20.75 billion in 2024. Going forward, the industry is projected to expand at a CAGR of 4.4% from RM21.62 billion in 2025 to RM25.78 billion in 2029.

9. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS THAT MAY HAVE A SIGNIFICANT IMPACT ON OUR FUTURE PERFORMANCE, IN ADDITION TO ALL OTHER RELEVANT INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE MAKING AN APPLICATION FOR OUR IPO SHARES.

9.1 RISKS RELATING TO OUR BUSINESS AND OUR OPERATIONS

9.1.1 We are exposed to outbreak of livestock-related diseases such as Avian influenza virus

The outbreak of livestock-related diseases, such as the Avian influenza virus, at our poultry farms and/or contracted farms could have a material adverse effect on our operations, financial performance and prospects. Avian influenza A virus, commonly known as bird flu, is a highly infectious viral disease among live birds and can cause illness or death in domesticated birds. Most Avian influenza viruses do not infect humans. However, the outbreak of the Avian influenza virus that took place in March 2013, China, raised global public health concerns as the H7N9 subtype did not only affect live poultry but also spread to humans, resulting in fatalities. Since then, infections in both humans and birds have been closely observed because of the severity of its effects.

In the event of an outbreak of livestock-related diseases at our broiler farms and/or our contract broiler farms, we would be required to shut down our farm operations for quarantine inspections and cull all our flocks under the jurisdiction of the Malaysian Government. If a regional or large-scale outbreak occurs, the government may impose certain restrictions on the movement and/or sale of live broilers and poultry products, with the possibility of no compensation or insufficient compensation being paid by the government. Additionally, our poultry farming operations may be also exposed to the risk of shortage and supply disruptions of broiler DOCs due to outbreaks of livestock-related diseases at the breeder (parent stocks) farms. Consequently, these possible events could adversely affect our business operations and financial performance. Since the commencement of our business, there have been no reported cases of Avian influenza virus infection in our broiler farms or our contract broiler farms.

Although we adopt strict biosecurity measures for our self-operated broiler farms, processing plants and employees as disclosed in Section 7.6 of this Prospectus, however, there can be no assurance that we can fully prevent the occurrence of livestock-related diseases or there will be no future outbreak of a livestock-related disease. These occurrences are beyond our control, and they may adversely affect our future financial performance. Additionally, even if there is no outbreak of livestock-related diseases at our self-operated broiler farms and/or contract broiler farms, any outbreak of livestock-related diseases within the local and/or neighbouring countries could result in adverse publicity and negative consumer perception towards the poultry industry as overall. This may in turn, lead to a significant decrease in the demand for our poultry products, affecting our revenue and margins and potentially decreasing our overall profitability.

9.1.2 We may not be able to obtain, renew or maintain our major licences, permits and/or approvals required to operate our business operations

We depend on certain licences, permits and/or approvals issued by various government authorities and/ or regulatory agencies. Our major licences, permits and/or approvals are generally subject to periodic renewals and a variety of conditions. These conditions are either stipulated within the licences, permits and approvals themselves, or under the relevant legislations and/or regulations governing the issuing authorities. For instance, we are required to maintain poultry farming licences issued by the state DVS, pursuant to the respective state's Poultry Farming Enactment (i.e. legislation enacted by state that outline the compliance requirements for poultry farming activities) for the operation of our broiler farms. Please refer to Section 7.8 of this Prospectus for further details on the major approvals, licences and permits obtained by our Group.

9. RISK FACTORS (Cont'd)

As laws and regulations become increasingly stringent, there is no assurance that we will be able to renew such licences, permits and/or approvals from relevant authorities particularly if any new terms and conditions are imposed in the future. The environmental regulations enforced by the Department of Environment require stricter controls on waste management, effluent discharge standards, and odour management, especially for farms located near environmentally sensitive areas. We are mandated to implement a comprehensive waste treatment system, which includes several processes: physical treatment to separate solid waste, biological treatment where natural microbes decompose organic matter in a pond, and a settling process in which effluents are collected in a settling tank or pond before being discharged into public drains. As at the LPD, we have not faced any suspension, withdrawal or termination of any of our major licences, permits or approvals nor any closures of our farms that have materially and adversely affected our business and results of operation. Further, we have not experienced, nor do we anticipate any major difficulty in obtaining approvals and renewal for the necessary licences within a reasonable timeframe to ensure the continuity of our Group's operations.

Please refer to Section 7.23(A)(i) of this Prospectus for further details on our Group's non-compliance issue on operation of broiler farm houses without business premise licence. As at the LPD, the temporary business premise licence applications for Farm E and Farm F in Kuala Langat remain pending, with Farm F awaiting BP approval and Farm E being under review by MPKL. In the event the outstanding business premise licences are not obtained, we may be subject to regulatory actions including imposition of fines which are not expected to result in a material adverse impact on our overall business operations and/or financial condition. No penalties have been imposed by the local councils to date.

9.1.3 We face uncertainty in respect of our application to obtain requisite approvals for change in express conditions and/or occupation of building

Our operations are required to comply with land use conditions particularly when the express conditions imposed on the land titles do not explicitly permit poultry farming. As at the LPD, all our current lands use complies with the express conditions. If our future land use is not officially designated for our business operations, we must submit a formal application to the relevant land offices to request a change in land use or to modify the express conditions.

Additionally, a CCC/CF is required for the occupation of buildings or any part thereof pursuant to the SDBA. According to the Garis Panduan, the obtainment of a CCC/CF in respect of a broiler farm house is not required as the issuance of a CCC/CF is preceded by the issuance of a KM/KMTT and BP/TBP approval, both of which are required pursuant to the Garis Panduan. As at the LPD, we have obtained valid KM/KMTT for all of our self-operated broiler farms (both owned and rented) and obtained BP/TBP approvals for 10 of our self-operated owned and rented broiler farms. Please refer to Section 7.23(A)(ii) of this Prospectus for further details on the status of the BP/TBP application for the remaining broiler farm houses. While we have not experienced any imposition of sanctions to obtain certifications or permits in relation to the safety and fitness of buildings for occupation, there is no guarantee that local councils would not revise their policies and guidelines in the future to impose stricter requirements for poultry farms.

Any adverse changes in such policies, guidelines, or directions taken by the local councils and/or land authorities in exercising their discretion on matters requiring their approvals, which we cannot anticipate and are beyond our control, may result in various outcomes. This includes failure to obtain approval, leading to the disruption of our operations as well as the need to incur additional costs in seeking alternatives or replacements for the affected broiler farms, which in turn, could materially adversely affect our business operation and financial performance.

9. RISK FACTORS (Cont'd)**9.1.4 Our poultry farming is subject to fluctuation in prices of feed**

We source the feed that are used for our poultry farming from selected reliable and established local feed suppliers. However, the major raw materials for feed production, such as soybean meal, corn meal, and wheat grain are commodity items and are mainly sourced by import. As such, the selling price of feed is subject to fluctuations due to various factors, which includes, weather, volume of harvest, global demand and supply conditions, governmental agriculture policies, and currency exchange rates. Therefore, any significant increase in the cost of feed production resulting from rising raw material prices will lead to higher purchase costs for us. For illustrative purpose, our average purchase price of feed for the Financial Periods Under Review and as at the LPD are as follows:

FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025	As at the LPD
(Approximate RM/ tonne)					
2,100	2,500	2,610	2,200	2,040	2,023

If we are unable to pass on these increased costs to our customers (i.e. contract farmers and livestock distributors and traders), it may adversely affect our revenue and margins, potentially leading to a decrease in overall profitability. For the Financial Periods Under Review and up to the LPD, our average purchase price of feed range between RM2,023.00 to RM2,610.00 per tonne. Our financial performance has not been significantly impacted due to fluctuation in the prices of feed, as we were able to partially pass on the increased purchase costs of feed to our contract farmers through price adjustments. We are unable to pass on such increased cost to the livestock distributors and traders as the selling price of live broilers will be based on the current market selling price.

9.1.5 Dependency on reliable broiler DOCs supply and livestock-related disease management for our broiler quality

Quality broilers form the core competitive strengths of both our poultry farming and poultry processing business segments. Therefore, the quality of our Group's broilers depends significantly on the consistent and reliable supply of quality broiler DOCs as well as the effective administration of vaccinations and medications throughout our poultry farming. Any disruption in the supply of these inputs could have material adverse effects to the health and growth of our broilers. In the event that we are unable to source adequate supply of quality broiler DOCs, whether due to supplier issues, transportation problems, or any other unforeseen circumstances beyond our prediction and control, it could materially pose an adverse impact to our broiler production. A shortage of quality broiler DOCs may in turn, affect the overall scale of our broiler production output and cause delays in our production cycle, thereby affecting our ability to meet market demand and subsequent processing. Furthermore, the effectiveness of vaccinations and medications in preventing and managing outbreak of livestock-related diseases is crucial to our poultry farming business. Any lapses or failures in the management of livestock-related diseases measures could result in higher mortality rates within our broilers, which in turn would negatively impact our production yields and overall profitability.

9.1.6 Our continued success is dependent on our key management team

Our continued success is dependent on the experience, industry knowledge, efforts and business network of our management team.

9. RISK FACTORS (Cont'd)

We depend on the leadership of our Managing Director and Chief Executive Officer, Hong How Seng, and Executive Director and Deputy Chief Executive Officer, Tan Kok Cheong, to spearhead our Group and to drive the business development and growth of our Group. They are supported by a team of qualified key senior management, who have over the years gained a vast amount of experience, capability and knowledge in their respective roles which are essential to our business operations to support the growth of our Group. In particular, our Senior General Manager of the Farm Operation Department, Tan Chin Heng and our Chief Financial Officer, Chin Chien Hwi will/are responsible for our Group's expansion vertically into the broiler breeding and hatchery segments and will oversee activities related to the expansion, which include overall development, financial planning, and budgeting for the expansion. Please refer to Section 5 of the Prospectus for the profile of our management team.

Our success and future growth also depend on our ability to identify, hire, train and retain employees who are capable, skilled and qualified in performing their roles and responsibilities. The loss of any of our key senior management without suitable or timely replacements may result in an adverse effect on our Group's operations and may eventually affect our ability to maintain or improve our business performance.

9.1.7 We may not be able to successfully execute our business growth strategies

As set out in Section 7.21 of this Prospectus, our growth strategies involve vertical expansion into the broiler breeding and hatchery segments. These expansion plans involve a number of risks, including but not limited to capital expenditures incurred in respect of the cost of setting up new operation facilities, cost of working capital tied up in resources planning, and other working capital requirements.

Our business strategies involve a number of risk and challenges, including but not limited to the following:

- (a) Capital intensity and financial risk: increased capital and operating expenditures resulting from the vertical expansion into the broiler breeding segment. This expansion requires capital investment for constructing parent stock farms and hatcheries, purchasing equipment, and recruiting skilled personnel. These expenses could put pressure on cash flow and working capital management, especially if the return on investment is slower than expected;
- (b) Regulatory and approval risk: we may encounter challenges in obtaining relevant approvals from regulatory authorities in a timely manner. Delays or failures in obtaining the necessary approvals could delay our expansion timeline, which would in turn increase costs and potentially affect our ability to operate as planned; and
- (c) Operational and execution risk: we may face delays in the construction of new facilities for our broiler breeding segment. Building and commissioning these new facilities involves various inherent risks, such as project delays, cost overruns, and technical challenges. The successful execution of our growth strategies also relies on the capabilities of our management team and operational staff. Any deficiencies in project management, resource allocation, or strategic decision-making could hinder successful implementation.

Although the expansion plans have been formulated after careful evaluation of market demand and opportunities, execution risks always exist at the point of implementation. As such, there can be no assurance that we will be able to successfully execute our business strategies or that these business strategies will not prove more difficult or costly to implement than we had planned. Any failure in executing our business strategies effectively may lead to adverse effects on our future business and expected financial performance.

9. RISK FACTORS (Cont'd)

9.1.8 Reliant on the consistent broiler supply from our contract farmers

In addition to our Group's self-operated broiler farms, we rely on the services of our contract farmers for a consistent supply of broilers, without having to invest in additional self-operated broiler farms. As at the LPD, we have engaged 38 contract farmers which in aggregate operate a total of 44 contract farms, located in Perak (21), Selangor (11), Negeri Sembilan (4), Pahang (6) and Melaka (2) respectively. We do not depend on any single contract farmer. Our contract farmers will also provide services to multiple customers at a point in time but is dependent on their farm's scale and capacity. Our contract farmers are responsible for rearing the broiler DOCs into full-grown broilers according to our requirements, by utilising their farms, equipment, and labour for the farming operations. We do not enter into a long-term contract with them, as this arrangement provides the flexibility accorded by short-term contractual arrangements. The contract farmers will buy broilers DOCs, feed, vaccines and medicines from us and we will provide technical guidance and support to these contract farmers. The selling prices for broiler DOCs, feeds, vaccines and medication, and purchasing full-grown broilers from contract farmers, is subject to periodic review, with changes made to reflect market prices.

Although we provide technical guidance and support to our contract farmers on the feed and dietary supplements for the broilers as well as farm management knowledge, such as implementation of disease control as means of quality control for the end product, there is no assurance that these contract farmers will adhere to such requirements and standards. Additionally, although we have entered into contract farming agreements with our contract farmers which is valid for a 12-months term, we have no control over these contract farmers during the service period. In the event of unilateral termination by our contract farmers under circumstances beyond our control, it can result in sudden disruptions in our supply chain, including shortages in inventory and delays in processing. These disruptions can potentially lead to lost sales opportunities if our operation cannot fulfil customer orders on time, as well as incur unexpected higher costs to source broilers from other third-party suppliers in such a short period. This, in turn, has an adverse impact on our business operations and financial performance.

As at the LPD, our contract farmers supply approximately 52.85% of our broilers. Any disruption to our relationship with our contract farmers could affect our supply of broilers, and if they are not replaced with alternative contract farmers in a timely manner, our business operations and financial performance may be adversely affected.

9.1.9 We are dependent on our major customer

We are dependent on our major customer, namely Segi Marine Enterprise Sdn Bhd, who contributed RM59.11 million (22.56%), RM92.27 million (21.83%), RM95.01 million (17.73%), RM93.23 million (16.62%) and RM48.01 million (15.45%) of our total revenue for the Financial Periods Under Review, respectively. Segi Marine Enterprise Sdn Bhd is a private limited company incorporated in Malaysia in 2009 and is principally engaged in the trading of groceries and foodstuffs. Segi Marine Enterprise Sdn Bhd has been our customer since 2018 and we mainly supply raw poultry products to Segi Marine Enterprise Sdn Bhd during the Financial Periods Under Review. Although we have fostered business relationships with our major customer, however, the loss of our major customer and if not replaced in a timely manner, would adversely affect our financial performance and future outlook.

Additionally, as our sales are based on purchase orders issued by our major customer according to their demand, there can be no assurance that revenue contribution from them will be sustained at the same level in the future. In the event of any significant reduction in orders from our major customer, it may adversely affect our financial performance and future outlook.

9. RISK FACTORS (Cont'd)

9.1.10 We may experience land disputes and may not be able to renew our rental agreements

As at the LPD, a portion of our self-operated broiler farms operate on a total of 7 pieces of rented land with a total land area of approximately 106.23 acres. In the future, we may encounter land disputes, which could arise due to issues related to land ownership or overlapping land usage. Overlapping land usage occurs when an area allocated by government authorities to 1 party for agricultural activities, such as for farming, overlaps with areas allocated by other authorities for different purposes or reserved by the government for specific purposes only. Such disputes can lead to legal and administrative challenges, including lengthy proceedings and unfavourable outcomes. Any restrictions or loss of access to these rented lands could disrupt our poultry farming, negatively affecting production and supply continuity. As at the LPD, we do not encounter any occurrence of overlapping land usage for our owned and rented farms. Prior to any land acquisition, we will engage a consultant to conduct a preliminary study, including but not limited to, reviewing information on the land including its title and ownership.

Additionally, the land of our 2 poultry processing facilities, namely the Ipoh Processing Plant and the Lukut Processing Plant, are also rented from third party owners. While we have not experienced land disputes or challenges in renewing our significant tenancy agreements since the inception of the business, there's no assurance that we will be able to renew all our material rental agreements at commercially reasonable costs or at all, or that we will be able to obtain suitable alternative facilities. Any failure to secure renewal or an alternative to the rental agreements could materially and adversely affect our business operations and financial condition.

In the event we need to relocate our broiler farms or processing facilities due to land disputes, non-renewal of rental agreements, or regulatory actions, it could significantly disrupt our operations. Relocation may lead to production delays, increased costs for new rental spaces, and a loss of productivity during the transition period. Additionally, finding suitable alternative sites may be challenging. These factors could adversely affect our business operations, supply continuity, and financial performance.

9.1.11 We are exposed to labour shortage issue

We operate in a labour-intensive industry and is dependent on a continuous supply of foreign workers due to the shortage of local workers. As at the LPD, our Group employed 251 foreign workers of which 216 of them have been issued with valid pass under the name of our Group while the remaining 35 foreign workers are undergoing transfer registration of working pass which are pending the approval by the Ministry of Human Resources to be transferred to our Group. Please refer to Section 7.23(A)(iii) of this Prospectus for further details on our Group's non-compliance issue on employing foreign workers who do not possess valid working permit.

The employment of foreign workers is currently permitted by the Malaysian Government but subject to certain conditions, which may change from time to time. Any changes in the labour and immigration policies and regulations and/or visa restrictions on foreign workers will result in shortages of foreign workers available for our Group to employ, leading to disruption to our business operations. Furthermore, changes in policies such as increase in foreign workers' levy, minimum wages and/or any other government's initiatives and efforts to attract foreign workers in the future may result in increments in our costs, which in turn affect our profit margin. Our Group is not affected by restrictions on the entry of foreign workers in the past or during the COVID-19 MCO period.

9. RISK FACTORS (Cont'd)

9.1.12 We face the risk of contamination and deterioration in our raw poultry products, and we may be subject to complaints and litigation/ liability claims

Contamination and deterioration are risks inherent to all food industry participants. As our Group is involved in the poultry product processing, we are exposed to the risk of contamination and deterioration in our raw poultry products, whether due to improper storage and handling, outbreak of diseases or contamination during the production process, it may cause our poultry products to be found unsafe for consumption. This, in turn, may lead to damaged reputation, drop in sales, incurring additional cost to replacing the affected product batch and/or paying compensation to our customers, all of which may have a material adverse effect on our reputation, business and financial performance. Furthermore, should our Group be involved in any litigation/ liability claim due to the contamination and deterioration of our raw poultry products, our operation and profitability may be adversely impacted.

We are dependent on our business reputation and the quality of our products for the continuous growth of our business. Failure to consistently deliver quality products may materially and adversely affect our ability to retain our existing customers, secure new customers and/or develop new market segment, thereby hampering our future growth.

Moreover, any claims and/or publications linking health concerns in relation to the products we sell may also generate negative publicity towards our Group and our products. Additionally, such claims relating to possible contamination and deterioration of our poultry products may trigger premise inspections by relevant authorities, which in turn result in monetary fines and/or directives to temporary close down of our operations for further investigation or cleaning exercise. This would have a negative impact on our Group's business and finance conditions. As at the LPD, we have no cases of contamination and deterioration issue reported or received any order by any relevant authorities to suspend our operations.

9.1.13 Our insurance may be insufficient to cover all losses associated with our business operations

We are susceptible to various operational risks such as accidents, outbreaks of fire or floods, energy crisis or other natural calamities which may cause significant losses or damage to our production facilities, warehouse and office, thus disrupting and affecting our business operations. As at the LPD, we have procured fire insurance coverages for potential fire incident that could disrupt our business operations. However, we cannot assure that our existing insurance coverage are always able to cover all losses we sustain during the course of our business operations as it is not possible to accurately predict and quantify how much we will suffer from potential claims. Our insurance policies may contain deductibles, limitations and exclusions which may increase our costs in the event of a claim. In the case of uninsured loss or a loss in excess of insured limited, we may be required to pay for losses, damage and liabilities out of our internal funds. If we face legal claims from parties that may not be adequately covered by our insurance policies, our business operation and financial condition could be adversely impacted. There are also other risks such as natural disasters, riots, acts of terrorism and any other risks that cannot reasonably be insured against, which may adversely affect our business operations. As at the LPD, we have not experienced any of the above event that have significant effects to our business operations.

9. RISK FACTORS (Cont'd)

9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 We operate in a competitive environment

We face competition from existing competitors, including established players with integrated operations covering the entire value chain, as well as potential new market entrants in the industry. The competition is mainly on size of poultry farms, poultry product quality as well as pricing. The high level of competition may lead to price erosions, which in turn may affect our financial performance.

We could lose market share due to competitive pressure. There may also be other factors which may prompt us to increase our marketing expenses, lower the prices of our products and/or use discounts or promotional campaigns more frequently. Such measures could badly affect our margins which may result in poorer operating results and profitability. In light of the dynamic competitive market environment, there can be no assurance that our Group will be able to compete effectively with the existing and new competitors in the future.

9.2.2 We are subject to requirements and standards governing the poultry industry in which we operate

Our poultry operations, including poultry farming and poultry product processing, are subject to various requirements and standards, including those related to environmental, hygiene, and safety aspects governing the production of poultry products. We are obligated to obtain and maintain specific licences, approvals and/or certifications to ensure compliance with hygiene and food safety regulations. This includes certifications such as MeSTI certification, and Halal certification, which preserves and upholds the Halal integrity and principles of our products.

Additionally, the entire poultry operations, at the level of poultry farming and poultry product processing may result in several environmental concerns such as odours, waste management issues, and potential pollution. Disturbances in the surroundings of broiler farms and landscape degradation were caused by our operations at production level. Manure, carcasses or feathers causes bad odour and attracts flies, rodents, and other pests in our poultry operations, both the poultry farming and poultry processing. In addition, flies and rodents can transmit diseases which may significantly affect the residents living in or near self-operated broiler farms as well as our processing plants.

In addition, discharge of wastewater into the environment is the most significant environmental issue resulting from slaughterhouse operations. The poultry processing activities requires large amounts of water for evisceration, cleaning and washing operations. Therefore, the slaughterhouse releases large amounts of waste into the environment which may pollute the land, surface waters as well as posing a serious risk on human-health. Wastewater generated from processing activities typically has high biochemical and chemical oxygen demand due to the presence of organic materials, which includes but is not limited to blood, fats and flesh. During the slaughtering process, poultry waste such as manure, feather and offal could emerge as major environment pollutants. As a result, non-compliance with wastewater handling regulations may lead to the imposition of fines and penalties or restrictions on operations by the relevant authorities, which will also harm the reputation of the company. All the aforesaid could have a material adverse impact on our financial performance and operations. In FYE 2023, our Lukut Processing Plant received summons and was fined RM35,000 due to the discharge of industrial effluent into inland waters, exceeding prescribed limits, including excessive chemical oxygen demand concentrations.

9. RISK FACTORS (Cont'd)

There is no assurance that we will always be able to comply with all the requirements and standards necessary to hold such licences and approvals. Should any of our licences and approvals be revoked or suspended, or failure to renew, for any reasons, our business operations may be adversely affected. Additionally, we may also be subject to specific conditions or directives imposed by relevant regulators, and there is no guarantee that we can satisfy these conditions in a timely manner or at all. Meeting such additional conditions may result in extra operating costs, leading to a material adverse impact on our business operations and financial performance. For the Financial Periods Under Review and up to the LPD, save for the above mentioned fine, we have not received any other fines, penalties, or regulatory enforcement actions that may have a material impact on our operations.

9.2.3 We are subject to changes in political, regulatory and economic risk

Given that we are currently only operating in Malaysia, any adverse development in the political, regulatory and economic conditions in the country could affect our financial performance and business prospects unfavourably.

Political, economic and regulatory uncertainties that may affect our operations includes changes in the political leadership leading to unstable political situation, terrorism activities, changes in interest rates, fluctuation in currency exchange rates, changes in accounting and tax policies. In addition, changes in government policies such as introduction of new regulations, import duties and tariffs may also adversely affect our business and financial prospects. Notwithstanding that we have not experienced any adverse political, economic and regulatory changes which have materially affected our operations and financial performance; there are no assurance that any adverse political, economic and regulatory changes in the future, which are beyond our control, will not unfavourably affect our future financial performance.

Furthermore, the Malaysian Government announced the lifting of the ceiling price for chicken starting November 2023, allowing market forces to determine prices. However, there is no assurance that the government will not reimpose price controls on chicken. In the event of the reimposition of the ceiling price for chicken, it could materially affect the financial and the overall profitability of our Group.

9.2.4 Presence of substitute products and changes of consumer preferences

The availability of fresh foods as well as other food categories within the food processing industry presents consumers with various substitute products, which could affect sales of our products. However, consumer tastes and preferences may vary from time to time. Within the local market, poultry is often considered an alternative to lean meat such as pork or beef, fish and seafood. As such, consumer demand for poultry products could change based on factors such as dietary habits, concerns regarding the sustainability and animal welfare, economic factors and social trends. Moreover, with consumer's growing consciousness for a healthy diet and a population embracing vegan or vegetarian lifestyles, the demand for healthy food will continue to expand. This growth is evident in the rising demand and development of alternatives to conventional meat, such as plant-based and cultured meat. If consumer trends favour vegetarianism, veganism, low-meat diet or alternative proteins, the poultry meat consumption may decrease. There can be no assurance that our existing products will continue to be accepted by end-consumers or we will be able to anticipate and respond to any change in the consumer preferences in a timely manner. Failure to anticipate, identify, or react to these changes may result in a decrease in the demand for our products, subsequently adversely affecting our business operations and financial performance.

Additionally, disease outbreak such as Avian influenza and negative publicity resulting from regulatory action or litigation against market players in the industry may cause a reduction in consumers' willingness to purchase poultry products. This in turn, may have a negative adverse impact on our business operations and financial performance.

9. RISK FACTORS (Cont'd)

9.3 RISKS RELATING TO THE INVESTMENT IN OUR SHARES

9.3.1 There is no prior market for our Shares

Prior to our Listing, there was no public trading for our Shares. The listing of our Shares on the ACE Market does not guarantee that an active market for our Shares will develop.

There is also no assurance that our IPO Price will correspond to the price at which our Shares will be traded on the ACE Market.

9.3.2 Our Listing is exposed to the risk that it may be aborted or delayed

Our Listing may be aborted or delayed should any of the following occur:

- (a) The selected investors fail to subscribe for their portion of our IPO Shares;
- (b) Our Underwriter exercising its rights under the Underwriting Agreement to discharge itself from its obligations therein; and
- (c) We are unable to meet the public shareholding spread requirement set by Bursa Securities, whereby at least 25.00% of our total number of Shares for which listing is sought must be held by a minimum number of 200 public shareholders each holding not less than 100 Shares upon the completion of our IPO and at the point of our Listing.

If any of these events occur, investors will not receive any Shares and we will return in full without interest, all monies paid in respect of the Application within 14 days, failing which the provisions of Section 243(2) of the CMA will apply.

If our Listing is aborted and/or terminated, and our Shares have been allotted to the investors, a return of monies to the investors could only be achieved by way of cancellation of share capital as provided under Sections 116 or 117 of the Act and its related rules. Such cancellation requires the approval of shareholders by special resolution in a general meeting, with sanction of High Court of Malaya or with notice to be sent to the Director General of the Inland Revenue Board and ROC within 7 days of the date of the special resolution and us meeting the solvency requirements under Section 117(3) of the Act.

There can be no assurance that such monies can be recovered within a short period of time in such circumstances.

9.3.3 The trading price and trading volume of our Shares following our Listing may be volatile

The trading price and volume of our Shares may fluctuate due to various factors, some of which are not within our control and may be unrelated or disproportionate to our financial results. These factors may include variations in the results of our operations, changes in analysts' recommendations or projections, changes in general market conditions and broad market fluctuations.

The performance of Bursa Securities is also affected by external factors such as the performance of the regional and world bourses, inflow or outflow of foreign funds, economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of our Shares.

9. RISK FACTORS (Cont'd)

9.4 OTHER RISKS**9.4.1 Our Promoters will be able to exert significant influence over our Company**

Our Promoters will collectively hold 74.00% of our enlarged share capital upon Listing. Due to the size of their shareholdings, our Promoters will be entitled to control the business direction and management of our Group. As such, there can be no assurance that the interests of our Promoters will be aligned with our other shareholders. In the case that the interests of our Promoters differ from the interests of our other shareholders, they may exercise significant influence over the vote of our Shares. Our Promoters could also have significant influence in determining the outcome of any corporate transactions or other matters submitted to our shareholders for approval. This includes the election of Directors, dividend policy, approval of business ventures and having voting control over our Group. As such, our Promoters will have significant influence on the outcome of any ordinary resolution (which requires a simple majority of 50.0% plus 1 voting share) to be tabled at general meeting, unless they are required to abstain from voting by law and/or as required by the relevant authorities (i.e. Bursa Securities).

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10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

Pursuant to the Listing Requirements, subject to certain exemptions, a “related party transaction” is a transaction entered into by a listed issuer or its subsidiary, which involves the interest, direct or indirect, of a related party. A “related party” is defined as –

- (a) a director, having the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of the listed corporation, its subsidiaries or holding company or a chief executive of the listed corporation, its subsidiaries or holding company; or
- (b) a major shareholder, including any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed corporation or its subsidiaries or holding company, having an interest or interests in one or more voting shares in a corporation, and the number or aggregate number of those shares is –
 - (i) 10% or more of the total number of voting shares in the corporation; or
 - (ii) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation; or
- (c) a person connected with such director or major shareholder.

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10. RELATED PARTY TRANSACTIONS (Cont'd)

10.1.1 Material related party transactions entered into by our Group

Save for the Pre-IPO Restructuring and as disclosed below, there are no other existing and/or proposed related party transactions which have been entered into or are to be entered into by our Group which involves the interests, whether direct or indirect, of our Directors, Substantial Shareholders and/or persons connected with them, for the Financial Periods Under Review and up to the LPD:

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value					
				FYE				FPE	From 1 July 2025 to the LPD
				2021	2022	2023	2024	2025	
				RM'000	RM'000	RM'000	RM'000	RM'000	
1.	FCFSB and Boon Poo Transport Sdn Bhd ("BPTSB")	Lim Kian Hoe⁽¹⁾ Lim Kian Hoe is a person connected to our Promoters and Substantial Shareholders by virtue of his interest in SBESB. He is also a director and major shareholder of BPTSB.	Fees charged by BPTSB to FCFSB for the provision of logistic services ⁽²⁾	915 0.37% of our cost of sales	1,061 0.26% of our cost of sales	Nil ⁽³⁾	Nil ⁽³⁾	Nil ⁽³⁾	Nil ⁽³⁾
2.	FARSB and BPTSB	Lim Kian Hoe⁽¹⁾	Fees charged by BPTSB to FARSB for the provision of logistic services ⁽²⁾	6 0.01% of our cost of sales	24 0.01% of our cost of sales	1,527 0.29% of our cost of sales	1,165 0.23% of our cost of sales	617 0.22% of our cost of sales	237 (NA) ⁽⁴⁾
3.	FARSB and Boon Poo Enterprise Sdn Bhd ("BPESB")	Lim Kian Hoe⁽¹⁾	Purchase of paper rolls for the usage of our broiler farms' operation from BPESB	18 0.01% of our cost of sales	33 0.01% of our cost of sales	41 0.01% of our cost of sales	57 0.01% of our cost of sales	30 0.01% of our cost of sales	10 (NA) ⁽⁴⁾
4.	FARSB and Lapangan Kenanga Sdn Bhd ("Lapangan Kenanga")	Lau Ah Lee was a former director and substantial shareholder of FVSB (subsidiary of the Group). He is also a director and substantial shareholder of Lapangan Kenanga ⁽⁵⁾	Provision of farming services to Lapangan Kenanga a contract farmer ⁽⁶⁾	34 0.01% of our revenue	28 0.01% of our revenue	7 negligible	Nil	Nil	Nil

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value					
				FYE				FPE	From 1 July 2025 to the LPD
				2021	2022	2023	2024	2025	
				RM'000	RM'000	RM'000	RM'000	RM'000	
5.	GBSB and Farmiera Logistic Sdn Bhd ("FLSB")	FHSB was a shareholder of FLSB. The Promoters and Substantial Shareholders was also the indirect controlling shareholder of FLSB through FHSB ⁽⁸⁾	Fees charged by FLSB to GBSB for the rental of transportation vehicles ⁽⁷⁾	Nil	33 0.01% of our cost of sales	Nil	Nil	Nil	Nil
6.	FVSB and Lapangan Kenanga	Lau Ah Lee was a former director and substantial shareholder of FVSB. He is also a director and substantial shareholder of Lapangan Kenanga ⁽⁵⁾	Sales of broiler DOCs, feed, vaccines and medicines to Lapangan Kenanga as a contract farmer ⁽⁹⁾	12,082 4.61% of our revenue	13,854 3.28% of our revenue	Nil	Nil	Nil	Nil
			Purchase of broilers from Lapangan Kenanga as a contract farmer ⁽⁹⁾	15,071 6.07% of our cost of sales	17,398 4.26% of our cost of sales	Nil	Nil	Nil	Nil
7.	FARSB and Lapangan Kenanga	Lau Ah Lee was a former director and substantial shareholder of FVSB (subsidiary of the Group). He is also a director and substantial shareholder of Lapangan Kenanga ⁽⁵⁾	Sales of broiler DOCs, feed, vaccines and medicines to Lapangan Kenanga as a contract farmer ⁽⁹⁾	Nil	Nil	2,769 0.52% of our revenue	Nil	Nil	Nil
			Purchase of broilers from Lapangan Kenanga as a contract farmer ⁽⁹⁾	Nil	Nil	3,406 0.65% of our cost of sales	Nil	Nil	Nil

10. RELATED PARTY TRANSACTIONS (Cont'd)

Notes:

- (1) Lim Kian Hoe is a specified shareholder of Farmiera as he is a person connected to the Promoters and Substantial Shareholders for the purpose of the Proposed Listing, by virtue of his shareholdings in SBESB. After the Listing, Lim Kian Hoe will not be disclosed as a related party as he is not a director, substantial shareholder and/or persons connected to them. In respect of his interest in BPTSB, he is a director and major shareholder of BPTSB.
- (2) The logistic services provided to FCFSB and FARSB are in relation to the transportation of feeds for our Group's poultry farming business. The fees charged for the provision of logistic services is comparable to the fees of other transportation services undertaken by our Group as well as fees quoted by third party suppliers.
- (3) Logistic services offered by BPTSB have ceased after FYE 2022 as FCFSB has been dormant since 1 January 2023 as a result of the merging of our poultry farming business into FARSB to streamline our Group's business operation.
- (4) Not applicable as we did not prepare any financial statements from 1 July 2025 up to the LPD.
- (5) Lau Ah Lee is not a person connected to the Promoters and Substantial Shareholders. On 20 December 2023, FCFSB had acquired the remaining 30.00% equity interests of FVSB from Lau Ah Lee. After the acquisition, Lau Ah Lee had ceased to be a director and shareholder of FVSB. Transactions between subsidiaries of our Group and Lau Ah Lee was disclosed as a related party transaction for the purpose of the Listing.
- (6) The farming services provided to Lapangan Kenanga are in relation to the provision of temporary labour for general farming services to contract farmers during period of labour shortage. The terms of the services were not carried out on an arm's length basis and on normal commercial terms as the Group had engaged these farming services on an urgent basis at the point in time during a period of labour shortage, and as such the temporary labour rates were not comparable to the market rate of temporary labour rate. However, the transactions were not detrimental to non-interested shareholders as the amount of the transactions were not material during the respective financial years. Such services have ceased after FYE 2023.
- (7) The rental of transportation vehicles by GBSB are in relation to the rental of refrigerated trucks for the transportation of poultry products. The fees charged for the rental of refrigerated trucks is comparable to the fees quoted by third party suppliers.
- (8) FHSB had on 19 December 2023 disposed of its entire 60% equity interests in FLSB to a non-related party. Following thereto, FLSB ceased to be a related party.
- (9) The terms of the contract farming services provided by Lapangan Kenanga are similar to the terms of other contract farmers' services procured by the Group and/or offered to the Group.

Our Directors, having considered all aspects of the related party transactions, are of the opinion that the related party transactions set out above, (save for related party transaction (4)), were transacted on an arm's length basis and on normal commercial terms which are not more favourable to the related party than those generally available to third parties and are not detrimental to non-interested shareholders.

10. RELATED PARTY TRANSACTIONS (Cont'd)

As at the LPD, there are no related party transactions entered into but not yet effected.

Moving forward, if there are potential related transactions, the related parties must first inform our Audit and Risk Management Committee on their interests in the transaction and the nature of the transaction before the transaction is entered into.

Our Board will, through our Audit and Risk Management Committee, ensure that any related party transactions (inclusive of recurrent related party transactions) are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to third parties dealing at arm's length and are not to the detriment of our Group, we have established the following procedures:

(a) Recurrent related party transactions

- (i) At least 2 other contemporaneous transactions with third parties for similar products and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered by all related parties are fair and reasonable and comparable to those offered by third parties; or
- (ii) In the event that quotation or comparative pricing from third parties cannot be obtained, the transaction price will be determined by our Group based on those offered by third parties for substantially similar type of transaction to ensure that the recurrent related party transaction are not detrimental to us.

Our Board shall seek mandate from shareholders to enter into any recurrent related party transactions at a general meeting. Due to its time-sensitive nature, the shareholders' mandate will enable us to enter into such recurrent transactions which are transacted in our ordinary course of business without having to convene numerous general meetings to approve such recurrent transactions as and when they are entered into.

(b) Other related party transactions

- (i) Whether the terms of the related party transaction are fair and on arm's length basis to our Group and would apply on the same basis if the transaction did not involve a related party;
- (ii) The rationale for our Group to enter into the related party transaction and the nature of alternative transactions, if any; and
- (iii) Whether the related party transaction would present a conflict of interest between our Group and the related parties, taking into account the size of the transaction and the nature of the related parties' interest in the transaction.

Where required under the Listing Requirements, a related party transaction may require prior approval of shareholders at a general meeting to be convened. An independent adviser may be appointed to comment as to whether the related party transaction is fair and reasonable so far as the shareholders are concerned; and whether the transaction is to the detriment to minority shareholders. In such instances, the independent adviser shall also advise minority shareholders on whether they should vote in favour of the transaction.

In the event there are any proposed related party transactions that require prior approval of our shareholders, our Directors, major shareholders and/or persons connected with them who have any direct or indirect interest in the proposed related party transactions shall abstain from deliberation and voting on resolutions pertaining to the respective transactions at the general meeting.

10. RELATED PARTY TRANSACTIONS (Cont'd)

In addition, to safeguard the interest of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will, among others, supervise and monitor any related party transaction and the terms thereof and report to our Board for further action. Where necessary, our Board would make appropriate disclosures in our annual report with regards to any related party transaction entered into by us.

10.2 TRANSACTIONS ENTERED INTO THAT ARE UNUSUAL IN THEIR NATURE OR CONDITIONS

There were no related party transactions entered into that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets to which our Company or any of our subsidiaries were a party to for the Financial Periods Under Review and up to the LPD.

10.3 LOANS MADE TO OR FOR THE BENEFIT OF THE RELATED PARTIES OR BY THE RELATED PARTIES

Save as disclosed below, there are no loans to or for the benefit of our related parties or by our related parties for the Financial Periods Under Review and up to the LPD:

	FYE				FPE	From 1 July 2025 to the LPD
	2021	2022	2023	2024	2025	
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	
Amount owing to directors ⁽¹⁾	8,323	288	-	-	-	-
Amount owing to shareholders ⁽²⁾	2,500	-	-	-	-	-
Amount owing to related parties ⁽³⁾	-	6	-	-	-	-

Notes:

- (1) Advances from Hong How Seng and Tan Kok Cheong to subsidiaries of the Group, which were utilised for working capital and capital expenditure purposes for the Group's operation. Such amount was fully capitalised into the share capital of the respective subsidiaries and/or repaid during FYE 2022 and FYE 2023.
- (2) Advances from Tan Kok Cheong, Tan Chin Heng and Lim Kian Hoe which were utilised for working capital and capital expenditure purposes for the Group's operation. Such amount was fully capitalised into the share capital of the respective subsidiaries and/or repaid during FYE 2022.
- (3) Amount in relation to related party transaction (2) in Section 10.1 above. Such amount was fully repaid during FYE 2023.

	FYE				FPE	From 1 July 2025 to the LPD
	2021	2022	2023	2024	2025	
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	
Amount owing by holding companies ⁽¹⁾	-	12	12	9	-	-
Amount owing by related parties ⁽²⁾	-	14	-	-	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

Notes:

- (1) In respect of payments made by the Group of behalf of AJSB, Keystone Capital, TCH Capital and Himpunan Jaya for the respective related incorporation fees. As at the LPD RM9,000 in respect to the incorporation fees of AJSB was repaid on 6 March 2025.
- (2) In respect of payments made by the Group on behalf of FLSB and Sinar Gemilang (a subsidiary Casey Poultry Trading Sdn Bhd, *(formerly known as Farmiera Processing Sdn Bhd)* for administrative matters such as preparation of tenancy agreement and related secretarial fees. These payments were fully repaid during FYE 2024.

10.4 PROVISION OF FINANCIAL ASSISTANCE INCLUDING GUARANTEE BY OUR SUBSTANTIAL SHAREHOLDERS FOR THE BANKING FACILITIES GRANTED TO OUR GROUP

Our Directors and Substantial Shareholders, namely, Hong How Seng and Tan Kok Cheong have provided personal guarantees for certain outstanding banking and hire purchase facilities extended by Malayan Banking Berhad, Maybank Islamic Berhad, MBSB Bank Berhad, Alliance Bank Malaysia Berhad, Public Bank Berhad, AmBank (M) Berhad and Alliance Islamic Bank Berhad (collectively, the “**Financiers**”) to GBSB, FARSB, FBFSB and FCFSB respectively. The aggregate amount of facilities secured as at the LPD is approximately RM238.18 million.

We have applied to all the Financiers to obtain a release and/or discharge of the guarantees and other personal securities granted by Hong How Seng and Tan Kok Cheong by substituting the same with a corporate guarantee from our Company and/or other securities from our Company which are acceptable to the respective financiers. Until such release and/or discharge are obtained from the respective financiers, Hong How Seng and Tan Kok Cheong will continue to guarantee and/or maintain personal security over the relevant banking and hire purchase facilities extended to our Group.

As at the LPD, we have received conditional approvals from all the Financiers to discharge the above guarantees upon our Listing by substituting the same with a corporate guarantee from our Group and/or other securities from our Group acceptable to the Financiers.

Save as disclosed above, there are no outstanding guarantee provided for the benefit of related parties or by the related parties to our Group for the Financial Periods Under Review and up to the LPD.

Moving forward, our Company has put in place strict internal control and compliance procedures in relation to loans and financial assistance to third-parties, and no further loans or financial assistance will be given to any related parties by our Group unless such loans and financial assistance are permitted under law and the Listing Requirements and brought to the Audit and Risk Management Committee and our Board for deliberation and approval.

10.5 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST

10.5.1 Audit and Risk Management Committee review

Our Audit and Risk Management Committee assesses the financial related party transactions to ensure no conflict of interest arise within our Company. Our Audit and Risk Management Committee maintains and periodically reviews the adequacy of the procedures and processes set by our Company to ensure that these transactions are carried out in the best interest of the Company on normal commercial terms that are industry norms and not more favourable to the related party than those generally available to third parties dealing at arm's length, and are not to the detriment of the interest of our Company's minority shareholders.

The related parties and parties who are in a position of conflict with the interest of our Group will be required to abstain from deliberations on the transactions.

10. RELATED PARTY TRANSACTIONS (Cont'd)

All reviews by our Audit and Risk Management Committee are reported to our Board for its further action.

10.5.2 Our Group's policy on related party transactions and conflict of interest

It is the policy of our Company that all related party transactions shall be reviewed by the Audit and Risk Management Committee to ensure that:

- (a) there is no conflict of interest;
- (b) the related party transactions are negotiated and agreed in the best interest of the Company at arm's length basis;
- (c) the related party transactions are based on normal commercial terms not more favourable to the related party than those generally available to third parties; and
- (d) the related party transactions are not to the detriment of the interest of our Company's minority shareholders.

In respect of our Directors' interests in companies carrying on similar business, our Directors will also be required to abstain from deliberations and voting on resolutions pertaining to matters and/or transactions where a conflict of interest may arise.

In addition, in line with the Malaysian Code on Corporate Governance and the Corporate Governance Guide, our Directors are required to make an annual disclosure of any related party transactions and conflict of interest with our Group and our Audit and Risk Management Committee must carry out an annual assessment of our Directors which include an assessment of such related party transactions and/or conflict of interest. Our Audit and Risk Management Committee will in turn report to our Board after their evaluation and assessment and make the appropriate recommendations to our Board.

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11. CONFLICT OF INTEREST

11.1 CONFLICT OF INTEREST

As at the LPD, none of our Directors and / or Substantial Shareholders has any other interest, whether direct or indirect, in any businesses or corporations which are carrying on a similar trade as our Group or which are the customers or suppliers of our Group.

11.2 DECLARATION BY ADVISERS ON CONFLICT OF INTEREST**11.2.1 Principal Adviser, Sponsor, Underwriter and Placement Agent**

Malacca Securities confirms that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in relation to it acting in its capacity as the Principal Adviser, Sponsor, Placement Agent and Underwriter for our IPO.

11.2.2 Auditors and Reporting Accountants

Baker Tilly Monteiro Heng PLT confirms that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in relation to it acting in its capacity as the Auditors and Reporting Accountants for our IPO.

11.2.3 Solicitors

Mah-Kamariyah & Philip Koh confirms that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in relation to it acting in its capacity as the Solicitors for our IPO.

11.2.4 Independent Market Researcher

Protégé Associates Sdn Bhd confirms that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in relation to it acting in its capacity as the Independent Market Researcher for our IPO.

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12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

Our historical financial information throughout the Financial Periods Under Review have been prepared in accordance with MFRSs and IFRSs. The selected financial information included in this Prospectus is not intended to predict our Group's financial position, results and cash flows.

Our Company was incorporated under the Act on 2 May 2024 as a public limited company under the name of Farmiera Berhad.

As such, the historical financial information of our Group for the Financial Periods Under Review were prepared on a combined basis, as if our Group structure had been in existence throughout for the Financial Periods Under Review and are presented based on the audited combined financial statements of our Group.

12.1.1 Historical combined statements of comprehensive income

The following table sets out a summary of our combined statements of comprehensive income for the Financial Periods Under Review which have been extracted from the Accountants' Report. It should be read with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Accountants' Report set out in Sections 12.2 and 14 respectively.

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	261,968	422,624	535,848	561,065	284,045	310,835
Cost of sales	(248,337)	(408,881)	(520,928)	(515,385)	(259,836)	(280,444)
GP	13,631	13,743	14,920	45,680	24,209	30,391
Other income	238	16,435	21,821	3,252	3,000	609
Selling and distribution expenses	(3,669)	(6,878)	(8,541)	(12,119)	(5,725)	(6,878)
Administrative expenses	(6,330)	(9,687)	(13,238)	(18,910)	(8,731)	(12,552)
Other operating expenses	(952)	(1,666)	(1,956)	(2,127)	(677)	(1,315)
Operating profit	2,918	11,947	13,006	15,776	12,076	10,255
Finance income	65	42	91	196	85	130
Finance costs	(925)	(1,541)	(3,001)	(4,175)	(1,824)	(2,634)
PBT	2,058	10,448	10,096	11,797	10,337	7,751
Income tax expense	(504)	(2,409)	(3,654)	(4,795)	(3,778)	(3,215)
PAT	1,554	8,039	6,442	7,002	6,559	4,536
Profit attributable to:						
Owners of the Group	1,275	7,360	5,455	7,002	6,559	4,536
Non-controlling interests	279	679	987	-	-	-
	1,554	8,039	6,442	7,002	6,559	4,536
EBIT ⁽¹⁾	2,918	11,947	13,006	15,776	12,076	10,255
EBITDA ⁽¹⁾	5,419	15,597	18,580	24,091	15,989	14,964
GP margin ⁽²⁾ (%)	5.20	3.25	2.78	8.14	8.52	9.78
PBT margin ⁽³⁾ (%)	0.79	2.47	1.88	2.10	3.64	2.49
PAT margin ⁽³⁾ (%) ⁽³⁾	0.59	1.90	1.20	1.25	2.31	1.46
Effective tax rate ⁽⁴⁾ (%)	24.49	23.06	36.19	40.65	36.55	41.48
Basic/ diluted EPS ⁽⁵⁾ (sen)	0.28	1.64	1.21	1.56	1.46	1.01

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) EBIT and EBITDA are calculated as follows:

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
PAT	1,554	8,039	6,442	7,002	6,559	4,536
Less:						
Interest income	(65)	(42)	(91)	(196)	(85)	(130)
Add:						
Finance costs	925	1,541	3,001	4,175	1,824	2,634
Income tax expense	504	2,409	3,654	4,795	3,778	3,215
EBIT	2,918	11,947	13,006	15,776	12,076	10,255
Add:						
Depreciation	2,501	3,650	5,574	8,315	3,913	4,709
EBITDA	5,419	15,597	18,580	24,091	15,989	14,964

- (2) GP margin is computed based on GP divided by revenue.
- (3) PBT and PAT margin is computed based on PBT/ PAT divided by revenue.
- (4) Effective tax rate is computed based on income tax expense divided by PBT.
- (5) Calculated based on profit attributable to owners of our Group divided by our enlarged share capital of 450,000,000 Shares after our IPO. The diluted EPS is equal to the basic EPS.

For illustration purposes, the following table sets out the PAT of our Group for the Financial Periods Under Review adjusting to exclude profits or losses generated from non-recurring items or by activities or events outside the ordinary and usual course of business.

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
PAT/(LAT) attributable to owners of the Group	1,275	7,360	5,455	7,002	4,536
Adjusted for the following:					
Government subsidy ⁽¹⁾	-	⁽²⁾ (16,078)	⁽²⁾ (20,875)	⁽²⁾ (2,839)	-
Gain on disposal of combined entity	-	-	(484)	-	-
Gain on early termination of lease	(54)	(10)	(130)	(18)	(6)
Gain on lease modification	-	-	-	-	(482)
Loss/(Gain) on disposal of property, plant and equipment	⁽²⁾ 465	(115)	⁽³⁾ ⁽²⁾ 62	⁽²⁾ (65)	97
Bad debts written off	111	852	⁽²⁾ 281	⁽⁴⁾ 306	-
Deposits written off	-	⁽²⁾ 113	-	-	-
Property, plant and equipment written off	-	-	-	137	-

12. FINANCIAL INFORMATION (Cont'd)

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Waiver of debts	-	-	(2)(3)	-	-
Total adjustment	522	(15,238)	(21,149)	(2,479)	(391)
Taxation impact on the adjustment ⁽²⁾	(112)	3,832	4,892	675	1
Adjusted PAT/(LAT)	1,685	(4,046)	(10,802)	5,198	4,146

Notes:

- (1) Government subsidy in relation to the price control initiative introduced on 5 February 2022 to control the poultry price due to escalating raw material costs which was uplifted on 1 November 2023.
- (2) Computed by applying the Malaysian corporate tax rate of 24% on the relevant adjustments for the financial year. Save for those indicated as note (2), other non-recurring items outside the ordinary course of business were not subject to taxation.
- (3) Includes the gain and loss on disposals of which the loss on disposal amounting to approximately RM215,000 is taxable.
- (4) Only RM27,500 that is related to the write-off of amount owing by shareholders is subject to taxation.

12.1.2 Historical combined statements of financial position

The following table sets out the combined statements of financial position of our Group as at Financial Periods Under Review. It should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" set out in Section 12.2 and Accountants' Report set out in Section 14.

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets						
Non-current assets						
Property, plant and equipment	48,679	67,129	91,747	123,152	111,093	142,470
Deferred tax assets	-	-	-	141	63	147
Other receivables	66	70	75	80	78	83
Other investments	-	180	-	-	-	-
Total non-current assets	48,745	67,379	91,822	123,373	111,234	142,700
Current assets						
Biological assets	4,532	4,467	4,195	9,507	5,809	8,347
Inventories	466	2,495	2,852	2,438	2,968	2,283
Current tax assets	336	173	36	254	92	565
Trade receivables	11,866	19,378	22,981	23,953	28,799	29,117
Other receivables	2,892	3,222	6,494	9,042	7,932	8,706
Cash and short-term deposits	6,968	18,297	12,433	26,229	12,751	26,174
Total current assets	27,060	48,032	48,991	71,423	58,351	75,192
Total assets	75,805	115,411	140,813	194,796	169,585	217,892

12. FINANCIAL INFORMATION (Cont'd)

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Equity						
Invested equity	6,000	3,000	16,500	16,500	16,500	16,500
Retained earnings	19,597	26,835	33,681	40,683	40,241	45,219
	25,597	29,835	50,181	57,183	56,741	61,719
Non-controlling interests	198	877	-	-	-	-
Total equity	25,795	30,712	50,181	57,183	56,741	61,719
Liabilities						
Non-current liabilities						
Preference shares	-	13,500	-	-	-	-
Loans and borrowings	15,589	25,872	32,556	59,081	33,423	72,402
Deferred tax liabilities	552	1,527	1,794	3,840	3,002	3,397
Total non-current liabilities	16,141	40,899	34,350	62,921	36,425	75,799
Current liabilities						
Loans and borrowings	2,782	8,867	14,053	31,523	39,977	32,880
Current tax liabilities	453	479	1,258	79	2,480	2,369
Trade payables	15,017	25,213	32,371	32,722	26,148	35,621
Other payables ⁽¹⁾	15,617	9,241	8,600	10,368	7,814	9,504
Total current liabilities	33,869	43,800	56,282	74,692	76,419	80,374
Total liabilities	50,010	84,699	90,632	137,613	112,844	156,173
Total equity and liabilities	75,805	115,411	140,813	194,796	169,585	217,892

Note:

- ⁽¹⁾ Includes advances from Directors and shareholders of our Group, which were utilised for working capital and capital expenditure purposes for our Group's operation. Such amount was fully capitalised into the share capital of the respective subsidiaries and/or repaid during FYE 2022 and FYE 2023. Please refer to Section 10.3 of this Prospectus for further details.

12.1.3 Historical combined statements of cash flows

The following table sets out the combined statements of cash flows of our Group for the Financial Periods Under Review. It should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" set out in Sections 12.2 and Accountants' Report in Section 14.

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities						
PBT	2,058	10,448	10,096	11,797	10,337	7,751
Adjustments for:						
Gain on disposal of combined entity	-	-	(484)	-	-	-
Depreciation of property, plant and equipment	2,501	3,650	5,574	8,315	3,913	4,709

12. FINANCIAL INFORMATION (Cont'd)

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Loss/(Gain) on disposal of property, plant and equipment	465	(115)	62	(65)	12	97
Gain on early termination of lease	(54)	(10)	(130)	(18)	(8)	(6)
Gain on lease modification	-	-	-	-	-	(482)
Bad debts written off	111	852	281	306	-	-
Deposits written off	-	113	-	-	-	-
Property, plant and equipment written off	-	-	-	137	-	-
Waiver of debt	-	-	(3)	-	-	-
Finance costs	925	1,541	3,001	4,175	1,824	2,634
Finance income	(65)	(42)	(91)	(196)	(85)	(130)
Operating profit before working capital changes	5,941	16,437	18,306	24,451	15,993	14,573
Changes in working capital:						
Decrease/(Increase) in biological assets	68	65	272	(5,312)	(1,613)	1,160
(Increase)/Decrease in inventories	(9)	(2,029)	(357)	414	(116)	155
(Increase)/Decrease in trade and other receivables	(252)	(8,785)	(13,040)	(3,829)	(7,269)	(4,837)
(Decrease)/Increase in trade and other payables	(2,804)	14,349	10,506	2,119	(7,009)	2,035
Net cash generated from/(used in) operations	2,944	20,037	15,687	17,843	(14)	13,086
Income tax paid	(401)	(1,249)	(2,422)	(4,287)	(1,467)	(1,685)
Income tax refund	-	4	-	-	-	-
Interest received	16	30	83	181	82	127
Interest paid	(4)	(16)	(14)	(16)	(8)	(3)
Net cash from/(used in) operating activities	2,555	18,806	13,334	13,721	(1,407)	11,525
Cash flows from investing activities						
Purchase of property, plant and equipment	(6,486)	(15,452)	(19,188)	(26,103)	(13,314)	(24,722)
Proceeds from disposal of property, plant and equipment	1,138	140	1,267	1,115	1,038	2,265
Proceeds from disposal of combined entity, net of cash disposed	-	-	(719)	-	-	-
Acquisition of combining entities	(490)	(4,000)	-	-	-	-
Acquisition of additional interest in combining entity	-	-	(300)	-	-	-
Acquisition of other investments	-	(180)	-	-	-	-

12. FINANCIAL INFORMATION (Cont'd)

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Proceeds from disposal of other investments	-	-	180	-	-	-
Change in pledged deposits	1,511	1,566	11	358	-	-
Interest received	49	12	8	10	-	-
Net cash used in investing activities	(4,278)	(17,914)	(18,741)	(24,620)	(12,276)	(22,457)
Cash flows from financing activities						
Proceeds from issuance of combining entity's shares	240	-	300	-	-	-
Proceeds from issuance of share capital	-	-	-	*	*	-
Drawdown of term loans	7,755	8,238	3,000	32,800	7,334	16,381
Repayment of term loans	(773)	(1,207)	(3,116)	(14,928)	(787)	(1,153)
Payment of lease liabilities	(198)	(1,128)	(1,033)	(1,804)	(804)	(974)
Drawdown of hire purchases	-	-	-	5,690	3,902	-
Repayment of hire purchase payables	(187)	(336)	(486)	(1,107)	(492)	(744)
Proceeds from trade finance	36,965	22,252	28,341	88,749	37,065	62,882
Repayment of trade finance	(44,281)	(17,667)	(23,954)	(80,191)	(30,413)	(62,893)
Net changes in amount owing to/(by) directors	463	(4,835)	(288)	-	-	-
Net changes in amount owing to shareholders	2,500	8,788	-	3	12	9
Net changes in amount owing (by)/to related parties	-	(8)	8	-	-	-
Dividends paid	-	(122)	(231)	-	-	-
Interest paid	(921)	(1,525)	(2,987)	(4,159)	(1,816)	(2,631)
Net cash from/ (used in) financing activities	1,563	12,450	(446)	25,053	14,001	10,877
Cash and cash equivalents						
Net (decrease)/increase in cash and cash equivalent	(160)	13,342	(5,853)	14,154	318	(55)
At beginning of financial year/period	4,746	4,586	17,928	12,075	12,075	26,229
At end of financial year/period⁽¹⁾	4,586	17,928	12,075	26,229	12,393	26,174

Note:

- ⁽¹⁾ For the purpose of the combined statements of cash flows, cash and cash equivalents comprise of the following:

12. FINANCIAL INFORMATION (Cont'd)

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Short-term deposits	1,935	369	358	368	358	-
Less: Pledged deposits	(1,935)	(369)	(358)	-	(358)	-
	-	-	-	368	-	-
Cash and bank balances	5,033	17,928	12,075	25,861	12,393	26,174
Less: bank overdrafts	(447)	-	-	-	-	-
	4,586	17,928	12,075	26,229	12,393	26,174

* Represent less than RM1,000

12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management discussion and analysis of our financial condition and results of operations for the Financial Periods Under Review should be read in conjunction with the Accountants' Report together with our accompanying notes as set out in Section 14.

12.2.1 Overview of our operations**(a) Principal activities**

Our Group is principally involved in poultry farming and poultry processing activities. Our business operations consist of:

- (i) poultry farming, self-operated farms and contract farms, where live broilers (including broiler DOCs, feed, vaccines and medicines) are sold and trading of live broilers sourced from third-party suppliers; and
- (ii) poultry processing, which comprises the processing and distribution of Halal certified raw poultry products.

Please refer to Section 7 of this Prospectus for detailed information of our Group's business.

(b) Revenue

Our Group's revenue for the Financial Periods Under Review was derived from 2 business segments:

- (i) poultry farming involves:
 - self-operated farms, which involve sales of live broilers from own farms to livestock distributors and traders;
 - contract farms, which involve sales of live broilers from contract farmers to livestock distributors and traders; sales of broiler DOCs, feed, vaccines, and medicines to contract farmers for broilers rearing; and to customers who are not contract farmers engaged by our Group; and
 - trading of live broilers, which involves the outright sale of live broilers sourced from third-party suppliers.

12. FINANCIAL INFORMATION (Cont'd)

- (ii) poultry processing, which involves the processing and distribution of Halal-certified raw poultry products through our Lukut Processing Plant and Ipoh Processing Plant.

Revenue is recognised at a point in time when the poultry products (i.e. live broilers and raw poultry products) are delivered to and accepted by the customers. During the Financial Periods Under Review, our revenue was generated from customers, including livestock distributors and traders, retail chains, and food service providers, in Peninsular Malaysia.

(c) Cost of sales

Our cost of sales comprises mainly direct materials costs, labour costs, depreciation of property, plant and equipment, utilities and delivery costs.

(d) Other income

Other income consists mainly government subsidy for the broilers sold by our Group. As well as gain on disposals of combined entity, and property, plant and equipment.

(e) Selling and distribution expenses

Selling and distribution expenses comprise mainly transportation expenses for delivering poultry products (i.e. live broilers and raw poultry products), motor vehicle expenses including fuel charges, road tax, insurance, toll and parking charges, as well as driver costs for delivering poultry products, as well as marketing expenses, and repair and maintenance expenses for transport vehicles.

(f) Administrative expenses

Administrative expenses comprise mainly staff costs, legal and professional fees, directors' remuneration, motor vehicle expenses, as well as travelling and accommodations expenses.

(g) Other operating expenses

Other operating expenses comprise depreciation on property, plant and equipment, bad debts written off, loss on disposal of property, plant and equipment, as well as penalties.

(h) Finance costs and finance income

Finance costs comprise interest expenses on term loans, lease liabilities, trade finance, hire purchase and bank overdrafts.

Finance income comprise interest income from fixed deposit interests and current accounts.

(i) Recent development

There were no significant events subsequent to our audited combined financial statements during the Financial Periods Under Review, that has occurred, which may have a material effect on the financial position and results of our Group.

(j) Exceptional and extraordinary items and audit qualifications

There were no exceptional or extraordinary items during the Financial Periods Under Review. In addition, our audited combined financial statements for the Financial Periods Under Review were not subject to any audit qualifications.

12. FINANCIAL INFORMATION (Cont'd)

12.2.2 Review of our results of operations

The table below sets out the number of poultry farms we operate for the Financial Periods Under Review:

No./ Type of Farms	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
Owened farms	8	8	8	9	9
Rented farms	1	3	5	6	6
Contract farms	27	34	37	35	42
Total	36	45	50	50	57

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12. FINANCIAL INFORMATION (Cont'd)**(a) Revenue****Analysis of revenue by business segment**

The table below sets out the revenue contributions based on self-operated farms and contract farms for poultry farming, and poultry processing segments:

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<u>Poultry farming</u>												
Self-operated farms	36,505	13.93	41,803	9.89	69,823	13.03	90,038	16.05	48,558	17.10	48,823	15.71
Contract farms ⁽¹⁾	121,097	46.23	171,079	40.48	187,444	34.98	168,523	30.04	84,068	29.60	103,215	33.21
Trading of live broilers	13,943	5.32	4,165	0.99	9,521	1.78	10,220	1.82	3,306	1.16	4,160	1.34
	171,545	65.48	217,047	51.36	266,788	49.79	268,781	47.91	135,932	47.86	156,198	50.26
<u>Poultry processing⁽²⁾</u>												
Lukut Plant Processing	90,423	34.52	125,094	29.60	136,351	25.45	148,154	26.40	73,632	25.92	79,931	25.71
Ipoh Plant Processing	-(³)	-	80,483	19.04	132,709	24.76	144,130	25.69	74,481	26.22	74,706	24.03
	90,423	34.52	205,577	48.64	269,060	50.21	292,284	52.09	148,113	52.14	154,637	49.74
Total	261,968	100.00	422,624	100.00	535,848	100.00	561,065	100.00	284,045	100.00	310,835	100.00

Notes:

- ⁽¹⁾ The revenue from the sales to contract farmers is not to be profit-generating as these are cost and expenses in relation to the farming of broilers by contract farmers, which include broiler DOCs, feed and vaccines and medicines, which the broilers will be subsequently repurchased back by our Group.

12. FINANCIAL INFORMATION (Cont'd)

The breakdown of the revenue generated from contract farms is as below:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Sales of broiler DOCs, feed and vaccines and medicines to contract farmers ^(a)	71,799	27.41	112,929	26.72	126,423	23.59	121,131	21.59	60,674	21.36	74,438	23.95
Sales of broilers repurchased from the contract farmers	49,298	18.82	58,150	13.76	61,021	11.39	47,392	8.45	23,394	8.24	28,777	9.26
Total	121,097	46.23	171,079	40.48	187,444	34.98	168,523	30.04	84,068	29.60	103,215	33.21

(a) Inclusive of revenue generated from sales of broiler DOCs and feed to customers who are not contract farmers engaged by our Group, which cumulatively amounted to approximately RM6.97 million (5.76%), RM3.30 million (1.93%), and RM1.58 million (0.84%) for the FYE 2021 to 2023, respectively, and approximately RM0.19 million (0.19%) for FPE 2025.

(2) The breakdown of the revenue generated from the poultry processing segment is as below:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Sale to retail chains	90,423	34.52	203,634	48.18	263,629	49.20	273,666	48.77	137,837	48.53	137,816	44.33
Sale to food services providers	-	0.00	1,943	0.46	5,431	1.01	18,618	3.32	10,276	3.62	16,821	5.41
Total	90,423	34.52	205,577	48.64	269,060	50.21	292,284	52.09	148,113	52.14	154,637	49.74

(3) The Ipoh Processing Plant was set up in FYE 2022.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2021 and FYE 2022**

Our Group's revenue increased by RM160.65 million or 61.32% from RM261.97 million in FYE 2021 to RM422.62 million in FYE 2022. The increase was mainly due to increased revenue contribution from the poultry processing segment, which grew by RM115.15 million or 127.35% in FYE 2022, as a result of higher sales volumes and average selling price of raw poultry products⁽¹⁾, including whole birds and cut-ups products driven by larger orders from our retail customers, as well as the commencement of the Ipoh Processing Plant which expanded our processing capacity.

Note:

- (1) The average selling price of raw poultry products was determined by the market selling price of live broilers at the point in time. The movement of the average selling price of raw poultry products for the Financial Periods Under Review are as follows:

FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
Average selling price per kg				
RM6.73	RM8.02	RM8.16	RM7.69	RM7.69

Our Group's revenue from the poultry farming segment increased by RM45.50 million or 26.52% in FYE 2022, mainly from revenue contribution from contract farms operations by RM49.98 million or 41.27% in FYE 2022, which was in line with the increase in the broiler output by our contract farmers, to meet the demand of our poultry processing operations. However, such increase was partially offset by the decrease in trading of live broilers by RM9.78 million or 70.13% in FYE 2022 due to the reduction in orders from livestock distributors and traders.

Comparison between FYE 2022 and FYE 2023

Our Group's revenue increased by RM113.23 million or 26.79% from RM422.62 million in FYE 2022 to RM535.85 million in FYE 2023. The increase was mainly due to higher revenue contribution from the poultry processing business segment, which increased by RM63.48 million or 30.88% in FYE 2023, as a result of higher sales volumes and average selling price of raw poultry products⁽¹⁾, including whole birds and cut-ups products, driven by larger order from retail customers.

Note:

- (1) The average selling price of raw poultry products was determined by the market selling price of live broilers at the point in time. The movement of the average selling price of raw poultry products for the Financial Periods Under Review are as follows:

FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
Average selling price per kg					
RM6.73	RM8.02	RM8.16	RM7.69	RM8.02	RM7.69

Additionally, our Group's revenue from the poultry farming segment also increased by RM49.74 million or 22.92% in FYE 2023, due to revenue contribution from:

- (i) self-operated farms increased by RM28.02 million or 67.03%, mainly due to increase in production capacity of our self-operated farms (both owned and rented) from 5.77 million broilers to 8.06 million broilers to meet the increase in demand from our livestock distributors and traders customers;

12. FINANCIAL INFORMATION (Cont'd)

- (ii) contract farmers increased by RM16.37 million or 9.57%, was mainly due to the upward revision of prices for broiler DOCs and feed to contract farmers; and
- (iii) trading live broilers increased by RM5.36 million or 128.60% in FYE 2023, was mainly to meet additional demand from our livestock distributors and traders customers in addition to note (i) above.

Comparison between FYE 2023 and FYE 2024

Our Group's revenue increased by RM25.22 million or 4.71% from RM535.85 million in FYE 2023 to RM561.07 million in FYE 2024, mainly due to a higher revenue contribution from the poultry processing segment, which increased by RM23.22 million or 8.63% in FYE 2024. This increase was primarily attributed to higher sales volumes of raw poultry products, including whole birds and cut-ups products driven by higher order from our customers.

Our Group recorded a marginal increase from the poultry farming segment by RM1.99 million or 0.75% in FYE 2024, in particular the contract farms operations, mainly due to the decrease from the sales of feed to contract farmers, resulting from an improvement in farm performance, as reflected in the Feed Conversion Ratio (FCR) (i.e. a measurement of how efficiently livestock convert feed into the desired output) improving from 1.56 to 1.47. However, such decrease was partially offset by the increase in self-operated farms operations by RM20.22 million or 28.96% mainly due to the increase in production capacity of our self-operated broiler farms (both owned and rented) from 8.06 million broilers to 11.38 million broilers.

Comparison between FPE 2024 and FPE 2025

Our Group's revenue increased by RM26.79 million or 9.43% from RM284.05 million in FPE 2024 to RM310.84 million in FPE 2025, mainly due to a higher revenue contribution from the poultry farming segment, which increased by RM20.27 million or 14.91% in FPE 2025. This increase was primarily attributed to the increase from the sales of feed and broiler DOCs to contract farmers, resulting from an increase in production capacity of contract farmers due to the engagement of additional 7 contract farms during the period.

Our Group recorded a marginal increase from the poultry processing segment by RM6.53 million or 4.41% in revenue for FPE 2025. During FPE 2025, notwithstanding that we recorded higher sales volume (FPE 2024: 18,214,137 kg; FPE 2025: 19,790,185 kg) lower average market selling price of raw poultry products was recorded at RM7.69/kg in FPE 2025 (FPE 2024: RM8.02/kg). Notwithstanding that, the impact of the lower selling price offset the higher sales volume, resulting in only a slight increase in revenue for the poultry processing segment.

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12. FINANCIAL INFORMATION (Cont'd)**(b) Cost of sales, GP and GP margin****Cost of sales****Analysis of cost of sales by components**

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Biological assets ⁽¹⁾	(88)	(0.03)	(161)	(0.04)	1,668	0.32	(2,695)	(0.52)	(474)	(0.18)	2,370	0.85
Communication expenses	9	*	7	*	6	*	5	*	2	*	3	*
Consumable items ⁽²⁾	680	0.27	1,041	0.25	1,169	0.22	1,462	0.28	865	0.33	613	0.22
Delivery costs ⁽³⁾	1,677	0.68	2,647	0.65	3,321	0.64	4,068	0.79	1,862	0.72	2,621	0.94
Depreciation of property, plant and equipment	2,140	0.86	3,010	0.74	4,608	0.88	6,961	1.35	3,323	1.28	3,908	1.39
Farm expenses ⁽⁴⁾	281	0.11	434	0.11	567	0.11	1,703	0.33	790	0.30	880	0.31
Direct materials costs:												
Poultry farming ⁽⁵⁾	157,484	63.42	206,941	50.61	254,827	48.92	229,405	44.51	114,297	43.99	130,856	46.66
Poultry processing ⁽⁶⁾	75,993	30.60	176,886	43.26	230,945	44.33	242,915	47.13	124,244	47.82	122,578	43.71
Labour costs	4,424	1.78	9,458	2.31	13,899	2.67	15,027	2.93	7,551	2.91	8,613	3.07
Motor vehicles expenses ⁽⁷⁾	133	0.05	605	0.15	1,041	0.20	464	0.09	242	0.09	239	0.09
Outsourced services fees ⁽⁸⁾	2,413	0.97	1,240	0.30	1,386	0.27	2,650	0.51	1,151	0.44	1,414	0.50
Rental expenses	756	0.30	861	0.21	928	0.18	939	0.18	498	0.19	419	0.15
Repair and maintenance costs ⁽⁹⁾	761	0.31	1,744	0.43	2,029	0.39	5,599	1.09	2,322	0.89	2,055	0.73
Utilities	1,488	0.60	3,767	0.92	4,061	0.78	6,143	1.19	2,885	1.11	3,560	1.27
Others ⁽¹⁰⁾	186	0.08	401	0.10	473	0.09	739	0.14	278	0.11	315	0.11
Total	248,337	100.00	408,881	100.00	520,928	100.00	515,385	100.00	259,836	100.00	280,444	100.00

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) Biological assets refer to:
- a) broilers that are measured at fair value less costs to sell. The fair value of the broilers is estimated at the end of the financial year/period based on the selling price^(a), less the estimated costs necessary to grow the broiler to the point of sale. Changes in fair value of the biological assets are recognised in profit or loss in accordance with MFRS 141 Agriculture.
 - (i) *The estimated selling price of broilers based on managements' estimate by reference to historical selling price adjusted for abnormal market movements and the selling price immediately after the financial year/period end. The feed cost assumptions were based on the actual feed price on the last day of the financial year, i.e 31 December.*
 - b) breeders are measured at fair value less cost to sell. The fair value of breeders is determined using discounted cash flow model based on the expected number of day-old-chick produced, the estimated market selling price of day-old chick, salvage value for old birds, mortality rates of the breeding stocks, feed costs and consumption rates and other estimated farming cost that will be incurred throughout the remaining life of the breeder.
- (2) Comprise packaging and ice for use in poultry processing.
- (3) Refers to transportation of the feed for our poultry farming operation.
- (4) Comprise purchases of wood shavings, agricultural lime powder and gas for use in poultry farming.
- (5) Direct materials costs from poultry farming comprise feed, broiler DOCs, purchase of live broilers from contract farmers and third-party suppliers, as well as vaccines and medicines.

The table below sets out the breakdown of the direct material costs where such breakdown are as follows from poultry farming:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Feed	76,111	112,273	137,827	129,768	66,837	71,314
Purchase of live broilers from contract farmers	46,329	53,416	55,711	47,009	22,431	27,354
Broiler DOCs	20,570	35,541	49,762	39,715	20,468	26,004
Purchase of live broilers from third party suppliers for trading purpose	13,291	3,876	9,066	9,978	3,181	3,998

12. FINANCIAL INFORMATION (Cont'd)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Vaccines and Medicines	1,183	1,835	2,461	2,935	1,380	2,186
Total	157,484	206,941	254,827	229,405	114,297	130,856

- (6) Direct materials costs from poultry processing comprise of self-operated farm broilers costs, purchase of live broilers from contract farmers and third-party suppliers, as well as raw poultry products sourced from third-party suppliers and further processed at our poultry processing plants. The details are as follows:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Self-operated farm broilers costs	12,165	30,471	37,529	42,948	19,641	21,400
Purchase of live broilers from contract farmers	27,121	70,358	87,040	93,486	47,563	57,421
Purchase of live broilers from third party suppliers	16,549	60,924	62,804	58,458	30,400	26,653
Purchase of raw poultry products from third party suppliers	20,158	15,133	43,572	48,023	26,640	17,104
Total	75,993	176,886	230,945	242,915	124,244	122,578

- (7) Comprise fuel costs, road tax, motor vehicle insurance, toll and parking charges, for poultry farming and poultry processing operations.
- (8) Outsourcing slaughtering services to a third party slaughterhouse to slaughter live broilers and deliver to nearby customers in order to reduce transportation costs.
- (9) Comprise mainly upkeep expenses of farming equipment and processing machinery and equipment.
- (10) Comprise mainly worker hostel expenses, employee medical fees, employee insurances, fire insurances, as well as farm and plant licence fees.
- * Represent less than RM1,000 or 0.01%.

12. FINANCIAL INFORMATION (Cont'd)
Analysis of cost of sales by business segment

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<u>Poultry farming</u>												
Self-operated farms	32,590	13.12	39,825	9.74	69,711	13.38	74,268	14.41	39,871	15.35	40,296	14.37
Contract farms	117,406	47.28	169,033	41.34	187,205	35.94	156,648	30.39	77,845	29.96	95,809	34.16
Trading of live broilers	13,291	5.35	3,876	0.95	9,066	1.74	9,977	1.94	3,181	1.22	3,997	1.43
Breeder ⁽¹⁾	-	-	-	-	-	-	-	-	-	-	784	0.28
	163,287	65.75	212,734	52.03	265,982	51.06	240,893	46.74	120,897	46.53	140,886	50.24
<u>Poultry processing</u>												
Lukut Processing Plant	85,050	34.25	119,742	29.29	127,910	24.55	139,278	27.02	68,888	26.51	72,844	25.97
Ipoh Processing Plant	-(2)	-	76,405	18.68	127,036	24.39	135,214	26.24	70,051	26.96	66,714	23.79
	85,050	34.25	196,147	47.97	254,946	48.94	274,492	53.26	138,939	53.47	139,558	49.76
Total	248,337	100.00	408,881	100.00	520,928	100.00	515,385	100.00	259,836	100.00	280,444	100.00

Notes:

⁽¹⁾ We began our breeder farming operations in May 2025 under a commissioning trial phase.

⁽²⁾ The Ipoh Processing Plant was set up in FYE 2022.

12. FINANCIAL INFORMATION (Cont'd)**Cost of sales****Comparison between FYE 2021 and FYE 2022**

Our Group's total cost of sales increased by RM160.54 million or 64.65% to RM408.88 million in FYE 2022 (FYE 2021: RM248.34 million). The increase in cost of sales was mainly attributed to the following:

- (i) increase in direct material costs for the poultry farming segment by RM49.46 million, which was mainly due to:
 - (a) increase in feed cost by RM36.16 million due to the increase in the average price of feed in FYE 2022 by 19.61% (FYE 2021: RM2.04/kilogram ("kg"); FYE 2022: RM2.44/kg). The increase in price of feed was due to increase in raw materials prices, driven by fluctuating market conditions; and
 - (b) increase in the purchase of broiler DOCs by RM14.97 million which was in line with the increase in total broiler output as well as the average purchase price per broiler DOC (FYE 2021: RM1.80/broiler DOC; FYE 2022: RM2.42/broiler DOC. The increase in the price of broiler DOCs was in line with the increase in price of feed).

The increase was partially offset by the reduction in the purchase of live broilers from third-party suppliers and contract farmers by RM2.33 million, as there were sufficient live broilers to meet the demands of our livestock distributors and traders customers.

- (ii) increase in direct material costs for the poultry processing segment by RM100.89 million, which was mainly due to increase in the purchase of live broilers from third-party suppliers and contract farmers by RM103.30 million for our poultry processing, primarily due to a 21.46% increase in the higher average purchase price of live broilers in FYE 2022 compared to FYE 2021 (FYE 2021: RM5.08/kg; FYE 2022: RM6.17/kg). The increase in the price of live broilers was in line with the increase in price of feed).

However, such increase was partially offset by the decrease in the outsourced slaughtering services by RM1.17 million in FYE 2022 for our poultry processing, as our Group was able to reduce our reliance on third-party slaughtering services and shift the dependency on our Ipoh processing plant for the slaughtering services. We are not reliant on third-party slaughtering services as we have transitioned to using our own processing facilities for our slaughtering operations.

- (iii) increase in labour costs by RM5.03 million due to salary increment, and additional headcounts being hired, which in line with the expansion of the poultry farming operations, as well as the commencement of our Ipoh Processing Plant;
- (iv) increase in utilities by RM2.28 million resulted from additional farms being rented as well as commencement of our Ipoh Processing Plant in 2022;
- (v) increase in repair and maintenance costs by RM0.98 million due to repairing and maintenance works for new rented poultry farms, Lukut Processing Plant and Ipoh Processing Plant; and
- (vi) increase in depreciation of property, plant and equipment by RM0.87 million, mainly due to increase in right-of-use assets including additional rented farms and Ipoh Processing Plant.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2022 and FYE 2023**

Our Group's total cost of sales increased by RM112.05 million or 27.40% to RM520.93 million in FYE 2023 (FYE 2022: RM408.88 million). The increase in cost of sales was mainly attributed to:

- (i) increase in direct material costs for the poultry farming segment by RM47.89 million, which was mainly due to:
 - (a) increase in the purchase of live broilers from third-party suppliers and contract farmers by RM7.49 million, mainly due to the increased demand from livestock distributors and traders customers;
 - (b) increase in feed cost by RM25.55 million due to the increase in the average price of feed in FYE 2023 by 4.92% (FYE 2022: RM2.44/kg, FYE 2023: RM2.56/kg) which was in line with the rise in total broiler output; and
 - (c) increase in the purchase of broiler DOCs by RM14.22 million in line with the total broiler output, coupled with increased in the average purchase price per broiler DOC by 21.07% in FYE 2023 (FYE 2022: RM2.42/broiler DOC; FYE 2023: RM2.93/broiler DOC).
- (ii) increase in direct material costs for the poultry processing segment by RM54.06 million, which was mainly due to:
 - (a) increase in the total purchase of live broilers (average purchase price of live broilers in FYE 2023 compared to FYE 2022 (FYE 2023 : RM6.25/kg ; FYE 2022: RM6.17/kg) from contract farmers and third-party suppliers by RM26.43 million in FYE 2023 for our poultry processing, attributed to higher sales volumes of raw poultry products; and
 - (b) increase in the purchase of raw poultry products (particularly whole birds and cut-ups products) from third-party suppliers by RM28.44 million, which was driven by larger orders from our retail customers.
- (iii) increase in labour costs by RM4.44 million due to additional headcounts being hired, which in line with the expansion of both the poultry farming and poultry processing operations;
- (iv) increase in depreciation of property, plant and equipment by RM1.60 million, mainly due to increase of right-of-use assets including additional rented farms, purchase of processing machinery and equipment for RM0.70 million, as well as farming equipment for RM4.74 million;
- (v) higher fair value loss of biological assets of RM1.67 million in FYE 2023, mainly due to decrease in projected selling price for broilers per kg in FYE 2023, from RM6.00/kg in FYE 2022 to RM5.20/kg in FYE2023, coupled with increase in feed cost per kg from RM2.32/kg in FYE 2022 to RM2.43/kg in FYE 2023, that were used as key assumptions for the fair value calculation.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2023 and FYE 2024**

Our Group's total cost of sales decreased marginally by RM5.54 million or 1.06% to RM515.39 million in FYE 2024 (FYE 2023: RM520.93 million). The decrease in cost of sales was mainly attributed to:

- (i) decrease in direct material costs for the poultry farming segment by RM25.42 million, which was mainly due to:
 - (a) decrease in the purchase of live broilers from contract farmers by RM8.70 million, due to increase in production capacity from our self-operated farms (both owned and rented).
 - (b) decreased in feed cost by RM8.06 million due to the decrease in the average price of feed in FYE 2024 by 14.06% (FYE 2024: RM2.20/kg, FYE 2023: RM2.56/kg). The decrease in feed prices was mainly due to a more stable global supply of raw materials for feed production. In addition, the weakening of the USD in the second half of FYE 2024 had further reduced the overall feed cost as the raw materials for feed production are primarily imported by our feed supplier; and
 - (c) decrease in the purchase of broiler DOCs by RM10.05 million due to a decrease in the average purchase price per broiler DOC by 29.35% in FYE 2024 (FYE 2023: RM2.93/broiler DOC; FYE 2024: RM2.07/broiler DOC). The decrease in the broiler DOC price in FYE 2024 was mainly due to the cessation of the government subsidy, which led to weaker demand for broiler DOCs, consequently resulting in a lower average market selling price;
- (ii) the decrease was partially offset by the increase in direct material costs for the poultry processing segment by RM11.97 million, which was mainly due to:
 - (a) increase in self-operated farm broilers costs by RM5.42 million; and
 - (b) increase in the purchase of raw poultry products (particularly cut-ups products) from third-party suppliers by RM4.45 million, which was driven by higher sales orders from our customers.
- (iii) increase in depreciation of property, plant and equipment by RM2.35 million, mainly due to increase in right-of-use assets including additional rented farms;
- (iv) increase in farm expenses by RM1.14 million, mainly due to increase in the purchase of wood shavings, agricultural lime powder and gas for use in poultry farming which in line with the expansion of the poultry farming operations;
- (v) increase in labour cost by RM1.13 million due to salary adjustments and bonus payout;
- (vi) increase in outsourced services fees by RM1.26 million, as we engaged a third-party slaughterhouse to process live broilers and deliver them to nearby customers in order to reduce transportation costs, aligning with increased revenue in the poultry processing segment;
- (vii) increase in repair and maintenance costs by RM3.57 million due to repairing and maintenance works for self-operated farm (owned and rented farm), Lukut Processing Plant and Ipoh Processing Plant; and

12. FINANCIAL INFORMATION (Cont'd)

- (viii) increase in utilities by RM2.08 million resulted from additional farms being rented and increased number of shifts for slaughtering and processing to meet increased market demand for raw poultry products.

Comparison between FPE 2024 and FPE 2025

Our Group's total cost of sales increased by RM20.60 million or 7.93% to RM280.44 million in FPE 2025 (FPE 2024: RM259.84 million). The increase in cost of sales was mainly attributed to:

- (i) increase in direct material costs for the poultry farming segment by RM16.56 million, which was mainly due to:
 - (a) increase in the purchase of broiler DOCs by RM5.54 million due to an increase in production capacity, coupled with the increase in the average purchase price per broiler DOC by 9.91% in FPE 2025 (FPE 2024: RM2.12/broiler DOC, FPE 2025: RM2.33/broiler DOC). The increase in the price of broiler DOCs was driven by the overall higher market demand for the broiler DOC;
 - (b) increase in feed cost by RM4.48 million due to increase in the volume of feed purchased, which in line with the increased production capacity of contract farmers; and
 - (c) increase in the purchase of live broilers from third-party suppliers and contract farmers by RM5.74 million, mainly due to the increased demand from livestock distributors and traders customers.
- (ii) the increase was partially offset by the decrease in direct material costs for the poultry processing segment by RM1.67 million, which was mainly due to:
 - (a) decrease in total purchase of live broilers from third-party suppliers by RM3.75 million in FPE 2025 for our poultry processing;
 - (b) decrease of RM9.54 million in the purchase of raw poultry products from third-party suppliers, by an increase in the internal supply of live broilers from both self-operated and contract farms, which subsequently increases the production of raw poultry products; and
 - (c) partially offset with the increase in total purchase of live broilers from contract farmers by RM9.86 million, as well as an increase in self-operated farm broilers costs by RM1.76 million, driven by an increase in production capacity.
- (iii) increase in depreciation of property, plant and equipment by RM0.59 million, mainly due to the purchase of processing machinery and equipment, as well as farming building structure;
- (iv) increase in labour costs by RM1.06 million due to salary increment, and additional hires, as well as an increase in minimum wages from RM1,500 to RM1,700 (effective from February 2025) and overtime payment resulting from more shifts for slaughtering and processing to meet increased market demand for raw poultry products;
- (v) increase in delivery costs by RM0.76 million due to increase in the purchase of feed volume in line with the increase in production capacity of contract farmer;
- (vi) increase in utilities by RM0.68 million due to increase number of shifts for slaughtering and processing to meet increased market demand for raw poultry products; and

12. FINANCIAL INFORMATION (Cont'd)

- (vii) higher fair value loss of biological assets of RM2.37 million in FPE 2025, mainly due to decrease in projected selling price for broilers per kg in FPE 2025, from RM6.00/kg in FYE 2024 to RM5.20/kg in FPE 2025, coupled with increase in feed cost per kg from RM2.17/kg in FYE 2024 to RM2.18/kg in FPE 2025, as well as the purchase of parent stock for our breeder farming, which we began operations in May 2025 under a commissioning trial phase.

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12. FINANCIAL INFORMATION (Cont'd)
GP and GP margin
Analysis of GP and GP margins by business segments

Business segments	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	GP	GP margin	GP	GP margin	GP	GP margin	GP	GP margin	GP	GP margin	GP/GL	GP/GL margin
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<u>Poultry farming</u>												
Self-operated farms	3,915	10.72	1,979	4.73	112	0.16	15,770	17.52	8,687	17.89	8,527	17.47
Contract farms ⁽¹⁾	3,691	3.05	2,045	1.20	239	0.13	11,875	7.05	6,223	7.40	7,406	7.18
Trading of live broilers ⁽²⁾	653	4.68	289	6.94	455	4.78	243	2.38	125	3.78	163	3.92
Breeder	-	-	-	-	-	-	-	-	-	-	⁽³⁾ (784)	-
	8,259	4.81	4,313	1.99	806	0.30	27,888	10.38	15,035	11.06	15,312	9.80
<u>Poultry processing</u>												
Lukut Processing Plant	5,372	5.94	5,352	4.28	8,442	6.19	8,876	5.99	4,744	6.44	7,087	8.87
Ipoh Processing Plant	⁽⁴⁾ -	-	4,078	5.07	5,672	4.27	8,916	6.19	4,430	5.95	7,992	10.70
	5,372	5.94	9,430	4.59	14,114	5.25	17,792	6.09	9,174	6.19	15,079	9.89
Total	13,631	5.20	13,743	3.25	14,920	2.78	45,680	8.14	24,209	8.52	30,391	9.78

Notes:

- (1) The revenue from the sales to contract farmers is not expected to be profit-generating as these are cost and expenses in relation to the farming of broilers by contract farmers, which include broiler DOCs, feed and vaccines and medicines, which the broilers will be subsequently repurchased back by our Group.
- (2) The trading of live broilers recorded higher GP margin for the Financial Periods Under Review due to the lifting of price control on 1 November 2023.
- (3) We began our breeder farming operations in May 2025 under a commissioning trial phase. The gross loss was primarily due to the cost of purchasing parent stock, and no revenue was generated during this period.
- (4) The Ipoh Processing Plant was set up in FYE 2022.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2021 and FYE 2022**

Our Group's GP increased by RM0.11 million from RM13.63 million in FYE 2021 to RM13.74 million in FYE 2022. The increase in the GP in FYE 2022 was mainly due to a higher revenue contribution from the poultry processing business segment, which in line with the commencement of our Ipoh Processing Plant in FYE 2022.

Our Group's GP margin decreased to 3.25% in FYE 2022 (FYE 2021: 5.20%). The decrease in GP margin in FYE 2022, attributed to the lower GP margin in poultry farming business segment, mainly due to the increase in the average price of feed from approximately RM2.04/kg in FYE 2021 to RM2.44/kg in FYE 2022, attributable to global supply chain disruptions arising from the Ukraine-Russia conflict as well as increase in the average purchase price of broiler DOCs in FYE 2022.

Comparison between FYE 2022 and FYE 2023

Our Group's GP increased by RM1.18 million from RM13.74 million in FYE 2022 to RM14.92 million in FYE 2023. The increase in GP in FYE 2023 was mainly due to a higher revenue contribution from the poultry processing business segment, in tandem with the increase in our Group's total revenue, as explained above.

Our Group's GP margin decreased to 2.78% in FYE 2023 (FYE 2022: 3.25%). The decrease in GP margin in FYE 2023 was primarily due to lower GP margin in the poultry farming segment, which resulted from increased cost of sales. These higher costs resulted from the increased average purchase price of broiler DOCs and feed during FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our Group's GP increased by RM30.76 million from RM14.92 million in FYE 2023 to RM45.68 million in FYE 2024. The increase in GP in FYE 2024 was mainly driven by the improved performance of overall poultry farming business segment, attributed to the stabilised and lower feed costs (FYE 2023: RM2.56/kg; FYE 2024: RM2.20/kg), and lower broiler DOCs average purchase price in FYE 2024 (FYE 2023: RM2.93/broiler DOC; FYE 2024: RM2.07/broiler DOC).

The Group's GP margin improved to 8.14% in FYE 2024 (FYE 2023: 2.78%), mainly attributed by the increase in our poultry farming business segment, as well as our Group's total revenue, as explained above. Although revenue remained relatively stable for the poultry farming business segment, the overall reduction in cost of sales contributed to the higher consolidated GP margin. The increase in both GP and GP margin in FYE 2024 was mainly attributed to the decrease in direct material costs in the poultry farming segment by RM25.42 million in FYE2024, as explained above, as well as improved operational efficiencies for the poultry farming segment, as reflected in the FCR improving from 1.56 to 1.47 between FYE 2023 and FYE 2024. Furthermore, the government subsidies introduced between 5 February 2022 and 1 November 2023 and price control initiative helped poultry farmers manage higher operating costs and stabilise the broiler supply. Following the upliftment of the subsidy and the price control initiative, prices of direct material costs have declined, further contributing to the increase in our Group's GP and GP margin.

12. FINANCIAL INFORMATION (Cont'd)

Comparison between FPE 2024 and FPE 2025

Our Group's GP increased by RM6.18 million from RM24.21 million in FPE 2024 to RM30.39 million in FPE 2025. Our Group's GP for poultry farming segment increased by RM0.27 million from RM15.04 million in FPE 2024 to RM15.31 million in FPE 2025. The increase in GP in FPE 2025 was mainly driven by the increase in revenue (increase in the sales of feed and broiler DOCs to contract farmers, resulting from an increase in broiler production output) and improved performance of overall poultry farming business segment, attributed to the stabilised and lower feed costs (FPE 2024: RM2.28/kg; FPE 2025: RM2.04/kg). It is also noted that the GP in poultry processing increased significantly by RM5.91 million from RM9.17 million in FPE 2024 to RM15.08 million in FPE 2025, resulting from decrease in direct material costs from the poultry farming operations, as well as improved performance of overall poultry farming business segment.

Our Group's GP margin improved to 9.78% in FPE 2025 (FPE 2024: 8.52%). Improve in overall GP margin in FPE 2025 mainly attributed to the reduced direct material costs and improved operational efficiencies in the poultry farming segment, as well as the increase in our Group's total revenue.

(c) Other income

	Audited						Unaudited		Audited			
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Gain on disposal of property, plant and equipment	-	-	115	0.70	153	0.70	65	2.00	1	0.03	-	-
Gain on early termination of lease	54	22.69	10	0.06	130	0.60	18	0.58	8	0.27	6	0.98
Gain on disposal of combined entity	-	-	-	-	484	2.22	-	-	-	-	-	-
Gain on lease modification	-	-	-	-	-	-	-	-	-	-	482	79.15
Rental income	-	-	15	0.09	36	0.16	36	1.11	18	0.60	18	2.96
Government subsidy ⁽¹⁾	-	-	16,078	97.83	20,875	95.66	2,839	87.30	2,783	92.77	-	-
Others ⁽²⁾	184	77.31	217	1.32	143	0.66	294	9.01	190	6.33	103	16.91
Total	238	100.00	16,435	100.00	21,821	100.00	3,252	100.00	3,000	100.00	609	100.00

12. FINANCIAL INFORMATION (Cont'd)

Notes:

- (1) Government subsidy for the broilers sold by our Group, which was introduced with the price control initiative on 5 February 2022 and was extended several times until its final upliftment on 1 November 2023. The subsidies were introduced to help poultry farmers relieve the escalating cost of poultry farming and to avoid a shortage of broiler supply in the market due to the reduction of producers given high operation expenses.
- (2) Comprises mainly the sales of chicken manure and transportation charges to contract farmers.

Comparison between FYE 2021 and FYE 2022

Our Group's other income increased by RM16.20 million from RM0.24 million in FYE 2021 to RM16.44 million in FYE 2022. The increase was mainly due to government subsidy of RM16.08 million in respect of the broilers sold by our Group during FYE 2022. These subsidies were part of a price control initiative introduced on 5 February 2022 to control the price of poultry due to escalating raw material costs, and were extended several times until its final upliftment on 1 November 2023 i.e. the subsidies were introduced with the intention to help poultry farmers to relieve the escalating cost of poultry farming and to avoid shortage of chicken supply in the market due to reduction of producers in view of high operation expenses. Our Group received subsidies pertained to live broilers sold by our Group from the farm to the local market.

The subsidies had assisted our Group to cushion the escalating cost of poultry farming resulting from the increased feed cost.

Comparison between FYE 2022 and FYE 2023

Our Group's other income increased by RM5.38 million from RM16.44 million in FYE 2022 to RM21.82 million in FYE 2023. The increase was mainly due to:

- (i) government subsidy of RM20.88 million in respect of the broilers sold from the farm to the local market by our Group; and
- (ii) one-off gain on disposal of combined entity (Casey Poultry, formerly known as Farmiera Processing Sdn Bhd) of RM0.48 million in FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our Group's other income decreased by RM18.57 million from RM21.82 million in FYE 2023 to RM3.25 million in FYE 2024 mainly due to the reduced government subsidy amounting to RM2.84 million, resulting from the lifting of government subsidy with effect from 1 November 2023.

Comparison between FPE 2024 and FPE 2025

Our Group's other income decreased by RM2.39 million from RM3.00 million in FPE 2024 to RM0.61 million in FPE 2025 due to the lifting of government subsidy with effect from 1 November 2023, resulting in the cessation of subsidy income.

12. FINANCIAL INFORMATION (Cont'd)
(d) Selling and distribution expenses

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Transportation expenses ⁽¹⁾	3,496	95.28	5,683	82.63	7,102	83.16	10,462	86.33	4,966	86.74	5,930	86.22
Motor vehicle expenses ⁽²⁾	96	2.62	437	6.35	576	6.74	680	5.61	328	5.73	391	5.69
Driver costs ⁽³⁾	-	-	440	6.40	534	6.25	582	4.80	269	4.70	353	5.13
Marketing expenses ⁽⁴⁾	16	0.44	71	1.03	101	1.18	116	0.96	41	0.72	49	0.71
Repair and maintenance expenses ⁽⁵⁾	61	1.66	247	3.59	227	2.66	276	2.28	120	2.10	153	2.22
Communication costs	-	-	-	-	1	0.01	3	0.02	1	0.01	2	0.03
Total	3,669	100.00	6,878	100.00	8,541	100.00	12,119	100.00	5,725	100.00	6,878	100.00

Notes:

- (1) Comprise the engagement of third-party logistics services for transportation of live broilers and raw poultry products to our customers.
- (2) Comprise fuel costs, road tax, motor vehicle insurance, toll and parking charges, for the sales and business development.
- (3) Comprise salaries paid to our Group's own logistics team under poultry processing department.
- (4) Comprise mainly business development expenses.
- (5) Repair and maintenance expenses for transport vehicles.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2021 and FYE 2022**

Our Group's selling and distribution expenses increased by RM3.21 million or 87.47% to RM6.88 million in FYE 2022 (FYE 2021: RM3.67 million), resulting from higher sales volumes. The increase was mainly attributable to:

- (i) increase in transportation expenses by RM2.19 million for delivering poultry products (i.e., live broilers and raw poultry products); and
- (ii) increase in driver costs by RM0.44 million, due to the recruitment of our own logistics team, which is also in line with the commencement of our Ipoh Processing Plant in FYE 2022.

Comparison between FYE 2022 and FYE 2023

Our Group's selling and distribution expenses increased by RM1.66 million or 24.13% to RM8.54 million in FYE 2023 (FYE 2022: RM6.88 million), resulting from higher sales volumes. The increase was mainly attributable to increase in transportation expenses by RM1.42 million for delivering poultry products (i.e., live broilers and raw poultry products).

Comparison between FYE 2023 and FYE 2024

Our Group's selling and distribution expenses increased by RM3.58 million or 41.89% to RM12.12 million in FYE 2024. (FYE 2023: RM8.54 million), resulting from higher sales volumes. The increase was mainly attributable to increase in transportation by RM3.36 million for delivering poultry products (i.e., live broilers and raw poultry products).

Comparison between FPE 2024 and FPE 2025

Our Group's selling and distribution expenses increased by RM1.15 million or 20.14% to RM6.88 million in FPE 2025 (FPE 2024: RM5.73 million), resulting from higher sales volumes. The increase was mainly attributable to increase in transportation by RM0.96 million for delivering poultry products (i.e., live broilers and raw poultry products).

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12. FINANCIAL INFORMATION (Cont'd)
(e) Administrative expenses

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Communication expenses	41	0.65	80	0.83	97	0.73	108	0.57	55	0.63	43	0.34
Directors' remuneration	692	10.93	1,598	16.50	1,445	10.92	1,723	9.11	876	10.03	903	7.19
Staff costs	4,202	66.38	5,654	58.37	7,625	57.60	10,845	57.35	4,845	55.49	7,296	58.13
Legal and professional fees	441	6.97	854	8.82	2,177	16.45	3,681	19.47	1,659	19.00	3,087	24.60
Motor vehicle expenses ⁽¹⁾	393	6.21	632	6.52	845	6.38	838	4.43	429	4.91	418	3.33
Office expenses ⁽²⁾	81	1.28	232	2.39	258	1.95	441	2.33	205	2.35	152	1.21
Rental expenses	38	0.60	55	0.56	58	0.44	54	0.29	50	0.57	10	0.08
Repair and maintenance costs ⁽³⁾	106	1.67	54	0.55	65	0.49	226	1.20	94	1.08	94	0.75
Business development expenses	176	2.78	330	3.41	419	3.16	619	3.27	342	3.92	418	3.33
Staff welfare	114	1.80	142	1.47	163	1.23	180	0.95	102	1.17	87	0.69
Tax fees	26	0.41	34	0.35	32	0.24	34	0.18	18	0.21	17	0.14
Others ⁽⁴⁾	20	0.32	22	0.23	54	0.41	161	0.85	56	0.64	27	0.21
Total	6,330	100.00	9,687	100.00	13,238	100.00	18,910	100.00	8,731	100.00	12,552	100.00

Notes:

- (1) Comprise fuel costs, road tax, motor vehicle insurance, toll and parking charges, for office and administrative staff.
- (2) Comprise mainly printing and stationary, quit rent and assessment, office utilities, servicing fees, and stamping fees.
- (3) Repair and maintenance expense for transport vehicles.
- (4) Comprise bank charges and bank guarantee fees.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2021 and FYE 2022**

Our Group's administrative expenses increased by RM3.36 million or 53.08% to RM9.69 million in FYE 2022 (FYE 2021: RM6.33 million), mainly due to:

- (i) increase in staff costs by RM1.45 million, mainly due to annual salary increment and bonus payout which was in line with the improved performance of our Group for FYE 2022, as well as resulting from the recruitment of new employees for our Group's day-to-day operations during FYE 2022;
- (ii) increase in directors' remuneration by RM0.91 million, mainly due to bonus payout which was in line with the improved performance of our Group for FYE 2022; and
- (iii) increase in legal and professional fees by RM0.41 million, mainly due to increase in legal fees and stamp duties incurred for securing new banking facilities, as well as fees related to outsourced consultation on the plants for poultry processing, and valuation on our Group's properties.

Comparison between FYE 2022 and FYE 2023

Our Group's administrative expenses increased by RM3.55 million or 36.64% to RM13.24 million in FYE 2023 (FYE 2022: RM9.69 million), mainly due to:

- (i) increase in staff costs by RM1.97 million, mainly due to annual salary increment and bonus payout, as well as resulting from the recruitment of new employees during FYE 2023; and
- (ii) increase in legal and professional fees by RM1.32 million, mainly due to expenses incurred in connection with the Listing.

Comparison between FYE 2023 and FYE 2024

Our Group's administrative expenses increased by RM5.67 million or 42.85% to RM18.91 million in FYE 2024 (FYE 2023: RM13.24 million), mainly due to:

- (i) increase in staff costs by RM3.22 million, mainly due to annual salary increment and bonus payout, as well as resulting from the recruitment of new employees during FYE 2024;
- (ii) increase in legal and professional fees by RM1.50 million, mainly due to expenses incurred in connection with the Listing, consulting services for the poultry processing plants, as well as farming and securing new banking facilities; and

increase in directors' remuneration by RM0.28 million, mainly due to reimbursement of bonus payout during the end of FYE 2024 and allowances.

Comparison between FPE 2024 and FPE 2025

Our Group's administrative expenses increased by RM3.82 million or 43.76% to RM12.55 million in FPE 2025 (FPE 2024: RM8.73 million), mainly due to:

- (i) increase in staff costs by RM2.45 million, mainly due to annual salary increment and bonus payout, as well as resulting from the recruitment of new employees during FPE 2025; and
- (ii) increase in legal and professional fees by RM1.43 million, mainly due to expenses incurred in connection with the Listing and consulting services for the breeder farming.

12. FINANCIAL INFORMATION (Cont'd)
(f) Other operating expenses

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Bad debts written off	111	11.66	852	51.14	⁽²⁾ 281	14.37	⁽²⁾⁽³⁾ 306	14.39	-	-	-	-
Depreciation on property, plant and equipment	361	37.92	640	38.42	966	49.39	1,354	63.66	590	87.15	801	60.91
Loss on disposal of property, plant and equipment	465	48.84	-	-	215	10.99	126	5.92	12	1.77	97	7.38
Deposits written off	-	-	113	6.78	-	-	-	-	-	-	-	-
Penalties ⁽¹⁾	15	1.58	61	3.66	494	25.25	341	16.03	75	11.08	417	31.71
Total	952	100.00	1,666	100.00	1,956	100.00	2,127	100.00	677	100.00	1,315	100.00

Notes:

- ⁽¹⁾ Penalties which include fines imposed by local authorities.
- ⁽²⁾ Bad debt written off in relation to the advances made to shareholders of the subsidiaries which were disposed as part of the restructuring exercise in Section 6.2 of the Prospectus.
- ⁽³⁾ RM0.28 million of the bad debt written off is in relation to the overdue and outstanding balances from a contract farmer, which our Group no longer engages with the said contract farmer since August 2024.

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12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2021 and FYE 2022**

Our Group's other operating expenses increased by RM0.72 million or 75.79% to RM1.67 million in FYE 2022 (FYE 2021: RM0.95 million), mainly due to:

- (i) increase in bad debt written off of RM0.85 million mainly due to long overdue outstanding balances from one of our major customers and a total of 5 of our livestock distributors and traders and contract farmers, notwithstanding various action has been initiated by our Group. Our Group no longer engages with the aforementioned major customer and the 5 livestock distributors and traders and contract farmers since December 2021.

The bad debt written off amounting to RM0.85 million represents approximately 8.13% and 10.57% of our PBT and PAT in FYE 2022, respectively. The occurrence of bad debts written off was due to unforeseen financial difficulties faced by the Group's customers or contract farmers which resulted in bad debts written off. The Group does not foresee that future write offs will continue to be a trend which will materially impact the Group's operation. Notwithstanding the above, our Group practices structured credit control policy to minimise the write-off of bad debts, please refer to Section 12.8.1 of the Prospectus for further details; and

- (ii) increase in depreciation on property, plant and equipment by RM0.28 million, mainly due to purchase of additional motor vehicles, and increase in right-of-use assets due to new office rented.

Comparison between FYE 2022 and FYE 2023

Our Group's other operating expenses increased by RM0.29 million or 17.37% to RM1.96 million in FYE 2023 (FYE 2022: RM1.67 million), mainly due to:

- (i) increase in depreciation on property, plant and equipment by RM0.33 million, mainly due to purchase of additional motor vehicles;
- (ii) loss on disposal of property, plant and equipment by RM0.22 million; and
- (iii) penalty imposed by the local authorities amounting to RM0.49 million by MPKL for 5 farms for constructing chicken houses without KM or BP.

However, the increase was partially offset by lower bad debts written off in FYE 2023 amounting to RM0.28 million, in relation to the advances made to former shareholders of the subsidiaries which equity interests were disposed/acquired as part of the restructuring exercise in Section 6.2 of the Prospectus.

Comparison between FYE 2023 and FYE 2024

Our Group's other operating expenses increased by RM0.17 million or 8.67% to RM2.13 million in FYE 2024 (FYE 2023: RM1.96 million), mainly due to increase in depreciation on property, plant and equipment by RM0.39 million, mainly due to the purchase of additional motor vehicles, and bad debts written off amounting to RM0.31 million.

However, the increase was partially offset by a loss on the disposal of property, plant and equipment amounting to RM0.13 million, and a reduction in penalties imposed amounting to RM0.34 million.

12. FINANCIAL INFORMATION (Cont'd)

Comparison between FPE 2024 and FPE 2025

Our Group's other operating expenses increased by RM0.64 million or 94.24% to RM1.32 million in FPE 2025 (FPE 2024: RM0.68 million), mainly due to increase in depreciation on property, plant and equipment by RM0.21 million, mainly due to the purchase of additional motor vehicles and right-of-use assets due to new office rental, as well as penalty imposed by the local authorities amounting to RM0.42 million by Majlis Perbandaran/ Majlis Daerah for non-compliance in respect of the building plan and Kebenaran Merancang (KM) approval.

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12. FINANCIAL INFORMATION (Cont'd)
(g) Finance income

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest incomes on:												
Short-term deposits	49	75.39	12	28.57	8	8.79	10	5.10	-	-	-	-
Current accounts	12	18.46	26	61.91	78	85.71	181	92.35	82	96.47	127	97.69
Accreditation of discount on other receivables ⁽¹⁾	4	6.15	4	9.52	5	5.50	5	2.55	3	3.53	3	2.31
Total	65	100.00	42	100.00	91	100.00	196	100.00	85	100.00	130	100.00

Note:

⁽¹⁾ Represents the recognition of discounts applied to other receivables, including adjustments for early payment discounts and negotiated reductions.

Comparison between FYE 2021 and FYE 2022

Our finance income decreased by RM0.03 million or 42.86% to RM0.04 million in FYE 2022 (FYE 2021: RM0.07 million) mainly due to uplift of short-term deposits from licensed banks for working capital purposes.

Comparison between FYE 2022 and FYE 2023

Our finance income increased by RM0.05 million or 125% to RM0.09 million in FYE 2023 (FYE 2022: RM0.04 million) mainly due to interest income from current accounts, with overnight interest.

Comparison between FYE 2023 and FYE 2024

Our finance income increased by RM0.11 million or 122.22% to RM0.20 million in FYE 2024 (FYE 2023: RM0.09 million) mainly due to interest income from current accounts, with overnight interest.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FPE 2024 and FPE 2025**

Our finance income increased by RM0.04 million or 52.94% to RM0.13 million in FPE 2025 (FPE 2024: RM0.09 million) mainly due to interest income from short-term deposits.

(h) Finance costs

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest expenses on:												
Terms loans	641	69.30	1,019	66.13	1,322	44.05	1,835	43.95	806	44.19	1,254	47.61
Lease liabilities	35	3.78	238	15.44	526	17.53	1,287	30.83	626	34.32	632	23.99
Hire purchase	39	4.22	67	4.35	99	3.30	354	8.48	97	5.32	212	8.05
Trade finance	206	22.27	201	13.04	1,040	34.65	683	16.36	287	15.73	533	20.24
Bank overdrafts	4	0.43	16	1.04	14	0.47	16	0.38	8	0.44	3	0.11
Total	925	100.00	1,541	100.00	3,001	100.00	4,175	100.00	1,824	100.00	2,634	100.00

Comparison between FYE 2021 and FYE 2022

Our finance costs increased by RM0.61 million or 65.59% to RM1.54 million in FYE 2022 (FYE 2021: RM0.93 million), predominantly due to higher interest expense for term loans which has increased by RM0.38 million as a result of additional drawdown of term loans mainly for capital expenditures and increase in lease liability for the additional rented farms and Ipoh Processing Plant.

Comparison between FYE 2022 and FYE 2023

Our finance costs increased by RM1.46 million or 94.81% to RM3.00 million in FYE 2023 (FYE 2022: RM1.54 million), mainly due to increase in interest expense for trade finance by RM0.84 million primarily due to increase in utilisation of trade financing for working capital. The interest expense for term loan and lease liabilities also increased by RM0.30 million and RM0.29 million, respectively, for additional capital expenditures, additional rented farms and employee hostel.

12. FINANCIAL INFORMATION (Cont'd)

Comparison between FYE 2023 and FYE 2024

Our finance costs increased by RM1.18 million or 39.33% to RM4.18 million in FYE 2024 (FYE 2023: RM3.00 million), mainly due to increase in interest expense for term loan and lease liabilities by RM0.51 million and RM0.76 million, respectively, for additional capital expenditures, additional rented farms and employee hostel.

Comparison between FPE 2024 and FPE 2025

Our finance costs increased by RM0.81 million or 44.41% to RM2.63 million in FPE 2025 (FPE 2024: RM1.82 million), mainly due to higher interest expense for term loans and hire purchase by RM0.45 million and RM0.12 million, respectively, for additional capital expenditures. The interest expense for trade finance also increased by RM0.25 million, due to increase in utilisation of trade financing for working capital.

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12. FINANCIAL INFORMATION (Cont'd)**(i) PBT, PAT and PBT margins, PAT margins**

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
PBT (RM'000)	2,058	10,448	10,096	11,797	10,337	7,751
PBT margin (%)	0.79	2.47	1.88	2.10	3.64	2.49
PAT (RM'000)	1,554	8,039	6,442	7,002	6,559	4,536
PAT margin (%)	0.59	1.90	1.20	1.25	2.31	1.46

Comparison between FYE 2021 and FYE 2022

Our Group recorded an increase in PBT by RM8.39 million from RM2.06 million in FYE 2021 to RM10.45 million in FYE 2022. Our Group's PBT margin increased to 2.47% in FYE 2022 (FYE 2021: 0.79%). The increase was due to higher other income for FYE 2022, as explained in Section 12.2.2(c).

Our Group's PAT increased by RM6.49 million from RM1.55 million in FYE 2021 to RM8.04 million in FYE 2022. Our Group's PAT margin increased to 1.90% in FYE 2022 (FYE 2021: 0.59%). The growth in PAT and increase in PAT margin were consistent with the growth in PBT and increase in PBT margin in FYE 2022 after taking into account the effects of income tax expenses.

Comparison between FYE 2022 and FYE 2023

Our Group recorded a decrease in PBT by RM0.35 million from RM10.45 million in FYE 2022 to RM10.10 million in FYE 2023. Our Group's PBT margin decreased to 1.88% in FYE 2023 (FYE 2022: 2.47%). The decrease in both PBT and PBT margin was attributed to higher operating expenses, as explained above. It was also driven by increased in finance costs, resulting from higher interest expenses in respect of trade financing due to higher utilisation of trade facilities for working capital.

Our Group's PAT decreased by RM1.60 million from RM8.04 million in FYE 2022 to RM6.44 million in FYE 2023. Our Group's PAT margin decreased from 1.90% in FYE 2022 to 1.20% in FYE 2023, mainly attributed to higher taxation due to the tax effects of expenses not deductible for tax purposes.

Comparison between FYE 2023 and FYE 2024

Our Group recorded an increase in PBT by RM1.70 million from RM10.10 million in FYE 2023 to RM11.80 million in FYE 2024. Our Group's PBT margin increased to 2.10% in FYE 2024 (FYE 2023: 1.88%). The increase in PBT was due to higher sales volume, supported by our Group's expanded customer base, along with a reduction in cost of sales, primarily due to lower broiler DOCs average purchase price and feed costs. However, such a reduction in cost of sales was partially offset by the increase in selling and distribution expenses RM3.58 million due to increase in transportation by RM3.36 million for delivering higher quantities of poultry products (i.e., live broilers and raw poultry products), and administrative expenses of RM5.67 million mainly due to increase in staff costs, in FYE 2024.

Our Group's PAT increased RM0.56 million from RM6.44 million in FYE 2023 to RM7.00 million in FYE 2024. Our Group's PAT margin increased from 1.20% in FYE 2023 to 1.25% in FYE 2024. The increase in both PAT and PAT margin was mainly due to increase in PBT in FYE 2024 after taking into account the effects of income tax expenses.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FPE 2024 and FPE 2025**

Our Group's PBT decreased by RM2.59 million from RM10.34 million in FPE 2024 to RM7.75 million in FPE 2025. Our Group's PBT margin decreased to 2.49% in FPE 2025 (FPE 2024: 3.64%). The decrease in both PBT and PBT margin was primarily due to an increase in administrative expenses, resulting from salary adjustments, bonuses paid, expansion in headcount, as well as the expenses incurred in connection with the Listing during the period.

Our Group's PAT decreased from RM6.56 million in FPE 2024 to RM4.54 million in FPE 2025. Our Group's PAT margin decreased from 2.31% in FPE 2024 to 1.46% in FPE 2025. The decrease in both PAT and PAT margin was mainly due to higher operating expenses by RM0.64 million mainly due to penalty imposed by the local authorities and increased finance costs by RM0.81 million due to higher interest expense, as well as a reduction in other income due to the lifting of government subsidy.

(j) Taxation

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
Taxation (RM'000)	504	2,409	3,654	4,795	3,778	3,215
Statutory tax rate (%)	24.00	24.00	24.00	24.00	24.00	24.00
Effective tax rate (%) ⁽¹⁾	24.49	23.06	36.19	40.65	36.55	41.48

Note:

- ⁽¹⁾ Our Group's effective tax rate is calculated based on the tax expenses over PBT for each financial year/ period.

There are no withholding tax provisions which may be applicable to our shareholders and our Group does not assume any responsibility for withholding of tax at the source.

FYE 2021

Our effective tax rate for FYE 2021 was slightly higher than the statutory tax rate due to non-deductible expenses of RM0.40 million such as depreciation charges on non-qualifying assets. This was offset by the utilisation of previously unrecognised tax losses and capital allowance of RM0.18 million, and adjustment in respect of deferred tax of prior years of RM0.27 million.

FYE 2022

Our effective tax rate for FYE 2022 was lower than the statutory tax rate due to the utilisation of previously unrecognised tax losses of RM0.22 million. This was offset by non-deductible expenses of RM0.21 million such as depreciation charges on non-qualifying assets, and legal and professional fees incurred in connection with the Listing.

FYE 2023

Our effective tax rate for FYE 2023 was higher than the statutory tax rate due to non-deductible expenses of RM1.21 million such as depreciation charges on non-qualifying assets, penalties and legal and professional fees incurred in connection with the Listing.

12. FINANCIAL INFORMATION (Cont'd)**FYE 2024**

Our effective tax rate for FYE 2024 was higher than the statutory tax rate due to non-deductible expenses of RM1.38 million, such as depreciation charges on non-qualifying assets, legal and professional fees incurred in connection with the Listing.

FPE 2024

Our effective tax rate for FPE 2024 was higher than the statutory tax rate due to non-deductible expenses of RM0.81 million, such as legal and professional fees incurred in connection with the Listing.

FPE 2025

Our effective tax rate for FPE 2025 was higher than the statutory tax rate due to non-deductible expenses of RM0.98 million, such as legal and professional fees incurred in connection with the Listing, depreciation charges on non-qualifying assets and penalties.

12.2.3 Review of cash flows

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net cash from/(used in) operating activities	2,555	18,806	13,334	13,721	(1,407)	11,525
Net cash used in investing activities	(4,278)	(17,914)	(18,741)	(24,620)	(12,276)	(22,457)
Net cash from/(used in) financing activities	1,563	12,450	(446)	25,053	14,001	10,877
Net (decrease)/increase in cash and cash equivalents	(160)	13,342	(5,853)	14,154	318	(55)
Cash and cash equivalents at beginning of the financial year/period	4,746	4,586	17,928	12,075	12,075	26,229
Cash and cash equivalents at end of the financial year/period	4,586	17,928	12,075	26,229	12,393	26,174

FYE 2021**Net cash from operating activities**

For FYE 2021, we generated operating profits before working capital changes of RM5.94 million. Our net cash generated from operating activities was reduced to RM2.56 million after accounting for the following key items:

- (i) increase in inventories of RM0.009 million mainly due to replenishment of our raw poultry product inventories;
- (ii) increase in trade and other receivables of RM0.25 million mainly due to higher sales;
- (iii) decrease in trade and other payables of RM2.80 million mainly due to payment made to our suppliers; and

12. FINANCIAL INFORMATION (Cont'd)

- (iv) income tax paid of RM0.40 million.

Net cash for investing activities

For FYE 2021, we recorded a net cash outflow of RM4.28 million from our investing activities, mainly attributable to the following:

- (i) purchase of property, plant and equipment of RM6.49 million mainly comprising the purchase of land for expansion, building structure of broiler farm houses, as well as the purchase of machinery and equipment for operation purposes; and
- (ii) acquisition of combining entity (Casey Poultry, formerly known as Farmiera Processing Sdn Bhd) of RM0.49 million.

Such cash outflow was offset by withdrawal of deposits pledged with licensed banks of RM1.51 million as well as proceeds from disposal of property, plant and equipment amounting to RM1.14 million.

Net cash for financing activities

For FYE 2021, we recorded a net cash inflow of RM1.56 million for our financing activities, mainly attributable to the following:

- (i) proceeds from trade financing of RM36.97 million for working capital purpose;
- (ii) drawdown of term loans of RM7.76 million for our capital expenditures; and
- (iii) net changes in amount owing to shareholders of RM2.50 million.

Such cash inflow was offset by the following:

- (i) repayment of trade finance of RM44.28 million;
- (ii) repayment of term loans of RM0.77 million;
- (iii) interest paid of RM0.92 million;
- (iv) payment of lease liabilities of RM0.20 million; and
- (v) payment of hire purchase of RM0.19 million.

FYE 2022**Net cash from operating activities**

For FYE 2022, we generated operating profits before working capital changes of RM16.44 million. Our net cash generated from operating activities was increased to RM18.81million after accounting for the following key items:

- (i) increase in inventories of RM2.03 million mainly due to replenishment of our raw poultry product inventories;
- (ii) increase in trade and other receivables of RM8.79 million mainly due to higher sales;
- (iii) increase in trade and other payables of RM14.35 million due to higher purchases of direct materials; and
- (iv) income tax paid of RM1.25 million.

12. FINANCIAL INFORMATION (Cont'd)

Net cash for investing activities

For FYE 2022, we recorded a net cash outflow of RM17.91 million from our investing activities, mainly attributable to the following:

- (i) purchase of property, plant and equipment of RM15.45 million mainly comprising the purchase of land for expansion, as well as the purchase of machinery and equipment for operation purposes; and
- (ii) acquisition of combining entities (Farmiera Agro Resources Sdn Bhd and Farmiera Breeder Farm Sdn Bhd) of RM4.00 million; and
- (iii) acquisition of other investments of RM0.18 million.

Such cash outflow was offset by withdrawal of deposits pledged with licensed banks of RM1.57 million as well as proceeds from disposal of property, plant and equipment comprising 4 units of motor vehicles amounting to RM0.14 million.

Net cash for financing activities

For FYE 2022, we recorded a net cash inflow of RM12.45 million for our financing activities, mainly attributable to the following:

- (i) proceeds from trade financing of RM22.25 million for working capital;
- (ii) drawdown of term loans of RM8.24 million primarily for our capital expenditures; and
- (iii) net changes in amount owing to shareholders of RM8.79 million.

Such cash inflow was offset by the following:

- (i) repayment of trade finance of RM17.67 million;
- (ii) Net changes in amount owing by directors of RM4.84 million;
- (iii) interest paid of RM1.53 million;
- (iv) repayment of term loans of RM1.21 million; and
- (v) payment of lease liabilities of RM1.13 million.

FYE 2023
Net cash from operating activities

For FYE 2023, we generated operating profits before working capital changes of RM18.31 million. Our net cash generated from operating activities was reduced to RM13.33 million after accounting for the following key items:

- (i) increase in inventories of RM0.36 million mainly due to replenishment of our raw poultry products inventories;
- (ii) increase in trade and other receivables of RM13.04 million mainly due to higher sales
- (iii) increase in trade and other payables of RM10.51 million due to higher purchases of direct materials; and
- (iv) income tax paid of RM2.42 million.

12. FINANCIAL INFORMATION (Cont'd)**Net cash for investing activities**

For FYE 2023, we recorded a net cash outflow of RM18.74 million from our investing activities, mainly attributable to the following:

- (i) purchase of property, plant and equipment of RM19.19 million mainly comprising the purchase of land for expansion, as well as the purchase of machinery and equipment for operation purposes;
- (ii) net proceeds from disposal of combined entity (Casey Poultry, formerly known as Farmiera Processing Sdn Bhd) of RM0.72 million; and
- (iii) acquisition of additional interest in combining entity (Gemilang Bestari Sdn Bhd) of RM0.30 million.

Such cash outflow was offset by proceeds from disposal of property, plant and equipment comprising mainly a piece of lands and 6 units of motor vehicles amounting to RM1.27 million, and proceeds from disposal of other investments of RM0.18 million.

Net cash for financing activities

For FYE 2023, we recorded a net cash outflow of RM0.45 million for our financing activities, mainly attributable to the following:

- (i) repayment of trade finance of RM23.95 million;
- (ii) repayment of term loans of RM3.12 million;
- (iii) interest paid of RM2.99 million; and
- (iv) payment of lease liabilities of RM1.03 million.

Such cash outflow was offset by the following:

- (i) proceeds from trade financing of RM28.34 million for working capital; and
- (ii) drawdown of term loans of RM3.00 million for our capital expenditures.

FYE 2024**Net cash from operating activities**

For FYE 2024, we generated operating profits before working capital changes of RM24.45 million. Our net cash generated from operating activities was reduced to RM13.72 million after accounting for the following key items:

- (i) increase in biological assets of RM5.31 million;
- (ii) increase in trade and other receivables of RM3.83 million mainly due to higher sales; and
- (iii) income tax paid of RM4.29 million.

12. FINANCIAL INFORMATION (Cont'd)**Net cash for investing activities**

For FYE 2024, we recorded a net cash outflow of RM24.62 million from our investing activities, mainly attributable to the purchase of property, plant and equipment of RM26.10 million mainly comprising the purchase of land for expansion, building structure of broiler farm houses, as well as the purchase of machinery and equipment for operation purposes.

Net cash for financing activities

For FYE 2024, we recorded a net cash inflow of RM25.05 million for our financing activities, mainly attributable to the following:

- (i) drawdown of term loans of RM32.80 million;
- (ii) drawdown of hire purchases of RM5.69 million; and
- (iii) proceeds from trade finance of RM88.75 million.

Such cash inflow was offset by the following:

- (i) repayment of trade finance of RM80.19 million;
- (ii) repayment of term loans of RM14.93 million;
- (iii) payment of lease liabilities of RM1.80 million; and
- (iv) interest paid of RM4.16 million.

FPE 2024**Net cash from operating activities**

For FPE 2024, we generated operating profits before working capital changes of RM15.99 million. Our net cash generated from operations recorded an outflow of RM0.01 million after accounting for the following key items:

- (i) increase in biological assets of RM1.61 million;
- (ii) increase in trade and other receivables of RM7.27 million mainly due to higher sales;
- (iii) decrease in trade and other payables of RM7.01 million mainly due to payment made to our suppliers; and
- (iv) income tax paid of RM1.47 million.

Net cash for investing activities

For FPE 2024, we recorded a net cash outflow of RM12.28 million from our investing activities, mainly attributable to the purchase of property, plant and equipment of RM13.31 million mainly comprising the purchase of land for expansion, building structure of broiler farm houses, as well as the purchase of machinery and equipment for operation purposes.

12. FINANCIAL INFORMATION (Cont'd)**Net cash for financing activities**

For FPE 2024, we recorded a net cash inflow of RM14.00 million for our financing activities, mainly attributable to the following:

- (i) drawdown of term loans of RM7.33 million;
- (ii) drawdown of hire purchases of RM3.90 million; and
- (iii) proceeds from trade finance of RM37.07 million.

Such cash inflow was offset by the following:

- (i) repayment of trade finance of RM30.41 million;
- (ii) repayment of term loans of RM0.79 million;
- (iii) payment of lease liabilities of RM0.80 million; and
- (iv) interest paid of RM1.82 million.

FPE 2025**Net cash from operating activities**

For FPE 2025, we generated operating profits before working capital changes of RM14.57 million. Our net cash generated from operating activities was reduced to RM11.53 million after accounting for the following key items:

- (i) decrease in biological assets of RM1.16 million;
- (ii) increase in trade and other receivables of RM4.84 million mainly due to higher sales;
- (iii) increase in trade and other payables of RM2.04 million mainly due to higher purchases of direct materials; and
- (iv) income tax paid of RM1.69 million.

Net cash for investing activities

For FPE 2025, we recorded a net cash outflow of RM22.46 million from our investing activities, mainly attributable to the purchase of property, plant and equipment of RM24.72 million mainly comprising the purchase of land for expansion, building structure of broiler and breeder farm houses, as well as the purchase of machinery and equipment for operation purposes.

Net cash for financing activities

For FPE 2025, we recorded a net cash inflow of RM10.88 million for our financing activities, mainly attributable to the following:

- (i) drawdown of term loans of RM16.38 million;
- (ii) proceeds from trade finance of RM62.88 million.

Such cash inflow was offset by the following:

- (i) repayment of trade finance of RM62.89 million;

12. FINANCIAL INFORMATION (Cont'd)

- (ii) repayment of term loans of RM1.15 million;
- (iii) payment of lease liabilities of RM0.97 million; and
- (iv) interest paid of RM2.63 million.

12.3 LIQUIDITY AND CAPITAL RESOURCES

12.3.1 Working capital

We finance our operations with cash generated from business operations, credit extended by trade payables and/or financial institutions as well as cash and bank balances. The facilities from financial institutions comprise term loans, trade finance and hire purchases.

We have sufficient working capital for our existing and foreseeable requirements for a period of 12 months from the date of this Prospectus after taking into account the following:

- (i) expected cash flows to be generated from the operations of our Group;
- (ii) cash and bank balances of RM26.17 million as at 30 June 2025;
- (iii) proceeds from the Public Issue of approximately RM2.80 million allocated for our general working capital requirements; and
- (iv) our pro forma gearing level of 0.98 times, based on our pro forma statements of financial position as at 30 June 2025 after the IPO and utilisation of proceeds.

At this juncture, we do not foresee any circumstances which will materially affect our liquidity. Our Group has not encountered any major disputes with our customers.

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12. FINANCIAL INFORMATION (Cont'd)

12.4 BORROWING AND LEASE LIABILITIES

Our borrowings and lease liabilities are interest bearing and denominated in RM. Details of the outstanding borrowings and lease liabilities as at FPE 2025 are set out below:

Purpose		Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
				%	RM'000
Interest bearing short-term borrowings, payable within 1 year:					
Hire purchase payables	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.45	34
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.97	-
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.07	15
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.02	20
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.42	14
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.42	22
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.91	11
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.67	15

12. FINANCIAL INFORMATION (Cont'd)

Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
			%	RM'000
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.88	12
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.10	15
• Purchase of motor vehicle for business use	108 months	• The assets under hire purchase	2.58	76
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.37	22
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.39	34
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.87	5
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.25	13

12. FINANCIAL INFORMATION (Cont'd)

Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
			%	RM'000
• For water treatment plant in Ipoh Processing Plant	60 months	• Joint and several guarantee from certain directors of our Group • Plant and machinery has been pledged as security	3.57	328
• For cold room in Ipoh Processing Plant	60 months	• Joint and several guarantee from certain directors of our Group • Plant and machinery has been pledged as security	3.57	744
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.17	23
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.09	30
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.65	11
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.14	59
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.40	26
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.42	22

12. FINANCIAL INFORMATION (Cont'd)

	Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
				%	RM'000
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.35	22
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.29	23
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.44	24
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.44	22
					1,642
Trade finance	• For working capital requirement	4 months	• Joint and several guarantee from certain directors of our Group	4.56	7,576
	• For working capital requirement	3 months	• Joint and several guarantee from certain directors of our Group	4.82	2,195
	• For working capital requirement	2 months	• Joint and several guarantee from certain directors of our Group • Legal charge over the freehold land and building structure of our Group • Specific debenture over plant and equipment of our Group	4.88	3,383

12. FINANCIAL INFORMATION (Cont'd)

	Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
	For working capital requirement	4 months	- Joint and several guarantee from certain directors of our Group - Guarantee by Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP) for RM4,000,000 under the PGGS	4.85	2,636
	For working capital requirement	4 months	Joint and several guarantee from certain directors of our Group	4.86	2,497
					<u>18,287</u>
Term loans	To part finance/reimburse of the cost involved in upgrading existing poultry farms	120 months	- Joint and several guarantee from certain directors of our Group - Legal charge over the freehold land and building structure of our Group - Specific debenture over plant and equipment of the Group	Effective Cost of Funds ("EOF") + 1.5 per annum	840
	For working capital requirement	96 months	- joint and several guarantee from certain directors of our Group - Guarantee by Syarikat SJPP for RM1,920,000 under the Special Relief Facility	3.75	289
	To part finance land acquisition cost	120 months	- Joint and several guarantee from certain directors of our Group - Legal charge over the freehold land and building structure of our Group - Specific debenture over plant and equipment of our Group	EOF + 1.5 per annum	528

12. FINANCIAL INFORMATION (Cont'd)

Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
			%	RM'000
To part finance land acquisition cost	120 months	- Joint and several guarantee from certain directors of the Group - Legal charge over the freehold land and building structure of our Group	EOF + 1.5 per annum	92
For capital expenditure	84 months	- Joint and several guarantee from certain directors of the Group - Corporate guarantor by Farmiera Holdings Sdn Bhd - Guarantee by SJPP with guaranteed limit of 90% of the approved financing amount under Government Guarantee Scheme Madani ("GGSM")	4.00	336
For capital expenditure	84 months	- Joint and several guarantee from certain directors of the Group - Corporate guarantor by Farmiera Holdings Sdn Bhd - Guarantee by SJPP with guaranteed limit of 90% of the approved financing amount under GGSM	3.75	182
For capital expenditure	180 months	- Joint and several guarantee from certain directors of the Group - Corporate guarantor by Farmiera Holdings Sdn Bhd	5.00	698

12. FINANCIAL INFORMATION (Cont'd)

For capital expenditure	120 months	- Joint and several guarantee from certain directors of the Group - Corporate guarantor by Farmiera Holdings Sdn Bhd - Legal charge over a factory/ industrial building of the Company as disclosed	5.02	-
For capital expenditure	120 months	- Joint and several guarantee from certain directors of the Group - Corporate guarantor by Farmiera Holdings Sdn Bhd - Guarantee by SJPP with guaranteed limit of 90% of the approved financing amount under GGSM	5.02	-
For capital expenditure	216 months	- Joint and several guarantee from certain directors of the Group - Legal charge over freehold and leasehold lands of the Company as disclosed	4.85	252
To remortgage 7 pieces of land and to part finance land acquisition of 2 pieces of land	180 months	- Joint and several guarantee from certain directors of our Group - Legal charge over freehold and leasehold lands of the Company as disclosed	4.85	-
To part finance construction cost of breeder farm	180 months	- Joint and several guarantee from certain directors of our Group - Legal charge over freehold and leasehold lands of the Company as disclosed - Specific debenture over equipment and machineries of the breeder farms	4.85	230

12. FINANCIAL INFORMATION (Cont'd)

Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
			%	RM'000
• To part finance land acquisition cost	180 months	• Joint and several guarantee from certain directors of the Group • Legal charge over freehold and leasehold lands of the Company as disclosed	4.88	165
• To part finance land acquisition cost	180 months	• Joint and several guarantee from certain directors of the Group • Legal charge over freehold and leasehold lands of the Company as disclosed	4.88	138
• To part finance land acquisition cost	180 months	• Joint and several guarantee from certain directors of the Group • Legal charge over freehold and leasehold lands of the Company as disclosed	4.88	-
• For capital expenditure	36 months	-	6.00	3,000
• To part finance building acquisition cost	240 months	• Joint and several guarantee from certain directors of our Group	Base Lending rate ("BLR") - 2.20	16
				6,766
Lease liabilities	• For right-of-use assets	-	-	6,185
				6,185
		Total current borrowings		32,880

12. FINANCIAL INFORMATION (Cont'd)

Purpose		Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
				%	RM'000
Interest bearing long-term borrowings, payable after 1 year:					
Hire purchase payables	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.45	106
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.97	-
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.07	10
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.02	16
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.42	15
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.42	32
	• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.91	18

12. FINANCIAL INFORMATION (Cont'd)

Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
			%	RM'000
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.67	26
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.88	24
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.70	33
• Purchase of motor vehicle for business use	108 months	• The assets under hire purchase	2.58	566
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.37	78
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.39	116
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.87	4

12. FINANCIAL INFORMATION (Cont'd)

Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
			%	RM'000
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.25	16
• Purchase of motor vehicle for business use	60 months	• Joint and several guarantee from certain directors of our Group • Plant and machinery has been pledged as security	3.57	1,205
• Purchase of motor vehicle for business use	60 months	• Joint and several guarantee from certain directors of our Group • Plant and machinery has been pledged as security	3.57	2,252
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.17	14
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.09	24

12. FINANCIAL INFORMATION (Cont'd)

Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum %	As at the FPE 2025
				RM'000
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.65	11
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.14	62
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.40	36
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.42	34
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.35	99
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	2.29	99
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.44	125
• Purchase of motor vehicle for business use	60 months	• The assets under hire purchase	3.44	127
				5,148

12. FINANCIAL INFORMATION (Cont'd)

	Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
				%	RM'000
Term loans	To part finance/ reimburse of the cost involved in upgrading existing poultry farms	120 months	- Joint and several guarantee from certain directors of our Group - Legal charge over the freehold land and building structure of our Group - Specific debenture over plant and equipment of the Group	EOF + 1.5	6,504
	For working capital requirement	96 months	- Joint and several guarantee from certain directors of our Group - Guarantee by Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP) for RM1,920,000 under the Special Relief Facility	3.75	1,413
	To part finance land acquisition cost	120 months	- Joint and several guarantee from certain directors of our Group - Legal charge over the freehold land and building structure of our Group - Specific debenture over plant and equipment of our Group	EOF + 1.5	4,100
	To part finance land acquisition cost	120 months	- Joint and several guarantee from certain directors of the Group - Legal charge over the freehold land and building structure of our Group	EOF + 1.5	725

12. FINANCIAL INFORMATION (Cont'd)

Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
			%	RM'000
• For capital expenditure	84 months	- Joint and several guarantee from certain directors of the Group - Corporate guarantor by Farmiera Holdings Sdn Bhd - Guarantee by SJPP with guaranteed limit of 90% of the approved financing amount under Government Guarantee Scheme Madani ("GGSM")	4.00	2,074
• For capital expenditure	84 months	- Joint and several guarantee from certain directors of the Group - Corporate guarantor by Farmiera Holdings Sdn Bhd - Guarantee by SJPP with guaranteed limit of 90% of the approved financing amount under GGSM	3.75	1,114
• For capital expenditure	180 months	- Joint and several guarantee from certain directors of the Group - Corporate guarantor by Farmiera Holdings Sdn Bhd	5.00	12,965
• For capital expenditure	120 months	- Joint and several guarantee from certain directors of the Group - Corporate guarantor by Farmiera Holdings Sdn Bhd - Legal charge over a factory/ industrial building of the Company as disclosed	5.02	1,205

12. FINANCIAL INFORMATION (Cont'd)

Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
			%	RM'000
For capital expenditure	120 months	- Joint and several guarantee from certain directors of the Group - Corporate guarantor by Farmiera Holdings Sdn Bhd - Guarantee by SJPP with guaranteed limit of 90% of the approved financing amount under GGSM	5.02	1,069
For capital expenditure	216 months	- Joint and several guarantee from certain directors of the Group - Legal charge over freehold and leasehold lands of the Company as disclosed	4.85	4,542
To remortgage 7 pieces of land and to part finance land acquisition of 2 pieces of land	180 months	- Joint and several guarantee from certain directors of our Group - Legal charge over freehold and leasehold lands of the Company as disclosed	4.85	8,257

12. FINANCIAL INFORMATION (Cont'd)

Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum	As at the FPE 2025
			%	RM'000
To part finance construction cost of breeder farm	180 months	- Joint and several guarantee from certain directors of our Group - Legal charge over freehold and leasehold lands of the Company as disclosed - Specific debenture over equipment and machineries of the breeder farms	4.85	3,550
To part finance land acquisition cost	180 months	- Joint and several guarantee from certain directors of the Group - Legal charge over freehold and leasehold lands of the Company as disclosed	4.88	3,403
To part finance land acquisition cost	180 months	- Joint and several guarantee from certain directors of the Group - Legal charge over freehold and leasehold lands of the Company as disclosed	4.88	2,873
To part finance land acquisition cost	180 months	- Joint and several guarantee from certain directors of the Group - Legal charge over freehold and leasehold lands of the Company as disclosed	4.88	-
For capital expenditure	36 months	-	6.00	-

12. FINANCIAL INFORMATION (Cont'd)

	Purpose	Tenure of facility	Security	Flat/Effective interest rate per annum %	As at the FPE 2025 RM'000
	• To part finance building acquisition cost	240 months	• Joint and several guarantee from certain directors of our Group	BLR - 2.20	399
					54,193
Lease liabilities	• For right-of-use assets	-	-	-	13,061
					13,061
			Total non-current borrowings		72,402
			Total borrowings		105,282
Gearing (times)⁽¹⁾					1.39

Note:

⁽¹⁾ Computed based on total borrowings (excluding lease liabilities) divided by total equity.

All our borrowings are interest bearing and denominated in RM.

As at the FPE 2025, we do not have any borrowings which are non-interest bearing and/or in foreign currency. Our Group has not defaulted on any payment of either principal sums and/or interest in relation to the borrowings for the Financial Periods Under Review and up to the LPD.

As at the FPE 2025, our Group is not in breach of any terms and conditions or covenants associated with the credit arrangements or bank loans, which can materially affect the financial position and results of business operations or investment holders of our securities.

For the Financial Periods Under Review, we have not experienced any clawback or reduction in the facilities limit granted to us by our lenders. We also do not encounter any seasonality in our borrowings trend and there is no restriction on our committed borrowing facilities.

12. FINANCIAL INFORMATION (Cont'd)**12.5 TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES**

Save as disclosed in Section 12.4, we do not have or utilise any other financial instruments or have any other treasury policies.

As at the FPE 2025, all our facilities with licensed financial institutions are based on the bank's cost of funds/ base lending rate/ base rate, plus or minus a rate which varies depending on the different types of bank facilities.

12.6 MATERIAL CAPITAL COMMITMENTS

As at the LPD, save for the capital commitment for our capital expenditure as disclosed below, we do not have any other material capital commitments:

	RM'000
Approved and contracted for:	
• Freehold lands	2,304
• Leasehold lands	4,000
• Plant machinery and equipment	2,910
• Construction of parent stock farms	4,216
• Installation of breeding equipment and infrastructure system	6,736
	<u>20,166</u>
Approved and not contracted for:	
• Construction of parent stock farms	11,355
• Installation of breeding equipment and infrastructure system	-
• Construction of hatchery	9,250
• Installation of hatchery equipment and infrastructure system	22,800
	<u>43,405</u>

Our capital commitment as mentioned above will be financed via proceeds raised from our Listing, bank borrowings and/or internally generated fund.

12.7 MATERIAL LITIGATION AND CONTINGENT LIABILITIES**(a) Material litigation**

As at the LPD, we have not been engaged in any government, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on the financial position or profitability of our Group.

(b) Contingent liabilities

As at the LPD, there are no contingent liabilities incurred by us, our subsidiaries, which upon becoming enforceable, may have a material effect on our financial position or our subsidiaries' financial position.

12. FINANCIAL INFORMATION (Cont'd)

12.8 KEY FINANCIAL RATIOS

The key financial ratios of our Group for the Financial Periods Under Review are as follows:

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
Trade receivables turnover (days) ⁽¹⁾	17	13	14	15	17	15
Trade payables turnover (days) ⁽²⁾	22	18	20	23	20	22
Inventory turnover (days) ⁽³⁾	1	1	2	2	2	2
Current ratio	0.80	1.10	0.87	0.96	0.60	0.94
Gearing ratio	0.69	0.98	0.63	1.24	0.96	1.39

Note:

- (1) Computed based on average trade receivables multiplied by 365 days for the FYE 2021 to FYE 2023, 366 days for the FYE 2024, and 182 days and 181 days for the FPE 2024 and FPE 2025, respectively, and divided by revenue:

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening trade receivables	13,128	11,866	19,378	22,981	22,981	23,953
Closing trade receivables	11,866	19,378	22,981	23,953	28,799	29,117
Average trade receivables	12,497	15,622	21,180	23,467	25,890	26,535
Revenue	261,968	422,624	535,848	561,065	284,045	310,835
Trade receivables turnover (days)	17	13	14	15	17	15

- (2) Computed based on average trade payables multiplied by 365 days for FYE 2021 to FYE 2023, 366 days for FYE 2024, and 182 days and 181 days for the FPE 2024 and FPE 2025 respectively, and divided by cost of sales:

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening trade payables	14,805	15,017	25,213	32,371	32,371	32,722
Closing trade payables	15,017	25,213	32,371	32,722	26,148	35,621
Average trade payables	14,911	20,115	28,792	32,547	29,260	34,172

12. FINANCIAL INFORMATION (Cont'd)

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost of sales	248,337	408,881	520,928	515,385	259,836	280,444
Trade payables turnover (days)	22	18	20	23	20	22

- (3) Computed based on average opening and closing inventory over cost of sales for the respective financial year/period multiplied by 365 days, for FYE 2021 to FYE 2023, 366 days for FYE 2024, and 182 days and 181 days for the FPE 2024 and FPE 2025 respectively, and divided by cost of sales:

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening inventories	458	466	2,495	2,852	2,852	2,438
Closing inventories	466	2,495	2,852	2,438	2,968	2,283
Average inventories	462	1,481	2,675	2,645	2,910	2,361
Cost of sales	248,337	408,881	520,928	515,385	259,836	280,444
Inventory turnover (days)	1	1	2	2	2	2

- (4) Computed based on current assets over current liabilities for the respective financial year/period
- (5) Computed based on total borrowings (excluding lease liabilities) over total equity for the respective financial year/period

12.8.1 Trade receivables turnover

The normal credit period granted by our Group to our customers ranges from cash term to 30 days from the date of invoice.

Our trade receivables turnover days was 17 days, 13 days, 14 days, 15 days, 17 days and 15 days for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025, respectively which were within the normal credit terms granted to our customers.

For FYE 2022, our trade receivables turnover days decreased to 13 days (FYE 2021: 17 days) mainly due better collections from our customers. Our trade receivables turnover period for the FYE 2023 and the FYE 2024 was 14 days and 15 days, respectively, which were within the normal credit terms granted to our customers.

For FPE 2024 and FPE 2025, our trade receivables turnover days were 17 days and 15 days, which were within the normal credit terms granted to our customers.

12. FINANCIAL INFORMATION (Cont'd)

The ageing analysis of our trade receivables as at 30 June 2025 and as at the LPD is as follows:

	Trade receivables as at 30 June 2025		Amount collected from 1 July 2025 up to LPD	Balance of trade receivables as at the LPD
	RM'000	Percentage of trade payables	RM'000	RM'000
	(a)	(a)/total of (a)	(b)	(c) = (a)-(b)
Neither past due nor impaired	23,966	82.31	23,691	275
Past due:	5,151	17.69	4,784	367
• 1 to 30 days	3,890	13.36	3,800	90
• 31 to 60 days	280	0.96	275	5
• 61 to 90 days	96	0.33	84	12
• More than 90 days	885	3.04	625	260
Total	29,117	100.00	28,475	642

There were no impairments from bad debts for the Financial Periods Under Review and up to the LPD. With respect to overdue debts, we are generally able to eventually collect payment, as evidenced by our subsequent collections after 30 June 2025.

As at the LPD, we have collected RM28.48 million, representing 97.80% of our total outstanding trade receivables of RM29.12 million as at 30 June 2025. Save as disclosed in Section 12.2.2(f), there were no bad debts written off or any provision of doubtful debts during the Financial Periods Under Review and up to the LPD.

We closely monitor customer accounts to ensure timely payments and maintain a healthy cash flow. Our accounts credit controller promptly notifies the sales team whenever credit limits are exceeded or payment due dates are missed. Our structured reminder process involves sending a first formal letter to accounts with overdue payments, followed by subsequent reminder letters issued every seven days if the invoice remains unpaid. If payment is not received after repeated follow-ups, we will take legal action against non-paying customers.

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12. FINANCIAL INFORMATION (Cont'd)**12.8.2 Trade payables turnover**

The normal credit terms granted to us by our suppliers ranges from cash term to 90 days.

Our trade payables turnover days remained fairly consistent over the Financial Periods Under Review, with turnover days of 22 days, 18 days, 20 days, 23 days, 20 days and 22 days for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025, respectively, which were within the normal credit terms granted to our Group.

The ageing analysis of our trade payables as at 30 June 2025 and as at the LPD is as follows:

	Trade payables as at 30 June 2025		Amount paid from 1 July 2025 up to LPD	Balance of trade payables unpaid as at the LPD
	RM'000	Percentage of trade payables	RM'000	RM'000
	(a)	(a)/total of (a)	(b)	(c) = (a)-(b)
Within credit period				
• 1 to 30 days	35,359	99.26	34,608	751
• 31 to 60 days	212	0.60	212	-
• 61 to 90 days	50	0.14	50	-
Exceed credit period				
• More than 90 days	-	-	-	-
Total	35,621	100.00	34,870	751

As at the LPD, we have settled 97.89% of our total outstanding trade payables.

12.8.3 Current ratio

Our current ratio throughout the Financial Periods Under Review is as follows:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current assets	27,060	48,032	48,991	71,423	58,351	75,192
Current liabilities	(33,869)	(43,800)	(56,282)	(74,692)	(76,419)	(80,374)
Net current (liabilities)/ assets	(6,809)	4,232	(7,291)	(3,269)	(18,068)	(5,182)
Current ratio (times)	0.80	1.10	0.87	0.96	0.76	0.94

Our current ratios range between 0.80 times to 1.10 times for the Financial Periods Under Review.

The increase in current ratios for FYE 2022 was mainly due to increase in current assets. The increase in current assets was mainly due to:

- increase in inventories of RM2.03 million mainly due to purchase of raw poultry products to replenish inventories in tandem with higher sales volumes; and
- increase in trade and other receivables by RM7.84 million which was in tandem with our increase in revenue; and

12. FINANCIAL INFORMATION (Cont'd)

- (iii) increase in cash and short-term deposits by RM11.33 million mainly due to cash generated from operations.

Our current ratio increased from 0.87 times in FYE 2023 to 0.96 times in FYE 2024 due to increase in current assets. The increase in current assets was mainly due to:

- (i) increase in biological assets of RM5.31 million;
- (ii) increase in trade and other receivables by RM3.52 million, which is in tandem with the increase in revenue, and
- (iii) increase in cash and short-term deposits by RM13.80 million due to cash generated from operations and drawdown of trade finance.

Our current ratio increased from 0.60 times in FPE 2024 to 0.94 times in FPE 2025 due to increase in current assets. The increase in current assets was mainly due to:

- (i) increase in trade and other receivables by RM1.09 million, which is in tandem with the increase in revenue; and
- (ii) increase in cash and short-term deposits by RM13.42 million due to cash generated from operations and drawdown of trade finance.

12.8.4 Gearing ratio

Our gearing ratio throughout the Financial Periods Under Review is as follows:

	<u>FYE 2021</u>	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2024</u>	<u>FPE 2025</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Total borrowings ⁽¹⁾	17,863	29,977	31,657	71,019	54,224	86,036
Total equity	25,795	30,712	50,181	57,183	56,741	61,719
Gearing ratio (times)	0.69	0.98	0.63	1.24	0.96	1.39

Note:

- (1) Based on total borrowings excluding lease liabilities.

Our gearing ratios increased from 0.69 times in FYE 2021 to 0.98 times in FYE 2022, mainly due to the increase in borrowings incurred to capital expenditures.

Our gearing ratios decreased from 0.98 times in FYE 2022 to 0.63 times in FYE 2023, mainly due to increase in total equity by RM19.47 million (FYE 2022: RM30.71 million), as a result of conversion of redeemable non-convertible preference shares into redeemable convertible preferences shares of RM13.50 million, and subsequently converted into ordinary shares in FYE 2023.

Our gearing ratio increased from 0.63 times in FYE 2023 to 1.24 times in FYE 2024, mainly due to the increase in trade finance for working capital and borrowings incurred for capital expenditures.

Our gearing ratio increased from 0.96 times in FPE 2024 to 1.39 times in FPE 2025, mainly due to the increase in trade finance for working capital and borrowings incurred for capital expenditures.

12. FINANCIAL INFORMATION (Cont'd)**12.9 SIGNIFICANT FACTORS AFFECTING OUR REVENUE**

Section 9 details a number of risk factors relating to our business and the industry in which we operate in. Some of these risk factors have an impact on our Group's revenue and financial performance. The main factors which affect our revenue and profit include but not limited to the following:

(i) We are exposed to outbreak of livestock-related diseases such as avian influenza virus

The outbreak of livestock-related diseases, such as the avian influenza virus, at our poultry farms and/or contracted farms could have a material adverse effect on our operations, financial performance and prospects. Avian influenza A virus, commonly known as bird flu, is a highly infectious viral disease among live birds and can cause illness or death in domesticated birds.

In the event of an outbreak of livestock-related diseases at our broiler farms and/or our contract broiler farms, we would be required to shut down our farm operations for quarantine inspections and cull all our flocks under the jurisdiction of the Malaysian Government. If a regional or large-scale outbreak occurs, the government may impose certain restrictions on the movement and/or sale of live broilers and poultry products, with the possibility of no compensation or insufficient compensation being paid by the government. Additionally, our poultry farming operations may also be exposed to the risk of shortage and supply disruptions of broiler DOCs due to outbreaks of livestock-related diseases at the breeder (parent stocks) farms. Consequently, these possible events could adversely affect our business operations and financial performance. Since the commencement of our business, there have been no reported cases of avian influenza virus infection in our broiler farms or our contract broiler farms.

(ii) We may not be able to obtain, renew or maintain our major licences, permits and/or approvals required to operate our business operations

We depend on certain licences, permits and/or approvals issued by various government authorities and/or regulatory agencies. Our major licences, permits and/or approvals are generally subject to periodic renewals and a variety of conditions. These conditions are either stipulated within the licences, permits and approvals themselves, or under the relevant legislations and/or regulations governing the issuing authorities. For instance, we are required to maintain poultry farming licences issued by the state DVS, pursuant to the respective state's Poultry Farming Enactment (i.e. legislation enacted by state that outline the compliance requirements for poultry farming activities) for the operation of our broiler farms.

As laws and regulations become increasingly stringent, there is no assurance that we will be able to renew such licences, permits and/or approvals from relevant authorities particularly if any new terms and conditions are imposed in the future.

(iii) We face uncertainty in respect of our application to obtain requisite approvals for change in express conditions and/or occupation of building

Our operations are required to comply with land use conditions particularly when the express conditions imposed on the land titles do not explicitly permit poultry farming. Additionally, a CCC/CF is required for the occupation of buildings or any part thereof pursuant to the SDBA. According to the Garis Panduan, the obtainment of a CCC/CF in respect of a broiler farm house is not required as the issuance of a CCC/CF is preceded by the issuance of a KM/KMTT and BP/TBP approval, both of which are required pursuant to the Garis Panduan.

12. FINANCIAL INFORMATION (Cont'd)

Any adverse changes in such policies, guidelines, or directions taken by the local councils and/or land authorities in exercising their discretion on matters requiring their approvals, which we cannot anticipate and are beyond our control, may result in various outcomes. This includes failure to obtain approval, leading to the disruption of our operations as well as the need to incur additional costs in seeking alternatives or replacements for the affected broiler farms, which in turn, could materially adversely affect our business operation and financial performance.

(iv) Our poultry farming is subject to fluctuation in prices of feed

We source the feed that are used for our poultry farming from selected reliable and established local feed suppliers. However, the major raw materials for feed production, such as soybean meal, corn meal, and wheat grain are commodities items and are mainly sourced by import. As such, the selling price of feed is subject to fluctuations due to various factors, which includes, weather, volume of harvest, global demand and supply conditions, governmental agriculture policies, and currency exchange rates. Therefore, any significant increase in the cost of feed production resulting from rising raw material prices will lead to higher purchase costs for us.

(v) Dependency on reliable broiler DOCs supply and livestock-related disease management for our broiler quality

Quality broilers form the core competitive strengths of both our poultry farming and poultry processing business segments. Therefore, the quality of our Group's broilers depends significantly on the consistent and reliable supply of quality broiler DOCs as well as the effective administration of vaccinations and medications throughout our poultry farming. Any disruption in the supply of these inputs could have material adverse effects to the health and growth of our broilers. In the event that we are unable to source adequate supply of quality broiler DOCs, whether due to supplier issues, transportation problems, or any other unforeseen circumstances beyond our prediction and control, it could materially pose an adverse impact our broiler production. A shortage of quality broiler DOCs may in turn, affect the overall scale of our broiler production output and cause delays in our production cycle, thereby affecting our ability to meet market demand and subsequent processing.

(vi) Our continued success is dependent on our key management team

Our continued success is dependent on the experience, industry knowledge, efforts and business network of our management team.

We depend on the leadership of our Managing Director and Chief Executive Officer, Hong How Seng and Executive Director and Deputy Chief Executive Officer, Tan Kok Cheong to spearhead our Group and to drive the business development and growth of our Group. They are supported by a team of qualified key senior management, who have over the years gained a vast amount of experience, capability and knowledge in their respective roles which are essential to our business operations to support the growth of our Group. In particular, our Senior General Manager, Tan Chin Heng and our Chief Financial Officer, Chin Chien Hwi will/are responsible for our Group's expansion vertically into the broiler breeding and hatchery segments and will oversee activities related to the expansion, which include overall development, financial planning, and budgeting for the expansion.

12. FINANCIAL INFORMATION (Cont'd)**12.10 IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES**

There were no government, economic, fiscal or monetary policies or factors which have materially affected our financial performance during Financial Periods Under Review.

There is no assurance that our financial performance will not be adversely affected by the impact of further changes in government, economic, fiscal or monetary policies or factors moving forward. Risks relating to government, economic, fiscal or monetary policies or factors which may adversely and materially affect our operations are set out in Section 9.

12.11 IMPACT OF INFLATION

Our financial performance during the Financial Periods Under Review was affected by the impact of inflationary pressure or price fluctuation in direct material costs (including feed, broiler DOCs, live broilers, vaccines and medications, and raw poultry products) constituted the largest component in our cost of sales, which accounted for 94.02%, 93.87%, 93.25% and 91.75% of our total cost of sales for the Financial Periods Under Review. In particular, the major raw materials for feed production, such as soybean meal, corn meal, and wheat grain are commodity items and are mainly sourced by import. As such, the feed cost is subject to fluctuations due to various factors, which includes, weather, volume of harvest, global demand and supply conditions, governmental agriculture policies, and currency exchange rates. Therefore, any significant increase in the cost of feed production resulting from rising raw material prices will lead to higher purchase costs for us.

12.12 IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES ON OUR GROUP'S OPERATIONS**(a) Impact of foreign exchange rates**

Our transactions are solely denominated in RM. As such, we are not exposed to foreign currency risk and any unfavourable foreign currency exchange rate fluctuations would not affect our business operations and financial performance.

(b) Impact of interest rates

Our exposure to changes in interest rate risk relates primarily to our bank borrowings.

A sensitivity analysis performed on our Group based on the outstanding floating rate of our bank borrowings as at FPE 2025 indicates that our PBT of RM7.75 million would increase or decrease by approximately RM0.30 million, as a result of increase or decrease in interest rates by 50 basis points on these borrowings.

Our financial results for the Financial Periods Under Review were not materially affected by fluctuations in interest rates. However, should there be any significant increase in interest rates in the future, it would raise the cost of borrowing and our finance costs, which may have an adverse effect on the performance of our Group. Our Group has monitored and will continue to monitor interest rate movements to ensure that we secure the most competitive rates and, where appropriate, borrowing arrangements and interest-bearing instruments are structured.

12.13 ORDER BOOK

We do not maintain an order book as our sales are based on purchase orders received from our customers with quantum required on an on-going basis.

12. FINANCIAL INFORMATION (Cont'd)

12.14 DIRECTORS' DECLARATION ON OUR GROUP'S FINANCIAL PERFORMANCE

Our Board is of the opinion that:

- (a) our Group's revenue will remain sustainable with an upward growth trend, in line with positive outlook of the poultry industry as set out in the IMR Report in Section 8;
- (b) our liquidity will improve subsequent to the Public Issue given the additional funds to be raised for us to carry out our business strategies as stated in Section 7.21; and
- (c) our capital resources will strengthen, considering the proceeds to be raised from the Public Issue as well as internally generated funds. We may consider debt funding for our business expansion should the need arise.

In addition to the above, our Board confirms that there are no circumstances which would result in a significant decline in our revenue and GP margins or know of any factors that are likely to have a material impact on our liquidity, revenue or profitability.

12.15 TREND INFORMATION

As at the LPD, after all reasonable enquiries, our Board confirms that our operations have not been and will not be affected by any of the following:

- (a) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our Group's financial performance, position and operations other than those discussed in Sections 7.14, 9.1, 9.2, 12.2, 12.9, 12.10, 12.11 and 12.12;
- (b) material commitments for capital expenditure save as disclosed in Section 12.6;
- (c) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group save as discussed in Sections 7.14, 12.2, 12.9, 12.10, 12.11 and 12.12;
- (d) known trends, demands, commitments, events or uncertainties that have resulted in a substantial increase in our Group's revenue save for those that had been discussed in Sections 7.14, 9.1, 9.2, 12.2, 12.9, 12.10, 12.11 and 12.12; and
- (e) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical combined financial statements not necessarily indicative of the future financial performance and position other than those discussed in Sections 7.14, 9.1, 9.2, 12.2, 12.9, 12.10, 12.11 and 12.12.

Based on the above, our Board is optimistic about the future prospects of our Group given the long-term positive outlook of the poultry industry in Malaysia as set out in the IMR Report in Section 8, our Group's competitive strengths set out in Section 7.20 and our Group's intention to implement the business strategies as set out in Section 7.21.

12. FINANCIAL INFORMATION (Cont'd)**12.16 DIVIDEND POLICY**

Our Company presently does not have any formal dividend policy. As our Company is an investment holding company, our income and therefore our ability to pay dividends is dependent upon the dividends we receive from our subsidiary, present or future. Save for compliance with the solvency requirement under the Act, which is applicable to all Malaysian companies, and consent from our financiers as set out in the respective facility agreements, there are no legal, financial, or economic restrictions on the ability of our existing subsidiary to transfer funds in the form of cash dividends, loans or advances to us. Moving forward, the payment of dividends or other distributions by our subsidiary will depend on their distributable profits, operating results, financial condition, capital expenditure plans, business expansion plans and other factors that their respective boards of directors deem relevant.

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividends for the year are subject to shareholders' approval. It is our intention to pay dividends to shareholders in the future. However, such payments will depend upon a number of factors, including our Group's financial performance, capital expenditure requirements, general financial condition and any other factors considered relevant by our Board. Notwithstanding, our Group currently has no intention to declare any dividends prior to the Listing.

Actual dividends proposed and declared may vary depending on the financial performance and cash flows of our Group and may be waived if the payment of the dividends would adversely affect the cash flows and operations of our Group.

Dividends declared and paid by our subsidiary for the Financial Periods Under Review are as follows:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Dividend declared and paid	-	122 ⁽¹⁾	231 ⁽²⁾	-	-	-

Notes:

- (1) The dividends declared on 11 March 2022 and paid on 20 May 2022 by GBSB to Hong How Seng and a former shareholder of GBSB in equal amounts of RM61,000 each.
- (2) The dividends declared on 11 May 2023 and paid on 16 May 2023 by FPSB to a former shareholder of FPSB.

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12. FINANCIAL INFORMATION (Cont'd)**12.17 CAPITALISATION AND INDEBTEDNESS**

The table below summarises our capitalisation and indebtedness:

- (a) Based on latest financial information of our Group as at 31 August 2025; and
 (b) After adjusting for the effects of the Public Issue and utilisation of proceeds.

	<u>Unaudited</u>	<u>Pro forma I</u>	<u>Pro forma II</u>
	As at 31 August 2025	After the Public Issue	After Pro forma I and the utilisation of proceeds
	RM'000	RM'000	RM'000
Indebtedness			
<u>Current</u>			
<i>Secured and guaranteed</i>			
Hire purchase	1,085	1,085	1,085
Term loans	2,905	2,905	2,905
Trade finance	3,590	3,590	3,590
	7,580	7,580	7,580
<i>Secured and unguaranteed</i>			
Hire purchase	555	555	555
	555	555	555
<i>Unsecured and guaranteed</i>			
Term loans	812	812	812
Trade finance	19,411	19,411	19,411
	20,223	20,223	20,223
<i>Unsecured and unguaranteed</i>			
Term loan	3,000	3,000	3,000
Lease liabilities	6,017	6,017	6,017
	9,017	9,017	9,017
<u>Non-current</u>			
<i>Secured and guaranteed</i>			
Hire purchase	3,270	3,270	3,270
Term loans	53,569	53,569	53,569
	56,839	56,839	56,839
<i>Secured and unguaranteed</i>			
Hire purchase	1,618	1,618	1,618
	1,618	1,618	1,618
<i>Unsecured and guaranteed</i>			
Term loans	4,464	4,464	4,464
	4,464	4,464	4,464
<i>Unsecured and unguaranteed</i>			
Lease liabilities	13,003	13,003	13,003
	13,003	13,003	13,003
Total indebtedness:	113,299	113,299	113,299

12. FINANCIAL INFORMATION (Cont'd)

	<u>Unaudited</u>	<u>Pro forma I</u>	<u>Pro forma II</u>
	<u>As at 31 August</u>	<u>After the</u>	<u>After Pro</u>
	<u>2025</u>	<u>Public Issue</u>	<u>forma I and the</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>utilisation of</u>
			<u>proceeds</u>
			<u>RM'000</u>
<u>Capitalisation</u>			
Invested equity/ share capital	16,500	84,560	83,442
Total capitalisation and indebtedness	129,799	197,859	196,741
Gearing ratio (times) ⁽¹⁾	5.71	1.11	1.13

Note:

- ⁽¹⁾ Computed based on total indebtedness (excluding lease liabilities) divided by share capital.

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13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION



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2 October 2025

The Board of Directors
Farmiera Berhad
B-3-1 Menara BBT One, North Tower
Lebuh Batu Nilam 1
Bandar Bukit Tinggi
41200 Klang, Selangor

Dear Sirs/Madams,

FARMIERA BERHAD ("Farmiera" or the "Company")

REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025 INCLUDED IN A PROSPECTUS

We have completed our assurance engagement to report on the compilation of the pro forma combined statements of financial position of Farmiera Berhad and the combining entities, namely Farmiera Holdings Sdn. Bhd., Farmiera Agro Resources Sdn. Bhd., Farmiera Breeder Farm Sdn. Bhd., Farmiera Contract Farming Sdn. Bhd., Farmiera Sejati Sdn. Bhd., Farmiera Venture Sdn. Bhd. and Gemilang Bestari Sdn. Bhd. (collectively referred to as "Group") for which the Board of Directors of Farmiera are solely responsible. The pro forma combined statements of financial position consist of the pro forma combined statements of financial position as at 30 June 2025 together with the accompanying notes thereon, as set out in the accompanying statements, for which we have stamped for the purpose of identification. The applicable criteria on the basis of which the Board of Directors of Farmiera have compiled the pro forma combined statements of financial position are as described in Note 2 to the pro forma combined statements of financial position and in accordance with the requirements of the *Prospectus Guidelines – Equity* issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysia Institute of Accountants ("Applicable Criteria").

The pro forma combined statements of financial position of the Group has been compiled by the Board of Directors of Farmiera, for illustrative purposes only, for inclusion in the prospectus of Farmiera ("Prospectus") in connection with the listing of and quotation for the entire enlarged issued share capital of Farmiera on the ACE Market of Bursa Malaysia Securities Berhad ("Proposed Listing") comprising public issue of 117,000,000 initial public offering shares ("IPO Shares"), after making certain assumptions and such adjustments to show the effects on the pro forma combined statements of financial position of the Group as at 30 June 2025 adjusted for the Pre-IPO Restructuring, Public Issue and utilisation of proceeds as described in Notes 1.2.1, 1.2.2 and 3.2.2 respectively.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



FARMIERA BERHAD AND ITS COMBINING ENTITIES

Reporting Accountants' Report on the Compilation of the
Pro Forma Combined Statements of Financial Position
as at 30 June 2025 Included in a Prospectus

As part of this process, information about the Group's combined statements of financial position has been extracted by the Board of Directors of Farmiera from the audited combined financial statements of the Group for the Financial Period Ended ("FPE") 30 June 2025, on which a reporting accountants' report dated 2 October 2025 has been issued.

The audited combined financial statements of the Group for the FPE 30 June 2025 were reported by us to the members without any modifications.

Directors' Responsibility for the Pro Forma Combined Statements of Financial Position

The Board of Directors of Farmiera are responsible for compiling the pro forma combined statements of financial position based on the Applicable Criteria.

Our Independence and Quality Control

We are independent in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our firm applies *International Standard on Quality Management 1 (ISQM 1), Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, on whether the pro forma combined statements of financial position have been compiled, in all material respects, by the Board of Directors of Farmiera based on the Applicable Criteria.

We conducted our engagement in accordance with *International Standard on Assurance Engagements (ISAE) 3420: Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors of Farmiera have compiled, in all material respects, the pro forma combined statements of financial position based on the Applicable Criteria.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



FARMIERA BERHAD AND ITS COMBINING ENTITIES

Reporting Accountants' Report on the Compilation of the
Pro Forma Combined Statements of Financial Position
as at 30 June 2025 Included in a Prospectus

Reporting Accountants' Responsibilities (Continued)

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma combined statements of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma combined statements of financial position.

The purpose of the pro forma combined statements of financial position included in the Prospectus is solely to illustrate the impact of significant events or transactions on the unadjusted financial information of the Group as if the events had occurred or the transaction had been undertaken at an earlier date selected for illustrative purposes only. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

A reasonable assurance engagement to report on whether the pro forma combined statements of financial position have been compiled, in all material respects, based on the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Board of Directors of Farmiera in the compilation of the pro forma combined statements of financial position of the Group provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- (a) the related pro forma adjustments give appropriate effect to those criteria; and
- (b) the pro forma consolidated statements of financial position reflect the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the pro forma combined statements of financial position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma combined statements of financial position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)



FARMIERA BERHAD AND ITS COMBINING ENTITIES

Reporting Accountants' Report on the Compilation of the
Pro Forma Combined Statements of Financial Position
as at 30 June 2025 Included in a Prospectus

Opinion

In our opinion:

- (a) the related pro forma adjustments give appropriate effect to those criteria; and
- (b) the pro forma consolidated statements of financial position reflects the proper application of those adjustments to the unadjusted financial information.

Other Matters

This report has been prepared for inclusion in the Prospectus of Farmiera in connection with the Proposed Listing. As such, this report should not be used, circulated, quoted or otherwise referred to in any document or used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Paul Tan Hong".

Paul Tan Hong
No. 03459/11/2025 J
Chartered Accountant

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

FARMIERA BERHAD AND ITS COMBINING ENTITIES

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

1. INTRODUCTION

The pro forma combined statements of financial position of Farmiera Berhad ("Farmiera" or the "Company") and its combining entities, namely Farmiera Holdings Sdn. Bhd. ("FHSB"), Farmiera Agro Resources Sdn. Bhd. ("FARSB"), Farmiera Breeder Farm Sdn. Bhd. ("FBFSB"), Farmiera Contract Farming Sdn. Bhd. ("FCFSB"), Farmiera Sejati Sdn. Bhd. ("FSSB"), Farmiera Venture Sdn. Bhd. ("FVSB") and Gemilang Bestari Sdn. Bhd. ("GBSB") (hereinafter collectively referred to as the "Group") has been compiled by the Board of Directors of Farmiera, for illustrative purposes only, for inclusion in the prospectus of Farmiera in connection with the listing of and quotation for the entire enlarged issued share capital of 450,000,000 ordinary shares in Farmiera ("Share(s)") on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Proposed Listing").

1.1 In conjunction with the admission of Farmiera to the Official List of the ACE Market of Bursa Securities and the Proposed Listing, Farmiera had undertaken the following transactions:

1.2 Listing Scheme

1.2.1 Pre-IPO Restructuring

In conjunction with Proposed Listing, the Company has undertaken the Pre-IPO Restructuring as follows:

On 3 March 2025, Farmiera entered into a conditional share sale agreement to acquire the entire equity interest in FHSB comprising 16,500,000 ordinary shares in FHSB from HHS Global Sdn. Bhd., Keystone Capital Sdn. Bhd., TCH Capital Sdn. Bhd., Small Boss Enterprise Sdn. Bhd., Himpunan Jaya Sdn. Bhd., and Kien Huat Fishery Sdn. Bhd. ("FHSB Vendors") for a total purchase consideration of RM55.31 million ("Purchase Consideration").

The Purchase Consideration of RM55.31 million was arrived at on a willing-buyer willing-seller basis, after taking into consideration the audited consolidated net assets of FHSB as at 30 September 2024 of approximately RM55.31 million.

The Purchase Consideration was satisfied via the issuance and allotment of 332,999,900 new Shares at an issue price of approximately RM0.166 per Share, which will be allotted to Asas Juara Sdn. Bhd. ("AJSB"), being the nominee appointed by the FHSB Vendors to receive such Shares.

The Pre-IPO Restructuring has been completed on 14 August 2025.

Pro Forma Combined Statements of Financial Position



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

FARMIERA BERHAD AND ITS COMBINING ENTITIES

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

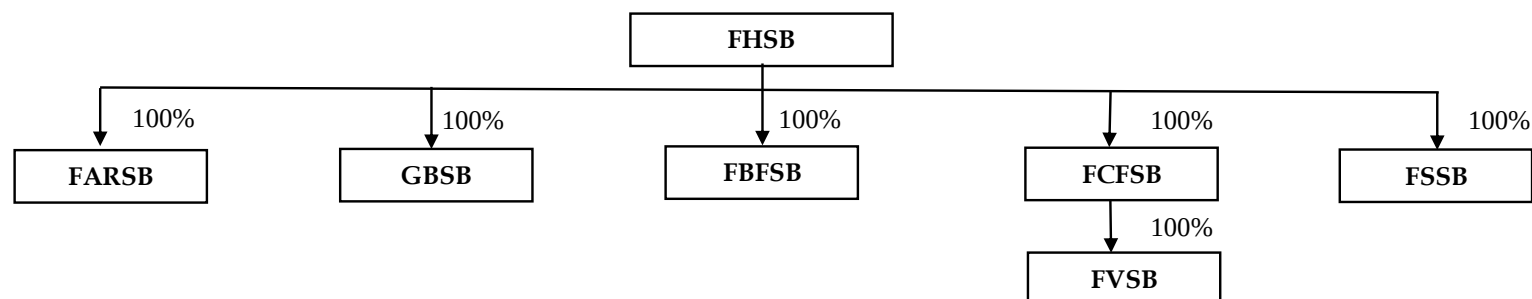
1. (Continued)

1.2 (Continued)

1.2.1 (Continued)

The Group structure before and after the Pre-IPO Restructuring are as below:

As at 30 June 2025



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

FARMIERA BERHAD AND ITS COMBINING ENTITIES

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

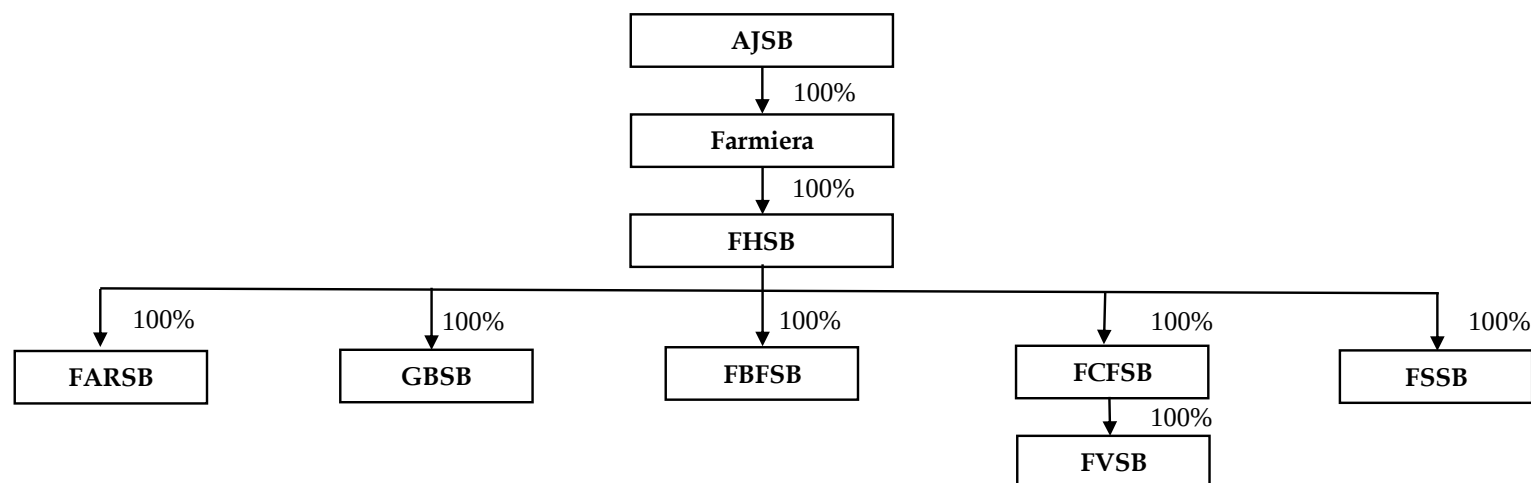
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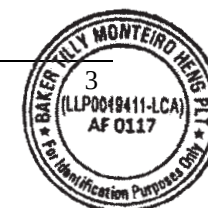
1.2.1 (Continued)

The Group structure before and after the Pre-IPO Restructuring are as below: (continued)

After the Pre-IPO Restructuring



Pro Forma Combined Statements of Financial Position



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

FARMIERA BERHAD AND ITS COMBINING ENTITIES

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

1. (Continued)

1.2 (Continued)

1.2.2 Public Issue

A total of 117,000,000 IPO Shares, representing approximately 26.00% of the enlarged issued Shares of Farmiera are offered at RM0.25 per IPO Share ("IPO Price"), will be allocated in the following manner:

- (i) 22,500,000 IPO Shares, representing 5.00% of enlarged issued Shares, will be made available for application by the Malaysian Public, to be allocated via balloting process as follows:
 - (a) 11,250,000 IPO Shares made available to public investors; and
 - (b) 11,250,000 IPO Shares made available to Bumiputera public investors.
- (ii) 9,000,000 IPO Shares, representing 2.00% of enlarged issued Shares, will be reserved for application by the eligible key senior management, employees and persons who have contributed to the success of the Group; and
- (iii) 29,250,000 IPO Shares, representing 6.50% of enlarged issued Shares, have been reserved for application by way of private placement to selected investors.
- (iv) 56,250,000 IPO Shares, representing 12.50% of enlarged issued Shares, made available by way of private placement to selected Bumiputera investors approved by the Ministry of Investment, Trade and Industry.

(Collectively hereinafter referred to as "Public Issue").

1.2.3 Proposed Listing

Upon completion of the Public Issue, Farmiera's entire enlarged issued Shares of RM84.56 million comprising 450,000,000 Shares will be listed on the ACE Market of Bursa Securities.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

FARMIERA BERHAD AND ITS COMBINING ENTITIES

2. BASIS OF PREPARATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

- 2.1 The pro forma combined statements of financial position have been prepared to illustrate the pro forma combined financial position of the Group as at 30 June 2025, adjusted for the Pre-IPO Restructuring, Public Issue and utilisation of proceeds as described in Notes 1.2.1, 1.2.2 and 3.2.2 respectively.
- 2.2 The pro forma combined statements of financial position have been prepared based on the audited combined financial statements of the Group for the Financial Period Ended ("FPE") 30 June 2025.
- 2.3 The audited combined financial statements of the Group for the FPE 30 June 2025 were reported by the auditors to the members without any modifications.
- 2.4 The pro forma combined statements of financial position of the Group have been prepared for illustrative purposes only and, such information may not, because of its nature, give a true picture of the actual financial position and the results of the Group and does not purport to predict the future financial position and results of the Group.
- 2.5 The pro forma combined statements of financial position of the Group have been properly prepared on the basis set out in the accompanying notes to the pro forma combined statements of financial position based on the audited combined financial statements of the Group for FPE 30 June 2025, which have been prepared in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards.

Pro Forma Combined Statements of Financial Position



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)**FARMIERA BERHAD AND ITS COMBINING ENTITIES****3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP**

- 3.1 The pro forma combined statements of financial position of the Group as set out below, for which the Board of Directors of Farmiera are solely responsible, have been prepared for illustrative purposes only, to show the effects on the audited combined statement of financial position of the Group as at 30 June 2025, had the Pre-IPO Restructuring, Public Issue and utilisation of proceeds as described in Notes 1.2.1, 1.2.2 and 3.2.2 respectively been effected on that date, and should be read in conjunction with the notes accompanying thereto.

	Combined Statements of Financial Position as at 30 June 2025# RM'000	Pro Forma I After the Pre-IPO Restructuring RM'000	Pro Forma II After Pro Forma I and the Public Issue RM'000	Pro Forma III After Pro Forma II and the utilisation of proceeds RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	142,470	142,470	142,470	143,326
Deferred tax assets	147	147	147	147
Trade and other receivables	83	83	83	83
Total non-current assets	142,700	142,700	142,700	143,556
Current assets				
Biological assets	8,347	8,347	8,347	8,347
Inventories	2,283	2,283	2,283	2,283
Current tax assets	565	565	565	565
Trade and other receivables	37,823	37,823	37,823	37,196
Cash and short-term deposits	26,174	26,174	55,424	52,249
Total current assets	75,192	75,192	104,442	100,640
TOTAL ASSETS	217,892	217,892	247,142	244,196
EQUITY AND LIABILITIES				
Equity attributable to owners of the Group				
Invested equity/Share capital	16,500	55,310	84,560	83,442
Merger reserve	-	(38,810)	(38,810)	(38,810)
Retained earnings	45,219	45,219	45,219	43,391
TOTAL EQUITY	61,719	61,719	90,969	88,023

Pro Forma Combined Statements of Financial Position

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)**FARMIERA BERHAD AND ITS COMBINING ENTITIES****3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)****3.1 (Continued)**

	Combined Statements of Financial Position as at 30 June 2025# RM'000	Pro Forma I After the Pre-IPO Restructuring RM'000	Pro Forma II After Pro Forma I and the Public Issue RM'000	Pro Forma III After Pro Forma II and the utilisation of proceeds RM'000
Non-current liabilities				
Loans and borrowings	72,402	72,402	72,402	72,402
Deferred tax liabilities	3,397	3,397	3,397	3,397
Total non-current liabilities	75,799	75,799	75,799	75,799
Current liabilities				
Loans and borrowings	32,880	32,880	32,880	32,880
Current tax liabilities	2,369	2,369	2,369	2,369
Trade and other payables	45,125	45,125	45,125	45,125
Total current liabilities	80,374	80,374	80,374	80,374
TOTAL LIABILITIES	156,173	156,173	156,173	156,173
TOTAL EQUITY AND LIABILITIES	217,892	217,892	247,142	244,196
Number of ordinary shares assumed to be in issue ('000)	16,500*	333,000	450,000	450,000
NA^ (RM'000)	61,719	61,719	90,969	88,023
NA per ordinary share (RM)	3.74	0.19	0.20	0.20
^ attributable to owners of the Group				
* represent the number of issued shares of FHSB and Farmiera				

Extracted from Group's audited combined financial statements for the FPE 30 June 2025.

Pro Forma Combined Statements of Financial Position

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

FARMIERA BERHAD AND ITS COMBINING ENTITIES

3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 Notes to the pro forma combined statements of financial position are as follows:

3.2.1 The pro forma combined statements of financial position of the Group, for which the Board of Directors of Farmiera are solely responsible, have been prepared for illustrative purposes only, to show the effects on the combined audited statements of financial position of the Group as at 30 June 2025, had the Pre-IPO Restructuring, Public Issue and utilisation of proceeds as described in Notes 1.2.1, 1.2.2 and 3.2.2 respectively been effected on that date, and should be read in conjunction with the notes accompanying thereto.

3.2.2 The proceeds from the Public Issue would be used in the following manner:

Details of use of proceeds	RM'000	%	Estimated timeframe for utilisation from the date of listing
Not reflected in pro forma combined statements of financial position			
Capital expenditure			
(i) Parent stock farms ⁽¹⁾	11,692	39.97	Within 9 months
(ii) Hatchery ⁽²⁾	9,600	32.82	Within 18 months
Working capital	2,802	9.58	Within 12 months
Reflected in pro forma combined statements of financial position			
(i) Parent stock farms	856	2.93	Within 9 months
Estimated listing expenses	4,300	14.70	Within 1 month
Gross proceeds	29,250	100.00	

(1) As at 30 June 2025, RM5.88 million out of the RM12.55 million allocated for the establishment of parent stock farms has been incurred and recognised under Property, Plant and Equipment account. An additional RM0.86 million has been contractually committed through binding agreements or purchase orders, while the remaining RM5.81 million has not yet been committed. Accordingly, the utilisation of proceeds earmarked for capital expenditure of RM11.69 million is not reflected in the pro forma combined statements of financial position.

(2) As at the latest practicable date, the Group has yet to enter into any contractual binding agreement or issue any purchase order in relation to the capital expenditure for setting up hatchery of RM9.60 million. Accordingly, the utilisation of proceeds earmarked for the capital expenditure for setting up hatchery of RM9.60 million are not reflected in the pro forma combined statements of financial position.

Pro Forma Combined Statements of Financial Position



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

FARMIERA BERHAD AND ITS COMBINING ENTITIES

3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.3 The pro forma combined statements of financial position should be read in conjunction with the notes below:

(a) Pro Forma I

Pro Forma I incorporate the effects of the Pre-IPO Restructuring as described in Note 1.2.1 on the adjusted combined statements of financial position of the Group as at 30 June 2025.

Pre-IPO Restructuring

The merger reserve arising from Pre-IPO Restructuring are as below:

	RM'000
Purchase consideration	55,310
Less: Share capital of FHSB	(16,500)
Merger reserve	38,810

The Pre-IPO Restructuring will have the following impact on the pro forma combined statements of financial position of the Group as at 30 June 2025:

	Increase/(Decrease) Effects on Total Assets RM'000	Effects on Total Equity RM'000
Invested equity/Share capital	-	38,810
Merger reserve	-	(38,810)
	-	-

Pro Forma Combined Statements of Financial Position



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)**FARMIERA BERHAD AND ITS COMBINING ENTITIES****3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)**

3.2 (Continued)

3.2.3 (Continued)

(b) Pro Forma II

Pro Forma II incorporates the cumulative effects of Pro Forma I and Public Issue as described in Note 1.2.2.

The Public Issue will have the following impact on the pro forma combined statements of financial position of the Group as at 30 June 2025:

	Increase	
	Effects on Total Assets RM'000	Effects on Total Equity RM'000
Cash and short-term deposits	29,250	-
Invested equity/Share capital	-	29,250
	<u>29,250</u>	<u>29,250</u>

(c) Pro Forma III

Pro Forma III incorporates the cumulative effects of Pro Forma II and the utilisation of proceeds from the Public Issue of RM29.25 million. The utilisation of proceeds from the Public Issue of RM29.25 million will be used in the manner as described in Note 3.2.2.

The proceeds arising from the Public Issue earmarked for the capital expenditure for hatchery and Group's working capital purposes of RM12.40 million will be included in the Cash and Short-Term Deposits Account.

As at 30 June 2025, RM5.88 million out of the RM12.55 million allocated for the establishment of parent stock farms has been incurred and recognised under Property, Plant and Equipment account. An additional RM0.86 million has been contractually committed through binding agreements or purchase orders, while the remaining RM5.81 million has not yet been committed.

Of the RM0.86 million committed, RM0.15 million has been paid and recognised as a deposit. The proceeds from the Public Issue earmarked for the establishment of parent stock farms, amounting to RM0.71 million, together with the previously recognised deposit of RM0.15 million, will be capitalised under Property, Plant and Equipment account.

Pro Forma Combined Statements of Financial Position

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

FARMIERA BERHAD AND ITS COMBINING ENTITIES

3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.3 (Continued)

(c) Pro Forma III (Continued)

As at 30 June 2025, out of the RM4.30 million for listing expenses, RM1.83 million has been incurred of which RM1.35 million is charged to the Retained Earnings Account and RM0.48 million has been recognised as prepayment. The RM0.48 million is recognised as prepayment as it is direct attributable expenses relating to the new issuance of Shares, which will be capitalised as Invested Equity/Share Capital Account upon Proposed Listing.

Out of the remaining estimated listing expense to be incurred of RM2.47 million, RM1.83 million will be charged to Retained Earnings Account, while RM0.64 million will be recognised as the Invested Equity/Share Capital Account as it is directly attributable expenses relating to the new issuance of Shares. Together with the previously recorded prepayment of RM0.48 million, a total of RM1.12 million will be capitalised under the Invested Equity/Share Capital Account.

The utilisation of proceeds will have the following impact on the pro forma combined statements of financial position of the Group as at 30 June 2025:

	Increase/(Decrease)	
	Effects on Total Assets RM'000	Effects on Total Equity RM'000
Property, plant and equipment	856	-
Trade and other receivables	(627)	-
Cash and short-term deposits	(3,175)	-
Invested equity/Share capital	-	(1,118)
Retained earnings	-	(1,828)
	<u>(2,946)</u>	<u>(2,946)</u>

Pro Forma Combined Statements of Financial Position



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)**FARMIERA BERHAD AND ITS COMBINING ENTITIES****3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)**

3.2 (Continued)

3.2.4 Movements in share capital and reserves are as follows:

	Invested equity/ Share capital RM'000	Merger reserve RM'000	Retained earnings RM'000
Combined statements of financial position of the Group as at 30 June 2025	16,500	-	45,219
Arising from the Pre-IPO Restructuring	38,810	(38,810)	-
Per Pro Forma I	55,310	(38,810)	45,219
Arising from the Public Issue	29,250	-	-
Per Pro Forma II	84,560	(38,810)	45,219
Arising from the defrayment of estimated listing expenses in relation to the Listing	(1,118)	-	(1,828)
Per Pro Forma III	83,442	(38,810)	43,391

Pro Forma Combined Statements of Financial Position

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

FARMIERA BERHAD AND ITS COMBINING ENTITIES

3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.5 Movements in cash and short-term deposits are as follows:

	RM'000
Combined statements of financial position of the Group as at 30 June 2025	26,174
Subsequent events	
- Arising from the acquisition of lands and plants	-
Adjusted combined statement of financial position of the Group as at 30 June 2025	26,174
Arising from the Pre-IPO Restructuring	-
Per Pro Forma I	26,174
Arising from the Public Issue	29,250
Per Pro Forma II	55,424
Arising from the utilisation of proceeds:	
- Parent stock farms	(705)
- Estimated listing expenses	(2,470)
Per Pro Forma III	52,249

Pro Forma Combined Statements of Financial Position



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA STATEMENT OF FINANCIAL POSITION (Cont'd)

FARMIERA BERHAD AND ITS COMBINING ENTITIES

APPROVAL BY BOARD OF DIRECTORS

Approved and adopted by the Board of Directors of Farmiera Berhad in accordance with a resolution dated 2 October 2025.



.....
Hong How Seng
Director



.....
Tan Kok Cheong
Director

14. ACCOUNTANTS' REPORT



Baker Tilly Monteiro Heng PLT
201906000600
Chartered Accountants (AF 0117)
Baker Tilly Tower
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Bangsar South City
59200 Kuala Lumpur, Malaysia

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info@bakertilly.my
www.bakertilly.my

2 October 2025

The Board of Directors
Farmiera Berhad
B-3-1 Menara BBT One, North Tower
Lebuh Batu Nilam 1
Bandar Bukit Tinggi
41200 Klang, Selangor

Dear Sirs,

Reporting Accountants' opinion on the Combined Financial Statements contained in the Accountants' Report of Farmiera Berhad ("Farmiera" or the "Company")

Opinion

We have audited the accompanying combined financial statements of the Company and its combining entities as defined in Note 2 to the combined financial statements (collectively known as the "Group"), which comprise of the combined statements of financial position as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025 of the Group, the combined statements of comprehensive income, combined statements of changes in equity and combined statements of cash flows for the financial years ended 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and financial period ended 30 June 2025 and notes to the combined financial statements, including material accounting policy information, as set out on pages 7 to 102.

In our opinion, the accompanying combined financial statements contained in the Accountants' Report give a true and fair view of the financial position of the Group as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025 and of its financial performance and its cash flows for the financial years then ended 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and financial period ended 30 June 2025 in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines as issued by the Securities Commission Malaysia.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD
(Incorporated in Malaysia)

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Responsibilities of the Directors for the Combined Financial Statements

The directors of the Company are responsible for the preparation of the combined financial statements of the Group that give a true and fair view in accordance with Malaysian Financial Reporting Standards and the International Financial Reporting Standards. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of combined financial statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements of the Group, the directors are 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 the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements

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

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD
(Incorporated in Malaysia)

**Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements
(continued)**

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

- identify and assess the risks of material misstatement of the combined financial statements of the Group, 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 the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Reporting Accountants' report to the related disclosures in the combined financial statements of the Group 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 Reporting Accountants' 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 combined financial statements of the Group, including the disclosures, and whether the combined financial statements of the Group 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 combined financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for the purpose 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.

14. ACCOUNTANTS' REPORT (Cont'd)



FARMIERA BERHAD
(Incorporated in Malaysia)

Other Matters

This report is made solely to the board of directors of the Company and has been prepared to comply with the Prospectus Guidelines – Equity issued by the Securities Commission Malaysia and for inclusion in the Prospectus of the Company in connection with the proposed listing of and quotation for the entire issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad and should not be relied upon for any other purposes. We do not assume responsibility to any other persons for the content of this report.

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Paul Tan Hong".

Paul Tan Hong
No. 03459/11/2025 J
Chartered Accountant

Kuala Lumpur

Date: 2 October 2025

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

STATEMENT BY DIRECTORS

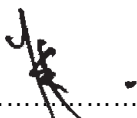
We, **HONG HOW SENG** and **TAN KOK CHEONG**, being two of the directors of FARMIERA BERHAD, do hereby state that in the opinion of the directors, the accompanying combined financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and Prospectus Guidelines so as to give a true and fair view of its financial position of the Group as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025 and of its financial performance and cash flows for the financial years ended 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and financial periods ended 30 June 2025 and 30 June 2024.

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



.....
HONG HOW SENG

Director



.....
TAN KOK CHEONG

Director

Date: **02 OCT 2025**

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD
Accountants' Report

STATUTORY DECLARATION

I, **CHIN CHIEN HWI**, being the officer primarily responsible for the financial management of FARMIERA BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying combined financial statements are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.



.....
CHIN CHIEN HWI

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on

02 OCT 2025

Before me,

.....
Commissioner for Oaths



CHAMBERS TWENTY - FIVE
NO 25, JALAN TUNKU, BUKIT TUNKU
50480 KUALA LUMPUR

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**COMBINED STATEMENTS OF FINANCIAL POSITION**

		←				→
	Note	31.12.2021 RM'000	31.12.2022 RM'000	Audited as at 31.12.2023 RM'000	31.12.2024 RM'000	30.6.2025 RM'000
ASSETS						
Non-current assets						
Property, plant and equipment	5	48,679	67,129	91,747	123,152	142,470
Deferred tax assets	14	-	-	-	141	147
Trade and other receivables	6	66	70	75	80	83
Other investments	7	-	180	-	-	-
Total non-current assets		48,745	67,379	91,822	123,373	142,700
Current assets						
Biological assets	8	4,532	4,467	4,195	9,507	8,347
Inventories	9	466	2,495	2,852	2,438	2,283
Current tax assets		336	173	36	254	565
Trade and other receivables	6	14,758	22,600	29,475	32,995	37,823
Cash and short-term deposits	10	6,968	18,297	12,433	26,229	26,174
Total current assets		27,060	48,032	48,991	71,423	75,192
TOTAL ASSETS		75,805	115,411	140,813	194,796	217,892
EQUITY AND LIABILITIES						
Equity attributable to owners of the Group						
Invested equity	11	6,000	3,000	16,500	16,500	16,500
Retained earnings		19,597	26,835	33,681	40,683	45,219
		25,597	29,835	50,181	57,183	61,719
Non-controlling interests		198	877	-	-	-
TOTAL EQUITY		25,795	30,712	50,181	57,183	61,719
Non-current liabilities						
Preference shares	12	-	13,500	-	-	-
Loans and borrowings	13	15,589	25,872	32,556	59,081	72,402
Deferred tax liabilities	14	552	1,527	1,794	3,840	3,397
Total non-current liabilities		16,141	40,899	34,350	62,921	75,799
Current liabilities						
Loans and borrowings	13	2,782	8,867	14,053	31,523	32,880
Current tax liabilities		453	479	1,258	79	2,369
Trade and other payables	15	30,634	34,454	40,971	43,090	45,125
Total current liabilities		33,869	43,800	56,282	74,692	80,374
TOTAL LIABILITIES		50,010	84,699	90,632	137,613	156,173
TOTAL EQUITY AND LIABILITIES		75,805	115,411	140,813	194,796	217,892

The accompanying notes form an integral part of these combined financial statements.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**COMBINED STATEMENTS OF COMPREHENSIVE INCOME**

		Audited				Audited	Unaudited
		FYE 31 December				FPE 30 June	
	Note	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	16	261,968	422,624	535,848	561,065	310,835	284,045
Cost of sales		(248,337)	(408,881)	(520,928)	(515,385)	(280,444)	(259,836)
Gross profit		13,631	13,743	14,920	45,680	30,391	24,209
Other income	17	238	16,435	21,821	3,252	609	3,000
Selling and distribution expenses		(3,669)	(6,878)	(8,541)	(12,119)	(6,878)	(5,725)
Administrative expenses		(6,330)	(9,687)	(13,238)	(18,910)	(12,552)	(8,731)
Other operating expenses		(952)	(1,666)	(1,956)	(2,127)	(1,315)	(677)
Operating profit		2,918	11,947	13,006	15,776	10,255	12,076
Finance income	18	65	42	91	196	130	85
Finance costs	19	(925)	(1,541)	(3,001)	(4,175)	(2,634)	(1,824)
Profit before tax	20	2,058	10,448	10,096	11,797	7,751	10,337
Income tax expense	22	(504)	(2,409)	(3,654)	(4,795)	(3,215)	(3,778)
Profit for the financial year/period, representing total comprehensive income for the financial year/period		1,554	8,039	6,442	7,002	4,536	6,559
Profit attributable to:							
Owners of the Group		1,275	7,360	5,455	7,002	4,536	6,559
Non-controlling interests		279	679	987	-	-	-
		1,554	8,039	6,442	7,002	4,536	6,559
Total comprehensive income attributable to:							
Owners of the Group		1,275	7,360	5,455	7,002	4,536	6,559
Non-controlling interests		279	679	987	-	-	-
		1,554	8,039	6,442	7,002	4,536	6,559
Earnings per share (RM)							
- Basic and diluted	23	0.21	2.45	0.33	0.42	0.27	0.40

The accompanying notes form an integral part of these combined financial statements.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY

Note	Attributable to owners of the Group		Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Invested equity RM'000	Retained earnings RM'000			
At 1 January 2021	6,490	18,322	24,812	(321)	24,491
Total comprehensive income for the financial year					
Profit for the financial year, representing total comprehensive income for the financial year	-	1,275	1,275	279	1,554
Transactions with owners					
Combined entity issue of ordinary shares	-	-	-	240	240
Adjustment pursuant to merger accounting	(490)	-	(490)	-	(490)
Total transactions with owners	(490)	-	(490)	240	(250)
At 31 December 2021	6,000	19,597	25,597	198	25,795
Total comprehensive income for the financial year					
Profit for the financial year, representing total comprehensive income for the financial year	-	7,360	7,360	679	8,039
Transactions with owners					
Combining entity issue of ordinary shares	1,000	-	1,000	-	1,000
Adjustment pursuant to merger accounting	(4,000)	-	(4,000)	-	(4,000)
Dividends paid on shares	-	(122)	(122)	-	(122)
Total transactions with owners	(3,000)	(122)	(3,122)	-	(3,122)
At 31 December 2022	3,000	26,835	29,835	877	30,712

14. ACCOUNTANTS' REPORT (Cont'd)
FARMIERA BERHAD

Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Note	Attributable to owners of the Group			Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
		Invested equity RM'000	Redeemable convertible preference shares RM'000	Retained earnings RM'000			
At 1 January 2023		3,000	-	26,835	29,835	877	30,712
Total comprehensive income for the financial year							
Profit for the financial year, representing total comprehensive income for the financial year		-	-	5,455	5,455	987	6,442
Transactions with owners							
Combining entity issue of ordinary shares	1	-	-	-	-	300	300
Conversion of redeemable non-convertible preference shares into redeemable convertible preference shares	12	-	13,500	-	13,500	-	13,500
Issuance of ordinary shares pursuant to conversion of redeemable convertible preference shares	11, 12	13,500	(13,500)	-	-	-	-
Dividends paid on shares	24	-	-	-	-	(231)	(231)
Changes in ownership interests in combining entities	1	-	-	1,391	1,391	(1,691)	(300)
Disposal of combined entity	1(a)	-	-	-	-	(242)	(242)
Total transactions with owners		13,500	-	1,391	14,891	(1,864)	13,027
At 31 December 2023		16,500	-	33,681	50,181	-	50,181

14. ACCOUNTANTS' REPORT (Cont'd)
FARMIERA BERHAD

Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Note	Attributable to owners of the Group			Non-controlling interests RM'000	Total equity RM'000
		Invested equity RM'000	Redeemable convertible preference shares RM'000	Retained earnings RM'000		
At 1 January 2024		16,500	-	33,681	-	50,181
Total comprehensive income for the financial year						
Profit for the financial year, representing total comprehensive income for the financial year		-	-	7,002	-	7,002
Transaction with owners						
Share issued upon incorporation	11	*	-	-	-	*
At 31 December 2024		16,500	-	40,683	-	57,183

* Less than RM1,000

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Attributable to owners of the Group					
	Invested equity RM'000	Redeemable convertible preference shares RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2025	16,500	-	40,683	57,183	-	57,183
Total comprehensive income for the financial period						
Profit for the financial period, representing total comprehensive income for the financial period	-	-	4,536	4,536	-	4,536
At 30 June 2025	16,500	-	45,219	61,719	-	61,719

14. ACCOUNTANTS' REPORT (Cont'd)
FARMIERA BERHAD

Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Note	Attributable to owners of the Group			Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
		Invested equity RM'000	Redeemable convertible preference shares RM'000	Retained earnings RM'000			
At 1 January 2024		16,500	-	33,681	50,181	-	50,181
Total comprehensive income for the financial period							
Profit for the financial period, representing total comprehensive income for the financial period		-	-	6,559	6,559	-	6,559
Transaction with owners							
Share issued upon incorporation	11	*	-	-	*	-	*
At 30 June 2024		16,500	-	40,240	56,740	-	56,740

* Less than RM1,000

The accompanying notes form an integral part of these combined financial statements.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**COMBINED STATEMENTS OF CASH FLOWS**

	Note	Audited				Audited	Unaudited
		2021	FYE 31 December		2024	FPE 30 June	2024
		RM'000	2022	2023	RM'000	2025	RM'000
			RM'000	RM'000		RM'000	
Cash flows from operating activities							
Profit before tax		2,058	10,448	10,096	11,797	7,751	10,337
Adjustments for:							
Gain on disposal of combined entity		-	-	(484)	-	-	-
Depreciation of property, plant and equipment		2,501	3,650	5,574	8,315	4,709	3,913
Loss/(Gain) on disposal of property, plant and equipment		465	(115)	62	(65)	97	12
Gain on early termination of lease		(54)	(10)	(130)	(18)	(6)	(8)
Gain on lease modification		-	-	-	-	(482)	-
Property, plant and equipment written off		-	-	-	137	-	-
Bad debts written off		111	852	281	306	-	-
Deposits written off		-	113	-	-	-	-
Waiver of debt		-	-	(3)	-	-	-
Finance costs		925	1,541	3,001	4,175	2,634	1,824
Finance income		(65)	(42)	(91)	(196)	(130)	(85)
Operating profit before changes in working capital		5,941	16,437	18,306	24,451	14,573	15,993
<u>Changes in working capital:</u>							
Biological assets		68	65	272	(5,312)	1,160	(1,613)
Inventories		(9)	(2,029)	(357)	414	155	(116)
Trade and other receivables		(252)	(8,785)	(13,040)	(3,829)	(4,837)	(7,269)
Trade and other payables		(2,804)	14,349	10,506	2,119	2,035	(7,009)
Net cash generated from/(used in) operations		2,944	20,037	15,687	17,843	13,086	(14)
Income tax paid		(401)	(1,249)	(2,422)	(4,287)	(1,685)	(1,467)
Income tax refund		-	4	-	-	-	-
Interest received		16	30	83	181	127	82
Interest paid		(4)	(16)	(14)	(16)	(3)	(8)
Net cash from/(used in) operating activities		2,555	18,806	13,334	13,721	11,525	(1,407)
Cash flows from investing activities							
Purchase of property, plant and equipment	(a)	(6,486)	(15,452)	(19,188)	(26,103)	(24,722)	(13,314)
Proceeds from disposal of property, plant and equipment		1,138	140	1,267	1,115	2,265	1,038
Proceeds from disposal of combined entity, net of cash disposed	1(a)	-	-	(719)	-	-	-
Acquisition of combining entities		(490)	(4,000)	-	-	-	-
Acquisition of additional interest in combining entity		-	-	(300)	-	-	-
Acquisition of other investments		-	(180)	-	-	-	-
Proceeds from disposal of other investments		-	-	180	-	-	-
Change in pledged deposits		1,511	1,566	11	358	-	-
Interest received		49	12	8	10	-	-
Net cash used in investing activities		(4,278)	(17,914)	(18,741)	(24,620)	(22,457)	(12,276)

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)

	Note	Audited				Audited	Unaudited
		FYE 31 December				FPE 30 June	
	(b)	2021	2022	2023	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities							
Proceeds from issuance of combining entity's shares		240	-	300	-	-	-
Proceeds from issuance of share capital		-	-	-	*	-	*
Drawdown of term loans		7,755	8,238	3,000	32,800	16,381	7,334
Repayment of term loans		(773)	(1,207)	(3,116)	(14,928)	(1,153)	(787)
Payment of lease liabilities		(198)	(1,128)	(1,033)	(1,804)	(974)	(804)
Drawdown of hire purchase		-	-	-	5,690	-	3,902
Repayment of hire purchase payables		(187)	(336)	(486)	(1,107)	(744)	(492)
Proceeds from trade finance		36,965	22,252	28,341	88,749	62,882	37,065
Repayment of trade finance		(44,281)	(17,667)	(23,954)	(80,191)	(62,893)	(30,413)
Net changes in amount owing to/(by) directors		463	(4,835)	(288)	-	-	-
Net changes in amount owing to shareholders		2,500	8,788	-	3	9	12
Net changes in amount owing (by)/to related parties		-	(8)	8	-	-	-
Dividends paid		-	(122)	(231)	-	-	-
Interest paid		(921)	(1,525)	(2,987)	(4,159)	(2,631)	(1,816)
Net cash from/(used in) financing activities		1,563	12,450	(446)	25,053	10,877	14,001
Net (decrease)/increase in cash and cash equivalents		(160)	13,342	(5,853)	14,154	(55)	318
Cash and cash equivalents at the beginning of the financial year/period		4,746	4,586	17,928	12,075	26,229	12,075
Cash and cash equivalents at the end of the financial year/period	10	4,586	17,928	12,075	26,229	26,174	12,393

* Less than RM1,000

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)

- (a) During the financial year/period, the Group made the following cash payments to purchase property, plant and equipment:

		← Audited →				Audited	Unaudited
		FYE 31 December				FPE 30 June	
	Note	2021	2022	2023	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Purchase of property, plant and equipment	5	7,955	22,433	33,774	41,283	25,689	24,445
Financed by term loans		-	-	-	(7,875)	-	(5,600)
Financed by way of lease arrangements		(1,469)	(6,981)	(14,586)	(7,305)	(967)	(5,531)
Cash payments on purchase of property, plant and equipment		6,486	15,452	19,188	26,103	24,722	13,314

- (b) Reconciliation of changes in liabilities arising from financing activities are as follows:

	1.1.2021	Cash flows	Non-cash	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Term loans	8,870	6,982	-	15,852
Lease liabilities	28	(198)	678	508
Hire purchase payables	588	(187)	246	647
Trade finance	8,233	(7,316)	-	917
Amount owing to directors	7,860	463	-	8,323
Amount owing to shareholders	-	2,500	-	2,500
	25,579	2,244	924	28,747
	1.1.2022	Cash flows	Non-cash	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Term loans	15,852	7,031	-	22,883
Lease liabilities	508	(1,128)	5,382	4,762
Hire purchase payables	647	(336)	1,281	1,592
Trade finance	917	4,585	-	5,502
Amount owing to directors	8,323	(4,835)	(3,200)	288
Amount owing to/(by) shareholders	2,500	8,788	(11,300)	(12)
Amount owing by related parties	-	(8)	-	(8)
	28,747	14,097	(7,837)	35,007

14. ACCOUNTANTS' REPORT (Cont'd)
FARMIERA BERHAD
Accountants' Report
COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)

(b) Reconciliation of changes in liabilities arising from financing activities are as follows:
(continued)

	1.1.2023	Cash flows	Non-cash	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Term loans	22,883	(116)	(2,783)	19,984
Lease liabilities	4,762	(1,033)	11,223	14,952
Hire purchase payables	1,592	(486)	827	1,933
Trade finance	5,502	4,387	(149)	9,740
Amount owing to directors	288	(288)	-	-
Amount owing by shareholders	(12)	-	-	(12)
Amount owing by related parties	(8)	8	-	-
	<u>35,007</u>	<u>2,472</u>	<u>9,118</u>	<u>46,597</u>
	1.1.2024	Cash flows	Non-cash	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Term loans	19,984	17,872	7,875	45,731
Lease liabilities	14,952	(1,804)	6,437	19,585
Hire purchase payables	1,933	4,583	474	6,990
Trade finance	9,740	8,558	-	18,298
Amount owing by shareholders	(12)	3	-	(9)
	<u>46,597</u>	<u>29,212</u>	<u>14,786</u>	<u>90,595</u>
	1.1.2025	Cash flows	Non-cash	30.6.2025
	RM'000	RM'000	RM'000	RM'000
Term loans	45,731	15,228	-	60,959
Lease liabilities	19,585	(974)	635	19,246
Hire purchase payables	6,990	(744)	544	6,790
Trade finance	18,298	(11)	-	18,287
Amount owing by shareholders	(9)	9	-	-
	<u>90,595</u>	<u>13,508</u>	<u>1,179</u>	<u>105,282</u>

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)**

- (b) Reconciliation of changes in liabilities arising from financing activities are as follows:
-
- (continued)

	1.1.2024	Cash flows	Non-cash	30.6.2024
	RM'000	RM'000	RM'000	RM'000
Term loans	19,984	6,547	5,600	32,131
Lease liabilities	14,952	(804)	5,028	19,176
Hire purchase payables	1,933	3,410	358	5,701
Trade finance	9,740	6,652	-	16,392
Amount owing by shareholders	(12)	12	-	-
	<u>46,597</u>	<u>15,817</u>	<u>10,986</u>	<u>73,400</u>

- (c) Total cash outflows for leases

During the financial period/year, the Group had total cash outflow for leases of RM1,971,730, (31.12.2024: RM3,936,264, 31.12.2023: RM2,537,021, 31.12.2022: RM2,233,678 and 31.12.2021: RM1,005,171).

The accompanying notes form an integral part of these combined financial statements.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS**1. GENERAL INFORMATION**

Farmiera Berhad ("Farmiera" or the "Company") was incorporated on 2 May 2024 as a public limited company. The registered office of the Company is located at Unit No. EL-11-01, Amcorp Business Suite, Menara Melawangi, Pusat Perdagangan Amcorp, No. 18, Jalan Persiaran Barat, 46050 Petaling Jaya, Selangor. The principal place of business of the Company is located at B-3-1 Menara BBT One, North Tower, Lebuhratu Nilam 1, Bandar Bukit Tinggi, 41200 Klang, Selangor.

The principal activity of the Company is investment holding. The details of the combining entities are as follows:

Combining entity	Principal place of business/ country of incorporation	Principal activities
Farmiera Holdings Sdn. Bhd. ("FHSB")	Malaysia	To purchase or otherwise acquire for investment including shares, stocks, loan stocks, bonds, debentures, warrants and other securities or any interest therein; investment holding; and management services
Farmiera Agro Resources Sdn. Bhd. ("FARSB")	Malaysia	Breeding and trading of poultry and related businesses
Farmiera Breeder Farm Sdn. Bhd. ("FBFSB")	Malaysia	Breeding and trading of poultry and related business activities
Farmiera Contract Farming Sdn. Bhd. ("FCFSB")	Malaysia	Broiler contract farming
Farmiera Sejati Sdn. Bhd. ("FSSB")	Malaysia	Manufacture of prepared animal feeds and its related activities and investment holding
Farmiera Venture Sdn. Bhd. ("FVSB")	Malaysia	Trading of poultry and poultry products; raising, breeding and production of chicken broiler
Gemilang Bestari Sdn. Bhd. ("GBSB")	Malaysia	Poultry processing and supply and distribution of poultry products
Casey Poultry Trading Sdn. Bhd. ("Casey Poultry")	Malaysia	Poultry slaughtering and processing

14. ACCOUNTANTS' REPORT (Cont'd)

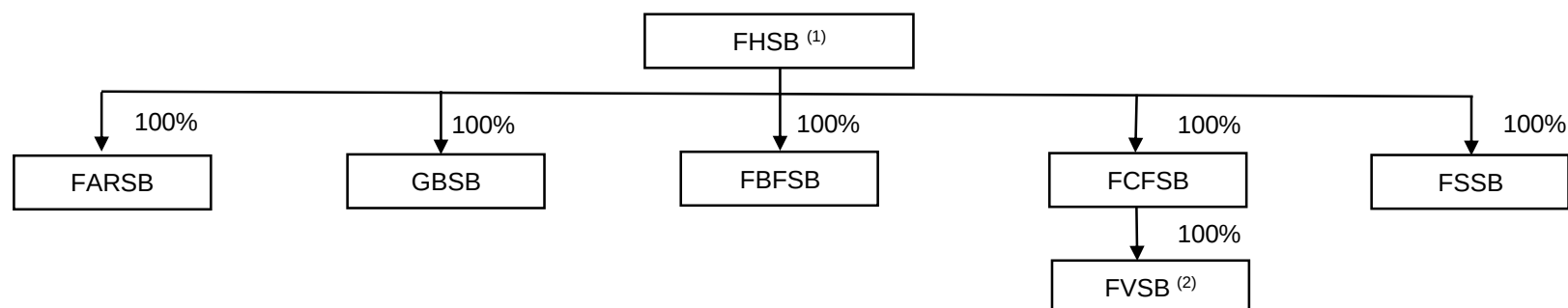
FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. GENERAL INFORMATION (CONTINUED)

As at the report date, the corporate structure of Farmiera and its combining entities is as follows:



Notes:

(1) On 1 June 2023, FHSB and Loi Heng Poh disposed the entire equity interests in Case Poultry for a consideration of RM1,500,000 to Casey Lim Chin Joo, to streamline its business operation, which was completed on 2 June 2023.

(2) On 20 December 2023, FCFSB has acquired the remaining 30% equity interests of FVSB from Lau Ah Lee for a cash consideration of RM30 to streamline its business operation by consolidating its ownership in FVSB, which was completed on event date.

There have been no significant changes in the nature of these activities during the financial years/periods under review.

The combined financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 2 October 2025.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(a) Increase/decrease in equity interests by FHSB****(i) Acquisition of FARSB****FYE 31 December 2022**

On 30 November 2022, FHSB acquired the entire equity interest, representing 4,000,000 ordinary shares in FARSB from Lim Kian Hoe, Tan Kok Cheong, Tan Chin Heng and Hong How Seng for a total purchase consideration of RM4,000,000.

On 15 December 2022, FHSB subscribed to an additional 3,500,000 ordinary shares in FARSB for a total purchase consideration of RM3,500,000. FHSB's effective ownership in FARSB was maintained at 100% as a result of the additional shares subscribed.

(ii) Acquisition of FBFSB**FYE 31 December 2022**

On 14 July 2022, FHSB acquired the entire equity interest, representing 1 ordinary share in FBFSB for a total purchase consideration of RM1.

On 2 December 2022, FHSB subscribed to an additional 2,999,999 ordinary shares in FBFSB for a total purchase consideration of RM2,999,999. FHSB's effective ownership in FBFSB was maintained at 100% as a result of the additional shares subscribed.

(iii) Acquisition of FCFSB**FYE 31 December 2022**

On 8 July 2022, FHSB subscribed to an additional 999,900 ordinary shares in FCFSB for a total purchase consideration of RM999,900. FHSB's effective ownership maintained at 100% as a result of the shares subscribed.

(iv) Acquisition of FSSB**FYE 31 December 2022**

On 8 July 2022, FHSB subscribed to an additional 2,999,999 shares in FSSB for a total purchase consideration of RM2,999,999. FHSB's effective ownership was maintained at 100% as a result of the shares subscribed.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(a) Increase/decrease in equity interests by FHSB (continued)****(v) Acquisition of GBSB****FYE 31 December 2023**

On 18 May 2023, FHSB acquired the entire equity interest, representing 100,000 ordinary shares in GBSB from Casey Poultry for a total purchase consideration of RM100,000.

On 7 June 2023, FHSB subscribed to an additional 509,000 ordinary shares in GBSB for a total purchase consideration of RM509,000. FHSB's effective ownership in GBSB decreased from 100% to 70% as a result of the shares subscribed.

On 7 June 2023, GBSB issued 261,000 new ordinary shares to the non-controlling interest of GBSB. FHSB's effective ownership in GBSB was maintained at 70% as a result of the shares issued.

On 23 August 2023, FHSB subscribed to an additional 91,000 ordinary shares in GBSB for a total purchase consideration of RM91,000. FHSB's effective ownership in GBSB was maintained at 70% as a result of the shares subscribed.

On 23 August 2023, GBSB issued 39,000 new ordinary shares to the non-controlling interest of GBSB. FHSB's effective ownership in GBSB was maintained at 70% as a result of the shares issued.

On 20 December 2023, FHSB acquired an additional 300,000 ordinary shares in GBSB for a total purchase consideration of RM300,000. FHSB's effective ownership in GBSB increased from 70% to 100% as a result of the shares acquired.

Effect of the increase in GBSB's ownership interest is as follows:

	RM'000
Fair value of consideration transferred	300
Increase in share of net assets	(1,519)
Deficit charged directly to equity	(1,219)

(vi) Movement of equity interests in Casey Poultry**FYE 31 December 2021**

On 26 March 2021, FHSB acquired 70% equity interests, representing 490,000 ordinary shares in Casey Poultry from Lim Kim Leng and Ong Chin Loong for a total purchase consideration of RM490,000.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(a) Increase/decrease in equity interests by FHSB (continued)****(vi) Movement of equity interests in Casey Poultry (continued)****FYE 31 December 2021 (continued)**

On 2 April 2021, FHSB subscribed to an additional 560,000 ordinary shares in Casey Poultry for a total purchase consideration of RM560,000. FHSB's effective ownership in Casey Poultry was maintained at 70% as a result of the additional shares subscribed.

On 2 April 2021, Casey Poultry issued 240,000 new ordinary shares to the non-controlling interest of Casey Poultry. FHSB's effective ownership in Casey Poultry was maintained at 70% as a result of the shares issued.

FYE 31 December 2023

On 2 June 2023, FHSB disposed 70% equity interests, representing 1,050,000 ordinary shares in Casey Poultry for a total consideration of RM1,500,000. Casey Poultry ceased to be subsidiary of FHSB.

(i) Summary of the effects of disposal of Casey Poultry is as follows:

	RM'000	RM'000
Recognised:		
Fair value of consideration received		1,050
Non-controlling interests		242
		1,292
Derecognised:		
Fair value of identifiable net assets at disposal date		
Trade and other receivables	(5,868)	
Cash and bank balances	(1,769)	
Loans and borrowings	3,085	
Current tax liabilities	49	
Other payables	3,695	(808)
	(808)	
Gain on disposal of Casey Poultry		484

(ii) Effects of disposal on cash flows:

	RM'000
Fair value of consideration received	1,050
Less: Cash and bank balances of combining entity disposed	(1,769)
Net cash outflows on disposal	(719)

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(b) Increase in equity interests by FCFSB****FYE 31 December 2021**

On 1 July 2021, FCFSB acquired 70% equity interests, representing 70 ordinary shares in FVSB for a total purchase consideration of RM70.

FYE 31 December 2023

On 20 December 2023, FCFSB acquired an additional 30% equity interests, representing 30 ordinary shares in FVSB for a total purchase consideration of RM30. FCFSB's effective ownership in FVSB increased from 70% to 100% as a result of the additional shares acquired.

Effect of the increase in FVSB's ownership interest is as follows:

	RM'000
Fair value of consideration transferred	*
Increase in share of net assets	(172)
Deficit charged directly to equity	(172)

* *Less than 1,000*

(c) Increase/decrease in equity interests by Casey Poultry**Movement of equity interests in GBSB****FYE 31 December 2022**

On 11 March 2022, Casey Poultry subscribed 60% equity interests, representing 6 ordinary shares in GBSB for a total purchase consideration of RM6.

On 18 July 2022, Casey Poultry acquired an additional 40% equity interests, representing 4 ordinary shares in GBSB for a total purchase consideration of RM4.

On 20 July 2022, Casey Poultry subscribed to an additional 99,990 ordinary shares in GBSB for a total purchase consideration of RM99,990. Casey Poultry's effective ownership in GBSB increased to 100% as a result of the additional shares subscribed.

FYE 31 December 2023

On 18 May 2023, Casey Poultry disposed entire equity interest, representing 100,000 ordinary shares in GBSB for a total consideration of RM100,000. GBSB ceased to be subsidiary of Casey Poultry.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. GENERAL INFORMATION (CONTINUED)

(d) Non-controlling interests in combining entities

The financial information of the Group's combining entities that have material non-controlling interests are as follows:

Equity interests held by non-controlling interests:

	Ownership interest				
	31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
	(%)	(%)	(%)	(%)	(%)
Name of company					
FVSB	30	30	-	-	-
GBSB	30	30	-	-	-
Casey Poultry	30	30	-	-	-

Carrying amount of material non-controlling interests:

	Audited as at				
	31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Name of company					
FVSB	(244)	12	-	-	-
GBSB	37	188	-	-	-
Casey Poultry	405	677	-	-	-

Profit or loss allocated to material non-controlling interests:

	Audited				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Name of company						
FVSB	224	256	160	-	-	-
GBSB	47	151	1,031	-	-	-
Casey Poultry	8	272	(204)	-	-	-

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. GENERAL INFORMATION (CONTINUED)

(e) Summarised financial information of material non-controlling interests

The summarised financial information (before intra-group elimination) of the Group's combining entities that have non-controlling interests are as follows:

	FVSB RM'000	GBSB RM'000	Casey Poultry RM'000
Summarised statement of financial position			
As at 31 December 2021			
Assets and liabilities:			
Current assets	4,460	137	5,623
Non-current assets	-	-	1,016
Current liabilities	(5,275)	(14)	(308)
Non-current liabilities	-	-	(4,980)
Net (liabilities)/assets	(815)	123	1,351
Summarised statement of comprehensive income			
FYE 31 December 2021			
Revenue	38,477	4,575	90,491
Profit for the financial year	747	28	156
Summarised cash flow information			
FYE 31 December 2021			
Cash flows (used in)/from operating activities	(5)	151	(648)
Cash flows used in investing activities	-	-	(193)
Cash flows (used in)/from financing activities	-	(39)	598
Net (decrease)/increase in cash and cash equivalents	(5)	112	(243)

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. GENERAL INFORMATION (CONTINUED)

(e) Summarised financial information of material non-controlling interests (continued)

The summarised financial information (before intra-group elimination) of the Group's combining entities that have non-controlling interests are as follows: (continued)

	FVSB RM'000	GBSB RM'000	Casey Poultry RM'000
Summarised statement of financial position			
As at 31 December 2022			
Assets and liabilities:			
Current assets	802	6,184	10,371
Non-current assets	-	5,332	6,091
Current liabilities	(763)	(9,368)	(9,724)
Non-current liabilities	-	(1,545)	(4,481)
Net assets	39	603	2,257
Summarised statement of comprehensive income			
FYE 31 December 2022			
Revenue	41,785	84,833	125,838
Profit for the financial year	854	502	907
Summarised cash flow information			
FYE 31 December 2022			
Cash flows from operating activities	455	5,735	3,183
Cash flows used in investing activities	-	(3,496)	(4,367)
Cash flows (used in)/from financing activities	-	(712)	2,640
Net increase in cash and cash equivalents	455	1,527	1,456

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION**

The combined financial statements of Farmiera consist of the financial statements of the following entities for each of the financial year/period:

Combining entity	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2024	2025
Farmiera Berhad	+	+	+	√,@	#	√,@
FHSB	√,^	√,^	√,@	√,@	#	√,@
FARSB	√,^	√,^	√,@	√,@	#	√,@
FBFSB	√,^	√,^	√,@	√,@	#	√,@
FCFSB	√,^	√,^	√,@	√,@	#	√,@
FSSB	√,^	√,^	√,@	√,@	#	√,@
FVSB	√,^	√,^	√,@	√,@	#	√,@
GBSB	√,^	√,^	√,@	√,@	#	√,@
Casey Poultry	√,^	√,^	&	&	&	&

- √ The combined financial statements of the Group include the financial statements of these combining entities prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and the International Financial Reporting Standards ("IFRSs") for the respective financial years/periods.
- ^ The combined financial statements of the Group for the respective financial year/period have been prepared based on the audited financial statements which were re-audited by Baker Tilly Monteiro Heng PLT for the purpose of inclusion into the combined financial statements of the Group. The audited financial statements which were lodged with Companies Commission of Malaysia were audited by a firm of chartered accountants other than Baker Tilly Monteiro Heng PLT.
- # The combined statement of comprehensive income, combined statement of changes in equity, combined statement of cash flows and notes to the combined financial statements of the Company include the statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements of these subsidiaries prepared in accordance with the MFRSs and IFRSs for the respective financial period.
- @ The combined financial statements of the Group for the respective financial year/period have been prepared based on the audited financial statements which were audited by Baker Tilly Monteiro Heng PLT.
- & On 1 June 2023, FHSB and Loi Heng Poh disposed the entire equity interests in Case Poultry for a consideration of RM1,500,000 to Casey Lim Chin Joo, to streamline its business operation, which was completed on 2 June 2023.
- + No financial statements were available for Farmiera as the Company was incorporated on 2 May 2024.

The audited financial statements of all the combining entities within the Group for the relevant years/periods reported above were not subject to any modifications.

The combined financial statements of the Group for the relevant years/periods were prepared in a manner as if the entities under common control were operating as a single economic enterprise from the beginning of the earliest comparative period covered by the relevant period or the dates of incorporation of the entities within the Group, if later.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION (CONTINUED)**

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory ("commonly controlled entities"). Control exists when the same parties have, as a result of contractual agreements, ultimate collective power to govern the financial and operating policies of each of the commonly controlled entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of commonly controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

The financial information presented in the combined financial statements may not correspond to those in the consolidated financial statements of the Group had the relevant transactions to legally constitute a group been incorporated in the consolidated financial statements for the respective financial years/periods. Such financial information in the combined financial statements does not purport to predict the financial position, results and the cash flows of the entities under common control for those financial years/periods.

The combined financial statements are prepared under the historical cost convention.

The accounting policies applied by the Group are consistently applied for all the financial years/periods presented in these combined financial statements.

2.1 Statement of compliance

The combined financial statements of the Group have been prepared in accordance with MFRSs and IFRSs.

2.2 New MFRS and amendments to MFRSs that have been issued, but yet to be effective

- (a) The Group has not adopted the following new MFRS and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New MFRS</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of MFRSs	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 107	Statements of Cash Flows	1 January 2026
MFRS 128	Investment in Associates and Joint Ventures	Deferred

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION (CONTINUED)****2.2 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)**

- (b) The Group plans to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group are summarised below:

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 required disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures (“MPMs”). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communicates about the entity's financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It required the entity to classify the expenses in the “operating” category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortization, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 required items presented or disclosed as “other” to be labelled and/or described in as faithfully representative and precise a way as possible.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION (CONTINUED)****2.2 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)**

- (b) The Group plans to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group are summarised below: (continued)

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the requirements, including:

- clarify the classification of financial assets, particularly those with environmental, social and corporate governance and similar features. The Amendments clarify how the contractual cash flows on such financial assets should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.
- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

- (c) The initial application of the above applicable new MFRS and amendments to MFRSs are not expected to have any material impact on the prior and current periods of the combined financial statements.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION (CONTINUED)****2.3 Functional and presentation currency**

The combined financial statements of the Group are measured using the currency of the primary economic environment in which it operates ("the functional currency"). The combined financial statements are presented in Ringgit Malaysia ("RM"), which is also the Group's functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

2.4 Basis of measurement

The combined financial statements of the Group have been prepared on the historical cost basis.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The Group has adopted the amendments to MFRS 101 *Presentation of Financial Statements* which is effective as at 1 January 2023. The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its combined financial statements.

Accordingly, the Group disclosed its material accounting policy information in these combined financial statements. However, the amendments did not result in changes to the accounting policies of the Group.

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years/periods presented in the combined financial statements of the Group.

3.1 Basis of combination**Subsidiaries and business combination**

The Group applies the acquisition method of accounting except for those business combinations which were accounted for using the merger method of accounting.

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Under the merger method of accounting, the results of subsidiaries are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to merger reserve or merger deficit.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****3.2 Financial instruments****Financial assets - subsequent measurement and gains and losses**Debt instruments at amortised cost

The Group subsequently measures these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – subsequent measurement and gains and losses

The Group classifies the financial liabilities at amortised cost. The Group subsequently measures the financial liabilities at amortised cost under the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.3 Property, plant and equipment

Property, plant and equipment other than right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

All other property, plant and equipment (other than the right-of-use assets as disclosed in Note 3.4) are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Building	25
Building structure	25
Computers and software	3 – 5
Electrical equipment	10
Factory equipment	5 – 10
Farm equipment	10
Furniture and fittings	5 – 10
Infrastructure	25
Office equipment	5 – 10
Plant and machinery	5
Motor vehicles	5
Renovation	10 – 25

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****3.4 Leases****(a) Lessee accounting**

The Group presents right-of-use assets that do not meet the definition of investment property as property, plant and equipment in Note 5 and lease liabilities as loans and borrowings in Note 13.

Short-term leases and leases of low value assets

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

Right-of-use assets

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

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Lessor accounting

The Group recognises lease payments under operating leases as income on a straight-line basis over the lease term.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****3.5 Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs of inventories comprise cost of purchase and other costs incurred in bringing the inventory to their present location and condition. Cost of inventories is measured by using first-in first-out method.

3.6 Biological assets**(a) Breeders**

Breeders are measured at fair value less cost to sell. The fair value of breeders is determined using discounted cash flow model based on the expected number of day-old-chick produced, the estimated market selling price of day-old chick, salvage value for old birds, mortality rates of the breeding stocks, feed costs and consumption rates and other estimated farming cost that will be incurred throughout the remaining life of the breeder.

(b) Broilers

Broilers are measured at fair value less cost to sell. The fair value of the broilers is estimated based on the selling price, less the estimated costs necessary to nurture the broiler at the point of sale. Changes in fair value of the biological assets are recognised in profit or loss.

3.7 Revenue**Sales of chicken and other poultry related products**

Revenue from sales of chicken and other poultry related products are recognised at the point in time when control of the goods has transferred to customer, generally upon delivery of the goods to locations specified by the customer and acceptance of the goods by the customer.

3.8 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of combined financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's combined financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's combined financial statements within the next financial year are disclosed as follows:

(a) Depreciation and useful lives of property, plant and equipment

The Group reviews the residual values, useful lives and depreciation methods at the end of each reporting period. Judgements are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment may differ from the estimates applied and therefore, future depreciation charges could be revised.

The carrying amounts of the Group's property, plant and equipment are disclosed in Note 5.

(b) Fair value of biological assets

Biological assets are measured at fair value less costs to sell.

In measuring the fair value of biological assets, management estimates and judgements are required, which includes the expected number of day-old-chick, estimated selling price, mortality rate, feed consumption rate, feed costs and other estimated costs to be incurred until the point of sale, as well as transportation costs at the point of sale.

As prices in agriculture business are volatile, the actual cash flows may not coincide with the estimates made and this may have a significant effect on the Group's financial position and results.

The carrying amount of the Group's biological assets and the key assumptions used to determine the fair value less costs to sell are disclosed in Note 8.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)****(c) Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history and existing market conditions at the end of each reporting period.

The assessment of the correlation between historical observed default rates and expected credit losses is a significant estimate. The amount of expected credit loss is sensitive to changes in circumstances and forecast of economic conditions over the expected lives of the financial asset. The Group's historical credit loss experience and forecast of the economic conditions may also not be representative of customer's actual default in the future.

The information about the impairment losses on the Group's financial assets are disclosed in Note 25(b)(i).

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT

	Note	Freehold lands RM'000	Building RM'000	Building structure RM'000	Computers and software RM'000	Electrical equipment RM'000	Factory equipment RM'000	Farm equipment RM'000	Furniture and fittings RM'000	Office equipment RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Renovation RM'000	Right-of-use assets RM'000	Total RM'000
Cost															
At 1 January 2021		14,533	-	22,413	101	1,037	191	6,399	119	160	117	1,127	624	2,198	49,019
Additions		342	-	4,901	19	506	94	503	-	6	60	286	-	1,238	7,955
Disposals		(1,603)	-	-	-	-	-	-	-	-	-	-	-	-	(1,603)
Derecognition due to early termination of lease term		-	-	-	-	-	-	-	-	-	-	-	-	(662)	(662)
At 31 December 2021		13,272	-	27,314	120	1,543	285	6,902	119	166	177	1,413	624	2,774	54,709
Accumulated depreciation															
At 1 January 2021		-	-	43	36	306	22	2,310	24	35	15	600	286	23	3,700
Depreciation charge for the financial year	20	-	-	1,119	34	116	23	597	23	31	30	198	36	294	2,501
Derecognition due to early termination of lease term		-	-	-	-	-	-	-	-	-	-	-	-	(171)	(171)
At 31 December 2021		-	-	1,162	70	422	45	2,907	47	66	45	798	322	146	6,030
Carrying amount															
At 1 January 2021		14,533	-	22,370	65	731	169	4,089	95	125	102	527	338	2,175	45,319
At 31 December 2021		13,272	-	26,152	50	1,121	240	3,995	72	100	132	615	302	2,628	48,679

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold lands RM'000	Building RM'000	Building structure RM'000	Computers and software RM'000	Electrical equipment RM'000	Factory equipment RM'000	Farm equipment RM'000	Furniture and fittings RM'000	Office equipment RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Renovation RM'000	Right-of-use assets RM'000	Total RM'000
Cost															
At 1 January 2022		13,272	-	27,314	120	1,543	285	6,902	119	166	177	1,413	624	2,774	54,709
Additions		2,829	530	996	117	994	2,175	1,538	147	166	3,898	1,485	1,844	5,714	22,433
Disposals		-	-	-	-	-	-	-	-	-	-	(275)	-	-	(275)
Derecognition due to early termination of lease term		-	-	-	-	-	-	-	-	-	-	-	-	(488)	(488)
At 31 December 2022		16,101	530	28,310	237	2,537	2,460	8,440	266	332	4,075	2,623	2,468	8,000	76,379
Accumulated depreciation															
At 1 January 2022		-	-	1,162	70	422	45	2,907	47	66	45	798	322	146	6,030
Depreciation charge for the financial year	20	-	21	568	52	193	135	692	32	49	253	380	117	1,158	3,650
Disposals		-	-	-	-	-	-	-	-	-	-	(250)	-	-	(250)
Derecognition due to early termination of lease term		-	-	-	-	-	-	-	-	-	-	-	-	(180)	(180)
At 31 December 2022		-	21	1,730	122	615	180	3,599	79	115	298	928	439	1,124	9,250
Carrying amount															
At 1 January 2022		13,272	-	26,152	50	1,121	240	3,995	72	100	132	615	302	2,628	48,679
At 31 December 2022		16,101	509	26,580	115	1,922	2,280	4,841	187	217	3,777	1,695	2,029	6,876	67,129

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold lands RM'000	Building RM'000	Building structure RM'000	Computers and software RM'000	Electrical equipment RM'000	Factory equipment RM'000	Farm equipment RM'000	Furniture and fittings RM'000	Office equipment RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Renovation RM'000	Construction in progress RM'000	Right-of-use assets RM'000	Total RM'000
Cost																
At 1 January 2023		16,101	530	28,310	237	2,537	2,460	8,440	266	332	4,075	2,623	2,468	-	8,000	76,379
Additions		8,098	-	601	227	946	272	4,739	14	45	429	2,207	307	1,209	14,680	33,774
Disposals		(1,195)	-	-	(6)	-	-	-	-	(72)	-	(233)	-	-	-	(1,506)
Derecognition due to early termination of lease term		-	-	-	-	-	-	-	-	-	-	-	-	-	(3,361)	(3,361)
At 31 December 2023		23,004	530	28,911	458	3,483	2,732	13,179	280	305	4,504	4,597	2,775	1,209	19,319	105,286
Accumulated depreciation																
At 1 January 2023		-	21	1,730	122	615	180	3,599	79	115	298	928	439	-	1,124	9,250
Depreciation charge for the financial year	20	-	21	827	81	272	261	952	46	48	519	672	199	-	1,676	5,574
Disposals		-	-	-	(2)	-	-	-	-	(11)	-	(164)	-	-	-	(177)
Derecognition due to early termination of lease term		-	-	-	-	-	-	-	-	-	-	-	-	-	(1,108)	(1,108)
At 31 December 2023		-	42	2,557	201	887	441	4,551	125	152	817	1,436	638	-	1,692	13,539
Carrying amount																
At 1 January 2023		16,101	509	26,580	115	1,922	2,280	4,841	187	217	3,777	1,695	2,029	-	6,876	67,129
At 31 December 2023		23,004	488	26,354	257	2,596	2,291	8,628	155	153	3,687	3,161	2,137	1,209	17,627	91,747

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold lands RM'000	Building RM'000	Building structure RM'000	Computers and software RM'000	Electrical equipment RM'000	Factory equipment RM'000	Farm equipment RM'000	Furniture and fittings RM'000	Infrastructure RM'000	Office equipment RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Renovation RM'000	Construction in progress RM'000	Right-of-use assets RM'000	Total RM'000
Cost																	
At 1 January 2024		23,004	530	28,911	458	3,483	2,732	13,179	280	-	305	4,504	4,597	2,775	1,209	19,319	105,286
Additions		12,422	-	5,511	194	1,379	791	5,002	98	601	250	1,320	609	430	5,843	6,833	41,283
Reclassification		(34)	-	39	-	-	260	-	-	253	-	1,440	-	-	(1,992)	34	-
Disposals		(1,028)	-	-	(6)	-	-	-	-	-	-	-	(179)	-	-	-	(1,213)
Written off		-	-	-	-	-	(2)	(12)	(87)	-	(62)	-	-	(218)	-	-	(381)
Derecognition due to early termination of lease term		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(816)	(816)
At 31 December 2024		34,364	530	34,461	646	4,862	3,781	18,169	291	854	493	7,264	5,027	2,987	5,060	25,370	144,159
Accumulated depreciation																	
At 1 January 2024		-	42	2,557	201	887	441	4,551	125	-	152	817	1,436	638	-	1,692	13,539
Depreciation charge for the financial year	20	-	21	1,004	146	402	264	1,505	53	20	61	735	854	197	-	3,053	8,315
Disposals		-	-	-	(2)	-	-	-	-	-	-	-	(161)	-	-	-	(163)
Written off		-	-	-	-	-	(1)	(1)	(84)	-	(58)	-	-	(100)	-	-	(244)
Derecognition due to early termination of lease term		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(440)	(440)
At 31 December 2024		-	63	3,561	345	1,289	704	6,055	94	20	155	1,552	2,129	735	-	4,305	21,007
Carrying amount																	
At 1 January 2024		23,004	488	26,354	257	2,596	2,291	8,628	155	-	153	3,687	3,161	2,137	1,209	17,627	91,747
At 31 December 2024		34,364	467	30,900	301	3,573	3,077	12,114	197	834	338	5,712	2,898	2,252	5,060	21,065	123,152

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold lands RM'000	Building RM'000	Building structure RM'000	Computers and software RM'000	Electrical equipment RM'000	Factory equipment RM'000	Farm equipment RM'000	Furniture and fittings RM'000	Infrastructure RM'000	Office equipment RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Renovation RM'000	Construction in progress RM'000	Right-of-use assets RM'000	Total RM'000
Cost																	
At 1 January 2025		34,364	530	34,461	646	4,862	3,781	18,169	291	854	493	7,264	5,027	2,987	5,060	25,370	144,159
Additions		4,146	-	1,526	107	329	122	1,539	7	74	16	3	606	-	16,791	423	25,689
Reclassification		1,478	-	4,976	-	587	-	2,656	55	603	3	-	-	-	(10,358)	-	-
Disposals		(2,346)	-	-	-	-	-	-	-	-	-	(23)	-	-	-	-	(2,369)
Adjustment due to lease modification		-	-	-	-	-	-	-	-	-	-	-	-	-	-	830	830
Derecognition due to early termination of lease term		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(212)	(212)
At 30 June 2025		37,642	530	40,963	753	5,778	3,903	22,364	353	1,531	512	7,244	5,633	2,987	11,493	26,411	168,097
Accumulated depreciation																	
At 1 January 2025		-	63	3,561	345	1,289	704	6,055	94	20	155	1,552	2,129	735	-	4,305	21,007
Depreciation charge for the financial period	20	-	11	567	94	248	161	832	20	20	36	519	480	100	-	1,621	4,709
Disposals		-	-	-	-	-	-	-	-	-	-	(7)	-	-	-	-	(7)
Derecognition due to early termination of lease term		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(82)	(82)
At 30 June 2025		-	74	4,128	439	1,537	865	6,887	114	40	191	2,064	2,609	835	-	5,844	25,627
Carrying amount																	
At 1 January 2025		34,364	467	30,900	301	3,573	3,077	12,114	197	834	338	5,712	2,898	2,252	5,060	21,065	123,152
At 30 June 2025		37,642	456	36,835	314	4,241	3,038	15,477	239	1,491	321	5,180	3,024	2,152	11,493	20,567	142,470

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Assets pledged as security

Freehold lands and building structure with a carrying amount of RM52,469,796 (31.12.2024: RM49,594,138, 31.12.2023: RM28,104,510, 31.12.2022: RM28,709,204 and 31.12.2021: RM30,582,055) have been pledged as security to secure loans and borrowings of the Group as disclosed in Note 13(a).

Plant and machinery with carrying amount of RM3,526,250 (31.12.2024: RM3,877,750, 31.12.2023: RMNil, 31.12.2022: RM31,500 and 31.12.2021: RM44,100) has been pledged as security for hire purchase agreement as disclosed in Note 13(c).

Motor vehicles with carrying amount of RM2,257,377 (31.12.2024: RM2,013,976, 31.12.2023: RM2,125,995, 31.12.2022: RM1,634,864 and 31.12.2021: RM599,280) have been pledged as security for hire purchase agreement as disclosed in Note 13(c).

Construction in progress with carrying amount of RM10,281,542 (31.12.2024: RM3,539,095, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) have been pledged as security to secure banking facilities of the Company as disclosed in Note 13(a).

Infrastructure with carrying amount of RM935,551 (31.12.2024: RM333,516, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) have been pledged as security to secure banking facilities of the Company as disclosed in Note 13(a).

(b) Right-of-use assets

The Group leases several assets including leasehold lands, buildings, machinery and office equipment.

Information about leases for which the Group is lessee is presented below:

	Leasehold lands RM'000	Buildings RM'000	Machinery RM'000	Office equipment RM'000	Total RM'000
Carrying amount					
At 1 January 2021	2,147	28	-	-	2,175
Additions	15	1,087	136	-	1,238
Depreciation charge for the financial year	(33)	(251)	(10)	-	(294)
Derecognition due to early termination of lease term	-	(491)	-	-	(491)
At 31 December 2021	2,129	373	126	-	2,628
Additions	14	5,634	66	-	5,714
Depreciation charge for the financial year	(28)	(1,087)	(43)	-	(1,158)
Derecognition due to early termination of lease term	-	(221)	(87)	-	(308)
At 31 December 2022	2,115	4,699	62	-	6,876

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)****(b) Right-of-use assets (continued)**

Information about leases for which the Group is lessee is presented below: (continued)

	Leasehold lands RM'000	Buildings RM'000	Machinery RM'000	Office equipment RM'000	Total RM'000
Carrying amount					
At 1 January 2023	2,115	4,699	62	-	6,876
Additions	1,074	13,594	-	12	14,680
Depreciation charge for the financial year	(50)	(1,602)	(22)	(2)	(1,676)
Derecognition due to early termination of lease term	-	(2,253)	-	-	(2,253)
At 31 December 2023	3,139	14,438	40	10	17,627
Additions	1	6,745	52	35	6,833
Reclassification	34	-	-	-	34
Depreciation charge for the financial year	(55)	(2,954)	(39)	(5)	(3,053)
Derecognition due to early termination of lease term	-	(376)	-	-	(376)
At 31 December 2024	3,119	17,853	53	40	21,065
Additions	-	423	-	-	423
Depreciation charge for the financial period	(28)	(1,564)	(24)	(5)	(1,621)
Adjustment due to lease modification	-	830	-	-	830
Derecognition due to early termination of lease term	-	(130)	-	-	(130)
At 30 June 2025	3,091	17,412	29	35	20,567

The Group leases lands for its operation site. The leases for the leasehold lands generally have lease term of 99 (31.12.2024, 31.12.2023, 31.12.2022 and 31.12.2021: 99) years.

The Group also leases buildings for its operation, office space and staff accommodation. The leases for the buildings generally have lease term between 1 to 3 (31.12.2024, 31.12.2023 and 31.12.2022: 1 to 3 and 31.12.2021: 1 to 2) years with option to renew for a further term of 1 to 12 (31.12.2024 and 31.12.2023: 1 to 12, 31.12.2022: 1 to 6 and 31.12.2021: 1 to 2) years. The Group has included the potential future cash flows for exercising the extension option in the lease liabilities.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)****(b) Right-of-use assets (continued)**

The Group also leases machinery for its operation. The lease for the machinery generally has lease term of 2 (31.12.2024, 31.12.2023, 31.12.2022: 2 and 31.12.2021: Nil) years with option to renew for a further term of 1 to 2 (31.12.2024, 31.12.2023, 31.12.2022: 1 and 31.12.2021: Nil) years. The Group has included the potential future cash flows for exercising the extension option in the lease liabilities.

The Group also leases office equipment for its operation. The lease for the office equipment generally has lease term of 5 (31.12.2024 and 31.12.2023: 5, 31.12.2022 and 31.12.2021: Nil) years.

Leasehold lands with carrying amount of RM2,091,270 (31.12.2024: RM2,105,775, 31.12.2023: RM1,218,461, 31.12.2022: RM1,187,234 and 31.12.2021: RM1,189,038) have been pledged as security to secure loans and borrowings of the Group as disclosed in Note 13(a).

6. TRADE AND OTHER RECEIVABLES

		←		Audited as at		→
	Note	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	30.6.2025 RM'000
Non-current:						
Non-trade						
Other receivables		66	70	75	80	83
Current:						
Trade						
Trade receivables	(a)	11,866	19,378	22,981	23,953	29,117
Non-trade						
Other receivables		599	662	1,083	910	1,202
Deposits		2,193	2,420	4,726	6,485	6,848
Prepayments		100	114	673	1,638	656
Amount owing by shareholders	(b)	-	12	12	9	-
Amount owing by related parties	(b)	-	14	-	-	-
		2,892	3,222	6,494	9,042	8,706
Total trade and other receivables (current)		14,758	22,600	29,475	32,995	37,823
Total trade and other receivables (non-current and current)		14,824	22,670	29,550	33,075	37,906

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****6. TRADE AND OTHER RECEIVABLES (CONTINUED)****(a) Trade receivables**

Trade receivables are non-interest bearing and normal credit term offered by the Group ranges from cash term to 30 days (31.12.2024: cash term to 30 days, 31.12.2023, 31.12.2022 and 31.12.2021: cash term to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

The information about the credit exposures is disclosed in Note 25(b)(i).

(b) Amount owing by shareholders and related parties

Amount owing by shareholders and related parties are unsecured, non-trade in nature, non-interest bearing, repayable on demand and are expected to be settled in cash.

7. OTHER INVESTMENTS

	←		Audited as at		→
	31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
At cost:					
Unquoted shares	-	180	-	-	-

Other investments in unquoted ordinary shares for financial year ended 31 December 2022 represents investment in the below subsidiaries at cost.

For the purpose of the proposed listing of the Group on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"), the financial position, financial performance and cash flows of the below companies had been carved out from the combined financial statements for the financial years ended 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and financial period ended 30 June 2025 as the companies are not part of the listing group.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****7. OTHER INVESTMENTS (CONTINUED)**

Details of the subsidiaries are as follows:

Name of company	Principal place of business/ country of incorporation	Equity interest					Principal activities
		31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025	
		%	%	%	%	%	
Farmiera Logistics Sdn. Bhd. ("Farmiera Logistics")	Malaysia	-	60	-	-	-	Forwarding of freight, other service activities incidental to land transportation and other transportation support activities related to logistic
Sinar Gemilang Processing Sdn. Bhd. ("Sinar Gemilang")	Malaysia	-	51	-	-	-	Business of poultry slaughtering, processing and trading

(a) Acquisition of Farmiera Logistics

On 28 April 2022, FHSB acquired 60% of equity interests, representing 60 ordinary shares in Farmiera Logistics for a total purchase consideration of RM180,000.

(b) Acquisition of Sinar Gemilang

On 10 June 2022, Casey Poultry acquired 51% of equity interests, representing 51 ordinary shares in Sinar Gemilang for a total purchase consideration of RM51.

(c) Disposal of Farmiera Logistics

On 19 December 2023, FHSB disposed 60% of equity interests, representing 60 ordinary shares in Farmiera Logistics for a total consideration of RM180,000. Farmiera Logistics ceased to be subsidiary of FHSB.

(d) Disposal of Sinar Gemilang

On 31 May 2023, Casey Poultry disposed 51% of equity interests, representing 51 ordinary shares in Sinar Gemilang for a total consideration of RM51. Sinar Gemilang ceased to be subsidiary of Casey Poultry.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****8. BIOLOGICAL ASSETS**

	← 31.12.2021	31.12.2022 →	Audited as at 31.12.2023	← 31.12.2024	30.6.2025 →
	RM'000	RM'000	RM'000	RM'000	RM'000
At fair value less cost to sell:					
Broilers	4,532	4,467	4,195	9,507	7,252
Breeders	-	-	-	-	1,095
	4,532	4,467	4,195	9,507	8,347

The movement of biological assets can be analysed as follows:

	← 31.12.2021	31.12.2022 →	Audited as at 31.12.2023	← 31.12.2024	30.6.2025 →
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Broilers</u>					
At beginning of the financial year/period	4,654	4,532	4,467	4,195	9,507
Additions	49,014	62,591	108,652	130,607	56,366
Livestock losses/sales of live birds	(49,224)	(62,817)	(107,256)	(127,990)	(56,675)
Change in fair value	88	161	(1,668)	2,695	(1,946)
At end of the financial year/period	4,532	4,467	4,195	9,507	7,252

	← 31.12.2021	31.12.2022 →	Audited as at 31.12.2023	← 31.12.2024	30.6.2025 →
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Breeders</u>					
At beginning of the financial year/period	-	-	-	-	-
Additions	-	-	-	-	1,520
Change in fair value	-	-	-	-	(425)
At end of the financial year/period	-	-	-	-	1,095

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****8. BIOLOGICAL ASSETS (CONTINUED)**

The Group has classified its biological assets measured at fair value within Level 3 of the fair value hierarchy. The following table shows the valuation technique used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation model.

Description of valuation technique and input used	Significant unobservable inputs	Relationship between significant unobservable inputs and fair value measurements
<u>Broilers</u> Discounted cash flows: The valuation method considers the estimated selling price and weight of the broilers taking into account the estimated growing costs and the mortality rate.	• Estimated selling price of broilers based on management's estimate by reference to historical selling price adjusted for abnormal market movements and the selling price immediately after the financial year/period end; and • Management's estimate of feed and other variable costs expected to be incurred over the lifespan.	The higher the estimated selling price, the higher the fair value. The higher the costs, the lower the fair value.
<u>Breeders</u> Discounted cash flows: The valuation method considers the expected number of DOC produced, expected selling price of DOC or hatching egg over the life of the breeders, taking into account of estimated growing and farming costs and the mortality rate.	• Estimated selling price of DOC or hatching egg based on management's estimate by reference to expected selling price; and • Management's estimate of feed and other variable costs expected to be incurred over the lifespan.	The higher the estimated selling price, the higher the fair value. The higher the costs, the lower the fair value.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**8. BIOLOGICAL ASSETS (CONTINUED)**

The key assumptions used in the fair value calculation are as follows:

	← 31.12.2021 31.12.2022 →		Audited as at →		
	31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
	RM	RM	RM	RM	RM
Broilers					
Projected selling price for broilers (per kg)	5.90	6.00	5.20	6.00	5.20
Feed costs (per kg)	1.88	1.87	1.96	2.17	2.18
Breeders					
Projected selling prices of					
the day of chick of broiler (per kg)	-	-	-	-	2.32
Feed costs (per kg)	-	-	-	-	1.90

Sensitivity analysis

Sensitivity analysis of the possible changes in key assumptions (assumes all other variables remained constant) on fair value of biological assets at year/period end are disclosed in the table below:

	← 31.12.2021 31.12.2022 →		Audited as at →		
	31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Broilers					
Estimated selling price of the broilers					
at the point of sale (per kg)					
- Increased by 5%	422	449	462	830	704
- Decreased by 5%	(422)	(449)	(462)	(830)	(704)
Estimated feed costs (per kg)					
- Increased by 5%	(135)	(140)	(175)	(300)	(470)
- Decreased by 5%	135	140	175	300	470

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**8. BIOLOGICAL ASSETS (CONTINUED)****Sensitivity analysis (continued)**

	←		Audited as at		→
	31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Breeders					
Estimated selling price of the broilers at the point of sale (per kg)					
- Increased by 5%	-	-	-	-	442
- Decreased by 5%	-	-	-	-	(442)
Estimated feed costs (per kg)					
- Increased by 5%	-	-	-	-	(631)
- Decreased by 5%	-	-	-	-	631

In respect of other variances, a reasonable possible change in the assumptions used will not result in any material change to the fair value of the biological assets.

9. INVENTORIES

	←		Audited as at		→
	31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
At lower of cost and net realisable value:					
Processed chickens	324	2,342	2,665	1,958	1,942
Consumable supplies	142	153	187	480	341
	466	2,495	2,852	2,438	2,283

The cost of inventories of the Group recognised as an expense in cost of sales during the financial period/year was RM20,378,566 (31.12.2024: RM94,260,189, 31.12.2023: RM273,647,990, 31.12.2022: RM333,690,562 and 31.12.2021: RM182,323,971).

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

10. CASH AND SHORT-TERM DEPOSITS

	← 31.12.2021	31.12.2022 →	Audited as at 31.12.2023	← 31.12.2024	30.6.2025 →
	RM'000	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	5,033	17,928	12,075	25,861	26,174
Short-term deposits	1,935	369	358	368	-
	6,968	18,297	12,433	26,229	26,174

For the purpose of the combined statements of cash flows, cash and cash equivalents comprise of the following:

	← 31.12.2021	31.12.2022 →	Audited as at 31.12.2023	← 31.12.2024	30.6.2025 →
	RM'000	RM'000	RM'000	RM'000	RM'000
Short-term deposits	1,935	369	358	368	-
Less: Pledged deposits	(1,935)	(369)	(358)	-	-
	-	-	-	368	-
Cash and bank balances	5,033	17,928	12,075	25,861	26,174
Bank overdrafts	(447)	-	-	-	-
	4,586	17,928	12,075	26,229	26,174

Short-term deposits placed with licensed banks of the Group have been pledged to the licensed banks to secure credit facilities granted to the Group as disclosed in Note 13.

Short-term deposits with a carrying amount of RMNil (31.12.2024 and 31.12.2023: RMNil, 31.12.2022: RM20,000 and 31.12.2021: RMNil) was held in trust by a director of the Group.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

11. INVESTED EQUITY

	Number of ordinary shares					Amounts				
	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	30.6.2025 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	30.6.2025 RM'000
At beginning of the financial year/period	6,490	6,000	3,000	16,500	16,500	6,490	6,000	3,000	16,500	16,500
Share issued upon incorporation	-	-	-	+	-	-	-	-	*	-
Combining entity issue of ordinary shares	-	1,000	-	-	-	-	1,000	-	-	-
Adjustment pursuant to merger accounting	(490)	(4,000)	-	-	-	(490)	(4,000)	-	-	-
Issuance of ordinary shares pursuant to conversion of redeemable convertible preference shares	-	-	13,500	-	-	-	-	13,500	-	-
At end of the financial year/period	6,000	3,000	16,500	16,500	16,500	6,000	3,000	16,500	16,500	16,500

+ Less than 1,000

* Less than RM1,000

For the purpose of this report, the invested equity as at 31 December 2021 represent the aggregate number of issued share capital of all combining entities within the Group eliminated against the investment in subsidiaries of FHSB, the share capital of FCFSB, FSSB and Casey Poultry had been eliminated against the investment in subsidiaries of FHSB.

As at 31 December 2022, the invested equity represent the aggregate number of issued share capital of all combining entities within the Group eliminated against the investment in subsidiaries of FHSB, the share capital of FCFSB, FSSB, Casey Poultry, FARSB and FBFSB had been eliminated against the investment in subsidiaries of FHSB.

As at 31 December 2023, 31 December 2024 and 30 June 2025, the invested equity represent the aggregate number of issued share capital of all combining entities within the Group eliminated against the investment in subsidiaries of FHSB, the share capital of FCFSB, FSSB, FARSB, FBFSB and GBSB had been eliminated against the investment in subsidiaries of FHSB.

On 15 July 2022, FHSB issued 999,899 ordinary shares at RM1 per ordinary share by capitalising of amount owing to Hong How Seng, Tan Kok Cheong, Tan Chin Heng and Lim Kian Hoe.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

11. INVESTED EQUITY (CONTINUED)

On 8 November 2022, FHSB issued 13,500,000 new ordinary shares from the conversion of Redeemable Convertible Preference Shares ("RCPS") with the conversion rate of one (1) RCPS into one (1) new ordinary share during the conversion period and no additional cash payment is required for the conversion of the RCPS by RCPS holders.

The Company issued 100 ordinary shares at RM1 per ordinary share on the date of incorporation for a total cash consideration of RM100.

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

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

12. PREFERENCE SHARES

(a) REDEEMABLE NON-CONVERTIBLE PREFERENCE SHARES ("RNCPS")

	Note	Number of preference shares					Amounts				
		31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	30.6.2025 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	30.6.2025 RM'000
At beginning of the financial year/period		-	-	13,500	-	-	-	-	13,500	-	-
Issuance of RNCPS	(i)	-	13,500	-	-	-	-	13,500	-	-	-
Conversion of RNCPS into RCPS	(ii)	-	-	(13,500)	-	-	-	-	(13,500)	-	-
At end of the financial year/period		-	13,500	-	-	-	-	13,500	-	-	-

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****12. PREFERENCE SHARES (CONTINUED)****(a) RNCPS (Continued)****(i) Issuance of RNCPS**

On 15 July 2022, FHSB capitalised the amount owing to Hong How Seng, Tan Kok Cheong, Lim Kian Hoe, Tan Chin Heng, Ong Chin Loong and Lim Kim Leng by way of an allotment of 3,000,000 new RNCPS at an issue price of RM1.00 per unit.

On 23 December 2022, FHSB capitalised the amount owing to HHS Global Sdn. Bhd., Keystone Capital Sdn. Bhd., Small Boss Enterprise Sdn. Bhd., TCH Capital Sdn. Bhd. and Himpunan Jaya Sdn. Bhd. by way of an allotment of 10,500,000 new RNCPS at an issue price of RM1.00 per unit.

The salient features of the RNCPS are as follows:

- (a) The RNCPS may be redeemed at the option of FHSB at the expiry of five (5) years from the date of its issuance or later at a price to be determined by the Board of Director;
- (b) The RNCPS is non-convertible to other class of shares;
- (c) The holders of the RNCPS shall not entitled to participate in the profit or surplus assets or dividends nor be entitled to participate in any rights, bonus, allotment or other distributions as may be made or declared by the FHSB, unless the Board of Director in its absolute discretion deems it fit to pay interest and/or dividends to holders of RNCPS;
- (d) The holders of the RNCPS shall be entitled to receive all notices, audited accounts and reports and attending meetings of Members to which holders of ordinary shares are entitled but shall have no rights to vote except in the following circumstances:
 - (i) Upon any resolution which or is deemed to vary or abrogate the rights or privileges attached to the RNCPS;
 - (ii) Upon any resolution for the winding up of FHSB; and
 - (iii) Upon any resolution for the reduction of the capital of FHSB.
- (e) In the event of liquidation of FHSB, holders of the RNCPS have priority over holders of ordinary shares with respect to payment of capital out of the net proceeds from liquidation of FHSB after payments to all creditors of FHSB, whether secured or unsecured;
- (f) Any preference shares issued after the RNCPS may not rank in priority to the RNCPS but may rank pari passu with the existing RNCPS; and
- (g) The RNCPS shall be non-transferable and non-assignable except with the approval of the Board of Director and where such approval is granted the transfer of the RNCPS shall be carried out in a like manner to sale and transfer of ordinary shares as provided by the Shareholders Agreement as if the RNCPS were ordinary shares.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

12. PREFERENCE SHARES (CONTINUED)

(a) RNCPS (CONTINUED)

(ii) Conversion of RNCPS into RCPS

On 8 November 2023, the 13,500,000 RNCPS was converted into 13,500,000 RCPS.

(b) RCPS

	Note	Number of preference shares					Amounts				
		31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	30.6.2025 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	30.6.2025 RM'000
At beginning of the financial year/period		-	-	-	-	-	-	-	-	-	-
Conversion of RNCPS into RCPS	(i)	-	-	13,500	-	-	-	-	13,500	-	-
Conversion of RCPS into ordinary shares	(ii)	-	-	(13,500)	-	-	-	-	(13,500)	-	-
At end of the financial year/period		-	-	-	-	-	-	-	-	-	-

(i) Conversion of RNCPS into RCPS

On 8 November 2023, the 13,500,000 RNCPS was converted into 13,500,000 RCPS.

The salient features of the RCPS are as follows:

- (a) The RCPS may be redeemed at the option of FHSB at any time from the date of its issuance at a price to be determined by the Board of Director;
- (b) Redemption price per preference share is RM1.00;

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

12. PREFERENCE SHARES (CONTINUED)

(b) RCPS (CONTINUED)

(i) Conversion of RNCPS into RCPS (continued)

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

- (c) The holders of the RCPS shall not entitled to participate in the profits or surplus assets or dividends nor be entitled to participate in any rights, bonus, allotment or other distributions as may be made or declared by FHSB, unless the Board of Director in its absolute discretion deems it fit to pay interest and/or dividends to holders of RCPS;
- (d) Convertible at the option of FHSB, at any time from the date of its issuance, into such number of fully-paid ordinary shares. Any conversion by FHSB shall be exercised in respect of all holders of preference shares;
- (e) The conversion of the RCPS will not require any cash payment from the preference shares holders. The conversion price shall be satisfied by the RCPS holders surrendering the requisite number of preference shares for cancellation by FHSB;
- (f) Conversion ratio is 1 RCPS to 1 ordinary share;
- (g) Any preference shares issued after the RCPS may not rank in priority to the RCPS but may rank pari passu with the existing RCPS;
- (h) The new shares to be issued upon conversion of the preference shares shall rank pari passu in all respects with the ordinary shares in FHSB;
- (i) In the event of liquidation of FHSB, holders of the RCPS have priority over holders of ordinary shares with respect to payment of capital out of the net proceeds from liquidation of FHSB after payments to all creditors of FHSB whether secured or unsecured;
- (j) The preference shares shall not carry any right to vote at any general meeting of FHSB.

(ii) Conversion of RCPS into ordinary share

On 28 November 2023, FHSB issued 13,500,000 new ordinary shares from the conversion of RCPS with the conversion ratio of one (1) RCPS into one (1) new ordinary share during the conversion period and no additional cash payment is required for the conversion of the RCPS by RCPS holders.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****13. LOANS AND BORROWINGS**

	Note	←		Audited as at		→
		31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
		RM'000	RM'000	RM'000	RM'000	RM'000
Non-current:						
Term loans	(a)	15,023	20,855	17,333	39,815	54,193
Lease liabilities	(b)	149	3,823	13,685	13,780	13,061
Hire purchase payables	(c)	417	1,194	1,538	5,486	5,148
		15,589	25,872	32,556	59,081	72,402
Current:						
Term loans	(a)	829	2,028	2,651	5,916	6,766
Lease liabilities	(b)	359	939	1,267	5,805	6,185
Hire purchase payables	(c)	230	398	395	1,504	1,642
Trade finance	(d)	917	5,502	9,740	18,298	18,287
Bank overdrafts	(e)	447	-	-	-	-
		2,782	8,867	14,053	31,523	32,880
Total loans and borrowings						
Term loans	(a)	15,852	22,883	19,984	45,731	60,959
Lease liabilities	(b)	508	4,762	14,952	19,585	19,246
Hire purchase payables	(c)	647	1,592	1,933	6,990	6,790
Trade finance	(d)	917	5,502	9,740	18,298	18,287
Bank overdrafts	(e)	447	-	-	-	-
		18,371	34,739	46,609	90,604	105,282

(a) Term loans

Term loan 1 of the Group of RMNil (31.12.2024: RMNil, 31.12.2023: RM5,086,945, 31.12.2022: RM5,523,972 and 31.12.2021: RM5,979,460) bears interest at Nil% (31.12.2024: Nil%, 31.12.2023, 31.12.2022 and 31.12.2021: 5.60%) per annum and is repayable by monthly instalments of RM66,325 over twelve years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Legal charge over the freehold lands and building structure of the Group as disclosed in Note 5(a);
- (ii) Legal charge over the leasehold lands of the Group as disclosed in Note 5(b);
- (iii) Joint and several guarantee from certain directors of the Group; and
- (iv) Legal charge over short-term deposits as disclosed in Note 10.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**13. LOANS AND BORROWINGS (CONTINUED)****(a) Term loans (continued)**

Term loan 2 of the Group of RMNil (31.12.2024: RMNil, 31.12.2023: RM9,105,188, 31.12.2022: RM9,694,360 and 31.12.2021: RM7,612,048) bears interest at Nil% (31.12.2024: Nil%, 31.12.2023, 31.12.2022 and 31.12.2021: 5.60%) per annum and is repayable by monthly instalments of RM102,039 over twelve years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Joint and several guarantee from certain directors of the Group;
- (ii) Legal charge over short-term deposits as disclosed in Note 10; and
- (iii) Guarantee by Syarikat Jaminan Perniagaan Berhad ("SJPP") for 70% on banking facility under Working Capital Guarantee Scheme ("WCGS").

Term loan 3 of the Group of RMNil (31.12.2024: RMNil, 31.12.2023: RM236,517, 31.12.2022: RM335,507 and 31.12.2021: RM431,096) bears interest at Nil% (31.12.2024: Nil%, 31.12.2023, 31.12.2022 and 31.12.2021: 3.50%) per annum and is repayable by monthly instalments of RM9,096 over five years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Joint and several guarantee from certain directors of the Group; and
- (ii) Guarantee by SJPP for 80% on banking facility under the Special Relief Facility.

Term loan 4 of the Group of RM1,702,074 (31.12.2024: RM1,842,476, 31.12.2023: RM2,120,762, 31.12.2022: RM2,383,770 and 31.12.2021: RMNil) bears interest at 3.75% (31.12.2024, 31.12.2023 and 31.12.2022: 3.75% and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM28,976 over eight years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Joint and several guarantee from certain directors of the Group; and
- (ii) Guarantee by SJPP for RM1,920,000 under the Special Relief Facility.

Term loan 5 of the Group of RM4,628,000 (31.12.2024: RM4,760,000, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 5.40% (31.12.2024: 5.40%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly principal instalments of RM44,000 over nine years commencing from first day of the 13th month from the date of first drawdown and is secured and supported as follows:

- (i) Legal charge over the freehold lands and building structure of the Group as disclosed in Note 5(a); and
- (ii) Joint and several guarantees from certain directors of the Group.

Term loan 6 of the Group of RM816,900 (31.12.2024: RM840,000, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 5.40% (31.12.2024: 5.40%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly principal instalments of RM7,700 over nine years commencing from the first day of the 13th month from the date of first drawdown and is secured and supported as follows:

- (i) Legal charge over the freehold lands and building structure of the Group as disclosed in Note 5(a); and
- (ii) Joint and several guarantee from certain directors of the Group.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****13. LOANS AND BORROWINGS (CONTINUED)****(a) Term loans (continued)**

Term loan 7 of the Group of RM7,344,727 (31.12.2024: RM6,143,850, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 4.77% (31.12.2024: 4.77%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly principal instalments of RM70,000 over nine years commencing from the first day of the 13th month from the date of first drawdown and is secured and supported as follows:

- (i) Legal charge over the freehold lands and building structure of the Group as disclosed in Note 5(a); and
- (ii) Joint and several guarantee from certain directors of the Group.

Term loan 8 of the Group of RM2,410,002 (31.12.2024: 2,573,128, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 4.00% (31.12.2024: 4.00%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM35,539 over seven years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Guarantee by SJPP for 90% on banking facility under Government Guarantee Scheme Madani ("GGSM"); and
- (ii) Joint and several guarantee from certain directors of the Group.

Term loan 9 of the Group of RM1,296,830 (31.12.2024: RM1,385,399, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 3.75% (31.12.2024: 3.75%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM18,976 over seven years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Guarantee by SJPP for 90% on banking facility under Government GGSM; and
- (ii) Joint and several guarantee from certain directors of the Group.

Term loan 10 of the Group of RM13,662,702 (31.12.2024: RM13,979,000, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 5.00% (31.12.2024: 5.00%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM110,546 over fifteen years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Legal charge over the freehold lands and building structure of the Group as disclosed in Note 5(a);
- (ii) Legal charge over the leasehold lands of the Group as disclosed in Note 5(b); and
- (iii) Joint and several guarantee from certain directors of the Group.

Term loan 11 of the Group of RMNil (31.12.2024 and 31.12.2023: RMNil, 31.12.2022: RM384,378 and 31.12.2021: RM491,084) bears interest at Nil% (31.12.2024 and 31.12.2023: Nil%, 31.12.2022 and 31.12.2021: 3.00%) per annum and is repayable by monthly instalments of RM10,182 over eight years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Joint and several guarantee from certain directors of the Group; and
- (ii) Guarantee by SJPP for RM440,000 under the Special Relief Facility.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****13. LOANS AND BORROWINGS (CONTINUED)****(a) Term loans (continued)**

Term loan 12 of the Group of RMNil (31.12.2024 and 31.12.2023: RMNil, 31.12.2022: RM1,167,405 and 31.12.2021: RM1,338,068) bears interest at Nil% (31.12.2024 and 31.12.2023: Nil%, 31.12.2022 and 31.12.2021: 3.75%) per annum and is repayable by monthly instalments of RM18,110 over eight years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Joint and several guarantee from certain directors of the Group; and
- (ii) Guarantee by SJPP for 80% on the banking facility under Bank Negara Malaysia ("BNM") Agrofood Facility.

Term loan 13 of the Group of RM414,993 (31.12.2024: RM422,183, 31.12.2023: RM434,684, 31.12.2022: RM447,420 and 31.12.2021: RMNil) bears interest at 2.20% (31.12.2024, 31.12.2023 and 31.12.2022: 2.20% and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM2,560 over twenty years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Joint and several guarantee from certain directors of the Group.

Term loan 14 of the Group of RMNil (31.12.2024 and 31.12.2023: RMNil, 31.12.2022: RM2,946,226 and 31.12.2021: RMNil) bears interest at Nil% (31.12.2024 and 31.12.2023: Nil%, 31.12.2022: 3.75% and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM36,220 over eight years commencing from the day of first drawdown and is secured and supported as follows:

- (i) Joint and several guarantee from certain directors of the Group; and
- (iii) Guarantee by SJPP for RM2,400,000 under BNM's Fund for Small and Medium Enterprises.

Term loan 15 of the Group of RM3,000,000 (31.12.2024 and 31.12.2023: RM3,000,000, 31.12.2022 and 31.12.2021: RMNil) bears interest at 6.00% (31.12.2024 and 31.12.2023: 6.00%, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by quarter instalments of RM250,000 over three years commencing from the day of first drawdown.

Term loan 16 of the Group of RM4,793,905 (31.12.2024: RM4,916,912, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 4.85% (31.12.2024: 4.85%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM39,926 over fifteen years commencing from one month after full drawdown and is secured and supported as follows:

- (i) Legal charge over the freehold lands of the Group as disclosed in Note 5(a);
- (ii) Legal charge over the leasehold lands of the Group as disclosed in Note 5(b); and
- (iii) Joint and several guarantee from certain directors of the Group.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****13. LOANS AND BORROWINGS (CONTINUED)****(a) Term loans (continued)**

Term loan 17 of the Group of RM8,256,749 (31.12.2024: RM1,084,301, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 4.85% (31.12.2024: 4.85%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM144,660 over fifteen years commencing from one month after full drawdown, or upon expiry of availability period, whichever is earlier and is secured and supported as follows:

- (i) Legal charge over the freehold lands of the Group as disclosed in Note 5(a);
- (ii) Legal charge over the leasehold lands of the Group as disclosed in Note 5(b); and
- (iii) Joint and several guarantee from certain directors of the Group.

Term loan 18 of the Group of RM3,780,008 (31.12.2024: RM2,508,627, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 4.85% (31.12.2024: 4.85%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM40,403 over fifteen years commencing from one month after the full drawdown, or upon expiry of available period, whichever is earlier and is secured and supported as follows:

- (i) Legal charge over the freehold lands of the Group as disclosed in Note 5(a);
- (ii) Legal charge over the leasehold lands of the Group as disclosed in Note 5(b);
- (iii) Specific debentures over the equipment and machinery which capitalised construction in progress and infrastructure of the Company as disclosed in Note 5(a); and
- (iv) Joint and several guarantee from certain directors of the Group.

Term loan 19 of the Group of RM1,204,972 (31.12.2024: RM1,205,112, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 5.03% (31.12.2024: 5.02%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM14,000 over seven years commencing the first day of the 37th month from the date of first drawdown and is secured and supported as follows:

- (i) Legal charge over the freehold land of the Group as disclosed in Note 5(a); and
- (ii) Joint and several guarantee from certain directors of the Group.

Term loan 20 of the Group of RM1,069,413 (31.12.2024: RM1,069,536, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 5.03% (31.12.2024: 5.02%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly principal instalments of RM12,500 over seven years commencing from the first day of the 37th month from the date of first drawdown and is secured and supported as follows:

- (i) Legal charge over the freehold land of the Group as disclosed in Note 5(a); and
- (ii) Joint and several guarantee from certain directors of the Group.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****13. LOANS AND BORROWINGS (CONTINUED)****(a) Term loans (continued)**

Term loan 21 of the Group of RM3,567,534 (31.12.2024, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 4.85% (31.12.2024, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM27,834 over fifteen years commencing from one month after the full drawdown, or upon expiry of available period, whichever is earlier and is secured and supported as follows:

- (i) Legal charge over the freehold lands of the Group as disclosed in Note 5(a); and
- (ii) Joint and several guarantee from certain directors of the Group.

Term loan 22 of the Group of RM3,010,990 (31.12.2024, 31.12.2023, 31.12.2022 and 31.12.2021: RMNil) bears interest at 4.85% (31.12.2024, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) per annum and is repayable by monthly instalments of RM23,464 over fifteen years commencing from one month after the full drawdown, or upon expiry of available period, whichever is earlier and is secured and supported as follows:

- (i) Legal charge over the freehold lands of the Group as disclosed in Note 5(a); and
- (ii) Joint and several guarantee from certain directors of the Group.

(b) Lease liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	← Audited as at →				
	31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Minimum lease payments:					
- Not later than one year	385	1,310	2,199	6,850	7,196
- Later than one year and not later than five years	142	4,260	9,812	8,957	8,932
- Later than five years	-	-	7,400	9,145	8,180
	527	5,570	19,411	24,952	24,308
Less: Future finance charges	(19)	(808)	(4,459)	(5,367)	(5,062)
Present value of minimum lease payments	508	4,762	14,952	19,585	19,246
Present value of minimum lease payments:					
- Not later than one year	359	939	1,267	5,805	6,185
- Later than one year and not later than five years	149	3,823	7,720	6,193	6,202
- Later than five years	-	-	5,965	7,587	6,859
	508	4,762	14,952	19,585	19,246
Less: Amount due within twelve months	(359)	(939)	(1,267)	(5,805)	(6,185)
Amount due after twelve months	149	3,823	13,685	13,780	13,061

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****13. LOANS AND BORROWINGS (CONTINUED)****(c) Hire purchase payables**

Hire purchase payables of the Group of RM6,790,237 (31.12.2024: RM6,990,187, 31.12.2023: RM1,933,241, 31.12.2022: RM1,592,298 and 31.12.2021: RM647,200) bear interest ranging from 3.98% to 7.37% (31.12.2024: 3.98% to 7.37%, 31.12.2023, 31.12.2022: 3.98% to 12.52% and 31.12.2021: 4.22% to 12.52%) per annum and are secured by the Group's motor vehicles, plant and machinery under hire purchase arrangements as disclosed in Note 5(a).

(d) Trade finance

Trade finance of the Group bears effective interests at rates ranging from 4.35% to 6.43% (31.12.2024: 3.49% to 5.39%, 31.12.2023: 4.47% to 6.35%, 31.12.2022: 3.16% to 6.16% and 31.12.2021: 2.00% to 2.01%) and are secured and supported as follows:

- (i) Legal charge over the freehold lands and building structure of the Group as disclosed in Note 5(a);
- (ii) Legal charge over the leasehold lands of the Group as disclosed in Note 5(b);
- (iii) Specific debenture over plant and equipment of the Group as disclosed in Note 5(a).
- (iv) Guarantee by SJPP for RM1,200,000 under BNM Agrofood Facility;
- (v) Guarantee by SJPP for RM4,000,000 under the Pemulih Government Guarantee Scheme; and
- (vi) Joint and several guarantee from certain directors of the Group.

(e) Bank overdrafts

Bank overdrafts of the Group bear interest of Nil% (31.12.2024, 31.12.2023 and 31.12.2022: Nil% and 31.12.2021: 3.75%) per annum and are supported as follows:

- (i) Joint and several guarantee from certain directors of the Group; and
- (ii) Guarantee by SJPP for RM2,400,000 under BNM's Fund for Small and Medium Enterprises.

14. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax relates to the following:

	As at 1 January 2021 RM'000	Recognised in profit or loss (Note 22) RM'000	As at 31 December 2021 RM'000
Deferred tax liabilities:			
Biological assets	(396)	194	(202)
Property, plant and equipment	(397)	(408)	(805)
	<u>(793)</u>	<u>(214)</u>	<u>(1,007)</u>
Deferred tax assets:			
Unabsorbed capital allowance	52	365	417
Tax losses	-	36	36
Lease liabilities	-	2	2
	<u>52</u>	<u>403</u>	<u>455</u>
	<u>(741)</u>	<u>189</u>	<u>(552)</u>

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**14. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)**

Deferred tax relates to the following: (continued)

	As at 1 January 2022 RM'000	Recognised in profit or loss (Note 22) RM'000	As at 31 December 2022 RM'000
Deferred tax liabilities:			
Biological assets	(202)	202	-
Property, plant and equipment	(805)	(1,031)	(1,836)
Right-of-use assets	-	(1)	(1)
	<u>(1,007)</u>	<u>(830)</u>	<u>(1,837)</u>

Deferred tax assets:			
Biological assets	-	177	177
Unabsorbed capital allowance	417	(288)	129
Tax losses	36	(32)	4
Lease liabilities	2	(2)	-
	<u>455</u>	<u>(145)</u>	<u>310</u>
	<u>(552)</u>	<u>(975)</u>	<u>(1,527)</u>

	As at 1 January 2023 RM'000	Recognised in profit or loss (Note 22) RM'000	As at 31 December 2023 RM'000
Deferred tax liabilities:			
Property, plant and equipment	(1,836)	(257)	(2,093)
Right-of-use assets	(1)	1	-
	<u>(1,837)</u>	<u>(256)</u>	<u>(2,093)</u>

Deferred tax assets:			
Biological assets	177	12	189
Unabsorbed capital allowance	129	(129)	-
Tax losses	4	(4)	-
Lease liabilities	-	110	110
	<u>310</u>	<u>(11)</u>	<u>299</u>
	<u>(1,527)</u>	<u>(267)</u>	<u>(1,794)</u>

14. ACCOUNTANTS' REPORT (Cont'd)
FARMIERA BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)
14. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

Deferred tax relates to the following: (continued)

	As at 1 January 2024 RM'000	Recognised in profit or loss (Note 22) RM'000	As at 31 December 2024 RM'000
Deferred tax liabilities:			
Property, plant and equipment	(2,093)	(1,742)	(3,835)
Biological assets	-	(458)	(458)
	<u>(2,093)</u>	<u>(2,200)</u>	<u>(4,293)</u>
Deferred tax assets:			
Biological assets	189	(189)	-
Tax losses	-	202	202
Lease liabilities	110	282	392
	<u>299</u>	<u>295</u>	<u>594</u>
	<u>(1,794)</u>	<u>(1,905)</u>	<u>(3,699)</u>
	As at 1 January 2025 RM'000	Recognised in profit or loss (Note 22) RM'000	As at 30 June 2025 RM'000
Deferred tax liabilities:			
Property, plant and equipment	(3,835)	(870)	(4,705)
Biological assets	(458)	458	-
	<u>(4,293)</u>	<u>(412)</u>	<u>(4,705)</u>
Deferred tax assets:			
Unabsorbed capital allowance	-	609	609
Tax losses	202	128	330
Lease liabilities	392	32	424
Biological assets	-	92	92
	<u>594</u>	<u>861</u>	<u>1,455</u>
	<u>(3,699)</u>	<u>449</u>	<u>(3,250)</u>

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**14. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)**Unrecognised deferred tax assets

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

	← 31.12.2021	31.12.2022	Audited as at 31.12.2023	31.12.2024	→ 30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	152	53	132	(162)	-
Unused tax losses	813	-	-	615	-
Lease liabilities	-	-	-	*	-
	965	53	132	453	-
Potential deferred tax benefit at 24%	232	13	32	109	-

* Less than RM1,000

The availability of unused tax losses for offsetting against future taxable profits in Malaysia are subject to requirements under the Income Tax, 1967 and guidelines issued by the tax authority.

The unused tax losses are available for offset against future taxable profits of the Group up to the following years:

	← 31.12.2021	31.12.2022	Audited as at 31.12.2023	31.12.2024	→ 30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
2025	30	-	-	-	-
2029	783	-	-	-	-
2034	-	-	-	615	-
	813	-	-	615	-

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****15. TRADE AND OTHER PAYABLES**

		← 31.12.2021	31.12.2022	Audited as at 31.12.2023	31.12.2024	→ 30.6.2025
	Note	RM'000	RM'000	RM'000	RM'000	RM'000
Trade						
Trade payables	(a)					
- Third parties		14,928	25,120	32,281	32,642	35,621
- Related parties		89	93	90	80	-
		<u>15,017</u>	<u>25,213</u>	<u>32,371</u>	<u>32,722</u>	<u>35,621</u>
Non-trade						
Other payables		3,121	5,654	3,896	5,731	5,764
Accruals		1,247	2,617	3,613	3,285	2,665
Deposits		426	676	1,091	1,352	1,075
Amount owing to directors	(b)	8,323	288	-	-	-
Amount owing to shareholders	(b)	2,500	-	-	-	-
Amount owing to related parties	(b)	-	6	-	-	-
		<u>15,617</u>	<u>9,241</u>	<u>8,600</u>	<u>10,368</u>	<u>9,504</u>
Total trade and other payables		<u>30,634</u>	<u>34,454</u>	<u>40,971</u>	<u>43,090</u>	<u>45,125</u>

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit term granted to the Group ranges from cash term to 90 days (31.12.2024, 31.12.2023, 31.12.2022 and 31.12.2021: cash term to 90 days).

(b) Amount owing to directors, shareholders and related parties

Amount owing to directors, shareholders and related parties are non-trade in nature, unsecured, non-interest bearing, repayable upon demand and are expected to be settled in cash.

For explanations on the Group's liquidity risk management processes, refer to Note 25(b)(ii).

16. REVENUE

	← Audited FYE 31 December →				Audited FPE 30 June	Unaudited
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from contract customers:						
Sale of goods	261,968	422,624	535,848	561,065	310,835	284,045
	<u>261,968</u>	<u>422,624</u>	<u>535,848</u>	<u>561,065</u>	<u>310,835</u>	<u>284,045</u>
Timing of revenue recognition:						
At a point in time	261,968	422,624	535,848	561,065	310,835	284,045
	<u>261,968</u>	<u>422,624</u>	<u>535,848</u>	<u>561,065</u>	<u>310,835</u>	<u>284,045</u>

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

17. OTHER INCOME

	Audited				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Gain on disposal of combined entity	-	-	484	-	-	-
Gain on disposal of property, plant and equipment	-	115	153	65	-	1
Gain on early termination of lease	54	10	130	18	6	8
Gain on lease modification	-	-	-	-	482	-
Rental income	-	15	36	36	18	18
Government subsidy	-	16,078	20,875	2,839	-	2,783
Waiver of debt	-	-	3	-	-	-
Miscellaneous	184	217	140	294	103	190
	238	16,435	21,821	3,252	609	3,000

18. FINANCE INCOME

	Audited				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Interest income from banks	12	26	78	181	127	82
Interest income on short-term deposits	49	12	8	10	-	-
Accretion of discount on other receivables	4	4	5	5	3	3
	65	42	91	196	130	85

19. FINANCE COSTS

	Audited				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Interest expense on:						
- Term loans	641	1,019	1,322	1,835	1,254	806
- Lease liabilities	35	238	526	1,287	632	626
- Hire purchase	39	67	99	354	212	97
- Trade finance	206	201	1,040	683	533	287
- Bank overdrafts	4	16	14	16	3	8
	925	1,541	3,001	4,175	2,634	1,824

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****20. PROFIT BEFORE TAX**

Other than disclosed elsewhere in the combined financial statements, the following items have been charged in arriving at profit before tax:

		Audited				Audited	Unaudited
		FYE 31 December				FPE 30 June	
	Note	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Auditors' remuneration - statutory audit:							
- Baker Tilly Monteiro Heng PLT		-	-	180	155	84	85
- Other auditors		73	113	-	-	-	-
Other services							
- Baker Tilly Monteiro Heng PLT		-	-	-	160	160	-
Depreciation of property, plant and equipment	5	2,501	3,650	5,574	8,315	4,709	3,913
Loss on disposal of property, plant and equipment		465	-	215	-	97	12
Property, plant and equipment written off		-	-	-	137	-	-
Bad debts written off		111	852	281	306	-	-
Deposit written off		-	113	-	-	-	-
Rental expense on:							
- premises		30	40	36	236	135	74
- equipment		147	196	121	26	8	19
- forklift		81	154	166	166	83	99
- office		15	10	44	41	-	-
- farm		244	286	561	371	140	219
- factory		256	181	50	5	-	-
Net realised foreign exchange loss		-	-	2	-	-	-
Employee benefits expense	21	7,512	11,216	15,978	21,921	14,542	10,943

21. EMPLOYEE BENEFITS EXPENSE

		Audited				Audited	Unaudited
		FYE 31 December				FPE 30 June	
		2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Salaries, wages, allowances and bonuses		6,754	9,984	14,268	20,049	13,392	10,103
Defined contribution plans		708	1,143	1,567	1,651	1,007	746
Other staff related benefits		50	89	143	221	143	94
		7,512	11,216	15,978	21,921	14,542	10,943

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**21. EMPLOYEE BENEFITS EXPENSE (CONTINUED)**

	← Audited →				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Included in employee benefits expense are:						
- Directors' remuneration	700	1,464	1,269	1,512	796	792
- Directors' defined contribution plans	91	190	165	197	106	77
- Directors' other related benefits	1	2	2	2	15	1
	792	1,656	1,436	1,711	917	870

22. INCOME TAX EXPENSE

The major components of income tax expense for the financial years ended 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and financial periods ended 30 June 2025 and 30 June 2024 are as follows:

	← Audited →				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Combined statement of comprehensive income						
Current income tax:						
- Current income tax charge	647	1,413	3,371	2,840	3,006	2,582
- Adjustment in respect of prior years/periods	46	21	16	17	658	17
- Real property gain tax	-	-	-	33	-	33
	693	1,434	3,387	2,890	3,664	2,632
Deferred tax (Note 14):						
- Origination/(Reversal) of temporary differences	82	974	271	1,473	(276)	706
- Adjustment in respect of prior years/periods	(271)	1	(4)	432	(173)	440
	(189)	975	267	1,905	(449)	1,146
Income tax expense recognised in profit or loss	504	2,409	3,654	4,795	3,215	3,778

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

22. INCOME TAX EXPENSE (CONTINUED)

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% of the estimated assessable profit for the financial years/period.

The reconciliations from the tax amount at the statutory income tax rate to the Group's tax expense are as follows:

	Audited				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Profit before tax	2,058	10,448	10,096	11,797	7,751	10,337
Tax at Malaysian statutory income tax rate of 24%	494	2,508	2,423	2,831	1,860	2,481
Adjustments:						
- Real property gain tax	-	-	-	33	-	33
- Income not subject to tax	-	(11)	(6)	(15)	-	-
- Special deduction on renovation and refurbishment of business premise	-	(97)	-	-	-	-
- Non-deductible expenses	399	206	1,206	1,420	979	810
- Deferred tax not recognised on tax losses and temporary differences	15	2	22	109	-	-
- Adjustment in respect of current income tax of prior years/periods	46	21	16	17	658	17
- Utilisation of previously unrecognised tax losses and temporary differences	(179)	(221)	(3)	(32)	(109)	(3)
- Adjustment in respect of deferred tax of prior years/periods	(271)	1	(4)	432	(173)	440
Income tax expense	504	2,409	3,654	4,795	3,215	3,778

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**23. EARNINGS PER SHARE****Basic earnings per ordinary share and diluted earnings per ordinary share**

Basic earnings per ordinary share are based on the profit for the financial years/periods attributable to owners of the Group and the weighted average number of ordinary shares outstanding during the financial years/periods.

Diluted earnings per ordinary share are based on the profit for the financial years/periods attributable to owners of the Group and the weighted average number of ordinary shares outstanding during the financial years plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The basic and diluted earnings per ordinary share are computed as follow:

	Audited				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
Profit attributable to owners of the Group (RM'000)	1,275	7,360	5,455	7,002	4,536	6,559
Weighted average number of ordinary shares for basic and diluted earnings per share^ (in '000 unit)	6,000	3,000	16,500	16,500	16,500	16,500
Basic and diluted earnings per share (RM)	0.21	2.45	0.33	0.42	0.27	0.40

For the purpose of this report, the weighted average number of ordinary shares for FYE 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and FPE 30 June 2025 and 30 June 2024 is the invested equity of the Group.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****24. DIVIDENDS**

	← Audited →				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Recognised during the financial year/period:						
Dividends on ordinary shares:						
- Single-tier interim dividend for the FYE 31 December 2021: RM61,000.00 per ordinary share, paid on 20 May 2022	-	122	-	-	-	-
- Single-tier interim dividend for the FYE 31 December 2022: RM0.51 per ordinary share, paid on 16 May 2023	-	-	231	-	-	-
	-	122	231	-	-	-

25. FINANCIAL INSTRUMENTS**(a) Categories of financial instruments**

The following table analyses the financial instruments in the combined statements of financial position by the classes of financial instruments to which they are assigned:

(i) Amortised cost

	Carrying amount RM'000	Amortised cost RM'000
At 31 December 2021		
Financial assets		
Trade and other receivables, less prepayments	14,724	14,724
Cash and short-term deposits	6,968	6,968
	<u>21,692</u>	<u>21,692</u>
Financial liabilities		
Loans and borrowings	(17,863)	(17,863)
Trade and other payables	(30,634)	(30,634)
	<u>(48,497)</u>	<u>(48,497)</u>

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**25. FINANCIAL INSTRUMENTS (CONTINUED)****(a) Categories of financial instruments (continued)**

The following table analyses the financial instruments in the combined statements of financial position by the classes of financial instruments to which they are assigned: (continued)

(i) Amortised cost (continued)

	Carrying amount RM'000	Amortised cost RM'000
At 31 December 2022		
Financial assets		
Other investments	180	180
Trade and other receivables, less prepayments	22,556	22,556
Cash and short-term deposits	18,297	18,297
	<u>41,033</u>	<u>41,033</u>
Financial liabilities		
Loans and borrowings	(29,977)	(29,977)
Trade and other payables	(34,454)	(34,454)
RNCPS	(13,500)	(13,500)
	<u>(77,931)</u>	<u>(77,931)</u>
At 31 December 2023		
Financial assets		
Trade and other receivables, less prepayments	28,877	28,877
Cash and short-term deposits	12,433	12,433
	<u>41,310</u>	<u>41,310</u>
Financial liabilities		
Loans and borrowings	(31,657)	(31,657)
Trade and other payables	(40,971)	(40,971)
	<u>(72,628)</u>	<u>(72,628)</u>

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**25. FINANCIAL INSTRUMENTS (CONTINUED)****(a) Categories of financial instruments (continued)**

The following table analyses the financial instruments in the combined statements of financial position by the classes of financial instruments to which they are assigned: (continued)

(i) Amortised cost (continued)

	Carrying amount RM'000	Amortised cost RM'000
At 31 December 2024		
Financial assets		
Trade and other receivables, less prepayments	31,437	31,437
Cash and short-term deposits	26,229	26,229
	<u>57,666</u>	<u>57,666</u>
Financial liabilities		
Loans and borrowings	(71,019)	(71,019)
Trade and other payables	(43,090)	(43,090)
	<u>(114,109)</u>	<u>(114,109)</u>
At 30 June 2025		
Financial assets		
Trade and other receivables, less prepayments	37,250	37,250
Cash and short-term deposits	26,174	26,174
	<u>63,424</u>	<u>63,424</u>
Financial liabilities		
Loans and borrowings	(86,036)	(86,036)
Trade and other payables	(45,125)	(45,125)
	<u>(131,161)</u>	<u>(131,161)</u>

(b) Financial risk management

The Group's activities are exposed to a variety of financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk. The Group's overall financial risk management objective is to optimise value for its shareholders. The Group does not trade in financial instruments.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**25. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)**

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management.

(i) Credit risk

Credit risk is the risk of financial loss to the Group that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The Group has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures.

The Group considers a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group in full, without taking into account any credit enhancements held by the Group; or
- the contractual payment of the financial asset is more than credit term unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting period, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Those events evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**25. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(i) Credit risk (continued)****Trade receivables**

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

The carrying amount of trade receivables are not secured by any collateral or supported by any other credit enhancements. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group uses ageing analysis to monitor the credit quality of trade receivables. In managing credit risks of trade receivables, the Group also takes appropriate actions (including but not limited to legal actions) to recover long past due balances.

Credit risk concentration profile

At the end of the reporting periods, the Group has a significant concentration of credit risk in the form of Nil (31.12.2024: one (1), 31.12.2023, 31.12.2022 and 31.12.2021: Nil) major trade receivables, representing approximately Nil% (31.12.2024: 12%, 31.12.2023, 31.12.2022 and 31.12.2021: Nil%) of the Group's total trade receivables.

The Group applies the simplified approach to provide for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected losses provision for all trade receivables. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information. There is no impairment loss recognised during the financial years/periods.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables (continued)

The information about the credit risk exposure on the Group's trade receivables are as follows:

	Trade receivables						
	Current	1 to 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 120 days past due	> 120 days past due	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 December 2021							
Gross carrying amount at default	8,284	2,548	159	69	48	758	11,866
Impairment losses	-	-	-	-	-	-	-
Net balance	8,284	2,548	159	69	48	758	11,866
At 31 December 2022							
Gross carrying amount at default	15,968	3,204	168	16	2	20	19,378
Impairment losses	-	-	-	-	-	-	-
Net balance	15,968	3,204	168	16	2	20	19,378

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables (continued)

The information about the credit risk exposure on the Group's trade receivables are as follows: (continued)

	Trade receivables						
	Current	1 to 30	31 to 60	61 to 90	91 to 120	> 120	Total
	RM'000	days	days	days	days	days	RM'000
		past due	past due	past due	past due	past due	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 December 2023							
Gross carrying amount at default	18,690	4,070	102	10	21	88	22,981
Impairment losses	-	-	-	-	-	-	-
Net balance	18,690	4,070	102	10	21	88	22,981
At 31 December 2024							
Gross carrying amount at default	19,254	3,903	427	71	52	246	23,953
Impairment losses	-	-	-	-	-	-	-
Net balance	19,254	3,903	427	71	52	246	23,953

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables (continued)

The information about the credit risk exposure on the Group's trade receivables are as follows: (continued)

	Trade receivables					
	Current	1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	> 120 days
	RM'000	past due RM'000	past due RM'000	past due RM'000	past due RM'000	past due RM'000
At 30 June 2025						
Gross carrying amount at default	23,966	3,890	280	96	82	803
Impairment losses	-	-	-	-	-	-
Net balance	23,966	3,890	280	96	82	803

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**25. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(i) Credit risk (continued)****Other receivables and other financial assets**

For other receivables and other financial assets (including cash and cash equivalents), the Group minimises credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's maximum exposure to credit risk arising from other financial assets is represented by the carrying amount of each class of financial assets recognised in the combined statements of financial position.

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. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated, where applicable:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- actual or expected significant changes in the operating results of the counterparty;
- significant increases in credit risk on other financial instruments of the same counterparty;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- significant changes in the expected performance and behaviour of the counterparty, including changes in the payment status of counterparties in the group and changes in the operating results of the counterparty.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than the credit term in making a contractual payment.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**25. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(i) Credit risk (continued)****Other receivables and other financial assets (continued)**

Some intercompany balances between entities within the Group comprise advances which are repayable on demand. The Group regularly monitors the financial performance and position of these entities on an individual basis. When these entities' financial performance and position deteriorates significantly, the Group assumes that there is a significant increase in credit risk, and thereby a lifetime expected credit loss assessment is necessary. As the Group is able to determine the timing of repayment of the loans and advances, the Group will consider the advances to be in default when these entities are unable to pay based on the expected manner of recovery and recovery period. The Group determines the probability of default for these advances using internally available information. The Group considers the advances to be credit-impaired when the entities are unlikely to repay their debts.

As at the end of the reporting date, the Group considers the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations when they fall due. The Group's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's exposure to liquidity risk arise principally from trade and other payables and loans and borrowings.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group maintains sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group uses a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's finance department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis

The maturity analysis of the Group's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows:

			Contractual cash flows		
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 and 5 years RM'000	More than 5 years RM'000	Total RM'000
At 31 December 2021					
Trade and other payables	30,634	30,634	-	-	30,634
Term loans	15,852	2,469	9,710	7,616	19,795
Lease liabilities	508	385	142	-	527
Hire purchase payables	647	267	458	-	725
Trade finance	917	917	-	-	917
Bank overdrafts	447	447	-	-	447
	49,005	35,119	10,310	7,616	53,045
At 31 December 2022					
Trade and other payables	34,454	34,454	-	-	34,454
Term loans	22,883	3,285	12,731	12,958	28,974
Lease liabilities	4,762	1,310	4,260	-	5,570
Hire purchase payables	1,592	479	1,304	-	1,783
Trade finance	5,502	5,502	-	-	5,502
RNCPS	13,500	-	13,500	-	13,500
	82,693	45,030	31,795	12,958	89,783
At 31 December 2023					
Trade and other payables	40,971	40,971	-	-	40,971
Term loans	19,984	3,568	11,852	9,107	24,527
Lease liabilities	14,952	2,199	9,812	7,400	19,411
Hire purchase payables	1,933	488	1,731	-	2,219
Trade finance	9,740	9,740	-	-	9,740
	87,580	56,966	23,395	16,507	96,868

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)

The maturity analysis of the Group's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows: (continued)

		← Contractual cash flows →			
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 and 5 years RM'000	More than 5 years RM'000	Total RM'000
At 31 December 2024					
Trade and other payables	43,090	43,090	-	-	43,090
Term loans	45,731	7,632	22,131	28,200	57,963
Lease liabilities	19,585	6,850	8,957	9,145	24,952
Hire purchase payables	6,990	1,901	5,812	281	7,994
Trade finance	18,298	18,298	-	-	18,298
	133,694	77,771	36,900	37,626	152,297
At 30 June 2025					
Trade and other payables	45,125	45,125	-	-	45,125
Term loans	60,959	9,512	29,832	42,137	81,481
Lease liabilities	19,246	7,196	8,932	8,180	24,308
Hire purchase payables	6,790	2,014	5,420	228	7,662
Trade finance	18,287	18,287	-	-	18,287
	150,407	82,134	44,184	50,545	176,863

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments as a result of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its loans and borrowings with floating interest rates.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

25. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Interest rate risk (continued)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and profit for the financial years/period:

	Carrying amount RM'000	Change in basis points	Effect on equity and profit for the financial year/period RM'000
At 31 December 2021			
Term loans	15,852	+50	(60)
		-50	60
Trade finance	917	+50	(3)
		-50	3
Bank overdrafts	447	+50	(2)
		-50	2
At 31 December 2022			
Term loans	22,883	+50	(87)
		-50	87
Trade finance	5,502	+50	(21)
		-50	21
At 31 December 2023			
Term loans	19,984	+50	(76)
		-50	76
Trade finance	9,740	+50	(37)
		-50	37

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**25. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(iii) Interest rate risk (continued)**Sensitivity analysis for interest rate risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and profit for the financial years/period: (continued)

	Carrying amount RM'000	Change in basis points	Effect on equity and profit for the financial year/period RM'000
At 31 December 2024			
Term loans	45,731	+50	(174)
		-50	174
Trade finance	18,298	+50	(70)
		-50	70
At 30 June 2025			
Term loans	60,959	+50	(232)
		-50	232
Trade finance	18,287	+50	(69)
		-50	69

(c) Fair value measurement

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

There have been no transfers between Level 1 and Level 2 during the financial period/years (31.12.2024, 31.12.2023, 31.12.2022 and 31.12.2021: no transfer in either direction).

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**25. FINANCIAL INSTRUMENTS (CONTINUED)****(c) Fair value measurement (continued)**

The following table provide the fair value measurement hierarchy of the Group's financial instruments:

	Carrying amount RM'000	Fair value of financial instruments not carried at fair value			
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 31 December 2021					
Financial liability					
Non-current					
Term loans	15,023	-	-	14,248	14,248
At 31 December 2022					
Financial liability					
Non-current					
Term loans	20,855	-	-	17,859	17,859
At 31 December 2023					
Financial liability					
Non-current					
Term loans	17,333	-	-	14,639	14,639
At 31 December 2024					
Financial liability					
Non-current					
Term loans	39,815	-	-	33,224	33,224
At 30 June 2025					
Financial liability					
Non-current					
Term loans	54,193	-	-	47,414	47,414

Level 3 fair valueFair value of financial instruments not carried at fair value

The fair value of liability component of term loans is calculated based on the present value of future principal and interest cash flows, discounted at the market interest rate of similar liabilities.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. COMMITMENTS**

The Group has made commitments for the following capital expenditures:

	← Audited as at →				
	31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Approved and contracted for:					
- Freehold land and plantations	-	1,780	4,380	2,304	2,304
- Leasehold land	-	-	-	-	4,000
- Plants, machinery and equipment	-	164	6,916	457	2,910
- Construction of parent stock farms	-	-	-	2,727	5,158
- Installation of breeding equipment and infrastructure system	-	-	10,776	12,598	9,267
	-	1,944	22,072	18,086	23,639
Approved and not contracted for:					
- Construction of parent stock farms	-	-	30,120	24,527	15,773
- Installation of breeding equipment and infrastructure system	-	-	3,392	2,780	-
- Construction of hatchery	-	-	9,250	9,250	9,250
- Installation of hatchery equipment and infrastructure system	-	-	22,800	22,800	22,800
	-	-	65,562	59,357	47,823

27. RELATED PARTIES**(a) Identity of related parties**

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Entity in which person connected to the Promoters and substantial shareholders;
- (ii) Entity in which a director of combining entity has interest;
- (iii) Entity in which a director has indirect interest; and
- (iv) Key management personnel of the Group, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****27. RELATED PARTIES (CONTINUED)****(b) Significant related party transactions**

Significant related party transactions other than disclosed elsewhere in the combined financial statements are as follows:

	← Audited →				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Sales of goods						
- Entity in which a director of combining entity has interest	12,082	13,854	2,769	-	-	-
- Entities in which person connected to the Promoter and substantial shareholders	-	-	-	-	1	-
Purchase of goods						
- Entity in which a director of combining entity has interest	15,071	17,398	3,406	-	-	-
- Entities in which person connected to the Promoter and substantial shareholders	18	33	41	57	30	24
Secondment of workers						
- Entity in which a director of combining entity has interest	34	28	7	-	-	-
Provision of logistic services						
- Entities in which person connected to the Promoter and substantial shareholders	921	1,085	1,527	1,165	617	644
Rental charged by						
- Entity in which a director has indirect interest	-	33	-	-	-	-

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Note 6 and 15.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**27. RELATED PARTIES (CONTINUED)****(c) Compensation of key management personnel**

	← Audited →				Audited	Unaudited
	FYE 31 December				FPE 30 June	
	2021	2022	2023	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Salaries, allowances and bonuses	1,557	1,812	1,938	2,539	1,383	599
Defined contribution plans	202	236	253	328	183	78
Other staff related expenses	4	4	4	2	29	19
	1,763	2,052	2,195	2,869	1,595	696

28. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholders value. The Group manages its capital structure and make 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 and processes during the financial years ended 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 and financial period ended 30 June 2025.

The Group monitors capital using gearing ratio. The gearing ratio is calculated as total debts divided by total equity. The gearing ratio as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025 are as follows:

		← Audited as at →				
		31.12.2021	31.12.2022	31.12.2023	31.12.2024	30.6.2025
		RM'000	RM'000	RM'000	RM'000	RM'000
	Note					
Loans and borrowings/total debts	13	18,371	34,739	46,609	90,604	105,282
Total equity		25,795	30,712	50,181	57,183	61,719
Gearing ratio (times)		0.71	1.13	0.93	1.58	1.71

There were no changes in the Group's approach to capital management during the financial years/period under review.

A subsidiary of the Group is required to maintain a gearing ratio of 2.50 times to comply with a bank covenant. The subsidiary has not breached the covenant.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS/PERIODS

(a) Acquisition of lands and plants and equipment

- (i) On 1 May 2025, GBSB entered into a sale and purchase agreement with a third party for the purchase of the following:
 - (a) a piece of leasehold land measuring approximately 4,977 square meters for consideration of RM1,916,000;
 - (b) a piece of leasehold land measuring approximately 5,526 square meters for consideration of RM2,084,000; and
 - (c) all the fixtures and machineries at the Ipoh processing plant listed in the sale and purchase agreement for consideration of RM1,800,000.
- (ii) On 9 December 2024, FBFSB entered into a sale and purchase agreement with third parties for the purchase of the following properties:
 - (a) a piece of freehold land measuring approximately 1.7983 hectares for consideration of RM996,890;
 - (b) a piece of freehold land measuring approximately 1.7958 hectares for consideration of RM995,480;
 - (c) a piece of freehold land measuring approximately 1.8084 hectares for consideration of RM1,002,490; and
 - (d) a piece of freehold land measuring approximately 1.8059 hectares for consideration of RM1,001,090.
- (iii) On 27 June 2024, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold land measuring approximately 2.638 hectares for consideration of RM1,160,204.
- (iv) On 27 June 2024, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold land measuring approximately 2.638 hectares for consideration of RM1,160,204.
- (v) On 24 April 2024, GBSB entered into a sale and purchase agreement with a third party for the purchase of the following properties:
 - (a) a piece of freehold agricultural land measuring approximately 1.204 hectares for consideration of RM1,041,300; and
 - (b) the plantations situated on the piece of freehold agricultural land for consideration of RM446,300.
- (vi) On 23 April 2024, GBSB entered into a sale and purchase agreement with a third party for the purchase of a piece of freehold agricultural land measuring approximately 1.146 hectares for consideration of RM1,330,100.
- (vii) On 17 April 2024, GBSB entered into a sale and purchase agreement with a third party for the purchase of a piece of freehold agricultural land measuring approximately 1.189 hectares for consideration of RM2,303,694.
- (viii) On 26 February 2024, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold agricultural land measuring approximately 2.4281 hectares for consideration of RM564,000.
- (ix) On 30 January 2024, FBFSB entered into a sale and purchase agreement with a third party for the purchase of a piece of freehold agricultural land measuring approximately 2.4281 hectares for consideration of RM564,000.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS/PERIODS (CONTINUED)

(a) Acquisition of lands and plants and equipment (continued)

- (x) On 23 January 2024, FBFSB entered into a sale and purchase agreement with a third party for the purchase of a piece of freehold agricultural land measuring approximately 4.8562 hectares for consideration of RM1,128,000.
- (xi) On 29 December 2023, FARSB entered into a sale and purchase agreement with a third party for the purchase of the following properties and assets:
 - (a) a piece of freehold agricultural land measuring approximately 2.5242 hectares for consideration of RM1,200,000;
 - (b) a piece of freehold agricultural land measuring approximately 2.5268 hectares for consideration of RM1,200,000; and
 - (c) the plants and equipments as set out in the sale and purchase agreement for consideration of RM5,600,000.
- (xii) On 19 October 2023, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold land measuring approximately 4.0443 hectares for consideration of RM1,099,305.12.
- (xiii) On 25 September 2023, FARSB entered into a sale and purchase agreement with third parties for the purchase of all that piece of a freehold land measuring approximately 2.02344 hectares for a consideration of RM550,000.
- (xiv) On 25 September 2023, FARSB entered into a sale and purchase agreement with third parties for the purchase of all that piece of a freehold land measuring approximately 1.2166 hectares for a consideration of RM330,680.
- (xv) On 21 September 2023, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold agriculture land measuring approximately 4.4541 hectares for consideration of RM1,320,000.
- (xvi) On 26 July 2023, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold land measuring approximately 4.0165 hectares for consideration of RM1,091,750.
- (xvii) On 18 July 2023, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold agriculture land measuring approximately 1.93 hectares for consideration of RM596,125.
- (xviii) On 22 February 2023, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold agriculture land measuring approximately 7.947 hectares for consideration of RM2,415,351.
- (xix) On 16 January 2023, FARSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold agriculture land measuring approximately 2.0614 hectares for consideration of RM1,018,400.
- (xx) On 5 December 2022, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold agriculture land measuring approximately 3.1515 hectares for consideration of RM661,895.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS/PERIODS (CONTINUED)

(a) Acquisition of lands and plants and equipment (continued)

- (xxi) On 5 December 2022, FBFSB entered into a sale and purchase agreement with a third party for the purchase of the following properties and assets:
 - (a) a piece of freehold agricultural land measuring approximately 3.1565 hectares for consideration of RM633,000; and
 - (b) a piece of freehold agricultural land measuring approximately 2.1651 hectares for consideration of RM454,750.
- (xxii) On 1 November 2022, FARSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold agriculture land measuring approximately 1.7784 hectares for consideration of RM1,300,000.
- (xxiii) On 4 August 2022, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold agriculture land measuring approximately 1.98 hectares for consideration of RM577,256.
- (xxiv) On 4 August 2022, FBFSB entered into a sale and purchase agreement with third parties for the purchase of a piece of freehold agriculture land measuring approximately 1.981 hectares for consideration of RM577,610.

(b) Disposal of lands

- (i) On 27 November 2024, FBFSB entered into a sale and purchase agreement with a third party for the sale of a piece of freehold agriculture land measuring approximately 2.4281 hectares for a disposal consideration of RM564,000.
- (ii) On 27 November 2024, FBFSB entered into a sale and purchase agreement with a third party for the sale of a piece of freehold agriculture land measuring approximately 2.4281 hectares for a disposal consideration of RM564,000.
- (iii) On 27 November 2024, FBFSB entered into a sale and purchase agreement with a third party for the sale of a piece of freehold agriculture land measuring approximately 4.8562 hectares for a disposal consideration of RM1,128,000.
- (iv) On 15 August 2023, FBFSB entered into a sale and purchase agreement with a third party for the sale of a piece of freehold land measuring approximately 4.015 hectares for consideration of RM1,091,343.
- (v) On 7 March 2023, FBFSB entered into a sale and purchase agreement with a third party for the sale of the following properties and assets:
 - (a) a piece of freehold land measuring approximately 1.98 hectares for consideration of RM489,268.70; and
 - (b) a piece of freehold agricultural land measuring approximately 1.981 hectares for consideration of RM489,515.76.
- (vi) On 8 November 2021, FBFSB entered into a sale and purchase agreement with third parties for the sale of a piece of freehold property measuring approximately 3.957 hectares for consideration of RM635,505.00.

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS/PERIODS (CONTINUED)****(c) Pre-IPO Restructuring**

On 3 March 2025, Farmiera entered into a conditional share sale agreement to acquire the entire equity interest in FHSB comprising 16,500,000 ordinary shares in FHSB from HHS Global Sdn. Bhd., Keystone Capital Sdn. Bhd., TCH Capital Sdn. Bhd., Small Boss Enterprise Sdn. Bhd., Himpunan Jaya Sdn. Bhd., and Kien Huat Fishery Sdn. Bhd. ("FHSB Vendors") for a total purchase consideration of RM55.31 million ("Purchase Consideration").

The Purchase Consideration of RM55.31 million was arrived at on a willing-buyer willing-seller basis, after taking into consideration the audited consolidated net assets of FHSB as at 30 September 2024 of approximately RM55.31 million.

The Purchase Consideration was satisfied via the issuance and allotment of 332,999,900 new Shares at an issue price of approximately RM0.166 per Share, which were allotted to Asas Juara Sdn. Bhd, being the nominee appointed by the FHSB Vendors to receive such Shares.

The Pre-IPO Restructuring has been completed on 14 August 2025.

30. SEGMENT INFORMATION

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

The three reportable operating segments are as follow:

Segments	Product and services
Poultry farming	Self-operated farms and contract farms, where live broilers (including broiler day old chicks, feed, vaccines and medicines) are sold and trading of live broilers sourced from third-party suppliers.
Poultry processing	Comprises the processing and distribution of Halal certified raw poultry products.
Others	Investment holding, provision of management services and dormant.

Inter-segment pricing is determined on negotiated basis.

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION (CONTINUED)

Segment profit

Segment performance is used to measure performance as Group's Managing Director believes that such information is the most relevant in evaluating the results of certain segment relative to other entities that operate within these industries.

Segment assets and liabilities

Segment assets and liabilities information are neither included in the internal management reports nor provided regularly to the Managing Director. Hence, no disclosure is made on segments assets and liabilities.

	Poultry farming RM'000	Poultry processing RM'000	Others RM'000	Adjustment and elimination RM'000	Total RM'000
FYE 31 December 2021					
Revenue:					
Revenue from external customers	171,545	90,423	-	-	261,968
Inter-segment revenue	189,961	4,643	4,628	(199,232)	-
Total segment revenue	361,506	95,066	4,628	(199,232)	261,968
Results:					
<i>Included in the measure of segment profit is:</i>					
Depreciation of property, plant and equipment	(2,081)	(269)	(151)	-	(2,501)
Employee benefits expense	(3,053)	(1,308)	(3,151)	-	(7,512)
Finance income	65	-	-	-	65
Finance costs	(882)	(39)	(4)	-	(925)
Segment profit	2,218	210	501	(871)	2,058
Income tax expense	(671)	(27)	(21)	215	(504)
Profit for the financial year	1,547	183	480	(656)	1,554

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD****Accountants' Report****NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****30. SEGMENT INFORMATION (CONTINUED)**

	Poultry farming RM'000	Poultry processing RM'000	Others RM'000	Adjustment and elimination RM'000	Total RM'000
FYE 31 December 2022					
Revenue:					
Revenue from external customers	217,047	205,577	-	-	422,624
Inter-segment revenue	304,008	5,093	4,980	(314,081)	-
Total segment revenue	521,055	210,670	4,980	(314,081)	422,624
Results:					
<i>Included in the measure of segment profit is:</i>					
Depreciation of property, plant and equipment	(2,052)	(1,400)	(198)	-	(3,650)
Employee benefits expense	(3,742)	(3,346)	(4,128)	-	(11,216)
Finance income	42	-	-	-	42
Finance costs	(1,253)	(284)	(4)	-	(1,541)
Segment profit	8,882	1,798	119	(351)	10,448
Income tax expense	(2,374)	(389)	(64)	418	(2,409)
Profit for the financial year	6,508	1,409	55	67	8,039

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION (CONTINUED)

	Poultry farming RM'000	Poultry processing RM'000	Others RM'000	Adjustment and elimination RM'000	Total RM'000
FYE 31 December 2023					
Revenue:					
Revenue from external customers	266,788	269,060	-	-	535,848
Inter-segment revenue	320,161	5,068	8,413	(333,642)	-
Total segment revenue	586,949	274,128	8,413	(333,642)	535,848
Results:					
<i>Included in the measure of segment profit is:</i>					
Depreciation of property, plant and equipment	(3,239)	(2,136)	(199)	-	(5,574)
Employee benefits expense	(5,150)	(5,629)	(5,199)	-	(15,978)
Finance income	67	24	-	-	91
Finance costs	(1,680)	(1,211)	(110)	-	(3,001)
Segment profit	4,916	4,653	399	128	10,096
Income tax expense	(1,798)	(972)	(496)	(388)	(3,654)
Profit for the financial year	3,118	3,681	(97)	(260)	6,442

14. ACCOUNTANTS' REPORT (Cont'd)
FARMIERA BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)
30. SEGMENT INFORMATION (CONTINUED)

	Poultry farming RM'000	Poultry processing RM'000	Others RM'000	Adjustment and elimination RM'000	Total RM'000
FYE 31 December 2024					
Revenue:					
Revenue from external customers	268,781	292,284	-	-	561,065
Inter-segment revenue	166,074	12	7,584	(173,670)	-
Total segment revenue	434,855	292,296	7,584	(173,670)	561,065
Results:					
<i>Included in the measure of segment profit is:</i>					
Depreciation of property, plant and equipment	(4,978)	(2,951)	(386)	-	(8,315)
Employee benefits expense	(6,336)	(9,399)	(6,186)	-	(21,921)
Finance income	117	-	79	-	196
Finance costs	(3,304)	(820)	(51)	-	(4,175)
Segment profit	9,255	4,245	(1,703)	-	11,797
Income tax expense	(3,617)	(1,375)	197	-	(4,795)
Profit for the financial year	5,638	2,870	(1,506)	-	7,002

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION (CONTINUED)

	Poultry farming RM'000	Poultry processing RM'000	Others RM'000	Adjustment and elimination RM'000	Total RM'000
FPE 30 June 2025					
Revenue:					
Revenue from external customers	156,198	154,637	-	-	310,835
Inter-segment revenue	115,962	8	3,792	(119,762)	-
Total segment revenue	272,160	154,645	3,792	(119,762)	310,835
Results:					
<i>Included in the measure of segment profit is:</i>					
Depreciation of property, plant and equipment	(2,663)	(1,711)	(335)	-	(4,709)
Employee benefits expense	(4,010)	(6,893)	(3,639)	-	(14,542)
Finance income	69	57	4	-	130
Finance costs	(2,091)	(484)	(59)	-	(2,634)
Segment profit	6,035	3,265	(1,549)	-	7,751
Income tax expense	(2,338)	(914)	37	-	(3,215)
Profit for the financial period	3,697	2,351	(1,512)	-	4,536

14. ACCOUNTANTS' REPORT (Cont'd)

FARMIERA BERHAD

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

30. SEGMENT INFORMATION (CONTINUED)

	Poultry farming RM'000	Poultry processing RM'000	Others RM'000	Adjustment and elimination RM'000	Total RM'000
FPE 30 June 2024 (Unaudited)					
Revenue:					
Revenue from external customers	135,932	148,113	-	-	284,045
Inter-segment revenue	75,781	7	3,792	(79,580)	-
Total segment revenue	211,713	148,120	3,792	(79,580)	284,045
Results:					
<i>Included in the measure of segment profit is:</i>					
Depreciation of property, plant and equipment	(2,477)	(1,309)	(127)	-	(3,913)
Employee benefits expense	(3,338)	(4,663)	(2,942)	-	(10,943)
Finance income	49	36	*	-	85
Finance costs	(1,500)	(318)	(6)	-	(1,824)
Segment profit	9,600	1,843	(1,106)	-	10,337
Income tax expense	(3,114)	(734)	70	-	(3,778)
Profit for the financial period	6,486	1,109	(1,036)	-	6,559

* Less than RM1,000

14. ACCOUNTANTS' REPORT (Cont'd)**FARMIERA BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****30. SEGMENT INFORMATION (CONTINUED)**Geographical information

The Group operates solely in Malaysia, hence, no geographical segment is presented.

Information about major customers

Revenue from external customer which contributed 10% or more to the total revenue recognised is as follows:

	FYE 31 December 2021 RM'000
Customer A	59,114
	FYE 31 December 2022 RM'000
Customer A	92,270
	FYE 31 December 2023 RM'000
Customer A	95,013
	FYE 31 December 2024 RM'000
Customer A	93,226
	FPE 30 June 2025 RM'000
Customer A	48,014

15. ADDITIONAL INFORMATION**15.1 EXTRACTS OF OUR CONSTITUTION**

The following provisions are extracted from our Constitution and is qualified in its entirety by the remainder of our Constitution and by applicable law.

The words and expressions appearing in the following provisions shall bear the same meanings used in our Constitution unless otherwise defined or the context otherwise requires.

(i) Remuneration, voting and borrowing powers of Directors

The provisions in our Constitution dealing with remuneration, voting and borrowing power of Directors are as follows:

Remuneration of Directors**Clause 114 – Remuneration**

Subject to the Act and the Listing Requirements, the fees and any benefits payable to the Directors shall be subject to annual shareholders' approval at a general meeting and such fixed sum as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office provided always that:-

- (a) fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;
- (b) salaries payable to executive Directors may not include a commission on or percentage of turnover;
- (c) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and
- (d) any fee paid to an alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Clause 115 – Reimbursement and special remuneration

- (a) The Directors shall be entitled to be reimbursed for all travelling or such other reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in connection with or about the business of the Company in the course of the performance of their duties as Directors.
- (b) If by arrangement with the Directors, any Director shall perform or render any special duties or service's outside his ordinary duties as a Director in particular without limiting to the generality of the foregoing if any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Directors may pay him special remuneration, in addition to his Director's fees, and such special remuneration may be by way of a fixed sum, or otherwise as may be arranged subject to any other provisions of this Constitution.

15. ADDITIONAL INFORMATION (Cont'd)**Clause 147 – Remuneration of Chief Executive Officer / Managing Director / Executive Director**

The remuneration of the CEO / MD / ED or any person holding an equivalent position, shall, from time to time, be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but such remuneration shall not include a commission on or percentage of turnover but it may be a term of their appointment that they shall receive a pension, gratuity or other benefits upon their retirement.

Directors voting powers**Clause 134 – Declaration of interest**

Every Director shall comply with the provisions of Sections 219 and 221 of the Act in connection with the disclosure of his shareholding and interests in the Company and his interest in any contract or proposed contract with the Company and in connection with the disclosure, every Director shall state the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly, duties or interests might be created in conflict with his duty or interest as a Director of the Company.

Clause 135 – Restriction on voting

Subject to the Act, a Director shall not participate in any discussion or vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest and if he shall do so his vote shall not be counted, but this prohibition shall not apply to:-

- (a) any arrangement for giving the Director himself or any other Director any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company or any of its subsidiaries;
- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of a security.
- (c) Any contract by a Director to subscribe for or underwrite shares or debentures of the Company; or
- (d) Any contract or arrangement with any other company in which he is interested only as an officer of the Company or as a holder of shares or other securities in that company.

Clause 138 – Director's interest in corporation promoted by the Company

A Director of the Company may be or become a Director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise or any corporation which is, directly and indirectly, interested in the Company as a shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such corporation unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as Directors of such other corporation in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the Directors or other officers of such corporation), and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be, or is about to be appointed a Director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in the manner aforesaid provided always that he has complied with Sections 219, 221 and all other relevant provisions of the Act, the Listing Requirements and of this Constitution.

15. ADDITIONAL INFORMATION (Cont'd)

Directors' borrowing powers

Clause 119 – Directors' borrowing powers

- (a) Subject to the Act and the Listing Requirement, the Directors may exercise all the powers of the Company to do all of the following for any debt, liability or obligation of the Company or of any related party (as defined in Section 7 of the Act) –
- (i) borrow money;
 - (ii) mortgage or charge its undertakings, property and uncalled capital, or any part thereof;
 - (iii) issue debentures and other securities whether outright or as security
 - (iv) lend and advance money or give credit to any person or company;
 - (v) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company; and/or
 - (vi) secure or undertake in any way the repayment of moneys lent or advances to or the liabilities incurred by any person or company; and otherwise to assist any person or of any related party,
- provided always that nothing contained in this Constitution shall authorise the Directors to borrow any money or mortgage or charge any of the Company's undertaking, property or any uncalled capital or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.
- (b) The Directors shall cause a proper register to be kept in accordance with Section 362 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified or otherwise.
- (c) If the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

(ii) Changes to Share Capital

The provisions in our Constitution dealing with changes to share capital are as follows:

Clause 59 – Power to increase capital

The Company may from time to time, whether all the shares for the time being issued shall have been fully paid up or not, by ordinary resolution passed at the general meeting increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amount and to carry such rights or to be subject to such conditions or restriction in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase directs, and if no direction to be given, as the Directors shall determine and in particular, but without prejudice to the rights attached to any preference shares that may have been issued, such new shares may be issued with a preferential or qualified right to dividends, and in the distribution of the assets of the Company and with a special or restricted or without any right of voting.

15. ADDITIONAL INFORMATION (Cont'd)**Clause 60 – Issue of new Shares**

Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the directors may dispose of those shares or securities in such manner as they think most beneficial to the company. The directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the directors, be conveniently offered under this Constitution. For the avoidance of doubt, where the approval of Members is obtained in a general meeting for any issuance of shares or convertible securities, including approvals obtained under Sections 75 and 76 of the Act, such approval shall be deemed to be a direction to the contrary given in general meeting which will render the pre-emptive rights above inapplicable. In any case and in respect of any issuance of shares or convertible securities, the pre-emptive rights of Members are strictly as contained in the Constitution and accordingly, the provisions of Section 85 of the Act in respect of pre-emptive rights to new shares, shall not apply.

Clause 62 – Power to alter capital

Subject to the provision of the Act and Listing Requirements, the Company may by passing an ordinary resolution:

- (a) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;
- (b) convert all or any of its paid-up shares into stock and reconvert that stock into fully-paid shares; or
- (c) subdivide its shares or any of the shares, whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived.

Clause 64 – Reduction of capital

The Company may reduce its share capital, or any un-distributable reserve in any manner and with and subject to any incident authorised and consent required by such applicable laws and by way of passing:-

- (a) special resolution and confirmation by the Court in accordance with Section 116 of the Act; or
- (b) special resolution supported by a solvency statement in accordance with Section 117 of the Act.

15. ADDITIONAL INFORMATION (Cont'd)

(iii) Transfer of securities

The provision in our Constitution dealing with transfer of securities is as follows:

Clause 43 – Transfer of securities

The transfer of any Deposited Security or class of Deposited Security of the Company, shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Deposited Security.

Clause 45 – No restriction on the transfer of fully paid Securities

Subject to this Constitution, the SICDA and the Rules, there shall be no restriction on the transfer of fully paid Securities except where required by law or the relevant regulations. However, no share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

Clause 46 – Refusal to register transfer

The Depository may refuse to register any transfer of Deposited Security that does not comply with the SICDA or the Rules.

Clause 48 – Suspension of registration

Subject to the provisions of the Act, the SICDA, the Rules and the Listing Requirements, the registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine provided always that no part of the Register may be closed for such periods as the Directors may from time to time determine provided always that it shall not be closed for more than thirty (30) days in any year. Any notice of intention to close the Register and the reason therefor shall be given to the Exchange, such closure of the Register shall be at least ten (10) Market Days (or such other period as prescribed by the Exchange from time to time) after the date of notification to the Exchange stating the purpose or purposes for the suspension. In this respect, the Company shall request the Depository, in accordance with the Rules, to issue the appropriate Record of Depositors.

(iv) Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights

The provisions in our Constitution dealing with rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation, and any special rights are as follows:

Clause 8 – Rights of preference shareholders

Subject to the Act and the Listing Requirements, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed and the Company shall not unless with the consent of the existing preference shareholders at a class of meeting issue preference shares ranking in priority above preference shares already issued, but may issue preference shares ranking equally therewith. Preference shareholders shall have:

- (i) the same rights as ordinary shareholders as regards receiving notices, reports and audited accounts and attending general meetings of the Company; and

15. ADDITIONAL INFORMATION (Cont'd)

- (ii) the right to vote at any meeting convened for the purpose of reducing the capital of the Company or on a proposal to wind up or during the winding up of the Company, or sanctioning a sale of the whole of the Company's undertaking, property or business, or where any resolution to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares or part of the dividend is in arrears for more than six (6) months.

Clause 9 – Repayment of preference capital

The repayment of preference share capital (other than redeemable preference shares), or any other alteration of preference shares and their Member's rights shall only be made:

- (i) with the sanction of a special resolution of the preference shareholders concerned; or
- (ii) where the necessary majority for such a special resolution under Clause 8(i) is not obtained at the meeting, consent in writing if obtained from the holders of seventy-five per centum (75%) of the preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Clause 20 – Alteration of class rights

Subject to Section 91 of the Act, if at any time the share capital of the Company is divided into different classes of shares or groups the special rights attached to any class or group may subject to the provisions of this Constitution (unless otherwise provided by the terms of issue of the shares of the class) may, either with the consent in writing of the holders of not less than seventy-five per centum (75%) of the total voting rights of Members in that class or group, or with the sanction of any special resolution passed at a separate general meeting of such holders (but not otherwise), be modified or abrogated, and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, and such writing or resolution shall be binding upon all the holders of shares of the class. To every such separate general meeting all the provisions of this Constitution relating to general meetings or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons at least holding at least one-third (1/3) of the number of issued shares of such class, excluding any shares of that class held as treasury shares and that any holder of shares of the class present in person or by proxy may demand a poll and shall be entitled on a poll to one vote for every such share held by him. For adjourned meetings, the quorum is one (1) person present holding shares of such class. To every such special resolution, the provisions of Section 292 of the Act shall with such adaptations as are necessary, apply.

Clause 90 – Voting Rights

Subject to this Constitution and any rights or restrictions for the time being attached to any class or classes of shares, at meetings of Members or classes of Members, each Member shall be entitled to be present and to vote at any general meeting of the Company either personally or by proxy or by attorney and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.

15. ADDITIONAL INFORMATION (Cont'd)**Clause 91 – Number of votes**

Subject to any special rights or restrictions as to voting attached to any class or classes of shares by or in accordance with this Constitution, (a) on a show of hands, a holder of ordinary shares or preference shares who presents as a Member or a Member's representative or proxy or attorney and entitled to vote shall be entitled to one (1) vote on any question at any general meeting and (b) in the case of a poll every Member present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for every share held by him. A person entitled to more than one (1) vote need not use all his votes or cast all the votes he uses on a poll in the same way.

Clause 92 – Shares of different denominations

Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable.

Clause 163 – Application of profits

The Directors may, if they think fit from time to time, pay to the Members such dividends as appear to the Directors to be justified by the profits of the Company. If at any time the share capital of the Company is divided into different classes, the directors may pay such dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights, as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Directors act bona fide, they shall not incur any responsibility to the holder of shares conferring any preferential rights for any damage that they may suffer by reason of the payment of a dividend on any shares having deferred or non- preferential rights. The Directors may also pay half-yearly or at other suitable intervals to be determined by them, any dividend which may be payable at a fixed rate if they are of the opinion that the profits justify the payment.

15.2 LIMITATION ON THE RIGHT TO OWN SECURITIES

As our Shares are proposed for quotation on the Official List, our Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his/her/its Shares with Bursa Depository on or before the date fixed, failing which our Share Registrar will be required to transfer his/her/its Shares to the Ministry of Finance and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by the Depositor by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares will be deemed to be our shareholder and will be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

Subject to the above, there is no limitation on the right to own our Shares, including any limitation on the right of non-residents or foreign shareholders to hold or exercise voting rights on our Shares which is imposed by Malaysian law or by our Constitution.

15. ADDITIONAL INFORMATION (Cont'd)

15.3 SHARE CAPITAL

- (i) The share capital of our Company and our subsidiaries as at the LPD and the changes in their respective share capital for the Financial Periods Under Review are as set out in Section 6.1.3 and Section 6.3 of this Prospectus respectively.
- (ii) No securities will be allotted, issued or offered on the basis of this Prospectus later than six months after the date of this Prospectus.
- (iii) As at the LPD, our Company only have one class of shares, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (iv) Save as disclosed in this Prospectus, no shares, debentures, outstanding warrants, options, convertible securities or uncalled capital of our Company or our subsidiaries have been issued or proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash during the Financial Periods Under Review and up to the LPD.
- (v) As at the LPD, none of the share capital of our Company or any of our subsidiaries is under option, or agreed conditionally or unconditionally to be put under option as at the date of this Prospectus.
- (vi) As at the LPD, save for the Pink Form Allocation reserved for the Eligible Persons as disclosed in Section 4.2.1 of this Prospectus, there is currently no other scheme involving our Directors and employees in the share capital of our Company.
- (vii) As at the LPD, our Company does not have any outstanding convertible debt securities, options, warrants or uncalled capital.

15.4 REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT

As at the LPD, our Group has not established any other place of business outside of Malaysia and we do not transact with any foreign customers or suppliers. As such, there are no governmental laws, decrees, regulations or other requirement which may affect the repatriation of capital and remittance of profits by or to our Group.

15.5 CONSENTS

- (i) The written consents of the Principal Adviser, Sponsor, Underwriter and Placement Agent, Solicitors to our Company, Share Registrar, Issuing House and Company Secretaries for the inclusion in this Prospectus of their names in the form and context in which their names appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (ii) The written consent of the Auditors and Reporting Accountants for the inclusion in this Prospectus of their name, the Accountants' Report and the Reporting Accountants' report on the Pro Forma Combined Statements of Financial Position and audit reports in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.
- (iii) The written consent of the IMR for the inclusion in this Prospectus of its name and IMR Report in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

15. ADDITIONAL INFORMATION (Cont'd)**15.6 MATERIAL CONTRACTS**

Save as disclosed below, we have not entered into any contracts which are material (not being contracts entered into in the ordinary course of business) within the Financial Periods Under Review up to the LPD:

- (i) The Underwriting Agreement.
- (ii) Share sale agreement dated 3 March 2025 entered into between the FHSB Vendors and our Company in respect of the Pre-IPO Restructuring. The share sale agreement has been completed in accordance with its terms on 14 August 2025.
- (iii) Sale and purchase agreements dated 1 May 2025 entered into between Moh Kee Property Sdn Bhd (as vendor) and GBSB (as purchaser) for the purchase of the following –
 - (a) a piece of leasehold industrial land held under PN369084, Lot 509461, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak measuring approximately 4,977 square meters in area, together with one unit of factory building erected thereon, for a cash consideration of RM1,916,000;
 - (b) a piece of leasehold industrial land held under PN369085, Lot 509462, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak measuring approximately 5,562 square meters in area, together with one unit of factory building erected thereon, for a cash consideration of RM2,084,000;
 - (c) all the fixtures and machineries at the Ipoh Processing Plant listed in the sale and purchase agreement, for a cash consideration of RM1,800,000.

As at the LPD, the sale and purchase agreements have yet to be completed.

- (iv) Sale and purchase agreement dated 9 December 2024 entered into between Kong Long Huat Realty Sdn. Bhd. (as vendor) and FBFSB (as purchaser) for the purchase of following lands:
 - (a) a piece of land measuring approximately 1.7983 hectares held under Geran 65082, Lot 3878, Mukim Juasseh, Daerah Kuala Pilah, State of Negeri Sembilan;
 - (b) a piece of land measuring approximately 1.7958 hectares held under Geran 65083, Lot 3879, Mukim Juasseh, Daerah Kuala Pilah, State of Negeri Sembilan;
 - (c) a piece of land measuring approximately 1.8084 hectares held under Geran 65086, Lot 3880, Mukim Juasseh, Daerah Kuala Pilah, State of Negeri Sembilan;
 - (d) a piece of land measuring approximately 1.8059 hectares held under Geran 65089, Lot 3881, Mukim Juasseh, Daerah Kuala Pilah, State of Negeri Sembilan,
 for a cash consideration of RM3,995,950. The sale and purchase agreement has been completed in accordance with its terms on 6 March 2025.
- (v) Sale and purchase agreement dated 27 November 2024 entered into between FBFSB (as vendors) and Simpang Rengam Jaya Sdn Bhd (as purchaser) for the disposal of all that piece of freehold agricultural land held under HS(D) 3980, PTD 501, Mukim of Sungai Segamat, District of Segamat, State of Johor measuring approximately 2.4281 hectares in area, for a cash consideration of RM564,000⁽²⁾. The sale and purchase agreement has been completed in accordance with its terms on 28 February 2025.
- (vi) Sale and purchase agreement dated 27 November 2024 entered into between FBFSB (as vendors) and Simpang Rengam Jaya Sdn Bhd (as purchaser) for the disposal of all that piece of freehold agricultural land held under HS(D) 3981, PTD 502, Mukim of Sungai Segamat, District of Segamat, State of Johor measuring approximately 2.4281 hectares in area, for a cash consideration of RM564,000⁽²⁾. The sale and purchase agreement has been completed in accordance with its terms on 28 February 2025.

15. ADDITIONAL INFORMATION (Cont'd)

- (vii) Sale and purchase agreement dated 27 November 2024 entered into between FBFSB (as vendors) and Simpang Rengam Jaya Sdn Bhd (as purchaser) for the disposal of all that piece of freehold agricultural land held under HS(D) 3982, PTD 503, Mukim of Sungai Segamat, District of Segamat, State of Johor measuring approximately 4.8562 hectares in area, for a cash consideration of RM1,128,000⁽²⁾. The sale and purchase agreement has been completed in accordance with its terms on 28 February 2025.
- (viii) Sale and purchase agreement dated 27 June 2024 entered into between Ong See Hon and Ong Say Lin (as vendors) and FBFSB (as purchaser) for the purchase of all that piece and parcel of freehold land held under Geran 74705, Lot 1232, Mukim Jelai, Daerah Jempol, State of Negeri Sembilan, measuring approximately 2.638 hectares in area, for a cash consideration of RM1,160,204. The sale and purchase agreement has been completed in accordance with its terms on 27 September 2024. Our Group intends to use this land for the future construction of our new breeder farms.
- (ix) Sale and purchase agreement dated 27 June 2024 entered into between Ong Say Ping and Ong Guat Cheng (as vendors) and FBFSB (as purchaser) for the purchase of all that piece and parcel of freehold land held under Geran 74706, Lot 1233, Mukim Jelai, Daerah Jempol, State of Negeri Sembilan, measuring approximately 2.638 hectares in area, for a cash consideration of RM1,160,204. The sale and purchase agreement has been completed in accordance with its terms on 27 September 2024. Our Group intends to use this land for the future construction of our new breeder farms.
- (x) Conditional sale and purchase agreements dated 24 April 2024 entered into between Lee Chee Koon (as vendor) and GBSB (as purchaser) for the purchase of following properties:
 - (a) a piece of freehold agricultural land held under Geran Mukim 837 Lot 1112, Mukim Jimah, Daerah Port Dickson, State of Negeri Sembilan, measuring approximately 1.204 hectares in area, for a cash consideration of RM1,041,300; and
 - (b) The plantations situated on for a cash consideration of RM446,300,

the completion of the aforesaid sale and purchase agreements are conditional upon each other. The sale and purchase agreement has been completed in accordance with its terms on 18 November 2024. Our Group intends to use this land for the future business operations.
- (xi) Sale and purchase agreement dated 23 April 2024 entered into between Sim Chin Hooi (as vendor) and GBSB (as purchaser) for the purchase of a piece of freehold agricultural land held under Geran Mukim 839, Lot 1114, Mukim Jimah, Daerah Port Dickson, State of Negeri Sembilan, measuring approximately 1.146 hectares in area, for a cash consideration of RM1,330,100. The sale and purchase agreement has been completed in accordance with its terms on 19 November 2024. Our Group intends to use this land for the future business operations.
- (xii) Sale and purchase agreement dated 17 April 2024 entered into between Asokkumar A/L K.S. Malakolunthu (as vendor) and GBSB (as purchaser) for the purchase of a piece of freehold agricultural land held under Geran Mukim 848, Lot 1113, Mukim Jimah, Daerah Port Dickson, State of Negeri Sembilan, measuring approximately 1.189 hectares in area, for a cash consideration of RM2,303,694. As at the LPD, the sale and purchase agreement has yet to be completed in accordance with its terms.
- (xiii) Sale and purchase agreement dated 26 February 2024 entered into between Chong Ah Soi @ Chong Soi Wah, Chong Chan Poh and Lau Mou @ Wong Sau Moi (collectively, as vendor) and FBFSB (as purchaser) for the purchase of a piece of freehold agricultural land held under H.S.(D) 3981, PTD 502, Mukim of Sungai Segamat, District of Segamat, State of Johor, measuring approximately 2.4281 hectares in area, for a cash consideration of RM564,000. The sale and purchase agreement has been completed in accordance with its terms on 28 June 2024.

15. ADDITIONAL INFORMATION (Cont'd)

- (xiv) Sale and purchase agreement dated 30 January 2024 entered into between Chong Chan Kiat, Chong Chan Onn and Chong Chan Poh (collectively, as vendors) and FBFSB (as purchaser) for the purchase of a piece of freehold agricultural land held under H.S.(D) 3980, PTD 501, Mukim of Sungai Segamat, District of Segamat, State of Johor, measuring approximately 2.4281 hectares in area, for a cash consideration of RM564,000. The sale and purchase agreement has been completed in accordance with its terms on 3 May 2024.
- (xv) Sale and purchase agreement dated 23 January 2024 entered into between Wong Sai Choon and Wong Shi Guang (collectively as vendor) and FBFSB (as purchaser) for the purchase of a piece of freehold agricultural land held under H.S.(D) 3982, PTD 503, Mukim of Sungai Segamat, District of Segamat, State of Johor, measuring approximately 4.8562 hectares in area, for a cash consideration of RM1,128,000. The sale and purchase agreement has been completed in accordance with its terms on 13 June 2024.
- (xvi) Sale and purchase agreements dated 29 December 2023 entered into between KLK Farm Sdn. Bhd. (as vendor) and FARSB (as purchaser) for the purchase of the following properties and assets –
 - (a) a piece of freehold agricultural land held under Geran No. 37156, Lot No. 1021, Mukim Kerling, Daerah Ulu Selangor, Negeri Selangor, measuring approximately 2.5242 hectares in area, together with the fixtures and fittings as set out in the sale and purchase agreements, for a cash consideration of RM1,200,000;
 - (b) a piece of freehold agricultural land held under Geran No. 37157, Lot No. 1022, Mukim Kerling, Daerah Ulu Selangor, Negeri Selangor, measuring approximately 2.5268 hectares in area, for a cash consideration of RM1,200,000; and
 - (c) The plants and equipments as set out in the sale and purchase agreement for a cash consideration of RM5,600,000,

the abovementioned sale and purchase agreements have been completed in accordance with its terms on 14 March 2024. Our Group intends to use the land held under Geran No. 37157, Lot No. 1022, Mukim Kerling, Daerah Ulu Selangor, Negeri Selangor for future business operations.
- (xvii) Conditional sale and purchase agreement dated 19 October 2023 entered into between Kon Siow Pong, Kon Siow Pong as trustee for Kon Qi Yao, Kon Pei Sin and Kon Sin Wei (collectively, as vendors) and FBFSB (as purchaser) for the purchase of a piece of freehold land held under Geran No. 66832, Lot 6360, Mukim Johol, Daerah Kuala Pilah, Negeri Sembilan, measuring approximately 4.0443 hectares in area, for a cash consideration of RM1,099,305.12. The sale and purchase agreement has been completed in accordance with its terms on 29 March 2024. Our Group intends to use this land for the future construction of our new breeder farms.
- (xviii) Sale and purchase agreement dated 25 September 2023 entered into between Gan Leong Yong and Lee Chai Haut (as vendors) and FARSB (as purchaser) for the purchase of all that piece of a freehold land held under Geran No. 72922, Lot 1765, Mukim Pedas, Daerah Rembau, Negeri Sembilan, measuring approximately 2.0234 hectares in area, for a cash consideration of RM550,000.00. The sale and purchase agreement has been completed in accordance with its terms on 7 December 2023. Our Group intends to use this land for future business operations.
- (xix) Sale and purchase agreement dated 21 September 2023 entered into between Lai Chee Sang and Lai Kai Sang (as vendors) and FBFSB (as purchaser) for the purchase of a piece of freehold agricultural land held under Geran No. 66830, Lot 6359, Mukim Johol, Daerah Kuala Pilah, Negeri Sembilan, measuring approximately 4.4541 hectares in area, for a cash consideration of RM1,320,000. The sale and purchase agreement has been completed in accordance with its terms on 7 December 2023. Our Group intends to use this land for the future construction of our new breeder farms.

15. ADDITIONAL INFORMATION (Cont'd)

- (xx) Sale and purchase agreement dated 15 August 2023 entered into between FBFSB (as vendor) and Lam Thye Holdings Sdn. Bhd. (as purchaser) for the sale of a piece of freehold agricultural land held under Geran 268131, Lot 42290, Mukim Rompin, Daerah Jempol, Negeri Sembilan, measuring approximately 4.015 hectares in area, for a cash consideration of RM1,091,343. The sale and purchase agreement has been completed in accordance with its terms on 12 March 2024.
- (xxi) Sale and purchase agreement dated 26 July 2023 entered into between Goh Hua Beng and Chua Swee Hong (as vendors) and FBFSB (as purchaser) for the purchase of a piece of freehold land held under Geran No. 51428, Lot 1216, Mukim Jelai, Daerah Jempol, Negeri Sembilan, measuring approximately 4.0165 hectares in area, for a cash consideration of RM1,091,750.00. The sale and purchase agreement has been completed in accordance with its terms on 4 August 2023. Our Group intends to use this land for the future construction of our new breeder farms.
- (xxii) Sale and purchase agreement dated 18 July 2023 entered into between Lew Kok Onn (as vendor) and FBFSB (as purchaser) for the purchase of a piece of freehold land held under Geran No. 163182, Lot 1998, Mukim Jelai, Daerah Jempol, Negeri Sembilan, measuring approximately 1.93 hectares in area, for a cash consideration of RM596,125. The sale and purchase agreement has been completed in accordance with its terms on 21 July 2023. Our Group intends to use this land for the future construction of our new breeder farms.
- (xxiii) Share sale agreement dated 1 June 2023 entered into between FHSB and Loi Heng Poh (collectively, as vendors) and Casey Lim Chin Joo (as purchaser) for the disposal of 1,500,000 ordinary shares in Casey Poultry for a consideration of RM1,500,000⁽¹⁾. The sale and purchase agreement has been completed in accordance with its terms on 2 June 2023.
- (xxiv) 2 sale and purchase agreements dated 7 March 2023 entered into between FBFSB (as vendor) and Kalaiselvan A/L Rajundran (as purchaser) for the disposal of the following properties –
 - (a) a piece of land held under Geran No. 222815, Lot 10827, Mukim Rompin, Daerah Jempol, Negeri Sembilan, measuring approximately 1.98 hectares in area, for a cash consideration of RM489,268.70⁽²⁾; and
 - (b) a piece of land held under Geran No. 222816, Lot 10828, Mukim Rompin, Daerah Jempol, Negeri Sembilan, measuring approximately 1.981 hectares in area, for a cash consideration of RM489,515.76⁽²⁾,

both of the sale and purchase agreements have been completed in accordance with its terms on 1 June 2023.
- (xxv) Sale and purchase agreement dated 22 February 2023 entered into between Chan Sai Hoow, Chan Sai Lon, Chan Sai Wai (as vendors) and FBFSB (as purchaser) for the purchase of a piece of freehold agricultural land held under Geran No. 9136, Lot 760, Mukim Pelangai, Daerah Bentong, Negeri Pahang, measuring approximately 7.947 hectares in area, for a cash consideration of RM2,415,351. The sale and purchase agreement has been completed in accordance with its terms on 17 May 2023. Our Group intends to use this land for the future construction of our new breeder farms.
- (xxvi) Sale and purchase agreement dated 16 January 2023 entered into between Law You Ting (as vendor) and FARSB (as purchaser) for the purchase of a piece of leasehold agricultural land held under Pajakan Mukim 322, Lot 2986, Mukim Sepang, Daerah Sepang, Negeri Selangor, measuring approximately 2.0614 hectares in area, for a cash consideration of RM1,018,400. The sale and purchase agreement has been completed in accordance with its terms on 8 March 2023. Our Group intends to use this land for future business operations.

15. ADDITIONAL INFORMATION (Cont'd)

- (xxvii) Sale and purchase agreement dated 5 December 2022 entered into between Tee Choy Bin and Tee Chui Kong (as vendors) and FBFSB (as purchaser) for the purchase of a piece of freehold agricultural land held under Geran No. 67993, Lot 2435, Mukim Kepis, Daerah Kuala Pilah, Negeri Sembilan, measuring approximately 3.1515 hectares in area, for a cash consideration of RM661,895. The sale and purchase agreement has been completed in accordance with its terms on 19 January 2023. Our Group intends to use this land for the future construction of our new breeder farms.
- (xxviii) 2 Sale and purchase agreement dated 5 December 2022 entered into between Lai Ngan (as vendor) and FBFSB (as purchaser) for the purchase of the following properties:-
- (a) a piece of freehold agricultural land held under Geran No. 67994, Lot 2436, Mukim Kepis, Daerah Kuala Pilah, Negeri Sembilan, measuring approximately 3.1565 hectares in area, for a cash consideration of RM663,000; and
 - (b) a piece of freehold agricultural land held under Geran No. 67991, Lot 2433, Mukim Kepis, Daerah Kuala Pilah, Negeri Sembilan, measuring approximately 2.1651 hectares in area, for a cash consideration of RM454,750.
- Both of the sale and purchase agreement have been completed in accordance with its terms on 19 January 2023. Our Group intends to use these lands for the future construction of our new breeder farms.
- (xxix) Sale and purchase agreement dated 1 November 2022 entered into between Chuwa Leng Kee (as vendor) and FARSB (as purchaser) for the purchase of a piece of agricultural freehold land held under H.S.(D) No. 42115, PT 4077, Mukim Batu, Daerah Kuala Langat, Negeri Selangor, measuring approximately 1.7784 hectares in area, for a cash consideration of RM1,300,000. The sale and purchase agreement has been completed in accordance with its terms on 16 November 2022. Our Group intends to use this land for the future business operations.
- (xxx) Sale and purchase agreement dated 4 August 2022 entered into between Lee Moi (as vendor) and FBFSB (as purchaser) for the purchase of a piece of vacant freehold agricultural land held under Geran 222815, Lot 10827, Mukim Rompin, Daerah Jempol, Negeri Sembilan, measuring approximately 1.98 hectares, for a cash consideration of RM577,256.00. The sale and purchase agreement has been completed in accordance with its terms on 5 September 2022.
- (xxxi) Sale and purchase agreement dated 4 August 2022 entered into between Chey Kum Cheong (as vendor) and FBFSB (as purchaser) for the purchase of a piece of vacant freehold agricultural land held under Geran 222816, Lot 10828, Mukim Rompin, Daerah Jempol, Negeri Sembilan, measuring approximately 1.981 hectares, for a cash consideration of RM577,610.00. The sale and purchase agreement has been completed in accordance with its terms on 5 September 2022.
- (xxxii) Sale and purchase agreement dated 8 November 2021 entered into between FBFSB (as vendor) and Loi Eng Chai and Lim Choon Ping (as purchasers) for the sale of the freehold property held under Geran 138431, Lot 10935, Mukim Rompin, District of Jempol, State of Negeri Sembilan, together with a piece of agricultural land planted with rubber trees thereon, measuring approximately 3.957 hectares, for a cash consideration of RM635,505.00. The sale and purchase agreement has been completed in accordance with its terms on 5 September 2022.

Notes:

- (1) The disposal of Casey Poultry was one-off as the disposal was undertaken to streamline the business operation of our Group.
- (2) These lands were acquired and held by our Group for less than 2 years. Notwithstanding that, we have no intention of venturing into the business of property trading, as this land was disposed of due to geographical remoteness and protracted licensing approval process, making it less suitable for our expansion into the broiler breeding segment. Further, no gain was made on disposals of this land.

15. ADDITIONAL INFORMATION (Cont'd)

15.7 MATERIAL LITIGATION

As at the LPD, we are not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant, which has a material effect on our financial position, and our Directors confirm that there are no proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect our financial position or business.

15.8 DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at our registered office during office hours for a period of six months from the date of this Prospectus:

- (i) our Constitution;
- (ii) our material contracts referred to in Section 15.6 of this Prospectus;
- (iii) the Reporting Accountants' report on the Pro Forma Combined Statements of Financial Position and the Accountants' Report as referred to in Sections 13 and 14 respectively of this Prospectus;
- (iv) the IMR Report as set out in Section 8 of this Prospectus;
- (v) the letters of consent referred to in Section 15.5 of this Prospectus; and
- (vi) the audited financial statements for the Financial Periods Under Review of our Group.

15.9 RESPONSIBILITY STATEMENTS

- (i) Our Directors and Promoters have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.
- (ii) Malacca Securities as the Principal Adviser, Sponsor, Underwriter and Placement Agent acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

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16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT OUR ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus. Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 21 OCTOBER 2025

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 30 OCTOBER 2025

In the event there is any change to the dates stated above, we will advertise the notice of the change in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia.

Late Applications will not be accepted.

16.2 METHODS OF APPLICATIONS**16.2.1 Public Issue**

All Applications must accord with this Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

Types of Application and category of investors	Application Method
Applications by our Eligible Persons	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

16.2.2 Placement

Types of Application	Application Method
Applications by: Bumiputera Investors approved by MITI	MITI will contact the Bumiputera Investors directly. They should follow MITI's instructions.
Selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.

Eligible persons and selected investors may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.3 ELIGIBILITY

16.3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

16.3.2 Application by the Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

- (i) You must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or
 - (b) a corporation / institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors / trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) You must not be a director or employee of our Issuing House or an immediate family member of a director or employee of our Issuing House; and
- (iii) You must submit Applications by using only one of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.3.3 Application by the Eligible Persons

The Eligible Persons who have contributed to the success of our Group will be provided with Pink Application Forms and letters from us detailing their respective allocation.

Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, our Issuing House, Malacca Securities, Participating Organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association

16.4 APPLICATION BY WAY OF APPLICATION FORM

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of this Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM0.25 for each IPO Share.

Payment must be made out in favour of “**TIH SHARE ISSUE ACCOUNT NO. 812**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

- (i) despatched by **ORDINARY POST** in the official envelopes provided, to the following address:

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
 Unit 32-01, Level 32, Tower A
 Vertical Business Suite
 Avenue 3, Bangsar South
 No. 8, Jalan Kerinchi
 59200 Kuala Lumpur
 Wilayah Persekutuan

- (ii) **DELIVERED BY HAND AND DEPOSITED** in the issuing house drop-in box provided at

Unit G-3, Ground Floor
 Vertical Podium
 Avenue 3, Bangsar South
 No. 8, Jalan Kerinchi
 59200 Kuala Lumpur
 Wilayah Persekutuan

so as to arrive not later than 5.00 p.m. on 30 October 2025 or by such other time and date specified in any change to the date or time for closing.

We, together with our Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to our Issuing House.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.5 APPLICATION BY WAY OF AN ELECTRONIC SHARE APPLICATION

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad.. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

16.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATION

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd), Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd and Public Bank Berhad, RHB Bank Berhad, TA Securities Holdings Berhad and UOB Kay Hian (M) Sdn Bhd (formerly known as UOB Kay Hian Securities (M) Sdn Bhd). A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

16.7 AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

Our Issuing House, on the authority of our Board reserves the right to:

- (i) reject Applications which:
 - (a) do not conform to the instructions of this Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful / partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 16.9 below.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of our Issuing House at anytime within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16.8 OVER/UNDER-SUBSCRIPTION

In the event of over-subscription, our Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by our Issuing House to the Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website at <https://srmy.vistra.com> within one (1) business day after the balloting event.

Pursuant to the Listing Requirements, we are required to have a minimum of 25.00% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our IPO Shares by the Malaysian Public and / or Eligible Persons, subject to the underwriting arrangements and reallocation as set out in Section 4.2.3 of our Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the underwriter based on the terms of the Underwriting Agreement.

16.9 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful / partially successful in your Application, your Application Monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application Forms

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary / registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary / registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by our Issuing House as per items (i) and (ii) above (as the case may be).

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iv) Our Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or by issuance of banker's draft sent by ordinary / registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

16.9.2 For applications by way of Electronic Share Application and Internet Share Application

- (i) Our Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from our Issuing House.
- (ii) You may check your account on the 5th Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by our Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from our Issuing House.

16.10 SUCCESSFUL APPLICANTS

If you are successful in your application:

- (i) Our IPO Shares allotted to you will be credited into your CDS account.
- (ii) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued / offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our IPO Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**16.11 ENQUIRIES**

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services at telephone no. +603 2783 9299
Electronic Share Application	The relevant Participating Financial Institution
Internet Share Application	The relevant Internet Participating Financial Institution or Participating Securities Firm and Authorised Financial Institution

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at the Issuing House website at <https://srmy.vistra.com>, 1 Market Day after the balloting date.

You may also check the status of your Application by calling your respective ADA during office hours at the telephone number as set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of this Prospectus on the website of Bursa Securities.

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